

LIMITED REMARKETING MEMORANDUM

Not a New Issue—Book Entry Only

On June 20, 2019, Greenberg Traurig, P.A., Miami, Florida (“Bond Counsel”) rendered its opinion in connection with the original issuance of the Series 2019B Bonds (hereinafter defined) to the effect that under then existing statutes, assuming the accuracy of the certifications of the Issuer and the Company and their continued compliance with their respective covenants in the Indenture, the Senior Loan Agreement and the Federal Tax Certificate for the Series 2019B Bonds pertaining to the requirements of the Internal Revenue Code of 1986, as amended (the “Code”), (i) interest on the Series 2019B Bonds is excludable from gross income for purposes of federal income taxation (except for interest on any Series 2019B Bonds while held by a “substantial user” of the Project or a “related person,” as those terms are defined in Section 147(a) of the Code), (ii) interest on the Series 2019B Bonds is a preference item for purposes of determining the federal alternative minimum tax imposed on individuals, and (iii) the Series 2019B 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 therein. In the opinion of Bond Counsel, to be rendered on the Remarketing Date (as defined herein), the conversion of the interest rate on the Series 2019B Bonds to a Fixed Rate and the remarketing of the Series 2019B Bonds as Released Bonds (as defined herein), in and of itself, will not have an adverse effect upon (i) the exclusion of interest on the Series 2019B Bonds from gross income for federal income tax purposes, or (ii) the exclusion under existing Florida law of interest on the Series 2019B Bonds from taxation under the laws of the State of Florida. See “TAX MATTERS” herein and Appendices I-1 and I-2.



FLORIDA DEVELOPMENT FINANCE
CORPORATION

\$950,000,000

FLORIDA DEVELOPMENT FINANCE CORPORATION

Surface Transportation Facility

Revenue Bonds

(Brightline Florida Passenger Rail Project),

Series 2019B (Green Bonds)

DAC Bond

brightline

Dated: December 11, 2020

Due: As shown on inside cover

The Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Virgin Trains Passenger Rail Project), Series 2019B (the “Series 2019B Bonds”) were issued by the Florida Development Finance Corporation (the “Issuer”), pursuant to an Indenture of Trust (as amended, the “Original Indenture”) as supplemented by the First Supplemental Indenture of Trust (as amended, the “First Supplemental Indenture”), and such Series 2019B Bonds are being remarketed pursuant to the Second Supplemental Indenture of Trust (the “Second Supplemental Indenture,” and together with the Original Indenture and First Supplemental Indenture, the “Indenture”), to be dated as of the Remarketing Date, between the Issuer and Deutsche Bank National Trust Company, as trustee (the “Trustee”). Upon remarketing, the Series 2019B Bonds will constitute Released Bonds (as defined in the First Supplemental Indenture) and are being redesignated as “Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Florida Passenger Rail Project), Series 2019B.” The proceeds of the Series 2019B Bonds were loaned to Brightline Trains Florida LLC (f/k/a Virgin Trains USA Florida LLC), a Delaware limited liability company (the “Company”) to: (a) pay or reimburse a portion of the costs of the design, development, acquisition, construction, installation, equipping, ownership, operation, maintenance and administration of the Miami to Orlando portion of a privately owned and operated intercity passenger rail system and related facilities with stations located or to be located initially in Orlando, West Palm Beach, Fort Lauderdale and Miami, Florida, as more particularly described herein (the “Project”); including the New In-line Stations (as defined herein) and Capacity Expansion Projects (as defined herein); (b) pay the interest to accrue on the Series 2019B Bonds through the interest payment due on January 1, 2023; (c) pay the interest to accrue on the Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Florida Passenger Rail Project), Series 2019A (the “Series 2019A Bonds”) from July 1, 2022 through the interest payment due on January 1, 2023; (d) fund certain accounts for the Series 2019B Bonds, including the Ramp-Up Reserve Account (as defined herein) and the Construction Account (as defined herein), to the extent permitted by the Code and the Treasury Regulations; (e) repay a portion of the Company’s outstanding short-term debt; and (f) pay or reimburse certain costs in connection with the remarketing of the Series 2019B Bonds.

The Series 2019B Bonds are being remarketed on December 23, 2020 (the “Remarketing Date”) at a Fixed Rate until maturity. Interest on the Series 2019B Bonds from the Remarketing Date is payable semi-annually on each January 1 and July 1, commencing on July 1, 2021, until maturity. The Series 2019B Bonds will bear interest at the Fixed Rate set forth on the inside cover page until maturity. The Series 2019B Bonds are subject to optional, extraordinary mandatory and mandatory sinking fund redemption prior to maturity as described herein.

The Series 2019B Bonds are being remarketed as fully registered bonds in denominations of \$100,000 and integral multiples of \$5,000 in excess thereof and, when remarketed, the Series 2019B Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company of New York (“DTC”). DTC will act as securities depository for the Series 2019B Bonds. Purchases of beneficial interests in the Series 2019B Bonds will be made in book-entry form only, and purchasers will not receive certificates representing their interests in the Series 2019B Bonds except as described herein.

The Remarketing Agents are remarketing the Series 2019B Bonds only to “qualified institutional buyers” under Rule 144A of the Securities Act of 1933, as amended (the “Securities Act”) and “accredited investors” under Rule 501(a) of the Securities Act. Please see “NOTICE TO INVESTORS,” “DESCRIPTION OF THE SERIES 2019B BONDS—General” and “APPENDIX L—FORM OF INVESTOR LETTER” for additional information about eligible offerees and transfer restrictions.

Investing in the Series 2019B Bonds involves a high degree of risk. See “RISK FACTORS” for additional information. Investors should read this Limited Remarketing Memorandum in its entirety (including all Appendices hereto) before making an investment decision. In making an investment decision, investors must rely on their own examination of the Company, the Issuer and the Project and the terms of the remarketing, including the merits and risks involved.

THE SERIES 2019B BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER PAYABLE FROM AND SECURED SOLELY BY THE TRUST ESTATE AND THE COLLATERAL. THE SERIES 2019B BONDS DO NOT CONSTITUTE INDEBTEDNESS OF THE ISSUER, THE STATE OF FLORIDA (THE “STATE”), THE COUNTIES OF BREVARD, BROWARD, MIAMI-DADE, ORANGE OR PALM BEACH (COLLECTIVELY, THE “PABS COUNTIES”), OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE, WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE STATE, THE PABS COUNTIES, OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE, AND NEITHER THE FULL FAITH AND CREDIT OF THE ISSUER NOR THE FULL FAITH AND CREDIT OR THE TAXING POWER OF THE STATE, THE PABS COUNTIES, OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST OR PREMIUM, IF ANY, ON THE SERIES 2019B BONDS. NO COVENANT OR AGREEMENT CONTAINED IN THE SERIES 2019B BONDS OR THE INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER OF THE GOVERNING BODY OF THE ISSUER NOR SHALL ANY OFFICIAL OF THE ISSUER EXECUTING SUCH SERIES 2019B BONDS BE LIABLE PERSONALLY ON THE SERIES 2019B BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE SERIES 2019B BONDS. THE ISSUER HAS NO TAXING POWER.

The Series 2019B Bonds are being remarketed and offered subject to receipt of opinions on certain legal matters of Greenberg Traurig, P.A., Miami, Florida, as Bond Counsel, and to certain other conditions. Certain legal matters will be passed upon for the Florida Development Finance Corporation by its special counsel, Nelson Mullins Riley & Scarborough LLP, Attorneys at Law, Orlando, Florida; for the Company by its counsel, Skadden, Arps, Slate, Meagher & Flom LLP and Greenberg Traurig, P.A., Miami, Florida; and for the Remarketing Agents by their special counsel, Mayer Brown LLP, Chicago, Illinois. It is expected that the Series 2019B Bonds will be remarketed and available for delivery through the facilities of DTC on or about December 23, 2020.

Morgan Stanley

**BofA Securities
Piper Sandler & Co.**

**Deutsche Bank Securities, Inc.
UBS**

**Barclays
Jefferies**

AcademySecurities

Oppenheimer & Co.

December 11, 2020

\$950,000,000
Florida Development Finance Corporation
Surface Transportation Facility Revenue Bonds
(Brightline Florida Passenger Rail Project), Series 2019B

Due January 1, 2049

Interest Rate Mode: Fixed Rate

Fixed Rate: 7.375%

First Interest Payment Date: July 1, 2021

Price: 95.732% CUSIP Number[†]: 34061YAH3

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Brightline trains at West Palm Beach maintenance facility

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NOTICE TO INVESTORS

No dealer, broker, salesman or other person has been authorized by the Company, the Issuer, the Remarketing Agents or any other person described herein to give any information or to make any representations, other than those contained in this Limited Remarketing Memorandum, and, if given or made, such other information or representations must not be relied upon as having been authorized by the Company, the Issuer or the Remarketing Agents or any such other person. This Limited Remarketing Memorandum does not constitute an offer to sell or the solicitation of an offer to buy, nor will there be (i) any sale of the Series 2019B Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale or (ii) any offer, solicitation or sale to any person to whom it is unlawful to make such offer, solicitation or sale. The information set forth herein concerning DTC has been furnished by DTC, and no representation is made by the Company, the Issuer or the Remarketing Agents as to the completeness or accuracy of such information. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Limited Remarketing Memorandum nor any sales made hereunder will, under any circumstances, create any implication that there has been no change in the affairs of the Issuer, the Company or DTC (or any other information) since the date hereof.

The Remarketing Agents have provided the following sentence for inclusion in this Limited Remarketing Memorandum: The Remarketing Agents have reviewed the information in this Limited Remarketing Memorandum in accordance with, and as part of, its responsibilities to investors under federal securities laws as applied to the facts and circumstances of the transaction, but the Remarketing Agents do not guarantee the accuracy or completeness of such information.

Neither the Issuer, nor its attorneys or advisors, has prepared or assisted in the preparation of this Limited Remarketing Memorandum except the statements made under “THE ISSUER” and “LITIGATION—The Issuer” herein, and, except as noted above, neither the Issuer, nor its attorneys or advisors, is responsible for any statements made in this Limited Remarketing Memorandum. Except for the execution and delivery of documents required to effect the issuance of the Series 2019B Bonds, neither the Issuer, nor its attorneys or advisors, has otherwise assisted in the public offer, sale or distribution of the Series 2019B Bonds. Accordingly, except as aforesaid, the Issuer, on behalf of itself and its attorneys and advisors, disclaims responsibility for the disclosures set forth in this Limited Remarketing Memorandum or otherwise made in connection with the offer, sale and distribution of the Series 2019B Bonds.

The Series 2019B Bonds have not been registered with the Securities and Exchange Commission under the Securities Act. Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the Series 2019B Bonds or passed upon the accuracy or adequacy of this Limited Remarketing Memorandum. Any representation to the contrary is a criminal offense.

The Indenture for the Series 2019B Bonds provides that, upon sale or transfer of a Series 2019B Bond, each purchaser or transferee shall be deemed to have certified, acknowledged and represented to the Trustee, the Company, the Issuer and the Remarketing Agents that such purchaser (i) is a “qualified institutional buyer” within the meaning of Rule 144A promulgated under the Securities Act or an “accredited investor” within the meaning of Rule 501(a) promulgated under the Securities Act, and (ii) will only transfer, resell, reoffer, pledge or otherwise transfer its Series 2019B Bond to a subsequent transferee who such transferor reasonably believes is (a) a qualified institutional buyer within the meaning of said Rule 144A or (b) an “accredited investor” within the meaning of said Rule 501(a) who is willing and able to conduct an independent investigation of the risks involved with ownership of such Series 2019B Bond and agrees to be bound by the transfer restrictions applicable to such Series 2019B Bond set forth in the Indenture. A legend will be printed on the face of each Series 2019B Bond (or otherwise indicated on the records of the transfer agent) indicating the foregoing transfer restrictions. These transfer restrictions will cease to apply in the event a nationally recognized rating agency has assigned the Series 2019B Bonds an investment grade rating, without any form of third-party credit enhancement.

Investing in the Series 2019B Bonds involves a high degree of risk. See “RISK FACTORS” for additional information. In making an investment decision, investors must rely on their own examination of the Company, the Issuer and the Project and the terms of the remarketing, including the merits and risks involved. None of the Company, the Issuer or the Remarketing Agents or any of their representatives or affiliates is making any representation regarding the legality of an investment in the Series 2019B Bonds under applicable investment or similar laws. Prospective investors should not construe anything in this Limited Remarketing Memorandum as legal, business or tax advice and

prospective investors should consult with their own advisors as to legal, tax, business, financial and related aspects of the Series 2019B Bonds.

The order and placement of information in this Limited Remarketing Memorandum, including appendices, are not an indication of relevance, materiality or relative importance, and this Limited Remarketing Memorandum, including the appendices, must be read in its entirety. The captions and headings in this Limited Remarketing Memorandum are for convenience of reference only and in no way define, limit or describe the scope or intent, or affect the meaning or construction, of any provision or section of this Limited Remarketing Memorandum.

This Limited Remarketing Memorandum contains summaries of and references to documents that the Company believes to be accurate; however, reference is made to the actual documents for complete information. All such summaries and references are qualified in their entirety by such reference. Copies of such documents may be obtained during the remarketing period from the principal offices of the Representative in New York, New York and thereafter, executed copies may be obtained from the principal offices of the Trustee in New York, New York.

ALL CAPITALIZED TERMS USED HEREIN BUT NOT OTHERWISE DEFINED HEREIN SHALL HAVE THE RESPECTIVE MEANINGS ASCRIBED TO THEM IN THE DEFINITIONS SET FORTH IN “APPENDIX A—DEFINITIONS OF TERMS.”

IN CONNECTION WITH THE REMARKETING OF THE SERIES 2019B BONDS, THE REMARKETING AGENTS MAY OVER-ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2019B BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

Notice to Investors in Australia

Neither this Limited Remarketing Memorandum nor any disclosure document (as defined in the Australian Corporations Act) in relation to the Series 2019B Bonds has been, or will be, lodged with the Australian Securities and Investments Commission (the “ASIC”). The Remarketing Agents have represented and agreed that, in connection with the distribution of the Series 2019B Bonds, it:

- (i) has not offered for issue or sale, nor invited applications for the issue, sale or purchase of, any Series 2019B Bonds in Australia (including an offer or invitation which is received by a person in Australia);
- (ii) will not offer for issue or sale, nor invite applications for the issue or sale of, or to purchase, any Series 2019B Bonds in Australia (including an offer or invitation which is received by a person in Australia); and
- (iii) has not distributed or published, and will not distribute or publish, this offering memorandum or any other offering material or advertisement relating to the Series 2019B Bonds in Australia;

unless:

- (x) (A) the aggregate amount payable on acceptance of the offer by each offeree or invitee for the Series 2019B Bonds is a minimum amount of A\$500,000 (or its equivalent in an alternate currency); or (B) the offer or invitation is otherwise an offer or invitation for which no disclosure is required to be made under Parts 6D.2 or 7.9 of the Australian Corporations Act;
- (y) the offer, invitation or distribution complies with all applicable Australian laws and regulations in relation to the offer, invitation or distribution; and
- (z) such action does not require any document to be lodged with the ASIC or the Australian Securities Exchange operated by ASX Limited.

Notice to Investors in Canada

The Series 2019B Bonds may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Series 2019B Bonds must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this offering memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Remarketing Agents are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Notice to Investors in Korea

The Series 2019B Bonds have not been and will not be registered under the Financial Investment Services and Capital Markets Act of Korea and the decrees and regulations thereunder (the "FSCMA") and the Series 2019B Bonds have been and will be offered in Korea as a private placement under the FSCMA. None of the Series 2019B Bonds may be offered, sold or delivered, directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the Regulation on Securities Issuance and Disclosures issued by the Financial Services Commission under the FSCMA, provisions in the Foreign Exchange Transaction Law of Korea and the regulations thereunder. No registration statement has been filed with Financial Services Commission of Korea in connection with the issue of the Series 2019B Bonds. The Series 2019B Bonds can be sold or resold to Korean residents only subject to all applicable regulatory requirements of Korea.

Notice to Investors in the European Economic Area and United Kingdom

The Series 2019B Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA") or in the United Kingdom ("UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "Prospectus Regulation"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Series 2019B Bonds or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Series 2019B Bonds or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation. This Limited Remarketing Memorandum has been prepared on the basis that any offer of Series 2019B Bonds in any Member State of the EEA or in the UK will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of Series 2019B Bonds. This Limited Remarketing Memorandum is not a prospectus for the purposes of the Prospectus Regulation.

Note to Investors in the United Kingdom

In addition, in the United Kingdom, this document is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at persons who are "qualified investors" (as defined in the Prospectus Regulation) (i) who have professional experience in matters relating to investments falling within Article 19 (5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order") and/or (ii) who are high net worth companies (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). This document must not be acted on or relied on in the United Kingdom by persons who are not relevant persons. In the United Kingdom,

any investment or investment activity to which this document relates is only available to, and will be engaged in with, relevant persons.

Notice to Investors in Hong Kong

No Remarketing Agent nor any of their affiliates (i) have offered or sold, or will offer or sell, in Hong Kong, by means of any document, the Series 2019B Bonds other than (a) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance or (ii) have issued or had in its possession for the purposes of issue, or will issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Series 2019B Bonds that is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Company’s securities that are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance. The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

Notice to Investors in Japan

The Series 2019B Bonds have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the “FIEA”) and the Remarketing Agents will not offer or sell any of the Series 2019B Bonds directly or indirectly in Japan or to, or for the benefit of, any Japanese person or to others, for re-offering or re-sale directly or indirectly in Japan or to any Japanese person, except in each case pursuant to an exemption from the registration requirements of, and otherwise in compliance with, FIEA and any other applicable laws and regulations of Japan. For purposes of this paragraph, “Japanese person” means any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

Notice to Investors in Singapore

This Limited Remarketing Memorandum or any other offering material relating to the Series 2019B Bonds has not been and will not be registered as a prospectus with the Monetary Authority of Singapore (“MAS”), and the Series 2019B Bonds will be offered in Singapore pursuant to the exemptions under Section 274 and Section 275 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”). Accordingly, this Limited Remarketing Memorandum and any other document or material in connection with the offer or sale, or invitation for the subscription or purchase, of the Series 2019B Bonds may not be circulated or distributed, nor may the Series 2019B Bonds be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (1) to an institutional investor under Section 274 of the SFA, (2) to a relevant person under Section 275(1A) and/or any person under Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (3) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Series 2019B Bonds are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries’ rights and interest in that trust shall not be transferable for six months after that corporation or that trust has acquired the Series 2019B Bonds under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is given for the transfer; or (3) by operation of law. Solely for the

purposes of its obligations pursuant to sections 309B(1)(a) of the SFA, the Company has determined, and hereby notifies all relevant persons (as defined by Section 309A of the SFA) that the Series 2019B Bonds are “prescribed capital markets products” (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Notice to Investors in Taiwan

The Series 2019B Bonds have not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorized to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the Series 2019B Bonds in Taiwan.

FINANCIAL STATEMENTS

Included in the Financial Statements Exhibit to this Limited Remarketing Memorandum are the unaudited financial statements of Brightline Trains Florida LLC. Such financial statements include the unaudited balance sheet as of September 30, 2020, and the related statements of operations and comprehensive loss for the three and nine months ended September 30, 2020 and 2019. Such financial statements should be read in conjunction with the information included herein under the headings “PLAN OF FINANCE AND ESTIMATED SOURCES AND USES OF FUNDS” and “PROJECTED DEBT SERVICE COVERAGE.” See “RISK FACTORS—Risks Related to the Company’s Business—The Company’s current limited revenue and cash flows and limited history constructing and operating a passenger railroad makes evaluating its business and future prospects difficult, and may increase the risk of investment. There can be no guarantee that the Company will achieve profitability and generate positive operating cash flows in the future.”

The audited financial statements of Brightline Trains Florida LLC (*f/k/a* Virgin Trains USA Florida LLC), including the historical audited balance sheets as of December 31, 2019 and 2018 and the related statements of operations, comprehensive loss, member’s equity and cash flows for the years ended December 31, 2019 and 2018, are incorporated by reference into this Limited Remarketing Memorandum.

The audited financial statements of Brightline Trains Florida LLC (*f/k/a* Virgin Trains USA Florida LLC) are available on the MSRB’s EMMA website. The audited financial statements of Brightline Trains Florida LLC (*f/k/a* Virgin Trains USA Florida LLC), including the notes attached thereto, contain important information about the Company and its business, results of operations and financial condition. Prospective investors are encouraged to read the audited financial statements prior to making an investment in the Series 2019B Bonds and complete their own examination of the Company and the Project before making an investment decision.

INDUSTRY AND MARKET DATA

The Company obtained the market and competitive position data used in this Limited Remarketing Memorandum from its own research, surveys or studies conducted by third parties and industry or general publications, including the Ridership and Revenue Study (as defined herein), as supplemented by the Ridership and Revenue Study Supplement (as defined herein), and the Operations and Maintenance and Ancillary Revenue Report (as defined herein) conducted by WSP USA Solutions, formerly Louis Berger (“WSP”), the Technical Advisor’s Report (as defined herein) conducted by Urban Engineers Inc. (the “Technical Advisor”) and the Second Party Opinion (as defined herein) issued by Sustainalytics. Industry publications and surveys generally state that they have obtained information from sources believed to be reliable, but do not guarantee the accuracy and completeness of such information. While the Company believes that each of these studies and publications is reliable, neither the Company nor the Remarketing Agents have independently verified such data and neither the Company nor the Remarketing Agents make any representation as to the accuracy of such information. Neither the Issuer nor its attorneys or advisors make any representations regarding such data and information. Similarly, the Company believes its internal research is reliable, but it has not been verified by any independent sources.

In addition, this Limited Remarketing Memorandum contains a discussion of certain conclusions and analyses contained in the Ridership and Revenue Study, the Operations and Maintenance and Ancillary Revenue Report and the Technical Advisor’s Report, each of which was commissioned by the Company. The Company has made certain adjustments to the conclusions, analyses and estimates in the Ridership and Revenue Study and the Operations and Maintenance and Ancillary Revenue Report. The Company based its ridership and ancillary revenue expectations for the system comprising of the Miami, Fort Lauderdale, West Palm Beach and Orlando stations on the Ridership and Revenue Study. For the fare projections, the Company assumed a 2.8% annual increase in fares, based on expected inflation and fare growth from 2016 for the Ridership and Revenue Study with respect to the Project. These market estimates are calculated by using independent industry publications, government publications, and third party forecasts in conjunction with the Company’s assumptions about its markets. Neither the Company nor WSP has independently verified such third party information. While the Company is not aware of any misstatements or omissions regarding any market, industry or similar data presented herein, such data involves risks and uncertainties and is subject to change based on various factors, including those discussed under the heading “RISK FACTORS” in this Limited Remarketing Memorandum.

FORWARD-LOOKING STATEMENTS

The statements contained in this Limited Remarketing Memorandum, and in any other information provided by the Company or any consultant, that are not purely historical, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by the use of words such as “outlook,” “believes,” “expects,” “potential,” “continues,” “may,” “will,” “should,” “could,” “seeks,” “approximately,” “predicts,” “intends,” “plans,” “estimates,” “anticipates,” “target,” “projects,” “contemplates” or the negative terms or other comparable words, or by discussions of strategy, plans or intentions. Examples of forward-looking statements are statements that concern the Company’s or the Project’s future plans, strategies, revenues, costs, projections and liquidity. In particular, the consequences of the impact of a pandemic, such as the novel strain of the coronavirus identified in late 2019 (“COVID-19”), to economic conditions and the travel and tourism industry in general and the financial position and operating results of the Company in particular have been material, are changing rapidly, and cannot be predicted. The forward-looking statements contained herein are based on the Company’s expectations and are necessarily dependent upon assumptions, estimates and data that the Company believes are reasonable as of the date made but that may be incorrect, incomplete or imprecise or not reflective of actual results. Actual events or results may differ materially from the results anticipated in these forward-looking statements as a result of a variety of factors. The Company does not undertake to update or revise any of the forward-looking statements contained herein, irrespective of whether the forward-looking statements contained herein will be realized.

THE FORECASTS CONTAINED HEREIN WERE NOT PREPARED WITH A VIEW TO PUBLIC DISCLOSURE OF PUBLISHED GUIDELINES ESTABLISHED BY THE SEC OR THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS REGARDING PROJECTIONS. NEITHER THE COMPANY NOR ITS INDEPENDENT AUDITORS ASSUME ANY RESPONSIBILITY FOR THE ACCURACY OF SUCH INFORMATION. IN ADDITION, BECAUSE THE FORECASTS ARE BASED ON A NUMBER OF ASSUMPTIONS AND ESTIMATES THAT, WHILE PRESENTED WITH NUMERICAL SPECIFICITY AND CONSIDERED REASONABLE BY THE COMPANY WHEN TAKEN AS A WHOLE, ARE INHERENTLY SUBJECT TO MANY SIGNIFICANT BUSINESS, ECONOMIC AND COMPETITIVE UNCERTAINTIES AND

CONTINGENCIES BEYOND THE COMPANY'S CONTROL, AND THERE CAN BE NO ASSURANCE THAT THE FORECASTS WILL BE REALIZED; ACTUAL RESULTS MAY BE HIGHER OR LOWER THAN ESTIMATED. THE UNCERTAINTY OF THE FORECASTS IS PARTICULARLY HEIGHTENED BY THE FACT THAT THE COMPANY HAS A LIMITED OPERATING HISTORY AND CORRESPONDINGLY LIMITED HISTORICAL FINANCIAL STATEMENTS AND TRACK RECORD ON WHICH TO BASE THE PROJECTIONS. NEITHER THE COMPANY'S AUDITORS NOR ANY OTHER INDEPENDENT ACCOUNTANTS HAVE COMPILED, EXAMINED OR PERFORMED ANY PROCEDURES WITH RESPECT TO THE FORECASTS, NOR HAVE THEY EXPRESSED AN OPINION OR ANY OTHER FORM OF ASSURANCE ON SUCH INFORMATION OR ITS ACHIEVABILITY, AND ASSUME NO RESPONSIBILITY FOR AND DISCLAIM ANY ASSOCIATION WITH THE PROJECTIONS CONTAINED HEREIN.

IN LIGHT OF THE FOREGOING, THE COMPANY DOES NOT UNDERTAKE, AND HEREBY DISCLAIMS ANY OBLIGATION TO, UPDATE THE FORECASTS. THE FORECASTS CONSTITUTE "FORWARD-LOOKING STATEMENTS." THERE CAN BE NO ASSURANCE THAT THE COMPANY CAN MEET ANY PROJECTIONS OR EXPECTATIONS CONTAINED IN THIS LIMITED REMARKETING MEMORANDUM AND, AS THE COMPANY HAS SUSPENDED ITS PASSENGER RAIL SERVICE, THERE CAN BE NO ASSURANCE AS TO THE TIMING OF RESUMPTION OR THE FREQUENCY OR LEVEL OF SERVICE THAT WILL BE PROVIDED ONCE IT RESUMES SERVICE. SEE "RISK FACTORS—RISKS RELATED TO THE COMPANY'S BUSINESS—A PANDEMIC, SUCH AS THE RECENT NOVEL CORONAVIRUS (COVID-19) OUTBREAK, COULD MATERIALLY ADVERSELY AFFECT THE TRAVEL AND TOURISM INDUSTRY IN GENERAL AND THE COMPANY'S BUSINESS AND FINANCIAL CONDITION AND RESULTS OF OPERATIONS."

When considering forward-looking statements, prospective investors should keep in mind the risks set forth under the headings "RISK FACTORS" and "LITIGATION" and other cautionary statements included in this Limited Remarketing Memorandum. The cautionary statements referred to in this section also should be considered in connection with any subsequent written or oral forward-looking statements that may be issued by the Company or persons acting on its behalf. The Company undertakes no duty to update these forward-looking statements, even though its situation may change in the future. Furthermore, the Company cannot guarantee future results, events, levels of activity, performance or achievements.

SUMMARY

This Summary is not a complete description of the Series 2019B Bonds or the Project and does not contain all of the information prospective investors should consider before making an investment decision with respect to the Series 2019B Bonds. Prospective investors should read the entire Limited Remarketing Memorandum, including the Appendices attached hereto, and especially the risks set forth under the heading “RISK FACTORS,” and complete their own examination of the Company, the Project and the terms of the Series 2019B Bonds before making an investment decision. In addition, this Limited Remarketing Memorandum contains discussions of certain conclusions and analyses contained in the Ridership and Revenue Study, the Ridership and Revenue Supplement, the Operations and Maintenance and Ancillary Revenue Report, and the Technical Advisor’s Report. Any discussion herein of such Ridership and Revenue Study, such Ridership and Revenue Study Supplement, such Operations and Maintenance and Ancillary Revenue Report and such Technical Advisor’s Report or their conclusions or analyses are expressly qualified by reference to the full text of such report. Prospective investors should read carefully the Ridership and Revenue Study, the Ridership and Revenue Study Supplement, the Operations and Maintenance and Ancillary Revenue Report and the Technical Advisor’s Report, which are included elsewhere in this Limited Remarketing Memorandum as Appendices E, F and G hereto, respectively. Prospective investors should read the more detailed information appearing or incorporated by reference in this Limited Remarketing Memorandum and the documents summarized, described or set forth herein in their entirety for a more complete understanding about the Project, the remarketing and the terms of and security and sources of payment for the Series 2019B Bonds.

Terms used in this Summary and not defined in this Summary are defined in “APPENDIX A—DEFINITIONS OF TERMS.”

THE SERIES 2019B BONDS

Bonds Remarketed Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Florida Passenger Rail Project), Series 2019B in the aggregate principal amount of \$950,000,000. The Series 2019B Bonds are being remarketed as fully registered bonds in denominations of \$100,000 and integral multiples of \$5,000 in excess thereof. See “DESCRIPTION OF THE SERIES 2019B BONDS.”

Interest..... The Series 2019B Bonds will bear interest at the Fixed Rate shown on the inside cover page of this Limited Remarketing Memorandum to maturity. Interest on the Series 2019B Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

Interest Payment Dates Interest will be payable semi-annually on January 1 and July 1 of each year, commencing on July 1, 2021, until maturity or redemption.

Maturity Date..... The Series 2019B Bonds will mature on the date set forth on the inside cover page of this Limited Remarketing Memorandum.

Optional Redemption *Make-Whole Redemption.* The Series 2019B Bonds are subject to redemption at the option of the Company, in whole or in part (and if in part, by lot or, in the case of Series 2019B Bonds in book-entry form, in accordance with the procedures of DTC), at any time prior to January 1, 2024 (the “First Premium Call Date”), at a redemption price equal to the Make-Whole Redemption Price, plus interest accrued through the interest payment due on the redemption date.

Optional Redemption at a Premium. The Series 2019B Bonds are subject to redemption at the option of the Company, in whole or in part (and if in part, by lot or, in the case of Series 2019B Bonds in book-entry form, in accordance with the procedures of DTC), at any time on or after the First Premium Call Date at a redemption price equal to the principal amount

redeemed, plus the Optional Redemption Prepayment Premium, plus interest accrued through the interest payment due on the redemption date.

The “Optional Redemption Prepayment Premium” means the redemption premium set forth below (expressed as a percentage of the principal amount redeemed) applicable to the date on which redemption occurs:

Period During Which Redeemed	Redemption Premium
January 1, 2024 through and including December 31, 2024	7%
January 1, 2025 through and including December 31, 2025	6%
January 1, 2026 through and including December 31, 2026	5%
January 1, 2027 through and including December 31, 2027	4%
January 1, 2028 through and including December 31, 2028	3%
January 1, 2029 through and including December 31, 2029	2%
January 1, 2030 through and including December 31, 2030	1%
From and after January 1, 2031	0%

Extraordinary Mandatory Redemption The Series 2019B Bonds are subject to extraordinary mandatory redemption as described under “DESCRIPTION OF THE SERIES 2019B BONDS—Redemption—Extraordinary Mandatory Redemption.”

Mandatory Sinking Fund Redemption The Series 2019B Bonds are subject to mandatory redemption prior to maturity, in part, at a redemption price equal to the principal amount redeemed, plus accrued and unpaid interest to, but not including, the redemption date, on January 1 of the years and in the aggregate principal amounts set forth below:

Redemption Date (January 1)	Principal Amount	Redemption Date (January 1)	Principal Amount
2030	\$24,465,000	2040	\$45,930,000
2031	26,060,000	2041	48,920,000
2032	27,755,000	2042	52,100,000
2033	29,555,000	2043	55,480,000
2034	31,475,000	2044	59,090,000
2035	33,525,000	2045	62,930,000
2036	35,700,000	2046	67,020,000
2037	38,025,000	2047	71,375,000
2038	40,495,000	2048	76,015,000
2039	43,125,000	2049†	80,960,000

† Final Maturity

Book-Entry-Only System DTC will act as the securities depository for the Series 2019B Bonds. The Series 2019B Bonds are being remarketed as fully-registered securities in the name of Cede & Co. (DTC’s nominee) or such other name as may be requested by an authorized representative of DTC. One or more fully-registered Series 2019B Bond certificates will be deposited with DTC. For additional information, see “APPENDIX K—Book-Entry-Only System.”

Special, Limited Obligations The Series 2019B Bonds are special, limited obligations of the Issuer and upon remarketing will be payable from and secured solely by the Trust Estate and the Collateral. Except for revenues received pursuant to the Senior Loan Agreement as described in the following sentence, the Owners of the Series 2019B Bonds may not look to any assets, revenues or other sources of payment of the Issuer for repayment of the Series 2019B Bonds. The only sources of repayment of the Series 2019B Bonds are payments provided by the Company to the Issuer pursuant to the Original Senior Loan

Agreement as supplemented by the First Supplemental Senior Loan Agreement and the Second Supplemental Senior Loan Agreement (the Original Senior Loan Agreement as so supplemented, the “Senior Loan Agreement”) and the Security Interests in the Trust Estate and the Collateral. The Series 2019B Bonds do not constitute an indebtedness of the Issuer, the State, the PABs Counties, or any other political subdivision of the State, within the meaning of any State constitutional provision or statutory limitation and shall not constitute or give rise to a pecuniary liability of the Issuer, the State, the PABs Counties, or any other political subdivision of the State, and neither the full faith and credit of the Issuer nor the full faith and credit or taxing power of the State, the PABs Counties, or any other political subdivision of the State is pledged to the payment of the principal of or interest on the Series 2019B Bonds. The Issuer has no taxing power. No covenant or agreement contained in the Series 2019B Bonds or the Indenture shall be deemed to be a covenant or agreement of any member of the governing board of the Issuer nor shall any official executing such Series 2019B Bonds be liable personally on the Series 2019B Bonds or be subject to any personal liability or accountability by reason of the issuance of the Series 2019B Bonds. The Company will be the sole revenue source for the repayment of the Series 2019B Bonds. No affiliate or equity holder of the Company will have any liabilities with respect to the Series 2019B Bonds and neither their credit nor their assets will support the Series 2019B Bonds. The Company operates as a special purpose entity and has no business or assets except in connection with the Project as described herein.

Green Bonds The Company believes its rail system offers a uniquely sustainable transportation alternative in Florida, a community that faces significant population growth and corresponding traffic congestion as well as the geographical challenges presented by climate change and sea level rise. The Company views its service as a key factor in mitigating the impacts of climate change by substantially reducing travel-related carbon emissions and is therefore offering the Series 2019B Bonds as “Green Bonds.” The Company is designating the Series 2019B Bonds as “Green Bonds” in accordance with the Green Bond Principles 2018, as published by the International Capital Markets Association in June 2018 and promulgated by the International Capital Market Association (“ICMA”). By reference to the ICMA’s “Green and Social Bonds: A High-Level Mapping to the Sustainable Development Goals” (June 2020), the Company has determined that the designation reflects the use of proceeds of the Series 2019B Bonds in a manner that is consistent with “Goal 9: Industry, Innovation and Infrastructure” and “Goal 11: Sustainable Cities and Communities” of the United Nations 17 Sustainable Development Goals. See “DESCRIPTION OF THE SERIES 2019B BONDS—Designation as Green Bonds” and “APPENDIX H—SUSTAINALYTICS PRE-ISSUANCE REVIEW REPORT AND GREEN BOND OPINION.”

Eligible Investors The Remarketing Agents are offering the Series 2019B Bonds only to qualified institutional buyers under Rule 144A of the Securities Act and “accredited investors” under Rule 501(a) of the Securities Act. Please see “NOTICE TO INVESTORS” for additional information about eligible offerees and transfer restrictions.

THE PROJECT AND PROJECT PARTICIPANTS

The Project The Project consists of the design, development, acquisition, construction, installation, equipping, ownership and operation of a privately owned and operated express, intercity passenger rail system and related facilities, with stations located or to be located initially in Orlando, West Palm Beach, Fort Lauderdale and Miami, Florida, as more particularly described herein. Proceeds of the Series 2019B Bonds, together with other sources of funds, will be used to: (a) pay or reimburse a portion of the costs of the design, development, acquisition, construction, installation, equipping, ownership, operation, maintenance and administration of those portions of the Project located in the PABs Counties, including the New In-line Stations (as defined below) and Capacity Expansion Projects (as defined below); (b) pay the interest to accrue on the Series 2019B Bonds through the interest payment due on January 1, 2023; (c) pay the interest to accrue on the Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Florida Passenger Rail Project), Series 2019A (the “Series 2019A Bonds”) from July 1, 2022 through the interest payment due on January 1, 2023; (d) fund certain accounts for the Series 2019B Bonds, including the Ramp-Up Reserve Account (as defined herein), and the Construction Account (as defined herein), to the extent permitted by the Code and the Treasury Regulations; (e) repay a portion of the Company’s outstanding short-term debt; and (f) pay or reimburse certain costs in connection with the remarketing of the Series 2019B Bonds.

The 67-mile portion of the passenger rail system running between Miami, Fort Lauderdale and West Palm Beach, Florida is referred to as the “South Segment” and the 168-mile portion that is expected to run between West Palm Beach and Orlando, Florida is referred to as the “North Segment.” Each of the three South Segment stations is located in the downtown center of their respective cities, while the Orlando station is located at Orlando International Airport. At fully stabilized operations in 2024, the Company expects that the Miami to Disney service will carry approximately 9.9 million passengers annually, of which 3.1 million passengers are attributable to the New In-line Stations and a station at Disney Springs on Disney’s Walt Disney World Resort property in Orlando (the “station at Disney Springs”).

The Parent Brightline Holdings LLC (f/k/a Virgin Trains USA LLC) (“Brightline Holdings”) is a holding company that owns transportation and real estate assets including the Company.

New In-line Stations The Company has announced expected new stations at Aventura, Boca Raton and PortMiami (collectively, the “New In-line Stations”). The New In-line Stations are incremental investments which leverage the existing passenger rail infrastructure and are predominately funded with municipal and federal grants. In total, the New In-line Stations are expected to provide approximately 2.2 million passengers upon stabilization in 2023. Site work for the Aventura station commenced in September 2020 and design agreements are in place for both the station and track design. Rail and station design agreements have been executed for the Boca Raton station and the Company is currently in the process of selecting contractors for the rail and station construction.

In connection with the New In-line Stations, the Company has entered into, or, in the case of the PortMiami station, is negotiating, grant agreements for each of the New In-line Stations (collectively, the “Grant Agreements”). The funds from the Grant Agreements will be used exclusively for construction of the New In-line Stations.

Total cost of construction of the New In-line Stations is estimated to be approximately \$141 million. Of the \$141 million cost of construction, the Company expects to fund approximately \$89 million with grants and the remainder with the net proceeds of Additional Station Indebtedness. For more information on the Grant Agreements, see “PROJECT—General—New In-line Stations.” In the future, the Company may seek to enter into similar types of grant agreements to fund a portion of the construction of the station at Disney Springs and other projects. See “THE PROJECT—Potential Future Stations—Walt Disney World Resort.”

In the Second Supplemental Senior Loan Agreement, the Company will be required, only to the extent it is permitted to do so under the applicable Grant Agreements and other lease and/or development agreements related to the New In-line Stations, to mortgage or collaterally assign certain of its interests in the New In-line Stations on a post-closing basis to the Collateral Agent as additional Collateral for the benefit of the holders of the Series 2019B Bonds, the Series 2019A Bonds and any Permitted Additional Senior Indebtedness.

Station at Disney Springs

In November 2020, the Company entered into a long-term agreement to develop, construct and operate a station at Disney Springs, subject to permitting, final design and the Company’s satisfaction of certain other obligations and obtaining all other necessary government approvals. Walt Disney World Resort is a highly visited destination, attracting millions of visitors annually, a significant number of whom originate along the Brightline corridor.

The station at Disney Springs will provide a fast, convenient and enjoyable alternative to driving or flying for the millions of trips made by guests traveling between South Florida and Orlando to visit the Walt Disney World Resort each year. As part of a future planned extension to Tampa, the station at Disney Springs could also serve the millions of annual visitors to Disney and Orlando originating from the Tampa area. The extension from the Orlando airport to the station at Disney Springs comprises a component of the Tampa extension for which the Company won the RFP process in November 2018. The RFP was issued by the Florida Department of Transportation (FDOT) and the Central Florida Expressway Authority (CFX) for the leasing of rights of way owned by FDOT and CFX to provide intercity passenger rail service between Orlando and Tampa. The Company expects the station at Disney Springs to have a significant potential to increase the Company’s ridership, revenue and EBITDA.

The Company is planning multiple opportunities for promotions and sales, including family discounts for Disney destined trips. In addition, the station at Disney Springs and rail infrastructure to be built will incorporate potential capacity for SunRail, a commuter rail system in the Greater Orlando area, to provide additional connectivity while offsetting costs, which is subject to SunRail agreeing to provide such service. Connectivity to the SunRail system will provide an all-rail link for major Central Florida population centers to Orlando International Airport, the station at Disney Springs and the Company’s South Florida destinations, as well as for visitors from South Florida to reach destinations along the SunRail system in Central Florida.

The Company targets commencing revenue service at the station at Disney Springs in the second half of 2023, subject to right of way acquisition, permitting, final design and engineering. The potential extension of the

Company's rail system to the Walt Disney World Resort will not be funded with the proceeds of the Series 2019A Bonds or the Series 2019B Bonds. A combination of equity, grants, subordinated obligations and up to \$200 million of Permitted Additional Senior Indebtedness may be used to finance or refinance costs of this extension.

Upon the incurrence of any Theme Park Indebtedness, the Company will be required to cause its interest in substantially all of the assets comprising the extension of its rail service to one of the major theme parks in the Greater Orlando metropolitan area (the "Theme Park Extension"), including the station at Disney Springs lease and the rail infrastructure, to be pledged as additional Collateral for the owners of the Series 2019B Bonds, the Series 2019A Bonds and all other Permitted Additional Senior Indebtedness. See "ADDITIONAL INDEBTEDNESS—Additional Parity Bonds and Permitted Additional Senior Indebtedness—Theme Park Indebtedness," "THE PROJECT—General—Station at Disney Springs" and "THE PROJECT—Potential Future Stations—Walt Disney World Resort."

Capacity Expansion Projects...

In developing the plans for the New In-line Stations and the future station at Disney Springs, the Company has identified several potential opportunities to expand the original scope of the Project in order to accommodate additional train service beyond the current service schedules (the "Capacity Expansion Projects"). The Capacity Expansion Projects expenditures are designed to (i) ensure sufficient capacity, (ii) improve the rider experience, (iii) provide first-class network performance to address the potential for increased ridership as a result of the New In-line Stations and station at Disney Springs and (iv) enhance the flexibility and speed of the rail system. The Capacity Expansion Projects primarily consist of two components: (i) additional track on certain portions of the corridor and (ii) additional rolling stock. The Capacity Expansion Projects would be added costs under existing construction and rolling stock contracts.

The Company expects that the Capacity Expansion Projects will cost approximately \$211 million. As of September 30, 2020, the Company had expended approximately \$10 million on additional rolling stock and approximately \$65 million on additional rail infrastructure improvements. For more information, see "THE PROJECT—General—Capacity Expansion Projects."

South Florida Commuter Service.....

In June 2020, the Miami-Dade County Board of County Commissioners voted to authorize the County Mayor to negotiate an agreement to provide commuter service on the Company's rail corridor between the Company's MiamiCentral and Aventura stations in an effort to activate the Northeast Corridor component of Miami-Dade County's Strategic Miami Area Rapid Transit ("SMART") plan. The SMART plan seeks to advance the Northeast Corridor and five other rapid transit corridors in Miami-Dade County to address traffic congestion and improve mass transit options for Miami-Dade County.

On November 13, 2020, the Miami-Dade County Board of County Commissioners voted unanimously to approve a resolution for the development of the commuter service on the Company's rail corridor between Miami and Aventura. Key economic terms contained in the approved resolution include County upfront payment to the Company in an amount not to exceed \$50 million, paid in one or more installments, and annual access payments of up to \$12 million for a term to be agreed upon. The Company currently expects such term to be 30 years, which is subject to negotiation of definitive documents.

The Company has prepared conceptual designs for stations and shared them with the County, identified station locations, subject to confirmation by the County, and the Company has selected rolling stock provider options for the County that are compatible with the Company's existing system. Once complete, the project will enable the County to provide commuter rail service access to up to five new stations between the Company's MiamiCentral and Aventura stations. The implementation of the County's commuter service on its corridor will require additional track and rail infrastructure, as well as the construction of new commuter-only stations (as those stations will not be served by the Company's intercity service). The commuter service may be separately branded and operated. Costs required for constructing and operating the commuter service are expected to be provided or sourced by Miami-Dade County. Provision of this commuter service is subject to execution of definitive documentation and the approval of same by the Miami-Dade County Board of County Commissioners.

The Company is expected to receive the upfront and annual access fees with no additional performance obligations, thereby contributing directly to the Company's EBITDA. Alternatively, the Company may choose to provide such access and develop the commuter service through an affiliate. In such a scenario, the affiliate would pay the Company a one-time fee for the right to use and occupy the Company's rail corridor for the purpose of providing such commuter service, likely in the form of an upfront monetization of the annual access fee payment stream. The proceeds of such monetization would be paid to the Company as compensation and have the potential to allow the Company to deliver the Project, the Capacity Expansion Projects, the New In-line Stations and the station at Disney Springs while incurring substantially less Senior Indebtedness. Any payments received by the Company in connection with commuter service on its rail corridor, including any annual access fees or any one-time fee paid to the Company by an affiliate for the right to use and occupy the Company's rail corridor for the purpose of providing such commuter service, would constitute Project Revenues and therefore Collateral for the benefit of the holders of the Series 2019B Bonds, the Series 2019A Bonds and any Permitted Additional Senior Indebtedness. In either scenario, the Company will retain the lease agreement, land acquisition and development agreement, and parking license agreement with Miami-Dade County relating to the Aventura station, and the Company will be required, only to the extent it is permitted to do so under such agreements, to mortgage or collaterally assign certain of its interests in the Aventura station on a post-closing basis to the Collateral Agent as additional Collateral for the benefit of the holders of the Series 2019B Bonds, the Series 2019A Bonds and any Permitted Additional Senior Indebtedness.

The Company believes that the South Florida commuter service will provide a valuable transit option to the Miami-Dade community, complementing the Company's intercity service, and could serve as a model for similar projects in Broward and Palm Beach Counties. On May 12, 2020, the Company signed a letter of intent with Broward County, which borders Miami-Dade County to the North, to develop a similar project with similar terms and connected to the Miami-Dade County commuter service. This letter of intent indicated the County's strong interest in implementing a commuter rail system throughout the County, including a station located at Fort Lauderdale-Hollywood International Airport. In recent months, the Company has identified station locations and capacity needs and provided Broward County with estimates for a lease payment, capital investment required and operating costs. The Company agreed to revisit the pursuit of this initiative once the economics of the Miami-

Dade County commuter service were agreed, which they were as of November 13, 2020. The Company expects to negotiate and sign definitive agreements with Broward County by the end of the first quarter of 2021. Both Miami-Dade County and Broward County as well as related bonding credits have investment grade ratings from nationally recognized rating agencies. For more information, see “THE PROJECT—South Florida Commuter Service.”

The Company Brightline Trains Florida LLC, a Delaware limited liability company, will complete development of and own, operate and manage the Project. The Company intends to rely on Brightline Management LLC, a Delaware limited liability company and an affiliate of the Company (the “Manager”), for the day-to-day management of the Company’s operations and business. See “COMPANY AND AFFILIATES—Management Agreement” for additional information.

Construction Construction of the South Segment is complete and the Company commenced rail operations between Fort Lauderdale and West Palm Beach in January 2018 and between Miami and Fort Lauderdale in May 2018. The Company commenced construction of the North Segment in April 2019, which is expected to be complete in the second half of 2022. As of September 30, 2020, the Company had invested approximately \$1.1 billion on the North Segment, including approximately \$154 million in contributed land and approximately \$917 million in construction costs for rail infrastructure, stations, rolling stock, the Capacity Expansion Projects and easement costs. See “THE PROJECT—North Segment Rail Infrastructure Construction” for additional information.

The Project has been classified and listed as an essential project by the State of Florida. As such, the COVID-19 pandemic has thus far not adversely affected construction of the Project. The Company does not expect the addition of the New In-line Stations, the station at Disney Springs, and the Capacity Expansion Projects to significantly impact the estimated construction timeline of the Project. The Company will manage the opening of each station based on both overall construction timelines and its business strategy.

South Segment Operations The South Segment is complete and commenced initial revenue service between West Palm Beach and Fort Lauderdale in January 2018, with Miami service initiated in May 2018. The table below shows (i) the quarterly ridership in 2019, and (ii) the actual monthly ridership in 2020.

	2019 Q1	2019 Q2	2019 Q3	2019 Q4
Ridership	244,178	237,142	219,741	311,743

	2020 Jan.(1)	2020 Feb.(1)	2020 Mar.	2020 Q1 (2)
Ridership	115,109	109,630	47,039	271,778

- (1) January and February 2020 ridership figures represent a 56% and a 39% year over year increase in ridership, respectively.
- (2) As a result of COVID-19, the Company suspended its passenger rail service on March 25, 2020. Accordingly, there was no ridership to report for the second and third quarters of 2020. See “THE PROJECT—General—COVID-19.”

As a result of COVID-19, the Company chose to reduce its passenger rail service on March 18, 2020 and temporarily suspend its passenger rail service

on March 25, 2020. The Company has been actively monitoring the global outbreak and spread of COVID-19 and taking steps to mitigate the potential risks to the Company posed by its spread and related circumstances and impacts. The suspension of the Company's passenger rail service and its expense reduction initiatives, including the reduction of over 240 of the Manager's staff members, reduced operating costs by 50% for the second quarter of 2020 (\$12.6 million) compared to the first quarter of 2020 (\$25.0 million). The third quarter of 2020 operating costs were reduced even further to \$11.9 million. The suspension of service is not expected to have a material financial impact on the Company's business. Given the passenger adoption of the South Segment, lead time to resume operations, the remaining construction period and the expected open date of the North Segment operations, the Company does not expect any material impact to ramp-up or stabilization.

The Company is continuing to assess and update its business continuity plan in the context of this pandemic, including when it believes is the best time to resume service. Subject to any applicable government orders and regulations, the Company has discretion as to when to resume revenue service. The Company intends to resume service at such time it believes appropriate to ensure the health of both its customers and employees.

Since the beginning of the COVID-19 pandemic, the Company has invested significant time and focus towards the development of the New In-line Stations, the station at Disney Springs, and the South Florida commuter service. These initiatives are expected to improve the Company's debt service coverage given the Company's modest capital expenditures, dependable revenue streams, and high incremental ridership and revenue related to these initiatives. The Company is well positioned to restart operations coming out of the COVID crisis. The Company has design features already in place that promote passenger health, including mobile ticketing, spacious lounges and seating arrangements, touchless doors and restroom features, and upgraded air filtration systems.

There can be no assurance that the Company can meet any projections or expectations contained in this Limited Remarketing Memorandum and, as the Company has suspended its passenger rail service, there can be no assurance as to the timing of resumption or the frequency or level of service that will be provided once it resumes service. See "The PROJECT—COVID-19—Plans to Resume Service" and "RISK FACTORS—Risks Related to the Company's Business—A pandemic, such as the recent novel coronavirus (COVID-19) outbreak, could materially adversely affect the travel and tourism industry in general and the Company's business and financial condition and results of operations."

Operations and Maintenance ..

The Company intends for the Manager to manage the Project's passenger rail and hospitality operations, sales and marketing, information technology, finance, accounting, human resources, legal and right-of-way. See "THE PROJECT—Operations and Maintenance" for additional information.

In addition, the Company has contracted with certain entities, including Florida DispatchCo LLC ("DispatchCo"), an affiliate of the Company, Siemens Industry Inc. ("Siemens") and the Florida East Coast Railway, L.L.C. ("FECR"), a former affiliate of the Company, for the performance of rail service operations, rolling stock maintenance and certain other aspects of the Company's business operations. See "PROJECT PARTICIPANTS AND THIRD PARTY AGREEMENTS" for additional information.

Rolling Stock Siemens produced five state-of-the-art trainsets (10 locomotives and 20 coaches) that, prior to the suspension of the Company’s passenger rail service, provided passenger service on the South Segment. The purchase price related to these five South Segment trainsets, including development and tooling, was approximately \$264 million, which had been fully paid for as of April 1, 2020. The purchase price related to the five North Segment trainsets and additional spare locomotive (11 locomotives and 20 coaches) is approximately \$182 million, of which \$21 million is related to the purchase of four locomotives to support the New In-line Stations and constitute the rolling stock portion of the Capacity Expansion Projects. As of October 1, 2020, the Company expected to make remaining payments related to the North Segment rolling stock of approximately \$95 million, of which \$11 million is related to the purchase of four locomotives to support the New In-line Stations. The Company expects delivery of four of the five North Segment trainsets by the Phase 2 Revenue Service Commencement Date, and the fifth trainset in February 2023. See “PLAN OF FINANCE AND ESTIMATED SOURCES AND USES OF FUNDS.”

Virgin License Agreement..... On November 15, 2018, Brightline Holdings entered into a license agreement (the “Virgin License Agreement”) with Virgin Enterprises Limited (“VEL”). Pursuant to the terms of the Virgin License Agreement, VEL granted to Brightline Holdings, during the term, the right to use the Virgin brand, name, logo and certain other intellectual property as part of the Company’s corporate name and in connection with the operation of an intercity private high-speed passenger rail service along certain permitted passenger rail routes in the United States (including the Company’s Florida passenger rail system and Brightline Holdings’ expansion to Las Vegas). On July 29, 2020, Brightline Holdings terminated the Virgin License Agreement and the Company has since changed its name to Brightline Trains Florida LLC. Given that the Company has not materially changed the aesthetic of the trains and stations (excluding the Miami Station) from Brightline to Virgin Trains to date, the Company does not expect to incur substantial expenses in connection with the Brightline rebranding. Since the Company has been operating predominantly under the Brightline brand, the Company believes the Brightline brand has become a recognizable and valued brand that resonates with customers. VEL has no remaining affiliation with the Company, Brightline Holdings or its affiliates (whether through equity ownership or otherwise). Virgin has disputed the validity of the termination notice. For more information, see “PROJECT PARTICIPANTS AND THIRD PARTY AGREEMENTS—Virgin License Agreement” for additional information.

FINANCING FOR THE PROJECT

Senior Debt..... The proceeds of the Series 2019B Bonds were loaned to the Company pursuant to the Senior Loan Agreement, between the Company and the Issuer, and upon remarketing will be available to the Company, subject to the terms and conditions set forth in the Senior Loan Agreement, the Indenture and the Collateral Agency Agreement (as defined here), to pay or reimburse certain costs of the Project. Pursuant to the Senior Loan Agreement, the Company agrees to make payments to the Trustee in the amounts and on the dates required to pay the principal of and interest on the Series 2019B Bonds and agrees to comply with various covenants for the benefit of the Trustee and the Owners of the Series 2019B Bonds.

Equity Contributions Fortress Investment Group LLC (“Fortress”) and its affiliates, including Florida East Coast Industries, LLC (“FECI”), the indirect parent company of the Company, have contributed a total of approximately \$1.65 billion of equity in cash and assets, including \$150 million cash contributed in connection with the sale of the Series 2019A Bonds, to the Company as of September 30, 2020. Fortress and its affiliates expect to contribute \$5 million of equity in connection with the Series 2019A Bonds Remarketing (as defined below). When combined, the \$1.65 billion of invested equity to date and \$5 million of equity to be contributed in connection with the Series 2019A Bonds Remarketing, the anticipated proceeds of approximately \$89 million from grants for construction of the New In-line Stations, and anticipated proceeds of \$675 million from the commuter access fee monetization, total proceeds subordinated to Senior Indebtedness in the Company is expected to total \$2.42 billion. As a result, the expected capitalization for the Project will consist of 42% equity, grants and monetization proceeds. See “PLAN OF FINANCE AND ESTIMATED SOURCES AND USES OF FUNDS.” The Company has invested such cash and assets in the development and construction of the Project and will consider further investments in the future.

Series 2019A Bonds The Issuer previously issued its Series 2019A Bonds (CUSIP Numbers: 34061YAB6, 34061YAC4 and 34061YAD2) pursuant to the Original Indenture in the aggregate principal amount of \$1,750,000,000, all of which remains outstanding as of the date hereof. The Series 2019A Bonds are ratably and equally secured by the Trust Estate and the Collateral with the Series 2019B Bonds.

The Company used the proceeds from the Series 2019A Bonds to, among other things, fund the construction of the Project, refund the Issuer’s Surface Transportation Facility Revenue Bonds (Brightline Florida Passenger Rail Project—South Segment), Series 2017 (the “Series 2017 Bonds”) in the aggregate principal amount of \$600 million and repay in full the Company’s two year, \$25 million delayed draw term loan facility with Siemens Financial Services, Inc.

The Company’s obligations with respect to the Series 2019A Bonds under the Senior Loan Agreement are secured by a lien on revenues from the Project, mortgage liens encumbering substantially all of the current real property interests for the Project (including the currently existing stations), substantially all personal property of the Borrower and a pledge of the membership interest in the Borrower. The Series 2019A Bonds were issued in three tranches, each of which matures on January 1, 2049. The tranches (i) have aggregate principal amounts of \$250,000,000, \$500,000,000 and \$1,000,000,000, (ii) bear interest at 6.250%, 6.375% and 6.500% and (iii) have mandatory tender dates of January 1, 2024 (the “Series 2019A 2024 Tranche”), January 1, 2026 (the “Series 2019A 2026 Tranche”), and January 1, 2029 (the “Series 2019A 2029 Tranche”), respectively, during their respective initial term rate periods. Interest on each tranche is payable semi-annually on each January 1 and July 1, commencing on July 1, 2019.

In connection with the remarketing of the Series 2019B Bonds, a portion of the proceeds will be used to make a deposit to the Series 2019A Funded Interest Account in an amount equal to an additional six months of interest, ensuring that interest on the Series 2019A Bonds will be funded through the interest payment due on January 1, 2023.

Brightline Holdings Tender Offers for Certain Series 2019A Bonds.....

Concurrently with the launch of this remarketing of the Series 2019B Bonds, Brightline Holdings commenced tender offers (the “Parent Tender Offers”) to purchase for cash up to an aggregate maximum repurchase amount of \$225 million (as revised from an initial maximum repurchase amount of \$250 million) for the Series 2019A 2024 Tranche and Series 2019A 2029 Tranche, subject to tender caps of \$75 million (as revised from initial tender cap of \$100 million) and \$150 million, respectively. No offer to purchase was made for the Series 2019A 2026 Tranche. The Parent Tender Offers are currently scheduled to expire at 11:59 p.m., New York City time, on December 18, 2020.

Accounts under common management collectively own a majority of the Series 2019A Bonds and are expected to tender a majority of Series 2019A Bonds subject to the Parent Tender Offer (the “Significant Bondholder”).

Brightline Holdings expects the settlement date for the Parent Tender Offers to be December 23, 2020, which is also the expected Closing Date for this remarketing of the Series 2019B Bonds. The tender offer consideration payable in the Parent Tender Offers will be \$1,000 per \$1,000 principal amount of the applicable Series 2019A Bonds validly tendered, which consideration is 100% of the principal amount of the Series 2019A Bonds. Brightline Holdings expects to fund the Parent Tender Offers using cash on hand and the proceeds of short-term financing provided by the Representative (as defined herein).

The closing of the Parent Tender Offers is conditioned on, among other conditions, the prior or substantially concurrent closing of this remarketing of the Series 2019B Bonds. Brightline Holdings, in its sole discretion, may waive any condition to the consummation of, or terminate, amend or extend, the Parent Tender Offers, including any extension to align with the timing of this remarketing.

Company Remarketing of Certain Series 2019A Bonds....

The Company expects to remarket up to \$60 million of Series 2019A 2024 Tranche and up to \$150 million of Series 2019A 2029 Tranche on the same economic terms as the remarketed Series 2019B Bonds (the “Series 2019A Bonds Remarketing”), which remarketed Series 2019A Bonds will be referred to as the Series 2019A-1 Bonds following the Series 2019A Bonds Remarketing.

The Company expects the Significant Bondholder to purchase a portion of the remarketed Series 2019B Bonds and all of the remarketed Series 2019A Bonds. The Significant Bondholder has agreed not to trade in such remarketed Series 2019A Bonds for a period of 60 days after the closing of the Series 2019A Bonds Remarketing.

The Representative is expected to serve as the sole remarketing agent in connection with the Series 2019A Bonds Remarketing. Brightline Holdings expects that the Series 2019A Bonds Remarketing will close on December 23, 2020, which is also the expected Closing Date for this remarketing of the Series 2019B Bonds. Immediately upon closing of the Series 2019A Bonds Remarketing, Brightline Holdings expects to hold \$15 million of the Series 2019A 2024 Tranche.

As a result of the Series 2019A Bonds Remarketing, annual interest expense on the Series 2019A Bonds is expected to increase by approximately \$2

million. The respective additional amounts required to be on deposit in the Funded Interest Account and the Ramp-Up Reserve Account will be calculated based on this increased annual debt service and made at the Closing Date from funds other than the proceeds of the Series 2019B Bonds. See “SECURITY AND SOURCES OF REPAYMENT FOR THE SERIES 2019B BONDS—Funds and Accounts to be Established under the Indenture—Series 2019B Funded Interest Account” and “PROJECT ACCOUNTS AND FLOW OF FUNDS—Project Accounts—Description of Project Accounts—Ramp-Up Reserve Account.” The Company has updated its financial projections herein under “PROJECTED DEBT SERVICE COVERAGE” to reflect this increased annual interest expense.

Additional Parity Bonds.....

Subject to the restrictions set forth in the Indenture and the Senior Loan Agreement and upon request by the Company, the Issuer may issue Additional Parity Bonds, which will be ratably and equally secured by the Trust Estate and the Collateral, upon execution of a Supplemental Indenture, without consent of the Owners of the Series 2019B Bonds or the Series 2019A Bonds pursuant to the Indenture. Additional Parity Bonds may be issued to finance or refinance costs of the Project, costs of acquiring rolling stock, costs of the Theme Park Extension, or costs of constructing one or more additional stations along the rail corridor from Orlando to Miami, including but not limited to the New In-line Stations, or to refund Outstanding Senior Indebtedness, in each case, subject to the applicable requirements and limitations set forth in the Indenture.

Additional Senior Indebtedness.....

The Company may issue Permitted Additional Senior Indebtedness, which will be payable pro rata with the Series 2019B Bonds, the Series 2019A Bonds and any Additional Parity Bonds, pursuant to the Collateral Agency Agreement, and may at the option of the Company be secured by all of the Collateral or may be unsecured. See “ADDITIONAL INDEBTEDNESS—Additional Parity Bonds and Permitted Additional Senior Indebtedness—Other Senior Indebtedness.”

Bank Loan.....

On September 29, 2020, the Company entered into a credit agreement with the lenders from time to time party thereto and Morgan Stanley Senior Funding, Inc., an affiliate of the Representative of the Remarketing Agents, as administrative agent, providing for a bank loan credit facility (the “Bank Loan Facility”). Certain of the lenders under the Bank Loan Facility are Remarketing Agents or affiliates of Remarketing Agents of this remarketing. The current outstanding principal amount of the bank loans under the Bank Loan Facility is approximately \$120.6 million. Interest accrues on the outstanding loans at an interest rate per annum equal to LIBOR plus 2.50%. The maturity date for the loans is June 25, 2021. The loans made under the Banks Loan Facility constitute Permitted Additional Senior Indebtedness, and the obligations under the Bank Loan Facility are secured on a pari passu basis with the Series 2019A Bonds, the Series 2019B Bonds, any Additional Parity Bonds and any other Permitted Additional Senior Indebtedness outstanding from time to time. See “ADDITIONAL INDEBTEDNESS—Additional Parity Bonds and Permitted Additional Senior Indebtedness—Other Senior Indebtedness.”

Additional Financing.....

The Company previously received an aggregate allocation for the issuance of private activity bonds (“PABs”) from the United States Department of Transportation (“USDOT”) of \$2.7 billion. Through the issuance of the Series 2019A Bonds and the Series 2019B Bonds, the Company has used the entire amount of its PABs allocation and the Company has not applied for any

additional PABs allocation. Following the completion of this remarketing, the Company intends to incur up to an additional approximately \$300 million of Additional Project Completion Indebtedness as taxable private placement debt, for a total of approximately \$3.0 billion of debt financing to complete the Project. As such, the Company's plan of finance remains materially consistent with such plan as presented in the Series 2019A Bonds limited offering memorandum.

Given the Company's strategic initiatives since the issuance of the Series 2019A Bonds, the Company will require additional funds to complete the construction of the New In-line Stations, the Capacity Expansion Projects and the station at Disney Springs as well as to meet the increased funded interest and Ramp-Up Reserve Account funding requirements set forth herein and described under "PLAN OF FINANCE AND ESTIMATED SOURCES AND USES OF FUNDS."

The Company intends to incur \$310 million of Senior Indebtedness and enter into a revolving credit facility with a syndicate of banks and other financial institutions in order to fund certain remaining development costs for the New In-line Stations and Capacity Expansion Projects, to fund a portion of the extension to the station at Disney Springs, to pay additional financing costs associated with costs of issuance and to fund certain reserves, as necessary. The plan of finance also contemplates the upfront monetization of commuter service access payments, the receipt of additional equity contributions and/or the receipt of additional governmental contributions or grants. Such a plan of finance would comply with the debt incurrence limitations in the Indenture and Senior Loan Agreement and after giving effect to the commuter service access payments, additional equity contributions and additional governmental contributions or grants noted above, would reduce the Company's overall senior debt-to-capitalization ratio to 58% from the 64% (upon completion of the Project) that was estimated at the time of the Series 2019A offering.

Any subsequent additional financings may also include financing from lenders, through one or more public offerings or private placements of debt and/or equity securities, equity contributions, other sources of governmental or semi-governmental financing, or other indebtedness permitted to be incurred under the Indenture and the Senior Loan Agreement.

Substantially concurrently with or promptly after the launch of this remarketing of the Series 2019B Bonds, Brightline Holdings intends to commence the Parent Tender Offers. See "—Brightline Holdings Tender Offers for Certain Series 2019A Bonds" above for additional information.

There can be no assurance that the Company will obtain any such additional financing on commercially reasonable terms or at all, or that the Company will have other sources of liquidity available, and the Company cannot offer any assurance as to the final terms or availability of such additional financing. See "RISK FACTORS."

SECURITY FOR THE SERIES 2019B BONDS

Security Interests..... The payment of the Series 2019B Bonds, the Series 2019A Bonds and any Additional Parity Bonds that may be issued in the future will be secured by the

Trust Estate under the Indenture, which on the date of issuance and delivery of the Series 2019B Bonds shall consist of:

(a) all right, title and interest of the Issuer (except for Reserved Rights) in and to the Senior Loan Agreement and any Additional Parity Bonds Loan Agreement (if executed), as described more particularly herein under “SECURITY AND SOURCES OF REPAYMENT FOR THE SERIES 2019B BONDS—Indenture—Trust Estate;”

(b) all moneys from time to time held by the Trustee under the Indenture in any Fund or Account, other than the Series 2019A Rebate Fund and the Series 2019B Rebate Fund, any Defeasance Escrow Account, any Escrow Property and any other fund or account specifically excluded from the Trust Estate pursuant to the terms of a Supplemental Indenture;

(c) any right, title or interest of the Issuer (except for Reserved Rights) in and to any Security Interest granted to the Collateral Agent for the benefit of the Trustee (as Secured Debt Representative) on behalf of the Owners of the Bonds under the Security Documents or otherwise, including without limitation the Collateral pledged thereunder, and the present and continuing right of the Collateral Agent on behalf of the Trustee (as Secured Debt Representative) to make claim for, collect, receive and receipt for any of the sums, amounts, income, revenues, issues and profits and any other sums of money payable or receivable under the Security Documents, to bring actions and proceedings thereunder or for the enforcement thereof, and to do any and all things which the Collateral Agent on behalf of the Trustee (as Secured Debt Representative) is entitled to do under such Security Documents;

(d) subject to the Original Collateral Agency Agreement and Supplemental Agency Agreement (the Original Collateral Agency Agreement, as supplemented by the Supplemental Agency Agreement, the “Collateral Agency Agreement”), any right, title or interest of the Issuer (except for Reserved Rights) in and to all funds deposited from time to time and earnings thereon in the Project Accounts, any and all other accounts established from time to time pursuant to the Collateral Agency Agreement, and any and all subaccounts created thereunder, each held by the Collateral Agent under the Collateral Agency Agreement; and

(e) any and all other property, revenues, rights or funds from time to time by delivery or by writing of any kind specifically granted, assigned or pledged as and for additional security for any of the Bonds, the Senior Loan Agreement or any Additional Parity Bonds Loan Agreement (if executed) in favor of the Trustee (as Secured Debt Representative) or the Collateral Agent on behalf of the Trustee (as Secured Debt Representative), including any of the foregoing granted, assigned or pledged by the Company or any other Person on behalf of the Company, and the Trustee or the Collateral Agent on behalf of the Trustee (as Secured Debt Representative) is authorized pursuant to the Indenture to receive any and all such property at any and all times and to hold and apply the same subject to the terms of the Indenture.

The Collateral under the Collateral Agency Agreement and the other Security Documents includes (i) the Company’s mortgaged real property interests, as set forth in “SECURITY FOR THE SERIES 2019B BONDS—Mortgages,” (ii) substantially all personal property of the Company, whether now owned or hereafter acquired, including rolling stock, the Project Revenues and the

Project Accounts, but excluding Excluded Assets, and (iii) a pledge of the membership interests in the Company by its direct parent, AAF Operations Holdings LLC. See “SECURITY AND SOURCES OF REPAYMENT FOR THE SERIES 2019B BONDS—Collateral Generally.”

The Distribution Account and any amounts on deposit therein shall not be Collateral. See “PROJECT ACCOUNTS AND FLOW OF FUNDS.”

Mortgages.....

In connection with the Series 2019A Bonds, a Mortgage was filed with respect to the Company’s interest in the following (the “Existing Series 2019A Bond Mortgage Collateral”): (i) the Company’s easement interest in the portion of the Shared Corridor from Miami to West Palm Beach, Florida; (ii) the Company’s owned real property comprising the stations located in Fort Lauderdale and West Palm Beach built on its fee-owned land and its station located in Miami built within its owned air rights; (iii) the Company’s leasehold interest in (a) all or a portion of the three parking garages used in connection with the Stations and (b) the West Palm Beach running repair facility; (iv) the Company’s easement interests in the portion of the Shared Corridor from West Palm Beach to Cocoa, Florida; (v) the Company’s leasehold interest, granted by the Greater Orlando Aviation Authority (“GOAA”), in the site of the Vehicle Maintenance Facility (“VMF”) under construction at the Orlando International Airport; (vi) the Company’s temporary construction license, granted by GOAA, to engage in construction activities at the Orlando International Airport; and (vii) the Company’s fee, leasehold and easement interests in real property constituting the rail track corridor from Cocoa to the Orlando International Airport excluding easement interests in real property constituting the rail track corridor on certain premises and land at or adjacent to the Orlando International Airport to be granted by GOAA. Pursuant to the terms of the Collateral Agency Agreement, such Mortgage, or a second Mortgage filed with respect to the Company’s interest in the Existing Series 2019A Bond Mortgage Collateral, will secure the Series 2019B Bonds on a pari passu basis with the Series 2019A Bonds (and all other secured obligations under the Collateral Agency Agreement, whether now existing or incurred in the future).

Pursuant to the Senior Loan Agreement, the Company will be required to deliver and record, within 60 days of the Remarketing Date, (a) a Mortgage or mortgage spreader agreement with respect to the Company’s leasehold interest in the Orlando International Airport Intermodal Terminal Facility, which will house the Company’s Orlando station, and (b) a mortgage amendment with respect to the Company’s leasehold interest in the VMF at the Orlando International Airport, the legal description of which was revised. After completion of construction pursuant to the terms of that certain Rail Line Easement Agreement dated January 22, 2014 between the Company and GOAA (as amended, the “GOAA Agreement”), the Company will also be required to deliver and record, within 30 days after recording of the applicable easement documents, a Mortgage or mortgage spreader agreement with respect to (a) the rail line easement granted by GOAA pursuant to the terms of the GOAA Agreement, and (b) the slope easement granted by GOAA pursuant to the terms of the GOAA Agreement. In addition, the Company will be required, only to the extent it is permitted to do so, under the applicable Grant Agreements and other lease and/or development agreements related to the New In-line Stations, to mortgage or collaterally assign certain of its interests in the New In-line Stations on a post-closing basis. Notwithstanding the foregoing, any failure of the Company to have such Mortgages in place within the

applicable time periods will not constitute a default or an event of default until the Phase 2 Revenue Service Commencement Deadline. See “RISK FACTORS—Risks Related to this Remarketing and the Company’s Indebtedness—Rights of holders of the Series 2019B Bonds in the Collateral may be adversely affected by the failure to perfect security interests in the Collateral” and “Title insurance policies will be obtained only with respect to certain real property interests.”

Series 2019B Funded Interest Account.....

The Series 2019B Funded Interest Account of the Debt Service Fund established under the Indenture will be funded on the Remarketing Date. Moneys on deposit in the Series 2019B Funded Interest Account, together with interest earnings (if any) on such moneys, will be applied by the Trustee, prior to the application of any other funds in the Debt Service Fund, to pay interest on the Series 2019B Bonds through the interest payment due on January 1, 2023.

When the Series 2019A Bonds were issued, the Series 2019A Funded Interest Account was funded in an amount sufficient to pay the interest on the Series 2019A Bonds through the interest payment due on July 1, 2022. In connection with the remarketing of the Series 2019B Bonds, a portion of the proceeds will be used to make a deposit to the Series 2019A Funded Interest Account in an amount equal to an additional six months of interest, ensuring that interest on the Series 2019A Bonds will be funded through the interest payment due on January 1, 2023.

PROJECT ACCOUNTS AND FLOW OF FUNDS

Revenue Account.....

Under the Collateral Agency Agreement, the Collateral Agent is required to make the following withdrawals, transfers and payments from the Revenue Account and the sub-accounts therein in the amounts, at the times, for the purposes and in the order of priority (the “Flow of Funds”) set forth below upon the instructions of the Company:

First, on each Transfer Date, to the Agents, the Issuer (only to the extent of its Reserved Rights) and any Nationally Recognized Rating Agency then rating any of the Secured Obligations, as applicable, the fees, administrative costs and other expenses of such parties then due and payable;

Second, on each Transfer Date, to the applicable Operating Account(s) designated by the Company in the Funds Transfer Certificate, an amount equal to, together with amounts then on deposit in the Operating Accounts, the projected O&M Expenditures for the period ending on the immediately succeeding Transfer Date as set forth in the Funds Transfer Certificate; *provided* that O&M Expenditures for Major Maintenance will be included in such amount solely to the extent that (i) any such costs are currently due or are projected to become due prior to the next Transfer Date and (ii) amounts on deposit in the applicable Major Maintenance Reserve Account are insufficient to pay such costs;

Third, on each Transfer Date, after application of any remaining available funds in the Construction Account (or other amounts available therefor), to the applicable Operating Account(s) designated by the Company in the Funds Transfer Certificate for the payment of Project Costs due and payable on such Transfer Date;

Fourth, on each Transfer Date, *pro rata* to any payments then due and payable by the Company to the Series 2019A Rebate Fund and the Series 2019B Rebate Fund established under the Indenture or any similar rebate fund established with respect to any future tax-exempt borrowings comprising Additional Parity Bonds;

Fifth, on each Transfer Date, *pro rata*, for the payment of interest on the Senior Indebtedness and any Purchase Money Debt as follows: (i) to the Series 2019A Interest Sub-Account, an amount equal to one-sixth (1/6) of the amount of interest payable on the Series 2019A Bonds on the next Interest Payment Date, (ii) to the Series 2019B Interest Sub-Account (the Series 2019A Interest Sub-Account and the Series 2019B Interest Sub-Account collectively, the “Series 2019 Interest Sub-Accounts”), an amount equal to one-sixth (1/6) of the amount of interest payable on the Series 2019B Bonds on the next Interest Payment Date; *provided* that, no such transfers to the Series 2019A Interest Sub-Account or the Series 2019B Interest Sub-Account shall be required to be made until the amounts in the Series 2019A Funded Interest Account and the Series 2019B Funded Interest Account, respectively, have been depleted, (iii) to the applicable interest account established under the Collateral Agency Agreement for Additional Senior Indebtedness and Purchase Money Debt, if any, an amount equal to the amount of interest and any Ordinary Course Settlement Payments related to such Additional Senior Indebtedness or Purchase Money Debt due on the next Interest Payment Date divided by the total number of months between Interest Payment Dates for such Additional Senior Indebtedness or Purchase Money Debt as set forth in the applicable Additional Senior Indebtedness Documents or, for Purchase Money Debt, the related financing documents, and (iv) to the applicable Swap Bank, if any, an amount equal to the amount of any Ordinary Course Settlement Payments related to any Permitted Senior Commodity Swap due on or before the Transfer Date pursuant to the applicable Permitted Swap Agreement; plus, in each case any deficiency from a prior Transfer Date; *provided* that the deposit on the Transfer Date occurring immediately before each Interest Payment Date will equal the amount required (taking into account the amounts then on deposit in the applicable interest payment account established under the Collateral Agency Agreement and any applicable interest payment account established under the Indenture, the Additional Senior Indebtedness Documents or, for Purchase Money Debt, the related financing documents) to pay the interest and any Ordinary Course Settlement Payments related to the Series 2019A Bonds, the Series 2019B Bonds, such Additional Senior Indebtedness or Purchase Money Debt due on such Interest Payment Date; *provided, further* that on the Transfer Date immediately preceding each Interest Payment Date (after giving effect to the transfers contemplated above in this clause Fifth), amounts on deposit in the Series 2019 Interest Sub-Accounts shall be transferred to the Interest Account and amounts on deposit in any other interest account for Additional Senior Indebtedness and any Purchase Money Debt established under the Collateral Agency Agreement shall be transferred in accordance with the applicable Additional Senior Indebtedness Documents or, for Purchase Money Debt, the related financing documents, in each case, for the payment of interest and any Ordinary Course Settlement Payments related to the Series 2019A Bonds, the Series 2019B Bonds, such Additional Senior Indebtedness or Purchase Money Debt due on the Series 2019A Bonds, the Series 2019B Bonds, the applicable Additional Senior Indebtedness or Purchase Money Debt on the next Interest Payment Date;

Sixth, on each Transfer Date, *pro rata*, for the payment of principal on the Senior Indebtedness and any Purchase Money Debt as follows: (i) with respect to the Series 2019A Bonds, (A) so long as such Bonds are in the Term Rate Mode, deposits shall be made to the Series 2019A Principal Sub-Account under this clause Sixth on each Transfer Date occurring within 12 months of any Principal Payment Date in an amount equal to one-twelfth (1/12) of the amount of principal due on such Principal Payment Date (including, with respect to any Principal Payment Date that constitutes a Mandatory Tender Date for the Series 2019A Bonds, the principal amount of any mandatory sinking fund redemption due on such Mandatory Tender Date, but excluding the Purchase Price of the Series 2019A Bonds due on such Mandatory Tender Date), and (B) upon conversion to the Fixed Rate Mode, deposits shall be made to the Series 2019A Principal Sub-Account under this clause Sixth on each Transfer Date occurring within 12 months prior to any Principal Payment Date in an amount equal to one-twelfth (1/12) of the amount of principal due on such Principal Payment Date, (ii) with respect to the Series 2019B Bonds, (A) so long as such Bonds are in the Term Rate Mode, deposits shall be made to the Series 2019B Principal Sub-Account under this clause Sixth on each Transfer Date occurring within 12 months of any Principal Payment Date in an amount equal to one-twelfth (1/12) of the amount of principal due on such Principal Payment Date (including, with respect to any Principal Payment Date that constitutes a Mandatory Tender Date for the Series 2019B Bonds, the principal amount of any mandatory sinking fund redemption due on such Mandatory Tender Date, but excluding the Purchase Price of the Series 2019B Bonds due on such Mandatory Tender Date), and (B) upon conversion to the Fixed Rate Mode, deposits shall be made to the Series 2019B Principal Sub-Account under this clause Sixth on each Transfer Date occurring within 12 months prior to any Principal Payment Date in an amount equal to one-twelfth (1/12) of the amount of principal due on such Principal Payment Date, and (iii) to any other principal payment account established under the Collateral Agency Agreement for Additional Senior Indebtedness and Purchase Money Debt, if any, the amount of principal required to be deposited into such principal payment account for such Additional Senior Indebtedness or Purchase Money Debt as set forth in the applicable Additional Senior Indebtedness Documents or, for Purchase Money Debt, the related financing documents; plus, in each case, any deficiency from a prior Transfer Date; *provided*, that (w) (1) with respect to the Series 2019A Bonds in the Term Rate Mode, the deposit on the Transfer Date occurring immediately before each Principal Payment Date will equal the amount required to pay the principal payment due on such Principal Payment Date for the Series 2019A Bonds, including, with respect to any Principal Payment Date that constitutes a Mandatory Tender Date for the Series 2019A Bonds, the amount of any mandatory sinking fund redemption due on such Mandatory Tender Date, but excluding the Purchase Price of the Series 2019A Bonds due on such Mandatory Tender Date (taking into account the amount then on deposit in the Series 2019A Principal Sub-Account and the Principal Account) and (2) with respect to the Series 2019B Bonds in the Term Rate Mode, the deposit on the Transfer Date occurring immediately before each Principal Payment Date will equal the amount required to pay the principal payment due on such Principal Payment Date for the Series 2019B Bonds, including, with respect to any Principal Payment Date that constitutes a Mandatory Tender Date for the Series 2019B Bonds, the amount of any mandatory sinking fund redemption due on such Mandatory Tender Date, but excluding the Purchase Price of the Series 2019B Bonds due on such Mandatory Tender Date (taking into account the amount then on deposit in the Series 2019B Principal Sub-Account and the

Principal Account), (x) (1) with respect to the Series 2019A Bonds in the Fixed Rate Mode, the deposit on the Transfer Date occurring immediately before each Principal Payment Date will equal the amount required to pay the principal payment due on such Principal Payment Date for the Series 2019A Bonds (taking into account the amount then on deposit in the Series 2019A Principal Sub-Account and the Principal Account) and (2) with respect to the Series 2019B Bonds in the Fixed Rate Mode, the deposit on the Transfer Date occurring immediately before each Principal Payment Date will equal the amount required to pay the principal payment due on such Principal Payment Date for the Series 2019B Bonds (taking into account the amount then on deposit in the Series 2019B Principal Sub-Account (the Series 2019A Principal Sub-Account and the Series 2019B Principal Sub-Account collectively, the “Series 2019 Principal Sub-Accounts”) and the Principal Account), (y), if applicable, with respect to any Additional Senior Indebtedness and any Purchase Money Debt, the deposit on the Transfer Date occurring immediately before each Principal Payment Date will equal the amount required to pay the principal payment due on such Principal Payment Date for the applicable Additional Senior Indebtedness or Purchase Money Debt, including in the case of any Permitted Swap Agreement related to such Additional Senior Indebtedness or Purchase Money Debt, Swap Termination Payments (taking into account the amounts then on deposit in any principal payment sub-account established under the Collateral Agency Agreement or under the applicable Additional Senior Indebtedness Documents or, for Purchase Money Debt, the related financing documents for the payment of principal on such Additional Senior Indebtedness or Purchase Money Debt) and (z), if applicable, with respect to any Permitted Senior Commodity Swap, on the Transfer Date occurring immediately before a Swap Termination Payment due date under the applicable Permitted Swap Agreement, to the applicable Swap Bank, an amount equal to the amount required to pay such Swap Termination Payment due on such due date pursuant to the applicable Permitted Swap Agreement; *provided, further* that on each Transfer Date immediately preceding a Principal Payment Date (after giving effect to the transfers contemplated above in this clause Sixth), amounts on deposit in the Series 2019 Principal Sub-Accounts (if any) shall be transferred to the Principal Account and amounts on deposit in any other principal account for Additional Senior Indebtedness and any Purchase Money Debt established under the Collateral Agency Agreement shall be transferred in accordance with the applicable Additional Senior Indebtedness Documents or, for Purchase Money Debt, the related financing documents, in each case, for the payment of principal due on the applicable Additional Senior Indebtedness or Purchase Money Debt on the next Principal Payment Date, including in the case of any Permitted Swap Agreement related to such Additional Senior Indebtedness or Purchase Money Debt, Swap Termination Payments;

Seventh, (A) on each Transfer Date on and after the Phase 2 Revenue Service Commencement Date, *pro rata*, to the Initial Debt Service Reserve Account and any other Debt Service Reserve Account then already in existence in an amount to the extent necessary to fund such account so that the balance therein (taking into account the amount available for drawing under any Qualified Reserve Account Credit Instrument provided with respect thereto) equals the applicable Debt Service Reserve Requirement for the immediately preceding Calculation Date, and (B) on any date on which an Additional Debt Service Reserve Account is created and established in connection with the issuance or incurrence by the Company of Additional Senior Secured Indebtedness, to transfer to the applicable Additional Debt Service Reserve Account an amount

to the extent necessary to fund such account so that the balance therein (taking into account the amount available for drawing under any Qualified Reserve Account Credit Instrument provided with respect thereto) equals the applicable Additional Debt Service Reserve Requirement;

Eighth, (A) on each Transfer Date beginning after December 31, 2020, *pro rata*, to the Initial Major Maintenance Reserve Account and to any other Major Maintenance Reserve Account then already in existence in an amount to the extent necessary to fund such account so that the balance therein equals the applicable Major Maintenance Reserve Required Balance, and (B) on any date on which an Additional Major Maintenance Reserve Account is created and established in connection with the issuance or incurrence by the Company of Additional Senior Secured Indebtedness, to transfer to the applicable Additional Major Maintenance Reserve Account an amount to the extent necessary to fund such account so that the balance therein equals the applicable Major Maintenance Reserve Required Balance on such date;

Ninth, (A) on each Transfer Date, *pro rata*, to the Initial O&M Reserve Account and to any other O&M Reserve Account then already in existence in an amount to the extent necessary to fund such account so that the balance therein equals the applicable O&M Reserve Requirement, and (B) on any date on which an Additional O&M Reserve Account is created and established in connection with the issuance or incurrence by the Company of Additional Senior Secured Indebtedness, to transfer to the applicable Additional O&M Reserve Account an amount to the extent necessary to fund such account so that the balance therein equals the applicable O&M Reserve Requirement on such date;

Tenth, on each Transfer Date, to pay debt service due or becoming due prior to the next Transfer Date on any Indebtedness or under any Permitted Swap Agreements permitted under the Secured Obligation Documents (other than the Indebtedness or Permitted Swap Agreements serviced pursuant to another clause of this Flow of Funds), in each case comprised of interest, fees, principal and premium, if any, in respect of such Indebtedness or Ordinary Course Settlement Payments or Swap Termination Payments, as applicable, in respect of such Permitted Swap Agreements;

Eleventh, within the 15-day period commencing on each Distribution Date, to pay any interest on any Permitted Subordinated Debt, so long as the Restricted Payment Conditions are satisfied as of the applicable Distribution Date, as confirmed in a Distribution Release Certificate signed by a Responsible Officer of the Company and delivered to the Collateral Agent;

Twelfth, within the 15-day period commencing on each Distribution Date, to pay any scheduled principal on any Permitted Subordinated Debt, so long as the Restricted Payment Conditions are satisfied as of the applicable Distribution Date, as confirmed in a Distribution Release Certificate signed by a Responsible Officer of the Company and delivered to the Collateral Agent;

Thirteenth, on each Transfer Date, at the Company's option, (A) for repayment of the Series 2019 Bonds, such amounts as the Company will deem appropriate to optionally prepay such then Outstanding Series 2019 Bonds in whole or in part in accordance with the Indenture, or (B) to make any other optional prepayments or optional redemptions, as the case may be, as permitted under any Secured Obligation Documents, together with any interest or premium

payable in connection with such prepayment or redemption and any related Swap Termination Payments in connection with such prepayment or redemption; and

Fourteenth, within the 15-day period commencing on each Distribution Date, so long as the Restricted Payment Conditions are satisfied as of the applicable Distribution Date, as confirmed in a Distribution Release Certificate signed by a Responsible Officer of the Company and delivered to the Collateral Agent, to the Distribution Account, or if such Restricted Payment Conditions are not satisfied as of such Distribution Date, then such funds shall be transferred to the Equity Lock-Up Account during such 15-day period (in either case, in an amount not to exceed the amounts on deposit in the Revenue Account as of the immediately preceding Transfer Date). Funds shall not be transferred from the Revenue Account to the Distribution Account or the Equity Lock-Up Account at any time other than in accordance with this clause Fourteenth.

See “PROJECT ACCOUNTS AND FLOW OF FUNDS—Description of Project Accounts—Revenue Account” and “PROJECT ACCOUNTS AND FLOW OF FUNDS—Flow of Funds—Revenue Account.”

Construction Account

The proceeds of all Escrow Securities released pursuant to Section 3.4 of the First Supplemental Indenture (in respect of the Series 2019B Loan), net of amounts used to pay certain costs of issuance and fund certain deposits on the Remarketing Date required under the Collateral Agency Agreement and the Indenture and after application in accordance with the Indenture, will be transferred by the Collateral Agent acting at the written direction of the Company (and the Company will cause the proceeds of such Escrow Securities to be deposited) into the PABs Proceeds Sub-Account of the Construction Account on the Remarketing Date. Funds on deposit in the PABs Proceeds Sub-Account will be used to pay, or reimburse for a prior payment of, Project Costs as permitted by Law, including the Code; *provided, however*, that such funds may be used to pay interest on (i) the Series 2019A Bonds solely after all funds available for such payments in the Series 2019A Funded Interest Account have been used and (ii) the Series 2019B Bonds solely after all funds available for such payments in the Series 2019B Funded Interest Account have been used; and *provided, further, however* that such funds may not be used to pay Project Costs that are not Qualified Costs unless the Company shall have provided to the Collateral Agent and the Trustee an opinion of Bond Counsel to the effect that use of such funds to pay Project Costs that are not Qualified Costs will not adversely affect the exclusion of interest on any Bonds (other than Taxable Bonds) from gross income of the Owners thereof. See “PROJECT ACCOUNTS AND FLOW OF FUNDS—Description of Project Accounts—Construction Account” and “PROJECT ACCOUNTS AND FLOW OF FUNDS—Flow of Funds—Construction Account.”

Initial Debt Service Reserve Account.....

The Initial Debt Service Reserve Account will be funded on or before the Phase 2 Revenue Service Commencement Date in an amount equal to the then applicable Debt Service Reserve Requirement (which is an amount equal to six months’ interest payments on the Series 2019A Bonds and the Series 2019B Bonds (together with the Series 2019A Bonds, the “Series 2019 Bonds”). In addition, on each Transfer Date, the Collateral Agent will cause amounts in the Revenue Account, to the extent available, to be deposited in the Initial Debt Service Reserve Account to the extent necessary to fund such account so that the balance therein (taking into account the amount available

for drawing under any Qualified Reserve Account Credit Instrument provided with respect thereto) equals the Debt Service Reserve Requirement. Upon the issuance, pursuant to the Indenture and in accordance with the Collateral Agency Agreement, of any Additional Parity Bonds issued to finance, or Permitted Additional Senior Indebtedness constituting, Additional Project Completion Indebtedness, Rolling Stock Indebtedness, Theme Park Indebtedness or Additional Station Indebtedness, the Initial Debt Service Reserve Account will be funded in accordance with and at the times set forth in the Indenture and in an amount equal to the Debt Service Reserve Requirement for such Additional Parity Bonds or Permitted Additional Senior Indebtedness. Moneys in the Initial Debt Service Reserve Account will be used to pay debt service on the Series 2019 Bonds (and any Additional Parity Bonds outstanding under the Indenture and any applicable Permitted Additional Senior Indebtedness) on the date such debt service is due when sufficient funds for that purpose are otherwise not available. See “PROJECT ACCOUNTS AND FLOW OF FUNDS—Description of Project Accounts—Debt Service Reserve Account.”

Ramp-Up Reserve Account The Ramp-Up Reserve Account was funded on or prior to April 18, 2019 in an aggregate amount equal to \$18,900,000. On the Remarketing Date, an aggregate amount equal to the amount of interest due and payable on July 1, 2023, on the Series 2019A Bonds, the Series 2019B Bonds and any Permitted Additional Senior Indebtedness theretofore incurred will be deposited into the Ramp-Up Reserve Account. Upon the issuance of any Additional Parity Bonds or the incurrence of any other Permitted Additional Senior Indebtedness after the Closing Date, the Company will cause to be deposited in the Ramp-Up Reserve Account an amount equal to the amount of interest due and payable on July 1, 2023, on such Indebtedness. On the Phase 2 Revenue Service Commencement Date, the Company shall cause to be deposited in the Ramp-Up Reserve Account an amount sufficient to ensure that the aggregate amount deposited therein is at least equal to the amount of interest due and payable on July 1, 2023, on the Series 2019A Bonds, the Series 2019B Bonds and any Permitted Additional Senior Indebtedness theretofore incurred. On July 1, 2023, if any funds other than Project Revenues shall have been used to pay any debt service due and payable on July 1, 2023, on the Series 2019A Bonds, the Series 2019B Bonds and any Permitted Additional Senior Indebtedness theretofore incurred, the Company shall cause to be deposited in the Ramp-Up Reserve Account an amount of interest due and payable on January 1, 2024, on the Series 2019A Bonds, the Series 2019B Bonds and any Permitted Additional Senior Indebtedness theretofore incurred.

Moneys in the Ramp-Up Reserve Account will be transferred from time to time (A) by the Collateral Agent (without the requirement of a Funds Transfer Certificate and without further direction by the Company) to the Series 2019A Interest Sub-Account, the 2019B Interest Sub-Account, the Series 2019A Principal Sub-Account or the Series 2019B Principal Sub-Account in such amounts as are required to enable the payment of any debt service on the Series 2019A Bonds and the Series 2019B Bonds, respectively, then due and payable or to make the transfers required by clauses Fifth and Sixth set forth in “PROJECT ACCOUNTS AND FLOW OF FUNDS—Flow of Funds—Revenue Account” to the extent there are insufficient funds for the payment thereof in the Revenue Account or other accounts available therefor in accordance with the Collateral Agency Agreement and the Indenture and (B) on any date prior to the Phase 2 Revenue Service Commencement Date or after July 1, 2023 (or, if any funds are required to be deposited in the Ramp-Up

Reserve Account pursuant to the last sentence of the immediately preceding paragraph, after January 1, 2024), as directed by the Company pursuant to a Funds Transfer Certificate, to the applicable Operating Account(s) designated by the Company in such Funds Transfer Certificate in such amounts as are required to pay O&M Expenditures then due and payable to the extent there are insufficient funds for the payment thereof in the Operating Accounts, the Revenue Account or other accounts available therefor in accordance with the Collateral Agency Agreement. In addition, on July 1, 2023 (or January 1, 2024, as the case may be), after giving effect to all interest payments required to be made on such date on the Series 2019A Bonds, the Series 2019B Bonds and all Permitted Additional Senior Indebtedness theretofore incurred, all remaining funds on deposit in the Ramp-Up Reserve Account shall be transferred to the Initial O&M Reserve Account without the requirement of a Funds Transfer Certificate and without further direction by the Company.

O&M Reserve Account The Initial O&M Reserve Account will be funded (a) on July 1, 2023, with all remaining funds on deposit in the Ramp-Up Reserve Account and (b) thereafter, on each Transfer Date, up to an amount equal to one-twelfth (1/12) of the O&M Expenditures projected as certified by a Responsible Officer of the Company for the current Fiscal Year (the “O&M Reserve Requirement”) in accordance with “—PROJECT ACCOUNTS AND FLOW OF FUNDS—Flow of Funds—Revenue Account,” to the extent moneys are available therefor from the Revenue Account. Available moneys in the Initial O&M Reserve Account will be used to pay O&M Expenditures in the event other moneys are not available therefor in the Operating Accounts, the Revenue Account, the Initial Major Maintenance Reserve Account, the Ramp-Up Reserve Account or the Equity Lock-Up Account in accordance with the Collateral Agency Agreement and to pay debt service in the manner set forth below; provided that, after July 1, 2023, and until the first date thereafter that the amount on deposit therein is equal to the O&M Reserve Requirement (the “Initial O&M Reserve Account Trigger Date”), the Company may use moneys in the Initial O&M Reserve Account to pay O&M Expenditures regardless of the availability of funds therefor in the Operating Accounts, the Revenue Account, the Initial Major Maintenance Reserve Account, the Ramp-Up Reserve Account and the Equity Lock-Up Account.

Moneys in any O&M Reserve Account (including the Initial O&M Reserve Account) will be used by the Collateral Agent to pay debt service (without the requirement of a Funds Transfer Certificate and without any further direction by the Company) in accordance with “—PROJECT ACCOUNTS AND FLOW OF FUNDS—Flow of Funds—Revenue Account.”

Major Maintenance Reserve Account..... The Initial Major Maintenance Reserve Account will be initially funded by the Company commencing on the first Transfer Date immediately following December 31, 2020 from funds in the Revenue Account in accordance with “—PROJECT ACCOUNTS AND FLOW OF FUNDS—Flow of Funds—Revenue Account” so that the amounts on deposit in such account are equal to the Major Maintenance Reserve Required Balance. Given the additional contributions to the Ramp-Up Reserve Account as part of this remarketing, as well as the less than predicted maintenance expenses as a result of the pausing of operations in 2020, the Company expects to have sufficient maintenance expense reserves on hand through the Phase 2 Revenue Commencement Date.

The Company will have the right to draw from the Initial Major Maintenance Reserve Account for the purpose of paying Major Maintenance Costs in accordance with the Major Maintenance Plan.

Funds held in the Initial Major Maintenance Reserve Account that are not spent on Major Maintenance Costs during the fiscal year for which such funds were reserved due to deferral of Major Maintenance during any such fiscal year (the “Non-Completed Work”) will be retained in the Non-Completed Work Sub-Account and applied to the costs of completing the Non-Completed Work; *provided*, that (x) any such funds retained in the Non-Completed Work Sub-Account for application to Non-Completed Work will be deemed not on deposit in the Initial Major Maintenance Reserve Account for purposes of calculating whether the amounts on deposit therein are sufficient to meet the applicable Major Maintenance Reserve Required Balance; *provided further* that the Non-Completed Work will not be considered in the calculation of the Major Maintenance Reserve Required Balance and (y) any funds remaining on deposit in the Non-Completed Work Sub-Account after completion of the applicable Non-Completed Work will be transferred to the Revenue Account and distributed in accordance with “—PROJECT ACCOUNTS AND FLOW OF FUNDS—Flow of Funds—Revenue Account.”

Other Accounts and Flow of Funds

For a description of all the funds, accounts and sub-accounts established in relation to the Project and a more detailed description of the flow of funds, see “SECURITY AND SOURCES OF REPAYMENT FOR THE SERIES 2019B BONDS—Indenture” and “PROJECT ACCOUNTS AND FLOW OF FUNDS.”

Restricted Payment Conditions

Pursuant to the Senior Loan Agreement and Indenture and subject to the Flow of Funds, the Company’s ability to make payments on Permitted Subordinated Debt and other restricted distributions is, among other conditions, subject to the funding of all reserve accounts and to the Lock-Up Total DSCR on the relevant distribution date being at least 1.50:1.00 on a trailing 12-month basis and on a projected basis for the subsequent 12-month period.

ADVISOR REPORTS

Ridership and Revenue Study and Ridership and Revenue Study Supplement

WSP was engaged to prepare a report dated December 2017 (the “Ridership and Revenue Study”) in its capacity as an independent ridership and revenue advisor for the benefit of the Owners in relation to the Project. The Ridership and Revenue Study is included as Appendix E to this Limited Remarketing Memorandum. Matters addressed in the Ridership and Revenue Study are based on various assumptions and methodologies and are subject to certain qualifications. In November 2020, WSP prepared a supplement to the Ridership and Revenue Study (the “Ridership and Revenue Study Supplement”) for the purposes of incorporating the Company’s the New In-line Stations and the station at Disney Springs into the Ridership and Revenue Study. Reference is hereby made to the entire Ridership and Revenue Study and Ridership and Revenue Study Supplement for such important opinions, projections, qualifications and assumptions. WSP delivered bring down letters, dated March 20, 2019, February 28, 2020, August 12, 2020 and November 9, 2020, respectively, confirming that no additional information has been brought to WSP’s attention that would lead WSP to believe that there would be a material change in the findings, estimates, conclusions and analyses reflected in the Ridership and Revenue Study. See “APPENDIX E—WSP USA

SOLUTIONS BRING DOWN LETTERS AND PROJECT RIDERSHIP AND REVENUE STUDY AND SUPPLEMENT.”

Operations and Maintenance and Ancillary Revenue Report

WSP was also engaged to prepare a report dated March 10, 2019 (the “Operations and Maintenance and Ancillary Revenue Report”) in its capacity as an independent operations and maintenance and ancillary revenue advisor for the benefit of the Owners in relation to the Project. The Operations and Maintenance and Ancillary Revenue Report is included as Appendix F to this Limited Remarketing Memorandum. Matters addressed in the Operations and Maintenance and Ancillary Revenue Report are based on various assumptions and methodologies and are subject to certain qualifications. Reference is hereby made to the entire Operations and Maintenance and Ancillary Revenue Report for such important opinions, projections, qualifications and assumptions. In connection with this remarketing, WSP delivered bring down letters, dated February 28, 2020, August 11, 2020 and November 9, 2020, respectively, confirming that no additional information has been brought to WSP’s attention that would lead WSP to believe that there would be a material change in the findings, estimates, conclusions and analyses reflected in the Operations and Maintenance and Ancillary Revenue Report. See “APPENDIX F— WSP USA SOLUTIONS BRING DOWN LETTERS AND PROJECT OPERATIONS AND MAINTENANCE AND ANCILLARY REVENUE REPORT.”

Technical Advisor’s Report

The Technical Advisor was engaged to prepare a report dated March 7, 2019 (the “Technical Advisor’s Report”) to review and report on the Project documentation. The Technical Advisor’s Report is included as Appendix G to this Limited Remarketing Memorandum. Matters addressed in the Technical Advisor’s Report are based on various assumptions and methodologies and are subject to certain qualifications. Reference is hereby made to the entire Technical Advisor’s Report for such important opinions, projections, qualifications and assumptions. The Technical Advisor delivered bring down letters, dated April 2, 2020, August 6, 2020 and November 9, 2020, respectively, confirming that no additional information has been brought to the Technical Advisors’ attention that would lead the Technical Advisor to believe that there would be a material change in the analyses, assessments, findings and conclusions reflected in the Technical Advisor’s Report. See “APPENDIX G—TECHNICAL ADVISOR BRING DOWN LETTERS AND TECHNICAL ADVISOR’S REPORT.”

Further, the Company is progressing on two new construction initiatives: (i) the construction of Aventura station and Boca Raton station, as well as an expected third station at PortMiami subject to final agreement, and (ii) rail enhancements and rolling stock capacity additions that will allow for the dispatch of more trains at a greater frequency than initially contemplated. In the future, the Technical Advisor will report on the New In-line Station initiatives and the Capacity Expansion Projects in a new section of the Technical Advisor’s monthly continuing disclosure.

Green Bond Second Party Opinion.....

On November 8, 2019, Sustainalytics delivered the Green Bond Second Party Opinion (the “Second Party Opinion”), which was updated in March 2020 and opines on the Green Bond Framework prepared by Brightline Holdings (the “Framework”). Sustainalytics assessed the alignment of the Framework to the Green Bond Principles, 2018. The Framework details the expected use of proceeds of the Series 2019B Bonds, the Company’s internal process for

evaluating and selecting projects and the Company’s expected reporting schedule. The Company has evaluated the Project and determined the remarketing of the Series 2019B Bonds aligns with the Framework based on the use of proceeds from remarketing and the Company’s expected management of such proceeds and reporting schedule. In November 2020, Sustainalytics delivered a Pre-Issuance Review Report confirming that nothing has come to Sustainalytics’ attention that would cause it to believe that, in all material respects, the Series 2019B Bonds are not aligned with the Framework. See “APPENDIX H—SUSTAINALYTICS PRE-ISSUANCE REVIEW REPORT AND GREEN BOND OPINION.”

Neither the Company nor the Remarketing Agents make any representation as to the suitability of the opinion or the Series 2019B Bonds to fulfill any environmental and sustainability criteria. Each potential purchaser of the Series 2019B Bonds should determine for itself the relevance of the information contained in this Limited Remarketing Memorandum regarding the use of proceeds and its purchase of the Series 2019B Bonds should be based upon such investigation as it deems necessary. See “RISK FACTORS—Risks Related to this Remarketing and the Company’s Indebtedness—The Series 2019B Bonds may not be a suitable investment for all investors seeking exposure to green assets.”

APPRAISALS

Appraisal of Passenger Rail Easement

The Company possesses certain easement interests in the shared corridor extending from Miami to Cocoa, Florida. A wholly-owned subsidiary of the Company’s indirect parent company possesses certain easement interests in the shared corridor extending from Cocoa to Jacksonville, Florida. The easement interests were acquired through Fortress’s acquisition in May 2007 of FECI and were assigned a book value of approximately \$225.3 million, of which approximately \$195.5 million was attributed to the Company’s easement interests and the remainder was attributed to the Company’s affiliate’s easement interests. In 2017, the Company engaged Real Globe Advisors LLC, a certified general appraiser, to complete an appraisal for purposes of estimating the Market Value (as defined below) of the Company’s easement interests running on and over the portion of such shared corridor extending from Miami to Cocoa, Florida. The “Market Value” is the most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and assuming the price is not affected by undue stimulus. Using both the “Across the Fence” and the “Corridor Sales Comparison” methodologies, the appraiser determined the Market Value to be \$675 million as of June 1, 2017.

In August 2020, Miami-Dade County selected two independent appraisers to estimate the annual unimproved corridor value of the access rights to be provided to the County for the purposes of operating the proposed commuter service. As a component of the appraisal, the appraisers estimated the current unimproved corridor value for only the segment between MiamiCentral and Aventura stations based on across-the-fence property value multiplied by a corridor enhancement factor. The average land value of the two appraisals equaled approximately \$700 million and after applying enhancement factor, bundle of rights, shared occupancy percentage and cap rate for market rent, the appraisers arrived at an average value of \$19.2 million per year for the

County's access rights, not including the value of the shared improvements existing on the corridor. These results informed the upfront and annual access fees identified in the Company's agreement with Miami-Dade County.

The property rights that were appraised are the permanent, perpetual and exclusive rights, privileges and easements granted to the Company under the Second Amended and Restated Grant of Passenger Service Easements from FECR running on and over the property included in FECR's main line right of way from Miami to Cocoa, Florida. Spurs, railyards and any infrastructure are expressly excluded from the appraised property rights. The appraiser's valuation was based upon the analysis of information provided by the Company's management, general market information, comparable land sales and listing data, information from brokers and other third party market participants, research of land uses along the main line right of way and considering the "highest and best use" of the subject property as a continued transportation utility corridor.

The audited financial statements incorporated by reference to this Limited Remarketing Memorandum reflect the approximate \$195.5 million book value of such easement interests running on and over the shared corridor extending from Miami to Cocoa, Florida as invested equity in the Company. The \$675 million Market Value determination of the appraiser as of June 1, 2017 of the Company's easement interests running on and over the portion of the shared corridor extending from Miami to Cocoa, Florida has been utilized to determine the total invested equity capital in the Company as of that date.

The appraiser's report was made subject to certain assumptions and limiting conditions, including, without limitation, that there are no hidden or unapparent conditions of the subject property, subsoil or structures that render the subject property more or less valuable, full compliance with laws, and that all required licenses and other governmental consents have or can be obtained and renewed for any use on which the valuation was based. In addition, the appraiser's report is as of June 1, 2017. Accordingly, the valuation contained in the report was based on information and assumptions available at such time and any new appraisal could differ materially from the 2017 appraisal.

RISK FACTORS

Risk Factors.....

Investing in the Series 2019B Bonds involves a high degree of risk. A number of risks could affect the payments to be made on the Series 2019B Bonds and the market value of the Series 2019B Bonds. Please read carefully the information contained in "RISK FACTORS" for a discussion of some of these risks. Such discussion should be read in conjunction with all other parts of this Limited Remarketing Memorandum and the documents incorporated by reference in this Limited Remarketing Memorandum, and should not be considered as a complete description of all risks that could affect such payments or the market value of the Series 2019B Bonds. Investors should carefully consider the information set forth in such section along with all of the other information provided herein or incorporated by reference in this Limited Remarketing Memorandum and additional information in the form of the complete documents summarized herein (copies of which are available as described in this Limited Remarketing Memorandum) before deciding whether to invest in the Series 2019B Bonds. Further, there can be no assurance that the Company can meet any projections or expectations contained in this

Limited Remarketing Memorandum and, as the Company has suspended its passenger rail service, there can be no assurance as to the timing of resumption or the frequency or level of service that will be provided once the Company resumes service. See “RISK FACTORS—Risks Related to the Company’s Business—A pandemic, such as the recent novel coronavirus (COVID-19) outbreak, could materially adversely affect the travel and tourism industry in general and the Company’s business and financial condition and results of operations.”

THE ISSUER

**The Florida Development
Finance Corporation**

The Issuer is a public body corporate and politic of the State of Florida created pursuant to the Florida Development Finance Corporation Act of 1993 (Chapter 288, Part X, Florida Statutes) (the “Issuer Act”). The Issuer Act provides that the Issuer may, among other things, issue revenue bonds and lend the proceeds to approved applicants to finance and refinance projects that promote economic development within the State of Florida, provided that the Issuer has entered into an interlocal agreement with a local government agency having jurisdiction over the location of the Project. The powers of the Issuer are vested in a board of directors appointed by the Governor of the State of Florida, subject to confirmation by the Florida Senate. The Issuer Act provides that the board of directors shall consist of five directors appointed by the Governor of the State and confirmed by the Florida Senate. In addition, the executive director of the Department of Economic Opportunity or his or her designee shall also serve as Chair of the Board of Directors. The director of the Division of Bond Finance or his or her designee shall serve as a Director on the Board of Directors. The Act provides that at least three of the appointed Directors of the Issuer shall have experience in finance and at least one Director shall have experience in economic development. The Issuer Act further provides that a majority of the directors constitutes a quorum for the purposes of conducting business and exercising the powers of the corporation and for all other purposes.

INTRODUCTION

The purpose of this Limited Remarketing Memorandum, which includes the cover page, body, inside cover page and appendices, is to provide information in connection with the remarketing of the Series 2019B Bonds in an aggregate principal amount of \$950,000,000. The Series 2019B Bonds were issued pursuant to an Indenture of Trust, as amended by the First Amendment to Indenture of Trust (as so amended, the “Original Indenture”) as supplemented by the First Supplemental Indenture of Trust, as amended by the First Amendment to First Supplemental Indenture of Trust (as so amended, the “First Supplemental Indenture”), and are being remarketed pursuant to the Second Supplemental Indenture of Trust (the “Second Supplemental Indenture,” and together with the Original Indenture and First Supplemental Indenture, the “Indenture”), between the Issuer and the Trustee. At the time of issuance of the Series 2019B Bonds, the Issuer had also previously issued the Series 2019A Bonds.

The Series 2019B Bonds were originally issued as Escrow Bonds (as defined in the First Supplemental Indenture), and accordingly, the proceeds thereof were used to fund the Series 2019B Escrow Reserve Redemption Account established under the First Supplemental Indenture and either held in cash or invested in direct obligations of the United States of America (such cash and investments, the “Escrow Securities”). The Series 2019B Bonds in their entirety were subject to mandatory tender for purchase and remarketing on March 17, 2020 and again on June 18, 2020. On each of those occasions, a new Flexible Rate Period was established for the Series 2019B Bonds. At all times prior to the Remarketing Date, all of the Series 2019B Bonds have remained Escrow Bonds.

Upon remarketing, the Series 2019B Bonds will constitute Released Bonds (as defined in the First Supplemental Indenture) and are being redesignated as “Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Florida Passenger Rail Project), Series 2019B”. The Series 2019B Bonds are the only series being remarketed pursuant to this Limited Remarketing Memorandum.

Capitalized terms used but not defined in the front portion of this Limited Remarketing Memorandum have the meanings set forth in “APPENDIX A—DEFINITIONS OF TERMS.”

The Series 2019B Bonds are being remarketed on December 23, 2020 (the “Remarketing Date”) at a Fixed Rate to maturity. Interest on the Series 2019B Bonds from the Remarketing Date is payable semi-annually on each January 1 and July 1, commencing on July 1, 2021, until maturity. The Series 2019B Bonds will bear interest at the Fixed Rate set forth on the inside cover page until maturity. The Series 2019B Bonds are subject to optional, extraordinary mandatory and mandatory sinking fund redemption prior to maturity as described herein.

The proceeds of the remarketing of the Series 2019B Bonds, together with other available funds derived from the redemption of certain securities held in the Series 2019B Escrow Reserve Redemption Account, will be used to pay the mandatory tender price of the Series 2019B Bonds on the Remarketing Date. Upon the remarketing of the Series 2019B Bonds on the Remarketing Date, the Escrow Release Conditions (as defined in the First Supplemental Indenture) will be satisfied with respect to the Series 2019B Bonds and the portion of the Escrow Securities not used to pay a portion of the mandatory tender price on the Remarketing Date will be released from the Series 2019B Escrow Reserve Redemption Account and used to, together with other sources of funds: (a) pay or reimburse a portion of the costs of the design, development, acquisition, construction, installation, equipping, ownership, operation, maintenance and administration of those portions of the Project located in the PABs Counties, including the New In-line Stations and Capacity Expansion Projects; (b) pay the interest to accrue on the Series 2019B Bonds through the interest payment due on January 1, 2023; (c) pay the interest to accrue on the Series 2019A Bonds from July 1, 2022 through the interest payment due on January 1, 2023; (d) fund certain accounts for the Series 2019B Bonds, including the Ramp-Up Reserve Account and the Construction Account, to the extent permitted by the Code and the Treasury Regulations; (e) repay a portion of the Company’s outstanding short-term debt; and (f) pay or reimburse certain costs in connection with the remarketing of the Series 2019B Bonds.

DESCRIPTION OF THE SERIES 2019B BONDS

General

The Series 2019B Bonds were initially issued on June 20, 2019, and are being remarketed pursuant to this Limited Remarketing Memorandum in the aggregate principal amount of \$950,000,000 in a Fixed Rate Mode. The Series 2019B Bonds will mature on January 1, 2049. The Series 2019B Bonds will be subject to redemption prior to maturity as described below. The Series 2019B Bonds are being remarketed as fully registered bonds in denominations of \$100,000 and integral multiples of \$5,000 in excess thereof. The Series 2019B Bonds will be remarketed in book-entry form pursuant to the book-entry-only system described herein. Beneficial Owners of the Series 2019B Bonds will not receive physical delivery of any Series 2019B Bond certificates.

The Series 2019B Bonds will bear interest from the Remarketing Date at the Fixed Rate set forth on the inside cover page of this Limited Remarketing Memorandum to maturity as set forth on the inside cover page of this Limited Remarketing Memorandum.

Interest on the Series 2019B Bonds is payable semi-annually on January 1 and July 1 of each year, commencing on July 1, 2021, until maturity. Interest on the Series 2019B Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

This Limited Remarketing Memorandum describes the provisions of the Series 2019B Bonds only when the Series 2019B Bonds bear interest at the Fixed Rate to maturity.

THE REMARKETING AGENTS ARE OFFERING THE SERIES 2019B BONDS ONLY TO “QUALIFIED INSTITUTIONAL BUYERS” AS DEFINED UNDER RULE 144A OF THE SECURITIES ACT AND “ACCREDITED INVESTORS” AS DEFINED UNDER RULE 501(a) OF THE SECURITIES ACT. PLEASE SEE “NOTICE TO INVESTORS” FOR ADDITIONAL INFORMATION ABOUT ELIGIBLE OFFEREEES AND TRANSFER RESTRICTIONS.

Investing in the Series 2019B Bonds involves a high degree of risk. See “RISK FACTORS” for a detailed description of risk factors and investment considerations. Investors should read this Limited Remarketing Memorandum in its entirety before making an investment decision. In making an investment decision, investors must rely on their own examination of the Company, the Issuer and the Project and the terms of the remarketing, including the merits and risks involved.

Special and Limited Obligations

Except for revenues received pursuant to the Senior Loan Agreement as described in the following sentence, the Owners of the Series 2019B Bonds may not look to any assets, revenues or other sources of payment of the Issuer for repayment of the Series 2019B Bonds. The only sources of repayment of the Series 2019B Bonds are payments provided by the Company to the Issuer pursuant to the Senior Loan Agreement and the Security Interests in the Trust Estate and the Collateral.

THE SERIES 2019B BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER PAYABLE FROM AND SECURED SOLELY BY THE TRUST ESTATE AND THE COLLATERAL. THE SERIES 2019B BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE STATE, THE COUNTIES OF BREVARD, BROWARD, MIAMI-DADE, ORANGE OR PALM BEACH (COLLECTIVELY, THE “PABS COUNTIES”), OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE, WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE STATE, THE PABS COUNTIES, OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE, AND NEITHER THE FULL FAITH AND CREDIT OF THE ISSUER NOR THE FULL FAITH AND CREDIT OR TAXING POWER OF THE STATE, THE PABS COUNTIES, OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2019B BONDS. NO COVENANT OR AGREEMENT CONTAINED IN THE SERIES 2019B BONDS OR THE INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER OF THE GOVERNING BODY OF THE ISSUER NOR SHALL ANY OFFICIAL EXECUTING SUCH SERIES 2019B BONDS BE LIABLE PERSONALLY ON THE SERIES

2019B BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE SERIES 2019B BONDS. THE ISSUER HAS NO TAXING POWER.

Redemption of Series 2019B Bonds Prior to Maturity

The Series 2019B Bonds are subject to redemption prior to their stated maturity, in accordance with the terms and provisions of the Indenture, as follows:

Optional Redemption

Make-Whole Redemption.

The Series 2019B Bonds are subject to redemption at the option of the Company, in whole or in part (and if in part, by lot or, in the case of Series 2019B Bonds in book-entry form, in accordance with the procedures of DTC) at any time prior to January 1, 2024 (the “First Premium Call Date”), at a redemption price equal to the Make-Whole Redemption Price, plus interest accrued through the interest payment due on the redemption date.

The “Make-Whole Redemption Price” is equal to the sum of:

- (a) one hundred seven percent (107%) of the principal amount of the Series 2019B Bonds to be redeemed; and
- (b) an amount equal to the sum of the remaining unpaid payments of interest to be paid on such Series 2019B Bonds to be redeemed from and including the date of redemption to the First Premium Call Date of such Series 2019B Bonds.

The Make-Whole Redemption Price of the Series 2019B Bonds described above will be determined by an independent accounting firm, investment banking firm or financial advisor (which accounting firm or financial advisor shall be retained by the Company at the expense of the Company to calculate such Make-Whole Redemption Price) and such agent’s or advisor’s determination of the Make-Whole Redemption Price shall be final and binding in the absence of manifest error. The Trustee and the Company may conclusively rely on such accounting firm’s, investment banking firm’s or financial advisor’s determination of such redemption price and shall bear no liability for such reliance.

Optional Redemption at a Premium

The Series 2019B Bonds are subject to redemption at the option of the Company, in whole or in part (and if in part, by lot or, in the case of Series 2019B Bonds in book-entry form, in accordance with the procedures of DTC) at any time on or after the First Premium Call Date at a redemption price equal to the principal amount redeemed, plus the Optional Redemption Prepayment Premium, plus interest accrued through the interest payment due on the redemption date. The “Optional Redemption Prepayment Premium” means the redemption premium set forth below (expressed as a percentage of the principal amount redeemed) applicable to the date on which redemption occurs:

Period During Which Redeemed	Redemption Premium
January 1, 2024 through and including December 31, 2024....	7%
January 1, 2025 through and including December 31, 2025....	6%
January 1, 2026 through and including December 31, 2026....	5%
January 1, 2027 through and including December 31, 2027....	4%
January 1, 2028 through and including December 31, 2028....	3%
January 1, 2029 through and including December 31, 2029	2%
January 1, 2030 through and including December 31, 2030....	1%
From and after January 1, 2031	0%

Extraordinary Mandatory Redemption

Unspent Bond Proceeds. The Series 2019B Bonds are subject to extraordinary mandatory redemption in part by lot or, in the case of Series 2019B Bonds in book-entry form, in accordance with the procedures of DTC, within such maturities as selected by the Company at a redemption price of par plus accrued interest to, but not including, the

redemption date (which shall occur on any date for which the requisite notice of redemption can be given but which will be set by the Trustee on a Business Day that is no earlier than the date that is five years and 30 days after the date of issuance of the Series 2019B Bonds and no later than the date that is five years and 90 days after the date of issuance of the Series 2019B Bonds) in the principal amount of (rounded upward to a multiple of \$5,000) and to the extent of any remaining unspent Series 2019B Bond proceeds on such date, sufficient to effectuate such redemption; provided that no such redemption shall be required if the Company has obtained an opinion of Bond Counsel stating that the failure to redeem the Series 2019B Bonds will not adversely affect the exclusion of interest on the Series 2019B Bonds from gross income for federal income tax purposes.

Loss Proceeds. The Series 2019B Bonds are subject to extraordinary mandatory redemption, pro rata with any Additional Senior Indebtedness in accordance with the applicable Financing Obligation Documents, from net amounts of Loss Proceeds, received by the Company, to the extent that (i) such Loss Proceeds exceed the amount required to Restore the Project or any portion thereof to the condition existing prior to the Loss Event or (ii) the affected property cannot be restored to permit operation of the Project on a Commercially Feasible Basis and upon delivery to the Collateral Agent of an officer’s certificate of the Company certifying to the foregoing (together with, in the case of clauses (i) and (ii) immediately above, a certificate signed by an authorized representative of the Technical Advisor concurring with such officer’s certificate). Such redemption will be in whole or in part, and if in part, by lot or, in the case of Series 2019B Bonds in book-entry form, in accordance with the procedures of DTC, within such maturities as selected by the Company (provided that Series 2019B Bonds may be redeemed only in Authorized Denominations), at a redemption price of par plus accrued interest to, but not including, the redemption date.

Event of Taxability. The Series 2019B Bonds are subject to extraordinary mandatory redemption, in whole, in the event of a Determination of Taxability, on the earliest date for which the requisite notice of redemption can be given in the manner set forth below following the occurrence of such Determination of Taxability, at a redemption price of par plus accrued interest to, but not including, the redemption date. As used herein, “Determination of Taxability” means the occurrence of both of the following: (i) any of the litigation pending against the Company and/or the United States Department of Transportation on the Closing Date in federal court with respect to the Project is determined adversely to the Company and/or the United States Department of Transportation, from which determination no appeal may be taken or with respect to which the time for taking an appeal shall have expired without an appeal having been taken, and (ii) such determination adversely affects the excludability of the interest on the Released Bonds from gross income for federal income tax purposes. The Closing Date occurred on June 20, 2019. On October 5, 2020, the United States Supreme Court denied Indian River County’s writ of certiorari appeal, effectively ending in favor of Brightline Holdings the only litigation extant on June 20, 2019 that could have resulted in an extraordinary mandatory redemption of the Series 2019B Bonds on account of the occurrence of a Determination of Taxability. See “LITIGATION – The Company” herein.

Mandatory Sinking Fund Redemption

The Series 2019B Bonds are subject to mandatory redemption prior to maturity, in part, at a redemption price equal to the principal amount redeemed, plus accrued and unpaid interest to, but not including, the redemption date, on January 1 of the years and in the aggregate principal amounts set forth below:

Redemption Date (January 1)	Principal Amount	Redemption Date (January 1)	Principal Amount
2030	\$24,465,000	2040	\$45,930,000
2031	26,060,000	2041	48,920,000
2032	27,755,000	2042	52,100,000
2033	29,555,000	2043	55,480,000
2034	31,475,000	2044	59,090,000
2035	33,525,000	2045	62,930,000
2036	35,700,000	2046	67,020,000
2037	38,025,000	2047	71,375,000
2038	40,495,000	2048	76,015,000
2039	43,125,000	2049 [†]	80,960,000

[†] Final Maturity

Payment of the Series 2019B Bonds

The principal, purchase price and Redemption Price of, and interest on, the Series 2019B Bonds will be payable only to the Owner thereof appearing on the registration books maintained by the Trustee pursuant to the Indenture.

Pursuant to the Indenture, the principal, purchase price and Redemption Price of any Series 2019B Bond will be paid to the Owner thereof as shown on the registration records of the Trustee upon maturity or prior redemption thereof in accordance with the terms of the Indenture and upon presentation and surrender of the Series 2019B Bonds at the designated payment office of the Trustee in New York, New York. Interest on the Series 2019B Bonds is payable (i) by check or draft of the Trustee mailed on or before each Interest Payment Date to the Owner thereof at the address that appears in the registration books at the close of business on the Record Date, (ii) in the case of Series 2019B Bonds in book-entry form, to DTC in immediately available funds and disbursement of such funds to owners of beneficial interests in Series 2019B Bonds in book-entry form will be made in accordance with the procedures of DTC or (iii) by such other method as mutually agreed in writing between the Owner of a Series 2019B Bond and the Trustee. The "Record Date" for the Series 2019B Bonds is the 15th day of the month preceding the month of each Interest Payment Date. If any such Record Date is not a Business Day then the Record Date is the Business Day next preceding such date.

The Indenture provides that any interest not timely paid will cease to be payable to the Owner thereof at the close of business on the Record Date and will be payable to the Person who is the Owner thereof at the close of business on a new record date for the payment of such defaulted interest (a "Special Record Date"). Such Special Record Date will be fixed by the Trustee whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date will be given by the Trustee to the Owners of the Series 2019B Bonds, not less than ten days prior to the Special Record Date, by certified or first-class mail to each such Owner as shown on the Trustee's registration records (or by electronic delivery in accordance with DTC's procedures) on a date selected by the Trustee, stating the date of the Special Record Date and the date fixed for the payment of such defaulted interest.

While the Series 2019B Bonds are held under the book-entry system, the principal and purchase price of, interest on and Redemption Price of the Series 2019B Bonds will be paid by wire transfer to DTC, as securities depository, or its nominee.

Notice of Redemption

Notice of redemption identifying the Series 2019B Bonds or portions thereof to be redeemed and specifying the terms of such redemption, will be given by the Trustee by sending a copy of the redemption notice by United States first-class mail (or by electronic delivery in accordance with DTC's procedures), at least 30 days and not more than 60 days prior to the date fixed for redemption, to the Owner of each Series 2019B Bond to be redeemed at the address as it last appears on the registration records of the Trustee; *provided, however*, that failure to send such notice, or any defect therein, shall not affect the validity of any proceedings of any Series 2019B Bonds as to which no such failure has occurred. The Trustee shall give notice in the name of the Issuer of redemption of the Series 2019B Bonds upon receipt by the Trustee at least 35 days (or such shorter period as may be agreed by the Trustee) prior to the redemption date of a written request of the Company. Such request shall specify the principal amount of the Series 2019B Bonds to be called for redemption, the applicable redemption price or prices, the date fixed for redemption and the provision or provisions above referred to pursuant to which Series 2019B Bonds are to be called for redemption.

The Indenture provides that, if at the time of sending of notice of any optional redemption of Series 2019B Bonds at the option of the Company, there will not have been deposited with the Trustee moneys sufficient to pay the Redemption Price of all the Series 2019B Bonds to be redeemed, such notice will state that it is conditional upon the deposit with the Trustee of an amount equivalent to the full amount of the moneys for such purpose not later than the opening of business on the redemption date specified in the redemption notice, and such redemption notice will be of no effect unless such Redemption Moneys are so deposited.

Any redemption notice sent as provided in the Indenture shall be conclusively deemed to have been duly given, whether or not the Owner receives the notice. Notice of optional redemption may, at the Company's option and discretion, be subject to one or more conditions precedent. If any such redemption or notice is subject to satisfaction of one or more conditions precedent, such notice will state that, in the Company's discretion, the date fixed for redemption may be delayed until such time as any or all such conditions shall be satisfied, or such redemption may

not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied by the date fixed for redemption, or by such date so delayed.

So long as DTC is effecting book-entry transfers of the Series 2019B Bonds, the Trustee will provide the redemption notices specified herein to DTC. It is expected that DTC will, in turn, notify its Direct Participants and that the Direct Participants, in turn, will notify or cause to be notified the Beneficial Owners (as defined below) of the Series 2019B Bonds. Any failure on the part of DTC or a Direct Participant, or failure on the part of a nominee of a Beneficial Owner of a Series 2019B Bond (having been sent notice from the Trustee, DTC, a Direct Participant or otherwise) to notify the Beneficial Owner of the Series 2019B Bonds so affected, will not affect the validity of the redemption of such Series 2019B Bond.

Book-Entry-Only System

The Series 2019B Bonds will be registered in the name of Cede & Co., as nominee for DTC. Purchases of beneficial interests in the Series 2019B Bonds will be made only in book-entry form. Purchasers of beneficial interests in the Series 2019B Bonds (the “Beneficial Owners”) will not receive physical delivery of certificates representing their interest in the Series 2019B Bonds. Interest on the Series 2019B Bonds, together with principal of the Series 2019B Bonds, will be paid by the Trustee directly to DTC, so long as DTC or its nominee is the registered owner of the Series 2019B Bonds. The final disbursement of such payments to Beneficial Owners of the Series 2019B Bonds will be the responsibility of DTC’s Direct and Indirect Participants, all as defined and more fully described herein. See “APPENDIX K—BOOK-ENTRY-ONLY SYSTEM.”

Designation as Green Bonds

The Company believes its rail system offers a uniquely sustainable transportation alternative in Florida, a community that faces significant population growth and corresponding traffic congestion as well as the geographical challenges presented by climate change and sea level rise. The Company views its service as a key factor in mitigating the impacts of climate change by substantially reducing travel-related carbon emissions and is therefore remarketing the Series 2019B Bonds as “Green Bonds.” This designation is designed to track the generally accepted “Green Bond Principles” and as promulgated by ICMA as of June 2018. By reference to the ICMA’s “Green and Social Bonds: A High-Level Mapping to the Sustainable Development Goals” (June 2020), the Company has determined that the designation reflects the use of proceeds of the Series 2019B Bonds in a manner that is consistent with “Goal 9: Industry, Innovation and Infrastructure” and “Goal 11: Sustainable Cities and Communities” of the United Nations 17 Sustainable Development Goals (referred to as “UNSDGs” generally and “SDG 9,” “SDG 11,” specifically).

Use of Proceeds

Proceeds of the Series 2019B Bonds, together with other sources of funds, will be fully allocated to the Project and used to primarily pay or reimburse a portion of the costs of the design, development, acquisition, construction, installation, equipping, ownership, operation, maintenance and administration of those portions of an inter-city rail passenger rail system and related financing reserves and fees as described under the “THE PROJECT.” The Project is the only privately-funded inter-city passenger rail system in operation in the United States and presents a model for more efficient travel than car and plane alternatives both in Florida and nationally.

The Company estimates that once its passenger rail system achieves full operation and stabilized ridership, it will result in CO2 reductions per passenger kilometer of approximately 75% compared to travel by personal transport vehicle. The Company’s Siemens locomotives have received Tier-4 emission certification from the Environmental Protection Agency, the most stringent emission standard for non-road engines, and offer an emission reduction of approximately 90% compared to trains using Tier-0 locomotives. The locomotives require the use of Ultra Low Sulfur Diesel Fuel, and the Company utilizes clean-burning biodiesel through a contract with Florida Power and Light. Given its commitment to sustainability, the Company continues to explore ways to reduce its emissions further.

In addition to the core rail operations, the Company’s stations are designed with high environmental standards and the Company continues to integrate with more efficient “first mile, last mile” solutions such as ride share, bike share and electric scooters. Furthermore, the Company believes its stations provide transit-oriented development opportunities for the Company, its affiliates and other developers. The Company believes transit-oriented development provides additional social and quality of life benefits in the communities in which the Company operates, particularly with respect to economic development, employment opportunities, walkability and public health.

Project Evaluation and Selection

In 2012, Fortress and Brightline Holdings identified that there was strong demand for high-speed train travel globally that existed between city pairs that were “too short to fly and too long to drive” and where traveling by train could be more efficient than doing so by road and air travel. The Company is already several years into a long-term construction schedule and is developing the Project as well as pursuing system expansion opportunities consistent with comparable, successful and sustainable high-speed inter-city passenger rail systems worldwide. The Company has engaged best-in-class contractors and engineers in competitive procurement processes and intends to continue to negotiate and explore opportunities to expand the system and thereby improve upon the environmental benefits of the inter-city passenger rail system. See “THE PROJECT.”

Management of Proceeds

The Company will deposit a portion of the net proceeds of the Series 2019B Bonds into the Construction Account. The funds in the Construction Account may only be used to pay Project Costs (or, solely after all funds available in the Series 2019A Funded Interest Account and the Series 2019B Funded Interest Account have been used, to pay interest on the Series 2019A Bonds and the Series 2019B Bonds, respectively).

Reporting

The Company currently provides monthly operational and construction progress updates to investors as described under “CONTINUING DISCLOSURE OF INFORMATION.” The Company plans to supplement such monthly updates with voluntary annual updates of environmental impact metrics, such as GHG emissions removed from roadways (tCO₂e), volume of low/no emission biodiesel used, list of eligible buildings that received third-party environmental certifications and number of electric vehicle charging points installed, among other information.

External Review

The Company received the Second Party Opinion from Sustainalytics on November 8, 2019, which was updated in March 2020. In November 2020, Sustainalytics completed a Pre-Issuance Review to ensure the Series 2019B Bonds’ compliance with the Company’s Green Bond Framework. See “APPENDIX H—SUSTAINALYTICS PRE-ISSUANCE REVIEW REPORT AND GREEN BOND OPINION.”

SECURITY AND SOURCES OF REPAYMENT FOR THE SERIES 2019B BONDS

Sources of Payment Generally

The Series 2019B Bonds were issued pursuant to the Issuer Act, and are being remarketed pursuant to this Limited Remarketing Memorandum, and will be secured under the Security Documents. The Series 2019B Bonds are special, limited obligations of the Issuer and upon remarketing will be solely payable from and secured by the Trust Estate and the Collateral.

The Company is obligated under the Senior Loan Agreement to pay or cause to be paid to the Trustee amounts sufficient to pay, when due, the principal and purchase price of and interest on the Series 2019B Bonds and other amounts required by the Indenture. The principal and purchase price of and interest on the Series 2019B Bonds will be payable from amounts on deposit in the Revenue Account under the Collateral Agency Agreement, except that (i) interest on the Series 2019B Bonds payable on July 1, 2021 and on each Interest Payment Date thereafter through the interest payment due on January 1, 2023 will be paid from the Series 2019B Funded Interest Account under the Indenture, (ii) debt service on the Series 2019B Bonds, the Series 2019A Bonds, any Additional Parity Bonds and any Permitted Additional Senior Indebtedness may be payable from the Initial Debt Service Reserve Account under the Collateral Agency Agreement and (iii) debt service on the Series 2019B Bonds and the Series 2019A Bonds may be payable from the Ramp-Up Reserve Account under the Collateral Agency Agreement. The Company's obligations to make such payments are secured by the grant of a lien on and security interest in the Collateral described below, which includes the Funds and the Accounts. See "—Collateral Generally" below. The Company may incur additional indebtedness secured by the Collateral, subject to certain restrictions set forth in the Senior Loan Agreement. See "—Additional Indebtedness" below.

Special and Limited Obligations

Except for revenues payable from the Trust Estate, the Owners of the Series 2019B Bonds may not look to any assets, revenues or other sources of payment of the Issuer for repayment of the Series 2019B Bonds. The only sources of repayment of the Series 2019B Bonds are payments provided by the Company to the Issuer pursuant to the Senior Loan Agreement and the Security Interests that are part of the Trust Estate and the Collateral.

THE SERIES 2019B BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER PAYABLE FROM AND SECURED SOLELY BY THE TRUST ESTATE AND THE COLLATERAL. THE SERIES 2019B BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE STATE, THE PABS COUNTIES, OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE, WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE STATE, THE PABS COUNTIES, OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE, AND NEITHER THE FULL FAITH AND CREDIT OF THE ISSUER NOR THE FULL FAITH AND CREDIT OR TAXING POWER OF THE STATE, THE PABS COUNTIES, OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2019B BONDS. NO COVENANT OR AGREEMENT CONTAINED IN THE SERIES 2019B BONDS OR THE INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER OF THE GOVERNING BODY OF THE ISSUER NOR SHALL ANY OFFICIAL EXECUTING SUCH SERIES 2019B BONDS BE LIABLE PERSONALLY ON THE SERIES 2019B BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE SERIES 2019B BONDS. THE ISSUER HAS NO TAXING POWER.

The Company will be the sole revenue source for the repayment of the Series 2019B Bonds. No affiliate or equity holder of the Company will have any liabilities with respect to the Series 2019B Bonds and neither their credit nor their assets will support the Series 2019B Bonds. The Company operates as a special purpose entity and has no business or assets except as described herein.

Indenture

General

The Series 2019B Bonds were issued pursuant to the First Supplemental Indenture and the Original Indenture and are being remarketed in accordance with this Limited Remarketing Memorandum pursuant to the Second

Supplemental Indenture. For additional information relating to the terms of the Original Indenture, the First Supplemental Indenture and the Second Supplemental Indenture, see “APPENDIX B-1 — ORIGINAL INDENTURE,” “APPENDIX B-2 — FIRST SUPPLEMENTAL INDENTURE AND AMENDMENT THERETO,” and “APPENDIX B-3 — FORM OF SECOND SUPPLEMENTAL INDENTURE.”

Trust Estate

The Issuer, in order to secure the payment of the Series 2019B Bonds, the Series 2019A Bonds and any Additional Parity Bonds (collectively, the “Bonds”), has pledged and assigned to the Trustee pursuant to the terms of the Indenture and the Senior Loan Agreement subject to the Security Documents, for the benefit of the Owners, all of the following (collectively, the “Trust Estate”):

- (a) all right, title and interest of the Issuer (except for Reserved Rights) in and to the Senior Loan Agreement and any Additional Parity Bonds Loan Agreement (if executed), the present and continuing right of the Issuer to make claim for, collect, receive and receipt for any of the sums, amounts, income, revenues, issues and profits and any other sums of money payable or receivable under the Senior Loan Agreement and any Additional Parity Bonds Loan Agreement (if executed), to bring actions and proceedings thereunder or for the enforcement thereof, and to do any and all things which the Issuer is entitled to do under such Senior Loan Agreement and any Additional Parity Bonds Loan Agreement (if executed);
- (b) all moneys from time to time held by the Trustee under the Indenture in any fund or account other than (i) the Series 2019A Rebate Fund and the Series 2019B Rebate Fund, (ii) any Defeasance Escrow Account, (iii) any Escrow Property, and (iv) any other Fund or Account specifically excluded from the Trust Estate pursuant to the terms of a Supplemental Indenture;
- (c) any right, title or interest of the Issuer (except for Reserved Rights) in and to any Security Interest granted to the Collateral Agent for the benefit of the Trustee (as Secured Debt Representative) on behalf of the Owners of the Bonds under the Security Documents or otherwise, including without limitation the Collateral pledged thereunder, and the present and continuing right of the Collateral Agent on behalf of the Trustee (as Secured Debt Representative) to make claim for, collect, receive and receipt for any of the sums, amounts, income, revenues, issues and profits and any other sums of money payable or receivable under the Security Documents, to bring actions and proceedings thereunder or for the enforcement thereof, and to do any and all things which the Collateral Agent on behalf of the Trustee (as Secured Debt Representative) is entitled to do under such Security Documents;
- (d) subject to the Collateral Agency Agreement, any right, title or interest of the Issuer (except for Reserved Rights) in and to all funds deposited from time to time and earnings thereon in the Project Accounts, any and all other accounts established from time to time pursuant to the Collateral Agency Agreement, and any and all subaccounts created thereunder, each held by the Collateral Agent under the Collateral Agency Agreement; and
- (e) any and all other property, revenues, rights or funds from time to time by delivery or by writing of any kind specifically granted, assigned or pledged as and for additional security for any of the Bonds, the Senior Loan Agreement or any Additional Parity Bonds Loan Agreement (if executed) in favor of the Trustee (as Secured Debt Representative) or the Collateral Agent on behalf of the Trustee (as Secured Debt Representative), including any of the foregoing granted, assigned or pledged by the Company or any other Person on behalf of the Company, and the Trustee or the Collateral Agent on behalf of the Trustee (as Secured Debt Representative) is authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms of the Indenture.

Funds and Accounts to be Established under the Indenture

Various funds and accounts have been and will be created under the Indenture in connection with the financing of the Project, including for the payment of principal of and interest on the Series 2019B Bonds when due. Such funds and accounts include the Debt Service Fund and the Series 2019B Rebate Fund described below.

Debt Service Fund. The Trustee has created the Debt Service Fund with an Interest Account, a Principal Account, a Redemption Account and a Series 2019A Funded Interest Account, and will create a Series 2019B Funded Interest Account. Moneys will be transferred to the Debt Service Fund pursuant to the Indenture and the Collateral Agency Agreement. Moneys on deposit in the Debt Service Fund will be used solely for the payment (within each account) of the principal and purchase price of and interest on and the Redemption Price of the Series 2019B Bonds, the Series 2019A Bonds and any Additional Parity Bonds.

If on any Interest Payment Date the funds on deposit in the Interest Account are not sufficient to pay the Interest Payment in full on such Interest Payment Date, the Trustee shall transfer moneys from the Principal Account sufficient to make such payment. If on any Debt Service Payment Date there exists both (i) funds on deposit in the Interest Account in excess of the amount necessary to pay the Interest Payment due on such date, and (ii) insufficient funds on deposit in the Principal Account to make the principal payment due on such date in full, the Trustee shall transfer all or such portion of such excess funds on deposit in the Interest Account to the Principal Account as necessary to provide for such principal payment in full.

Series 2019B Funded Interest Account. The Trustee will create the Series 2019B Funded Interest Account. The Series 2019B Funded Interest Account will be funded on the Remarketing Date. Moneys on deposit in the Series 2019B Funded Interest Account, together with interest earnings (if any) on such moneys, will be applied by the Trustee, prior to the application of any other funds in the Debt Service Fund, to pay interest on the Series 2019B Bonds through the interest payment due on January 1, 2023.

When the Series 2019A Bonds were issued, the Series 2019A Funded Interest Account was funded in an amount sufficient to pay the interest on the Series 2019A Bonds through the interest payment due on July 1, 2022. In connection with the remarketing of the Series 2019B Bonds, the Series 2019A Funded Interest Account will be funded with an amount equal to an additional six months of interest, ensuring that interest on the Series 2019A Bonds will be funded through the interest payment due on January 1, 2023.

Series 2019B Rebate Fund. The Series 2019B Rebate Fund has been created under the Indenture for the sole benefit of the United States of America and will not be subject to the claim of any other Person, including without limitation, the Owners. The Series 2019B Rebate Fund is established for the purpose of complying with section 148 of the Code and the Treasury Regulations promulgated pursuant thereto. The money deposited in the Series 2019B Rebate Fund, together with all investments thereof and investment income therefrom, will be held in trust and applied solely as provided in the Indenture. The Series 2019B Rebate Fund is not a portion of the Trust Estate and is not subject to any lien under the Indenture.

Additional Parity Bonds

As described above, the Issuer previously issued its Series 2019A Bonds pursuant to the Original Indenture in the aggregate principal amount of \$1,750,000,000, all of which remains outstanding as of the date hereof. The Series 2019B Bonds will be ratably and equally secured by the Trust Estate and the Collateral with the Series 2019A Bonds. Pursuant to the Indenture and subject to certain restrictions set forth therein and upon request by the Company, the Issuer may issue Additional Parity Bonds, which will be ratably and equally secured by the Trust Estate and the Collateral, upon execution of a Supplemental Indenture, without consent of the Owners of the Series 2019B Bonds or the Series 2019A Bonds pursuant to the Indenture. Additional Parity Bonds may be issued to finance or refinance costs of the Project, costs of acquiring rolling stock, costs of the Theme Park Extension, or costs of constructing one or more additional stations along the rail corridor from Orlando to Miami, including but not limited to the New In-line Stations, or to refund Outstanding Senior Indebtedness, in each case, subject to the applicable requirements and limitations set forth in the Indenture. See “ADDITIONAL INDEBTEDNESS.”

Collateral Generally

The Company’s obligations with respect to the Series 2019B Bonds and under the Senior Loan Agreement will constitute direct, senior secured and unconditional obligations of the Company, which will rank *pari passu* and ratably without any preference or priority among themselves and will rank in priority to all unsecured obligations of the Company to the extent of the value of the Collateral (as defined below) and will be secured by (i) the Company’s real property interests mortgaged in connection with the issuance of the Series 2019A Bonds or required to be mortgaged pursuant to the Senior Loan Agreement, as set forth in “—Mortgages” below, (ii) substantially all personal property of the Company, whether now owned or hereafter acquired, including rolling stock, the Project Revenues and the

Project Accounts, but excluding Excluded Assets, and (iii) a pledge of the membership interests in the Company by its direct parent, AAF Operations Holdings LLC (the “Pledgor”).

Security Agreement

The Company, the Pledgor and the Collateral Agent will enter into a Reaffirmation Agreement pursuant to which the Company will reaffirm its grant to the Collateral Agent, for the benefit of the Secured Parties, of a security interest in substantially all of its personal property, whether now owned or hereafter existing or acquired, other than Excluded Assets, in order to secure the timely payment in full when due of the Secured Obligations, which grant was made pursuant to the Security Agreement entered into in connection with the issuance of the Series 2019A Bonds. Such Collateral includes the Company’s right, title and interest in and to all Project Revenues, moneys in all Project Accounts (subject to the provisions of the Collateral Agency Agreement), all “securities accounts” (as defined in the UCC), deposit accounts and all accounts and general intangibles (including payment intangibles), instruments, equipment (including rolling stock), inventory, other goods, investment property, chattel paper, commercial tort claims, documents, letter-of-credit rights, letters of credit, money, oil, gas and other minerals, agreements, contracts, tangible and intangible property, fixtures, governmental approvals, proceeds of insurance policies and other associated proceeds and profits, as further detailed in the Security Agreement, except to the extent that any such property constitutes an Excluded Asset; *provided* that the Company’s obligations with respect to the Series 2019B Bonds and under the Senior Loan Agreement will not be secured by the Distribution Account, the Series 2019A Rebate Fund, or the Series 2019B Rebate Fund.

Pledge Agreement

Pursuant to the Reaffirmation Agreement, the Pledgor will reaffirm its pledge to the Collateral Agent, for the benefit of the Secured Parties, of a security interest in (i) all of its right, title and interest in the Company, including its limited liability company interests, (ii) all accounts, chattel paper, instruments, letters of credit and payment intangibles owed to the Pledgor by the Company from time to time, (iii) all proceeds of the foregoing, and (iv) all books and records relating to any of the foregoing, in order to secure the timely payment in full when due of the Secured Obligations, which pledge was made pursuant to the Pledge Agreement entered into in connection with the issuance of the Series 2019A Bonds.

Mortgages

In connection with the Series 2019A Bonds, a Mortgage was filed with respect to the Company’s interest in the following (the “Existing Series 2019A Bond Mortgage Collateral”): (i) the Company’s easement interest in the portion of the Shared Corridor from Miami to West Palm Beach, Florida; (ii) the Company’s owned real property comprising the stations located in Fort Lauderdale and West Palm Beach built on its fee-owned land and its station located in Miami built within its owned air rights; (iii) the Company’s leasehold interest in (a) all or a portion of the three parking garages used in connection with the Stations and (b) the West Palm Beach running repair facility; (iv) the Company’s easement interests in the portion of the Shared Corridor from West Palm Beach to Cocoa, Florida; (v) the Company’s leasehold interest, granted by the GOAA, in the site of the VMF under construction at the Orlando International Airport; (vi) the Company’s temporary construction license, granted by GOAA, to engage in construction activities at the Orlando International Airport; and (vii) the Company’s fee, license and easement interests in real property constituting the rail track corridor from Cocoa to the Orlando International Airport excluding easement interests in real property constituting the rail track corridor on certain premises and land at or adjacent to the Orlando International Airport to be granted by the GOAA. Pursuant to the terms of the Collateral Agency Agreement, such Mortgage, or a second Mortgage filed with respect to the Company’s interest in the Existing Series 2019A Bond Mortgage Collateral, will secure the Series 2019B Bonds on a *pari passu* basis with the Series 2019A Bonds (and all other secured obligations under the Collateral Agency Agreement, whether now existing or incurred in the future).

Pursuant to the Senior Loan Agreement, the Company will be required to deliver and record, within 60 days of the Remarketing Date, (a) a Mortgage or mortgage spreader agreement with respect to the Company’s leasehold interest in the Orlando International Airport Intermodal Terminal Facility, which will house the Company’s Orlando station, and (b) a mortgage amendment with respect to the Company’s leasehold interest in the VMF at the Orlando International Airport, the legal description of which was revised. After completion of construction pursuant to the terms of the GOAA Agreement, the Company will also be required to deliver and record, within 30 days after recording of the applicable easement documents, a Mortgage or mortgage spreader agreement with respect to (a) the rail line easement granted by GOAA pursuant to the terms of the GOAA Agreement, and (b) the slope easement

granted by GOAA pursuant to the terms of the GOAA Agreement. In addition, the Company will be required, only to the extent it is permitted to do so under the applicable Grant Agreements and other lease and/or development agreements related to the New In-line Stations, to mortgage or collaterally assign certain of its interests in the New In-line Stations on a post-closing basis. See “RISK FACTORS—Related to this Remarketing and the Company’s Indebtedness — Rights of holders of the Series 2019B Bonds in the Collateral may be adversely affected by the failure to perfect security interests in the Collateral Notwithstanding the foregoing, any failure of the Company to have such Mortgages in place within the applicable time periods will not constitute a default or an event of default until the Phase 2 Revenue Service Commencement Deadline. See “RISK FACTORS—Risks Related to this Remarketing and the Company’s Indebtedness—Rights of holders of the Series 2019A Bonds in the Collateral may be adversely affected by the failure to perfect security interests in the Collateral” and “Title insurance policies will be obtained only with respect to certain real property interests.”

Surveys

Certain surveys relating to property included in the Collateral will not be obtained until after the Remarketing Date and may not be obtained at all where the lien of a Mortgage on such property is either (i) not title insured or (ii) the title insurer agrees to insure against matters that would be shown on a current survey of the property, notwithstanding the unavailability of a current survey. See “RISK FACTORS—Risks Related to this Remarketing and the Company’s Indebtedness.”

Collateral Agency Agreement

The Company, the Collateral Agent, the Trustee and the Account Bank entered into the Original Collateral Agency Agreement in connection with the issuance of the Series 2019A Bonds. On the Remarketing Date, the Company, the Collateral Agent, the Trustee and the Account Bank will enter into the Supplemental Agency Agreement in order to provide for the Series 2019B Bonds to be payable pro rata with the Series 2019A Bonds and any Additional Parity Bonds or Permitted Additional Senior Indebtedness.

Pursuant to the terms of the Collateral Agency Agreement, Deutsche Bank National Trust Company has been appointed as collateral agent with respect to the liens in and to the Collateral and the rights and remedies granted pursuant to the Security Documents. Pursuant to the Collateral Agency Agreement, certain Project Accounts have been and will be established at the Account Bank. The Company has pledged and granted to the Collateral Agent, for the benefit of the Secured Parties, a security interest in and lien on such Project Accounts and the funds and investments on deposit therein, subject to the provisions of the Collateral Agency Agreement. All revenues from the operation of the Project will be deposited into certain Project Accounts, and the Company may authorize the Collateral Agent to credit funds to or deposit funds in, and to withdraw and transfer funds from, each Project Account, in each case (except with respect to Additional Equity Contributions deposited in the Equity Funded Account) subject to the requirements set forth in the Collateral Agency Agreement. See “PROJECT ACCOUNTS AND FLOW OF FUNDS—Project Accounts” for a further description of the Project Accounts and “APPENDIX D-1—SECOND AMENDED AND RESTATED COLLATERAL AGENCY, INTERCREDITOR AND ACCOUNTS AGREEMENT” and “APPENDIX D-2—FORM OF THIRD AMENDED, PARTIALLY RESTATED AND SUPPLEMENTAL COLLATERAL AGENCY, INTERCREDITOR AND ACCOUNTS AGREEMENT.”

Permitted Asset Sales

The Company will not sell, assign or dispose of or direct the Collateral Agent, as applicable, to sell, assign or dispose of, any material assets of the Project in excess of \$10,000,000 per year except for Permitted Sales and Dispositions, as provided in the Senior Loan Agreement. See “APPENDIX C-1— ORIGINAL SENIOR LOAN AGREEMENT,” “APPENDIX C-2—FIRST SUPPLEMENTAL SENIOR LOAN AGREEMENT” and “APPENDIX C-3—FORM OF SECOND SUPPLEMENTAL SENIOR LOAN AGREEMENT.”

Permitted Security Interests

The Company will not create, incur, assume or permit to exist any Security Interest on any property or asset, including its revenues (including accounts receivable) or rights in respect of any thereof, now owned or hereafter acquired by it, except Permitted Security Interests, as provided in the Senior Loan Agreement. See “APPENDIX C-1— ORIGINAL SENIOR LOAN AGREEMENT,” “APPENDIX C-2—FIRST SUPPLEMENTAL SENIOR LOAN AGREEMENT” and “APPENDIX C-3—FORM OF SECOND SUPPLEMENTAL SENIOR LOAN AGREEMENT.”

Additional Indebtedness

The Issuer may issue Additional Parity Bonds pursuant to the Indenture, on request and consent of the Company, and the Company may issue Permitted Additional Senior Indebtedness, in each case without consent of the Owners of the Series 2019B Bonds or the Series 2019A Bonds, subject to certain conditions, which Additional Parity Bonds and Permitted Additional Senior Indebtedness will be payable pro rata with the Company's obligations with respect to the Series 2019B Bonds and the Series 2019A Bonds and under the Senior Loan Agreement. The Company also may incur other Permitted Indebtedness. See "ADDITIONAL INDEBTEDNESS," "APPENDIX C-1— ORIGINAL SENIOR LOAN AGREEMENT," "APPENDIX C-2—FIRST SUPPLEMENTAL SENIOR LOAN AGREEMENT" and "APPENDIX C-3— FORM OF SECOND SUPPLEMENTAL SENIOR LOAN AGREEMENT."

ADDITIONAL INDEBTEDNESS

General

The Issuer previously issued its Series 2019A Bonds pursuant to the Original Indenture in the aggregate principal amount of \$1,750,000,000, all of which remains outstanding as of the date hereof. The Series 2019B Bonds will be ratably and equally secured by the Trust Estate and the Collateral with the Series 2019A Bonds. Pursuant to the Indenture and subject to the restrictions set forth below and upon written request and direction by the Company, the Issuer may issue Additional Parity Bonds, which will be equally and ratably secured by the Trust Estate and the Collateral with the Series 2019B Bonds and the Series 2019A Bonds upon execution of a Supplemental Indenture without consent of the Owners of the Series 2019B Bonds or the Series 2019A Bonds. Except to the extent inconsistent with the express terms of the Additional Parity Bonds issued and the related Supplemental Indenture executed pursuant to the Indenture, all of the provisions, terms, covenants and conditions of the Indenture will apply to any Additional Parity Bonds. Upon request by the Company, the Issuer also may issue Escrow Bonds in a principal amount not greater than the amount of unused private activity bond allocation obtained by the Company, upon execution of a Supplemental Indenture without consent of the Owners of the Series 2019B Bonds or the Series 2019A Bonds. Outstanding Escrow Bonds may be converted to Additional Parity Bonds equally and ratably secured by the Trust Estate with the Series 2019B Bonds and the Series 2019B Bonds, only if any of the conditions for the issuance of Additional Parity Bonds set forth below are satisfied with respect to the Bonds so converted. Escrow Bonds issued pursuant to the Indenture, so long as such Escrow Bonds are secured solely by the Escrow Property, shall not be deemed to be Additional Parity Bonds for the purposes of any provision of the Indenture and therefore will not be secured by the Trust Estate and the Collateral. The Company has used the entire amount of its private activity bond allocation and the Company does not intend to apply for any additional private activity bond allocation. Subject to the restrictions set forth below, the Company also may issue Permitted Additional Senior Indebtedness, as set forth in the Senior Loan Agreement and the Collateral Agency Agreement without consent of the Owners of the Series 2019B Bonds or the Series 2019A Bonds. Permitted Additional Senior Indebtedness will be payable pro rata with the Series 2019B Bonds and the Series 2019A Bonds pursuant to the Collateral Agency Agreement, and may at the option of the Company be secured by all the Collateral (other than the Initial Debt Service Reserve Account) or may be unsecured, as provided in the indenture, loan agreement or other instrument providing for the issuance of such additional indebtedness.

The Company and the Issuer also may issue Permitted Subordinated Debt as set forth in the Senior Loan Agreement and the Collateral Agency Agreement without the consent of the Owners of the Series 2019B Bonds or the Series 2019A Bonds. Any such Permitted Subordinated Debt will be subordinate in all respects with respect to the security for the Series 2019B Bonds and the Series 2019A Bonds. See “PROJECT ACCOUNTS AND FLOW OF FUNDS—Flow of Funds.”

For a discussion of the Company’s additional financing plans, see “SUMMARY—Additional Financing” and “PLAN OF FINANCE AND ESTIMATED SOURCES AND USES OF FUNDS.”

Additional Parity Bonds and Permitted Additional Senior Indebtedness

The Issuer may issue Additional Parity Bonds pursuant to the Indenture, on the request and direction of the Company, and the Company may issue Permitted Additional Senior Indebtedness, in each case without consent of the Owners of the Series 2019B Bonds or the Series 2019A Bonds, solely if any of the following conditions are met:

Additional Project Completion Indebtedness

Additional Parity Bonds and Permitted Additional Senior Indebtedness may be issued to finance or refinance the costs of the Project, in an aggregate principal amount, together with the Series 2019B Bonds and the Series 2019A Bonds, not to exceed \$3,000,000,000, so long as (i) an amount equal to the interest on such Additional Parity Bonds or Permitted Additional Senior Indebtedness through and including the later of January 1, 2023 and the then-projected Phase 2 Revenue Service Commencement Date is deposited in a funded interest account established for the benefit of the holders of such indebtedness, (ii) additional funds in an amount equal to the amount of interest due and payable on July 1, 2023, on such Additional Parity Bonds or Permitted Additional Senior Indebtedness are deposited in the Ramp-Up Reserve Account and (iii) on or before the Phase 2 Revenue Service Commencement Date, an amount equal to six months of interest on such Additional Parity Bonds or Permitted Additional Senior Indebtedness shall be deposited in the applicable debt service reserve account established under the Collateral Agency Agreement.

Other Senior Indebtedness

Permitted Additional Senior Indebtedness also may be issued from time to time for any corporate purpose in an outstanding aggregate principal amount not to exceed \$175,000,000.

On June 26, 2020, the Company entered into an intercompany revolving line-of-credit agreement with Brightline Holdings, with a current outstanding balance of approximately \$19.2 million (the “HoldCo Intercompany Loan”). Interest accrues on the outstanding balance of the HoldCo Intercompany Loan at an interest rate per annum equal to LIBOR plus a premium.

On September 29, 2020, the Company entered into the Bank Loan Facility with the lenders from time to time party thereto and Morgan Stanley Senior Funding, Inc., an affiliate of the Representative of the Remarketing Agents, as administrative agent, providing for a bank loan credit facility. Certain of the lenders under the Bank Loan Facility are Remarketing Agents or affiliates of Remarketing Agents of this remarketing. The current outstanding principal amount of the loans under the Bank Loan Facility is approximately \$120.6 million. Interest accrues on the outstanding loans at an interest rate per annum equal to LIBOR plus 2.50%. The maturity date for the loans is June 25, 2021.

The obligations under the HoldCo Intercompany Loan and the Bank Loan Facility constitute Permitted Additional Senior Indebtedness and are secured on a pari passu basis with the Series 2019A Bonds, the Series 2019B Bonds, any Additional Parity Bonds and any other Permitted Additional Senior Indebtedness outstanding from time to time.

The Company intends to use a portion of the net proceeds from the remarketing of the Series 2019B Bonds to repay all or a portion of the amounts borrowed under the HoldCo Intercompany Loan and the Bank Loan Facility.

Rolling Stock Indebtedness

Additional Parity Bonds and Permitted Additional Senior Indebtedness may be issued for the purpose of financing or refinancing the acquisition of rolling stock in an aggregate principal amount not to exceed \$100,000,000, so long as: (i) the Company shall have certified to the Trustee that the aggregate principal amount of such Additional Parity Bonds and Permitted Additional Senior Indebtedness does not exceed 65% of the total cost of the acquisition of the rolling stock, (ii) (A) if such Additional Parity Bonds or Permitted Additional Senior Indebtedness is incurred prior to July 1, 2023, additional funds in an amount equal to the amount of interest due and payable on July 1, 2023, on such Additional Parity Bonds or Permitted Additional Senior Indebtedness are deposited in the Ramp-Up Reserve Account, and (B) if such Additional Parity Bonds or Permitted Additional Senior Indebtedness is incurred on or after July 1, 2023, additional funds in an amount equal to the then-projected operating losses of the Company, in excess of the aggregate amount then on deposit in the Ramp-Up Reserve Account and the Initial O&M Reserve Account, less any Revolver Availability, is deposited in the Ramp-Up Reserve Account, (iii) if issued prior to the Phase 2 Revenue Service Commencement Date, an amount equal to the interest on such Additional Parity Bonds or Permitted Additional Senior Indebtedness through and including the later of January 1, 2023 and the then-projected Phase 2 Revenue Service Commencement Date shall be deposited in a funded interest account established for the benefit of the holders of such indebtedness, (iv) on or before the later of the Phase 2 Revenue Service Commencement Date and the issuance date, an amount equal to six months of interest on such Additional Parity Bonds or Permitted Additional Senior Indebtedness shall be deposited in the applicable debt service reserve account established under the Collateral Agency Agreement, (v) the Company’s interest in the rolling stock financed or refinanced with the proceeds of such Additional Parity Bonds is pledged as additional Collateral, and (vi) the Total Debt Service Coverage Ratio for each annual calculation period following the Phase 2 Revenue Service Commencement Date is projected to be not less than 1.50:1.00.

Refunding Indebtedness

Additional Parity Bonds and Permitted Additional Senior Indebtedness may be issued for the purpose of refunding any Outstanding Senior Indebtedness so long as the debt service payable on all Senior Indebtedness Outstanding after the issuance of such Additional Parity Bonds or Permitted Additional Senior Indebtedness, as applicable, does not exceed the debt service payable on all Senior Indebtedness Outstanding prior to the issuance of such Additional Parity Bonds or Permitted Additional Senior Indebtedness (calculated for the period through the earlier of the next mandatory tender date or the final maturity of the Senior Indebtedness Outstanding prior to such refunding or defeasance).

Theme Park Indebtedness

Additional Parity Bonds and Permitted Additional Senior Indebtedness may be issued for the purpose of the Theme Park Extension in an aggregate principal amount not to exceed \$200,000,000, so long as (i) the aggregate amount of such Additional Parity Bonds and Permitted Additional Senior Indebtedness does not exceed 65% of the projected total cost of the design, development, acquisition, construction, improvement, installation, furnishing and equipping of such extension, (ii) (A) if such Additional Parity Bonds or Permitted Additional Senior Indebtedness is incurred prior to July 1, 2023, additional funds in an amount equal to the amount of interest due and payable on July 1, 2023, on such Additional Parity Bonds or Permitted Additional Senior Indebtedness are deposited in the Ramp-Up Reserve Account, and (B) if such Additional Parity Bonds or Permitted Additional Senior Indebtedness is incurred on or after July 1, 2023, an amount equal to the then-projected operating losses of the Company, in excess of the aggregate amount then on deposit in the Ramp-Up Reserve Account and the Initial O&M Reserve Account, less any Revolver Availability is deposited in the Ramp-Up Reserve Account, (iii) an amount equal to interest on such Additional Parity Bonds or Permitted Additional Senior Indebtedness through and including the later of January 1, 2023 and the then-projected date of commencement of revenue service on the Theme Park Extension is deposited in a funded interest account established for the benefit of the holders of such indebtedness, (iv) on or before such projected date of revenue service commencement, an amount equal to six months of interest on such Additional Parity Bonds or Permitted Additional Senior Indebtedness is deposited in the applicable debt service reserve account established under the Collateral Agency Agreement, (v) the Company's interest in substantially all of the assets comprising the extension are pledged as collateral for the Senior Indebtedness, and (vi) the Total Debt Service Coverage Ratio for each annual calculation period following the Phase 2 Revenue Service Commencement Date is projected to be not less than 1.50:1.00.

Additional Station Indebtedness

Additional Parity Bonds and Permitted Additional Senior Indebtedness may be issued for the purpose of designing, developing, acquiring, constructing, renovating, improving, installing, equipping and furnishing one or more additional stations along the rail corridor from Orlando to Miami, including but not limited to the New In-line Stations (each, an "Additional Station"), in an aggregate principal amount per Additional Station, not to exceed \$50,000,000, so long as (i) the aggregate amount of such Additional Parity Bonds and Permitted Additional Senior Indebtedness does not exceed 65% of the projected total cost of the design, development, acquisition, construction, improvement, installation, furnishing and equipping of such additional station, (ii) (A) if such Additional Parity Bonds or Permitted Additional Senior Indebtedness is incurred prior to July 1, 2023, additional funds in an amount equal to the amount of interest due and payable on July 1, 2023, on such Additional Parity Bonds or Permitted Additional Senior Indebtedness are deposited in the Ramp-Up Reserve Account, and (B) if such Additional Parity Bonds or Permitted Additional Senior Indebtedness is incurred on or after July 1, 2023, an amount equal to the then-projected operating losses of the Company, in excess of the aggregate amount then on deposit in the Ramp-Up Reserve Account and the Initial O&M Reserve Account, less any Revolver Availability, is deposited in the Ramp-Up Reserve Account, (iii) an amount equal to interest on such Additional Parity Bonds or Permitted Additional Senior Indebtedness through and including the later of January 1, 2023 and the then-projected date of commencement of revenue service of such additional station is deposited in a funded interest account established for the benefit of the holders of such indebtedness, (iv) on or before such projected date of revenue service commencement, an amount equal to six months of interest on such Additional Parity Bonds or Permitted Additional Senior Indebtedness is deposited in the applicable debt service reserve account established under the Collateral Agency Agreement, (v) the Company's interest in substantially all of the assets comprising the additional station are pledged as collateral for the Senior Indebtedness, and (vi) the Total Debt Service Coverage Ratio for each annual calculation period following the Phase 2 Revenue Service Commencement Date is projected to be not less than 1.50:1.00.

Other Permitted Indebtedness

In addition to Additional Parity Bonds and Permitted Additional Senior Indebtedness, the Senior Loan Agreement permits the Company to incur other Permitted Indebtedness, which may be separately secured or unsecured, and payable pro rata or expressly made subordinate and junior in right of payment to the prior payment and performance of the Series 2019B Bonds and the Series 2019A Bonds, as set forth in the Senior Loan Agreement and the Collateral Agency Agreement. The Company has no present intention of incurring such other Permitted Indebtedness, other than as set forth above. See "APPENDIX C-1—ORIGINAL SENIOR LOAN AGREEMENT," "APPENDIX C-2—FIRST SUPPLEMENTAL SENIOR LOAN AGREEMENT" and "APPENDIX C-3—FORM OF SECOND SUPPLEMENTAL SENIOR LOAN AGREEMENT."

THE PROJECT

The information in this section has been provided by the Company. The Issuer makes no representation with respect to the accuracy or completeness of any of the information or material contained in this section or elsewhere in this Limited Remarketing Memorandum (including the Appendices attached hereto) other than in the section entitled “THE ISSUER” and “LITIGATION—The Issuer.” The Issuer is not responsible for providing any purchaser of the Series 2019B Bonds with any information relating to the Series 2019B Bonds or any of the parties or transactions referred to in this Limited Remarketing Memorandum (including the Appendices attached hereto) or for the accuracy or completeness of any such information obtained by any purchaser.

The information in this section and elsewhere in this Limited Remarketing Memorandum is based on certain assumptions and projections regarding the Project. See “KEY ASSUMPTIONS.” These assumptions and projections are inherently imprecise and subject to a degree of uncertainty and actual results could differ materially from these projections. See “RISK FACTORS—Risks Related to the Company’s Business—The Company is relying on estimates of third-party consultants and management estimates regarding the future ridership and revenue, operations and maintenance costs and ancillary revenue of the Company’s proposed passenger rail service to build the Company’s projections, and these estimates may prove to be inaccurate. Actual results could differ from the projections and other estimates contained in this Limited Remarketing Memorandum.”

General

Brightline Holdings develops and operates high-speed passenger rail systems in the United States. The company was formed in 2012 to develop America’s first privately funded major intercity passenger rail service in over a century, Brightline Florida, or the Company. Brightline Holdings is indirectly primarily owned by funds managed by an affiliate of Fortress. Fortress is a global investment manager that oversees more than \$45 billion of assets under management and has a long history of investing across the transportation and infrastructure space. Over the past 10 years, Fortress has invested more than \$30 billion in infrastructure-related assets.

The Company owns and operates an express passenger rail system connecting major population centers in Florida. Prior to temporarily suspending its passenger rail service due to COVID-19, the Company operated between Miami and West Palm Beach, Florida, one of the most heavily traveled and congested regions in the U.S. The Company believes that several major travel markets throughout the U.S. represent opportunities for it to introduce its passenger rail systems for faster, safer, more environmentally sustainable, more reliable, less expensive, more productive and more enjoyable travel compared to travel by car or air. The Company has commenced construction of the extension of its Florida passenger rail system to Orlando, Florida. The Company currently owns three stations, located in the densely populated downtown centers of Miami, Fort Lauderdale and West Palm Beach, all of which are near government/business locations and major travel destinations and have multiple connections to public and private ground transportation, as well as local transit services. In Orlando, the Company’s station will be integrated into the Orlando International Airport’s new South Terminal and is owned by the airport and leased to the Company.

The Company anticipates a high level of demand for its intercity passenger rail service given the large number of travelers within the Miami-Orlando corridor and the current lack of convenient, reliable, uncongested and cost-effective travel alternatives. The trip between Orlando and Miami is “too long to drive, too short to fly” demonstrating the characteristics of other similar corridors globally that are served by intercity rail. Total travel time by airplane is disproportionately long for the distance, given airport security and delays. Roadway congestion could make the trip unpleasant and unpredictably long. Prior to the impact of COVID-19, travel time by car can range from 3.5 to 5 hours, depending on traffic. According to the 2018 INRIX Global Traffic Scorecard, American drivers lose 97 hours in congestion on average, which costs \$87 billion annually in time, an average of \$1,348 per driver. In 2016, Central and South Florida highways were the most congested in the state and Southeast Florida ranked globally as the tenth most congested urban area in terms of peak hours spent in congestion and fifth within the U.S. for traffic congestion.¹ The average speed of I-95 local lanes directly north of Miami has decreased from 46 mph in 2012 to 32 mph in 2019. Travel volumes on key highways connecting Central and Southeast Florida are expected to exceed capacity by 2030, resulting in further delays and more unpredictability. Other than the Company’s service between Miami and West Palm Beach, which is currently suspended, there is currently no express passenger rail service as an alternative to travel by car or bus. The Company believes these are attractive conditions for the extension of its express passenger rail system from West Palm Beach to Orlando. The Project can provide travel time savings of 25% to 50% when

¹ Data Source: WSP’s analysis of the 2016 INRIX Global Traffic Scorecard.

compared to existing surface modes (auto, bus and rail) and a journey time of around 3 hours 15 minutes from Orlando to Miami, which is competitive with air travel on door-to-door travel times.

The Company commenced rail operations between Fort Lauderdale and West Palm Beach, Florida in January 2018 and expanded its West Palm Beach—Fort Lauderdale operations to include Miami in May 2018, operating 110 weekly departures. The Company began near-full service in August 2018 with 190 weekly departures. The Company increased its service in January 2019 to 198 weekly departures in response to ridership gains and the need for increased half-hour services during commuter rush hours, as well as rising demand on weekends. In May 2019, the Company further increased service to 214 weekly departures followed by an additional increase in October 2019 to 226 weekly departures, both driven by ridership growth. On March 18, 2020, the Company reduced its passenger rail service schedule, and on March 25, 2020 it suspended its passenger rail service, both as a result of the COVID-19 pandemic. See “— COVID-19.”

In January 2020, the Company carried 115,109 passengers and generated total revenues of approximately \$2.4 million, an increase of 56% and 47%, respectively, compared to January 2019. In February 2020, the Company carried 109,630 passengers and generated total revenues of approximately \$2.9 million, an increase of 39% and 53%, respectively, compared to February 2019.

The approximate travel time between Miami and Fort Lauderdale is 33 minutes and the approximate travel time between Fort Lauderdale and West Palm Beach is 40 minutes. Each trainset is comprised of two locomotives and four coaches for a total capacity of 240 passengers per train in two classes of service: Smart (which is comparable to a business class) and Select (the Company’s premium or first-class experience). With trains that are capable of speeds of up to 125 mph, the Project provides a fast, dependable transportation option within the growing region of Southeast Florida that the Company intends to extend from West Palm Beach to Orlando. At fully stabilized operations in 2024, the Company expects that the Miami to Disney service will carry approximately 9.9 million passengers annually, of which 3.1 million passengers are attributable to the New In-line Stations and the station at Disney Springs, as summarized by WSP in the Ridership and Revenue Study Supplement.

The Company has invested approximately \$1.65 billion in equity in the development and construction of the Project, which amount was funded by a combination of cash and assets from FECI. The Company has contracted with certain entities, including DispatchCo, a 50-50 joint venture between FECR and the Company, for dispatch services and FECR for other rail service operations and certain other aspects of the Company’s business operations. Dispatching protocols provide that DispatchCo must make reasonable best efforts to dispatch in a manner maximizing the number of FECR and Company trains achieving on-time performance standards; however, passenger trains have priority over freight trains. For more information on on-time performance, see “THE PROJECT—Passenger Rail Service—Speed and Connectivity.”

The Company has entered into the Siemens Maintenance Agreement (as defined herein) for all warranty repairs and maintenance on the rolling stock, subject to certain limited exceptions set forth therein. This 30-year contract ensures regular preventive maintenance, as well as capital maintenance over the life of the contract at a set price with an established cost escalator, thereby making these large costs more easily predictable. The maintenance for the rolling stock is currently being performed at the Company’s running repair facility in West Palm Beach. Following the completion of the Company’s North Segment, the maintenance for the rolling stock will be performed at a VMF to be constructed on property of GOAA adjacent to the Company’s Orlando station. The Company’s running repair facility in West Palm Beach will continue to be used for lighter maintenance and emergency repairs, as well as cleaning, refueling and nightly layover. As a result of the COVID-19 pandemic, the Company provided Siemens with a force majeure letter related to the maintenance terms and conditions in the Siemens Maintenance Agreement. The Company and Siemens have agreed on a reduced level of maintenance service and cost, while ensuring that Siemens will continue to provide necessary repairs during the Company’s temporary suspension of service.

The Project has received support from local, state and federal authorities given the long-acknowledged demand for an alternative to car travel. The Company has all necessary permits and licenses to operate its passenger rail service between Miami and West Palm Beach and all material permits and government authorizations have been obtained for the construction of the North Segment. The Company is in the process of obtaining the material permits and governmental authorization for the New In-line Stations.

In total, the rail operations for the Project, including the New In-line Stations and the station at Disney Springs, are estimated by the Company’s management team to generate total revenue of approximately \$792 million and

EBITDA of approximately \$549 million for the full year 2024. The Project and the New In-line Stations are expected to be stabilized in 2023, and the station at Disney Springs is projected to be stabilized in 2024 following the respective ramp-up periods. To arrive at these estimates, the Company's management team applied a combined annual fare growth and inflation rate of approximately 2.8% to WSP's estimates in the Ridership and Revenue Study for the system comprising the Miami, Fort Lauderdale, West Palm Beach and Orlando stations and used a combination of WSP and management estimates for the New In-line Stations. See "INDUSTRY AND MARKET DATA."

COVID-19

The impact of the COVID-19 global pandemic has grown throughout the world, including in the United States. Governmental authorities have implemented numerous measures attempting to contain and mitigate the effects of COVID-19, including travel bans and restrictions, quarantines, shelter in place orders and shutdowns. The information set forth below is as of the date of this Limited Remarketing Memorandum (unless otherwise indicated) and is subject to change and should not be assumed to be correct as of any date subsequent to such date. See "Risk Factors—Risks Related to the Company's Business—A pandemic, such as the recent novel coronavirus (COVID-19) outbreak, could materially adversely affect the travel and tourism industry in general and the Company's business and financial condition and results of operations."

Despite the impact of COVID-19, the Company experienced record ridership from November 2019 to mid-March 2020. In late February 2020, the Company began experiencing a modest impact on ridership due to the COVID-19 pandemic. Ridership for the first half of March 2020 held above prior year results, despite increasing impacts due to COVID-19. In mid-March 2020, the majority of the transportation and travel companies in the South Florida region began suspending operations and travel in general declined sharply. In response, the Company chose to reduce its passenger service schedule on March 18, 2020, and on March 25, 2020, the Company decided to suspend its passenger rail service and reduce staff temporarily in line with the service suspension announced. On April 1, 2020, the Florida governor issued a 30-day stay-at-home order for the state of Florida. On September 25, 2020 the Florida governor moved all of Florida's counties to Phase 3 of the reopening plan, permitting bars, restaurants, gyms, fitness centers and theme parks to open at full capacity and permitting employees to resume non-essential travel, but Miami-Dade, Broward and Palm Beach Counties continued to implement certain capacity restrictions, mask requirements and curfew limits.

The suspension of the Company's passenger rail service and its expense reduction initiatives, including the reduction of over 240 of the Manager's staff members, reduced operating costs by 50% for the second quarter of 2020 (\$12.6 million) compared to the first quarter of 2020 (\$25.0 million). The third quarter of 2020 operating costs were reduced even further to \$11.9 million. The suspension of service is not expected to have a material financial impact on the Company's business, and the Company believes it has access to sufficient operating liquidity to withstand a protracted slowdown in the travel market and to maintain operations for the duration of its construction to Orlando. Given the lead time to resume operations and the remaining construction period, the Company does not expect any material impact to ramp-up or stabilization. Since the beginning of the COVID-19 pandemic, the Company has invested significant time and focus towards the development of the New In-line Stations, the station at Disney Springs, and the South Florida commuter service. These initiatives are expected to improve the Company's debt service coverage given the Company's modest capital expenditures, dependable revenue streams, and high incremental ridership and revenue related to these initiatives.

Plans to Resume South Segment Service

The Company has been actively monitoring the global outbreak and spread of COVID-19 and taking steps to mitigate the potential risks to the Company posed by its spread and related circumstances and impacts. While the Company is focusing on developing key new partnership and business opportunities, the Company is continuing to assess and update its business continuity plan in the context of this pandemic. Subject to any applicable government orders and regulations, the Company has discretion as to when to resume revenue service. The Company intends to resume service at such time it believes appropriate to ensure the health of both its customers and employees. The Company will ultimately base its decision to resume its passenger rail service on a number of factors and has either implemented or is currently evaluating methods of making the trains safer for passengers by utilizing low touch points and social distancing measures in the following ways:

- Ticketing: The Company will offer printed tickets at self-service kiosks that will be regularly disinfected or by speaking with an agent through a plexiglass barrier. The Company also will encourage guests to use its

mobile app and website to book tickets. Both electronic tickets and paper tickets will be scanned at stand-alone turnstiles to permit access into the Company's lounges and platforms, eliminating the need for an agent to check tickets and increasing interaction.

- **Payment:** The Company will be cash free and will encourage the use of Apple Pay and other non-contact methods of payment.
- **Lounges:** The Company's lounges are spacious and provide ample room and seating options for guests to social distance.
- **Bathrooms:** In-station and on-board bathrooms feature touchless technology, including automatic lighting, touchless toilets and motion sensor activated faucets and hand dryers.
- **Doors:** Doors open automatically when boarding or deboarding Brightline. If guests move between train coaches, the doors are motion censored, eliminating the need for additional touch points.
- **Food and beverage:** The Company will introduce changes to its food and beverage program by increasing the offerings of pre-packaged food items in the lounges and on-board.
- **Seat spacing:** Seat spacing is 39" in both classes with two by two seating, whereas seating on an airplane is generally 30" with three by three seating.
- **Air filtration:** While airplane air is entirely recirculated, 25% of the air in the trains comes from fresh air intake ducts and gets filtered before being mixed with the recirculated air. The air conditioning units on board will be equipped with ultraviolet light filters to help reduce the spread of airborne pathogens and microorganisms.

However, the date on which the Company plans to resume service and request an increase to the Manager's staff are unknown and dependent on many factors. The Company continues to monitor the situation and evaluate an appropriate time to resume service, seeking to build on the strong momentum it has established in South Florida.

Construction

The Company continues to proceed with construction activity, including the build-out of the North Segment to Orlando as well as construction of the New In-line Stations. The Company's construction crews benefit from being site-based and the materials for the Project are sourced in the United States and mostly from the local Florida region. The Project has been classified and listed as an essential project by the State of Florida. As such, the COVID-19 pandemic has thus far not adversely affected construction of the Project. The Company does not expect the addition of the New In-line Stations, the station at Disney Springs, and the Capacity Expansion Projects to significantly impact the estimated construction timeline of the Project. The Company will manage the opening of each station based on both overall construction timelines and its business strategy.

The Company is taking proactive measures with its North Segment construction teams in order to help keep the Manager's employees employed and continue construction between Orlando and West Palm Beach. The construction teams are able to do most of their work while maintaining social distancing guidelines of 6 feet between people. Construction crews are increasing the amount of times they wash their hands and disinfect equipment and are holding meetings by phone. Moreover, the Company is currently receiving indications of additional workforce available as a result of the COVID-19 pandemic and is evaluating opportunities to increase its construction teams in order to accelerate certain components of the construction. The Company has capitalized on reductions in overall construction employment to fill construction workforce vacancies and to add additional crews. Examples include the addition of night shifts and secondary headings on activities where the geography permits (i.e., trench slab and walls concrete crews, bridge pier caps, MSE walls, box-jacked tunnels). While schedule reductions are not yet indicated, this addition in workforce plays an important role in reducing the risk inherent in duration planning.

The COVID-19 pandemic is complex and rapidly evolving, and the ultimate impact on the Company's overall financial and operating results will depend on the currently unknowable duration and severity of the pandemic as well as any additional governmental and public actions taken in response. There can be no assurance that the measures the Company has taken will completely offset any negative impact of COVID-19. See "Risk Factors—Risks Related to the Company's Business—A pandemic, such as the recent novel coronavirus (COVID-19) outbreak, could materially

adversely affect the travel and tourism industry in general and the Company's business and financial condition and results of operations."

New In-line Stations

The Company is pursuing several opportunities to enhance its offerings. The Company is progressing with the construction of the New In-line Stations in Aventura and Boca Raton. Serving two of the larger residential communities in South Florida, the Aventura and Boca Raton stations offer intermediate points of access for those travelers who do not wish to travel into the downtown centers of Miami, West Palm Beach or Fort Lauderdale as well as those travelers seeking to access the Aventura and Boca Raton business and shopping districts. In Aventura, the station design has been sufficiently advanced to facilitate construction commencement. The Company has executed the first of the station construction contracts for Aventura station and has commenced early works construction. Similarly, the Company's Boca Raton station is well advanced from a station design perspective with drawings at approximately 90% complete. The Company has started early work construction activities, including completing installation of construction fencing and renovating a portion of the community garden that will be rebuilt off site. In addition, the Company has selected the general contractor for both the station and parking garage construction. Although the Company has prioritized the Aventura and Boca Raton stations in light of COVID-19, negotiations on the definitive documentation for the PortMiami station are expected to be completed in the first quarter of 2021 as well. There can be no assurance that the Company can meet any projections or expectations contained in this Limited Remarketing Memorandum and, as the Company has suspended its passenger rail service, there can be no assurance as to the timing of resumption or the frequency or level of service that will be provided once it resumes service. See "RISK FACTORS—Risks Related to the Company's Business—A pandemic, such as the recent novel coronavirus (COVID-19) outbreak, could materially adversely affect the travel and tourism industry in general and the Company's business and financial condition and results of operations." For more detailed information on each station, see "—New In-line Stations—Aventura," "—New In-line Stations—Boca Raton" and "—New In-line Stations—PortMiami." Once complete, the New In-line Stations will offer both express and local options.

The Company expects the New In-line Stations to have a significant accretive impact to its existing rail operations while requiring only limited capital expenditures. The New In-line Stations are expected to carry approximately 2.2 million passengers annually and generate over \$60 million in incremental EBITDA upon stabilized operations in 2023. Excluding Miami-Dade's land acquisition as described in more detail below under "—New In-line Stations—Aventura," the Company expects the total development costs for the New In-line Stations to be approximately \$141 million, consisting of approximately \$81 million for the construction of stations and platforms and approximately \$60 million for the construction of rail infrastructure. Of the \$141 million cost of construction, the Company expects to fund approximately \$89 million with grants and the remainder with the net proceeds of Additional Station Indebtedness.

In connection with the New In-line Stations, the Company has entered into or, in the case of the PortMiami station is negotiating the following Grant Agreements:

- *Boca Raton Station:* On December 10, 2019, the Boca Raton City Council approved a lease agreement with Brightline Holdings for the lease of city-owned land and the construction of a new station centrally located in Boca Raton's primary business and shopping district. The City of Boca Raton will provide approximately \$9.9 million in grants for construction of a parking garage to support the Boca Raton station. Brightline Holdings contributed the lease agreement to the Company on June 17, 2020. Separately, on September 23, 2020, the City of Boca Raton received a Consolidated Rail Infrastructure and Safety Improvements Program grant of approximately \$16.4 million from the Federal Railroad Administration (the "FRA"), which also will be contributed to the Project.
- *Aventura Station:* On October 11, 2019, Miami-Dade County approved a development agreement with Brightline Holdings and allocated up to \$76.7 million of grants. Miami-Dade County is expected to retain \$19.3 million for land acquisition, and up to \$57.4 million of grants will be provided for construction of a passenger rail station, platform, parking lot, pedestrian bridge to the Aventura Mall, the second most visited shopping mall in America, and rail infrastructure for the Aventura station. On October 31, 2019 Miami-Dade County and Brightline Holdings entered into three agreements: (i) a lease agreement, allowing a long-term, nominal cost lease for the station land, (ii) a land acquisition and development agreement, allowing the construction of a train station, platform, parking lot, pedestrian bridge and other transit features on the land and to provide train service, and (iii) a parking license agreement, allowing the development and operation

of the land for surface parking (expected to be approximately 240-290 spaces). Prior to the end of 2019, Miami-Dade County completed the acquisition of the land for the Aventura station. Brightline Holdings contributed the development and related agreements to the Company on July 14, 2020.

- *PortMiami Station:* The negotiations with Miami-Dade County on the definitive documentation for the PortMiami station are ongoing, following a memorandum of understanding for a \$5.0 million grant, though at a slower pace due to impact of COVID-19 on the cruise industry. The PortMiami agreement is expected to be completed in the first quarter of 2021.

In the future, the Company may seek to enter into similar types of grant agreements to fund a portion of the station at Disney Springs and other projects. See “—Potential Future Stations—Walt Disney World Resort.”

Capacity Expansion Projects

In developing the plans for the New In-line Stations and the future station at Disney Springs, the Company has identified several potential opportunities to expand the original scope of the Project in order to accommodate additional train service beyond the current service schedules. The Capacity Expansion Projects expenditures are designed to (i) ensure sufficient capacity, (ii) improve the rider experience, (iii) provide first-class network performance to address the potential for increased ridership as a result of the New In-line Stations and station at Disney Springs and (iv) enhance the flexibility and speed of the rail system.

The Capacity Expansion Projects primarily consist of two components: (i) additional track on certain portions of the corridor and (ii) additional rolling stock. The Capacity Expansion Projects would be added costs under existing construction and rolling stock contracts.

The Company expects that the Capacity Expansion Projects will cost approximately \$211 million. \$21 million is primarily related to the purchase from Siemens of four additional locomotives, and \$22 million is primarily related to a change in the positive train control overlay system technology from the proprietary, track based Alstom Enhanced Automatic Train Control to a more open, more flexible GPS based interoperable electronic train management system (“I-ETMS”). Wabtec is the provider of the I-ETMS PTC overlay. The I-ETMS system will enable shorter travel times and more flexibility for future service additions. The remaining \$168 million is primarily related to double track and other rail infrastructure improvements. As of September 30, 2020, the Company had expended approximately \$10 million on additional rolling stock and approximately \$65 million on additional rail infrastructure improvements.

Station at Disney Springs

In November 2020, the Company entered into a long-term agreement to develop, construct and operate a station at Disney Springs, subject to permitting, final design and the Company’s satisfaction of certain other obligations and obtaining all other necessary government approvals. Walt Disney World Resort is a highly visited destination, attracting millions of visitors annually, a significant number of whom originate along the Brightline corridor.

The station at Disney Springs will provide a fast, convenient and enjoyable alternative to driving or flying for the millions of trips made by guests traveling between South Florida and Orlando to visit the Walt Disney World Resort each year. As part of a future planned extension to Tampa, the station at Disney Springs could also serve the millions of annual visitors to Disney and Orlando originating from the Tampa area. The extension from the Orlando airport to the station at Disney Springs comprises a component of the Tampa extension for which the Company won the RFP process in November 2018. The RFP was issued by the Florida Department of Transportation (FDOT) and the Central Florida Expressway Authority (CFX) for the leasing of rights of way owned by FDOT and CFX to provide intercity passenger rail service between Orlando and Tampa. The Company expects the station at Disney Springs to have a significant potential to increase the Company’s ridership, revenue and EBITDA.

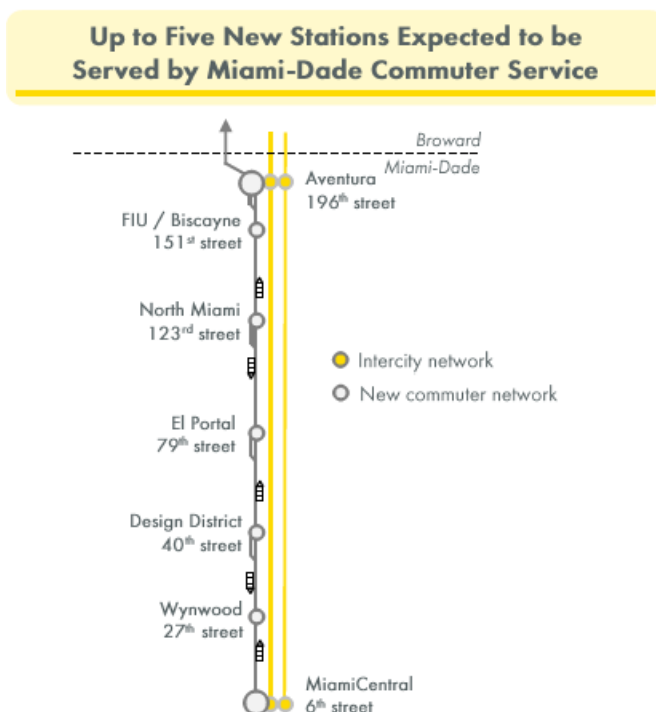
The Company is planning multiple opportunities for promotions and sales, including family discounts for Disney destined trips. In addition, the station at Disney Springs and rail infrastructure to be built will incorporate potential capacity for SunRail, a commuter rail system in the Greater Orlando area, to provide additional connectivity while offsetting costs, which is subject to SunRail agreeing to provide such service. Connectivity to the SunRail system will provide an all-rail link for major Central Florida population centers to Orlando International Airport, the station at Disney Springs and the Company’s South Florida destinations, as well as for visitors from South Florida to reach destinations along the SunRail system in Central Florida.

The Company targets commencing revenue service at the station at Disney Springs in the second half of 2023, subject to right of way acquisition, permitting, final design and engineering. The potential extension of the Company's rail system to the Walt Disney World Resort will not be funded with the proceeds of the Series 2019A Bonds or the Series 2019B Bonds. A combination of equity, grants, subordinated obligations and up to \$200 million of Permitted Additional Senior Indebtedness may be used to finance or refinance costs of this extension.

Upon the incurrence of any Theme Park Indebtedness, the Company will be required to cause its interest in substantially all of the assets comprising the Theme Park Extension, including the station at Disney Springs lease and the rail infrastructure, to be pledged as additional Collateral for the owners of the Series 2019B Bonds, the Series 2019A Bonds and all other Permitted Additional Senior Indebtedness.

South Florida Commuter Service

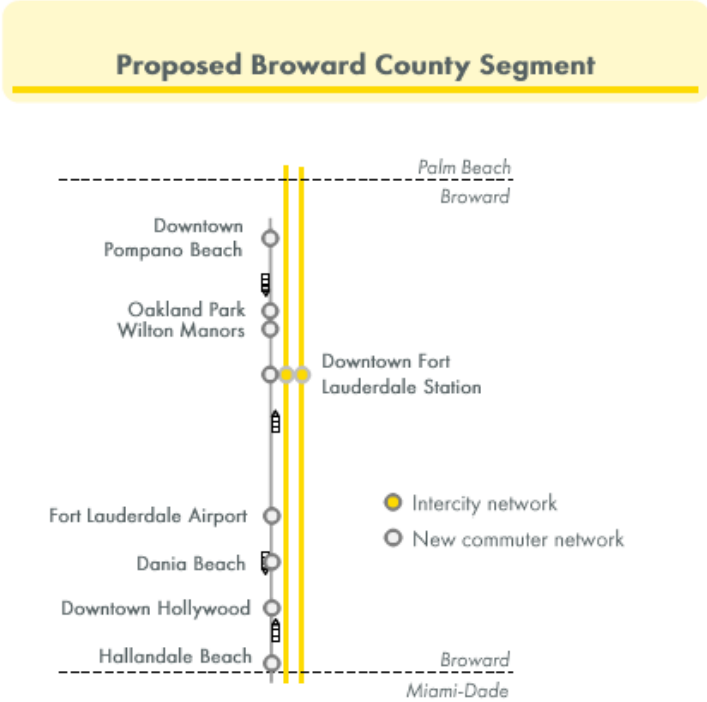
In June 2020, the Miami-Dade County Board of County Commissioners voted to authorize the County Mayor to negotiate an agreement to provide commuter service on the Company's rail corridor between the Company's MiamiCentral and Aventura stations in an effort to activate the Northeast Corridor component of Miami-Dade County's SMART plan. The SMART plan seeks to advance the Northeast Corridor and five other rapid transit corridors in Miami-Dade County to address traffic congestion and improve mass transit options for Miami-Dade County.



On November 13, 2020, the Miami-Dade County Board of County Commissioners voted unanimously to approve a resolution for the development of the commuter service on the Company's rail corridor between Miami and Aventura. Key economic terms contained in the approved resolution include County payment to the Company in an amount not to exceed \$50 million paid in one or more installments and annual access payments of up to \$12 million for a term to be agreed upon. The Company currently expects such term to be 30 years, which is subject to negotiation of definitive documents. The Company has prepared conceptual designs for stations and shared them with the County, identified station locations, subject to confirmation by the County, and the Company has selected rolling stock provider options for the County that are compatible with the Company's existing system. Once complete, the project will enable the County to provide commuter rail service access to up to five new stations between the Company's MiamiCentral and Aventura stations. The implementation of the County's commuter service on its corridor will require additional track and rail infrastructure, as well as the construction of new commuter-only stations (as those stations will not be served by the Company's intercity service). The commuter service may be separately branded and operated. Costs required for constructing and operating the commuter service are expected to be provided or sourced

by Miami-Dade County. Provision of this commuter service is subject to execution of definitive documentation and the approval of same by the Miami-Dade County Board of County Commissioners.

The Company believes that the South Florida commuter service will provide a valuable transit option to the Miami-Dade community, complementing the Company’s intercity service, and could serve as a model for similar projects in Broward and Palm Beach Counties. On May 12, 2020, the Company signed a letter of intent with Broward County, which borders Miami-Dade County to the North, to develop a similar project with similar terms and connected to the Miami-Dade County commuter service. This letter of intent indicated the County’s strong interest in implementing a commuter rail system throughout the County, including a station located at Fort Lauderdale-Hollywood International Airport. In recent months, the Company has identified station locations and capacity needs and provided Broward County with estimates for a lease payment, capital investment required and operating costs. The Company agreed to revisit the pursuit of this initiative once the economics of the Miami-Dade County commuter service was agreed, which it was as of November 13, 2020. The Company expects to negotiate and sign definitive agreements with Broward County by the end of the first quarter of 2021. Both Miami-Dade County and Broward County as well as related bonding credits have investment grade ratings from nationally recognized rating agencies.



For more information, see “—South Florida Commuter Service.”

Transit-Oriented Development

The high number of passengers expected to pass through the Company’s downtown stations is expected to support several attractive retail, residential and commercial transit-oriented real estate development opportunities at or around the Company’s owned station sites. Currently, FECI is either developing or has sold approximately 1.5 million square feet of mixed-use office, residential, retail and parking facilities at and around the Company’s stations in Miami, Fort Lauderdale and West Palm Beach. Some key achievements include: (i) the April 2019 opening of Central Fare, a dynamic 50,000 square foot food hall within the mezzanine level of Miami station, which was serving thousands of daily travelers and local customers prior to the impact of COVID-19; (ii) the 2020 opening of Park-Line Miami, which consists of two 30-story residential towers, totaling 816 rental units encompassing 735,000 square feet of space and a two-acre amenity deck including pools, a spa, and a fitness center and (iii) a lease up of Park-Line Palm Beach’s residential units, which is 92% leased as of December 2019. Park-Line Palm Beach consists of a 24-story, 290-unit rental tower and 12,500 square feet of ground floor retail.

The Company's affiliates, including FECI, intend to pursue new real estate development opportunities at or around existing and future stations using land in Miami and Fort Lauderdale that they own and other land they may acquire in Florida. FECI owns and has the rights to develop two pads immediately south of the Miami station. The site encompasses approximately 2.5 acres with up to 1.8 million of mixed-use developable square feet.

As of July 1, 2020, FECI has invested \$150 million in land and \$760 million in construction costs of transit oriented development (i.e., retail, residential and office spaces) surrounding the Miami station, approximately \$19 million for a parking garage at the Fort Lauderdale station, and approximately \$130 million for a multi-use development consisting of a residential tower (including ground-floor retail) and parking garage (for both the tower and Company use) adjacent to the West Palm Beach station. Although the various transit-oriented development projects described above will not constitute Collateral for the Series 2019B Bonds, the Company believes they will enhance the appeal of its passenger rail system.

Additionally, since 2012, FECI has developed over 8 million square-foot of industrial and logistics real estate in the Miami area surrounding the rail corridor, making it the largest industrial developer in the Miami market. FECI has monetized over 36 industrial buildings in that time to buyers such as JPMorgan Chase, Blackstone Group, Duke Realty Corp., CenterPoint/CalPERS and Morgan Stanley, representing over \$1.1 billion in gross value. FECI owns Countyline Corporate Park, the largest contiguous industrial land site in South Florida, totaling over 520 acres. The park's largest tenants are Boeing Corporation and The Home Depot, which plans to open a one million square-foot e-commerce distribution campus at the end of 2020.

Passenger Rail Service

Speed and Connectivity

The Company's passenger rail service offers leisure, business, and personal travelers fast, reliable, convenient and comfortable travel within Southeast Florida and Central Florida. Prior to suspending its passenger rail service, the Company operated 34 daily weekday departures between Miami and West Palm Beach, with stops in Fort Lauderdale. The 34 departures were hourly, generally beginning at 5:10 am southbound from West Palm Beach, including 30-minute departures for peak morning and evening commutes, and ending the day with the final northbound arrival into West Palm Beach at just after 1:00 am.

The Project's express trains will be able to travel at speeds of up to 125 mph, making the 235 mile trip from Miami to Orlando in approximately 3 hours 15 minutes, while offering onboard amenities to passengers, compared to an estimate of approximately 4 hours 15 minutes by car along I-95 or 3 hours 50 minutes with normal traffic along the Florida Turnpike, which is a toll road. Train stations are conveniently located in city centers near major travel destinations, and offer multiple connections to local commuter rail and public ground transportation. The additional in-line stations at Aventura and Boca Raton add approximately two to three minutes each to travel time, offset by approximately five minutes of travel time savings resulting from the switch to the I-ETMS signaling system as part of the additional capacity expansion initiatives.

The Company's previous plans included the use of E-ATC, a physical land-based circuit system segmenting the railroad in approximately 4,000 foot sections in which to monitor train positions. The Company now will use I-ETMS, a GPS tower and satellite based system that constantly monitors train position with an accuracy of approximately six feet. The increased accuracy of the I-ETMS system allows for greater fluidity and interoperability. I-ETMS provides increased flexibility for future track changes and faster trip times.

The Company's 2019 on-time percentage, reported from DispatchCo, is approximately 99% using a five-minute allowance and approximately 86% without such an allowance. This compares to 80% and 77% for Miami and Orlando airports, respectively, in 2019.

Customer Experience

The Company has seen and expects to continue to see that its passenger rail service will be used by a diverse mix of leisure and business travelers, both domestic and international, and Florida residents transiting Southeast and Central Florida. Such diversity of ridership will decrease the Company's dependency on any one type of traveler and will allow the Company to maximize efficiency by achieving higher load factors throughout the Company's daily departure schedules, including during off-peak times. Whether traveling for business or leisure, passengers can

maximize productivity, using mobile devices freely, and enjoy a variety of amenities, while traveling from one downtown location to another on a reliable schedule and in an environmentally friendly way. The Company's trains depart and arrive at its modern state-of-the-art stations, and all of the Company's trains are equipped with free high-speed WiFi connections. There will be ample opportunities for passengers to enjoy food and beverage options, both during their train journey as well as at the stations. Additionally, passengers are able to avoid travel time to the airport, airport security and sitting in commuter traffic. Leisure riders can begin their vacation from the moment they enter a station and avoid dealing altogether with unpredictable roadway, airport or air traffic conditions. Similarly, business riders can enhance the productivity of their work trip by spending the entirety of the ride connected to WiFi.

The Company believes its high level of service and customer satisfaction translates into repeat riders. In 2018, the Company averaged approximately 2,000 frequent repeat passengers (i.e., passengers who have used the service at least 10 times) per week. In 2019, this figure increased to approximately 5,000 frequent repeat passengers per week, and between January and February 2020, this figure further increased to approximately 7,000 frequent repeat passengers per week.

As of February 29, 2020, the Company's rolling weighted Net Promoter Score over the last twelve months was 75. Net Promoter Score is an industry-wide index ranging from -100 to 100 that measures the willingness of customers to recommend a company's products or services to others. The Company's score compares favorably or is superior to similar scores for leading companies as provided in the 2018 Satmetrix benchmarks for the Net Promoter Score leaders by industry (e.g., Ritz Carlton (hotels): 75; Jet Blue (airlines): 74; Amazon (online commerce): 68; Apple (technology): 63; Netflix (online entertainment): 62; American Express (banking): 60; Airbnb (lodging alternative): 43). See "PROJECT PARTICIPANTS AND THIRD PARTY AGREEMENTS."

Cost Savings

The Company expects to offer service between Miami and Orlando for fares that are lower than the cost of driving or flying for individual travelers. Based on the expected fares for an individual traveler, the Company expects that a trip on its trains between Miami and Orlando will be approximately 25% less expensive than driving and approximately 40% less expensive than flying.

North Segment Rail Infrastructure Construction

The Company commenced construction of the North Segment in April 2019, and the Company expects to complete construction and begin service to Orlando in the second half of 2022. Rail infrastructure for the North Segment primarily includes new track and rail crossings, bridges, civil work and right-of-way improvements, communications and signalization including positive train control ("PTC"), maintenance facilities and all professional fees and contingencies associated with the various categories of the work. The Company has obtained all material permits and government authorizations for the North Segment. The Company is approximately 50% complete with the construction in aggregate and is on-time and on-budget relative to the expectations disclosed in the in the Series 2019A Bonds Limited Offering Memorandum and as disclosed in the Company's monthly construction reports.

For project management purposes, the North Segment rail infrastructure construction has four component zones:

- *Zone 1 – Vehicle Maintenance Facility and Orlando International Airport (Building Related Work)*. In addition to the rail segments, a new Vehicle Maintenance Facility will be constructed on property of GOAA adjacent to the Company's Orlando station. Zone 1 also includes the interior finish and fit out of the recently completed GOAA Intermodal Transfer Facility, which will serve as the Orlando station. The Vehicle Maintenance Facility sitework was completed by Hubbard Construction Co. in February 2020. The building contractor Wharton-Smith, Inc. mobilized in March 2020 and began construction in June 2020, with substantial completion scheduled for March 2022. Construction is currently approximately 23% complete. The extensive track construction will be completed by September 2021 in order to receive the rolling stock scheduled to begin delivery at that time.
- *Zone 2 – Orlando International Airport Rail Alignment (4 miles)*. This component represents the alignment through the center of Orlando International Airport. The contractor for this segment, The Middlesex Corporation ("Middlesex"), is more than 50% complete with construction. Track work south of the new Brightline Orlando Station has been completed. North of the station, utility relocation and construction,

drainage, embankment building, and bridge and trench construction are well underway. Zone 2 work is expected to be substantially complete in October 2021.

- *Zone 3 – Cocoa to Orlando International Airport (36 miles).* This component includes the East-West Corridor running along the SR528. This corridor is divided into three geographic segments based on land ownership: approximately 14 miles adjacent to SR528 in land leased from the FDOT; approximately 19 miles in an easement adjacent to SR528 from the Central Florida Expressway Authority (“CFX”); and approximately 3 miles leased from GOAA on property of the Orlando International Airport. The Company is constructing entirely new, dedicated and grade-separated rail infrastructure capable of achieving speeds of up to 125 mph and terminating at Orlando International Airport. There are no public at-grade roadway crossings between Cocoa and Orlando International Airport.

Granite Construction Company (“Granite”) is approximately 57% complete with this segment. Significant portions of the right of way have reached final grade, while work continues on rail embankment retaining walls, drainage, bridges, and sub-ballast installation. The two borrow pits supplying the earth material for the rail embankments are now in active mining, and embankment construction, drainage & utility works, bridge and trench construction are all successfully underway. Zone 3 work is expected to be substantially complete in June 2022.

- *Zone 4 – West Palm Beach to Cocoa (129 miles).* Generally, the Company’s work on the West Palm Beach to Cocoa corridor will consist of re-constructing a second track that existed when passenger rail previously ran in this corridor in most locations, replacing most of the bridges including five major crossings in Brevard County, rehabilitating the Loxahatchee movable railroad bridge superstructure, replacing 155 grade crossings, relocating fiber backbones for six commercial carriers into a new shared ductbank, adding 20 Universal crossovers to assure system fluidity, replacing the signal system, and adding a Positive Train Control overlay.

A joint venture of Herzog Contracting Corp., Stacy and Witbeck, Inc. and RailWorks Track Systems, Inc. d/b/a HSR Constructors (“HSR”) is underway with gopher tortoise relocation, fiber optic ductbank construction for communications carrier relocation, clearing and grubbing of the right of way, track grading and fill, special track construction, and bridge construction. HSR is approximately 38% complete with this segment. Zone 4 work is expected to be substantially complete in the fourth quarter of 2022.

- *Track:* The Company will perform upgrading of portions of the existing infrastructure from Class IV to Class VI standards to raise the maximum allowable speed up to 110 mph. In addition, a new second Class VI track will be added within the existing FECR right-of-way.
- *Signaling System Upgrade:* The Company will upgrade all highway-rail grade crossings along the shared mainline corridor within the high-speed segment (110 mph) from West Palm Beach northward to Cocoa.
- *Grade Crossings:* The Company conducted required safety crossing diagnostics with the FRA, the Florida Department of Transportation (“FDOT”) and local municipalities. Based on these assessments the safety treatments at each of these crossings have been carefully analyzed and scrutinized to arrive at the final configurations. Vehicle Presence Detection will be provided at all crossings where passenger train speeds are anticipated to exceed 80 mph. In totality, the Company will build a second track and modify approaches at 155 grade crossings.
- *Bridges:* 20 bridge structures will be replaced in the West Palm Beach to Cocoa segment by the Company in order to support the addition of the second track for the passenger rail service. In addition, a movable bridge structure will be rehabilitated.
- *Fiber Optic Relocation:* Over the past decades, the existing FECR right-of-way segment where the second track will be restored was used as a revenue generating source from telecommunications companies by allowing them to place fiber optic conduits. In order to allow for the construction of the second track, these conduits must be relocated into a new, dedicated duct bank that will carry all of the existing lessees’ fiber lines.
- *Positive Train Control:* The Company is installing PTC on the Florida east coast corridor in compliance with 49 CFR Part 236. The Company is utilizing the I-ETMS for both the South Segment and North

Segment, which will complete revenue service demonstration in summer 2021. I-ETMS provides increased flexibility for future track changes and faster trip times.

See page 18 of the Technical Advisor’s Report and the Company’s monthly construction reports (available on the MSRB’s EMMA website) for additional information.

Rolling Stock

Siemens produced five state-of-the-art trainsets (10 locomotives and 20 coaches) that, prior to the suspension of the Company’s passenger rail service, provided passenger service on the South Segment. The purchase price related to these five South Segment trainsets, including development and tooling, was approximately \$264 million, which had been fully paid for as of April 1, 2020. The purchase price related to the five North Segment trainsets and additional spare locomotive (11 locomotives and 20 coaches) is approximately \$182 million, of which \$21 million is related to the purchase of four locomotives to support the New In-line Stations and the Capacity Expansion Projects. As of October 1, 2020, the Company expected to make remaining payments related to the North Segment rolling stock of approximately \$95 million, of which \$11 million is related to the purchase of four locomotives to support the New In-line Stations and the Capacity Expansion Projects. The Company expects delivery of four of the five North Segment trainsets by the Phase 2 Revenue Service Commencement Date, and the fifth trainset in February 2023.

Each trainset currently consists of two diesel-electric locomotives (4,400 horsepower Cummins diesel engines) and four stainless steel passenger cars and has a total capacity of 240 passengers per train. This dual locomotive arrangement allows trains to achieve a top speed of up to 125 mph, while realizing fuel efficiency. The redundancy of this two-locomotive configuration will enable the Company to keep trains moving in case of an unexpected locomotive mechanical issue.

The Company’s trainsets feature leather seats, large touchless bathrooms, food and beverage service on board, free high-speed WiFi, charging and docking stations and are fully ADA compliant. Onboard, integrated passenger cars offer comfortable seating in a number of different configurations, with an air-suspension system providing a smooth ride at high speeds. Passenger seats have workspaces that are similar in size and comfort to a first-class airline seat (with premium seats being slightly larger). These trainsets and their onboard amenities are scalable to accommodate additional passenger demand for seats and technology.

The Company has five active trainsets for its South Segment service, and the Company has procured the manufacture and delivery of five additional trainsets and a spare locomotive. After commencement of the Company’s North Segment service, the Company anticipates having ten trainsets, each including two locomotives for its Florida passenger rail system. The Company expects to operate eight trainsets in regular operations, leaving one spare trainset available for private charter service or redundancy and one trainset to accommodate for shop rotation time (to allow rolling stock to be monitored, inspected, serviced and maintained without adversely impacting regularly scheduled service). The Company will also use the spare locomotive for redundancy as needed.

The delivery of the Company’s additional rolling stock, including on-site final commissioning, is expected as set forth below. The coach and locomotive shell construction on the next trainset slated for delivery is currently one month ahead of schedule. Historically, the Company’s rolling stock has been delivered on time.

Trainset	Expected Delivery
Trainset #1	September 2021
Trainset #2	December 2021
Trainset #3	March 2022
Trainset #4	June 2022
Trainset #5	February 2023

The Company’s rolling stock vendor contracts with Siemens give the Company the option, through August 2021, to purchase additional passenger cars and locomotives to accommodate increased ridership. As ridership increases, these trainsets have the ability to operate with additional coaches, reaching a maximum length of ten cars and 554 passengers per trainset.

The Company's trains and stations are designed to be compliant with regulations issued pursuant to the Americans with Disabilities Act ("ADA"), with seating, bathrooms, level board platforms and walkways designed to accommodate wheelchair and other special physical needs of the disabled. The Company's locomotives comply with both the U.S. Environmental Protection Agency's Tier Four emissions standards as well as the various regulations and guidelines set forth in the Passenger Rail Investment and Improvement Act of 2008 (PRIIA) mandate. They are fully Buy America compliant, with components coming from 20 U.S. states. The Company's rolling stock complies with FRA regulations, including Crash Energy Management (CEM), which provides a standard of structural integrity designed to better protect passengers and employees in the event of a collision, and the new PTC standards, which require a centrally monitored and controlled monitoring system to bring trains safely to a stop if certain operating safety parameters are exceeded. The Company is upgrading its signal system and expects to be fully-compliant with PTC requirements. Installing PTC systems will allow the Company's trains to operate within a dynamic safety environment that constantly monitors speed restrictions, track maintenance and similar items and can intervene to stop a train before it reaches an unsafe condition. The PTC system was procured and supplied by the Company and delivered to Siemens for installation into the locomotives. Similarly, the in-cab signaling system and the voice radio system were procured by the Company and delivered to Siemens for installation.

Operations and Maintenance

The Company commenced limited rail operations between Fort Lauderdale and West Palm Beach in January 2018 and between Miami and Fort Lauderdale in May 2018. The Company went to a full operational schedule in August 2018. From August 2018 through December 2018, the Company intermittently ran fewer trains to finish implementing PTC and other infrastructure enhancements on the system. The Company carried just over one million passengers in 2019.

The Company carried over one million passengers in its first full year of operations in 2019, which was in line with the Ridership and Revenue Study's first full year ridership projection, adjusted for the timing of the system reaching full operability. The Ridership and Revenue Study forecasted the Company would carry 1.1 million passengers in the first full year of train operations, representing 40% of the forecasted stabilized ridership for the South Segment of 2.9 million passengers versus 35% that the Company actually carried. For the month ended January 31, 2020, the Company carried 115,109 passengers and generated total revenues of approximately \$2.4 million, an increase of 56% and 47%, respectively, over the prior month of January, 2019. As the Company has continued to experience adoption, ridership has been shifting from predominantly leisure towards a more balanced mixture of business, commuter and leisure. In January 2020, the number of passholders more than doubled compared to the number of passholders the previous year. Passholders comprise the Company's most frequent travelers. In January 2020, the Company had 635 active passholders, consisting of 427 monthly passholders and 208 annual passholders, compared to 322 active passholders, consisting of 160 monthly passholders and 162 annual passholders in January 2019. In January 2020, the Company had over 6,300 individuals enrolled in its corporate travel program. The table below shows the quarterly changes in average ridership, average fare per passenger, and average revenue per passenger since 2018.

The Ridership and Revenue Study is based on customers' willingness to pay for service. The Company observed and collected customer data and strategically elected to keep fares lower to increase customer acquisition and deployed a variety of fare classes and promotional deals in order to collect additional, real-time data about customer preferences. The Company is confident that it can achieve its projected fares based on its actual data from operations and has a team evaluating the data analytics to implement a dynamic, variable pricing approach. The Company expects to utilize its customer data from the South Segment to execute on the North Segment pricing strategy necessary to achieve its projections.

	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2020 Q1 ⁽¹⁾
Ridership	74,780	106,090	159,586	238,749	244,178	237,142	219,741	311,743	271,778
Average Fare per Passenger (\$)	8.86	10.76	14.38	15.47	19.37	16.65	15.32	16.19	18.08
Average Revenue per Passenger (\$)	10.26	14.46	18.36	19.81	23.88	21.78	19.62	21.80	23.94

- (1) As a result of COVID-19, the Company reduced its passenger rail service on March 18, 2020 and suspended its passenger rail service on March 25, 2020. Accordingly, there was no ridership to report for the second and third quarters of 2020. See “—COVID-19.”

The Company intends for the Manager to manage passenger rail and hospitality operations, sales and marketing, information technology, finance, accounting, human resources, legal and right-of-way functions. See “COMPANY AND AFFILIATES—Management Agreement” for additional information.

As described in more detail below under “PROJECT PARTICIPANTS AND THIRD PARTY AGREEMENTS,” the Company has contracted with certain entities, including DispatchCo, for dispatch services, and FECR, for other rail service operations and certain other aspects of the Company’s business operations. All agreements with affiliates will be arm’s length and upon terms and conditions substantially similar to those that would be available on an arm’s length basis with unaffiliated third parties. In addition, the Company has entered into the Siemens Maintenance Agreement for all warranty repairs and maintenance on the rolling stock, thereby making these large costs more easily predictable. The maintenance for the rolling stock is performed at the Company’s running repair facility in West Palm Beach. As a result of the COVID-19 pandemic, the Company provided Siemens with a force majeure letter related to the maintenance terms and conditions in the Siemens Maintenance Agreement. The Company and Siemens have agreed on a reduced level of maintenance service and cost, while ensuring that Siemens will continue to provide necessary repairs during the Company’s temporary suspension of service.

Following the completion of the North Segment, the maintenance for the rolling stock will be performed at a Vehicle Maintenance Facility to be constructed south of the Orlando International Airport. The Company’s running repair facility in West Palm Beach will continue to be used for lighter maintenance and emergency repairs, as well as cleaning, refueling and nightly layover.

WSP has prepared the Operations and Maintenance and Ancillary Revenue Report that is included as Appendix F to this Limited Remarketing Memorandum. Matters addressed in the Operations and Maintenance and Ancillary Revenue Report are based on various assumptions and methodologies and are subject to certain qualifications. Reference is hereby made to the entire Operations and Maintenance and Ancillary Revenue Report for such important opinions, projections, qualifications and assumptions.

See the Technical Advisor’s Report and the Company’s monthly construction reports (available on the MSRB’s EMMA website) for additional information.

Brand and Market Positioning

Branding and marketing for the Project is being led by a management team with direct experience in leading large consumer-centric businesses and launching new transportation products and companies. The Company’s introductory brand positioning is both awareness and feature-based, and highlights the benefits of train travel, including convenience, reliability, safety and affordability, especially when compared to the downsides of traveling this busy corridor by car or air. These benefits allow travelers to skip traffic during peak times, potentially leading to lengthened and more frequent trips.

As of February 29, 2020, the Company’s rolling weighted Net Promoter Score over the last twelve months was 75. Net Promoter Score is an industry-wide index ranging from -100 to 100 that measures the willingness of customers to recommend a company’s products or services to others. The Company’s score compares favorably or is superior to similar scores for leading companies as provided in the 2018 Satmetrix benchmarks for the Net Promoter Score leaders by industry (e.g., Ritz Carlton (hotels): 75; Jet Blue (airlines): 74; Amazon (online commerce): 68; Apple (technology): 63; Netflix (online entertainment): 62; American Express (banking): 60; Airbnb (lodging alternative): 43). See “PROJECT PARTICIPANTS AND THIRD PARTY AGREEMENTS.”

The convenience and level of service on-board, the environmental benefits of train travel versus alternative modes and the speed and comfort of the trip are all being marketed strategically. The Company anticipates demand to originate from a diverse set of travelers including people originating on both ends of the service (in Miami, Florida and Orlando, Florida) and to travelers making the trip for several different purposes, including leisure, business, and personal travel. Due to this, the Company’s marketing effort will be achieved through multiple channels including direct-to-consumer, business-to-business and through relationships with wholesalers and travel partners within the overall travel trade industry. As part of the Company’s branding and marketing strategy, the Company utilizes a CRM (customer relationship management) technology solution to understand passengers’ usage and preferences so the

Company can adjust its marketing and services accordingly. The Company expects to launch a customer-centric loyalty marketing program, with reward options carefully curated to the Company's regional audience.

Ticket Sales, Revenue and Distribution

Tickets are available through multiple distribution channels, including direct sales to travelers over the internet and through mobile devices on the Company's mobile application or at ticket machines at the Company's stations (which the Company refers to as its "retail channel"), and indirect sales through wholesalers and travel partners (which the Company refers to as its "wholesale channel"). For the retail channel, the Company has designed its website and ticket kiosks to have a user-friendly interface and to offer travelers a quick and efficient way to take advantage of the Company's diverse array of service offerings and departure times. The Company also employs search engine optimization technology to direct customers to its website for ticket purchases. Additionally, the Company's mobile app provides access to ticket reservations, price details, real-time train status information and social media options. Through its wholesale channel, the Company has developed partnerships and affiliations with a variety of travel partners and wholesalers, including the MSC Cruises, Norwegian Cruise Lines, Bahamas Paradise Cruise Lines, AccesRail and Lyft, to integrate the Company's tickets into travel packages that are presold to the leisure market. Service of MSC Cruises, Norwegian Cruise Lines, and Bahamas Paradise Cruise Lines has been suspended until such time as the cruise lines resume operations, although the Company expects to resume these partnerships and affiliations at that time. The Company's management team has also made substantial investment in marketing, pre-launch ticket sales and corporate block sales. The Company offers an array of products tailored to the business-to-business and corporate segments, such as annual and monthly passes and flexible ticket packs in various denominations. These are sold through the Company's direct sales team, who also sell packages for corporate groups and event-based charters.

Tickets are available for purchase prior to the date of travel, and as late as minutes before departure. Seats are assigned and travelers are able to select specific seating and coach preferences, such as a solo seat or adjacent seating for groups. Any refunds, exchanges or ticket modifications will be quick and easy, either online or in person. Ticket prices are demand-driven and based on the day and time of departure. The Company utilizes yield management strategies (in conjunction with the Company's CRM discussed above) that allow the Company to determine, on a daily basis, pricing, allocations, and coach configuration needs. The Company intends to evaluate and determine ticket sales progress and adjust the Company's ticket allocations, inventory and pricing rapidly to match then-current sales and demand patterns and to optimize load factors and fares. As of March 31, 2020, the Company had over 100,000 downloads of the Brightline ticketing application. In the year 2019, approximately 50% of customers booked via the website, 25% via the application, 18% via a kiosk and 7% via a ticketing agent.

Ancillary Revenue Opportunities

In addition to ticket revenues, the Company intends to capitalize on passenger volume to generate high margin ancillary revenue from sources such as food and beverage sales, including pop-up venues on or adjacent to the station property, merchandise sales, parking fees, advertising, sponsorships and marketing affiliations (including naming rights), commissions from the Company's travel partners and ground transportation extensions and other services. The Company's trains and stations provide multiple opportunities for advertisers to reach a large and captive audience. The Company sells advertising space on video screens, monitors, kiosks and displays at each station and on board the Company's fleet of trains and ground transportation facilities. The Company also actively pursues long-term partnerships and sponsorships with a variety of organizations, including financial institutions and technology companies. In addition, the Company expects to generate income through travel packaging relationships with third parties such as cruise lines, car rental companies, hotels and theme parks. Through these relationships, the Company would act as an agent, seeking to include the travel partner's or destination's product or service in a packaged vacation for the Company's rail passengers. For each product or service the Company is able to sell, the Company would earn a commission. Furthermore, the Company expects to generate additional revenues for its passenger rail service through à la carte offerings of high-quality food and beverage options, retail merchandise and business services. Private reserved trains for conventions and groups outside normal scheduled services will also be available for charter. Finally, affiliates of the Company intend to develop retail, residential and commercial transit-oriented real estate development opportunities at or near the Company's station sites.

The Company believes the opening of its rail service to Orlando will approximately double the per-passenger related ancillary revenue versus the South Segment profile based on a number of factors. The Company and Disney are planning multiple opportunities for cross-promotions and sales, including family discounts, for Disney destined trips. The North Segment passengers have additional time on the train, and the Company expects that it will therefore

have an increased discretionary spend. The North Segment is expected to be predominantly business and leisure travelers compared to the South Segment travelers who tend to be short-distance daily commuters who ride frequently. Further, because there is expected to be an increase in distance from origination, compared to the South Segment, the North Segment benefits from the increase in opportunities for selling once a passenger gets farther away from their originations (i.e., items such as toiletries, over the counter medications). In addition, the North Segment has a unique selling opportunity to serve serving two differentiated yet destination-level regions (i.e., opportunities for unique souvenirs, foods to be served, etc.).

Travel Market for the Project

The Miami-Orlando region represents the most densely populated area within Florida, with an estimated population of 9.4 million residents in 2019.² Main cities in the region include Miami, Fort Lauderdale, Pompano Beach, Boca Raton, and West Palm Beach in Southeast Florida and Orlando, Kissimmee, Titusville, Cocoa Beach, Melbourne and Vero Beach in Central Florida. Between 1975 and 2019, the metropolitan areas within the Central Florida, Palm Beach, Broward and Miami-Dade counties have experienced average annual population and employment gains of 2.1% and 2.9%, respectively.

In addition to large and growing population centers, Southeast and Central Florida attract millions of domestic and international travelers each year. Miami International Airport is the second busiest airport in Florida with more than 45 million passengers annually. Known as the gateway to Latin America, Miami is the second largest international tourist destination in the United States³ and home to PortMiami, the largest passenger cruise port in the world (followed by Port Canaveral, Florida and Port Everglades, Florida).⁴ Florida attracted over 130 million visitors in 2019, driven by popular destinations in Central Florida's main city, Orlando, including Walt Disney World Resort, Universal Orlando Resort, SeaWorld Parks & Entertainment and the Orange County Convention Center.⁵

Orlando International Airport in Florida had over 50.6 million passengers in 2019.⁶ Overall, a total of 18.7% of overseas non-resident travelers enter the United States through one of the main South Florida and Central Florida airports: Miami International Airport (12.4%), Orlando International Airport (4.1%) and Fort Lauderdale International Airport (2.2%). 11 million international travelers arrive into Miami annually.

Existing Modes of Travel

Auto vehicles represent the dominant mode of intercity travel between Orlando and the Southeast Florida cities that the Company serves. In addition, there are a few private bus companies that operate several buses daily between Orlando and Southeast Florida along the Florida Turnpike and available rideshare options. The two main routes by auto between the cities are the I-95 interstate highway and the Florida Turnpike. Free-flow driving times between Miami and Orlando are estimated at approximately 4.5 hours along I-95 and at 3 hours 50 minutes with normal traffic along the Florida Turnpike, which is a toll road. Travel times during congested peak periods can be substantially greater. Driving time between Miami and Orlando can take as long as 5 hours compared to the Company's travel time of approximately 3 hours 15 minutes.

Travel within Southeast Florida is also primarily by auto vehicles. Between Miami and West Palm Beach, the Florida Turnpike runs parallel with I-95. Driving from Miami to West Palm Beach typically takes about 1 hour 20 minutes on I-95 and 1 hour 30 minutes on the Turnpike. Driving time between Miami and Fort Lauderdale is about 35 minutes while the drive from Fort Lauderdale to West Palm Beach takes about 50 minutes. During congested peak periods it is not uncommon for these travel times to increase by 30 to 50 percent due to incidents or weather making journey and arrival times during these key periods unreliable. Driving time between Miami and West Palm Beach at peak times can take 2 or more hours, compared to the Company's travel time of approximately just over one hour.

Air, rail and bus account for a small proportion of trips between Orlando and Miami. Most passengers traveling by air on the more than thirty daily flights between Miami and Orlando are connecting to another destination. Two Amtrak trains, the Silver Meteor and the Silver Star, each run once daily between Orlando and Southeast Florida. The Silver Meteor, which is the fastest because it does not make a detour to Tampa, takes about 3 hours 45 minutes from

(2) Data Source: US Census Bureau, US Bureau of Economic Analysis, 2019.

(3) Data Source: Miami-Dade County Passenger Report, 2012.

(4) Data Source: South Florida Business Journal, "New Figures Show PortMiami Retained No. 1 Cruise Port Ranking," Dec. 24, 2012.

(5) Data Source: Visit Orlando, "Florida Visitor Estimates," 2019.

(6) Data Source: Orlando International Airport Traffic Statistics, Feb. 11, 2020.

Orlando to West Palm Beach and 5 hours 35 minutes from Orlando to Miami. The Company expects its travel time to be superior to the Silver Meteor, with an estimated travel time of 2 hours from Orlando to West Palm Beach and about 3 hours from Orlando to Miami. Additionally, prior to suspending its passenger rail service the Company operated 34 daily weekday departures, providing more flexibility to potential customers than Amtrak’s services.

The other main alternative mode of transportation between Miami and West Palm Beach is through Tri-Rail, a commuter rail line run by the South Florida Regional Transportation Authority (“SFRTA”) that links Miami, Fort Lauderdale and West Palm Beach. Tri-Rail’s 72-mile line has 18 stops and had an annual ridership of 4.5 million in 2019 and, other than the upcoming connection to MiamiCentral station, generally serves communities and destinations several miles west of the Company’s rail corridor. The planned Miami-Dade commuter service on the Company’s rail corridor is expected to be mutually complementary to Tri-Rail’s and the Company’s existing passenger rail service. Miami-Dade County, Brightline and Tri-Rail will seek to coordinate schedules to provide convenient connections among their various services. Before the New In-line Stations commence operations, the Company’s service linking Miami, Fort Lauderdale and West Palm Beach will only make stops at these three stations, providing a faster alternative for passengers looking to travel to these destinations. The Company expects the addition of the New In-line Stations to have an immaterial impact on the approximate travel times as a result of the expected stop over time at the New In-line Stations of approximately two minutes at each station (when taking the local train as opposed to the express train). The Company also believes that these stop over times can potentially be offset by improvements in train speed. The additional travel time from Orlando International Airport to the station at Disney Springs is expected to be 30 minutes. Travelling to the PortMiami station instead of the Miami station will add approximately 10 minutes.

Comparison of Travel Times
(All Times Are Approximate)

	Brightline	Car	Amtrak	Tri-Rail
Miami to Orlando	3 hours 15 minutes	3 hours 50 minutes (without traffic) 5 hours (with traffic)	5 hours 35 minutes	N/A
Miami to West Palm Beach	1 hour	1 hour 20 mins (without traffic) 2 hours (with traffic)	N/A	1 hour 45 minutes

In addition, the Company believes it can achieve profitability by charging ticket prices that are lower than those of established express passenger rail systems and thereby capturing a higher percentage of the travelers in the Company’s markets. Prior to suspending its passenger rail service, the Company charged fares that were substantially lower than those charged by established rail systems over comparable distances prior to COVID-19. For example, standard passenger service fares on Amtrak’s Acela service, the most comparable intercity service in the United States to the Company’s service, averaged approximately \$180 for short distance trips, such as New York to Philadelphia (approximately 95 miles), while the Company expects to charge an average of approximately \$45 for the Company’s Miami to West Palm Beach (approximately 67 miles) service at stabilization; Acela service for long-distance trips, such as New York to Washington (approximately 225 miles), averaged approximately \$300, compared to the Company’s expected average fare of approximately \$100 for the Company’s Miami to Orlando (approximately 235 miles) service at stabilization. The Company does not believe it competes directly with Amtrak’s non-Acela service, as that service has significantly less frequent departures and significantly longer travel times compared to the Company’s Florida passenger rail service. Moreover, the Company believes its fares are highly competitive relative to the cost of travel for the same routes via other modes such as driving, rideshare services and flying. Prior to COVID-19, the average cost of a next day flight between Miami and Orlando was approximately \$160, and the average cost of rideshare service between Miami and Orlando was approximately \$300, both higher than the Company’s expected fares. An individual traveling on an airline ticket purchased for a next day flight or traveling on their own via rideshare may thus experience significant savings by using the Company’s passenger rail service. The Company believes that its relatively lower fares will drive ridership in the early stages of its business and that there is a compelling opportunity to increase both fares and ridership in line with industry levels as its business matures.

Comparison of Travel Cost
(All Costs Are Estimates of Average Fares at Stabilization)

	Brightline	Amtrak	Air (Next Day Flight on Average Prior to COVID- 19))	Rideshare Service (Single Passenger)
Miami to Orlando	\$100 per passenger	\$100 per passenger	\$160	\$300
Miami to West Palm Beach	\$45 per passenger	N/A	N/A	\$100

Employees

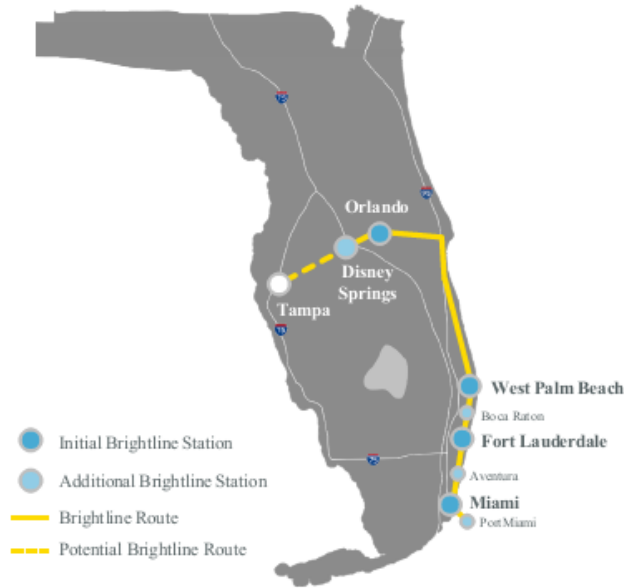
The Company does not have any employees. Services of the Project’s senior management team, as well as other personnel described below, will be made available to the Company by the Manager. See “COMPANY AND AFFILIATES—Management Agreement” for additional information.

As of September 30, 2020, the Manager had 123 employees, 22 of which are in support of matters unrelated to the Project. At stabilized operations for the Project, the Company expects the Manager to have approximately 500 full-time equivalent employees for the Company’s Florida passenger rail system, of which the Company expects the majority to be allocated to rail operations (including onboard staff and maintenance support staff) and stations and hospitality operations (including station managers, station engineers, safety and security staff, ticket counter/guest services agents, public area attendants and baggage agents, in-station cafe attendants and commissary employees). As part of the 500 fulltime employees, the Company expects the Manager to have approximately 260 employees in support of corporate and South Segment operations, 115 in support of expansion operations to Orlando, 67 for the New In-line Stations, and 58 in support of expanding operations to the station at Disney Springs.

The Company’s Florida passenger rail system operations are based in Miami. None of the Company’s Florida passenger rail system operations employees are covered by any collective bargaining agreements and the Company has not lost a day of operations for a labor-related cause. As a result of the impact of the COVID-19 pandemic and temporary suspension of its passenger rail service, the Manager temporarily reduced a significant portion of employees involved in the Company’s daily operations and management. Construction teams were not impacted, as construction to Orlando continues to proceed. As of April 16, 2020, the Manager had 112 employees, 12 of which are in support of matters unrelated to the Project. The Company is confident in its ability to staff, train and retain a highly productive and engaged workforce. The Company plans on reaching out to former and future employees of the Manager via job fairs, campus recruiting and through communications across its social media platforms.

Stations

The Company currently owns three stations in Miami, Fort Lauderdale and West Palm Beach, Florida. In Orlando, the Company’s station will be integrated into the Orlando International Airport’s new South Terminal and is owned by the airport and leased to the Company. The Company is also advancing the New In-line Stations. In addition, The Company is obtaining necessary permits related to the Tampa corridor, which includes the station at Disney Springs. The Company will not require any additional permits beyond the building permits for Aventura or Boca. All of the Company’s stations in South Florida are located in cities with dense populations, near government/business locations and major travel destinations and with multiple connections to public and private ground transportation, as well as local transit services. The Company believes these station locations are advantageous to its operations and will result in a high level of passengers given the centralized locations and ease of connectivity.



Miami

The downtown Miami station is located within a five-block radius of numerous destinations, including PortMiami (the world’s largest passenger cruise port), the American Airlines Arena (home of the Miami Heat NBA team), the Miami-Dade County government center complex and the Adrienne Arsht Center for the Performing Arts (Miami-Dade County’s primary opera house, theatre and classical music concert hall). The location is also served by both Metrorail (a 25-mile metropolitan rail service with approximately 20 million annual riders) and Metromover (a free, elevated automated people mover service for easy access to downtown Miami sites with approximately 9.5 million annual riders). Furthermore, the Company expects the Miami station to become a stop along Tri-Rail (a commuter rail line with approximately 4.5 million annual riders in 2019) in the near future and has entered into development and operating agreements to link the Miami station with Tri-Rail. It would link Tri-Rail, an existing 72-mile, 18-station commuter rail line located west of the Brightline corridor to the Miami station via a nine-mile segment of existing railroad that runs through Hialeah and Miami. If the new Tri-Rail Downtown Miami Link is established, Tri-Rail’s 4.5 million passengers will be connected to the Miami station, and Tri-Rail will become a feeder line to the Company’s passenger rail service.



The Company's Miami station.

The Miami station includes a large train platform on an elevated viaduct so as not to interrupt traffic on local streets servicing the downtown district and a new and enhanced street front public realm which is expected to be an attractive platform for new retail and residential real-estate uses. The 250,000 square foot platform and track area consists of five tracks and four platforms, each measuring 1,150 feet long. The station includes a combination of both high-level platforms designed to accommodate level boarding of the Company's intercity trains and lower level platforms designed for train service access and for commuter trains in the future. The station has three levels – a lower ticketing level, an upper boarding level and a mezzanine level with a 21,000-square foot passenger waiting lounges and security functions. The station's mezzanine level serves as the primary concourse for passengers to directly connect to other modes of transportation such as Metrorail and the Metromover.

Certain property rights at the Miami station constitute Collateral for the Series 2019 Bonds, including all of the Company's rights to certain passenger railway station improvements owned by the Company and located in Miami, Florida and the Company's fee interest in the air rights within which such passenger railway station improvements are constructed, but excluding the retail and office elements and all other interests in any other real property located along the railway or adjacent to, above, below or near such passenger railway station improvements, including two residential towers, a commercial office building and a food hall.

Fort Lauderdale and West Palm Beach

In Fort Lauderdale, the Company's station is located on a wholly-owned site in the city's central business district, surrounded by City Hall and county and state government office facilities. The Company's station site is only a few blocks from Fort Lauderdale's Las Olas Boulevard waterfront historical district and the Broward Center for the Performing Arts and adjacent to the city's primary municipal bus terminal.



The Company's Fort Lauderdale station.

In West Palm Beach, the Company's station is located on a wholly-owned site along Quadrille Boulevard, the city's primary north-south road system and centrally situated between the Clematis Street commercial district and the City Place outdoor promenade and mixed-use development. The station site has close proximity to the Kravis Center for the Performing Arts and is approximately four blocks from the West Palm Beach downtown waterfront.



The Company's West Palm Beach station.

The Fort Lauderdale and West Palm Beach stations have similar designs and contain center-island platforms adjacent to the newly configured tracks at near ground level. These platforms are approximately 850 feet long and, with a height of approximately 48 inches above the top of the rail, will allow level boarding by passengers into the Company's passenger coaches. These stations were designed to accommodate the addition of future, low-level platforms designed to connect with commuter rail trains and station locations for inter-modal connectivity.

Orlando

The Orlando station is located within the new multi-modal facility at Orlando International Airport, which will be operated by GOAA, with dedicated facilities leased to and operated by the Company within the South Terminal Complex. The new multi-modal complex is designed to accommodate four modes of rail transit, including the Company's passenger rail service, SunRail commuter rail service (currently in operation and considered for extension to the airport), an automated people mover connecting to the airport's existing north terminal and, in the future, to Orlando's new adjacent Medical City complex, as well as a future light-rail system designed to serve nearby metro-Orlando destinations. The multi-modal hub will also provide direct connectivity to ground transportation operations, parking, the 129 gate North Terminal and, in the future, direct pedestrian linkage to 120 airside gates in the airport's new South Terminal. The Company has executed a lease with GOAA for the Orlando station space within the South Terminal Complex. Construction of the shell of the Orlando station is 100% complete, including escalators, elevators, train platforms, and core mechanical and electrical services. The Company will undertake the tenant improvement finish works as part of North Segment construction.



The Company's Orlando station.

The Orlando station has elevated platforms and will be able to accommodate up to three tracks utilizing two shared, 1,000-foot long high level island platforms that allow level boarding by passengers into the Company's trains. Passengers will access platforms from a waiting and ticketing area located directly above the platforms and will be able to cross connect to other airport functions and forms of transportation from this level. There will be logistics and operational space below the platforms at ground level. There will also be dedicated passenger drop-off and parking on the station level nearby the waiting and ticketing lounge.

New In-line Stations

The Company expects the New In-line Stations to have a significant accretive impact to its existing rail operations despite a low capital outlay. The New In-line Stations are expected to carry approximately 2.2 million passengers annually and generate over \$60 million in incremental EBITDA upon stabilized operations in 2023. Excluding Miami-Dade's land acquisition as described in more detail below under "—New In-line Stations —Aventura," the Company expects the total development costs for the New In-line Stations to be approximately \$141 million, consisting of approximately \$81 million for the construction of stations and platforms and approximately \$60 million for the construction of rail infrastructure. Of the \$141 million cost of construction, the Company expects to fund approximately \$89 million with grants and the remainder with the net proceeds of Additional Station Indebtedness.

The Company is progressing in the construction of the New In-line Stations in Aventura and Boca Raton. In Aventura, the station design has been sufficiently advanced to facilitate construction commencement. The Company has executed the first of the station construction contracts and commenced early works construction on the station site. The Company has also received its initial permit from the South Florida Water Management District to begin the necessary early work construction and has submitted construction drawings for the Aventura Station to Miami-Dade County for site plan approval. Similarly, the Company's Boca Raton station is well advanced from a design and engineering perspective, and the Company has started early work construction activities, including completing installation of construction fencing as well as work on the community garden. In addition, the general contractor for the parking garage construction has been selected. In Boca Raton, the Company has received its first permit to build the new library parking lot and the Company has submitted plans to the City of Boca Raton for site plan approval. There can be no assurance that the Company can meet any projections or expectations contained in this Limited Remarketing Memorandum and, as the Company has suspended its passenger rail service, there can be no assurance as to the timing of resumption or the frequency or level of service that will be provided once it resumes service.

The New In-line Stations were initially developed and funded by Brightline Holdings. On June 17, 2020, Brightline Holdings contributed the lease agreement relating to the Boca Raton station to the Company, and on July 14, 2020, Brightline Holdings contributed the development agreement relating to the Aventura station to the Company. In the Second Supplemental Senior Loan Agreement, the Company will also be required, only to the extent it is permitted to do so under the applicable Grant Agreements and other lease and/or development agreements related to the New In-line Stations, to mortgage or collaterally assign certain of its interests in the New In-line Stations on a post-closing basis to the Collateral Agent as additional Collateral for the benefit of the holders of the Series 2019B Bonds, the Series 2019A Bonds and any Permitted Additional Senior Indebtedness.

See "RISK FACTORS—Risks Related to the Company's Business—A pandemic, such as the recent novel coronavirus (COVID-19) outbreak, could materially adversely affect the travel and tourism industry in general and the Company's business and financial condition and results of operations."

Aventura

In October 2019, Miami-Dade County approved a development agreement with Brightline Holdings and allocated up to a total of \$76.7 million of public funding consisting of up to \$19.3 million for land acquisition and up to \$57.4 million for the construction of a passenger rail station, platform, parking lot, pedestrian bridge and rail infrastructure for a West Aventura station. On October 31, 2019, Miami-Dade County and Brightline Holdings entered into three agreements: (i) a lease agreement, allowing a long-term, nominal cost lease for the station land, (ii) a land acquisition and development agreement, allowing the construction of a train station, platform, parking lot, pedestrian bridge and other transit features on the land and to provide train service, and (iii) a parking license agreement, allowing the development and operation of the land for surface parking (expected to be approximately 240-290 spaces). The Aventura station will be conveniently located across from and connected by a pedestrian bridge to the Aventura Mall, the second most visited shopping mall in the United States with approximately 28 million annual visitors. Given the large population of the Aventura region and proximity of the station to the frequently visited mall, the Company expects the new Aventura station to contribute meaningful ridership and revenue to the Company's South Florida system.

At the end of 2019, Brightline Holdings successfully facilitated the acquisition of approximately three acres of land for \$18 million and approximately \$1.3 million in closing costs, which was funded by Miami-Dade County. On the same day that a Brightline Holdings affiliate closed on the land acquisition, such affiliate conveyed the land to Miami-Dade County for a nominal amount. Miami-Dade County will lease a portion of the land back to Brightline

Holdings for \$1 per month for purposes of developing and operating the Aventura station. The agreement includes a maximum term of up to 99 years, consisting of an initial 49-year term with an option to renew for 10-year periods up to five times, each upon mutual agreement of Brightline Holdings and Miami-Dade County. Additionally, the Company intends to use a portion of the land as a parking lot with a minimum of 240 spaces pursuant to an already negotiated license agreement. Subject to obtaining certain air rights and land rights, the Company also plans to develop an elevated pedestrian bridge pursuant to a permit from Miami-Dade County. In the event that Brightline Holdings fails to obtain a temporary certificate of use for Aventura station, the parking lot, transit features and platform by October 31, 2022, Miami-Dade County has the option to terminate the agreements described above and Brightline Holdings would have an obligation to reimburse Miami-Dade County for costs incurred.

With regard to rail infrastructure, the Company has placed a material order for long lead special track infrastructure and has since taken delivery of the first materials. The fence to secure the site was installed in June 2020 and construction activity, which includes clearing, grubbing and civil work commenced immediately after the groundbreaking on September 3, 2020.

Boca Raton

In December 2019, the Boca Raton City Council approved the Boca Raton station lease agreement between the City of Boca Raton and Brightline Holdings. The City of Boca Raton leased to Brightline Holdings approximately 1.8 acres in the City of Boca Raton's downtown for the construction of a train station and parking garage and granted to Brightline Holdings a right of first refusal to purchase approximately 1.5 acres of downtown land. On the leased land, Brightline Holdings intends to construct an approximately 8,000-square-foot train station and a parking garage with approximately 455 spaces. The garage is expected to cost approximately \$13.8 million. The City of Boca Raton will fund approximately \$9.9 million towards the design and construction of 391 spaces in the parking garage for both train guests and public. As part of the lease agreement, Brightline Holdings has agreed to fund approximately \$3.8 million for the 64 ground floor spaces dedicated to the adjacent downtown library. Separately, on September 23, 2020, the City of Boca Raton received a Consolidated Rail Infrastructure and Safety Improvements Program grant of approximately \$16.4 million from the FRA which also will be contributed to the Project. Brightline Holdings estimates the station and platform will cost approximately \$20.9 million and rail infrastructure will cost approximately \$18.8 million. The agreement includes a maximum term of up to 89 years, consisting of an initial 29-year term with an option to renew for one additional period of 20 years and the right to request, subject to the City of Boca Raton's approval, two further renewals for 20 years each. Brightline Holdings will pay the City of Boca Raton a nominal amount per year for the lease plus 50% of the parking garage's net income.

The Company has advanced station and parking designs and is currently seeking the necessary design review approvals from the City of Boca Raton.

PortMiami

PortMiami is the busiest passenger cruise port in the world serving approximately 5.5 million cruise passengers a year. The large amount of passengers and cargo entering the port via roadway has made getting into and out of PortMiami a challenge and in need of an additional transportation option. The Company's proposed PortMiami station would be located in the middle of PortMiami and provide cruise customers direct port access from its existing train stations in Fort Lauderdale and West Palm Beach as well as the future stations in Orlando, Aventura and Boca Raton. Negotiations with Miami-Dade County for the land necessary for the station are well advanced. In October 2019, the Miami-Dade County Board of County Commissioners approved a memorandum of understanding with the Company which outlines the terms of the transaction. The negotiations with Miami-Dade County on the definitive documentation for the PortMiami station are ongoing, following the memorandum of understanding for a \$5 million grant, though at a slower pace due to the impact of the COVID-19 pandemic on the cruise industry. The Company expects the PortMiami agreement to be completed in the first quarter of 2021.

Potential Future Stations

Walt Disney World Resort

In November 2020 the Company entered into a long-term agreement to develop, construct and operate a station at Disney Springs, subject to permitting, final design and the Company's satisfaction of certain other obligations and

obtaining all other necessary government approvals. Walt Disney World Resort is a highly visited destination, attracting millions of visitors annually, a significant number of whom originate along the Brightline corridor.

The station at Disney Springs will provide a fast, convenient and enjoyable alternative to driving or flying for the millions of trips made by guests traveling between South Florida and Orlando to visit the Walt Disney World Resort each year. As part of a future planned extension to Tampa, the station at Disney Springs could also serve the millions of annual visitors to Disney and Orlando originating from the Tampa area. The extension from the Orlando airport to the station at Disney Springs comprises a component of the Tampa extension for which the Company won the RFP process in November 2018. The RFP was issued by the Florida Department of Transportation (FDOT) and the Central Florida Expressway Authority (CFX) for the leasing of rights of way owned by FDOT and CFX to provide intercity passenger rail service between Orlando and Tampa. The Company expects the station at Disney Springs to have a significant potential to increase the Company's ridership, revenue and EBITDA.

The Company is planning multiple opportunities for promotions and sales, including family discounts for Disney destined trips. In addition, the station at Disney Springs and rail infrastructure to be built will incorporate potential capacity for SunRail, a commuter rail system in the Greater Orlando area, to provide additional connectivity while offsetting costs, which is subject to SunRail agreeing to provide such service. Connectivity to the SunRail system will provide an all-rail link for major Central Florida population centers to Orlando International Airport, the station at Disney Springs and the Company's South Florida destinations, as well as for visitors from South Florida to reach destinations along the SunRail system in Central Florida.

The Company targets commencing revenue service at the station at Disney Springs in the second half of 2023, subject to right of way acquisition, permitting, final design and engineering. The potential extension of the Company's rail system to the Walt Disney World Resort will not be funded with the proceeds of the Series 2019A Bonds or the Series 2019B Bonds. A combination of equity, grants, subordinated obligations and up to \$200 million of Permitted Additional Senior Indebtedness may be used to finance or refinance costs of this extension.

Upon the incurrence of any Theme Park Indebtedness, the Company will be required to cause its interest in substantially all of the assets comprising the Theme Park Extension, including the station at Disney Springs lease and the rail infrastructure, to be pledged as additional Collateral for the owners of the Series 2019B Bonds, the Series 2019A Bonds and all other Permitted Additional Senior Indebtedness.

Tampa Station

Brightline Holdings has engaged in discussions with regulatory authorities to construct a separate passenger rail system between Orlando and Tampa, with a station in downtown Tampa. The Company currently has a memorandum of understanding in place with a landowner in downtown Tampa for the land on which the Tampa station would be constructed. The Company is in the process of converting the memorandum of understanding into a binding option agreement, which would give the Company the option to purchase the property on which the station is located. The potential extension of its rail system to Tampa will not be funded with the proceeds from this remarketing or any Permitted Additional Senior Indebtedness.

In November 2018, Brightline Holdings received approval from the State of Florida and the Central Florida Expressway Authority for a right of way required to construct the passenger rail system to Tampa. The state undertook a standard process to offer an opportunity for other parties to make an alternative bid for the right of way, and there were no other bidders. Brightline Holdings is in active planning for this potential system extension. Potential Tampa Station locations are being considered, and an intermediate station at Lakeland station is also a possibility.

Brightline Holdings is evaluating the various entitlements required for this extension and expects to benefit from the prior Record of Decision issued for the State of Florida's former Tampa-Orlando high speed rail project. The Brightline Holdings proposed route utilizes significant portions of that previously planned right of way.

Southeast Florida

The Company continues to consider adding additional transit connectivity to its South Florida network, including service to Miami International Airport and/or Fort Lauderdale-Hollywood International Airport. For connectivity to the Miami International Airport, the Company has approximately four miles of existing east-west track and would potentially utilize its existing South Florida Rail Corridor for the approximate three mile north-south portion that connects into Miami International Airport's already built intermodal center's rail platform and station. For service to

Fort Lauderdale-Hollywood International Airport, the Company rail corridor is already inside the Fort Lauderdale-Hollywood International Airport's perimeter, so a station would be the main addition. The Fort Lauderdale-Hollywood International Airport station may be a part of the South Florida Commuter Service, as described further below. These two stations would connect the Project to the top three airports in Florida, which had a combined 133.3 million passenger enplanements in 2019.

South Florida Commuter Service

In June 2020, the Miami-Dade County Board of County Commissioners voted to authorize the County Mayor to negotiate an agreement to provide commuter service on the Company's rail corridor between the MiamiCentral and Aventura stations in an effort to activate the Northeast Corridor component of Miami-Dade County's SMART plan. The SMART plan seeks to advance the Northeast Corridor and five other rapid transit corridors in Miami-Dade County to address traffic congestion and improve mass transit options for Miami-Dade County. The majority of funding for the SMART plan comes from a one-half percent local sales surtax approved by voters in 2002. The potential South Florida commuter service is separate from the Project.

The Company has had several months of active negotiations and diligence with Miami-Dade County staff and their advisors. In connection with the negotiation process, the Company, Miami-Dade staff and external consultants (including Quandel, Parsons, AECOM and independent real estate appraisers) have conducted significant diligence, assessing : (i) Rail Traffic Controller modeling to confirm the schedule and required infrastructure; (ii) projected ridership based on the FTA STOPS model; (iii) the proposed commuter service timetable; (iv) the corridor real estate appraisal and market value for access rights provided to County (\$19 million annually); (v) FTA cost effectiveness metrics and ratings; (vi) conceptual designs for stations and proposed station locations; (vii) the parking access plan; (viii) the preliminary budgets for rail infrastructure, stations, rolling stock and maintenance facilities; (ix) the expected operating annual operating budget; (x) cost sharing allocation methodologies and estimated cost; and (xi) the FRA review under the National Environmental Policy Act process (pursuant to which a Categorical Exclusion determination is expected).

On November 13, 2020, the Miami-Dade County Board of County Commissioners voted unanimously to approve a resolution for the development of the commuter service on the Company's rail corridor between Miami and Aventura. Key economic terms contained in the approved resolution include County payment to the Company in an amount not to exceed \$50 million paid in one or more installments and annual access payments of up to \$12 million for a term to be agreed upon. The Company currently expects such term to be 30 years, which is subject to negotiation of definitive documents. The Company has prepared conceptual designs for stations and shared them with the County, identified station locations, subject to confirmation by the County, and the Company has selected rolling stock provider options for the County that are compatible with the Company's existing system. Once complete, the project will enable the County to provide commuter rail service access to up to five new stations between the Company's MiamiCentral and Aventura stations. The implementation of the County's commuter service on its corridor will require additional track and rail infrastructure, as well as the construction of new commuter-only stations (as those stations will not be served by the Company's intercity service). The commuter service may be separately branded and operated. Costs required for constructing and operating the commuter service are expected to be provided or sourced by Miami-Dade County. Provision of this commuter service is subject to execution of definitive documentation and the approval of the same by the Miami-Dade County Board of County Commissioners.

The Company expects the commuter service project to comprise the following elements:

- An access agreement enabling Miami-Dade County to fund the construction and operation of commuter service between the Company's MiamiCentral and Aventura stations, as well as up to five additional commuter-only stations in between, in exchange for an annual fixed access payments of up to \$12 million and upfront payments of up to \$50 million from the County. The Company expects that the term of the access agreement will be a minimum of 30 years, with payments commencing in 2021. The first upfront payment is expected in 2021, and annual payments will commence once construction is complete.
- An operating agreement providing for the operation of up to 30-minute commuter service from Miami to Aventura, with service levels and fares set by and funded by Miami-Dade County. The County would have the option of using any qualified operator accepted by the Company, including potentially Tri-Rail, or could select the Company itself.

- A development agreement covering the construction of the additional rail infrastructure required to support the commuter service without adversely impacting the on time performance of the Company’s express service or FECR’s freight operations. The estimated approximately \$400 million cost of rail infrastructure, commuter rolling stock, a vehicle maintenance facility and new commuter stations would be funded or sourced by Miami-Dade County. While the addition of lower cost commuter service on the Company’s corridor may displace some of the Company’s express service ridership between the Miami and Aventura stations, the Company believes this could be offset by the benefit of diversifying its revenue stream with steady payments from a high quality partner like Miami-Dade County.

The Company is expected to receive the upfront and annual access fees with no additional performance obligations, thereby contributing directly to the Company’s EBITDA. Alternatively, the Company may choose to provide such access and develop the commuter service through an affiliate. In such scenario, the affiliate would pay the Company a one-time fee for the right to use and occupy the Company’s rail corridor for the purpose of providing such commuter service, likely in the form of an upfront monetization of the annual access fee payment stream. In such a scenario, the proceeds of such monetization would be paid to the Company as compensation and have the potential to enable the Company to complete the Project, the Capacity Expansion Projects, the New In-line Stations and the station at Disney Springs while incurring substantially less Senior Indebtedness. Any payments received by the Company in connection with commuter service on its rail corridor, including any annual access fees or any one-time fee paid to the Company by an affiliate for the right to use and occupy the Company’s rail corridor for the purpose of providing such commuter service, would constitute Project Revenues and therefore Collateral for the benefit of the holders of the Series 2019B Bonds, the Series 2019A Bonds and any Permitted Additional Senior Indebtedness. In either scenario, the Company will retain the lease agreement, land acquisition and development agreement, and parking license agreement with Miami-Dade County relating to the Aventura station, and the Company will be required, only to the extent it is permitted to do so under such agreements, to mortgage or collaterally assign certain of its interests in the Aventura station on a post-closing basis to the Collateral Agent as additional Collateral for the benefit of the holders of the Series 2019B Bonds, the Series 2019A Bonds and any Permitted Additional Senior Indebtedness.

The Company believes that the South Florida commuter service will provide a valuable transit option to the Miami-Dade community, complementing the Company’s intercity service, and could serve as a model for similar projects in Broward and Palm Beach Counties. On May 12, 2020, the Company signed a letter of intent with Broward County, which borders Miami-Dade County to the North, to develop a similar project with similar terms and connected to the Miami-Dade County commuter service. This letter of intent indicated the County’s strong interest in implementing a commuter rail system throughout the County, including a station located at Fort Lauderdale-Hollywood International Airport. In recent months, the Company has identified station locations and capacity needs and provided Broward County with estimates for a lease payment, capital investment required and operating costs. The Company agreed to revisit the pursuit of this initiative once the economics of the Miami-Dade County commuter service was agreed, which it was as of November 13, 2020. The Company expects to negotiate and sign definitive agreements with Broward County by the end of the first quarter of 2021. Both Miami-Dade County and Broward County as well as related bonding credits have investment grade ratings from nationally recognized rating agencies.

Management Team

The senior management team for the Project, as well as the management of its parent company FECCI, is comprised of seasoned executives with experience launching, developing and growing large-scale, complex projects involving passenger rail transportation and customer-centric business in the hospitality industry. The senior management team will be employed by and made available to the Company for the Project by the Manager, pursuant to a Management Agreement. See “COMPANY AND AFFILIATES—Management Agreement.”

Project Management Team

PATRICK GODDARD, *President*

Patrick Goddard has served as President since December 2017, and prior to that time served as Chief Operating Officer since March 2017, and prior to that served as Executive Vice President of Operations from October 2016 to March 2017. Mr. Goddard is responsible for all aspects of Brightline, including safety, development, commercial, operations and the guest experience. Prior to joining the Company, Mr. Goddard was the Chief Operating Officer for Trust Hospitality LLC from January 2011 to September 2016, in charge of the business for a portfolio of more than

35 properties and has extensive experience with opening new hotels, many of which have been entrepreneurial and start-up ventures launched in South Florida. Prior to that, Mr. Goddard was the President and Managing Director of Ocean Blue Hospitality, LLC, a consultancy firm that specialized in hotel openings and sales, marketing and revenue management for independent hotels. While there, Mr. Goddard repositioned the Clevelander Hotel and also worked on the Grand Beach Hotel, Savoy Hotel and the Raleigh, among others. Mr. Goddard also held management positions with Rosewood Hotels & Resorts, L.L.C. and Loews' Hotels & Co, as well as Hilton Hotels & Resorts, Jurys Inns Hotel Group and other independent hotels and restaurants in Europe. Mr. Goddard has over 18 years of experience in hospitality and consulting. Mr. Goddard holds a Higher Diploma Hospitality Management from Dublin Institute of Technology and also holds a Bachelor of Science Strategic Management from Trinity College Dublin.

JEFF SWIATEK, *Chief Financial Officer*

Jeff Swiatek has served as Chief Financial Officer since June 2018. Mr. Swiatek oversees the financial aspects of the development and operations of the Company. Prior to joining the Company, Jeff served in various senior roles at American International Group, Inc. ("AIG"), a multinational finance and insurance corporation, from 2002 to 2018. Prior to AIG, he worked in the investment banking department of Goldman Sachs Group, Inc., a multinational investment bank and financial services company, from 1998 to 2001. Mr. Swiatek has over 25 years of experience in international corporate finance and strategy. Mr. Swiatek holds a Bachelor of Arts in Economics and Asian Studies from Dartmouth College and also holds a Master of Business Administration degree from the University of Chicago Booth School of Business.

MICHAEL CEGELIS, *Executive Vice President of Infrastructure Development*

Michael Cegelis has served as Executive Vice President of Infrastructure Development since September 2017. Mr. Cegelis is responsible for overseeing the infrastructure development for the Company's future expansions, including the North Segment. He previously served as senior vice president at American Bridge Company, Inc., an engineering firm that specializes in building and renovating bridges and other large civil engineering projects, from May 1995 to September 2017. Mr. Cegelis's major project construction experience includes the Tappan Zee Bridge replacement in New York, the San Francisco Oakland Bay Bridge self-anchored suspension span, the Angus Macdonald Bridge in Halifax, Nova Scotia, the Las Vegas High Roller Observation Wheel and the Queensferry Crossing in Scotland. Mr. Cegelis holds a Bachelor of Science from Indiana University of Pennsylvania and completed an executive education program at the Massachusetts Institute of Technology. Mr. Cegelis is a Certified General Contractor, unrestricted, in the State of Florida.

GARY SMITH, *Chief Accounting Officer*

Gary Smith has served as Chief Accounting Officer since September 2018. Mr. Smith oversees the financial accounting aspects of the Company, including all corporate financial reporting, maintenance of internal controls and overseeing of compliance policies and procedures.

Prior to joining the Company, he served as the Corporate Controller for Loews Hotels & Co. from September 2016 to August 2018. He also held senior technical accounting and operational controllership roles with the Commercial Real Estate Division of GE Capital from 2010 to September 2016, served as the Deputy Controller for SiriusXM Radio from 2009 to 2010 and served as Vice President and Technical Accounting Advisor at American Express from 2006 to 2009. He also served at Ernst & Young in various roles from 1994 to 2006, including in the firm's National Accounting Standards Practice from 2000 to 2006. He began his professional career in public accounting in 1989 with Bond Beebe, a certified public accounting and advisory services firm based in Washington DC. Mr. Smith holds a Bachelor in Business Administration in Accounting from the University of Texas at Arlington. He is a certified public accountant and member of the American Institute of Certified Public Accountants.

RYAN HORN, *Vice President of Financial Planning & Analysis*

Ryan Horn has served as a Vice President in Finance since August 2018. Mr. Horn is responsible for planning, forecasting and analytical analysis in support of the Company's construction and operations. Prior to joining the Company, he served in Vice President-Finance roles for FECR from September 2015 to July 2018, and Kansas City Southern Railway from November 2009 to August 2015. Mr. Horn began his Finance career in tech-net-telecom with Sprint and Hewlett-Packard. Mr. Horn holds both a Bachelor of Science in Business Administration and a Bachelor of Arts in French from the University of Kansas and holds a Master of Business Administration in Finance from the University of Miami (Florida).

CYNTHIA BERGMANN, *General Counsel*

Cynthia Bergmann has served as General Counsel since July 2020. She is responsible for directing the legal and compliance affairs of the Company, as well as advising senior management on all significant legal issues. She brings more than 30 years of legal experience in mergers and acquisitions, financing, real estate, corporate and regulatory matters to the role, with significant transportation industry experience. Prior to joining the Company, Ms. Bergmann was a partner with Freeborn & Peters in Chicago, where she served as co-chair of the firm’s corporate practice group and chair of its transportation industry team. She represented public and privately held companies in the rail, logistics, construction, manufacturing, petrochemical and solar industries in a wide range of transactions, including the purchase and sale of subsidiaries, financings, joint ventures, and the development of new facilities. Ms. Bergmann also served as the US corporate counsel for Canadian National Railway Company (“CN”). On behalf of CN, she led teams in the acquisition and integration of several strategic subsidiaries and managed all legal aspects of US financial matters.

Ms. Bergmann received her Juris Doctor degree from the UIC John Marshall Law School and her Bachelor of Science in Business Administration in Finance and Marketing from the University of Denver. She is a past president of the Association of Transportation Law Professionals and a director and treasurer of NeighborSpace, an urban land trust in partnership with the City of Chicago, the Chicago Park District and the Forest Preserve District of Cook County to preserve community gardens within the City of Chicago.

OLIVIER PICQ, *Chief Transportation Officer*

Olivier Picq has served as Chief Transportation Officer since July 2015. Mr. Picq is responsible for planning and implementing the train operating strategy to meet the performance goals of the Company, including compliance with all applicable federal regulations to support safe and efficient train service. Mr. Picq previously worked as project director for the French railroads in various capacities over the past 20 years, including at KEOLIS North America, a subsidiary of the Société nationale des chemins de fer français (“SNCF”), the French national railroad company, from August 2013 to July 2015 and SNCF from September 1992 to August 2013. Mr. Picq holds a postgraduate diploma in Mathematics and Econometrics from the School of Economics (France) and also holds a postgraduate diploma in Engineering and Economics (France).

TOM RUTKOWSKI, *Chief Mechanical Officer*

Tom Rutkowski has served as Chief Mechanical Officer since November 2014. Mr. Rutkowski is responsible for the design and delivery of the Company’s rolling stock fleet for the Florida passenger rail system, as well as the design and delivery of the West Palm Beach and Orlando vehicle maintenance facilities. Prior to joining the Company, Mr. Rutkowski served for 17 years at the New Jersey Transit Corporation, the state-owned public transportation system that serves New Jersey along with portions of New York and Pennsylvania, most recently in the position of General Superintendent – Equipment from August 2007 to November 2014.

Cybersecurity

The Company uses technology in substantially all aspects of its business operations, including but not limited to systems that monitor its operations or the status of its stations and trains, communication systems to inform the public, infrastructure monitoring systems, passenger ticketing and boarding, points of sale, terminals and radio and voice communication systems used by its personnel. For example, as of March 31, 2020, the Company had over 100,000 downloads of the Brightline ticketing application, and in the year 2019, approximately 50% of customers booked via the website, 25% via the application and 18% via a kiosk. The widespread use of technology, including mobile devices, cloud computing, and the internet, give rise to cybersecurity risks, including security breach, espionage, system disruption, theft and inadvertent release of information. The Company’s business involves the storage and transmission of numerous classes of sensitive and/or confidential information and intellectual property, including information relating to passengers, vendors and contractors, private information about employees, and financial and strategic information about the Company and its business partners. If the Company fails to effectively assess and identify cybersecurity risks associated with the use of technology in its business operations, the Company may become increasingly vulnerable to such risks. See “RISK FACTORS—the Company is subject to risks related to cybersecurity.”

In order to limit these risks, the Company maintains a \$10 million cyber-liability insurance policy, which is designed to mitigate losses from a variety of cyber incidents, including data breaches, network damage and resultant business interruption. In addition to cybersecurity insurance, the Company maintains a cybersecurity program, which

includes implementing preventative measures and best practices to thwart cyber-attacks. Cyber protection is embedded within the Company's multiple third-party software packages, and the Company utilizes firewalls, data backups, asset management, access control, training for staff and related protections. To protect sensitive data, the Company utilizes off-site Microsoft cloud spaces, which host personal information related to ticketing but do not store any payment card information. The Company does not maintain or process any personally identifiable information, payment card information or protectable health information of its customers within the Company.

Regulations

Railroad Regulations

Based on the decision, dated December 21, 2012, of the Surface Transportation Board ("STB"), a federal economic regulatory agency that is charged with resolving railroad rate and service disputes and reviewing proposed railroad mergers, the Company's existing and proposed rail system in Florida is not subject to its regulatory jurisdiction under Title 49 of the United States Code. However, if the STB were to assert jurisdiction over the Company in the future, then advance approval or exemption might be required for its passenger railroad operations. The STB would also have the power to regulate fares and service while the Company is operating.

The Company's operations are also subject to rules and regulations promulgated by the FRA, as well as various agencies and bodies of the state and local governments which have jurisdiction over such matters as employment, environment, safety, traffic and health. The rules and regulations to which the Company is currently subject may change, and the Company may become subject to additional rules and regulations. See "RISK FACTORS—Risks Related to the Company's Business—The Company is subject to governmental regulations relating to the Project, which could impose significant costs on the Project and could impede completion or operation of the Project, which would have a material adverse effect on the Company."

Environmental Regulations

As a landowner, railroad operator and developer of related infrastructure, the Company is subject to various federal and state laws relating to protection of the environment. These include requirements governing such matters as the management of waste, the discharge of pollutants into the air and into surface and underground waters, the manufacture and disposal of regulated substances, the remediation of soil and groundwater and the protection of wetlands, endangered species and other natural resources. Failure to comply with applicable requirements can result in fines and penalties and may subject the Company to third-party claims alleging personal injury and/or property damage, among others, and may result in actions that seek to restrict the Company's operations. Some environmental laws impose strict, and, under some circumstances, joint and several, liability for costs of investigation and remediation of contaminated sites on current and prior owners or operators of the sites and also impose liability for related damages to natural resources.

The Company intends to operate in material compliance with applicable environmental laws and regulations and estimates that any expenses incurred in maintaining such compliance will not have a material effect on the Company's earnings or capital expenditures. However, there can be no assurance that new, or more stringent enforcement of existing requirements or discovery of currently unknown conditions will not result in significant expenditures in the future.

Governmental Permits

As a landowner, railroad operator and developer of related infrastructure, the Company is subject to various federal and state laws that require it to obtain certain permits and other approvals, including the permit requirements related to the system that are imposed by the Federal Aviation Administration, Federal Highway Administration, Florida Department of Environmental Protection, South Florida Water Management District, St. Johns Water Management District, and the STB. The Company has retained various consultants to provide services needed to support this effort, including Wood Environment & Infrastructure Solutions, Inc., which is coordinating the work of a team of consultants working to obtain the environmental permits potentially required. The Company has also developed a strategy to identify and comply with regulatory requirements imposed by regulatory agencies with jurisdiction over the development of its stations, such as requirements mandated by fire, health, environmental and zoning departments. The Company has designed the Project in a manner consistent with applicable zoning and land development codes and have or currently expect to obtain the necessary approvals to proceed with North Segment construction.

As part of the Company's original application under the FRA's Railroad Rehabilitation & Improvement Financing program, the Company participated in evaluations of the environmental consequences of the South Segment and the North Segment in accordance with National Environmental Policy Act. The FRA studied an environmental assessment released for public comment from October 31, 2012 through December 3, 2012 for the proposed rail system between West Palm Beach and Miami and issued a "finding of no significant impact" ("FONSI") on January 30, 2013. The FONSI was amended in January 2015 to extend the project limits and include the West Palm Beach running repair facility.

The FRA subsequently published a notice of intent in the Federal Register on April 15, 2013 to prepare an Environmental Impact Statement ("EIS") for the remaining areas of the Company's Florida passenger rail system from West Palm Beach to Orlando. The Final EIS was released on August 4, 2015. Thereafter, on December 15, 2017, the FRA issued its Record of Decision with respect to the North Segment which documents its decision to approve the North Segment construction.

During the FRA's four-year environmental review of the Company's proposed passenger rail system comprising the South Segment and the North Segment, the FRA, as lead agency, coordinated the efforts of all other cooperating agencies responsible for issuing the final environmental permits for the North Segment. This process allowed each agency to appropriately assess the various options and permissibility of the Company's Florida passenger rail system as presented under the Company's plan submitted in connection with such environmental review. Such agencies were given the opportunity to, and did, provide input to the FRA in connection with this environmental review.

The Company has covenanted to the U.S. Department of Transportation to complete and implement the measures specifically set forth in the Final EIS and Record of Decision to avoid, minimize, or mitigate any adverse effects of its Florida passenger rail system on the environment.

The Company has obtained substantially all material permits and governmental authorizations required for the construction of the North Segment. The Company will be required to obtain similar permits and authorizations, which will require, among other things, the performance of additional environmental impact studies, for the expansion to Tampa. Additionally, any passenger rail systems the Company seeks to construct outside of Florida will be subject to various federal, state and local laws and regulations that require the Company to obtain permits and other approvals applicable in those new jurisdictions.

The Company is on schedule to obtain all permits required for the New In-line Stations within the construction timeline. The New In-line Stations trackwork and operations are covered under the existing National Environmental Policy Act, EIS and Record of Decision approvals. With regard to the Aventura and Boca Raton Stations, the Company has applied for Administrative Site Plan Review ("ASPR") approval with Miami-Dade County. The Company expects the Boca Raton Station to be scheduled for Planning and Zoning Board approval and City Commission approval prior to the end of 2020. The Company is currently finalizing its agreement with Miami-Dade County for the PortMiami Station and expects to have ASPR approval within 90 days of engaging its architect to proceed.

Rolling Stock Regulations

The Company's trains and stations are designed to be compliant with regulations issued pursuant to the Americans with Disabilities Act ("ADA"), with seating, bathrooms, level board platforms and walkways designed to accommodate wheelchair and other special physical needs of the disabled. The Company's locomotives comply with both the U.S. Environmental Protection Agency's Tier Four emissions standards as well as the various regulations and guidelines set forth in the Passenger Rail Investment and Improvement Act of 2008 (PRIIA) mandate. They are fully Buy American compliant, with components coming from 20 U.S. states. The Company's rolling stock complies with FRA regulations, including Crash Energy Management (CEM), which provides a standard of structural integrity designed to better protect passengers and employees in the event of a collision, and the new PTC standards, which require a centrally monitored and controlled monitoring system to bring trains safely to a stop if certain operating safety parameters are exceeded. The Company is upgrading its signal system and expects to be fully-compliant with PTC. Installing PTC systems will allow its trains to operate within a dynamic safety environment that constantly monitors speed restrictions, track maintenance and similar items and can intervene to stop a train before it reaches an unsafe condition. The PTC system was procured and supplied by the Company and delivered to Siemens for installation into the locomotives. Similarly, the in-cab signaling system and the voice radio system were procured by the Company and delivered to Siemens for installation.

Insurance

The Company commissioned Aon Risk Solutions (“Aon”) to develop the Insurance Report Construction and Operations and Maintenance Commencing 2019 through Operations 2022 of Brightline Holdings LLC (the “Insurance Report”), which provides an independent overview of the Company’s insurance program related to the Project. The following is a summary of Aon’s findings in the Insurance Report.

The Company’s comprehensive insurance program for the Project includes the following coverages:

- *Professional Liability*: Protective errors and omissions insurance will be maintained for the Project. This protects against defenses and damages caused by errors in rendering of professional services by the design and construction teams.
- *Builder’s Risk*: This policy provides first party coverage to protect the Project from physical damage (fire, named windstorm, flood, quake, etc.) which may occur throughout the course of construction, while project materials are in transit and while stored in off-site locations. Additionally, if a covered loss occurs during the course of construction which leads to a delay in the project’s anticipated completion, the Builder’s Risk policy can respond to cover expenses associated with a delay in start-up and other soft costs that result from the delay. The policy includes limits of \$100,000,000 for any one occurrence, \$75,000,000 for floods, \$75,000,000 for named windstorms, \$100,000,000 for earthquakes and \$100,000,000 for water damage.
- *Pollution Legal Liability*: This policy pays claims for loss, environmental damages or emergency response expense arising out of a pollution incident at an insured location arising from a pre-existing pollution condition. The policy includes a \$25,000,000 limit for each incident and an aggregate limit of \$25,000,000.
- *Contractors Pollution Liability*: This policy provides coverage for pollution conditions which may arise because of the contractor’s/subcontractor’s activities. The policy includes a \$25,000,000 limit for each incident and an aggregate limit of \$25,000,000.
- *General Liability Non Rail*: This policy provides liability insurance coverage, including defense costs, for damages resulting from bodily injury (including death), property damage, personal injury or advertising injury resulting from the Company’s non-railroad operations. This would include, retail, food and beverage services, office, vacant land etc. The policy includes a \$2,000,000 limit per occurrence and a general aggregate limit of \$2,000,000.
- *Excess Casualty including Rail Liability*: This policy provides liability insurance coverage, including defense costs, for damages resulting from bodily injury (including death), property damage, personal injury or advertising injury resulting from the Company’s railroad operations. This would include employee injury, passenger injury and accidents involving train stations, crossings, trespassers, maintenance activities, derailments, and terrorism. This insurance will consist of a retention and an excess liability policy with a \$295,000,000 combined single limit for bodily injury, personal injury and property damage per occurrence (limit may be provided by a combination of primary and excess/umbrella coverage).
- *Property*: This policy provides coverage for physical damage to assets owned, leased or used by it, including buildings, contents, rolling stock equipment, and certain infrastructure assets, which include track and bridges or tunnel structures. Due to the location of Project assets on Florida’s eastern seaboard, windstorm and earthquake coverage will be maintained. Coverage will include the loss of business income following an insured event. Insured events would be on an “all risks” basis, including collision, upset and overturn, flood, earthquake, and terrorism. The policy limit will be \$200,000,000 per occurrence including business income, with a NWS and flood \$50,000,000 sublimit.
- *Corporate*: Various other policies are expected to be in place, including workers compensation, pollution liability, cybersecurity, food borne illness, crime and fiduciary liability, auto liability and director and officer protection.

The Insurance Report found that the insurance terms, generally, are similar to those in use for other projects of this size and scope. Additionally, the available benchmarking data suggests that an excess liability limit of \$295,000,000 should be adequate for all phases of construction and a limit of \$295,000,000 during passenger

operations is appropriate for the size and nature of the Project and consistent with Federal passenger liability requirements. The Company currently carries and intends to carry a minimum excess liability limit of \$295,000,000.

Properties

The Company owns in fee simple title: (i) land in Fort Lauderdale for the Fort Lauderdale station, (ii) land in Fort Lauderdale containing approximately 70 surface parking spaces and (iii) land in West Palm Beach for the West Palm Beach station. The Company also has obtained the rights to cross certain roadways pursuant to an ordinance abandoning a portion of Northwest 2nd Avenue in the City of Fort Lauderdale. The Company's Miami station was built within its owned air rights, with aerial easements from the City of Miami providing rights to cross certain roadways. The Company executed leases with GOAA for its occupancy within GOAA's Orlando station and its Orlando vehicle maintenance facility. See the section entitled "—Stations" for more information.

The Company also holds leasehold interests in all or a portion of three parking garages used in connection with the South Segment stations and its West Palm Beach running repair facility.

FECR owns the fee simple title in the existing rail right-of-way along Florida's east coast from Miami to Jacksonville and owns the existing railroad infrastructure within the Company's corridor (other than a portion of the railroad infrastructure in the South Segment owned by the Company). The Company owns the permanent, perpetual and exclusive rights (subject to Amtrak access rights), privileges and easement for passenger rail purposes over and across the real property within FECR's main line right-of-way located between Miami and Jacksonville. See "PROJECT PARTICIPANTS AND THIRD PARTY AGREEMENTS —Transactions with FECR—Joint Use Agreement" and "Certain relationships and related party transactions—Transactions with FECR—Dispatching Services Agreement" for more information.

The Company has executed lease and easement agreements with FDOT (a 50-year lease with an option to renew for a 49-year term), GOAA (a 99-year easement) and CFX (easements with a 50-year term) related to the Cocoa to Orlando corridor. The Company holds a lease agreement with FDOT for approximately 14 miles adjacent to SR528 and easement agreements with CFX for approximately 21 miles. The Company also has executed a rail easement agreement with GOAA for approximately 5 miles on property of the Orlando International Airport. In addition, the Company owns fee title to certain parcels of land required for the Cocoa to Orlando corridor and has obtained easement rights over certain property from the City of Orlando, Board of Trustees of the Internal Improvement Trust Fund, Orlando Utility Commission and Brevard County.

In addition, the Company has entered into a land acquisition and development agreement with Miami-Dade County for the Aventura station. The agreement includes a maximum term of up to 99 years, consisting of an initial 49-year term with an option to renew for 10-year periods up to five times, each upon mutual agreement of Brightline Holdings and Miami-Dade County. The Company has also finalized a lease with the City of Boca Raton for the Boca Raton station. The agreement includes a maximum term of up to 89 years, consisting of an initial 29-year term with an option to renew for 20-year periods up to three times. The company is currently developing an agreement with Miami-Dade County for the PortMiami station under similar duration terms. See "—New In-line Stations" for additional information.

The Company's principal executive offices and headquarters are located in leased space at 161 NW 6th Street, Suite 900, Miami, Florida 33136. This lease expires on December 31, 2022, unless the term is extended pursuant to the two 60-month renewal options.

Appraisal of Passenger Rail Easement

The Company possesses certain easement interests in the shared corridor extending from Miami to Cocoa, Florida, which were acquired through Fortress's acquisition in May 2007 of FECL. In 2007, such easement interests were assigned a book value of approximately \$195.5 million. In 2017, the Company engaged Real Globe Advisors LLC, a certified general appraiser, to complete an appraisal for purposes of estimating the Market Value of the Company's easement interests running on and over the portion of such shared corridor extending from Miami to Cocoa, Florida. Using both the "Across the Fence" and the "Corridor Sales Comparison" methodologies, the appraiser determined the Market Value to be \$675 million as of June 1, 2017.

In August 2020, Miami-Dade County selected two independent appraisers to estimate the annual unimproved corridor value of the access rights to be provided to the County for the purposes of operating the proposed commuter

service. As a component of the appraisal, the appraisers estimated the current unimproved corridor value for only the segment between MiamiCentral and Aventura based on across-the-fence property value multiplied by a corridor enhancement factor. The average land value of the two appraisals equaled approximately \$700 million and after applying enhancement factor, bundle of rights, shared occupancy percentage and cap rate for market rent, the appraisers arrived at an average value of \$19.2 million per year for the County's access rights, not including the value of the shared improvements existing on the corridor. These results informed the upfront and annual access fees identified in the Company's agreement with Miami-Dade County.

The property rights that were appraised are the permanent, perpetual and exclusive rights, privileges and easements granted to the Company under the Second Amended and Restated Grant of Passenger Service Easements from FECR running on and over the property included in FECR's main line right of way from Miami to Cocoa, Florida. Spurs, railyards and any infrastructure are expressly excluded from the appraised property rights. The appraiser's valuation was based upon the analysis of information provided by the Company's management, general market information, comparable land sales and listing data, information from brokers and other third party market participants, research of land uses along the main line right of way and considering the "highest and best use" of the subject property as a continued transportation utility corridor.

The audited financial statements incorporated by reference to this Limited Remarketing Memorandum reflect the approximate \$195.5 million book value of such easement interests running on and over the shared corridor extending from Miami to Cocoa, Florida as invested equity in the Company. The \$675 million Market Value determination of the appraiser as of June 1, 2017 of the Company's easement interests running on and over the portion of the shared corridor extending from Miami to Cocoa, Florida has been utilized to determine the total invested equity capital in the Company as of that date.

The appraiser's report was made subject to certain assumptions and limiting conditions, including, without limitation, that there are no hidden or unapparent conditions of the subject property, subsoil or structures that render the subject property more or less valuable, full compliance with laws, and that all required licenses and other governmental consents have or can be obtained and renewed for any use on which the valuation was based. In addition, the appraiser's report is as of June 1, 2017. Accordingly, the valuation contained in the report was based on information and assumptions available at such time and any new appraisal could differ materially from the 2017 appraisal.

PASSENGER RIDERSHIP ESTIMATES FOR THE PROJECT

The Company commissioned WSP to develop the Ridership and Revenue Study, which provides an independent overview of ridership and revenue for the Project corridor, consisting of trips between Orlando, West Palm Beach, Fort Lauderdale and Miami and not including the New In-line Stations. The Ridership and Revenue Study was finalized in December 2017. In November 2020, WSP prepared the Ridership and Revenue Study Supplement for the purposes of incorporating a number of the Company's recent initiatives, including the New In-line Stations and the station at Disney Springs, into the Ridership and Revenue Study. In connection with this remarketing, WSP delivered bring down letters, dated March 20, 2019, February 28, 2020, August 12, 2020 and November 9, 2020, respectively, confirming that no additional information has been brought to WSP's attention that would lead WSP to believe that there would be a material change in the findings, estimates, conclusions and analyses reflected in the Ridership and Revenue Study. See "APPENDIX E—WSP USA SOLUTIONS BRING DOWN LETTERS AND PROJECT RIDERSHIP AND REVENUE STUDY AND SUPPLEMENT." The following is a summary of WSP's findings in the Ridership and Revenue Study.

The Company's estimates of its future operations are included elsewhere in this Limited Remarketing Memorandum. While these estimates are based on the Ridership and Revenue Study, the Company has assumed a 2.8% annual increase in fares, based on expected inflation and fare growth from 2016. Additionally, WSP estimated a two-year ramp-up period. The Company believes the actual ramp-up period will be shorter, due to an established ridership base for the South Segment that the Company believes will result in strong demand for high speed travel to Orlando, induced demand from opening the extension to Orlando and other factors that have developed subsequent to the date of the Ridership and Revenue Study.

Each year, travelers make hundreds of millions of trips between the communities in Southeast and Central Florida that will be served by the Project, making the region one of the most actively traveled areas in the United States. The proposed service will operate on existing transportation corridors running directly through some of the most densely populated communities in the State of Florida with stations located at key downtown areas or major sites and connected to local transit hubs (i.e., airport, bus, commuter rail, etc.).

Overview of the Project Rail Service

Special features of the Project service include the following:

- *Travel time savings:* Substantial time savings to current users of auto, bus, traditional rail and even air traveling between the city pairs.
- *Frequency:* Consistent, hourly departures seven days per week to fit the schedules of both business and leisure travelers.
- *Booking:* Online and mobile booking with reserved coach and business class seating for easy boarding.
- *Amenities:* Free Wi-Fi, convenient outlets, comfortable seating, food and beverage service and related amenities on board.
- *Stations:* Modern, centrally located stations in Southeast Florida cities and an airport-based station in Orlando, with good intermodal connectivity (i.e., connections to Metrorail, Metromover, Tri-Rail – with direct connection to Miami International Airport – Broward County Transit and SunRail), parking and ridesharing services available.

In addition to the travel time savings offered by the Project, the ease of travel and related amenities to the service described above are expected to draw a substantial number of travelers who attribute a high value to comfort, productivity, and efficiency.

Key Findings and Ridership and Revenue Forecast

The Ridership and Revenue Study found that introduction of the Project service would complement existing modes of travel and draw a substantial number of business and non-business travelers. Station locations offered by the Project in Miami, Fort Lauderdale, West Palm Beach and Orlando will provide an alternative source of

transportation for travelers with origins or destinations at or near these urban cores. The key findings of the Ridership and Revenue Study, as reiterated in the Ridership and Revenue Study Supplement are:

- *Substantial “Addressable Market”* – Over 390 million (as of 2017) trips are taken annually among the initial four stations served by the Project, expected to grow to just over 430 million in 2023. At 6.6 million estimated passengers for the Project, excluding the New In-line Stations and the station at Disney Springs, market capture rates are deemed conservative.
- *Challenging Intercity Trip* – At a distance of 235 miles, the journey from Miami to Orlando is “too short to fly, too long to drive.” Given airport delays and time affiliated with airport security, or a four- to five-hour drive, the Company is expected to draw a large number of business and non-business travelers.
- *Demonstrated Market Travel and Market Demographic Growth* – Travel volumes on key highways connecting central and Southeast Florida are expected to exceed capacity by 2030, resulting in further future delays and reduction of reliability when traveling by car. Additionally, the population around the Project stations have grown by up to 5% annually since 1990.
- *No Comparable Service* – The Project will provide travel time savings between 25% and 50% when compared to existing surface travel modes with a journey time of approximately three hours. There is no comparable rail travel mode for intercity service in the existing market.
- *Established Willingness to Pay* – The fares used in the Ridership and Revenue Study are backed by a stated preference survey and a pricing research study commissioned by WSP. Each confirmed willingness to pay for the Brightline service at the stated price points due to their competitiveness with travel costs associated with other travel modes.

Estimated Ridership

WSP prepared estimates for annual ridership and farebox revenue for both the short- and long-distance markets of the Project service. This forecast accounts for all elements important to future ridership potential including targeted market segments and induced ridership. The table directly below summarizes ridership and revenue for the Project upon stabilized ridership in 2023.

Project Ridership and Revenue Forecast, 2023

	Annual Ridership	Average Fare	Ticket Revenue (in millions)
Short-Distance⁽¹⁾	3,079,472	\$39.70	\$122
Long-Distance⁽²⁾	3,534,197	\$102.57	\$362

(1) Short-Distance: Miami – Fort Lauderdale, Miami – West Palm Beach, Fort Lauderdale – West Palm Beach

(2) Long-Distance: Southeast Florida – Orlando

Ridership and revenue for the initial years of the Project are expected to start at relatively low levels and grow to a stabilized volume after two years. The low levels represent the time it takes for ridership to build up to long-term forecast levels as travelers become acquainted with the new rail service and adjust their trip-making habits. During 2017, the Company made substantial investment in marketing, pre-launch ticket sales, and corporate block sales prior to the commencement in May 2018 of full-scale revenue service between Miami and West Palm Beach. The Company also intends to implement reduced price fares during an introductory period following the beginning of revenue service for each segment. Given these plans for the short-distance trips, WSP assumed, therefore, 40.0% of forecasted volumes in 2018, and 80.0% forecasted volumes in 2019. For the long-distance trips, WSP assumed a two-calendar year ramp-up period: ridership volumes for 2021 are 40.0% of forecasted volumes and 80.0% of forecasted volumes in 2022. These ramp-up assumptions are appropriate to estimation of initial year ridership and revenue, and are consistent with previous rail service forecasts in Florida. The forecasts include the assumption that long-distance revenue service will begin in the first half of 2021. At fully stabilized operations in 2023, the Company expects that the Miami to Orlando service will carry approximately 6.6 million passengers annually, not including the New In-line Stations and the station at Disney Springs.

WSP prepared estimates for annual ridership, average fare and ticket revenue for the New In-line Stations and the station at Disney Springs in the Ridership and Revenue Study Supplement on an incremental basis to the Ridership and Revenue Study. WSP estimates that after the Miami to Orlando service and the New In-line Stations stabilize in 2023 and the station at Disney Springs in 2024, ridership will reach approximately 9.9 million passengers annually in 2024, of which 3.1 million passengers are attributable to the New In-line Stations and the station at Disney Springs.

The table directly below summarizes ridership and revenue for the New In-line Stations and the station at Disney Springs upon applicable stabilization periods:

Project Ridership and Revenue Forecast, 2023

	Annual Ridership	Average Fare	Ticket Revenue (in millions)
Boca Raton	1,211,783	\$33.64	\$41
Aventura	539,033	\$26.65	\$14
PortMiami	489,374	\$25.70	\$13

Project Ridership and Revenue Forecast, 2024

	Annual Ridership	Average Fare	Ticket Revenue (in millions)
Disney	779,923	\$102.01	\$80

The Company's estimates of its future operations are included elsewhere in this Limited Remarketing Memorandum. While these estimates are based on the Ridership and Revenue Study, the Company has assumed a 2.8% annual increase in fares, based on expected inflation and fare growth from 2016. Additionally, WSP estimated a two-year ramp-up period. The Company believes the actual ramp-up period will be shorter, due to an established ridership base for the South Segment that the Company believes will result in strong demand for high speed travel to Orlando, induced demand from opening the extension to Orlando and other factors that have developed subsequent to the date of the Ridership and Revenue Study.

TECHNICAL ADVISOR'S REPORT

The Company commissioned the Technical Advisor to prepare the Technical Advisor's Report, which provides an objective, due diligence evaluation of the various components of the Project including: project scope, schedule, and budget; procurement of design, construction, materials, rolling stock and other Project contracts. The following is a summary of the Technical Advisor's findings in the Technical Advisor's Report.

The Technical Advisor's Report was originally issued in March 2018 and over subsequent time the Company has adjusted certain project parameters to better facilitate efficient project performance. Revision 1 was issued in October 2018 and reflected a change to a multiple contract procurement strategy. Revision 2 to the Technical Advisor's Report, dated March 7, 2019, presents the current project scope, cost and schedule and the Technical Advisor's comments on the Project. The Technical Advisor delivered bring down letters, dated April 2, 2020, August 6, 2020 and November 9, 2020, respectively, confirming that no additional information has been brought to the Technical Advisor's attention that would lead the Technical Advisor to believe that there would be a material change in the findings, estimates, conclusions and analyses reflected in the Technical Advisor's Report. In the future, the Technical Advisor will report on the New In-line Station initiatives and the Capacity Expansion Projects in a new section of the Technical Advisor's monthly continuing disclosure.

Overview

The Project is currently complete for the South Segment. This segment and the 129-mile segment between West Palm Beach and Cocoa are within the right-of-way ("ROW") of the Florida East Coast Railroad. The remaining 39-mile segment of the Project, (i.e., the segment between Cocoa and Orlando), is being constructed almost exclusively within the existing ROW along State Road 528 through leases, licenses and easements with the FDOT, CFX and GOAA.

The Company team has undertaken an extensive effort to coordinate the planning and development of the Project with affected municipalities, governmental regulatory agencies, private and public transportation facility owners, businesses and the general public. The Company has achieved a significant milestone with commencement of initial revenue service between West Palm Beach, Fort Lauderdale and Miami. The West Palm Beach-Fort Lauderdale service began in January 2018, and Miami service became operational in May 2018 servicing all 67 miles.

Further, the Company is progressing on two new construction initiatives: (i) the construction of Aventura station and Boca Raton station, as well as an expected third station at PortMiami subject to final agreement, and (ii) rail enhancements and rolling stock capacity additions that will allow for the dispatch of more trains at a greater frequency than initially contemplated.

Overall Finding

The North Segment of the Project is primarily infrastructure construction which has similar characteristics to the portion of the Project that has been successfully completed. The Company has recognized that the North Segment is a large and complex project, covering a wide geographic area and, as such, has expanded management to service four work zones, while managing multiple primary contractors. The plan to use primary contractors who are well regarded and experienced in their respective fields and have successfully delivered large capital projects for a variety of owners, particularly in the rail industry, and to mobilize its own highly experienced Project Management Team, provides the Company a high degree of confidence in being able to complete the Project within budget and on schedule. In addition to having a robust internal organization made up of 39 senior-level, experienced staff, the Company will supplement their expertise through the use of HNTB, a recognized rail engineering and project management consultant. Finally, the Company has engaged CAA-Icon, a project management firm with which Fortress has had long success, to provide audit, control and reporting functions that provides an additional level of oversight.

Through the use of an active Risk Register, the Company has identified many of the uncertainties associated with the Project. In this regard, the Company has also included in its total project budget a contingency provision of \$173 million to cover risks or uncertainties that may develop during the progression of the construction and rolling stock deliveries. While no Risk Register should ever be considered complete or all-encompassing, the Technical Advisor has objectively evaluated this document and the Project and concludes that most risks have been considered.

As a private entity, the Company can utilize highly responsive management techniques to control project budget and schedule. As an example, the Company can set high expectations of performance by all participants, and can

quickly replace underperformers. Due to the multiple prime contractor delivery, contractor underperformance can be pinpointed to the source and effectively mitigated without contaminating the overall Project. The Company has established a single point of responsibility for streamlined oversight and management efficiency. The Company also can negotiate change orders in an expedited manner to maintain schedule efficiency, utilizing the contingency provisions included in the overall project budget. Unlike many public agencies, the Company can influence timely and proactive management strategies and decisions, consistent with the overall projections for cost and schedule.

The Technical Advisor believes the Company has developed a reasonable and realistic work plan and organization to effectively manage this long, linear project within current budget and schedule projections. That being said, the Technical Advisor has advised that the Company will need to provide consistent and focused oversight management of the contractors that are being relied upon to deliver most of the Project. The Technical Advisor finds that the Project is consistent with industry standards.

COMPANY AND AFFILIATES

The Company has entered into a series of agreements with its affiliates. The most significant of these agreements are summarized below. All of these agreements with affiliates were negotiated on an arm's length basis and are subject to terms and conditions substantially similar to those that would be available in agreements with unaffiliated third parties, as reasonably determined by the Company in good faith.

Management Agreement

On December 19, 2017, the Company entered into a general operations, management and administrative services agreement (the "Management Agreement") with the Manager in which the Manager agreed to provide for the day-to-day management and operation of the Company. The Management Agreement requires the Manager to manage the Company's business affairs in conformity with the policies and the strategy that are approved and monitored by the Company.

The Manager's duties will include: (i) performing all of the Company's day-to-day functions, including the design, acquisition, development, construction, installation, equipping, ownership and operation of the Project and (ii) providing financial and accounting management services. The Manager is responsible for the Company's day-to-day management and operations and for performing (or causing to be performed) such services and activities relating to the Company's assets, operations and the Project as may be necessary or desirable in connection with the Project.

The initial term of the Management Agreement expires on December 19, 2027, and the Management Agreement will be renewed automatically thereafter for successive five-year periods unless the Company or the Manager elects to terminate the Management Agreement upon 90 days' prior written notice.

The Company pays the Manager an arm's length charge equal to the costs incurred with respect to the services provided plus an annual premium equal to \$500,000 (subject to increase for inflation based on the Consumer Price Index) and also reimburses the Manager for certain expenses.

The Company's internal controls over financial reporting and the related accounting processes are designed to identify and appropriately classify and record costs incurred for each separate legal entity within the consolidated group. Expenses associated with expansion activities outside of the Miami to Orlando corridor are incurred by and reported within other subsidiaries of Brightline Holdings (for example, the Manager and Brightline Holding's Las Vegas subsidiaries) or Brightline Holdings directly to the extent the costs are associated with exploratory activities prior to formation of a separate legal entity. Accordingly, such expenses are excluded from the Company's books and records.

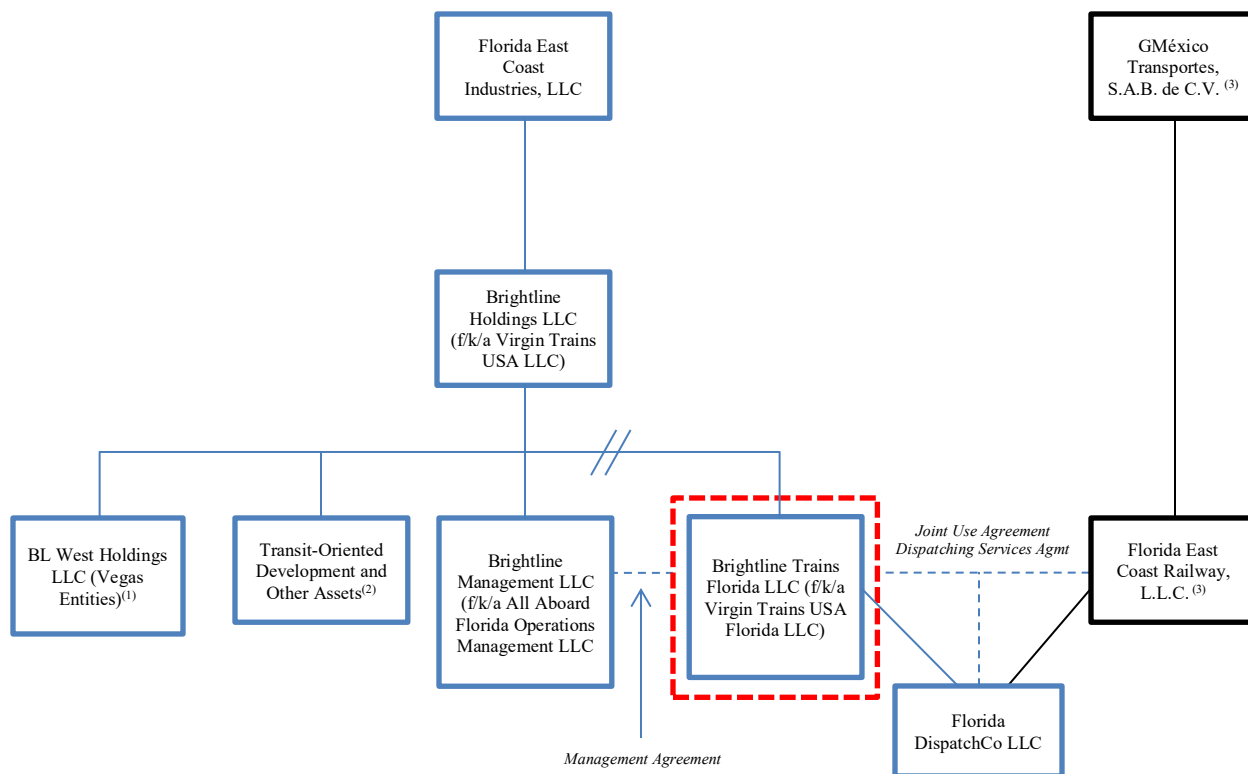
In connection with the issuance of the Series 2019A Bonds, the Company and the Manager amended and restated the Management Agreement to expand the Manager's authority to make or receive payments in respect of the entire Project.

Other Contracts

The Company has certain agreements with its affiliates governing, among other things, (i) owned real property comprising the stations located in Fort Lauderdale and West Palm Beach built on the Company's fee-owned land and the Company's station located in Miami built within the Company's owned air rights, and (ii) a leasehold interest in all or a portion of three parking garages used in connection with such stations and its West Palm Beach running repair facility.

Organizational Structure

The following chart reflects the organizational structure of the Company, FECI and the Company's other affiliates. The chart is for illustrative purposes only and does not reflect all entities or ownership amounts. The red box indicates the Borrower.



- (1) The assets of BL West Holdings LLC and its subsidiaries are not included in the Collateral and the potential rail system from Southern California to Las Vegas, Nevada is not a part of the Project.
- (2) The transit-oriented development assets are not included in the Collateral.
- (3) GMéxico Transportes, S.A.B. de C.V. and Florida East Coast Railway, L.L.C. are not Company affiliates.

History and Current Operations of FECCI

The Company is an indirect 98.23% owned subsidiary of FECCI, a diversified transportation, infrastructure and commercial real estate company. FECCI has a rich history, dating back over a century when its founder, Henry Flagler, first built the Florida East Coast Railway to move passengers and freight throughout the State of Florida’s entire east coast. At the time, Florida was almost entirely undeveloped and had a total population of fewer than 400,000 people, approximately two percent of what it is today. Through the construction of the railroad, Flagler catalyzed extensive development along Florida’s east coast, transforming Southeast Florida ultimately into one of the largest urbanized areas in the United States as well as a popular destination for tourists. Over time, large communities—including Miami, Fort Lauderdale and West Palm Beach—developed around the railroad, and today approximately 70% of the State’s population lives along FECCI’s rail corridor. Today, FECCI, together with its subsidiaries, owns substantial assets in key markets along Florida’s east coast. Within Florida, FECCI’s subsidiaries have owned, built and managed over 29 million square feet of real estate developments and completed the infrastructure for more than 2,900 acres of developments. FECCI has extensive experience in quickly and efficiently navigating the necessary entitlements, permits and approvals needed to develop infrastructure and real estate in Florida.

FECCI Principal Shareholders

FECCI is a private company beneficially owned by certain private equity funds managed by affiliates of Fortress, which acquired FECCI in May 2007. Fortress is a leading global investment management firm with approximately \$45.5 billion of assets under management as of September 30, 2020. Fortress offers a range of alternative and traditional investment products and was founded in 1998. On December 28, 2017, Fortress was acquired by SoftBank Group Corp.

Brightline Holdings

In March 2019, Brightline Holdings, the Company's indirect parent and subsidiary of FECI, completed its acquisition of DesertXpress Enterprises, LLC and certain related assets. Pursuant to this acquisition, Brightline Holdings has acquired the rights to develop a high-speed rail project within a corridor between Southern California and Las Vegas, Nevada and has assembled material rights-of-way and environmental permits. This rail system will not be part of the Collateral.

THE ISSUER

General

The Issuer is a public body corporate and politic of the State of Florida created pursuant to the Florida Development Finance Corporation Act of 1993 (Chapter 288, Part X, Florida Statutes) (the “Issuer Act”). The Issuer Act provides that the Issuer may, among other things, issue revenue bonds and lend the proceeds to approved applicants to finance and refinance projects that promote economic development within the State of Florida, provided that the Issuer has entered into an interlocal agreement with a local government agency having jurisdiction over the location of the project. The powers of the Issuer are vested in a board of directors appointed by the Governor of the State of Florida, subject to confirmation by the Florida Senate. The Issuer Act provides that the board of directors shall consist of five directors appointed by the Governor of the State and confirmed by the Florida Senate. In addition, the executive director of the Department of Economic Opportunity or his or her designee shall also serve as Chair of the Board of Directors. The director of the Division of Bond Finance or his or her designee shall serve as a Director on the Board of Directors. The Act provides that at least three of the appointed Directors of the Issuer shall have experience in finance and at least one Director shall have experience in economic development. The Issuer Act further provides that a majority of the directors constitutes a quorum for the purposes of conducting business and exercising the powers of the corporation and for all other purposes.

The Series 2019B Bonds are special, limited obligations of the Issuer as described in the section captioned “SECURITY AND SOURCES OF REPAYMENT FOR THE SERIES 2019B BONDS.”

The Issuer has not participated in the preparation of this Limited Remarketing Memorandum and makes no representation with respect to the accuracy or completeness of any of the material contained in this Limited Remarketing Memorandum other than in this section entitled “THE ISSUER” and the section entitled “LITIGATION—The Issuer.” The Issuer is not responsible for providing any purchaser of the Series 2019B Bonds with any information relating to the Series 2019B Bonds or any of the parties or transactions referred to in this Limited Remarketing Memorandum or for the accuracy or completeness of any such information obtained by any purchaser.

Larson Consulting Services, LLC, Orlando, Florida, a licensed municipal advisor with the SEC and Municipal Securities Rulemaking Board, is serving as financial advisor to the Issuer in connection with the remarketing of the Series 2019B Bonds.

Disclosure Required by Section 517.051, Florida Statutes

Section 517.051, Florida Statutes, as amended, provides for the exemption from registration of certain governmental securities, provided that if an issuer or guarantor of governmental securities has been in default at any time after December 31, 1975 as to principal and interest on any obligation, its securities may not be offered or sold in Florida pursuant to the exemption except by means of an offering circular containing full and fair disclosure, as prescribed by the rules of the Florida Department of Banking and Finance (the “Department”). Rule 69W-400.003, Rules for Government Securities, promulgated by the Financial Services Commission (“Rule 69W-400.03”), requires the Issuer to disclose each and every default as to the payment of principal and interest with respect to an obligation issued by the Issuer after December 31, 1975. Rule 69W-400.03 further provides, however, that if the Issuer in good faith believes that such disclosures would not be considered material by a reasonable investor, such disclosures may be omitted.

The Issuer, in the case of the Series 2019B Bonds, is merely a conduit for payment, in that the Series 2019B Bonds do not constitute a general debt, liability or obligation of the Issuer, but are instead secured by and payable solely from payments of the Company under the Senior Loan Agreement and by other security discussed herein. The Series 2019B Bonds are not being offered on the basis of the financial strength or condition of the Issuer. The Issuer believes, therefore, that disclosure of any default related to a financing not involving the Company would not be material to a reasonable investor. Accordingly, the Issuer has not taken affirmative steps to contact any trustee of any other conduit bond issue of the Issuer not involving the Company to determine the existence of prior defaults.

The Company has advised the Issuer that the Company has not defaulted in the payment of principal or interest on any obligations since its formation.

PROJECT PARTICIPANTS AND THIRD PARTY AGREEMENTS

Below is a summary of certain key contracts and agreements in respect of the Project.

Transactions with FECR

On June 30, 2017, FECR, formerly an affiliate of the Company and a subsidiary of funds managed by an affiliate of Fortress, was acquired by GMéxico Transportes, S.A.B. de C.V. As a result, FECR is now a subsidiary of Grupo México, a large Mexico-based conglomerate, and is not an affiliate of FECI or the Company.

In connection with the FECR sale, the Company entered into certain amendments and/or new agreements with FECR involving the maintenance, use and operation of the shared rail corridor on which the Project's trains will operate. The Company believes these amendments and agreements will provide it with certainty and clarity of operational and cost items for the Project's operations. Below is a description of the material terms of these agreements. For arrangements that were not assigned, the terms and conditions specified within the arrangements with FECR described below remained in effect. Since the rail track corridor from Cocoa to Orlando is not part of the FECR transactions, it is not subject to FECR agreements. Accordingly, the Company is still in the process of evaluating its options for determining who will maintain the Cocoa to Orlando rail track corridor.

Shared Services and Other Arrangements

In 2015, the Company entered into various shared services, joint use, operating, infrastructure, maintenance and other related arrangements with FECR, certain of which have been periodically amended, extended or terminated (collectively, the "Shared Services Arrangements"), whereby each party provides support to the other for certain activities at cost plus a markup to support the construction, development and operation of passenger rail service and for other purposes. The Shared Services Arrangements also provide for the rehabilitation and improvement of existing track infrastructure and the construction and installation of rail related capital improvements, necessary for the passenger rail service. Pursuant to these arrangements, certain equipment and other assets installed on existing rail will be funded by the Company and jointly used by the parties.

Joint Use Agreement

The Second Amended and Restated Joint Use Agreement, dated December 27, 2016, by and between FECR and the Company (the "Joint Use Agreement"), provides that the Company has the exclusive right to operate passenger trains, and that FECR has the exclusive right to operate freight trains, in each case along the entirety of the Shared Corridor. The Company and FECR are authorized for the operation of up to 36 passenger trains and 24 freight trains per day, respectively.

On June 30, 2017, when FECR ceased to be a related party, the Company and FECR amended the Joint Use Agreement to continue the joint use agreement as unrelated third parties.

Under the Joint Use Agreement, an eight-person Service Standards Committee (four appointees each) is responsible for overseeing construction and improvements on the Shared Corridor, monitoring passenger and freight rail operations, and considering possible future expansion of the Shared Corridor (an extension to Cocoa and construction of a track for Tri-Rail service to Miami have already been contemplated under the agreement).

The Joint Use Agreement provides that the Company will be responsible for the first 15% of ordinary operating and maintenance expenses along the Shared Corridor for each calendar month, with the remaining 85% of such expenses apportioned between the Company and FECR on the basis of percentage of total gross ton miles operated on, along and over the Shared Corridor. Costs related to signals and communications will be apportioned between the Company and FECR on the basis of the percentage of the total number of train miles operated under the Shared Corridor. However, if FECR fails to perform maintenance to achieve the Company's on-time performance standards, the Company has the right to perform maintenance at its own cost. Dispatching services of the passenger and freight trains will be the responsibility of the Company's and FECR's 50-50 joint venture as described below. The cost and expense of any capital improvements required by law or governmental regulation are borne entirely by the Company if useful solely in connection with passenger services, borne entirely by FECR if useful solely in connection with freight services and shared 50-50 if useful in connection with both.

The Company will reimburse FECR for the Company's allocable share of costs and expenses, calculated on a per-ton-mile formula for ordinary operations and maintenance, and on a per-train-mile formula for signal maintenance. The Company will also pay FECR an annual management fee of \$500,000, with a 2% annual escalator. Before June 30, 2017, when FECR ceased to be a related party, AAF Holdings, on behalf of the Company, paid to FECR an aggregate amount of \$1.7 million under the Joint Use Agreement.

The Joint Use Agreement also provides for the allocation of liability between FECR and the Company in the case of accidents. The Company is solely responsible for any liability to rail passengers in connection with passenger services. Otherwise, any liability solely on the account of the Company's equipment or solely on account of FECR's equipment are assumed solely by the Company or FECR, respectively. Both carriers are required to maintain appropriate insurance coverage, and the failure to obtain or maintain such insurance coverage would result in a default under the Joint Use Agreement.

Dispatching Services Agreement

In December 2016, the Company and FECR formed a 50-50 joint venture, DispatchCo. DispatchCo is responsible for providing dispatch services to FECR and the Company under a Dispatching Services Agreement, dated as of December 27, 2016, among FECR, DispatchCo and the Company, as amended in June 2017 and August 2017. Dispatching protocols provide that DispatchCo must make reasonable best efforts to dispatch in a manner maximizing the number of the Company's and FECR's trains achieving on-time performance standards; however, passenger trains have priority over freight trains. Both the Company and FECR will bear 50% of DispatchCo's dispatching expenses and its general and administrative expenses, as well as 50% of a monthly service fee. Total payments to DispatchCo of approximately \$2.9 million, \$1.6 million and \$0.1 million for the year ended December 31, 2019, December 31, 2018 and year ended December 31, 2017, respectively, were made by the Company and AAF Holdings, on behalf of the Company. FECR will provide maintenance services from West Palm Beach to Cocoa.

Agreements with FECR and South Florida Regional Transportation Authority

The Company has entered into various construction, operating and other related agreements with SFRTA that obligate the public agency to reimburse the incremental infrastructure costs to construct a downtown Miami commuter rail station over a fixed period of time. Tri-Rail, which is operated by SFRTA, operated 50 weekday trains along 72 miles of track connecting Miami, Fort Lauderdale and West Palm Beach prior to temporarily reducing its service in response to COVID-19. Its commuter rail operations offer a travel time from Miami to West Palm Beach of 2 hours, with stops at 18 stations along the way. In 2019, Tri-Rail had approximately 4.5 million passengers.

The Company and SFRTA are working towards having 26 Tri-Rail trains terminate each day at the Miami station rather than terminating at the existing Tri-Rail station at the Miami Intermodal Center adjacent to Miami International Airport. SFRTA has agreed to reimburse the incremental infrastructure costs, approximately \$66 million, over a fixed period of time. The ability to receive the full reimbursement is contingent on SFRTA receiving funds from several other local and state public agencies. SFRTA has negotiated with these relevant local and state agencies, but each agency will have to issue bonds or appropriate the funds according to the funding schedule, to the extent they have not done so already. The Company executed an operating agreement with SFRTA and has finalized associated ancillary agreements to allow SFRTA to expand Tri-Rail commuter rail service and establish a new commuter rail service on a shared rail corridor; however, certain conditions remain that must be satisfied before moving forward with the proposed transaction. See "Risk Factors—Risks Related to the Company's Business—Shared use of the Company's corridor with freight operations could have an adverse effect on the Company's ability to utilize the Company's railway efficiently, which could impact the Company's operations and financial condition." In Florida Statutes Chapter 343.545 (Public Law 2017-138), SFRTA was specifically authorized by Florida to enter into contractual indemnification agreements with FECR and the Company with respect to rail corridors where all three entities provide rail service.

Siemens Maintenance Agreement

On December 31, 2014, the Company executed a contract with Siemens for all warranty repairs and maintenance on the rolling stock (the "Siemens Maintenance Agreement"). This 30-year contract was terminable by the Company with an early termination penalty. This contract duration ensures regular preventive maintenance, as well as capital maintenance over the life of the contract at a set price with an established cost escalator, thereby making these large costs more easily predictable.

Under the agreement, Siemens provides maintenance and general technical support on the rolling stock. However, Siemens is not liable for failure to carry out its services if the cause for such services is a result of defective rail infrastructure, the fault of the Company, station closure, or total destruction of the rolling stock. The Company can also service the rolling stock itself, or contract with a third party for such service, in certain circumstances.

The Company's monthly service payment obligations began on January 13, 2018 with the commencement of passenger revenue service on the South Segment and continue throughout the term of the agreement. The service payments are subject to adjustment based on, among other things, the CPI index. The agreement is terminable by (i) either party upon, among other things, the insolvency of the other party, (ii) the Company if Siemens fails to maintain requisite insurance policies or effects a change of control with a competitor of Siemens or (iii) Siemens (plus a termination fee) if a certain amount of aggregate service payments remain unpaid for sixty days from Siemens' written notice.

In June 2018, the Company amended the Siemens Maintenance Agreement to adjust maintenance fees to more accurately identify the allocation of such fees between the first and second phases of maintenance and to amend the termination provisions to permit more frequent termination options with specified graduated penalties.

The maintenance for the rolling stock is currently being performed at the Company owned and built running repair facility in West Palm Beach. Following the completion of the North Segment, the maintenance for the rolling stock will be performed at a VMF to be constructed at the Orlando International Airport. The running repair facility in West Palm Beach will continue to be used for lighter maintenance and emergency repairs, as well as cleaning, refueling and nightly layover.

As a result of the COVID-19 pandemic, the Company provided Siemens with a force majeure letter related to the maintenance terms and conditions in the Siemens Maintenance Agreement. The Company and Siemens have agreed on a reduced level of maintenance service and cost, while ensuring that Siemens will continue to provide necessary repairs during the Company's temporary suspension of service. In turn, Siemens has furloughed or reassigned the majority of staff related to the Company's maintenance, and the Company has effectively suspended its Siemens maintenance related costs. Whether the Company will terminate its contract with Siemens or make other arrangements once it resumes service is unknown at this time. See "RISK FACTORS—Risks Related to the Company's Business—A pandemic, such as the recent novel coronavirus (COVID-19) outbreak, could materially adversely affect the travel and tourism industry in general and the Company's business and financial condition and results of operations."

GOAA Contracts

Rail Easement

The Company has entered into the following material agreements with GOAA: (i) the GOAA Agreement, which governs the parties' rights and obligations related to the development of an inter-city rail project at the Orlando International Airport; (ii) that certain Premises Lease and Use Agreement, effective as of January 22, 2014, as amended from time to time, which governs the parties rights and obligations related to the development of the rail station building and the Company's station premises located therein; (iii) that certain Access Roadway License Agreement, dated December 12, 2018, which provides certain license rights in property for access; (iii) that Temporary Construction License Agreement, dated June 11, 2019, pursuant to which license rights were granted to construct the infrastructure for the Project; (iv) that certain Vehicle Maintenance Facility Ground Lease, dated January 2, 2014, as amended from time to time; (v) that certain Embankment Funding Agreement, dated October 3, 2014, as amended from time to time, which provided terms under which the Company provided funding to GOAA for GOAA to complete work on behalf of the Company due to timing or proximity to the work; and (vi) that certain Escrow Extension Agreement, dated December 23, 2015, as amended from time to time, which provides for certain funding obligations until the Company commences revenue service. The GOAA Agreement and the slope easement granted by GOAA pursuant to the terms of the GOAA Agreement will be recorded upon completion of the construction of the Project. Termination events under the licenses, easements and leases include operating an unauthorized business, failure to make lease payments, failure to make payment under other agreements with GOAA, abandonment of the use of the premises, failure to regularly operate the Orlando station and bankruptcy, each subject to various cure rights.

The Company has also entered into a purchase and sale agreement with GOAA, the City of Orlando (the "City") and CFX where GOAA and the City agree to sell part of their land to CFX and GOAA and the City agree to purchase

part of CFX's land. Under this agreement, the parties also agree to grant CFX a drainage easement. This drainage easement and the land purchased by GOAA will be used to accommodate the Company's easement for the Project.

For more information, please see "Category 001 – Land/Entitlements" on page 20 of the Estimator's Methodology Memorandum attached as Exhibit 5 to the Technical Advisor's Report.

Maintenance Facilities

The Company has entered into a lease with GOAA for property at the Orlando International Airport upon which a maintenance facility will be constructed, which agreement is in escrow subject to certain conditions being met, including the attachment of the final legal description and site plans.

For more information, please see "Category 003 – Building Construction" on page 25 of the Estimator's Methodology Memorandum; Exhibit 5 in the Technical Advisor's Report.

Construction Contracts

The North Segment, which is expected to be completed in the second half of 2022, is being managed directly by a Company project management team comprised of longtime construction industry professionals with experience on significant construction projects, including both rail and Florida construction experience. The Company has completed a competitive bidding process for the construction contractors for the North Segment. In the Company's contract selection process, it considered a number of factors, including a proposed contractor's relevant experience, financial strength, personnel and safety track record.

The Company commenced construction of the North Segment in April 2019, which is comprised of five main components: building construction (Vehicle Maintenance Facility and Orlando Station interiors construction), rail infrastructure (the successful bidders in the Company's ongoing bidding process, as described in more detail below), system communications (Alstom (as defined below)), rolling stock (Siemens) and track materials that the Company purchases directly. Construction on the Project has been performed under construction contracts with leading firms. Brightline Holdings completed a comprehensive bid process for the North Segment work.

The majority of these contracts contain fixed-price, time-certain terms with 100% payment and performance bonds and guarantees, as well as liquidated damages and retainage provisions. The Company's contracting strategy includes multiple safeguards to mitigate cost and timing overruns. Claims by the contractor for additional time and cost for items within the defined scope of the contract are limited to situations mainly where the Company has interfered with the contractor's prosecution of the work. Even in these situations, demands for additional time and/or cost must be noticed to the Company within 14 days of the interference, and outlined in a claim within 14 additional days. A successful claim must demonstrate that the interference impacted the critical path of the project through a time impact analysis and that the contractor did not experience a concurrent delay through no fault of the Company.

Rail Infrastructure

The Company has executed contracts with leading transportation and infrastructure contractors, including Middlesex, Granite and HSR, to construct the civil and rail infrastructure at the Orlando International Airport ("Zone 2"), between Orlando International Airport and Cocoa Beach ("Zone 3") and between Cocoa Beach and West Palm Beach ("Zone 4"), respectively. Each of these zones represent a segment of the overall construction required for the Project.

The total amount of these competitively bid rail infrastructure packages is approximately \$1.8 billion. Each of the contractors is required to obtain various insurance coverages, including commercial general liability, commercial automobile liability, employer's liability, workers' compensation and professional liability insurance. The commercial general liability insurance requirement has an excess liability limit of \$300 million per occurrence and \$300 million in the aggregate. The price of each contract is a firm fixed lump sum, adjustable only under the provisions of the construction agreement.

Building Construction ("Zone 1")

The Company executed a contract to engage Wharton-Smith to act as Construction Manager At Risk (CMAR) for the design and construction of the Vehicle Maintenance Facility (the "VMF Project") located at the Orlando

International Airport. Wharton-Smith is one of Central Florida's largest general contractor and construction management firms, specializing in water treatment, municipal, education, entertainment and hospitality projects.

The contract includes a budget for the work to be performed by the Construction Manager on the VMF Project of up to \$57.3 million as of September 30, 2020, which includes preconstruction phase services, cost of the work (including contingencies) and the construction manager's fee. During the preconstruction phase, Wharton-Smith will be responsible for providing a preliminary evaluation of the Company's program, schedule and construction budget requirements, consulting with the architect, TY Lin International, and the Company, preparing price proposals, developing bidder's interest and furnishing a list of subcontractors and suppliers to the Company. Wharton-Smith will be responsible for securing and paying for the building permit as well as for other permits, fees, licenses and inspections by government agencies necessary for proper execution and completion of the work that are customarily secured after execution of the contract and legally required at the time bids are received or negotiations concluded.

During the construction phase, Wharton-Smith will be responsible for obtaining bids for the work, scheduling and conducting weekly meetings to discuss the status of the work, preparing a construction schedule, recording the progress of the project and developing a system of cost control for the work. Wharton-Smith and any subcontractors are required to obtain various insurance coverages, including automobile liability, workers' compensation, employer's liability, leased employee liability insurance, commercial general liability, umbrella and excess liability insurance, construction manager's equipment, watercraft liability insurance and professional liability insurance. Wharton-Smith will also be required to provide certificates evidencing that all materials and services utilized in the project are in compliance with Buy America regulations and requirements, if applicable.

The Company also executed a contract with Hubbard Construction Company ("Hubbard") to construct general site improvements and service the removal and relocation of certain waste water facilities for the proposed VMF located at the Orlando International Airport. Based in Orlando, Florida, Hubbard is a multi-faceted general contracting company that performs design build and bid build projects in the State of Florida. The scope of work performed included large design build infrastructure, heavy highway construction, highway maintenance, bridge construction, bridge repair, asphalt supply and heavy civil site projects. The contract price was approximately \$9.0 million as of September 30, 2020, and performance of the contract has been completed.

Zone 2 – Middlesex

Middlesex is responsible for the construction of the civil and rail infrastructure of Zone 2, which includes approximately 3.5 miles of double track construction within the GOAA property limits. It is generally north-south in alignment, and the work will include track and associated construction from the Intermodal Transfer Facility at the Orlando International Airport southwards to a VMF, and northwards to approximately the Florida State Road 528 corridor. The scope of work includes clearing and grubbing, excavation and disposal of unsuitable soils, embankment and grading, utility adjustments, surface water management systems, pump stations, railway and highway structures construction, roadway construction, ballasted and direct fixation track construction, construction of a railroad fiber optic network and railroad signal systems construction. Founded in 1972, Middlesex is a leader in the heavy/civil and paving industries. Headquartered in Littleton, Massachusetts, Middlesex designs, builds and reconstructs highways, bridges, marine, rail and transit facilities, and provides midstream gas and electrical transmission/distribution construction services.

The contract price is approximately \$85.0 million as of September 30, 2020. The contract contains liquidated damages for substantial completion and for final completion, with total liquidated damages capped at 12% of the contract price. The substantial completion of the project is scheduled for no later than 840 calendar days from the commencement date, and final completion is scheduled for no later than 90 calendar days from the date of substantial completion.

Zone 3 – Granite

Granite is responsible for the construction of the civil and rail infrastructure of Zone 3, which generally extends for 35.5 miles from the Orlando International Airport's SR 528 interchange through the curve in Cocoa Beach at US Route 1 that connects the East-West alignment to the North-South corridor of the Florida East Coast Railway right-of-way. The scope of work consists of clearing and grubbing, excavation and disposal of unsuitable soils, embankment and grading, utility adjustments, drainage and surface water management systems, railway and highway structures construction, roadway construction, ballasted track construction, construction of a new buried railroad fiber optic

network and railroad signal systems construction. Granite is one of the nation's largest diversified infrastructure providers and construction materials producers.

The contract price is approximately \$511.1 million as of September 30, 2020. The contract contains liquidated damages for substantial completion and for final completion, with total liquidated damages capped at 10% of the contract price. The substantial completion of the project is scheduled for no later than 1,095 calendar days from the commencement date, and final completion is scheduled for no later than 120 calendar days from the date of substantial completion.

Zone 4 – HSR

HSR is responsible for the construction of the civil and rail infrastructure of Zone 4, which consists of 129 miles of existing rail right-of-way, from West Palm Beach to Cocoa. The scope of the work includes, among other things, upgrading the 129 miles of existing track from Class 4 to Class 6 (allowing service up to 110 mph), extensive shifting of existing track, construction of the new Class 6 track within the existing right-of-way of FECR, the rehabilitation of existing sidings, the installation of new and/or rehabilitation and relocation of turnouts and crossovers, the relocation of fiber duct parallel to the right-of-way, the installation of new signal systems, the construction of second main track, modification/replacement of civil work and the upgrade of crossing signal protection and certain bridge upgrades. HSR is one of the leading transportation infrastructure contractors in North America.

The contract price is approximately \$736.2 million as of September 30, 2020. The contract contains liquidated damages for substantial completion and for final completion, with total liquidated damages capped at 12% of the contract price. The substantial completion of the project is scheduled for no later than 1,095 calendar days from the commencement date, and final completion is scheduled for no later than 120 calendar days from the date of substantial completion. HSR will test the track no later than 485 calendar days from the commencement date.

Systems Communications – Alstom

Wabtec Corporation holds a direct contract with the Company for the PTC system overlay. Alstom Signaling Operation, LLC (formerly GE Transportation System Global Signaling LLC) (“Alstom”) holds a direct contract with the Company for wired signal houses engineering and supply. The individual general contractors are responsible for wayside system installation, testing, and completion, using equipment provided under the Alstom contract. The terms of the construction contracts require the general contractor to deliver a fully functional and tested signal system, allowing operation in Automatic Train Control mode. This will allow continued operation of freight traffic on the existing rail corridor and keep the construction schedule under the control of the contractor. Wabtec Corporation is following the general contractor with installation, testing, and commissioning of the PTC overlay that is required for passenger service initiation. As of September 30, 2020, the contract prices related to North Segment systems communications were \$67.4 million for Alstom, \$57.3 million for Wabtec, and \$3.0 million for Herzog Technologies. The Surface Transportation Extension Act of 2015 amended the Rail Safety Improvement Act of 2008 to require implementation of PTC by December 31, 2020.

PTC implementation for the South Segment is progressing as planned. The Company's current estimate of the remaining cost to complete the South Segment PTC is approximately \$31.9 million as of September 30, 2020. Completion of the South Segment of the PTC project is scheduled for 2021, subject to certain exceptions and extensions, and the completion date of the North Segment of the PTC project will coincide with the start of revenue service.

Rolling Stock – Siemens

The rolling stock for the Florida passenger rail system is being built by Siemens pursuant to a contract executed on August 15, 2014. Siemens, an industry leader, designs and manufactures across the entire spectrum of rolling stock, including commuter and regional passenger trains, light rail and streetcars, metros, locomotives, passenger coaches and high-speed trainsets. In the United States, Siemens is providing rail vehicles, locomotives, components and systems to more than 25 agencies in cities such as Washington, D.C., New York, Boston, Philadelphia, Denver, Salt Lake City, Minneapolis, Houston, Portland, Sacramento, San Diego, St. Louis, Atlanta and Charlotte.

Siemens produced five state-of-the-art trainsets (10 locomotives and 20 coaches) that, prior to the suspension of the Company's passenger rail service, provided passenger service on the South Segment. The purchase price related to these five South Segment trainsets, including development and tooling, was approximately \$264 million, which had

been fully paid for as of April 1, 2020. The rolling stock contract includes an option, through August 2021, to purchase additional coaches, locomotives, spare parts and special tools, as the Company's needs in relation to what the Project require. The contract with Siemens provides an option to purchase trains in order to provide additional capacity upon the extension of service to the North Segment, which consist of 11 locomotives, 10 café cars and 40 coaches (five additional trainsets and additional coaches for the existing five trainsets). The purchase price related to the five North Segment trainsets and additional spare locomotive (11 locomotives and 20 coaches) is approximately \$182 million, of which \$21 million is related to the purchase of four locomotives to support the New In-line Stations and the Capacity Expansion Projects. As of October 1, 2020, the Company expected to make remaining payments related to the North Segment rolling stock of approximately \$95 million, of which \$11 million is related to the purchase of four locomotives to support the New In-line Stations and the Capacity Expansion Projects. The Company expects delivery of four of the five North Segment trainsets by the Phase 2 Revenue Service Commencement Date, and the fifth trainset by February 2023. For a further description of the rolling stock, see "THE PROJECT—Rolling Stock."

Under the rolling stock contract, the warranties given by Siemens with respect to the rolling stock remain in effect for two years following rolling stock conditional acceptance. For each of the South Segment and the North Segment, the contract provides for liquidated damages in connection with untimely delivery, capped at 15% of the contract price for each phase. In the event that Siemens opts to assign this contract to one of its subsidiaries, either that subsidiary must have a net asset value equal to three times the then remaining contract value, or, alternatively, Siemens' parent company, Siemens Corporation, must guarantee performance of the contract, which guarantee shall have a value equal to the then remaining contract value.

Siemens is required to obtain various insurance coverages, including workers' compensation, commercial general liability, automobile liability, and railroad protective liability insurance. The commercial liability coverage has an excess liability limit of \$100 million per occurrence and \$100 million in the aggregate.

Under the rolling stock contract, Siemens is also required to provide training to the Company, the Manager's employees and the Company's contractors such that the Company, the Manager's employees and the Company's contractors can operate the trains and equipment safely and in accordance with regulatory requirements.

Virgin License Agreement

On November 15, 2018, Brightline Holdings entered into the Virgin License Agreement with VEL. Pursuant to the terms of the Virgin License Agreement, VEL granted to Brightline Holdings, during the term, the right to use the Virgin brand, name, logo and certain other intellectual property as part of the Company's corporate name and in connection with the operation of an intercity private high-speed passenger rail service along certain permitted passenger rail routes in the United States (including the Company's Florida passenger rail system and Brightline Holdings' expansion to Las Vegas). The Virgin License Agreement had an initial term of 20 years, subject to renewal for up to two additional ten year periods or earlier termination as set forth in the agreement. The agreement permitted Brightline Holdings to terminate the agreement in certain circumstances. On July 29, 2020, Brightline Holdings terminated the Virgin License Agreement and the Company has since changed its name to Brightline Trains Florida LLC. Given that the Company has not materially changed the aesthetic of the trains and stations (excluding the Miami station) from Brightline to Virgin Trains to date, the Company does not expect to incur substantial expenses in connection with the Brightline rebranding. Since the Company has been operating predominantly under the Brightline brand, the Company believes the Brightline brand has become a recognizable and valued brand that resonates with customers. VEL has no remaining affiliation with the Company, Brightline Holdings or its affiliates (whether through equity ownership or otherwise). Virgin has disputed the validity of the termination notice.

See "RISK FACTORS—Risks Related to the Company's Business—VEL has disputed the validity of the termination of the Virgin License Agreement and indicated that it may commence legal proceedings to recover damages. If VEL were to prevail in any such legal proceeding, it may have a material adverse effect on the Company's reputation, business, results of operations, financial condition and liquidity."

PROJECT ACCOUNTS AND FLOW OF FUNDS

General

Various Accounts, including the Project Accounts, have been or will be created under the Indenture and the Collateral Agency Agreement in relation to the financing and operation of the Project, including the payment of principal of and interest on the Bonds when due. For a description of the Accounts created under the Indenture, see “SECURITY AND SOURCES OF REPAYMENT FOR THE SERIES 2019B BONDS—Indenture—Funds and Accounts to be Established under the Indenture” herein.

Project Accounts

The following Project Accounts have been or will be established and created at the Account Bank in accordance with the Collateral Agency Agreement:

- (a) the Revenue Account (which, on the Remarketing Date, will include the Series 2019B Interest Sub-Account and the Series 2019B Principal Sub-Account);
- (b) the Loss Proceeds Account;
- (c) the Construction Account, including the PABs Proceeds Sub-Account, the PABs Counties Equity Contribution Sub-Account, the Non-PABs Counties Equity Contribution Sub-Account and the Other Proceeds Sub-Account;
- (d) the Initial Debt Service Reserve Account;
- (e) the Initial Major Maintenance Reserve Account, including the Non-Completed Work Sub-Account;
- (f) the Initial O&M Reserve Account;
- (g) the Ramp-Up Reserve Account;
- (h) the Mandatory Prepayment Account (which, on the Remarketing Date, will include the Series 2019B PABs Mandatory Prepayment Sub-Account);
- (i) the Capital Projects Account; and
- (j) the Equity Lock-Up Account.

In addition to these Project Accounts, the Company has also established an operating account (the “Main Operating Account”) and may establish other operating accounts (together with the Main Operating Account, the “Operating Accounts”) with a financial institution with a branch office in the State (the “Deposit Account Bank”), and such accounts will continue to be maintained in the name of the Company. The Operating Accounts also constitute Project Accounts and each such Operating Account has been or will be subject to a control agreement (the “Account Control Agreement”) with the Deposit Account Bank pursuant to which the Company will continue to have the right to make withdrawals from the applicable Operating Account unless the Deposit Account Bank has been notified in writing by the Collateral Agent that a Secured Obligation Event of Default has occurred and is continuing. All of the Project Accounts will continue to be under the control of the Collateral Agent (and in the case of each Operating Account, the Equity Funded Account and any Collection Account, at the Deposit Account Bank subject to the control of the Collateral Agent pursuant to the Account Control Agreement) and, except as expressly provided in the Collateral Agency Agreement (and in the case of each Operating Account, the Equity Funded Account and any Collection Account, to direct the Deposit Account Bank in accordance with the terms of the Account Control Agreement), the Company will not have any right to withdraw funds from any Project Account.

The Company has also established a Distribution Account with the Deposit Account Bank for the purposes of receiving funds to be distributed to the Company in accordance with the Collateral Agency Agreement. The Distribution Account is not a Project Account and does not constitute Collateral.

Description of Project Accounts

The following is a description of each of the Project Accounts:

Revenue Account

Except for amounts to be deposited in other Project Accounts in accordance with the Collateral Agency Agreement, all Project Revenues will be deposited into the Revenue Account. Additionally, the Company will promptly deposit or cause to be deposited into the Revenue Account all other amounts received by the Company from any source whatsoever, the application of which is not otherwise specified in the Collateral Agency Agreement. Pending such deposit, the Company will hold all such amounts coming into its possession in trust for the benefit of the Secured Parties.

Subject to “—Withdrawal and Application of Funds; Priority of Transfers from Project Accounts; Secured Obligation Event of Default” below, the Collateral Agent will make withdrawals, transfers and payments from the Revenue Account and the sub-accounts therein in the amounts, at the times and for the purposes specified in “—Flow of Funds—Revenue Account” below. Such withdrawals, transfers and payments will be made at the request of the Company as set forth in a Funds Transfer Certificate in the order of priority set forth in “—Flow of Funds—Revenue Account” below.

If the Company receives a payment in respect of the actual or estimated loss of the Company’s future Project Revenues such amount will be deposited into a sub-account of the Revenue Account to be established upon written instruction to the Collateral Agent for such purpose; provided, that prior to such deposit, the Company will provide to the Collateral Agent (for subsequent dissemination to the Secured Parties) a calculation in reasonable detail showing the future years for which such amount was paid as compensation in respect of the loss of Project Revenues. In the event that such amount is deposited into such sub-account, as of the commencement of each year for which such compensation was paid, at the Company’s written request, the portion thereof constituting a payment for the loss of Project Revenues for each Fiscal Quarter during such year, together with interest or other earnings accrued thereon from the date of deposit, will be transferred from such sub-account to the Revenue Account and applied in accordance with the Flow of Funds below during such Fiscal Quarter, and any such amounts shall be considered Project Revenues for purposes of the Flow of Funds below and calculation of the Total DSCR. Except as set forth in the preceding sentence, the amounts deposited in such sub-account shall not be deemed to be on deposit in the Revenue Account until so transferred from such sub-account.

To the extent that (i) on any Calculation Date amounts on deposit in any Debt Service Reserve Account are in excess of the applicable Debt Service Reserve Requirement or (ii) on any Transfer Date amounts on deposit in any Major Maintenance Reserve Account or any O&M Reserve Account are in excess of the applicable Major Maintenance Reserve Required Balance or the applicable O&M Reserve Requirement, as the case may be, upon direction by the Company, such excess amounts are to be deposited into the Revenue Account.

In accordance with “—Equity Lock-Up Account,” to the extent there are insufficient amounts in the Revenue Account to make the transfers required by any or all of clauses First through Ninth set forth in “—Flow of Funds—Revenue Account” below on any Transfer Date, amounts shall be transferred by the Collateral Agent (without the requirement of a Funds Transfer Certificate and without any further direction of the Company) from the Equity Lock-Up Account to the Revenue Account in an amount up to the amount of such shortfall and applied in the priority set forth in “—Flow of Funds—Revenue Account” below. In accordance with “—Ramp-Up Reserve Account,” “—O&M Reserve Account,” and “—Major Maintenance Reserve Account,” to the extent, after application of the funds available pursuant to the immediately preceding sentence, there are insufficient amounts in the Revenue Account to make the transfers required by clauses Fifth or Sixth of “—Flow of Funds—Revenue Account” on any Transfer Date, amounts shall be transferred by the Collateral Agent (without the requirement of a Funds Transfer Certificate and without any further direction of the Company) from the following accounts in the following priority to the Revenue Account in an amount up to the amount of such shortfall and applied in the priority set forth in “—Flow of Funds—Revenue Account” below: first, the Ramp-Up Reserve Account; second, any O&M Reserve Account; and third, any Major Maintenance Reserve Account; provided that any unused Revolver Availability may be used to satisfy any such shortfall, in whole or in part.

Loss Proceeds Account

All Loss Proceeds received by the Company or to its order are to be paid directly into the Loss Proceeds Account. Except in connection with the application of funds in accordance with “—Withdrawal and Application of Funds; Priority of Transfers from Project Accounts; Secured Obligation Event of Default” and “—Flow of Funds—Application of Proceeds” below, if a Loss Event occurs, amounts on deposit in the Loss Proceeds Account will be withdrawn and paid to the Company to be applied to Restore the Project or any portion thereof, except that, to the extent that (A) such proceeds exceed the amount required to Restore the Project or any portion thereof to the condition existing prior to the Loss Event or (B) the affected property cannot be restored to permit operation of the Project on a Commercially Feasible Basis and upon delivery to the Collateral Agent of a certificate signed by a Responsible Officer of the Company certifying to the foregoing, such proceeds will be applied pro rata to the applicable sub-account of the Mandatory Prepayment Account in accordance with and to the extent required by the Financing Obligation Documents to cause the extraordinary mandatory redemption of the applicable Senior Indebtedness, and, in the case of any remaining moneys thereafter, to the prepayment of any other Secured Obligations in accordance with the applicable Secured Obligation Documents, and thereafter to the Revenue Account.

If an amount of any insurance claim on deposit in or credited to the Loss Proceeds Account has been paid out of moneys withdrawn from the Revenue Account in accordance with the Collateral Agency Agreement, then the Company may cause the transfer of moneys representing the proceeds of the claim to the Revenue Account.

Construction Account

The Collateral Agent acting at the written direction of the Company will transfer (and the Company will cause to be deposited) into the PABs Proceeds Sub-Account of the Construction Account released pursuant to Section 3.4 of the First Supplemental Indenture (in respect of the Series 2019B Loan) other than as set forth in the second following paragraph below. Net proceeds of Required Equity Contributions, Additional Equity Contributions, Additional Senior Indebtedness and Permitted Subordinated Debt, in each case, issued to finance a portion of the Project Costs prior to the Phase 2 Revenue Service Commencement Date, may be deposited into the Other Proceeds Sub-Account or into a separate sub-account of the Construction Account (as confirmed by the Company) in accordance with the Financing Obligation Documents and, subject to “—Withdrawal and Application of Funds; Priority of Transfers from Project Accounts; Secured Obligation Event of Default” and “—Flow of Funds—Application of Proceeds,” will be disbursed in accordance with “—Flow of Funds—Construction Account” below.

The Company will be entitled to instruct the Collateral Agent to open new sub-accounts of the Construction Account by providing to the Collateral Agent instructions in respect of the same for the purpose of depositing the proceeds of any Additional Senior Indebtedness permitted to be incurred by the Financing Obligation Documents as set forth in the immediately preceding paragraph, including any proceeds from the Additional Parity Bonds issued in respect of Additional Project Completion Indebtedness, Theme Park Indebtedness or Additional Station Indebtedness from time to time in accordance with the Indenture.

The Escrow Securities released pursuant to Section 3.4 of the First Supplemental Indenture, net of amounts used to pay certain costs of issuance and fund certain deposits on the Remarketing Date required under the Collateral Agency Agreement and the Indenture, will be deposited on the Remarketing Date into the PABs Proceeds Sub-Account in accordance with the provisions of the second preceding paragraph above. Funds on deposit in the PABs Proceeds Sub-Account will be used to pay, or reimburse for a prior payment of, Project Costs as permitted by Law, including the Code; *provided, however*, that such funds may be used to pay interest on (i) the Series 2019A Bonds solely after all funds available for such payments in the Series 2019A Funded Interest Account have been used and (ii) the Series 2019B Bonds solely after all funds available for such payments in the Series 2019B Funded Interest Account have been used; and *provided, further, however* that such funds may not be used to pay Project Costs that are not Qualified Costs unless the Company shall have provided to the Collateral Agent and the Trustee an opinion of Bond Counsel to the effect that use of such funds to pay Project Costs that are not Qualified Costs will not adversely affect the exclusion of interest on any Bonds (other than Taxable Bonds) from gross income of the Owners thereof.

Any Additional Equity Contribution received by the Company shall be deposited by the Company (or on its behalf) to the PABs Counties Equity Contribution Sub-Account, the Non-PABs Counties Equity Contribution Sub-Account or the Other Proceeds Sub-Account of the Construction Account, the Capital Projects Account, any Major Maintenance Reserve Account, any O&M Reserve Account, the Equity Funded Account or the Revenue Account in

accordance with the Collateral Agency Agreement and the other Financing Obligation Documents as directed by the Company in writing.

Amounts deposited in the PABs Counties Equity Contribution Sub-Account will be held in such sub-account and, subject to the conditions of the Collateral Agency Agreement, applied in accordance with “—Flow of Funds—Construction Account” from time to time to the payment of the Project Costs solely for those portions of the Project located in the PABs Counties to pay only Project Costs (other than Qualified Costs) until amounts on deposit in the PABs Proceeds Sub-Account have been fully expended and then to pay any remaining Project Costs; *provided, however*, that such amounts shall be used to pay interest on (i) the Series 2019A Bonds solely after all funds available for such payments in the Series 2019A Funded Interest Account have been used and (ii) the Series 2019B Bonds solely after all funds available for such payments in the Series 2019B Funded Interest Account have been used. Amounts deposited in the Non-PABs Counties Equity Contribution Sub-Account will be held in such sub-account and, subject to the conditions of the Collateral Agency Agreement, applied in accordance with “—Flow of Funds—Construction Account” from time to time to the payment of Project Costs solely for those portions of the Project located outside of the PABs Counties; *provided, however*, that such funds shall be used to pay interest on the Series 2019A Bonds and the Series 2019B Bonds solely after all funds available for such payments in the Series 2019A Funded Interest Account and the Series 2019B Funded Interest Account, respectively, have been used.

The Company will be entitled to (i) direct the Collateral Agent pursuant to an Equity Transfer Certificate from time to time to transfer funds between and among the PABs Counties Equity Contribution Sub-Account, the Non-PABs Counties Equity Contribution Sub-Account and the Other Proceeds Sub-Account, solely to the extent (A) such funds constitute proceeds of a Required Equity Contribution or an Additional Equity Contribution or proceeds of Permitted Additional Senior Indebtedness or Permitted Subordinated Debt and (B) such transfers are otherwise in compliance with any applicable Financing Obligation Documents, as certified by the Company in the Equity Transfer Certificate, and (ii) make allocations of Required Equity Contributions, solely for federal income tax purposes, that, if implemented through actual fund transfers, would be inconsistent with the restrictions set forth above.

Debt Service Reserve Account

The Initial Debt Service Reserve Account will be established solely for the benefit of the Owners of the Series 2019 Bonds and the Owners of any outstanding Additional Parity Bonds issued to finance, or Permitted Additional Senior Indebtedness constituting, Additional Project Completion Indebtedness, Rolling Stock Indebtedness, Theme Park Indebtedness or Additional Station Indebtedness, and will be held by the Collateral Agent, and the Security Interest thereon maintained, for the exclusive benefit of only such Owners and shall not be available to the Owners of any Escrow Bonds prior to conversion to Additional Parity Bonds, any other Additional Senior Indebtedness Holders, any other Secured Party or any other Person. The Initial Debt Service Reserve Account is not required or expected to be funded prior to the Phase 2 Revenue Service Commencement Date. The Initial Debt Service Reserve Account is required to be and will be funded on the Phase 2 Revenue Service Commencement Date in an amount equal to the then applicable Debt Service Reserve Requirement for the Series 2019 Bonds. In addition, on each Transfer Date, the Collateral Agent will cause amounts in the Revenue Account, to the extent available, to be deposited in accordance with the provisions set forth below under “—Flow of Funds—Revenue Account” into the Initial Debt Service Reserve Account. Upon the issuance of any Additional Parity Bonds issued to finance, or Permitted Additional Senior Indebtedness constituting, Additional Project Completion Indebtedness, Rolling Stock Indebtedness, Theme Park Indebtedness or Additional Station Indebtedness from time to time pursuant to the Indenture and in accordance with the Collateral Agency Agreement, the Initial Debt Service Reserve Account will be funded in accordance with and at the times set forth in the Indenture and in an amount equal to the Debt Service Reserve Requirement for such Additional Parity Bonds or Permitted Additional Senior Indebtedness.

Except as provided below, moneys on deposit in the Initial Debt Service Reserve Account will be used by the Collateral Agent (without the requirement of a Funds Transfer Certificate and without any further direction of the Company) as follows:

- (a) If on any Transfer Date immediately preceding an Interest Payment Date or Principal Payment Date, as applicable, with respect to the Series 2019A Bonds, the funds on deposit in the Series 2019A Interest Sub-Account or the Series 2019A Principal Sub-Account (as applicable) together with funds in the Series 2019A Funded Interest Account and in the Interest Account or the Principal Account of the Debt Service Fund under the Indenture (as applicable) (after giving effect to the transfers contemplated in clauses Fifth and Sixth as set forth below in “—Flow of Funds—Revenue Account” solely with respect

to the Series 2019A Bonds and the transfers contemplated in the last paragraph of “—Description of Project Accounts—Revenue Account”) are insufficient to pay the principal, redemption price or interest on the Series 2019A Bonds on the applicable Interest Payment Date or Principal Payment Date, funds on deposit in the Initial Debt Service Reserve Account will be transferred to the Interest Account or the Principal Account, as applicable, for payment of interest or principal due and payable on the Series 2019A Bonds on the next Interest Payment Date or Principal Payment Date as applicable;

- (b) If on any Transfer Date immediately preceding an Interest Payment Date or Principal Payment Date, as applicable, with respect to the Series 2019B Bonds, the funds on deposit in the Series 2019B Interest Sub-Account or the Series 2019B Principal Sub-Account (as applicable) together with funds in the Series 2019B Funded Interest Account and in the Interest Account or the Principal Account of the Debt Service Fund under the Indenture (as applicable) (after giving effect to the transfers contemplated in clauses Fifth and Sixth as set forth below in “—Flow of Funds—Revenue Account”) solely with respect to the Series 2019B Bonds and the transfers contemplated in the last paragraph of “—Description of Project Accounts—Revenue Account”) are insufficient to pay the principal, redemption price or interest on the Series 2019B Bonds on the applicable Interest Payment Date or Principal Payment Date, funds on deposit in the Initial Debt Service Reserve Account will be transferred to the Interest Account or the Principal Account, as applicable, for payment of interest or principal due and payable on the Series 2019B Bonds on the next Interest Payment Date or Principal Payment Date as applicable; and
- (c) If on any Transfer Date immediately preceding an Interest Payment Date or Principal Payment Date, as applicable, with respect to any Additional Parity Bonds issued to finance, or Permitted Additional Senior Indebtedness constituting, Additional Project Completion Indebtedness, Rolling Stock Indebtedness, Theme Park Indebtedness or Additional Station Indebtedness, the funds on deposit in the applicable interest account or principal account (as applicable) (after giving effect to the transfers contemplated in Fifth and Sixth in Section 5.02(b) hereof solely with respect to such Additional Parity Bonds or Permitted Additional Senior Indebtedness and the transfers contemplated in Section 5.02(e)) are insufficient to pay the principal, redemption price or interest on such Additional Parity Bonds or Permitted Additional Senior Indebtedness on the applicable Interest Payment Date or Principal Payment Date, funds on deposit in the Initial Debt Service Reserve Account will be transferred to the applicable interest account or principal account, as applicable, for payment of interest or principal due and payable on such Additional Parity Bonds or Permitted Additional Senior Indebtedness on the next Interest Payment Date or Principal Payment Date, as applicable;

provided, that the transfers from the Initial Debt Service Reserve Account contemplated in clauses (a), (b) and (c) herein shall be made on a *pro rata* basis in relation to the interest or principal amounts, as applicable, due and payable on the Series 2019A Bonds, the Series 2019B Bonds and the Additional Parity Bonds or Permitted Additional Senior Indebtedness, as applicable, described in clause (c) herein on the Interest Payment Date or Principal Payment Date, as applicable.

Following the taking of an Enforcement Action, moneys in the Initial Debt Service Reserve Account will be applied in the manner set forth in “—Flow of Funds—Application of Proceeds.”

The Company may from time to time request that any Additional Debt Service Reserve Account be established in accordance with the requirements of any Additional Senior Secured Indebtedness Documents, which Account would be established solely for the benefit of the specific Additional Senior Secured Indebtedness Holders under the applicable Additional Senior Secured Indebtedness Documents, and held by the Collateral Agent, and the Security Interest thereon maintained, for the exclusive benefit of only such Additional Senior Secured Indebtedness Holders and shall not be available to the Owners of the Series 2019 Bonds, any Owners of any Additional Parity Bonds issued to finance, or Permitted Additional Senior Indebtedness constituting, Additional Project Completion Indebtedness, Rolling Stock Indebtedness, Theme Park Indebtedness or Additional Station Indebtedness, any other Additional Senior Indebtedness Holders, any other Secured Party or any other Person. Amounts in the Revenue Account will be transferred to each Additional Debt Service Reserve Account in accordance with the priority set forth below in “—Flow of Funds—Revenue Account” as necessary to maintain the applicable Additional Debt Service Reserve Requirement; *provided* that such transfer of amounts from the Revenue Account shall be made no more frequently than on each Transfer Date. Except as provided below, moneys on deposit in any Additional Debt Service Reserve Account shall be used by the Collateral Agent (without the requirement of a Funds Transfer Certificate and without any further direction of the Company) as follows:

- (a) In the event funds on deposit in the Revenue Account are insufficient to fund the transfers contemplated in Fifth and Sixth in “—Flow of Funds—Revenue Account” below for the payment of debt service on any Additional Senior Secured Indebtedness at the times required thereby, after application of the transfers contemplated in “—Revenue Account,” funds on deposit in the applicable Additional Debt Service Reserve Account shall be transferred and applied to pay such debt service when due.
- (b) Following an Enforcement Action, monies in any Additional Debt Service Reserve Account shall be applied in the manner described in “—Flow of Funds—Application of Proceeds.”

Except as provided in the immediately following paragraph, any amounts on deposit in any Debt Service Reserve Account (including the Initial Debt Service Reserve Account) in excess of the applicable Debt Service Reserve Requirement shall be deposited into the Revenue Account upon direction from the Company.

The Company may substitute for all or any portion of the cash or Permitted Investments on deposit in any Debt Service Reserve Account, a Qualified Reserve Account Credit Instrument in favor of the Collateral Agent; *provided*, however, with respect to the Series 2019 Bonds and any other Additional Senior Secured Indebtedness the interest on which is tax-exempt, the Company shall be required to deliver to the Trustee a written opinion of Bond Counsel to the effect that such actions will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the applicable Secured Obligations. In the event the Company replaces cash or Permitted Investments on deposit in any Debt Service Reserve Account with such Qualified Reserve Account Credit Instrument and delivers any such Qualified Reserve Account Credit Instrument to the Collateral Agent, the cash or Permitted Investments so replaced will be transferred to the Revenue Account.

The Collateral Agent shall (without further direction from the Company) draw on any Qualified Reserve Account Credit Instrument provided in accordance with the preceding paragraph if: (i) such Qualified Reserve Account Credit Instrument is not replaced 30 days prior to expiry thereof, (ii) upon being notified by the Company that there has been a downgrade of the issuer of such Qualified Reserve Account Credit Instrument such that it is no longer an Acceptable Bank or Acceptable Surety, as applicable, or, (iii) at any time funds are payable out of the applicable Debt Service Reserve Account.

Major Maintenance Reserve Account

The Initial Major Maintenance Reserve Account will be initially funded by the Company commencing on the first Transfer Date immediately following December 31, 2020 from funds in the Revenue Account in accordance with “—Flow of Funds—Revenue Account” so that the amounts on deposit in such account are equal to the Major Maintenance Reserve Required Balance. Given the additional contributions to the Ramp-Up Reserve Account as part of this remarketing, as well as the less than predicted maintenance expenses as a result of the pausing of operations in 2020, the Company expects to have sufficient maintenance expense reserves on hand through the Phase 2 Revenue Commencement Date. The Company will have the right to draw from the Initial Major Maintenance Reserve Account for the purpose of paying Major Maintenance Costs in accordance with the Major Maintenance Plan.

On each Transfer Date on which Major Maintenance Costs are due and payable or reasonably expected to become due and payable prior to the next succeeding Transfer Date in accordance with the immediately preceding paragraph, monies on deposit in the Initial Major Maintenance Reserve Account (up to the aggregate amount of such costs) will be transferred to the applicable Operating Account designated by the Company in accordance with “—Operating Accounts and Equity Funded Account” below and used by the Company to pay such Major Maintenance Costs as and when requested in writing by the Company.

Funds held in the Initial Major Maintenance Reserve Account that are not spent on Major Maintenance Costs during the fiscal year for which such funds were reserved due to the Non-Completed Work will be retained in the Non-Completed Work Sub-Account and applied to the costs of completing the Non-Completed Work; provided, that (x) any such funds retained in the Non-Completed Work Sub-Account for application to Non-Completed Work will be deemed not on deposit in the Initial Major Maintenance Reserve Account for purposes of calculating whether the amounts on deposit therein are sufficient to meet the applicable Major Maintenance Reserve Required Balance; *provided further* that the Non-Completed Work will not be considered in the calculation of the Major Maintenance Reserve Required Balance and (y) any funds remaining on deposit in the Non-Completed Work Sub-Account after

completion of the applicable Non-Completed Work will be transferred to the Revenue Account and distributed in accordance with “—Flow of Funds—Revenue Account” below.

The Company may from time to time request that any Additional Major Maintenance Reserve Account be established in accordance with the requirements of any Additional Senior Secured Indebtedness Documents. Any Additional Major Maintenance Reserve Account may be funded, from time to time, by one or more of the following: (i) transfers of funds from the Revenue Account in accordance with “—Flow of Funds—Revenue Account” below, (ii) the proceeds of any Additional Senior Secured Indebtedness to which such Additional Major Maintenance Reserve Account relates, and (iii) Additional Equity Contributions that are deposited, pursuant to a written request by the Company to the Collateral Agent, directly into the applicable Additional Major Maintenance Reserve Account. Amounts on deposit in any Additional Major Maintenance Reserve Account shall be used by the Collateral Agent in accordance with the applicable Additional Senior Secured Indebtedness Documents.

Any amounts on deposit in any Major Maintenance Reserve Account (including the Initial Major Maintenance Reserve Account) that are in excess of the applicable Major Maintenance Reserve Required Balance shall be deposited to the Revenue Account upon direction from the Company.

Moneys in any Major Maintenance Reserve Account (including the Initial Major Maintenance Reserve Account) will be used by the Collateral Agent to pay debt service (without the requirement of a Funds Transfer Certificate and without any further direction by the Company) in accordance with “—Revenue Account.”

Following an Enforcement Action, monies in any Major Maintenance Service Reserve Account (including the Initial Major Maintenance Reserve Account) shall be applied in the manner described in “—Flow of Funds—Application of Proceeds.”

O&M Reserve Account

The Initial O&M Reserve Account will be funded (a) on July 1, 2023, with all remaining funds on deposit in the Ramp-Up Reserve Account and (b) thereafter, on each Transfer Date, up to an amount equal to one-twelfth (1/12) of the O&M Expenditures projected as certified by a Responsible Officer of the Company for the current Fiscal Year (the “O&M Reserve Requirement”) in accordance with “—Flow of Funds—Revenue Account” below. Available moneys in the Initial O&M Reserve Account will be used to pay O&M Expenditures in the event other moneys are not available therefor in the Operating Accounts, the Revenue Account, the Initial Major Maintenance Reserve Account, the Ramp-Up Reserve Account or the Equity Lock-Up Account in accordance with the Collateral Agency Agreement and to pay debt service in the manner set forth below; provided that, after July 1, 2023, and until the Initial O&M Reserve Account Trigger Date, the Company may use moneys in the Initial O&M Reserve Account to pay O&M Expenditures regardless of the availability of funds therefor in the Operating Accounts, the Revenue Account, the Initial Major Maintenance Reserve Account, the Ramp-Up Reserve Account and the Equity Lock-Up Account.

The Company may from time to time request that any Additional O&M Reserve Account be established in accordance with the requirements of any Additional Senior Secured Indebtedness Documents. Any Additional O&M Reserve Account may be funded, from time to time, by one or more of the following: (i) transfers of funds from the Revenue Account in accordance with “—Flow of Funds—Revenue Account” below, (ii) the proceeds of any Additional Senior Secured Indebtedness to which such Additional O&M Reserve Account relates, (iii) the proceeds of any Permitted Subordinated Debt, and (iv) any Additional Equity Contributions that are deposited, pursuant to a written request by the Company to the Collateral Agent, directly into the applicable Additional O&M Reserve Account. Amounts on deposit in any Additional O&M Reserve Account shall be used by the Collateral Agent in accordance with the applicable Additional Senior Secured Indebtedness Documents.

Any amounts on deposit in any O&M Reserve Account (including the Initial O&M Reserve Account) after the Initial O&M Reserve Account Trigger Date that are in excess of the applicable O&M Reserve Requirement shall be applied to the Revenue Account upon direction from the Company.

Moneys in any O&M Reserve Account (including the Initial O&M Reserve Account) will be used by the Collateral Agent to pay debt service (without the requirement of a Funds Transfer Certificate and without any further direction by the Company) in accordance with “—Revenue Account.”

Following an Enforcement Action, monies in any O&M Reserve Account (including the Initial O&M Reserve Account) shall be applied in the manner described in “—Flow of Funds—Application of Proceeds.”

Ramp-Up Reserve Account

The Ramp-Up Reserve Account was funded on or prior to April 18, 2019 in an aggregate amount equal to \$18,900,000. On the Remarketing Date, an aggregate amount equal to the amount of interest due and payable on July 1, 2023, on the Series 2019A Bonds, the Series 2019B Bonds and any Permitted Additional Senior Indebtedness theretofore incurred will be deposited into the Ramp-Up Reserve Account. Upon the issuance of any Additional Parity Bonds or the incurrence of any other Permitted Additional Senior Indebtedness after the Closing Date, the Company will cause to be deposited in the Ramp-Up Reserve Account an amount equal to the amount of interest due and payable on July 1, 2023, on such Indebtedness. On the Phase 2 Revenue Service Commencement Date, the Company shall cause to be deposited in the Ramp-Up Reserve Account an amount sufficient to ensure that the aggregate amount deposited therein is at least equal to the amount of interest due and payable on July 1, 2023, on the Series 2019A Bonds, the Series 2019B Bonds and any Permitted Additional Senior Indebtedness theretofore incurred. On July 1, 2023, if any funds other than Project Revenues shall have been used to pay any debt service due and payable on July 1, 2023, on the Series 2019A Bonds, the Series 2019B Bonds and any Permitted Additional Senior Indebtedness theretofore incurred, the Company shall cause to be deposited in the Ramp-Up Reserve Account an amount sufficient to ensure that the aggregate amount deposited therein is at least equal to the amount of interest due and payable on January 1, 2024, on the Series 2019A Bonds, the Series 2019B Bonds and any Permitted Additional Senior Indebtedness theretofore incurred.

Moneys in the Ramp-Up Reserve Account will be transferred from time to time (A) by the Collateral Agent (without the requirement of a Funds Transfer Certificate and without further direction by the Company) to the Series 2019A Interest Sub-Account, the Series 2019B Interest Sub-Account, the Series 2019A Principal Sub-Account or the Series 2019B Principal Sub-Account in such amounts as are required to enable the payment of any debt service on the Series 2019 Bonds then due and payable or to make the transfers required by clauses Fifth and Sixth in “—Flow of Funds—Revenue Account” to the extent there are insufficient funds for the payment thereof in the Revenue Account or other accounts available therefor in accordance with the Collateral Agency Agreement and the Indenture and (B) on any date prior to the Phase 2 Revenue Service Commencement Date or after July 1, 2023 (or, if any funds are required to be deposited in the Ramp-Up Reserve Account pursuant to the last sentence of the immediately preceding paragraph, after January 1, 2024), as directed by the Company pursuant to a Funds Transfer Certificate, to the applicable Operating Account(s) designated by the Company in such Transfer Certificate in such amounts as are required to pay O&M Expenditures then due and payable to the extent there are insufficient funds for the payment thereof in the Operating Accounts, the Revenue Account or other accounts available therefor in accordance with the Collateral Agency Agreement. In addition, on July 1, 2023 (or January 1, 2024, as the case may be), after giving effect to all interest payments required to be made on such date on the Series 2019A Bonds, the Series 2019B Bonds and all Permitted Additional Senior Indebtedness theretofore incurred, all remaining funds on deposit in the Ramp-Up Reserve Account shall be transferred to the Initial O&M Reserve Account without the requirement of a Funds Transfer Certificate and without further direction by the Company.

Following an Enforcement Action, monies in the Ramp-Up Reserve Account shall be applied in the manner described in “—Flow of Funds—Application of Proceeds.”

Mandatory Prepayment Account

Funds will be deposited into the Series 2019A PABs Mandatory Prepayment Sub-Account to repay the Series 2019A Bonds in accordance with the Indenture, into the Series 2019B PABs Mandatory Prepayment Sub-Account to repay the Series 2019B Bonds in accordance with the Indenture, and into any other applicable sub-account created under the Mandatory Prepayment Account for the prepayment of any Additional Senior Secured Indebtedness to repay such Additional Senior Secured Indebtedness in accordance with the Additional Senior Secured Indebtedness Documents. The following amounts, when received by the Company, will be deposited into the Series 2019A PABs Mandatory Prepayment Sub-Account for the prepayment of the Series 2019A Bonds, into the Series 2019B PABs Mandatory Prepayment Sub-Account for the prepayment of the Series 2019B Bonds and into any other applicable sub-account created under the Mandatory Prepayment Account for the prepayment of any Additional Senior Secured Indebtedness to repay such Additional Senior Secured Indebtedness on a *pro rata* basis in relation to the outstanding principal amount of the Secured Obligations (as applicable), except as otherwise provided in clause (b) below, and transferred, in the case of the Series 2019A PABs Mandatory Prepayment Sub-Account to the Trustee for prepayment of the Series 2019A Bonds, in the case of the Series 2019B PABs Mandatory Prepayment Sub-Account to the Trustee for prepayment of the Series 2019B Bonds and, in the case of any other sub-account created under the Mandatory Prepayment Account for the prepayment of any Additional Senior Secured Indebtedness, to the applicable Secured

Debt Representative to repay such Additional Senior Secured Indebtedness in accordance with the applicable Additional Senior Secured Indebtedness Documents:

- (a) from net amounts of Loss Proceeds, received by the Company as set forth above under “—Loss Proceeds Account;”
- (b) solely for the Series 2019A Bonds, on the date that is no earlier than the date that is five years and thirty (30) days after the date of issuance of any Series 2019A Bonds and no later than the date that is five years and ninety (90) days after the date of issuance of such Series 2019A Bonds in the principal amount equal to the remaining unspent proceeds of the Series 2019A Bonds (rounded up to a multiple of \$5,000) from any remaining unspent Series 2019A Bonds proceeds on deposit in the PABs Proceeds Sub-Account on such date; *provided* that no such redemption will be required if the Company has obtained an opinion of Bond Counsel stating that the failure to redeem any such Series 2019A Bonds will not adversely affect the exclusion of interest on such Series 2019A Bonds from gross income for federal income tax purposes and that such redemption is not required by State law;
- (c) solely for the Series 2019B Bonds, on the date that is no earlier than the date that is five years and thirty (30) days after the date of issuance of any Series 2019B Bonds and no later than the date that is five years and ninety (90) days after the date of issuance of such Series 2019B Bonds in the principal amount equal to the remaining unspent proceeds of the Series 2019B Bonds (rounded up to a multiple of \$5,000) from any remaining unspent Series 2019B Bonds proceeds on deposit in the PABs Proceeds Sub-Account on such date; *provided* that no such redemption will be required if the Company has obtained an opinion of Bond Counsel stating that the failure to redeem any such Series 2019B Bonds will not adversely affect the exclusion of interest on such Series 2019B Bonds from gross income for federal income tax purposes and that such redemption is not required by State law; and
- (d) with respect to any Additional Senior Secured Indebtedness, otherwise in accordance with the applicable Secured Obligation Documents.

Notwithstanding anything to the contrary in the Collateral Agency Agreement, (i) the Series 2019A PABs Mandatory Prepayment Sub-Account shall be pledged solely as collateral to secure the Series 2019A Bonds and shall be established solely for the benefit of the Owners of the Series 2019A Bonds and will be held by the Collateral Agent, and the Security Interest thereon maintained, for the exclusive benefit of only such Owners (and none of the other Secured Parties or any other Person shall have any security interest in the Series 2019A PABs Mandatory Prepayment Sub-Account), (ii) the Series 2019B PABs Mandatory Prepayment Sub-Account shall be pledged solely as collateral to secure the Series 2019B Bonds and shall be established solely for the benefit of the Owners of the Series 2019B Bonds and will be held by the Collateral Agent, and the Security Interest thereon maintained, for the exclusive benefit of only such Owners (and none of the other Secured Parties or any other Person shall have any security interest in the Series 2019B PABs Mandatory Prepayment Sub-Account), and (iii) any sub-account created under the Mandatory Prepayment Account for the prepayment of any Additional Senior Secured Indebtedness shall be pledged solely as collateral to secure such Additional Senior Secured Indebtedness in accordance with the applicable Additional Senior Secured Indebtedness Documents and shall be established solely for the benefit of the applicable Additional Senior Secured Indebtedness Holders and will be held by the Collateral Agent, and the Security Interest thereon maintained, for the exclusive benefit of only such Additional Senior Secured Indebtedness Holders (and none of the other Secured Parties nor any other Person shall have any Security Interest in such sub-accounts).

Following an Enforcement Action, monies in the Mandatory Prepayment Account and all sub-accounts thereof shall be applied in the manner described in “—Flow of Funds—Application of Proceeds.”

Distribution Account

The Distribution Account shall be funded in accordance with and subject to “—Flow of Funds—Revenue Account” below, solely to the extent that the applicable Restricted Payment Conditions are satisfied on the date of any such transfer. The Company will have the exclusive right to withdraw or otherwise dispose of funds on deposit in the Distribution Account to any other account or to such other Person as directed by the Company in its sole discretion, and the Distribution Account (and any amounts on deposit therein) will not constitute Collateral. Any amounts payable to the Distribution Account pursuant to clause Fourteenth as set forth in “—Flow of Funds—Revenue Account” below will be paid to the Distribution Account within fifteen (15) days after any Distribution Date upon certification by the

Company that the applicable Restricted Payment Conditions are satisfied in full on such Distribution Date, such certification to be made by delivery to the Collateral Agent of a Distribution Release Certificate signed by a Responsible Officer of the Company.

Equity Lock-Up Account

Any funds that would have been payable to the Distribution Account but for the failure of a Restricted Payment Condition to be satisfied under clause Fourteenth as set forth in “—Flow of Funds—Revenue Account” below will be transferred to the Equity Lock-Up Account.

Funds on deposit in the Equity Lock-Up Account may be transferred to the Distribution Account within fifteen (15) days after any Distribution Date following the Phase 2 Revenue Service Commencement Date; *provided*, that (1) all of the Restricted Payment Conditions are satisfied on the Distribution Date commencing such 15-day period in accordance with the applicable Financing Obligation Documents and (2) the Company delivers a Distribution Release Certificate signed by a Responsible Officer of the Company to the Collateral Agent; *provided further*, that the amount of funds available to be paid to the Distribution Account from the Equity Lock-Up Account in respect of any Distribution Date will be not greater than the amount of funds in the Equity Lock-Up Account on the Distribution Date.

The funds held in the Equity Lock-Up Account may be required to be applied to make mandatory prepayment or redemption of, or for a mandatory offer to pay or redeem, Secured Obligations and, to the extent to be applied to make such prepayment or redemption, shall be transferred at the direction of the Company to the applicable Secured Debt Representatives and applied to the prepayment or redemption of the Secured Obligations upon failure to satisfy the Restricted Payment Conditions in accordance with the terms of the applicable Secured Obligation Documents.

Funds held in the Equity Lock-Up Account shall be used by the Collateral Agent, without the requirement of a Funds Transfer Certificate and without further direction by the Company, to fund a shortfall in clauses First through Ninth set forth in “—Flow of Funds—Revenue Account” below. In addition, the Company may, at its option, direct the Collateral Agent in any Funds Transfer Certificate (after giving effect to any transfer made by the Collateral Agent pursuant to the previous sentence) to transfer funds out of the Equity Lock-Up Account for the purpose of making any payments referred to in clause Thirteenth set forth in “—Flow of Funds—Revenue Account” below; *provided, however*, that optional prepayments of any Additional Senior Indebtedness provided by any Affiliate of the Borrower may only be made so long as the Restricted Payment Conditions are satisfied on the applicable Distribution Date.

Following an Enforcement Action, monies in the Equity Lock-Up Account shall be applied in the manner described in “—Flow of Funds—Application of Proceeds.”

Capital Projects Account

Funds may be deposited into the Capital Projects Account at the direction of the Company from Additional Equity Contributions, the proceeds of Permitted Subordinated Debt or the proceeds of other Permitted Indebtedness (as such term is defined in the Senior Loan Agreement) to be used to pay the costs of Capital Projects in accordance with the requirements set forth in the Senior Loan Agreement. The Collateral Agent shall transfer funds from the Capital Projects Account upon request by the Company, together with a certificate from a Responsible Officer of the Company to the effect that such Capital Project is permitted pursuant to the Senior Loan Agreement, except that following an Enforcement Action, monies in the Capital Projects Account shall be applied in the manner described in “—Flow of Funds—Application of Proceeds.”

Operating Accounts and Equity Funding Account

Project Revenues received by the Company will be transferred into the applicable Operating Account(s) designated by the Company from time to time in accordance with the provisions set forth in clause Second under “—Flow of Funds—Revenue Account” below. Funds may also be deposited into the applicable Operating Account(s) designated by the Company from time to time from the proceeds of the incurrence of Permitted Indebtedness to the extent such funds are not otherwise required to be deposited in the Construction Account or any other Project Account. Except when a Secured Obligation Event of Default has occurred and is continuing, the Company may make withdrawals from, and write checks against, any Operating Account without having to comply with any conditions, other than that such amounts must be applied towards Project Costs, in the case of amounts transferred therein from

the Construction Account or as otherwise required in the Collateral Agency Agreement, and O&M Expenditures or Project Costs in the case of other such amounts.

Funds may be deposited into the Equity Funded Account from the proceeds of Permitted Subordinated Debt or Additional Equity Contributions to be used by the Company for any purpose other than funding Project Costs that do not constitute O&M Expenditures. Except when a Secured Obligation Event of Default has occurred and is continuing, the Company may make withdrawals from, and write checks against, the Equity Funded Account without having to comply with any conditions.

Investment

Funds in the Project Accounts may be invested and reinvested only in Permitted Investments (at the risk and expense of the Company) in accordance with written instructions given to the Collateral Agent by the Company (prior to the occurrence of a Secured Obligation Event of Default and, thereafter (so long as such Secured Obligation Event of Default will be continuing), as directed in writing by the Secured Debt Representative representing the Required Secured Creditors) and, unless a Secured Obligation Event of Default has occurred and is continuing, the Company is entitled to instruct the Collateral Agent to liquidate Permitted Investments for purposes of effecting any such investment or reinvestment or for any other purpose permitted under the Collateral Agency Agreement. The Collateral Agent shall not be liable for any loss resulting from any Permitted Investment or the sale or redemption thereof made in accordance with the terms of the Collateral Agency Agreement. All funds in the Project Accounts and all Permitted Investments made in respect thereof constitute a part of the Collateral.

Withdrawal and Application of Funds; Priority of Transfers from Project Accounts; Secured Obligation Event of Default

Except as provided under the subheadings “—Revenue Account,” “—Construction Account,” “—Debt Service Reserve Account,” “—Major Maintenance Reserve Account,” “—O&M Reserve Account,” “—Ramp-Up Reserve Account,” and “—Equity Lock-Up Account” under the heading “—Description of Project Accounts” above, each withdrawal or transfer of funds from the Project Accounts (other than from any Operating Account, the Equity Funded Account and any Collection Account) by the Collateral Agent on behalf of the Company will be made pursuant to an executed Funds Transfer Certificate, which certificate will be provided and prepared by the Company and will contain a certification by a Responsible Officer of the Company that such withdrawal or transfer complies with the requirements of the Collateral Agency Agreement. Unless a shorter period is acceptable to the Collateral Agent, such Funds Transfer Certificate relating to each applicable Project Account (other than any Operating Account, the Equity Funded Account and any Collection Account) will be delivered to the Collateral Agent no later than two (2) Business Days prior to each date on which funds are proposed to be withdrawn or transferred. In the event that a certificate does not comply with the requirements of the Collateral Agency Agreement and the other Financing Obligation Documents, the Collateral Agent has the right to reject such certificate and the Company will not be entitled to cause the proposed withdrawal or transfer until it has submitted a revised and compliant certificate.

Notwithstanding anything to the contrary contained in the Collateral Agency Agreement, upon receipt of a notice of a Secured Obligation Event of Default and during the continuance of the related Secured Obligation Event of Default, the Secured Debt Representative representing the Required Secured Creditors may, following the taking of an Enforcement Action, without consent of the Company, instruct the Collateral Agent in writing (A) not to release, withdraw, distribute, transfer or otherwise make available any funds in or from any of the Project Accounts and to take such action or refrain from taking such action with respect to such funds and Project Accounts as the Secured Debt Representatives (acting in accordance with the direction of Required Secured Creditors) shall so instruct or (B) to apply proceeds of the Project Accounts to the payment of Secured Obligations, in accordance with the terms of the Collateral Agency Agreement and in the order set forth in “—Flow of Funds—Application of Proceeds,” so long as such payments are on account of amounts due under the Secured Obligation Documents, in each case until the Collateral Agent has received written notice that such Secured Obligation Event of Default no longer exists due to it having been waived, cured or no longer existing, or having been deemed waived, in accordance with the terms of the relevant Secured Obligation Documents and such Enforcement Action has been cancelled; *provided* that at any time prior to the taking of an Enforcement Action, proceeds of the Project Accounts will be applied in the order and manner set forth in “—Flow of Funds—Revenue Account” and “—Construction Account – Prior to the Phase 2 Revenue Service Commencement Date” (as applicable).

Flow of Funds

Construction Account

Pursuant to the terms of the Collateral Agency Agreement, amounts will be deposited in the Construction Account and sub-accounts thereof as set forth above under “—*Construction Account*.”

Subject to “—Withdrawal and Application of Funds; Priority of Transfers from Project Accounts; Secured Obligation Event of Default” above and “—Application of Proceeds” below, the Company will request pursuant to a Construction Account Withdrawal Certificate disbursements of moneys on deposit in the Construction Account, including the PABs Proceeds Sub-Account, the PABs Counties Equity Contribution Sub-Account, the Non-PABs Counties Equity Contribution Sub-Account and the Other Proceeds Sub-Account as set forth herein; *provided, however*, that, if the funds on deposit in the Construction Account are the proceeds of Additional Senior Indebtedness (other than Additional Project Completion Indebtedness), the Company shall not be required to satisfy the conditions in clauses (b), (c) or (i) below for disbursement of such funds. Amounts in the Construction Account will be transferred by the Collateral Agent as directed in the applicable Construction Account Withdrawal Certificate to pay Project Costs upon receipt of the following documents and satisfaction of the following conditions, as applicable, not later than the second (2nd) Business Day prior to the proposed date of disbursement (or such shorter period prior to the Remarketing Date as is acceptable to the Collateral Agent with respect to disbursements on the Remarketing Date):

- (a) Delivery to the Collateral Agent of a duly executed Construction Account Withdrawal Certificate from the Company setting forth the amount requested and all other required information set forth therein including certification by the Company as to satisfaction of the applicable requirements set forth in subclauses (b) through (m) below;
- (b) Delivery to the Collateral Agent of a duly executed certificate from the Company stating that (i) for any amount requested pursuant to such Construction Account Withdrawal Certificate, the work on the Project performed as of the date of such Construction Account Withdrawal Certificate has been performed generally consistent with the terms of the Transaction Documents and such amount does not exceed the amount of Project Costs then due and payable or which are due and payable within 30 days of the requested disbursement date, and (ii) the Phase 2 Revenue Service Commencement Date is reasonably expected to be achieved on or prior to the Phase 2 Revenue Service Commencement Deadline; *provided however*, that upon a determination that the Phase 2 Revenue Service Commencement Date will not occur on or before the Phase 2 Revenue Service Commencement Deadline, a draw from the Construction Account will be allowed so long as the Technical Advisor is satisfied that the Company’s remediation plan demonstrates that the Phase 2 Revenue Service Commencement Date can be achieved on or before January 5, 2024, which satisfaction must be evidenced by certification thereof in the Technical Advisor Certificate; and, *provided further, however*, that none of the foregoing requirements of this clause (b) will apply to Project Costs constituting the payment of interest on the Series 2019A Bonds, the Series 2019B Bonds or any Additional Senior Indebtedness or the Costs of Issuance of the Series 2019A Bonds, the Series 2019B Bonds or any Additional Senior Indebtedness that are otherwise being paid in accordance with the Financing Obligation Documents;
- (c) The amounts requested pursuant to the Construction Account Withdrawal Certificate for the payment or reimbursement of Project Costs have been incurred in connection with the planning, design, developing, equipping, renovating, financing and construction and placing into service of the Project, shall be applied to pay or reimburse Project Costs, are a proper charge against the applicable sub-account from which such amounts are being drawn and have not been the basis for a prior requisition that has been paid;
- (d) All amounts previously drawn for the payment or reimbursement of Project Costs through the procedures set forth in this section have been fully applied and have been applied solely to pay or reimburse Project Costs;
- (e) No Potential Secured Obligation Event of Default or Secured Obligation Event of Default has occurred and is continuing (unless such disbursement will cure such Potential Secured Obligation Event of Default or Secured Obligation Event of Default) or will occur as a result of the disbursement;

- (f) The representations and warranties given by the Company under the Financing Obligation Documents will be true and correct in all material respects on and as of the applicable draw date, except to the extent such representations or warranties specifically refer to an earlier date, in which case it shall be true and correct in all material respects as of such date;
- (g) As of the date of the applicable drawing request, all Required Equity Contributions have been deposited in full in accordance with the Equity Contribution Agreement and on the dates and in the manner set forth in “—Description of Project Accounts—Construction Account” and “—Description of Project Accounts—Ramp-Up Reserve Account” (or will be deposited concurrently with the disbursement of funds requested by the applicable draw request);
- (h) No Bankruptcy Event with respect to the Company has occurred and is continuing;
- (i) Amounts to be disbursed from the PABs Proceeds Sub-Account or the PABs Counties Equity Contribution Sub-Account (i) will be used solely to pay or reimburse for Project Costs incurred in the jurisdictional limits of the PABs Counties and (ii) will not be used to acquire any building or facility that will be, during the term of the Series 2019 Bonds, used by, occupied by, leased to or paid for by any state, county or municipal agency or entity;
- (j) The funds being requisitioned will be used as represented and warranted in the Senior Loan Agreement or any other applicable Secured Obligation Document and to the extent applicable as stated in the Federal Tax Certificate;
- (k) Delivery to the Collateral Agent of all unconditional lien releases and waivers for all past Construction Account Withdrawal Certificates, in each case, from each Contractor that has timely filed a notice to owner sufficient to perfect such Contractor’s right to a lien in compliance with all laws and have not previously been delivered to the Collateral Agent, other than with respect to Permitted Security Interests;
- (l) All Governmental Approvals necessary to perform the work for which Project Costs are being requested shall have been obtained and maintained as and when required under applicable law and under the Transaction Documents, except where failure to obtain or maintain such Governmental Approval would not reasonably be expected to have a Material Adverse Effect; and
- (m) With respect to any Additional Projects, the satisfaction of the applicable conditions under the applicable Financing Obligation Documents.

Notwithstanding anything herein to the contrary, if on the Business Day immediately preceding an Interest Payment Date for the Series 2019 Bonds prior to the Phase 2 Revenue Service Commencement Date, after giving effect to all transfers required to be made under this section there are insufficient moneys on deposit in the applicable sub-account of the Debt Service Fund (including the Series 2019 Funded Interest Accounts) under the Indenture to pay interest on the Series 2019 Bonds on the next Interest Payment Date, the Trustee will notify the Collateral Agent in writing of such deficiency and the Collateral Agent shall (without the need of a Construction Account Withdrawal Certificate and without further direction by the Company) transfer moneys on deposit in the sub-accounts of the Construction Account, to the extent any such moneys are available, to the Interest Account in the amount necessary (taking into account the amounts then on deposit in the Interest Account and in the Series 2019 Funded Interest Accounts) to make the Interest Payment due on the Series 2019 Bonds on such Interest Payment Date. Unless otherwise directed by a Responsible Officer of the Company to apply moneys in the PABs Counties Equity Contribution Sub-Account, the Non-PABs Counties Equity Contribution Sub-Account, the PABs Proceeds Sub-Account and the Other Proceeds Sub-Account of the Construction Account for use in accordance with this paragraph in a different proportion, such amounts shall be transferred *pro rata* from such Sub-Accounts.

The Collateral Agent will comply with any Construction Account Withdrawal Certificate received pursuant to this section; *provided*, that if any payment, withdrawal or transfer of funds requested therein is not in compliance with the Collateral Agency Agreement or the other Financing Obligation Documents, so long as the Collateral Agent has received notice thereof from any of the other Secured Parties, the Collateral Agent will notify the Company in writing of such non-compliance and the Company shall not be entitled to cause such proposed payment, withdrawal or transfer until such time as it has submitted a revised requisition that complies with the terms hereof or thereof; and *provided, further*, that the failure to give any such notice shall not be deemed to be an approval of the proposed payment,

withdrawal or transfer or a waiver of any rights of the Secured Parties with respect thereto. Except as contemplated in the immediately preceding sentence, the Company shall, in the absence of a Secured Obligation Event of Default having occurred and being continuing, be entitled to withdraw funds from all of the accounts contemplated herein for the purposes (and in accordance with the terms) set forth herein. Upon receipt of a notice of a Secured Obligation Event of Default and solely during the continuance thereof, the Collateral Agent shall comply with the requirements of “—Withdrawal and Application of Funds; Priority of Transfers from Project Accounts; Secured Obligation Event of Default” above. For the avoidance of doubt, any Secured Party shall at all times have the right to give the notice contemplated by the first sentence of this paragraph if the relevant requisition does not comply with the terms of the Collateral Agency Agreement.

Except as otherwise required by any applicable law, to the extent that on the Phase 2 Revenue Service Commencement Date, there shall be any funds remaining on deposit in the Construction Account or any sub-account thereof and such funds are not designated pursuant to the applicable Financing Obligation Documents for the financing of any Additional Projects, such amounts will be applied as follows:

- (a) First, amounts will be retained in the Construction Account in the amount necessary for the payment of any remaining Project Costs needed to achieve the Phase 2 Completion Date as determined by the Company and certified by the Technical Advisor;
- (b) Second, from any excess unspent Series 2019 Bond proceeds that remain in the PABs Proceeds Sub-Account, upon election and direction by the Company, for the optional redemption in whole or in part of the Series 2019 Bonds by the Issuer (acting upon the written request and direction of the Company) at a redemption price of 100% of the principal amount thereof plus interest accrued to the date fixed for redemption in accordance with the Indenture; and
- (c) Third, after the transfer (if any) pursuant to the preceding clause Second is complete, to the Revenue Account, except to the extent excess proceeds of the Series 2019 Bonds are required pursuant to the Code to be used to redeem or defease the Series 2019 Bonds or for other permitted purposes.

Revenue Account

Pursuant to the terms of the Collateral Agency Agreement, amounts will be deposited in the Revenue Account and sub-accounts thereof as set forth above under “—Project Accounts—Description of Project Accounts—Revenue Account.” Subject to “—Withdrawal and Application of Funds; Priority of Transfers from Project Accounts; Secured Obligation Event of Default” above and “—Application of Proceeds” below, the Collateral Agent is required to make the following withdrawals, transfers and payments from the Revenue Account and the sub-accounts therein in the amounts, at the times, for the purposes and in the order of priority (the “Flow of Funds”) set forth below upon the instructions of the Company. For a further detailed summary of the Flow of Funds and a description of each of the accounts and sub-accounts, see “APPENDIX D-1—SECOND AMENDED AND RESTATED COLLATERAL AGENCY, INTERCREDITOR AND ACCOUNTS AGREEMENT” and “APPENDIX D-2—FORM OF THIRD AMENDED, PARTIALLY RESTATED AND SUPPLEMENTAL COLLATERAL AGENCY, INTERCREDITOR AND ACCOUNTS AGREEMENT.”

Fees, Administrative Costs and other Expenses	<u>First</u> , on each Transfer Date, to the Agents, the Issuer (only to the extent of its Reserved Rights) and any Nationally Recognized Rating Agency then rating any of the Secured Obligations, as applicable, the fees, administrative costs and other expenses of such parties then due and payable;
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Operating Accounts	<u>Second</u> , on each Transfer Date, to the applicable Operating Account(s) designated by the Company in the Funds Transfer Certificate, an amount equal, together with amounts then on deposit in the Operating Accounts, to the projected O&M Expenditures for the period ending on the immediately succeeding Transfer Date as set forth in the Funds Transfer Certificate; <i>provided</i> that O&M Expenditures for Major Maintenance will be included in such amount solely to the extent that (i) any such costs are currently due or are projected to become due prior to the next Transfer Date and (ii) amounts on deposit in the applicable Major Maintenance Reserve Account are insufficient to pay such costs;
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Project Costs	<u>Third</u> , on each Transfer Date, after application of any remaining available funds in the Construction Account (or other amounts available therefor), to the applicable Operating Account(s) designated by the Company in the Funds Transfer Certificate for the payment of Project Costs due and payable on such Transfer Date;
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Payments to the Rebate Fund	<u>Fourth</u> , on each Transfer Date, <i>pro rata</i> to any payments then due and payable by the Company to the Series 2019A Rebate Fund and the Series 2019B Rebate Fund established under the Indenture or any similar rebate fund established with respect to any future tax-exempt borrowings comprising Additional Parity Bonds;
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Interest on Series 2019B Bonds, Series 2019A Bonds and any Additional Senior Indebtedness	<u>Fifth</u> , on each Transfer Date, <i>pro rata</i> , for the payment of interest on the Senior Indebtedness and any Purchase Money Debt as follows: (i) to the Series 2019A Interest Sub-Account, an amount equal to one-sixth (1/6) of the amount of interest payable on the Series 2019A Bonds on the next Interest Payment Date, (ii) to the Series 2019B Interest Sub-Account, an amount equal to one-sixth (1/6) of the amount of interest payable on the Series 2019B Bonds on the next Interest Payment Date; <i>provided</i> that, no such transfers to the Series 2019A Interest Sub-Account or the Series 2019B Interest Sub-Account shall be required to be made until the amounts in the Series 2019A Funded Interest Account and the Series 2019B Funded Interest Account, respectively, have been depleted, (iii) to the applicable interest account established under the Collateral Agency Agreement for Additional Senior Indebtedness and Purchase Money Debt, if any, an amount equal to the amount of interest and any Ordinary Course Settlement Payments related to such Additional Senior Indebtedness or Purchase Money Debt due on the next Interest Payment Date divided by the total number of months between Interest Payment Dates for such Additional Senior Indebtedness or Purchase Money Debt as set forth in the applicable Additional Senior Indebtedness Documents or, for Purchase Money Debt, the related financing documents and (iv) to the applicable Swap Bank, if any, an amount equal to the amount of any Ordinary Course Settlement Payments related to any Permitted Senior Commodity Swap due on or before the Transfer Date pursuant to the applicable Permitted Swap Agreement; plus, in each case any deficiency from a prior Transfer Date; <i>provided</i> that the deposit on the Transfer Date occurring immediately before each Interest Payment Date will equal the amount required (taking into account the amounts then on deposit in the applicable interest payment account established under the Collateral Agency Agreement and any applicable interest payment account established under the Indenture, the Additional Senior Indebtedness Documents or, for Purchase Money Debt, the related financing documents) to pay the interest and any Ordinary Course Settlement Payments related to the Series 2019A Bonds, the Series 2019B Bonds, such Additional Senior Indebtedness or Purchase Money Debt due on such Interest Payment Date; <i>provided, further</i> that on the Transfer Date immediately preceding each Interest Payment Date (after giving effect to the transfers contemplated above in this clause <u>Fifth</u>), amounts on deposit in the Series 2019 Interest Sub-Accounts shall be transferred to the Interest Account and amounts on deposit in any other interest account for Additional Senior Indebtedness and any Purchase Money Debt established under the Collateral Agency Agreement shall be transferred in accordance with the applicable Additional Senior Indebtedness Documents or, for Purchase Money Debt, the related financing documents, in each case, for the payment of interest and any Ordinary Course Settlement Payments related to the Series 2019A Bonds, the Series 2019B Bonds, such Additional Senior Indebtedness or Purchase Money Debt due on the Series 2019A Bonds, the Series 2019B Bonds, the applicable Additional Senior Indebtedness or Purchase Money Debt on the next Interest Payment Date;
↓	
Principal of Series 2019B Bonds, Series 2019A Bonds and any Additional Senior Indebtedness	<u>Sixth</u> , on each Transfer Date, <i>pro rata</i> , for the payment of principal on the Senior Indebtedness and any Purchase Money Debt as follows: (i) with respect to the Series 2019A Bonds, (A) so long as such Bonds are in the Term Rate Mode, deposits shall be made to the Series 2019A Principal Sub-Account under this clause <u>Sixth</u> on each

Transfer Date occurring within 12 months of any Principal Payment Date in an amount equal to one-twelfth (1/12) of the amount of principal due on such Principal Payment Date (including, with respect to any Principal Payment Date that constitutes a Mandatory Tender Date for the Series 2019A Bonds, the principal amount of any mandatory sinking fund redemption due on such Mandatory Tender Date, but excluding the Purchase Price of the Series 2019A Bonds due on such Mandatory Tender Date), and (B) upon conversion to the Fixed Rate Mode, deposits shall be made to the Series 2019A Principal Sub-Account under this clause Sixth on each Transfer Date occurring within 12 months prior to any Principal Payment Date in an amount equal to one-twelfth (1/12) of the amount of principal due on such Principal Payment Date, (ii) with respect to the Series 2019B Bonds, (A) so long as such Bonds are in the Term Rate Mode, deposits shall be made to the Series 2019B Principal Sub-Account under this clause Sixth on each Transfer Date occurring within 12 months of any Principal Payment Date in an amount equal to one-twelfth (1/12) of the amount of principal due on such Principal Payment Date (including, with respect to any Principal Payment Date that constitutes a Mandatory Tender Date for the Series 2019B Bonds, the principal amount of any mandatory sinking fund redemption due on such Mandatory Tender Date, but excluding the Purchase Price of the Series 2019B Bonds due on such Mandatory Tender Date), and (B) upon conversion to the Fixed Rate Mode, deposits shall be made to the Series 2019B Principal Sub-Account under this clause Sixth on each Transfer Date occurring within 12 months prior to any Principal Payment Date in an amount equal to one-twelfth (1/12) of the amount of principal due on such Principal Payment Date, and (iii) to any other principal payment account established under the Collateral Agency Agreement for Additional Senior Indebtedness and Purchase Money Debt, if any, the amount of principal required to be deposited into such principal payment account for such Additional Senior Indebtedness or Purchase Money Debt as set forth in the applicable Additional Senior Indebtedness Documents or, for Purchase Money Debt, the related financing documents; plus, in each case, any deficiency from a prior Transfer Date; *provided*, that (w) (1) with respect to the Series 2019A Bonds in the Term Rate Mode, the deposit on the Transfer Date occurring immediately before each Principal Payment Date will equal the amount required to pay the principal payment due on such Principal Payment Date for the Series 2019A Bonds, including, with respect to any Principal Payment Date that constitutes a Mandatory Tender Date for the Series 2019A Bonds, the amount of any mandatory sinking fund redemption due on such Mandatory Tender Date, but excluding the Purchase Price of the Series 2019A Bonds due on such Mandatory Tender Date (taking into account the amount then on deposit in the Series 2019A Principal Sub-Account and the Principal Account) and (2) with respect to the Series 2019B Bonds in the Term Rate Mode, the deposit on the Transfer Date occurring immediately before each Principal Payment Date will equal the amount required to pay the principal payment due on such Principal Payment Date for the Series 2019B Bonds, including, with respect to any Principal Payment Date that constitutes a Mandatory Tender Date for the Series 2019B Bonds, the amount of any mandatory sinking fund redemption due on such Mandatory Tender Date, but excluding the Purchase Price of the Series 2019B Bonds due on such Mandatory Tender Date (taking into account the amount then on deposit in the Series 2019B Principal Sub-Account and the Principal Account), (x) (1) with respect to the Series 2019A Bonds in the Fixed Rate Mode, the deposit on the Transfer Date occurring immediately before each Principal Payment Date will equal the amount required to pay the principal payment due on such Principal Payment Date for the Series 2019A Bonds (taking into account the amount then on deposit in the Series 2019A Principal Sub-Account and the Principal Account) and (2) with respect to the Series 2019B Bonds in the Fixed Rate Mode, the deposit on the Transfer Date occurring immediately before each Principal Payment Date will equal the amount required to pay the principal payment due on such Principal Payment Date for the Series 2019B Bonds (taking into account the amount then on deposit in the Series 2019B Principal Sub-Account and the Principal Account), (y), if

applicable, with respect to any Additional Senior Indebtedness and any Purchase Money Debt, the deposit on the Transfer Date occurring immediately before each Principal Payment Date will equal the amount required to pay the principal payment due on such Principal Payment Date for the applicable Additional Senior Indebtedness or Purchase Money Debt, including in the case of any Permitted Swap Agreement related to such Additional Senior Indebtedness or Purchase Money Debt, Swap Termination Payments (taking into account the amounts then on deposit in any principal payment sub-account established under the Collateral Agency Agreement or under the applicable Additional Senior Indebtedness Documents or, for Purchase Money Debt, the related financing documents for the payment of principal on such Additional Senior Indebtedness or Purchase Money Debt) and (z), if applicable, with respect to any Permitted Senior Commodity Swap, on the Transfer Date occurring immediately before a Swap Termination Payment due date under the applicable Permitted Swap Agreement, to the applicable Swap Bank, an amount equal to the amount required to pay such Swap Termination Payment due on such due date pursuant to the applicable Permitted Swap Agreement; *provided, further* that on each Transfer Date immediately preceding a Principal Payment Date (after giving effect to the transfers contemplated above in this clause Sixth), amounts on deposit in the Series 2019 Principal Sub-Accounts (if any) shall be transferred to the Principal Account and amounts on deposit in any other principal account for Additional Senior Indebtedness and any Purchase Money Debt established under the Collateral Agency Agreement shall be transferred in accordance with the applicable Additional Senior Indebtedness Documents or, for Purchase Money Debt, the related financing documents, in each case, for the payment of principal due on the applicable Additional Senior Indebtedness or Purchase Money Debt on the next Principal Payment Date, including in the case of any Permitted Swap Agreement related to such Additional Senior Indebtedness or Purchase Money Debt, Swap Termination Payments;

↓
Debt Service Reserve
Account

Seventh, (A) on each Transfer Date on and after the Phase 2 Revenue Service Commencement Date, *pro rata*, to the Initial Debt Service Reserve Account and any other Debt Service Reserve Account then already in existence in an amount to the extent necessary to fund such account so that the balance therein (taking into account the amount available for drawing under any Qualified Reserve Account Credit Instrument provided with respect thereto) equals the applicable Debt Service Reserve Requirement for the immediately preceding Calculation Date, and (B) on any date on which an Additional Debt Service Reserve Account is created and established in connection with the issuance or incurrence by the Company of Additional Senior Secured Indebtedness, to transfer to the applicable Additional Debt Service Reserve Account an amount to the extent necessary to fund such account so that the balance therein (taking into account the amount available for drawing under any Qualified Reserve Account Credit Instrument provided with respect thereto) equals the applicable Additional Debt Service Reserve Requirement;

↓
Major Maintenance
Reserve Account

Eighth, (A) on each Transfer Date beginning after December 31, 2020, *pro rata*, to the Initial Major Maintenance Reserve Account and to any other Major Maintenance Reserve Account then already in existence in an amount to the extent necessary to fund such account so that the balance therein equals the applicable Major Maintenance Reserve Required Balance, and (B) on any date on which an Additional Major Maintenance Reserve Account is created and established in connection with the issuance or incurrence by the Company of Additional Senior Secured Indebtedness, to transfer to the applicable Additional Major Maintenance Reserve Account an amount to the extent necessary to fund such account so that the balance therein equals the applicable Major Maintenance Reserve Required Balance on such date;

↓

O&M Reserve Account	<u>Ninth</u> , (A) on each Transfer Date, <i>pro rata</i> , to the Initial O&M Reserve Account and to any other O&M Reserve Account then already in existence in an amount to the extent necessary to fund such account so that the balance therein equals the applicable O&M Reserve Requirement, and (B) on any date on which an Additional O&M Reserve Account is created and established in connection with the issuance or incurrence by the Company of Additional Senior Secured Indebtedness, to transfer to the applicable Additional O&M Reserve Account an amount to the extent necessary to fund such account so that the balance therein equals the applicable O&M Reserve Requirement on such date;
↓	
Debt Service on Other Permitted Indebtedness	<u>Tenth</u> , on each Transfer Date, to pay debt service due or becoming due prior to the next Transfer Date on any Indebtedness or under any Permitted Swap Agreements permitted under the Secured Obligation Documents (other than the Indebtedness or Permitted Swap Agreements serviced pursuant to another clause of this Flow of Funds), in each case comprised of interest, fees, principal and premium, if any, in respect of such Indebtedness or Ordinary Course Settlement Payments or Swap Termination Payments, as applicable, in respect of such Permitted Swap Agreements;
↓	
Interest on Permitted Subordinated Debt Service	<u>Eleventh</u> , within the 15-day period commencing on each Distribution Date, to pay any interest on any Permitted Subordinated Debt, so long as the Restricted Payment Conditions are satisfied as of the applicable Distribution Date, as confirmed in a Distribution Release Certificate signed by a Responsible Officer of the Company and delivered to the Collateral Agent;
↓	
Principal on Permitted Subordinated Debt Service	<u>Twelfth</u> , within the 15-day period commencing on each Distribution Date, to pay any scheduled principal on any Permitted Subordinated Debt, so long as the Restricted Payment Conditions are satisfied as of the applicable Distribution Date, as confirmed in a Distribution Release Certificate signed by a Responsible Officer of the Company and delivered to the Collateral Agent;
↓	
Voluntary Prepayments or Optional Redemptions of Series 2019B Bonds	<u>Thirteenth</u> , on each Transfer Date, at the Company's option, (A) for repayment of the Series 2019 Bonds, such amounts as the Company will deem appropriate to optionally prepay such then Outstanding Series 2019 Bonds in whole or in part in accordance with the Indenture, or (B) to make any other optional prepayments or optional redemptions, as the case may be, as permitted under any Secured Obligation Documents, together with any interest or premium payable in connection with such prepayment or redemption and any related Swap Termination Payments in connection with such prepayment or redemption; and
↓	
Distribution Account or Equity Lock-Up Account	<u>Fourteenth</u> , within the 15-day period commencing on each Distribution Date, so long as the Restricted Payment Conditions are satisfied as of the applicable Distribution Date, as confirmed in a Distribution Release Certificate signed by a Responsible Officer of the Company and delivered to the Collateral Agent, to the Distribution Account, or if such Restricted Payment Conditions are not satisfied as of such Distribution Date, then such funds shall be transferred to the Equity Lock-Up Account during such 15-day period (in either case, in an amount not to exceed the amounts on deposit in the Revenue Account as of the immediately preceding Transfer Date). Funds shall not be transferred from the Revenue Account to the Distribution Account or the Equity Lock-Up Account at any time other than in accordance with this clause <u>Fourteenth</u> .

Application of Proceeds

Application of Debt Service Reserve Accounts. Following delivery of a Direction Notice upon the occurrence and during the continuance of a Secured Obligation Event of Default, the Collateral Agent shall transfer all amounts and proceeds attributable to any Debt Service Reserve Account to the appropriate Secured Debt Representative or Secured Debt Representatives with respect to the Secured Obligations to which such Debt Service Reserve Account relates, to

be applied, first for the *pro rata* payment of fees, administrative costs, expenses and indemnification payments due to the Agents (including the reasonable fees and expenses of counsel) under the Secured Obligation Documents and to the payments then due and payable by the Company to the Series 2019A Rebate Fund, the Series 2019B Rebate Fund or any similar rebate fund established in accordance with Additional Parity Bonds, second for the *pro rata* payment of all accrued and unpaid interest (including default interest, if any) on the relevant Secured Obligations, and third, if any unpaid principal or premium (if applicable) of such Secured Obligations has become due (by acceleration or otherwise), to payment of such unpaid principal and premium, and thereafter, any remainder shall be applied in accordance with the priority set forth in “—Application of all other Proceeds” below.

Application of Mandatory Prepayment Accounts. Following delivery of a Direction Notice upon the occurrence and during the continuance of a Secured Obligation Event of Default, the Collateral Agent shall transfer all amounts and proceeds attributable to any sub-account of the Mandatory Prepayment Account to the appropriate Secured Debt Representative or Secured Debt Representatives with respect to the Secured Obligations to which such sub-account of such Mandatory Prepayment Account relates, to be applied, first for the *pro rata* payment of fees, administrative costs, expenses and indemnification payments due to the Agents (including the reasonable fees and expenses of counsel) under the Secured Obligation Documents and to the payments then due and payable by the Company to the Series 2019A Rebate Fund, the Series 2019B Rebate Fund or any similar rebate fund established in accordance with Additional Parity Bonds, second for the *pro rata* payment of all accrued and unpaid interest (including default interest, if any) on the relevant Secured Obligations, and third, if any unpaid principal or premium (if applicable) of such Secured Obligations has become due (by acceleration or otherwise), to the payment of such unpaid principal and premium, and thereafter, any remainder shall be applied in accordance with the priority set forth in “—Application of all other Proceeds” below.

Application of all other Proceeds. All proceeds remaining in any Debt Service Reserve Account and any Mandatory Prepayment Account after application thereof in accordance with “—Application of Debt Service Reserve Accounts” and “--Application of Mandatory Prepayment Accounts” above and all other proceeds received by the Collateral Agent pursuant to the exercise of any rights or remedies accorded to the Collateral Agent pursuant to, or by the operation of any of the terms of, any of the Security Documents following the occurrence and during the continuance of a Secured Obligation Event of Default, including proceeds from the sale or disposition of Collateral or other Enforcement Action, shall first be applied to reimburse the Collateral Agent for payment of the reasonable costs and necessary expenses of the Enforcement Action, including reasonable fees and expenses of counsel, all reasonable expenses, liabilities, and advances made or incurred by the Collateral Agent in connection therewith, and all other amounts due to the Collateral Agent in its capacity as such, and thereafter, the remaining proceeds shall be applied promptly by the Collateral Agent toward repayment of the Senior Indebtedness in the following order of priority:

First, ratably, to the payment of any other fees, administrative costs, expenses and indemnification payments due to the Agents under the Secured Obligation Documents and to the payments then due and payable by the Company to the Series 2019A Rebate Fund, the Series 2019B Rebate Fund or any similar rebate fund established in accordance with Additional Parity Bonds;

Second, ratably, to the respective outstanding fees, costs, charges and expenses then due and payable to the Secured Parties under any Secured Obligation Documents based on such respective amounts then due to such Persons (other than the fees and payments due to the Secured Parties under third, fourth and fifth below);

Third, ratably, to any accrued but unpaid interest and commitment fees owed to the Secured Creditors on the applicable Secured Obligations and any Ordinary Course Settlement Payments based on such respective amounts then due to such Secured Creditors;

Fourth, ratably, to the unpaid principal and premium (if applicable) owed to the Secured Creditors under the applicable Secured Obligation Documents (by acceleration or otherwise) and any Swap Termination Payments then due and payable to the Swap Banks under the Permitted Swap Agreements, based on such respective amounts then due to such Secured Creditors;

Fifth, ratably, to any remaining unpaid Secured Obligations then due and payable to the relevant Secured Parties (including any obligation to provide cash collateral in respect thereof pursuant to the terms of the Secured Obligation Documents), based on such respective amounts then due to such Secured Parties;

Sixth, after final Payment in Full of all Secured Obligations, ratably, to any remaining unpaid Additional Senior Unsecured Indebtedness then due and payable to the relevant holders of such Additional Senior Unsecured Indebtedness (including any obligation to provide cash collateral in respect thereof pursuant to the terms of the applicable Additional Senior Unsecured Indebtedness Documents), based on such respective amounts then due to such holders; and

Seventh, after final Payment in Full of all Secured Obligations and payment in full of all Additional Senior Unsecured Indebtedness, and upon the Termination Date, to pay to the Company, or as may be directed by the Company or as a court of competent jurisdiction may direct, any remaining proceeds.

The Company will remain liable to the extent of any deficiency between the amount of proceeds of the Project Accounts and any other Collateral and the aggregate of the sums referred to in priorities first through sixth above.

If at any time any Secured Party will for any reason obtain any payment or distribution upon or with respect to the Secured Obligations (as the case may be) contrary to the terms of the Collateral Agency Agreement, whether as a result of the Collateral Agent's exercise of any Enforcement Action in respect of the Collateral or otherwise, such Secured Party agrees that it will have received such amounts in trust, and will promptly remit such amount so received in error to the Collateral Agent to be applied in accordance with the terms of the Collateral Agency Agreement. If at any time the Collateral Agent or any other Secured Party will for any reason obtain any identifiable cash proceeds of any assets securing any Purchase Money Debt and in which assets the holder or representative of the holders of such Purchase Money Debt has or had a Security Interest having priority over any interest of the Collateral Agent or any other Secured Party in such assets, whether as a result of the Collateral Agent's exercise of any Enforcement Action in respect of the Collateral or otherwise, the Collateral Agent or such other Secured Party agrees that it will have received such amounts in trust, and will promptly remit such amount so received in error to the holder or representative of the holders of such Purchase Money Debt.

By accepting amounts applied in accordance with clauses Fifth and Sixth of “—Flow of Funds—Revenue Account,” each Additional Senior Unsecured Indebtedness Holder agrees that if at any time any Additional Senior Unsecured Indebtedness Holder will for any reason obtain any payment or distribution upon or with respect to the Additional Senior Unsecured Indebtedness contrary to the terms of the Collateral Agency Agreement, whether as a result of the Collateral Agent's exercise of any Enforcement Action in respect of the Collateral or otherwise, such Additional Senior Unsecured Indebtedness Holder will have received such amounts in trust, and will promptly remit such amount so received in error to the Collateral Agent to be applied in accordance with the terms of the Collateral Agency Agreement.

KEY ASSUMPTIONS

The Company has prepared the financial projections set forth under the caption “PROJECTED DEBT SERVICE COVERAGE.” The projections are based on certain assumptions and expectations developed by the Company, several of which are set forth below and in the Ridership and Revenue Study, the Revenue and Ridership Study Supplement, the Operations and Maintenance and Ancillary Revenue Report, and the Technical Advisor’s Report, and which the Company believes are reasonable. The projections contained in this Limited Remarketing Memorandum are based on certain assumptions regarding timing for resuming and commencing service as set forth in following tables.

Timing Assumptions

For purposes of the projections contained in this Limited Remarketing Memorandum, the Company has assumed the following:

Service	Operational Date	Stabilization Date
Miami to West Palm Beach service	Third quarter of 2021	2022
Extension to Orlando	Fourth quarter of 2022	2023
Station at Disney Springs	Fourth quarter of 2023	2024
Aventura station	Third quarter of 2021	2022
Boca Raton station	First quarter of 2022	2023
PortMiami station	First quarter of 2022	2023

However, subject to any applicable government orders and regulations, the Company has discretion as to when to resume service. The Company intends to resume service at such time it believes appropriate to ensure the health of both its customers and employees.

Sources and Uses Assumptions⁽⁷⁾

Financing	Projected Par Amount	Expected Primary Use of Proceeds	Relevant Test for Additional Indebtedness	Lien	Delivery / Expected Closing	Assumed Funded Interest Through Date	Assumed Amortization
Series 2019B Bonds	\$950 million	Project Completion	<i>Additional Project Completion Indebtedness.</i> Together with Series 2019A Bonds and the Taxable Project Completion Bonds will equal the allowed \$3 billion cap	Senior	Q4 2020	1/1/2023	Existing Series 2019B Bonds amortization schedule
Taxable Project Completion Bonds	\$300 million	Project Completion	<i>Additional Project Completion Indebtedness.</i> Together with Series 2019A Bonds and the Series 2019B Bonds will equal the allowed \$3 billion cap	Senior	Q2 2021	1/1/2023	Amortizes between 2030 and 2049; assumes level debt service
Theme Park Debt	\$200 million	Station at Disney Springs	<i>Theme Park Indebtedness.</i> For the extension to Walt Disney World Resort, this additional \$200 million may not exceed 65% of the projected cost of the extension to Walt Disney World Resort. Remaining costs of the Disney extension will be funded by a combination of equity, municipal contributions, grants and/or subordinated obligations	Senior	Q2 2021	1/1/2023	Amortizes between 2030 and 2049; assumes level debt service
Capacity Expansion Debt	\$110 million	Capacity Expansion Projects and New In-line Stations	<i>Additional Station Indebtedness.</i> Proceeds to partially fund the New In-line Stations. Debt may not exceed \$50 million per station or 65% of the costs of the New In-line Stations <i>Rolling Stock Indebtedness.</i> Up to \$100 million additional indebtedness allowed for rolling stock, not to exceed 65% of the cost of the rolling stock	Senior	Q2 2021	1/1/2023	Amortizes between 2030 and 2049; assumes level debt service
Revolving Credit Facility	\$175 million	Operating Liquidity, Debt Service Reserves	<i>Other Permitted Additional Senior Indebtedness.</i> Allowed for any corporate purpose up to \$175 million. Assumed use is for a revolving credit facility in part used to satisfy the Debt Service Reserve Requirement and Project funding.	Senior	Q2 2021	N/A	N/A
Commuter Access Fee Monetization	\$675 million	Remaining Capital and Reserve Costs	<i>No test required, so long as all proceeds are contributed to the Company.</i> The Company plans on monetizing the upfront and annual payment streams from the South Florida Commuter Service access rights	N/A	Q4 2021	N/A	N/A
Grant Agreements	\$89 million	New In-line Stations	<i>No test required</i>	N/A	Various	N/A	N/A

(7) The Tender of 2019A Bonds is assumed to be executed with proceeds of Brightline Holdings, the parent company, and is not represented in the Sources and Uses.

Operating Cash Flow Assumptions

Cash Flow Item	Comment
Fare Revenue	<ul style="list-style-type: none"> • The Company commenced rail operations between Fort Lauderdale and West Palm Beach in January 2018 and between Miami and Fort Lauderdale in May 2018. After the Miami to Orlando service and the New In-line Stations stabilize in 2023 and the station at Disney Springs stabilizes in 2024, ridership will reach approximately 9.9 million passengers annually in 2024, of which 3.1 million passengers are attributable to the New In-line Stations and the station at Disney Springs. • Due to COVID-19, service was suspended on March 25, 2020. The Company expects to resume operations between Miami and West Palm Beach in Q3 2021. • Average fare for trips to Disney are projected to be less than Orlando due to expected discounts, such as family discounts. • Brightline offers two fare classes; Smart (which is comparable to business class) and Select, (our premium or first-class experience). The fare structure and levels for the two classes of service used in the 2017 investment grade report and company projections were developed based on the findings from the stated preference survey and pricing research studies commissioned by WSP. Each confirmed willingness to pay for the Brightline service at the stated price points due to their competitiveness with travel costs associated with other travel modes. New In-line Stations subsequently added after the 2017 report used similar methodologies. • For a breakdown of ridership and fare revenues, see the Ridership and Revenue Study and Ridership and Revenue Supplement attached as Appendix E hereto.
Commuter Service	<ul style="list-style-type: none"> • No operating revenues or expenses associated with commuter service are assumed, as the Counties would provide or otherwise source all capital and operating costs associated with the commuter line. • Upfront and annual payments from Miami-Dade and Broward Counties are assumed to be monetized outside of the Company with proceeds to be contributed to the Company and reducing overall leverage. • Ridership projections conservatively assume 100% displacement of Brightline ridership between Miami and Aventura by the commuter service and therefore do not include any riders between the Aventura and Miami stations.
Ancillary Revenues	<ul style="list-style-type: none"> • Ancillary revenues are based on the Company's assumptions. They are in-line with WSP's estimates and incorporate incremental revenues from the additional stations. See the Operations and Maintenance and Ancillary Revenue Report attached as Appendix F hereto.
Operating Costs	<ul style="list-style-type: none"> • Operating and maintenance expenses are based on the Company's estimates and the executed Siemens Maintenance Agreement. These estimates were reviewed by WSP. See the Operations and Maintenance and Ancillary Revenue Report attached as Appendix F hereto. Operating and maintenance expenses were adjusted to account for additional stations, the suspension of service as a result of COVID-19 and passenger volumes. Beyond the stabilized year, operating and maintenance expenses were adjusted for inflation and to reflect certain cost increases related to passenger volume (i.e. food & beverage expenses). • Direct labor is the largest single cost item, which includes costs paid to the Manager for all salaries, employee benefits and other compensation of those employees providing management, operating, maintenance, legal, accounting, finance, information technology, human resources, revenue management and sales and marketing services. The Company has been able to reduce the forecasted cost of labor based on actual experience to date. • Maintenance of equipment includes the amount expected to be paid to Siemens under the Siemens Maintenance Agreement for the maintenance of the rolling stock.

Cash Flow Item**Comment**

- Maintenance of way includes costs paid to FECR under the Joint Use Agreement for the maintenance of shared track and signals, as well as track security, along the Company's corridor. Maintenance of way also includes costs paid to DispatchCo for the performance of dispatch functions for the Company's trains. Maintenance expense does not assume any contribution from the South Florida Commuter Service, though this has the potential to reduce the Company's maintenance expense.
 - Other operating expenses include marketing and advertising expenses, credit card fees, passenger meal costs, parking garage costs, station and maintenance facility costs, information technology costs, legal fees, accounting fees, professional services and other general and administrative costs of operating the Project.
 - The addition of the New In-line Stations and station at Disney Springs are projected to increase overall system EBITDA margins and expected to have a low incremental operating cost impact compared to the base system. The inclusion of these stations involves mostly standardized, replicable, and highly flexible operating components such as transaction related costs (booking, billing, cost of goods) and (primarily hourly) station labor. The station at Disney Springs, being an incremental system distance will include increased train operation costs such as crew, maintenance-of-way and fuel, all of which will be more than offset by the higher long haul ticket prices.
 - In 2024, the remaining funds in the Ramp-Up Reserve Account are released into the Initial O&M Reserve Account and spent for operating expenses until the Initial O&M Reserve Account contains only the O&M Reserve Requirement.
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Detailed Ridership and Revenue Breakdown at Full System Stabilization (Full Year 2024)⁽⁸⁾

\$ millions, except for passengers and fares

	<u>Annual Ridership</u>	<u>Avg. Fare</u>	<u>Ticket Revenue</u>
South Florida Origin - Destination Pairs:			
Miami - Fort Lauderdale	1,404,200	\$36.86	\$51.8
Fort Lauderdale - West Palm Beach	1,114,686	\$37.29	41.6
Miami - West Palm Beach	600,839	\$56.59	34.0
MIA-FTL-WPB (2017 Report)	3,119,725	\$40.81	\$127.3
Boca Raton - West Palm Beach	153,965	\$24.90	\$3.8
Boca Raton - Fort Lauderdale	183,415	\$20.45	3.8
Boca Raton - Aventura	150,490	\$26.77	4.0
Boca Raton - Miami	684,758	\$35.06	24.0
Boca Raton to MIA-FTL-WPB stations	1,172,628	\$30.38	\$35.6
Aventura - Fort Lauderdale	355,474	\$18.53	\$6.6
Aventura - West Palm Beach	164,696	\$32.98	5.4
Aventura to FTL-WPB stations	520,170	\$23.11	\$12.0
PortMiami - WPB stations	518,674	\$26.42	\$13.7
Total South Florida	5,331,197	\$35.39	\$188.7
South Florida to Orlando Origin - Destination Pairs:			
West Palm Beach - Orlando	1,689,921	\$96.03	\$162.3
Fort Lauderdale - Orlando	1,019,090	\$107.85	109.9
Miami - Orlando	948,931	\$119.60	113.5
MIA-FTL-WPB stations to Orlando (2017 Report)	3,657,942	\$105.43	\$385.7
West Palm Beach - station at Disney Springs	141,615	\$89.04	\$12.6
Boca Raton - station at Disney Springs	60,692	\$94.65	5.7
Fort Lauderdale - station at Disney Springs	215,794	\$99.82	21.5
Aventura - station at Disney Springs	76,877	\$106.11	8.2
Miami - station at Disney Springs	179,379	\$110.59	19.8
PortMiami - station at Disney Springs	105,566	\$110.59	11.7
South Florida stations to station at Disney Springs	779,923	\$102.01	\$79.6
Boca Raton - Orlando	75,508	\$99.78	\$7.5
Aventura - Orlando	26,329	\$113.50	3.0
Total South Florida to Orlando	101,837	\$103.33	\$10.5
Total 2017 Report	6,777,667	\$75.69	\$513.0
Total inline stations and station at Disney Springs	3,093,232	\$48.96	151.4
Total Brightline system	9,870,900	\$67.31	\$664.4

(8) Data Source: Ridership and Revenue Study Supplement attached hereto as APPENDIX E.

PLAN OF FINANCE AND ESTIMATED SOURCES AND USES OF FUNDS

The proceeds from the remarketing of the Series 2019B Bonds, together with other sources of funds, are being used by the Company to: (a) pay or reimburse a portion of the costs of the design, development, acquisition, construction, installation, equipping, ownership, operation, maintenance and administration of those portions of the Project located in the PABs Counties, including the New In-line Stations and Capacity Expansion Projects; (b) pay the interest to accrue on the Series 2019B Bonds through the interest payment due on January 1, 2023; (c) pay the interest to accrue on the Series 2019A Bonds from July 1, 2022 through the interest payment due on January 1, 2023; (d) fund certain accounts for the Series 2019B Bonds, including the Ramp-Up Reserve Account and the Construction Account, to the extent permitted by the Code and the Treasury Regulations; (e) repay a portion of the Company's outstanding short-term debt; and (f) pay or reimburse certain costs in connection with the remarketing of the Series 2019B Bonds.

Fortress and its affiliates, including FECCI, have contributed a total of approximately \$1.65 billion of equity in cash and assets, including \$150 million cash contributed in connection with the sale of the Series 2019A Bonds, to the Company as of September 30, 2020. Fortress and its affiliates expect to contribute \$5 million of equity in connection with the Series 2019A Bonds Remarketing.

Following the completion of this remarketing, the Company intends to incur up to an additional approximately \$300 million of Additional Project Completion Indebtedness as taxable private placement debt, for a total of approximately \$3.0 billion of debt financing to complete the Project. As such, the Company's plan of finance remains materially consistent with such plan as presented in the Series 2019A Bonds limited offering memorandum.

Given the Company's strategic initiatives since the issuance of the Series 2019A Bonds, the Company will require additional funds to complete the construction of the New In-line Stations, the Capacity Expansion Projects and the station at Disney Springs as well as to meet the increased funded interest and Ramp-Up Reserve Account funding requirements. Incorporating a combination of governmental grants and additional equity as well as the maintenance of the finance plan within the confines of the Additional Indebtedness provisions of the Series 2019A Bonds, these strategic initiatives offer significant EBITDA growth at modest increases to Parity and Senior Indebtedness. See "ADDITIONAL INDEBTEDNESS—Additional Parity Bonds and Additional Senior Indebtedness—Additional Project Completion Indebtedness." See "SUMMARY—SECURITY FOR THE SERIES 2019B BONDS—Series 2019B Funded Interest Account" and "SUMMARY—PROJECT ACCOUNTS AND FLOW OF FUNDS—Ramp-Up Reserve Account."

The Company intends to incur \$310 million of Senior Indebtedness and enter into a revolving credit facility with a syndicate of banks and other financial institutions in order to fund certain remaining development costs for the New In-line Stations and Capacity Expansion Projects, to fund a portion of the extension to the station at Disney Springs, to pay additional financing costs associated with costs of issuance and to fund certain reserves, as necessary. The plan of finance also contemplates the upfront monetization of commuter service access payments, the receipt of additional equity contributions and/or the receipt of additional governmental contributions or grants. Such a plan of finance would comply with the debt incurrence limitations in the Indenture and Senior Loan Agreement and after giving effect to the commuter service access payments, additional equity contributions and additional governmental contributions or grants noted above, would reduce the Company's overall senior debt-to-capitalization ratio to 58% from the 64% (upon completion of the Project) that was estimated at the time of the Series 2019A offering.

When combined, the \$1.65 billion of invested equity to date and \$5 million of equity to be contributed in connection with the Series 2019A Bonds Remarketing, the anticipated proceeds of approximately \$89 million from grants for construction of the New In-line Stations, and anticipated proceeds of \$675 million from the commuter access fee monetization, total proceeds subordinated to Senior Indebtedness in the Company is expected to total \$2.42 billion. As a result, the expected capitalization for the Project will consist of 42% equity, grants and monetization proceeds. Given the credit quality of the counties in which commuter service is being contemplated, the Company believes that an upfront monetization of the contemplated commuter service access payments will provide better economics to the Company and the Owners of the Series 2019B Bonds than receiving such payments on an annual basis. See "RISK FACTORS—Risks Related to the Company's Business— If the Company is unable to capture the upfront and access payments projected to come from the proposed South Florida commuter service, it could adversely impact the Company's ability to complete the Project, the Capacity Expansion Projects, the New In-line Stations and the station at Disney Springs, and could also adversely impact the payment of debt service on the Series 2019B Bonds when due."

Substantially concurrently with or promptly after the closing of this remarketing of the Series 2019B Bonds, Brightline Holdings intends to consummate the Parent Tender Offers and the Series 2019A Bonds Remarketing. See “SUMMARY—Brightline Holdings Tender Offers for Certain Series 2019A Bonds” and “SUMMARY—Company Remarketing of Certain Series 2019A Bonds” for additional information.

Further detail regarding sources and uses of funds follows below. The information presented below is based on the Company’s expectations and is necessarily dependent upon assumptions, estimates and data that the Company believes are reasonable as of the date hereof, but which may be incorrect, incomplete or imprecise or not reflective of actual results. Actual events or results may differ materially from the results anticipated in these forward-looking statements as a result of a variety of factors.

Series 2019A, Series 2019B, and Pro Forma Sources and Uses ⁽¹⁾

<i>\$ millions</i>	<u>Series 2019A</u>	<u>Series 2019B</u>	<u>Project Total</u>
Sources of funds:			
Private activity bonds:			
Series 2019A Bond proceeds	\$1,750.0	\$ -	\$1,750.0
Series 2019B Bond proceeds	-	950.0	950.0
Total tax-exempt debt	\$1,750.0	\$950.0	\$2,700.0
Taxable debt ⁽²⁾⁽³⁾ :			
Project completion debt	\$ -	\$ -	\$300.0
Theme park debt ⁽⁴⁾	-	-	200.0
Capacity expansion debt	-	-	110.0
Revolving credit facility	-	-	175.0
Total taxable debt	-	-	\$785.0
Commuter access fee monetization	\$ -	\$ -	\$675.0
Series 2019A Bonds contributed equity ⁽⁵⁾	150.0	-	150.0
Grants for New In-line Stations	-	-	88.7
Release of existing debt service reserve	16.9	-	16.9
Release of existing letter of credit	-	-	10.0
Interest income on construction funds	-	-	7.1
Series 2019A Bonds Remarketing contributed equity ⁽⁶⁾	-	5.0	5.0
Total sources	\$1,916.9	\$955.0	\$4,437.7
Uses of funds:			
Redeem Series 2017 Bonds	\$640.0	\$ -	\$640.0
Redeem short-term debt ⁽⁷⁾	-	145.6	145.6
Redeem Siemens loan	24.8	-	24.8
Total redemption of existing debt	\$664.9	\$145.6	\$810.5
Project costs ⁽⁸⁾	\$842.1	\$457.6	\$2,091.2
Brightline station at Disney Springs ⁽⁴⁾	-	-	200.0
New In-line Stations costs	-	-	141.2
Capacity expansion costs	-	-	211.3
Construction costs	\$842.1	\$457.6	\$2,643.7
Funded interest on 2019A Bonds	\$360.3	\$ -	\$360.3
Funded interest on 2019B Bonds	-	141.7	141.7
Debt service reserve	-	-	116.7
Ramp-up reserve funded with debt proceeds	18.9	91.3	134.6
Ramp-up reserve funded with equity proceeds ⁽⁹⁾	-	1.0	1.0
Funded interest on taxable debt	-	-	73.2
Incremental funded interest on 2019A Bonds funded with debt proceeds	-	56.3	56.3
Incremental funded interest on 2019A Bonds funded with equity proceeds ⁽⁹⁾	-	4.0	4.0
Financing fees, OID, and expenses ⁽¹⁰⁾	30.6	57.6	95.8
Total reserves, fees & expenses	\$409.9	\$351.8	\$983.6
Total uses	\$1,916.9	\$955.0	\$4,437.7

(1) Subject to change. The totals presented herein may not sum due to rounding.

(2) There is no assurance that the Company will be able to issue such future series on favorable terms or at all. See “SUMMARY—Additional Financing.”

(3) Other debt borrowings are subject to the limitations of the Indenture and the Senior Loan Agreement. Additional indebtedness necessary to complete construction of the Project in excess of the current \$2.7 billion PABs allocation is assumed to be issued as taxable Additional Project Completion Indebtedness for purposes of the Company’s projections. The Company may consider alternative forms of financing, including additional equity contributions. See “SUMMARY—Additional Financing.” For purposes of the above table, taxable debt proceeds assume \$300 million of Additional Project Completion Indebtedness, \$200 million of Theme Park Indebtedness, \$110 million of Additional Station Indebtedness and Rolling Stock Indebtedness and \$175 million of draws on a \$175 million revolving credit facility. See “KEY ASSUMPTIONS.”

(4) Remaining costs of the extension to the station at Disney Springs will be funded by a combination of equity, municipal contributions, grants and/or subordinated obligations.

(5) \$150 million of equity was contributed in connection with the offering of the Series 2019A Bonds, bringing total contributed equity to \$1.65 billion from \$1.5 billion. The \$1.5 billion contributed of equity prior to the Series 2019A Bond issuance is not shown.

(6) \$5 million of equity to be contributed in connection with the Series 2019A Bonds Remarketing.

- (7) Includes the Bank Loan Facility, accrued interest and fees as well as the HoldCo Intercompany Loan.
- (8) Net of certain costs incurred prior to the issuance of the Series 2019A Bonds.
- (9) Expected to be made in connection with the remarketing of up to \$210 million of the Series 2019A Bonds.
- (10) Includes original issue discount, underwriting fees, legal fees, accounting expenses, and other offering expenses.

PROJECTED DEBT SERVICE COVERAGE

The Company has prepared the financial projections set forth below. The projections are based on certain assumptions and expectations currently held by the Company, several of which are set forth below and in the Ridership and Revenue Study, the Ridership and Revenue Supplement, the Operations and Maintenance and Ancillary Revenue Report, and the Technical Advisor's Report, and which the Company believes are reasonable. See "KEY ASSUMPTIONS." A number of important factors affecting the Company's projections could cause actual results to differ materially from those stated in the projections, including those set out under the captions "FORWARD-LOOKING STATEMENTS" and "RISK FACTORS" in this Limited Remarketing Memorandum.

The projected debt service coverage for the Project is based on a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic, market, competitive, regulatory and other uncertainties and contingencies, all of which are difficult to predict and many of which are beyond the Company's control, and on estimates and assumptions with respect to future business decisions that are subject to change. The assumptions disclosed herein are those that the Company believes are significant to the projected debt service coverage for the Project and reflect its judgment as of the date hereof.

The projected cash flows and projected debt service coverage ratios for the Project are presented for illustrative purposes only and may not be indicative of the Company's future results. Such data is not a prediction, should not be relied upon as such and is premised on a number of factors, all of which are inherently uncertain and subject to numerous business, industry, market and other risks that are outside of the Company's control. Such data is based on available information and certain assumptions that the Company believes are reasonable in the circumstances, but the Company is not making any representation regarding projected cash flows and projected debt service coverage ratios for the Project and does not intend to update or otherwise revise such data. If the Company's assumptions prove to be inaccurate, actual results may differ substantially and materially from these projections.

The following tables outline the projected cash flows and projected debt service coverage ratios for the Project. The first table presents the base case projected debt service coverage, representing management's best estimates of ridership, revenue and EBITDA based on the above study and reports. The second and third tables that follow present (i) a debt service breakeven analysis for a 42% reduction in projected ridership and (ii) a 42% reduction in projected average fares and ancillary revenue per passenger, respectively. These reductions represent significant improvements over those presented at the time of the Series 2019A Bonds due to the addition of the New In-line Stations, station at Disney Springs and South Florida Commuter Service, which combine to offer significant additional drivers of profitability at a lower overall senior debt-to-capitalization leverage profile. The debt service breakeven analyses are being provided to demonstrate the Company's ability to achieve adequate Debt Service Coverage, notwithstanding a reduction in projected ridership or average fares, as applicable.

All amounts are in millions except for total passenger and ratio amounts.

- (1) The financial measures EBITDA, unlevered cash flow, levered cash flow and net levered cash flow are supplemental measures of the Company's projected operating performance that are not Generally Accepted Accounting Principles ("GAAP") measures. EBITDA is defined as (i) Total Revenue, including Fare revenue and Ancillary revenue, minus (ii) Total O&M Expenditures, including Direct labor, Fuel, Maintenance of way, Maintenance of equipment, Other operating expenses, and Insurance. Unlevered cash flow is defined as EBITDA minus rolling stock maintenance capex, infrastructure maintenance capex, and station maintenance capex. Levered cash flow is defined as unlevered cash flow minus debt service. Net levered cash flow is defined as levered cash flow plus (i) funding from Brightline Holdings, the funded interest account, the O&M reserve account, operating account and ramp-up reserve and (ii) movements in reserves. The Company's definitions and calculation of these non-GAAP measures may differ from the non-GAAP measures or analogous calculations of other companies in the Company's industry, and may limit their usefulness as a comparative measure. These non-GAAP measures have limitations as an analytical tool. These non-GAAP measures are not a measurement of income (loss) from continuing operations and/or net income (loss) and should not be considered as an alternative to net income (loss) as a measure of operating performance.
- (2) Includes the expected remarketing of up to \$210 million of the Series 2019A bonds.
- (3) Free Cash Flow ("FCF") represents unlevered cash flow, plus funding from operating account, plus funding from ramp-up reserve, plus movements in reserves.
- (4) Total DSCR, including reserve movements represents FCF divided by the sum of the interest and amortization of the Company's debt.
- (5) Total DSCR, including reserve movements, ramp-up reserve represents FCF plus the balance of the ramp-up reserve (including amounts released to and made available in the O&M Reserve Account), divided by the sum of the interest and amortization of the Company's debt.
- (6) Total DSCR, including reserve movements, ramp-up reserve, DSRA, prior year's unrestricted cash represents FCF plus the balances of the ramp-up reserve (including amounts released to and made available in the O&M Reserve Account), DSRA, and unrestricted cash, divided by the sum of the interest and amortization of the Company's debt.

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- (4) Total DSCR, including reserve movements represents FCF divided by the sum of the interest and amortization of the Company's debt.
- (5) Total DSCR, including reserve movements, ramp-up reserve represents FCF plus the balance of the ramp-up reserve (including amounts released to and made available in the O&M Reserve Account), divided by the sum of the interest and amortization of the Company's debt.
- (6) Total DSCR, including reserve movements, ramp-up reserve, DSRA, prior year's unrestricted cash represents FCF plus the balances of the ramp-up reserve (including amounts released to and made available in the O&M Reserve Account), DSRA, and unrestricted cash, divided by the sum of the interest and amortization of the Company's debt.

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- (2) Includes the expected remarketing of up to \$210 million of the Series 2019A bonds.
- (3) Free Cash Flow ("FCF") represents unlevered cash flow, plus funding from operating account, plus funding from ramp-up reserve, plus movements in reserves.
- (4) Total DSCR, including reserve movements represents FCF divided by the sum of the interest and amortization of the Company's debt.
- (5) Total DSCR, including reserve movements, ramp-up reserve represents FCF plus the balance of the ramp-up reserve (including amounts released to and made available in the O&M Reserve Account), divided by the sum of the interest and amortization of the Company's debt.
- (6) Total DSCR, including reserve movements, ramp-up reserve, DSRA, prior year's unrestricted cash represents FCF plus the balances of the ramp-up reserve (including amounts released to and made available in the O&M Reserve Account), DSRA, and unrestricted cash, divided by the sum of the interest and amortization of the Company's debt.

RISK FACTORS

A purchase of the Series 2019B Bonds involves significant risks. Some of these risks are described below. Prospective investors should carefully consider these risks, as well as other information contained in this Limited Remarketing Memorandum (including the Appendices hereto) before deciding to purchase any of the Series 2019B Bonds. Any of the following risks could materially adversely affect the Company's business, financial condition or the completion or operation of the Project. In addition, there may be risks and uncertainties not currently known to the Company or that the Company currently regards as immaterial based on the information available to the Company that later prove to be material. These risks may adversely affect the Company's business, financial condition or the completion or operation of the Project. In any such case, prospective investors may lose all or part of their investment in the Series 2019B Bonds.

Risks Related to the Company's Business

A pandemic, such as the novel coronavirus (COVID-19) outbreak could materially adversely affect the travel and tourism industry in general and the Company's business, financial condition and results of operations.

A pandemic could materially adversely affect the travel and tourism industry in general and the Company's business, financial condition and results of operations. For example, the impact of the COVID-19 pandemic has grown throughout the world, including in the United States. Governmental authorities have implemented numerous measures attempting to contain and mitigate the effects of the virus, including travel bans and restrictions, quarantines, shelter in place orders and shutdowns. These measures have adversely affected and may further adversely affect the Company's workforce, operations and financial results and the operations of the Company's passengers, vendors, partners and contractors. There is significant uncertainty regarding such measures and potential future measures.

The Company's rail line is located in areas that have been affected by the pandemic, and the State of Florida has taken measures to try to contain it. On April 1, 2020, the Florida governor issued a 30-day stay-at-home order for the State of Florida. On September 25, 2020, the Florida governor moved all of Florida's counties to Phase 3 of the reopening plan, permitting bars, restaurants, gyms, fitness centers and theme parks to open at full capacity and permitting employees to resume non-essential travel, but Miami-Dade, Broward and Palm Beach Counties continued to implement certain capacity restrictions, mask requirements and curfew limits. Restrictions on travel have limited passenger demand, leading the Company to preemptively reduce its passenger rail service on March 18, 2020 and suspend its passenger rail service on March 25, 2020, which could have a material adverse effect on the Company's business, financial condition and results of operations. The continued spread of COVID-19 could cause delays in construction of the Project or the Capacity Expansion Projects. Local governmental restrictions and public perceptions of the risks associated with the COVID-19 pandemic have caused, and may continue to cause, passengers to avoid or limit gatherings in public places or social interactions, including modes of travel, which could adversely impact the businesses. Any of these effects could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company has been actively monitoring the global outbreak and spread of COVID-19 and taking steps to mitigate the potential risks to the Company posed by its spread, and any future pandemic, and related circumstances and impacts. The Company is continuing to assess and update its business continuity plan in the context of this pandemic, including when it believes is the best time to resume service. Subject to any applicable government orders and regulations, the Company has discretion as to when to resume revenue service. However, there can be no assurance as to the timing of resumption or the frequency or level of service that will be provided once it resumes service. Even once travel advisories and restrictions are fully lifted, demand for rail travel may remain weak for a significant length of time, and the Company cannot predict if and when demand for rail travel will return to pre-outbreak demand. In particular, the Company's passenger bookings may be negatively impacted by the adverse changes in the perceived or actual economic climate, including higher unemployment rates, declines in income levels and loss of personal wealth resulting from the impact of COVID-19.

In addition, the spread of COVID-19 has caused the Manager to modify the Company's staffing protocols, such as non-construction related employee layoffs, and business practices. The Company may take further actions as may be required by government authorities or that it determines is in the best interests of its passengers, vendors, partners and contractors. There is no certainty that such measures will be sufficient to mitigate the risks posed by the virus, and the Company's ability to perform critical functions could be harmed. These measures, and similar measures at the

Company's passengers, have resulted in and may result in continued service suspension and construction delays and cause other unpredictable events.

The Company has never previously experienced a complete cessation of its rail service, and its ability to predict the impact of such a cessation on the Company and future prospects is uncertain. In particular, the Company cannot predict the long-term impact on its financial performance and cash flows, and the public's concern regarding the health and safety of travel and related decreases in demand for travel. As a result, the Company's ability to forecast its cash inflows and additional capital needs is limited.

As a result of all of the foregoing, the Company may be required to raise additional capital, including additional government funding for the New In-line Stations and municipal grants, and its access to and cost of financing will depend on, among other things, global economic conditions, conditions in global financial markets, the availability of sufficient amounts of financing, the Company's prospects and its credit ratings.

The degree to which COVID-19 or any future pandemic affects the Company's financial results and operations will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of an outbreak, its severity, the actions to contain the virus or treat its impact, and how quickly and to what extent pre-pandemic economic and operating conditions can resume. See "THE PROJECT—General—COVID-19."

To the extent any pandemic, including the COVID-19 pandemic, materially adversely affects the Company's business and financial results, it may also have the effect of significantly heightening many of the other risks described in this "Risk Factors" section, such as those relating to the Company's substantial level of indebtedness, its need to generate sufficient cash flows to service its indebtedness and its ability to comply with the covenants contained in the agreements that govern its indebtedness.

Cost overruns and delays in the completion of the North Segment, the New In-line Stations and any future expansion, including the proposed station at Disney Springs expansion, of the Company's rail system, as well as difficulties in obtaining requisite approval or sufficient financing to pay for such costs and delays, could have a material adverse effect on the Company's business, financial condition, operating results, cash flows, liquidity and prospects.

While construction of the South Segment is substantially complete, construction of the North Segment is ongoing, and operation of the North Segment is not expected to commence until completion of construction in the second half of 2022. The actual construction and capital costs of the North Segment, the New In-line Stations and any future expansion of the Company's rail system, including the proposed station at Disney Springs expansion, may still be higher, and the time to complete the North Segment and any future expansion of the Company's rail system may be significantly longer, than the Company's current estimates. While the senior management team for the Project has experience in the construction and operation of major infrastructure projects, including rail lines, the Company is a relatively new company and is subject to the inherent risks and uncertainty related to any such construction project. The Company has in the past experienced and may in the future experience, delays in construction. The Company has not yet executed construction contracts for certain aspects of the North Segment, the New In-line Stations or any future expansion of the Company's rail system, including the proposed station at Disney Springs expansion, and, after doing so, as construction progresses, the Company may decide or be forced to submit change orders to the Company's contractors that could result in longer construction periods, higher construction costs or both.

Key factors that may affect the timing of, cost of, or the Company's ability to complete construction of the North Segment, the New In-line Stations and any future expansion of the Company's rail system, including the proposed station at Disney Springs expansion, include, but are not limited to:

- the ability to obtain additional necessary financing or capital for the construction of the North Segment, the New In-line Stations and Capacity Expansion Projects and any future expansion of the Company's rail system, including the proposed station at Disney Springs expansion, if necessary;
- the issuance and/or continued availability and maintenance of necessary permits, licenses, approvals and agreements from governmental agencies and third parties as are required to construct and operate the rail line and the related facilities;

- the Company's ability to enter into satisfactory agreements with contractors, to maintain compliance with the terms of such agreements and to maintain good relationships with these contractors in order to construct the Company's proposed facilities (including rolling stock) within the expected cost parameters and time frame, and the ability of those contractors to perform their obligations under the contracts and to maintain their creditworthiness;
- changes or deficiencies in the design or construction of the North Segment, the New In-line Stations or any future expansion of the Company's rail system;
- unforeseen engineering, environmental or geological problems;
- potential increases in construction and operating costs due to changes in the cost and availability of fuel, power, materials and supplies;
- the availability and cost of skilled labor and equipment;
- health, safety and personal injury (to workers and others) incidents and site accidents;
- potential opposition from governmental and non-governmental organizations, environmental groups, public interest or citizens groups, local or other groups, such as the opposition rallies that have occurred in certain counties in Florida, which may delay or prevent development activities;
- the outcome of any potential litigation proceedings in connection with the Project;
- local and economic conditions;
- changes in legal and regulatory requirements;
- force majeure events, including catastrophes and adverse weather conditions;
- labor disputes and work stoppages; and
- disputes and defaults with contractors, subcontractors, architects and engineers.

Delays in the completion of the North Segment, the New In-line Stations or any future expansion, including the proposed station at Disney Springs expansion, of the Company's rail system could increase the cost of completion beyond the Company's estimates, which could require the Company to obtain additional sources of financing or capital to fund the Company's operations until the North Segment, the New In-line Stations or any future expansion of the Company's rail system is completed (which could cause further delays). The Company's ability to obtain financing or capital that may be needed to cover increased costs will depend, in part, on factors beyond the Company's control and may be limited by the terms of the Indenture, Senior Loan Agreement, Collateral Agency Agreement and certain ancillary and related agreements. If the Company is unable to timely raise such financing, the Company may decide to curtail or delay certain construction activities and/or it may be necessary to cease payments to some or all of the Company's contractors. Also, certain of the Company's contractors have the right to suspend work and/or exercise remedies against the Company if the Company is unable to make required payments and/or maintain agreed upon funding levels for construction. Even if the Company is able to obtain financing or capital, the Company may have to accept terms that are disadvantageous to the Company and that may have a material adverse effect on the Company's current or future business, contracts, financial condition, operating results, cash flows, liquidity and prospects.

Further, the Company's ability to construct and operate the station at Disney Springs is subject to satisfaction of various provisions of the ground lease agreement between the Company and Walt Disney World Resort, including timely payment of ground lease rent and compliance with milestones regarding commencement of revenue service, completion of construction and aggregate seat capacity. In addition, the ground lease agreement provides for early termination by Walt Disney World Resort subject to payment of specified fees and costs.

Delays in the completion of the North Segment and the New In-line Stations could lead to reduced revenues, which could adversely affect the Company's ability to satisfy its obligations under the Senior Loan Agreement, and thereby adversely impact the payment of debt service on the Series 2019B Bonds when due.

There are no assurances that the North Segment will commence operations in the second half of 2022 or that service to the New In-line Stations will commence in the time frame the Company currently assumes for purposes of the projections contained in this Limited Remarketing Memorandum, or at all. The Company may face difficulties in obtaining or maintaining certain land rights or obtaining or maintaining required permits, consents, approvals, licenses, entitlements and other authorizations from governmental agencies and third parties. Additionally, the completion of the North Segment and the New In-line Stations is dependent on the Company's ability to raise funds through various potential sources, including debt financing. These factors, among others, could affect the timing or the Company's ability to complete construction of the North Segment and/or the New In-line Stations.

Delays in the completion of, or the failure to complete, the remainder of the Project may prevent the Company from commencing operations when anticipated, which could cause a delay in the Company's receipt of revenues and have a material adverse effect on its business, financial condition, operating results, cash flows, liquidity and prospects. Moreover, there can be no assurance that the Company's current projections of future revenues will be accurate. If the Company's actual capital or operating costs are higher than anticipated, or the Company's revenues are lower than currently anticipated, the profitability of the Company's operations will be harmed, which could adversely affect the Company's ability to satisfy its obligations under the Senior Loan Agreement, and thereby adversely impact the payment of debt service on the Series 2019B Bonds when due.

If the Company is unable to capture the upfront and access payments projected to come from the proposed South Florida commuter service, it could adversely impact the Company's ability to complete the Project, the Capacity Expansion Projects and/or the station at Disney Springs, and could also adversely impact the payment of debt service on the Series 2019B Bonds when due.

The Company has had several months of active negotiations and diligence with Miami-Dade County staff and their advisors regarding the development of a commuter service on the Company's rail corridor between Miami and Aventura. On November 13, 2020, the Miami-Dade County Board of County Commissioners voted unanimously to approve a resolution for the development of the commuter service. Key economic terms contained in the approved resolution include County upfront payment to the Company in an amount not to exceed \$50 million paid in one or more installments and annual access payments of up to \$12 million for a term to be agreed upon (which the Company currently expects to be 30 years). The Company is also pursuing similar projects in Broward and Palm Beach Counties. On May 12, 2020, the Company signed a letter of intent with Broward County to develop a similar project with similar terms. However, provision of the commuter services and the receipt of the upfront and annual access payments remain subject to the execution of definitive documentation and approval by the relevant Counties. There are no assurances that the Company will be successful in executing definitive agreements to implement the proposed South Florida commuter service on favorable terms or at all.

Additionally, the Company may face difficulties in the implementation of the proposed commuter services, which will require additional track and rail infrastructure, as well as the construction of new commuter-only stations. The anticipated costs for completing the South Florida commuter service are still being analyzed and the plan of finance is not yet definitive. The Company is also reliant on third parties for construction, costs and projections. These factors, among others, could affect the timing or the Company's ability to complete construction of the South Florida commuter service.

If the Company is not successful in negotiating and implementing the South Florida commuter service, it will be unable to capture the upfront and access payments projected to come from it, which could adversely impact the Company's ability to complete the Project, the Capacity Expansion Projects, the New In-line Stations and the station at Disney Springs, assuming a monetization transaction and/or could also adversely impact the payment of debt service on the Series 2019B Bonds when due.

The Company is dependent on third-party suppliers for the successful completion and success of the Project.

The Company may face increased prices or significant shortages of locomotive and rail supplies, since the Company is dependent on certain key suppliers of locomotives and rail who are in short supply. The capital-intensive nature, as well as the industry-specific requirements of the rail industry, limits the number of suppliers of core railroad

items, such as locomotives and rolling stock equipment. If any of the current manufacturers stops production or experiences a supply shortage, the Company could experience a significant cost increase or material shortage.

Any changes in the competitive landscapes of these limited supplier markets could also result in increased prices or significant shortages of materials. Additionally, the Company competes with other industries for available capacity and raw materials used in the production of locomotives and certain track and rolling stock materials.

Adverse developments in international relations, new trade regulations, disruptions in international shipping or increases in global demand could make procurement of supplies more difficult or increase the Company's operating costs.

Any delay in the receipt of key services or equipment may impede the Company's ability to complete or operate the Project in a timely and cost-efficient manner, which could have a material adverse effect on the Company's business, financial condition, operating results, cash flows, liquidity and prospects and thereby adversely impact its ability to pay debt service on the Series 2019B Bonds.

The Company is dependent on third-party contractors, design professionals (including engineers), consultants or service providers for the successful completion and operation of the Project.

Timely and cost-effective design and completion of the Project in compliance with agreed specifications is central to the Company's business strategy and is highly dependent on the performance of the third-party contractors and design professionals engaged by the Company. The Company's contractors' ability to perform timely and successfully is dependent on a number of factors, including, but not limited to, their ability to:

- design and engineer each of the required facilities and infrastructure to operate in accordance with specifications and applicable laws;
- engage and retain third-party subcontractors and procure equipment and supplies;
- respond to difficulties such as equipment failure, delivery delays, commodity-price increases, schedule changes, workplace injuries, trade tariffs, and failure to perform by subcontractors, some of which are beyond their control;
- attract, develop and retain skilled personnel;
- post required construction bonds and comply with the terms thereof;
- manage the construction process generally, including coordinating with other contractors, governmental and quasi-governmental authorities, and regulatory agencies; and
- maintain their own financial condition, including adequate working capital.

Although some agreements may provide for liquidated damages if the contractor fails to perform in the manner required with respect to certain of its obligations, the events that trigger a requirement to pay liquidated damages may delay or impair the operation of the Project, and any liquidated damages that the Company receives may not be sufficient to cover the damages that the Company suffers as a result of any such delay or impairment. The obligations of the Company's contractors to pay liquidated damages under any such agreements may be subject to caps on liability. Furthermore, the Company may lack sufficient liquidity to meet its required payment obligations under its construction agreements or may have disagreements with the Company's contractors about different elements of the construction process, which could lead to the assertion of rights and remedies under their contracts and increase the cost of the Project or result in a contractor's unwillingness to perform further work on the Project. If any contractor is unable or unwilling to perform according to the negotiated terms and timetable of its respective agreement for any reason or its agreement is terminated, the Company would be required to engage a substitute contractor, which could require the prior approval of the original contractor's surety. This would likely result in significant project delays and increased costs, which could have a material adverse effect on the Company's business, contracts, financial condition, operating results, cash flows, liquidity and prospects. In addition, the Project and the Company may be subject to future litigation, which could have a material adverse effect on the Company, its ability to complete the Project in a timely manner or at all or, once the Project is complete, on the Company's business, financial condition, operating results, cash flows, liquidity and prospects.

Additionally, the Company depends on a number of service providers in the operation of the Company's railroad. For example, the Company depends on Siemens to provide all warranty repairs and maintenance on the Company's rolling stock, as well as delivery of additional rolling stock. While the Siemens Maintenance Agreement defines a standard of performance, the Company does not directly control Siemens. Siemens may fail to meet the performance standards promised to the Company or suffer disruptions that could negatively impact its service or cause it to fail to deliver additional rolling stock in a timely manner or fail to perform services reliably, professionally or at the high standard of quality that the Company expects. Any such failure by Siemens may materially adversely affect the Company's business. In addition, the Company is highly dependent on FECR for track maintenance and other services it provides in connection with the operation of the Company's rail system. The Company's business could be materially adversely affected if the Company's customers believe that the Company's services are unreliable or unsatisfactory, which would adversely impact the Company's ability to pay debt service on the Series 2019B Bonds.

The Company's current limited revenue and cash flows and limited history constructing and operating a passenger railroad makes evaluating its business and future prospects difficult and may increase the risk of investment. There can be no guarantee that the Company will achieve profitability and generate positive operating cash flows in the future.

The Company commenced service between Fort Lauderdale and West Palm Beach, Florida in January 2018. Accordingly, the Company only began receiving cash flows from operations in 2018. Prior to the South Segment, the Company had not independently constructed or managed a passenger railroad, and the Company has never independently constructed or managed a passenger railroad outside of Florida. The Company has commenced construction of the North Segment, but does not expect this service to be operational until the second half of 2022. The Company will continue to incur significant capital and operating expenditures while the Company develops and constructs its passenger rail system and the related facilities for the North Segment. The Company's limited construction and operating history limits its ability to accurately evaluate its business and future prospects. Accordingly, the Company is subject to all the risks inherent in the establishment of a passenger railroad. The Company's limited operating history also may limit the ability of investors to evaluate the Company's prospects due to its lack of historical financial data, its unproven potential to generate profits and its limited experience as a new company in addressing issues that may affect the Company's ability to manage the construction, operation or maintenance of a passenger rail service.

The Company's future liquidity may also be affected by the timing of construction financing availability in relation to the incurrence of construction costs and other outflows and by the timing of receipt of cash flows in relation to the incurrence of project and operating expenses. Also, if the Company is unable to use available liquidity sources, or if such liquidity sources are not sufficient to cover any unexpected expenses, the Company may not have access to the funds required to pay the unexpected expenses. The Company's inability to pay costs as they are incurred could negatively affect the Company.

Moreover, many factors (including factors beyond the Company's control) could result in a disparity between liquidity sources and cash needs, including factors such as construction delays and breaches of agreements. In addition, if the Company's actual capital or operating costs are higher than anticipated, the Project is not successfully and timely completed, or the Company's revenues are lower than currently anticipated, the profitability of the Company's operations will be harmed, which could adversely affect the Company's ability to satisfy its obligations under the Senior Loan Agreement, and thereby adversely impact the payment of debt service on the Series 2019B Bonds when due.

If the Company is not successful with the Project, the Company may not have other means of deriving revenue to satisfy the Company's obligations under the Senior Loan Agreement, thereby adversely impacting payment of debt service on the Series 2019B Bonds.

The Company is significantly dependent, in the near term, upon the South Segment for revenue and cash, and its future success will be dependent upon its ability to develop, construct and operate the North Segment. The Project and any extension thereof is expected to be the Company's sole means of generating revenue. Virtually all of the Company's assets and resources will be employed in the development and operation of the Project. If the Project is not completed or operational on the schedule and in the manner anticipated, the Company may be unable to make payments under the Senior Loan Agreement for the payment of debt service on the Series 2019B Bonds when due.

The Company may not be successful in implementing its proposed business strategy.

The Company had commenced operation of the South Segment, which has been temporarily suspended as a result of the COVID-19 pandemic, and operation of the North Segment is not expected to commence until the second half of 2022, with certain expansions contemplated for future development. The Project is subject to the uncertainty of future developments in terms of process, reliance on third parties for construction, costs and projections, as well as the operating risks described herein, including, but not limited to, the Company's ability to attract passengers, pre-sell tickets through a wholesale channel and generate revenues and income from ancillary sources. In addition, certain of the Company's management will also be responsible for any future expansion of the Company's rail system (including expansions beyond the Project), which may divert both the attention of management and other resources of the Company from the operation of the Project. Accordingly, there are many risks associated with the Project, and, if the Company is not successful in implementing the Company's business strategy, the Company may not be able to generate cash flows, which could have a material adverse impact on the Company's business, contracts, financial condition, operating results, liquidity and prospects and thereby adversely impact the Company's ability to pay debt service on the Series 2019B Bonds.

Sponsorships and advertising sales may not produce revenue at the levels the Company expects or at all.

The Company expects to generate a significant portion of its ancillary revenue from advertising placements and sponsorships, including the sale of naming rights for its stations. For example, the Company entered into an exclusive agreement, which was temporarily suspended concurrently with the suspension of the Company's passenger rail service, with OutFront Media, who has the right and responsibility to market, sell, install, display and remove all third-party advertising on advertising displays inside the Company's stations, such as video displays and column wraps, and outside the Company's stations, such as external billboards. The Company cannot offer any assurance that demand for sponsorships or advertising (including naming rights) will be realized at the levels that the Company expects or at all. New developments in advertising may render advertising inventory of the type that the Company offers less desirable than new, more innovative means of reaching consumers, and market downturns or other macroeconomic trends may lead to decreased advertising spend across all media. In addition, a decrease in ridership or foot traffic at the Company's stations would decrease the desirability of these advertising and sponsorship opportunities. If demand for sponsorships or advertising (including naming rights) at the Company's stations is lower than the Company expects, the Company's advertising inventory may not command the advertising rates that the Company anticipates, the Company may not be able to reach agreements with potential advertisers for the sale of the Company's sponsorship or advertising inventory on satisfactory terms or at all, and the Company's revenue and results of operations may be adversely affected.

Adverse macroeconomic and business conditions could have an adverse impact on the Company's business.

Given the localized nature of the Project and the services the Company intends to provide, the Project's ridership will generally be affected by overall economic conditions in Florida and the Southeastern United States. The Company's ridership will be dependent on the employment and disposable income of the Project's passengers. The condition of international economies, including the economies of the Caribbean, South America, Europe and Asia, may also affect the Company's revenues, as it may lead to a decreased number of tourists in Florida from these regions. Adverse economic conditions could also affect the Company's costs for insurance and the Company's ability to acquire and maintain adequate insurance coverage for risks associated with the passenger rail line business if insurance companies experience credit downgrades or bankruptcies.

Furthermore, the Project will compete directly with other modes of transportation, including cars, buses, other passenger rail services and air travel. The competitive environment for the Project may become more intense as ride-hailing, car sharing companies and other technology players in the mobility industry enter the Company's existing markets or try to expand their operations, particularly for shorter legs of the trip between Miami to Orlando. Companies offering new mobility business models, including ride-hailing or car sharing services, or autonomous vehicles, may adversely affect demand for the Company's rail service. Some of these companies may have access to substantial capital or innovative technologies, or have the ability to launch new services at a relatively low cost. If these alternative methods of transportation become more cost-effective or attractive to the Company's customers due to macroeconomic or legislative changes, the Company's operating results, financial condition and liquidity could be materially adversely affected.

A deterioration of macroeconomic, business and financial conditions, particularly in Florida and the Southeastern United States, could have a material adverse effect on the Company's operating results, financial condition and liquidity and thereby adversely affect the Company's ability to pay debt service on the Series 2019B Bonds.

The Company's results of operations may fluctuate due to seasonality and other factors associated with the tourism industry in Florida.

The Company's results of operations may fluctuate due to seasonality and other factors associated with the tourism industry in Florida given that there is greater travel to Florida during the winter and spring months. As a result, the Company expects its revenues to be stronger in the first and fourth quarters of the year than revenues in the second and third quarters of the year, which are periods of lower travel demand in Florida. While the Company expects its results of operations to generally reflect this seasonality, they may also be affected by numerous other factors that are not necessarily seasonal, including, among others, extreme or severe weather, natural disasters, general economic conditions and other factors.

The development costs of the North Segment, the New In-line Stations and the station at Disney Springs are estimates only, and actual development costs may be higher than expected.

The Company has executed agreements for the construction of the North Segment. The total remaining capital expenditures to be incurred by the Company to construct the North Segment, including the Capacity Expansion Projects as of September 30, 2020, are estimated to be approximately \$1.43 billion (excluding a \$173 million contingency fund) and include approximately \$1.28 billion of new rail infrastructure, approximately \$95 million for the remaining payments for additional rolling stock and approximately \$55 million for construction of the Company's station facilities. As of September 30, 2020, the Company had invested approximately \$1.1 billion on the North Segment, including approximately \$154 million in contributed land and approximately \$917 million in construction costs for rail infrastructure, stations, rolling stock, the Capacity Expansion Projects and easement costs. Further, total cost of construction of the New In-line Stations is estimated to be approximately \$141 million, consisting of approximately \$81 million for the construction of stations and platforms, approximately \$60 million for the construction of rail infrastructure. Of the \$141 million cost of construction, the Company expects to fund approximately \$89 million with grants and the remainder with the net proceeds of Additional Station Indebtedness.

The Company has experienced cost overruns in connection with the construction of the South Segment and the New In-line Stations and may also experience cost overruns in connection with the construction of the North Segment (including the station at Disney Springs). For example, unforeseen or unexpected delays may increase the overall budget for the Project and, under certain circumstances, the Company may be responsible for the increased costs. Furthermore, budgeted contingencies may not be sufficient to cover the full amount of such expenses. As described in "THE PROJECT—General—Capacity Expansion Project," the Company has decided to add additional rolling stock and rail infrastructure to (i) ensure sufficient capacity, (ii) improve the rider experience, (iii) provide first-class network performance to address the potential for increased ridership as a result of the New In-line Stations and station at Disney Springs and (iv) enhance the flexibility and speed of the rail system. The Company will continue to consider other capacity expansion opportunities, which would require additional expenditures. Finally, although the Company expects to have all of its construction contracts to be subject to a fixed price or a guaranteed maximum price that requires the contractors to achieve substantial completion of their respective portions of the North Segment within a prescribed schedule, the fixed price and/or guaranteed maximum price may be appropriately increased.

Rising fuel costs could materially adversely affect the Company's business.

Fuel prices and supplies are influenced significantly by international, political and economic circumstances, and the Company does not currently hedge against fuel price fluctuations. Accordingly, if fuel supply shortages or unusual price volatility were to arise for any reason, the resulting higher fuel prices would significantly increase the Company's operating costs. Increases in fuel price may only be passed along to the Company's customers through increased ticket prices, which is often with delayed effect. In addition, the Company may elect not to pass along such increases because they could result in a decrease in ridership. Moreover, there are no assurances that these increases would cover the entire fuel price increase for a given period, or that competitive market conditions will effectively allow the Company to pass along this cost. While increases in prices may increase revenues, the Company may not be able to generate sufficient cash flows to offset higher operating costs, which could have a material adverse impact on the Company's business, contracts, financial condition, operating results, liquidity and prospects and thereby adversely impact the Company's ability to pay debt service on the Series 2019B Bonds.

The Company is relying on estimates of third-party consultants and management estimates regarding the future ridership and revenue, operations and maintenance costs and ancillary revenue of the Company's proposed passenger rail service to build the Company's projections, and these estimates may prove to be inaccurate. Actual results could differ from the projections and other estimates contained in this Limited Remarketing Memorandum.

The projections and other estimates relating to the Project contained elsewhere in this Limited Remarketing Memorandum have not been prepared in compliance with the published guidelines of the American Institute of Certified Public Accountants. The Company is relying on WSP, other external ridership consultants and management estimates for the estimates of the future ridership and revenue forecasts, operations and maintenance costs and ancillary revenue forecasts of the Company's proposed passenger rail service on which the Company's projections are based, including projections related to the New In-line Stations. Such forecasts are based on several assumptions, which may prove to be inaccurate. These estimates and assumptions are inherently subject to significant uncertainties, the degree of which increases with each successive period presented. For example, these estimates assume that the Company will be able to successfully complete and operate the South Segment, the North Segment and New In-line Stations on schedule and in the manner anticipated. Further, the assumptions have not been updated since WSP provided the Ridership and Revenue Study in 2017. As such, the projections provided in the Ridership and Revenue Study are not based on observed data and do not account for impacts of the COVID-19 pandemic. If the Company is unable to timely complete or operate the North Segment or the New In-line Stations, the Company may have fewer passengers and generate less revenue than as set forth in these projections and estimates. Experience from actual operation of the railroad and construction of the Project may identify new or unexpected conditions that could reduce the rate of construction below, or increase capital or operating costs above, current estimates for the Project. The uncertainty of the estimates is particularly heightened given the Company's limited operating history, track record and historical financial statements on which to base the estimates. Actual results may differ materially, and the assumptions on which these estimates are based are subject to numerous risks and uncertainties, a number of which are beyond the Company's control.

Any significant negative discrepancy between actual ridership and revenue, operations and maintenance costs and ancillary revenue and the forecasts the Company has used to build the Company's projections and business plan could have a material adverse effect on the Company's profitability, business, contracts, results of operations, financial condition, cash flows, liquidity and prospects and the Company's ability to repay the Series 2019B Bonds. If actual results are less favorable than the projections or the estimates and assumptions contained in the Ridership and Revenue Study, the Ridership and Revenue Study Supplement or Operations and Maintenance and Ancillary Revenue Report or other external ridership studies, or the engineering and construction plans for the North Segment and the New In-line Stations and the Company's estimates of capital and operating costs turn out to be inaccurate, the Project could be materially adversely affected.

The market data the Company has relied upon may be inaccurate or incomplete and is subject to change, which could change the Company's business plan or financial performance.

The Company has based market data and certain other data provided in this Limited Remarketing Memorandum with respect to the Project on information supplied by WSP in the Ridership and Revenue Study and other sources that the Company believes are reliable. However, the Company has not independently verified any such information, and it is possible that the market data and information may not be accurate in all material respects. In addition, there is currently no express passenger railroad serving the Miami to Orlando corridor and the revenue and ridership forecasts included in this Limited Remarketing Memorandum may prove to be inaccurate or incomplete, including as a result of changes in market trends or passenger preferences. Accordingly, prospective investors should not place undue reliance on such data when making their investment decision. The number of riders on the railroad and the costs of operating the railroad are subject to continual change. For these and other reasons discussed in this Limited Remarketing Memorandum, the Company's estimates of the Project's future revenues, cost and performance could prove to be inaccurate and such inaccuracy could adversely impact the Company's ability to pay debt service on the Series 2019B Bonds.

The Company may not be able to obtain, maintain or renew the required permits, consents, approvals, licenses, entitlements, leases and other authorizations or agreements for certain components of the construction and/or operation of the Project, and any failure or delay in doing so could impede completion and/or operation of the Project, which could have a material adverse effect on the Company.

The design, construction and operation of the Project are highly regulated activities. Material governmental, regulatory and non-governmental approvals and permits are required in order to construct and operate the Project. The Company has yet to receive certain approvals, licenses, consents, permits, entitlements, leases and other authorizations or agreements required to construct and operate certain components of the North Segment and the New In-line Stations.

In particular, the Company will be required to obtain and maintain certain approvals for the construction and operation of the North Segment, including permits for certain bridges from the U.S. Army Corps of Engineers and the U.S. Coast Guard. The permits required to be obtained are routine and not expected to impact the progress of construction. Certain of the authorizations obtained to date from federal and state regulatory agencies contain ongoing conditions to be fulfilled and allow for additional approval and permit requirements to be imposed.

Furthermore, certain of the Company's approvals, licenses, consents, permits, entitlements, leases and other authorizations or agreements, whether already issued or to be issued, could be subject to appeal periods which have not yet run and during which challenges may be asserted. The Company has no control over the outcome of these permit processes, and the Company does not know whether or when any such approvals or permits can be obtained, or whether or not any existing or potential interventions or other actions by third parties will interfere with the Company's ability to obtain and maintain such permits or approvals. There is no assurance that the Company will obtain and maintain the needed governmental permits, approvals, authorizations and agreements, or that the Company will be able to obtain them on a timely basis or at all, and failure to obtain and maintain any of these permits, approvals, authorizations or agreements could have a material adverse effect on the Company's business, financial condition, operating results, cash flows, liquidity and prospects. In addition, although certain of the Company's approvals, licenses, consents, permits, entitlements, leases and other authorizations or agreements contain or are expected to contain renewal provisions, the Company may not be able to extend or renew (on a timely basis or at all), the approvals, licenses, consents, permits, entitlements, leases and other authorizations or agreements when they expire, any such extension or renewal could be subject to terms or conditions that may not be favorable to the Company or commercially reasonable.

If the Company does not obtain, maintain or renew the necessary approvals, licenses, permits, entitlements, leases, consents or other authorizations and agreements in a timely manner or on favorable terms and conditions or at all, the Company's ability to complete the North Segment or to operate the Project may be materially adversely affected, thereby materially impairing the Company's ability to pay debt service on the Series 2019B Bonds.

Laws and regulations governing construction and operation of the Project may be subject to differing interpretations and may be amended from time to time. The Company may not be able to comply with all such interpretations and such newly adopted laws and regulations in the future. Any failure by the Company to comply may increase the cost of, or delay the Company's ability to complete or operate, the Project.

The Company is subject to governmental regulations relating to the Project, which could impose significant costs on the Project and could impede completion or operation of the Project, which would have a material adverse effect on the Company.

The Company is subject to the jurisdiction of various regulatory agencies, including the FRA and other state and federal regulatory agencies for a variety of economic, health, safety, labor, tax, legal and other matters. New rules or regulations by these agencies could increase the Company's operating costs or reduce operating efficiencies. For example, the Rail Safety Improvement Act of 2008 mandated that the installation of an interoperable PTC system on main lines that carry certain hazardous materials and on lines that have commuter or passenger operations. The rule has caused the Company and the rail industry to incur significant new costs. Noncompliance with these and other applicable laws or regulations could affect operations and erode public confidence in the Company and subject the Company to fines, penalties and other legal or regulatory sanctions.

In addition, under the ADA, all public accommodations must meet various federal requirements related to access and use by disabled persons. Compliance with the ADA's requirements could require costs to attain, including removal

of access barriers, and non-compliance could result in the imposition of fines, additional construction and/or alteration of the then-existing facilities, or in private litigants winning damages. Although the Company believes that the Project's trains and stations comply, or will comply, with the present requirements of the ADA, the Project may be subject to audits or investigations to determine compliance with the ADA.

Moreover, the Company's assets and the development and operation of the Project are subject to a variety of federal, state and local environmental laws and regulations that impose strict, and in certain cases joint and several, liability for such costs, including, among other things, discharge of pollutants into the air, water and soil, the generation, handling, storage, transportation, treatment and disposal of waste and other regulated materials, the cleanup of contaminated properties and human health and safety. The failure to comply with environmental and other governmental regulations could have a material adverse effect on the Company. The Company could incur significant costs, fines and penalties as a result of any allegations or findings to the effect that the Company has violated or is strictly liable under these laws or regulations. The Company may be required to incur significant expenses to investigate and remediate environmental contamination and these expenses could have an adverse impact on the Company's business, contracts, financial condition, operating results, liquidity and prospects and thereby adversely impact the Company's ability to pay debt service on the Series 2019B Bonds.

Railroad regulations and legislative amendments may impose costs and restrictions that could adversely affect the Company's operations.

Under current Florida law, the Project is exempt from sales taxes with regard to the purchase of certain materials. The Florida legislature may amend current law, including the Florida Revenue Act and/or the Florida Rail Enterprise Act, in a manner that adversely affects the tax, regulatory, operational or other aspects of the Project and accordingly increases the Company's cost of conducting business or reduces the volume of the Company's business. For example, amendments to Florida Statute, as amended, Section 212.08(7)(bbb), and/or Florida Statute, as amended, Section 341.840, could subject the Project to sales taxes from which it is now exempt with regard to the purchase of certain materials.

The operations of the Company are subject to rules and regulations promulgated by various agencies and bodies of the state and local governments which have jurisdiction over such matters as employment, environment, safety, traffic and health. The impact of any new rules and regulations on the operations of the Company is unknown and cannot be predicted. Future rules and regulations may require the expenditure by the Company of substantial sums to effect compliance therewith. In this regard, Florida legislation regarding the regulation of high-speed passenger rails was unsuccessfully introduced during the 2017, 2018 and 2019 legislative sessions in the Florida Senate and the Florida House of Representatives. Senate Bill 572 (the "Florida High-Speed Passenger Rail Safety Act"), filed in October 2017, proposed to shift responsibility for certain construction and maintenance costs associated with grade rail crossings from local government entities to rail companies. In addition, the proposed legislation would have imposed certain fines and penalties, in an amount not to exceed \$10,000, for each violation of the Florida High-Speed Passenger Rail Safety Act or rules adopted in relation thereto. Similar legislation, House Bill 465 and Senate Bill 676, was filed during the recently completed 2020 Legislative session but was not enacted. This legislation would have created the "Florida High-Speed Passenger Rail Safety Act," which would assign the cost to rail companies for modifications to the road bed due to the installation of certain safety equipment. The Act would have also allowed the Florida Department of Transportation to adopt regulations related to rail safety and impose penalties up to \$10,000 for each violation. Similar bills may be introduced in future legislative sessions.

Based on the current decision of the STB, a federal economic regulatory agency that is charged with resolving railroad rate and service disputes and reviewing proposed railroad mergers, the Project is not subject to its regulatory jurisdiction under Title 49 of the United States Code and there are no STB regulatory laws or issues that could impact claims of the Owners of Series 2019B Bonds. However, if the STB were to assert jurisdiction over the Project in the future, then advance approval or exemption would be required before the property could be liquidated. The proceeding before the STB would be subject to public comment and an independent analysis by the STB of the viability of the railroad. The STB could also require the property to be kept in service after authorizing abandonment if a third party offered a subsidy to make the Company whole during such subsidy period. The STB also has the power to order the sale of the property of a regulated carrier to a financially responsible third party for the net liquidation value, which consists of the current value of the track and materials less the cost of removal and transportation, plus the across-the-fence value of real estate owned in fee simple, less the usual and customary costs of the sale of real estate.

In addition, if the STB were to assert jurisdiction over the Project in the future, then advance approval or exemption might be required for the passenger railroad operations and/or the construction and operation of the Project. Because of the projected number of trains to be operated daily by the Company, the STB might also require an environmental review separate or different from that review conducted by the FRA. That review could be either an environmental assessment or environmental impact statement for the new passenger operations and would most likely be an environmental impact statement with respect to any new construction. The environmental review process could take up to three years and might result in conditions ranging from pro forma to onerous, including a requirement that the Company construct one or more grade separations along the line at a potentially significant cost. There is also a risk of denial or conditions so costly that the Project does not proceed at all. The STB would also have the power to regulate fares and service while the Project is operating.

Severe weather, including hurricanes, and natural disasters could disrupt normal business operations, which could result in increased costs and liabilities and decreases in revenues.

Substantially all of the Company's operating assets are currently located on Florida's eastern seaboard, which has experienced severe weather periodically in the past and may continue to experience severe weather in the future. In addition, climate change could result in an increase in the frequency and severity of these severe weather events, as well as causing sea levels to rise. Any significant future rise in sea level near the Company's Florida operations could result in flooding, which could damage the Company's infrastructure, temporarily or permanently impair its ability to function near-coastal operations effectively, require the Company to incur costs to protect its assets or adversely impact its customer base. Severe weather conditions and other natural phenomena, including hurricanes and other severe storms, fires and floods, may cause significant damage, destruction and business interruptions and result in increased costs, increased liabilities and decreased revenue. For example, in September 2017, Hurricane Irma caused significant damage and disrupted normal business operations in Florida. Although the Company's operations were not directly affected by Hurricane Irma, there can be no assurance that the Company will be spared the impact of other major natural disasters, which could have a material adverse effect on the Company's business, financial condition, operating results, cash flows, liquidity and prospects and thereby adversely affecting the ability of the Company to pay debt service on the Series 2019B Bonds.

The Company faces possible catastrophic loss and liability, and the Company's insurance may not be sufficient to cover the Company's damages or liability to others.

The operation of any railroad carries with it an inherent risk of catastrophe, mechanical failure, collision and property loss, notwithstanding the safety protocols the Company has in place. Personal injury claims by the Company's employees, including claims alleging occupational disease and work-related injuries, are subject to the provisions of the Federal Employers' Liability Act. In the course of the construction and operation of the Company's passenger rail service, spills or other environmental mishaps, cargo loss or damage, as well as labor disputes or strikes and adverse weather conditions, could result in a loss of revenues or increased liabilities and costs. Collisions, derailments, accidents, including those caused by reckless drivers or attempted suicides, leaks, explosions, environmental mishaps, or other accidents can cause serious bodily injury, death and extensive property damage, particularly when such accidents occur in heavily populated areas. The Company intends to maintain insurance or otherwise insure against hazards in a manner that is consistent with industry practice against the accident-related risks involved in the conduct of the Company's business and business interruption due to natural disaster. In addition, due to the location of the Company's assets on Florida's eastern seaboard, the Company also intends to maintain windstorm coverage. However, the Company expects that this insurance will be subject to a number of limitations on coverage and substantial deductibles or self-insured retentions, depending on the nature of the risk insured against. This insurance may not be sufficient to cover the Company's damages or damages to others and this insurance may not continue to be available at commercially reasonable rates. In particular, the market for windstorm coverage remains very limited and costly. It is unknown how much windstorm coverage the Company will purchase in the future and it is possible that the Company's property will experience windstorm damage and utility service interruption in excess of insurance limits. In addition, the Company is subject to the risk that one or more of the Company's insurers may become insolvent and would be unable to pay a claim that may be made in the future. Even with insurance, if any catastrophic interruption of service occurs, the Company may not be able to restore service without a significant interruption to operations which could have an adverse effect on the Company's financial condition. For additional information regarding the Company's insurance program, see "THE PROJECT— Insurance" herein.

In addition, certain losses may be either uninsurable or not economically insurable, in whole or in part. Insurance proceeds may not compensate the Company fully for the Company's losses. If there is a complete or partial loss of

any of the Collateral securing the Series 2019B Bonds, the insurance proceeds may not be sufficient to satisfy all of the secured obligations, including the remarketing of the Series 2019B Bonds and the guarantees thereof. In the event of a total or partial loss to any of the mortgaged facilities, certain items of equipment may not be easily replaced.

Shared use of the Company's corridor with freight operations could have an adverse effect on the Company's ability to utilize the Company's railway efficiently, which could impact the Company's operations and financial condition.

FECR owns the fee simple title in the existing rail right-of-way along Florida's east coast from Miami to Jacksonville and owns the existing railroad infrastructure within the Company's Florida rail corridor (other than portions of the rail infrastructure in the South Segment and the North Segment owned by the Company and other than the approximately 40 miles of the railroad infrastructure between Cocoa and Orlando International Airport, which will be owned by the Company). The Company owns the permanent, perpetual and exclusive rights (subject to Amtrak access rights), privileges and easement over and across the real property within FECR's main line right-of-way between Miami and Cocoa, Florida for passenger rail purposes. The Company may also incur additional liability, casualty and property risks as a result of shared use of the corridor with freight railroad operations and, in the event that FECR is unable to pay any maintenance or repair costs, the Company may be required to pay such costs to maintain its services, which could adversely affect the Company's operations and financial condition.

While the Joint Use Agreement provides for the allocation of liability between FECR and the Company in the case of accidents, and requires both carriers to maintain appropriate insurance coverage, there are no assurances that any such liabilities will not have a material adverse effect on the Company's business, financial condition and operating results.

Shared use of the Company's corridor with FECR could have an adverse effect on the Company's ability to establish the Miami-Dade commuter rail service.

Pursuant to the Joint Use Agreement, the Company requires the review and approval, not to be unreasonably withheld, of the Service Standards Committee (which consists of four representatives from each of the Company and FECR) to construct the necessary additional track improvements and operate the proposed schedule of trains for the South Florida commuter service. In September 2020, FECR sent a letter to the Miami-Dade County Board of County Commissioners indicating that its review and approval had not yet been obtained. While the Company is currently engaged in active discussions with FECR to obtain the requisite Service Standards Committee approval, negotiations with FECR may not lead to a definitive agreement on favorable terms and conditions, or at all. If the Company is unable to reach an agreement with FECR, it may not be able to establish the Miami-Dade commuter rail service.

Shared use of the Company's corridor with Tri-Rail could have an adverse effect on the Company's ability to utilize the Company's railway efficiently, which could impact the Company's operations and financial condition.

The Company has entered into an agreement with SFRTA and is finalizing associated ancillary agreements to allow SFRTA to expand Tri-Rail commuter rail service and establish a new commuter rail service on the Company's rail corridor from SFRTA's existing lines into the Miami Station. In connection therewith, the Company has constructed incremental infrastructure at its Miami station and related rail infrastructure that will allow the SFRTA to provide such commuter rail service and is constructing signal work. The Company estimates the cost for this additional construction to be approximately \$66 million. The Company's agreement with SFRTA obligates SFRTA to reimburse these incremental infrastructure costs over a fixed period of time. As of September 30, 2020, the Company had a balance of \$2.6 million for the work at the Miami Station and \$2.3 million related to PTC and signaling for the rail infrastructure that have not yet been reimbursed by SFRTA. The Company's ability to receive the full reimbursement is contingent on SFRTA receiving funds from several other local and state public agencies. SFRTA has negotiated with these relevant local and state agencies, but each agency will have to issue bonds or appropriate the funds according to the funding schedule, to the extent they have not done so already. There is a risk that a public agency's revenues will not provide coverage for its funding commitments in a future fiscal year.

If effectuated, the Company's lease, easement and other use agreements with FDOT, GOAA CFX, the City of Boca Raton and Miami-Dade County will contain, and the Company's agreements with other governmental entities may contain, terms and conditions particular to contracts with governmental entities that are inherently risky and could have an adverse effect on the Company's financial condition.

The Company's agreements with FDOT, GOAA, CFX and the City of Boca Raton and Miami-Dade County for the Project will not contain reciprocal indemnification obligations and will provide, among other things, that such parties have not waived sovereign immunity in tort under the constitution and laws of Florida and have limited liability in certain cases. Any future agreements with these or other governmental entities may have similar provisions. As a result, the Company may not be able to enforce the Company's rights fully under these agreements or obtain an adequate remedy in the event that any of these parties breaches its obligations. Furthermore, the parties to these agreements have rights to terminate these contracts under certain limited scenarios after notice and cure periods.

A portion of the costs required to design, develop, construct, equip, license, finance and open the Project is not guaranteed in that the Company has not yet entered into contractual commitments for certain aspects of the North Segment, the New-In-line Stations, the station at Disney Springs and the potential commuter-service in Miami-Dade and Broward Counties.

The Company has not yet entered into certain construction contracts for the completion of the North Segment, including a contract for the Orlando Station Tenant Improvements, which has an estimated remaining value of \$7 million, a contract with FECR to undertaking minor repairs to the St. Lucie River Bascule Bridge and to double track a 4.5-mile segment north of the Cocoa curve. The Company will be responsible for those costs, including certain cost overruns incurred as part of the completion of all the elements of the Project. While the Company believes that the overall budget for the development costs for the North Segment is reasonable, not all of the work is currently covered by contractual commitments, these development costs are estimates and the actual development costs may be higher than expected. The estimates for this work may increase and, as a result, the Company may choose to reduce the scope of the work, revise the design criteria and modify design components to reduce the costs of constructing the North Segment. Any such reduction in scope or change in design criteria or design components could adversely affect the Company's economic prospects, to the detriment of the investors. Any inability by the Company to pay development costs as they are incurred could negatively affect the Project and the Company's business operations and prospects.

Although the Company has budgeted \$173 million in contingency funds, this amount may not be sufficient to cover the full amount of such overruns. If the Company is unable to use these contingency funds or if these contingency funds are not sufficient to cover these costs, the Company may not have the funds required to pay the excess costs, which may adversely impact the Company's business, contracts, financial condition, operating results, liquidity and prospects and thereby adversely impact the Company's ability to pay debt service on the Series 2019B Bonds.

In addition to the North Segment, the Company is still in active negotiations for the PortMiami grant agreement as well as certain agreements for the station at Disney Springs and the potential commuter-services in Miami-Dade and Broward Counties. The anticipated costs for completing these endeavors is still unknown and the plan of finance is not yet definitive.

Once established, the limits on pricing under the Company's remaining construction contracts may increase, and the Company may be responsible for the amount of any increase.

Although the Company expects to have all of its material construction contracts (as defined in the Collateral Agency Agreement, as well as the construction contract with Scott Bridge Company, Inc. for the rehabilitation of the Loxahatchee River Bridge) to be subject to a fixed price or a guaranteed maximum price that requires the contractors to achieve substantial completion of their respective portions of the North Segment within a prescribed schedule, the fixed price and/or guaranteed maximum price may be appropriately increased, and the deadline for substantial completion of construction may be appropriately adjusted, on account of, among other things:

- required performance by the contractor for any work not incorporated in the contract documents;
- certain concealed or unknown physical conditions of an unusual nature which differ materially from those indicated in the contract documents or ordinarily encountered;
- changes of a certain magnitude requested or directed by the Company in the scope of the work to be performed pursuant to the construction contract;

- abnormally adverse weather conditions, war, civil disturbance, terrorist attack, trade tariffs, revolt, insurrection, fire, flood, sabotage, unavoidable casualties or other force majeure events, in each case, that are not the responsibility of the Company's contractor(s) or others working for or through such party, or other causes beyond their reasonable control that are or were not preventable or avoidable by reasonable efforts and due diligence by any such party or others working for or through such party;
- by a Company-caused delay; and
- by negligent or willful act or omission of the contractor, the design professionals (including the engineer), a consultant, vendor, material supplier, or the Company, or any consultant, subcontractor, agent or employee of any of them.

While the Company's construction budget provides for a contingency amount of \$173 million to cover cost overruns, there can be no guarantee that this contingency amount will be sufficient to cover any or all matters for which the Company may bear responsibility under these contracts. Similarly, the Company cannot guarantee that the Company will be able to obtain the remaining required construction contracts with fixed prices or guaranteed maximum prices on terms satisfactory to the Company. As a result, the Company would be responsible for any costs incurred in excess of the Company's budget. Any such cost increase could have a significant negative impact on the Company's financial condition and plan of operations and the Company's ability to satisfy its obligations under the Senior Loan Agreement and thereby adversely impact payment of the Series 2019B Bonds.

The liquidated damages provision in the Company's construction contracts may not be sufficient to protect the Company against exposure to actual damages the Company may suffer for delay in completion of the North Segment.

Many of the Company's signed construction contracts require, and future agreements are expected to require, the Company's contractors to achieve substantial completion within a prescribed time frame and many of the Company's contracts (but not all) will impose on them, subject to various permitted exceptions, liquidated damages of a certain per diem amount for each day by which they fail to satisfy that requirement. However, in most circumstances, the aggregate amount of such liquidated damages payable to the Company will be limited (e.g., the cumulative sum of liquidated damages payable by a contractor may be limited to the fee to be paid to such contractor under its contract). The Company cannot offer any assurance that construction will be completed on schedule and, if completion of the construction is delayed, the Company's actual damages will likely be well in excess of any liquidated damages that may be payable to the Company by its contractors. The Company will be responsible for bearing any such excess damages, which may adversely affect the Company's ability to complete construction of the North Segment within its anticipated budget, on time or at all. In addition, to the extent that the Company's contracts contain terms that require the payment of liquidated damages in the event of delays, the Company is subject to the risk that delays are encountered that are not attributable to the party engaged by the Company and that liquidated damages would not be due to the Company at all as a result.

The financial resources of the Company's contractors may be insufficient to fund cost overruns or liquidated damages for which they are responsible under their contracts.

Under the expected terms of the majority of the Company's construction contracts regarding the North Segment, the parties engaged by the Company will be responsible for all construction costs covered by the construction contract that exceed the fixed price or guaranteed maximum price contained in the contract, subject to specific conditions and limitations. Nevertheless, the Company cannot offer any assurance that any contractor will have sufficient financial resources to fund any cost overruns or liquidated damages for which it is responsible under its contract. Furthermore, while bonds or other insurance posted by these parties and/or their subcontractors may be available, those instruments may also be insufficient to cover any shortfall and would require a time-consuming claims process to be pursued in order to obtain recovery. Accordingly, the Company may need to pay these excess costs in order to complete construction of the North Segment. If the opening of the North Segment is materially delayed, it could materially and adversely affect the Company's plan of operations, financial condition and ability to satisfy the Company's obligations under the Senior Loan Agreement and thereby adversely impact the Company's ability to pay debt service on the Series 2019B Bonds.

The Company may experience increased labor costs and the unavailability of skilled workers or the Company's failure to attract and retain key personnel could adversely affect the Company.

The Company is dependent upon the available labor pool of skilled employees. The Company competes with other infrastructure and transportation companies and other employers for qualified personnel with the technical skills and experience required to construct and operate a passenger rail line and to provide the Company's customers with the highest quality service. The Manager is also subject to the Fair Labor Standards Act, which governs such matters as minimum wage, overtime and other working conditions. A shortage in the labor pool of skilled workers or other general inflationary pressures or changes in applicable laws and regulations could make it more difficult for the Company to attract and retain personnel and could require an increase in the wage and benefits packages that the Manager offers, thereby increasing the Company's operating costs. In addition, the rail industry in general is heavily unionized, which could increase the Company's labor costs substantially. Any increase in the Company's labor costs could materially and adversely affect the Company's business, contracts, financial condition, operating results, cash flows, liquidity and prospects and thereby adversely impact the Company's ability to pay debt service on the Series 2019B Bonds.

If the Manager is unable to retain the services of key managers, the Company's business might be harmed.

The Company's development to date has depended, and in the future will continue to depend, on the efforts of the senior management employed by and made available to the Company by the Manager. Departures by members of such senior management could have a negative impact on the Company's business, as the Company may not have access to suitable personnel to replace departing management on a timely basis or at all. The loss of access to a skilled management team could impair the Company's ability to execute the Company's business plan and could therefore have a material adverse effect on the Company's business, results of operations and financial condition.

The Company is at risk of losses and adverse publicity stemming from accidents or service disruptions involving rail services.

Incidents involving rail services and media coverage thereof, as well as adverse media publicity concerning the rail industry in general, have occurred and could impact demand for the Company's service. If the Company experiences any equipment failures, delays (including any delay in implementing the Company's PTC system), temporary cancellations of schedules, collisions, derailments, accidents caused by reckless drivers or attempted suicides, collisions with FECR freight trains or cars, or any deterioration in the performance or quality of any of the Company's services, it could result in personal injuries, damage of goods, customer claims of damages, customer refunds, significant tort liability and loss of goodwill. These problems may also lead to decreases in passengers and revenue, damage to the Company's reputation and unexpected expenses or may divert management's attention away from the operation of the Company's passenger rail line, any one of which could materially and adversely affect the Company's business. In addition, any events which impact the rail or travel industry more generally may negatively impact guests' ability or desire to travel by rail, or interrupt the Company's ability to obtain services and goods from key vendors in the Company's supply chain. Any of the foregoing could have an adverse impact on the Company's results of operations and on future industry performance.

Maintaining a good reputation is critical to the Company's business. Reports and media coverage of rail incidents, including improper conduct by the Company's employees, passengers or agents, crimes, security breaches, terrorist threats and attacks, derailments, accidents, including those caused by reckless drivers or attempted suicides, and other adverse events, can result in negative publicity, which could lead to a negative perception regarding the safety of the Company's passenger rail line and the satisfaction of the Company's passengers. Anything that damages the Company's reputation, whether or not justified, could have an adverse impact on demand, which could lead to a reduction in the Company's sales and profitability.

The Company may incur liability under environmental laws relating to the development of the Project.

The Company's assets and the development and operation of the Project are subject to a variety of federal, state and local environmental, health and safety rules and regulations. Noncompliance with these rules and regulations could result in significant fines or penalties, injunctions limiting or prohibiting the Company's activities, delays in completing the Project or additional costs, including liability for investigation, remediation or mitigation costs or any related claims alleging personal injury, property or natural resource damages, all of which could have a material adverse impact on the Company's business, contracts, financial condition, operating results, liquidity and prospects.

At any time, the Company may be responsible for remediation costs or other liabilities (including liability for any existing contamination on the lands of the Company or that it may acquire or contamination at third-party contaminated sites where the Company has sent waste for treatment or disposal) as a result of the use, presence, release or disposal of regulated substances at or from these sites. Liability may be imposed without regard to whether the Company knew of, or caused, the contamination and, in some cases, liability may be joint and several. The Company may also face additional costs, liabilities or delays as a result of any proposed or actual impact or damages to any protected species or habitats.

Any environmental liability or obligation could cause the Company to incur material costs outside of the current development budget for the Project or result in material delays. In particular, undiscovered contamination, changes in law or governmental enforcement or oversight, the Company's failure to obtain or maintain environmental permits, authorizations or other approvals, unforeseen environmental liabilities or any environmental claims or challenges by interested parties may result in additional, unexpected costs or could cause significant delays in the completion of the Project or prevent the Company from completing the Project at all.

Future acts of terrorism or war, as well as the threat of war, may cause significant disruptions in the Company's business operations.

Terrorist attacks, such as those that occurred on September 11, 2001, as well as the attacks on the transportation systems in Madrid and London, and the government response to those types of attacks and war or risk of war may adversely affect the Company's results of operations, financial condition or liquidity. The Project could be a direct target or indirect casualty of an act or acts of terror. Such acts could cause significant business interruption and result in increased costs and liabilities and decreased revenues, which could have an adverse effect on the Company's operating results and financial condition. Any act of terror, retaliatory strike, sustained military campaign or war or risk of war may have an adverse effect on the Company's operating results and financial condition by causing or resulting in unpredictable operating or financial conditions, including disruptions of rail lines, volatility or sustained increase of fuel prices, fuel shortages, general economic decline and instability or weakness of financial markets which could restrict the Company's ability to raise capital. In addition, insurance premiums charged for some or all of the Company's coverage could increase dramatically or certain coverage may not be available to the Company in the future. Any such terrorist attack, whether or not insured, could materially and adversely affect the Company's business, contracts, financial condition, operating results, cash flows, liquidity and prospects and thereby adversely impact the Company's ability to pay debt service on the Series 2019B Bonds.

If the Company fails to maintain the security of information relating to its passengers, employees, contractors or others, whether as a result of cybersecurity attacks or otherwise, the Company could be exposed to data loss, litigation, government investigations and costly response measures, which could disrupt its operations and harm its reputation.

From time to time, the Company will have access to, collect, maintain or transmit private or confidential information regarding its passengers, employees, contractors and others, as well as its business. Although the Company intends to have procedures in place to safeguard such data and information, cybersecurity attacks are rapidly evolving and becoming increasingly sophisticated. It is possible that computer hackers and others might compromise the Company's security measures or those that it does business with and obtain the personal information of its passengers, employees, contractors and others or its business information. A security breach of any kind could expose the Company to the risk of data loss, litigation, government investigations and costly response measures, and could disrupt its operations. Any resulting negative publicity could significantly harm the Company's reputation, which could in turn cause it to lose passengers and have an adverse effect on its business and operating results.

The Company's reliance on technology and technology improvements may negatively impact the Company.

The Company relies on technology and technology improvements in its business operations. If the Company experiences significant disruption or failure of one or more of its information technology systems, including computer hardware, software, and communications equipment, it could experience a service interruption, a security breach, or other operational difficulties. Additionally, if the Company does not have sufficient capital to acquire new technology or is unable to implement new technology, it may suffer a competitive disadvantage within the rail industry and with companies providing other modes of transportation service.

The Company may be subject to federal, state and local taxes on the Company's income and property and, since the Company has a limited operating history, the impact of such taxes on the Company is currently unknown.

The Company may be subject to federal, state and local taxes on the Company's income and property, including the Company's real estate assets. However, since the Company has a limited operating history, the impact of such taxes on the Company is currently unknown. In particular, the Company may be subject to taxes from authorities in various jurisdictions and can give no assurance as to how such authorities will assess taxes on the Company's income and/or properties. Any tax liability could be substantial and would reduce the amount of cash available for making payments on the Series 2019B Bonds, which in turn could have an adverse impact on the value of, and trading prices for, the Series 2019B Bonds.

A significant increase in real estate taxes may materially adversely affect the Company's results of operations.

The legislation and regulations related to property tax matters tend to be complex and subject to varying interpretations by both government authorities and taxpayers. From time to time, the Company's property taxes may increase as property values or assessment rates change or for other reasons deemed relevant by the assessors. An increase in the assessed valuation of a property for real estate tax purposes results in an increase in the related real estate taxes on that property. Although the Company may be able to offset some or all of these tax increases by increases in fares, there is no assurance that it will be able to do so. There is currently uncertainty regarding the amount that the Company will be assessed for property taxes. Although management believes that the positions it has taken are reasonable, applicable taxing authorities may challenge certain of the positions the Company has taken, which could potentially result in additional liabilities for taxes, interest and penalties in excess of accrued liabilities. Any such additional liabilities, if incurred, could materially adversely affect the Company's results of operations.

The Company is not providing all of the information that would be required if this remarketing were being registered with the Securities and Exchange Commission.

This Limited Remarketing Memorandum does not include all of the information that would be required if the Company were registering this remarketing of the Series 2019B Bonds with the Securities and Exchange Commission. Among the information not included or incorporated by reference is financial statements of the Company that comply in all respects with the requirements of Regulation S-X under the Securities Act or five years of selected financial information of the Company, and certain information regarding the Company's executive compensation policies and practices. The absence of such information could impair the ability of prospective investors to evaluate making an investment in the Series 2019B Bonds. Furthermore, there is no assurance that the Company's financial information as set forth in this Limited Remarketing Memorandum will be indicative of its future financial performance or its ability to meet its financial obligations, including payment of debt service on the Series 2019B Bonds when due.

Protecting and defending against intellectual property claims may have a material adverse effect on the Company's business.

The Company's success depends in part upon successful prosecution, maintenance, enforcement and protection of its owned intellectual property and compliance with the terms applicable to its licensed intellectual property. There is no guarantee that any action to defend, maintain or enforce the Company's owned or licensed intellectual property rights will be successful, and an adverse result in any such proceeding could have a material adverse impact on the Company's business, financial condition, operating results and prospects.

In addition, it is possible that third parties may claim from time to time that the Company is infringing or otherwise violating their intellectual property rights. Irrespective of the validity of any such claims, the Company could incur significant costs and diversion of resources in defending against them, and there is no guarantee any such defense would be successful, which could have a material adverse effect on the Company's business, contracts, financial condition, operating results, liquidity and prospects.

VEL has disputed the validity of the termination of the Virgin License Agreement and indicated that it may commence legal proceedings to recover damages. If VEL were to prevail in any such legal proceeding, it may have a material adverse effect on the Company's reputation, business, results of operations, financial condition and liquidity.

On November 15, 2018, Brightline Holdings, the Company's indirect parent, entered into the Virgin License Agreement with VEL. Pursuant to the terms of the Virgin License Agreement, VEL granted to Brightline Holdings, during the term, the right to use the Virgin brand, name, logo and certain other intellectual property as part of the Company's corporate name and in connection with the operation of an intercity private high-speed passenger rail service along certain permitted passenger rail routes in the United States (including the Company's Florida passenger rail system and Brightline Holdings' expansion to Las Vegas). The Virgin License Agreement had an initial term of 20 years, subject to renewal for up to two additional ten year periods or earlier termination as set forth in the agreement. The agreement permitted Brightline Holdings to terminate the agreement in certain circumstances, and on July 29, 2020, Brightline Holdings terminated the Virgin License Agreement. VEL has disputed the validity of the termination notice and indicated that it may commence legal proceedings to recover damages. If VEL were to take such legal action, there can be no assurances that an adverse outcome in any such action would not have a material adverse effect on the Company's reputation, business, results of operations, financial condition and liquidity.

The Company is subject to risks related to cybersecurity.

Cybersecurity threats are constantly evolving and this increases the difficulty of detecting and successfully defending against them. These events could compromise the Company's confidential information, impede or interrupt its business operations, and result in other negative consequences, including remediation costs, loss of revenue, litigation and reputational damage. The Company expects to continue to be subject to cybersecurity threats and incidents, none of which have been material to the Company to date. While the Company has implemented administrative and technical controls and taken other preventive actions to reduce the risk of cyber incidents and protect its information technology, they may be insufficient to prevent physical and electronic break-ins, cyber-attacks or other security breaches to the Company's computer systems.

In addition, the Company or its passengers, partners or vendors could experience cyber-attacks, privacy breaches, data breaches or other incidents that result in unauthorized disclosure of customer, employee or Company information. If the Company suffers a loss as a result of a breach or other breakdown in its technology, including such cyber-attack, privacy breaches, data breaches or other incident involving one of its vendors, that result in unauthorized disclosure or significant unavailability of business, financial, personal or stakeholder information, the Company may suffer reputational, competitive and/or business harm and may be exposed to legal liability, which may adversely affect its results of operations and/or financial condition. The misuse, leakage or falsification of information could result in violations of data privacy laws and could expose the Company to legal action and increased regulatory oversight. The Company could also be required to spend significant financial and other resources to remedy the damage caused by a security breach or to repair or replace networks and information systems.

The Company seeks to minimize the impact of these attacks through various technologies, processes and practices designed to help protect its networks, systems, computers and data from attack, damage or unauthorized access, such as maintaining cyber-liability insurance, a cybersecurity program, cyber-protection packages and off-site Microsoft cloud-spaces. However, there are no guarantees that the Company's cybersecurity practices will be sufficient to thwart all attacks. While the Company carries cyber breach, property and business operation interruption insurance, it may not be sufficiently compensated for all losses it may incur. These losses include not only a loss of revenues but also potential reputational damage to its brand and litigation, fines or regulatory action against the Company. Furthermore, the Company may also incur substantial remediation costs to repair system damage as well as satisfy liabilities for stolen assets or information that may further reduce its profits.

Risks Related to this Remarketing and the Company's Indebtedness

The Company has limited revenue and may not be able to generate sufficient cash to service the Series 2019B Bonds or the Company's other existing and future indebtedness and may be forced to take other actions to satisfy the Company's obligations under the Company's indebtedness, which may not be successful.

The Company is a relatively new company, formed for the purpose of developing and operating the Project and has limited revenue. The Company's ability to make scheduled payments on or to refinance the Company's existing

and future debt obligations or remarketing of the Series 2019 Bonds depends on the Company's business, financial condition and operating performance, which are subject to the profitability of the Project, prevailing economic and competitive conditions, and certain financial, business and other factors some of which are beyond the Company's control. There can be no guarantee that the Company will be able to sustain successful operation of the Project, or that the Company will complete the Project as anticipated or at all. The Company may not be able to maintain a level of cash flow from operating activities sufficient to permit the Company to satisfy its obligations under the Senior Loan Agreement and the payment of the principal, premium, if any, and interest on the Series 2019B Bonds or the Company's other indebtedness.

If the Company's cash flows and capital resources are insufficient to fund the Company's debt service obligations and other cash requirements, the Company could face substantial liquidity problems and may be forced to reduce or delay investments, capital expenditures or the development of the Company's real estate, or to sell assets, seek additional capital or restructure or refinance the Series 2019B Loan and the Series 2019B Bonds or the Company's other indebtedness. The Company's ability to restructure or refinance its debt will depend on the condition of the capital markets and the Company's financial condition at such time. Any refinancing of the Company's debt could be at higher interest rates and may require the Company to comply with more onerous covenants, which could further restrict the Company's business operations. The terms of the Senior Loan Agreement, the Indenture and existing or future debt instruments may restrict the Company from adopting some of these alternatives. These alternative measures may not be successful and may not permit the Company to meet the Company's scheduled debt service obligations. The Company's inability to generate sufficient cash flows to satisfy its debt service obligations, or to refinance the Company's debt on commercially reasonable terms or at all, would materially and adversely affect the Company's business, financial condition and operating results. If the Company cannot make scheduled payments on its indebtedness, the Company would be in default, which could result in an acceleration of any such indebtedness, the termination of lenders' commitments to loan money and/or, in the case of secured indebtedness, foreclosure against the assets securing such indebtedness.

The Company will need to obtain additional financing following the completion of this remarketing, which may not be successful.

Following the completion of this remarketing, the Company will need to obtain additional financing to complete construction of the Project, which may include financing from lenders, through one or more public offerings or private placements of debt and/or equity securities, municipal bonds or other sources of governmental or semi-governmental financing, strategic relationships or other arrangements. The Company has used the entire amount of its PABs allocation and the Company has not applied for any additional PABs allocation. See "SUMMARY—Additional Financing."

There is also no assurance that other sources of financing will be available at its desired timing, on favorable terms, on a timely basis, or at all or will be sufficient to meet its needs. Instability or disruptions of the capital markets, including credit markets, could restrict or prohibit access to financing sources and could increase the cost of financing sources. Likewise, a significant deterioration of the Company's financial condition due to internal or external factors could also reduce credit ratings and could limit or affect its access to external sources of capital and increase financing costs. If the Company is unable to raise sufficient additional capital at a reasonable cost of financing and otherwise on favorable terms and on its desired timing, it could be forced to curtail construction, development and operation activities, which will delay the development and completion of the Project and could have a material adverse effect on its current or future business, contracts, financial condition, operating results, cash flows, liquidity and prospects.

The Company does not currently have sufficient liquidity to meet the required contractual payment obligations for construction of the North Segment through March 2021 based on the current construction schedule. The Company's ability to maintain the pace of construction and construction schedule, continue operations for the foreseeable future, or realize assets and discharge liabilities in the ordinary course of operations is dependent on the Company's ability to raise additional financing, including (i) the successful remarketing of the Series 2019B Bonds offered hereby; or, alternatively, (ii) consummating one or more other financings. Such other financings in the future are expected to include one or more of the following: (i) the issuance of taxable completion indebtedness; (ii) the incurrence of a \$175 million revolving line-of-credit; and/or (iii) obtaining additional equity contributions.

In addition, in connection with future financing activities or otherwise, Brightline Holdings or its affiliates (including the Company) may purchase additional Series 2019 Bonds in the open market, in privately negotiated transactions, through tender or exchange offers, or otherwise, or may redeem, resell, refinance or remarket any Series

2019 Bonds. Any future purchases, redemptions, resales, refinancings or remarketings may be on the same terms or on terms that are more or less favorable to holders of such Series 2019 Bonds than the terms of the Parent Tender Offers.

Although there can be no assurances, the Company believes that it will be able to obtain sufficient funds from these additional sources of financings. As a result, management believes it is probable that the Company will meet its obligations as they come due for at least the next twelve months.

The Company may not have access to sufficient funds to remarket the Series 2019A Bonds at the end of the applicable Term Rate Period. Under the Indenture, failure to pay the purchase price of the Series 2019A Bonds on the applicable Mandatory Tender Date will be a default that could result in the acceleration of the payment of all principal and interest on the Series 2019A Bonds.

The Series 2019A Bonds are subject to mandatory tender at the end of the applicable Term Rate Period. The Company expects to fund this mandatory tender with the proceeds of a remarketing of the Series 2019A Bonds. However, there is no assurance that the Company will be successful in its efforts to remarket the Series 2019A Bonds at the end of the applicable Term Rate Period. In addition, any remarketing of the Series 2019A Bonds will have to be in compliance with all then-applicable federal and state laws and regulations. See “TAX MATTERS—Future Changes in Law” herein.

The Company will have a substantial amount of indebtedness, including the Series 2019A Bonds, which could adversely affect the Company’s ability to satisfy its obligations under the Senior Loan Agreement to pay debt service on the Series 2019B Bonds and could impair the Company’s business, financial condition and operating results in the future.

On an as adjusted basis, after giving effect to the remarketing of the Series 2019B Bonds and the intended use of proceeds, as of the remarketing of the Series 2019B Bonds, the total indebtedness of the Company (excluding letters of credit) will be \$2.7 billion.

The Company’s substantial indebtedness could have important consequences for investors, including:

- increasing the Company’s vulnerability to adverse economic, industry or competitive developments;
- requiring a substantial portion of cash flow from operations to be dedicated to the payment of principal and interest on the Company’s indebtedness;
- limiting the Company’s ability to obtain additional financing for working capital, capital expenditures, debt service requirements and general corporate or other purposes; and
- limiting the Company’s flexibility in planning for, or reacting to, changes in its business or the industry in which it operates.

See “PLAN OF FINANCE AND ESTIMATED SOURCES AND USES OF FUNDS.”

In addition to the Series 2019B Bonds, the Company may incur additional debt, which could further increase the risks associated with the Company’s ability to generate sufficient cash to pay debt service on the Series 2019B Bonds.

The Company may be able to incur substantial additional indebtedness in the future. Although the Senior Loan Agreement and the Indenture will contain restrictions on the incurrence of additional indebtedness, these restrictions will be subject to a number of significant qualifications and exceptions and, under certain circumstances, the amount of indebtedness that could be incurred in compliance with these restrictions could be substantial. If new debt, including future Additional Parity Bonds or Additional Senior Indebtedness, is added to the Company’s existing debt levels, the related risks that the Company now faces will increase. Furthermore, any Additional Parity Bonds or Additional Senior Secured Indebtedness will be secured equally and ratably with the Series 2019 Bonds, thereby having the effect of diluting the security interest in the Collateral securing the Series 2019B Bonds. In addition, neither the Senior Loan Agreement nor the Indenture will prevent the Company from incurring obligations that do not constitute indebtedness under the Senior Loan Agreement and the Indenture.

The Company's debt agreements contain restrictions that limit the Company's activities.

The Senior Loan Agreement contains various covenants that require the Company to be a special purpose entity that is prohibited from engaging in transactions unrelated to the Project. The Senior Loan Agreement also prohibits or restricts the Company's ability to, among other things:

- create, incur or assume indebtedness
- create liens on certain assets to secure debt or otherwise;
- pay dividends or make other equity distributions;
- make certain investments;
- sell, transfer, lease (including any ground lease) or otherwise dispose of assets;
- consolidate, merge, sell or otherwise dispose of all or substantially all of its assets;
- engage in transactions with affiliates, except on terms and conditions that are commercially reasonable and substantially similar to those that would be available on an arm's length basis with unaffiliated third parties, as reasonably determined by the Company in good faith;
- maintain books and records that are not separate from any other Person;
- commingle its funds or assets with any other Person;
- engage in any business or own any assets other than the Project and activities and assets incidental thereto;
- maintain its assets in such a manner that it will be costly or difficult to segregate, ascertain or identify its individual assets from those of any other Person;
- fail to allocate shared expenses; and
- have any of its obligations guaranteed by an affiliate.

A breach of any of these covenants or covenants contained in future agreements could result in a default under the Senior Loan Agreement or such future agreements. In addition, any debt agreements the Company enters into in the future may further limit the Company's ability to enter into certain types of transactions. Upon the occurrence of an event of default under any of the agreements governing the Company's indebtedness, the lenders and holders of the Series 2019B Bonds could elect to declare all amounts outstanding to be due and payable and exercise other remedies as set forth in the applicable agreements. If any of the Company's indebtedness were to be accelerated, there can be no assurance that the Company's assets would be sufficient to repay this indebtedness in full, which could have a material adverse effect on the Company's ability to continue to operate as a going concern. See "APPENDIX C-1— ORIGINAL SENIOR LOAN AGREEMENT," "APPENDIX C-2—FIRST SUPPLEMENTAL SENIOR LOAN AGREEMENT" and "APPENDIX C-3— FORM OF SECOND SUPPLEMENTAL SENIOR LOAN AGREEMENT."

The liens on the Collateral securing the Series 2019B Bonds will be subject to the terms of the Collateral Agency Agreement and the other security documents.

The rights of the holders of the Series 2019B Bonds with respect to the Collateral will be subject to the Collateral Agency Agreement. Pursuant to the terms of the Collateral Agency Agreement, Deutsche Bank National Trust Company will be appointed by the Trustee as Collateral Agent for the benefit of the holders of the Series 2019B Bonds and the other Secured Parties with respect to the liens in and to the Collateral and the rights and remedies granted pursuant to the security documents. Such liens will secure the Series 2019B Bonds on a pari passu basis with the Series 2019A Bonds (and all other secured obligations under the Collateral Agency Agreement, whether now existing or incurred in the future).

Under the Collateral Agency Agreement, any actions that may be taken in respect of the Collateral, including the ability to cause the commencement of enforcement proceedings against any of the collateral and to control the conduct of such proceedings, will be taken by the Collateral Agent at the direction of the Required Secured Creditors (as defined in the Collateral Agency Agreement) and, as such, the rights of the holders of the Series 2019B Bonds may be adversely affected. No holder or holders of the Series 2019B Bonds, individually or together with any other Secured Parties, unless constituting the Required Secured Creditors, will have the right to direct the Collateral Agent to exercise or enforce any of the rights, powers or remedies with respect to the Collateral under the Collateral Agency Agreement or any of the other security documents. The Collateral Agent consequently may dispose of, release or foreclose on, or take other actions with respect to the Collateral with which holders of the Series 2019B Bonds may disagree or that may be contrary to the interest of such holders of the Series 2019B Bonds.

The value of the Collateral securing the Series 2019B Bonds, which also secures the Series 2019A Bonds on a pari passu basis, may not be sufficient to satisfy the Company's obligations under the Senior Loan Agreement and the Series 2019B Bonds.

No appraisal of the overall value of the Collateral securing the Series 2019 Bonds has been made in connection with this remarketing, or will be made upon completion of the Project. The fair market value of the Collateral securing the Series 2019B Bonds is subject to fluctuations based on factors that include, among others, general economic conditions and similar factors. The amount to be received upon a sale of the Collateral securing the Series 2019 Bonds would be dependent on numerous factors, including, but not limited to, the actual fair market value of the Collateral securing the Series 2019 Bonds at such time, the timing and the manner of the sale and the availability of buyers. By its nature, portions of the Collateral securing the Series 2019B Bonds may be illiquid and may have no readily ascertainable market value. In the event of a foreclosure, liquidation, bankruptcy or similar proceeding, the Collateral securing the Series 2019 Bonds may not be sold in a timely or orderly manner and the proceeds from any sale or liquidation of the Collateral securing the Series 2019B Bonds may not be sufficient to pay the Company's obligations under the Series 2019B Bonds.

There is also no assurance that all of the property interests with respect to the New In-line Stations will be pledged as Collateral to secure the Series 2019A Bonds and the Series 2019B Bonds. It is possible that the property interests with respect to the New In-line Stations will be subject to restrictions on the ability of the Company to grant liens or mortgages on such interests.

In addition, the security interest of the Collateral Agent will be subject to practical challenges generally associated with the realization of security interests in the Collateral. For example, the Collateral Agent may need to obtain the consent of third parties and make additional filings. If the Company is unable to obtain these consents or make these filings, the security interests may be invalid and the holders of the Series 2019B Bonds will not be entitled to the Collateral or any recovery with respect thereto. The Company cannot assure that the Collateral Agent will be able to obtain any such consent. The Company also cannot assure that the consents of any third parties will be given when required to facilitate a foreclosure on such assets. Accordingly, the Collateral Agent may not have the ability to foreclose upon those assets and the value of the Collateral may significantly decrease.

To the extent that pre-existing liens, liens permitted under the Senior Loan Agreement and other rights, including liens on Excluded Assets, such as those securing purchase money obligations and capital lease obligations granted to other parties, encumber any of the Collateral securing the Series 2019B Bonds, those parties holding such liens or rights have or may exercise rights and remedies with respect to the Collateral securing the Series 2019B Bonds that could adversely affect the value of the Collateral securing the Series 2019B Bonds and the ability of the Collateral Agent, the Trustee or the holders of the Series 2019B Bonds to realize or foreclose on the Collateral securing the Series 2019B Bonds.

If the proceeds of any sale of the Collateral securing the Series 2019B Bonds are not sufficient to repay all amounts due on the Series 2019B Bonds, the holders of the Series 2019B Bonds (to the extent not repaid from the proceeds of the sale of Collateral securing the Series 2019B Bonds) would have only an unsecured, unsubordinated claim against the Company's remaining assets, and there may not be sufficient assets remaining to repay any or all amounts due on the Series 2019B Bonds.

Parties who have provided services, labor, equipment, or supplies in connection with the construction of the Project may have a lien on the properties and assets of the Project senior to the security interests securing the Series 2019B Bonds.

Florida law provides design and other professionals, contractors, subcontractors, laborers, equipment lessors and material suppliers with rights to record a lien on the property improved by their services or supplies in order to secure their right to be paid. If these parties are not paid in accordance with applicable law and their respective contracts for work performed (in full or in part), they may seek foreclosure on their liens. In Florida, the priority of certain construction liens related to a particular construction project relate back to the date on which the notice of commencement of the work was first recorded for a project. Accordingly, certain parties providing labor, material or services in connection with the design or construction of the Project who otherwise comply with the applicable requirements of Florida law may have a lien on the Project senior in priority to the security interests securing the Series 2019B Bonds until they are paid in full. The Collateral Agency Agreement requires compliance with procedures intended to ensure the proper payment to parties performing work after the date of this remarketing. In the event of a liquidation, proceeds from the sale of Collateral may be used to pay the holders of any construction liens then in existence before holders of the Series 2019B Bonds.

There are certain other categories of property that are also excluded from the Collateral.

Certain categories of assets are excluded from the Collateral securing the Series 2019B Bonds. Excluded Assets include, among other categories, assets in which the grant of a security interest is prohibited by law, and assets in which the Company is contractually obligated not to create a security interest. See “SECURITY AND SOURCES OF REPAYMENT FOR THE SERIES 2019B BONDS.” If an event of default occurs and the Series 2019B Bonds are accelerated, the Series 2019B Bonds will rank equally with the holders of other unsubordinated and unsecured indebtedness of the Company with respect to such excluded property.

Rights of holders of the Series 2019B Bonds in the Collateral may be adversely affected by the failure to perfect security interests in the Collateral.

Applicable law requires that a security interest in certain tangible and intangible assets can only be properly perfected and its priority retained through certain actions undertaken by the secured party. The liens in the Collateral may not be perfected with respect to the claims of the Series 2019B Bonds if such actions are not undertaken. Specifically, the recording of Mortgages or mortgage spreader agreements with respect to (i) the Company’s easement interests granted by GOAA in real property constituting the rail track corridor from SR528 into and at the Orlando International Airport (other than the temporary construction license for such area, which is encumbered by the existing Mortgage), and (ii) the Company’s leasehold interests in premises located at the Orlando International Airport will not occur by the time of completion of this remarketing. Under the Second Supplemental Senior Loan Agreement, the Company will be required to deliver and record such Mortgages or mortgage spreader agreements within certain specified time periods after the Remarketing Date or the recording of the applicable easement documents, as applicable. In addition, the Company will also be required, only to the extent it is permitted to do so under the applicable Grant Agreements and other lease and/or development agreements related to the New In-line Stations, to mortgage or collaterally assign certain of its interests in the New In-line Stations within certain specified time periods after the Remarketing Date or the execution of the agreement(s) giving rise to the interest(s) to be mortgaged, as applicable. Notwithstanding the foregoing, any failure of the Company to have such Mortgages or mortgage spreader agreements in place within the applicable time periods will not constitute a default or an event of default until the Phase 2 Revenue Service Commencement Deadline.

In addition, the recordation of such Mortgages or mortgage spreader agreements may be subject to delays as a result of illegible legal descriptions or delays at the county recording office. Also, applicable law provides that security interests in certain property and rights acquired after the grant of a general security interest, such as real property, equipment security interests subject to a certificate of title and certain proceeds, can only be perfected at the time such property and rights are acquired and identified. The Company has limited obligations to perfect the security interest of the holders of the Series 2019B Bonds in specified Collateral. Neither the Trustee nor the Collateral Agent has the duty to monitor the future acquisition of property and rights that constitute Collateral, or verify that the necessary action will be taken to properly perfect the security interest in such after-acquired Collateral. Such failure may result in the loss of the security interest in the Collateral or the priority of the security interest in favor of the Series 2019B Bonds against third parties.

Title insurance policies will be obtained only with respect to certain real property interests.

Title insurance policies will not be obtained until the applicable Mortgage, mortgage spreader agreement or mortgage modification, as applicable, is recorded on the Company's leasehold interests in the Orlando station, the Orlando VMF and the New In-line Stations (in the case of the New In-line Stations, to the extent mortgaged). In addition, no title insurance policies are expected to be obtained for the rail line easement granted by GOAA pursuant to the terms of the GOAA Agreement and the slope easement granted by GOAA pursuant to the terms of the GOAA Agreement until the completion of the construction and the grant of the rail easement and slope easement by GOAA pursuant to the GOAA Agreement, at which time title insurance policies (or endorsements to existing title insurance policies) will be obtained with respect to such easement interests. Accordingly, any Mortgages securing real property as to which title insurance is not obtained will not have the benefit of title insurance policies insuring the Company's title to such real property owned, leased or otherwise held by the Company. There can be no assurance that there does not exist a title defect or lien encumbering any real properties that impairs or is senior to the lien (or a portion of the lien) of any Mortgage.

Not all mortgaged real property Collateral has been or will be surveyed, and surveys of some mortgaged real property will not be delivered until after the Remarketing Date.

Surveys will not be obtained in connection with mortgaged real property interests that are not title insured, and surveys of the New In-line Stations (to the extent mortgaged) and mortgaged property located at or adjacent to the Orlando International Airport will not be delivered until after the Remarketing Date. Accordingly, the Company and the Collateral Agent will not have the benefit of any information that would be reflected in the surveys until provided, if at all, including matters like encroachments, adverse possession claims or other restrictions that exist with respect to such real properties. If such matters exist, they could adversely affect the value or utility of such property securing the Series 2019B Bonds, as well as the ability of the Collateral Agent to realize or foreclose on such real property. In addition, there can be no assurance that the legal descriptions attached to the Mortgages for such non-surveyed real properties, leases or easement interests (i) accurately describe and encumber the property mortgaged or intended to be mortgaged as security for the Series 2019B Bonds, (ii) include all real property owned, leased or otherwise held by the Company constituting or intended to constitute Collateral or (iii) do not include real property not owned, leased or otherwise held by the Company.

The existence or imposition of certain permitted liens could adversely affect the value of the Collateral.

The Collateral securing the Series 2019B Bonds will be subject to liens permitted under the terms of the Senior Loan Agreement and the Indenture, whether arising on or after the date the Series 2019B Bonds are issued. The existence of any permitted liens could adversely affect the value of the Collateral as well as the ability of the Collateral Agent to realize or foreclose on such Collateral. The Collateral that will secure the Series 2019B Bonds may also secure future indebtedness and other obligations of the Issuer to the extent permitted by the Indenture and the Senior Loan Agreement. Rights of holders of the Series 2019B Bonds to the Collateral would be diluted by any increase in the indebtedness secured by the Collateral.

Remedies available to the Collateral Agent may be limited by practicability and lease provisions.

The fact that the corridor and the real properties cover numerous counties may render mortgage foreclosure impracticable. The Collateral Agent may elect to forego foreclosure on the individual real properties and foreclose on the equity interests of the Company or other property of the Company instead. A foreclosure on the equity interests of the Company could violate provisions of certain leases, easements, rights of way and other contractual arrangements entered into by such entities that contain certain change of control provisions and could result in early termination of such arrangements.

In addition, a foreclosure of the equity of the Company, rather than of the liens of the mortgages, will leave in place any junior liens that may have been recorded subsequent to the recording of the mortgages.

The Company does not own all of the property on which the Project will be located. Certain of such real property constituting or intended to constitute Collateral for the Series 2019B Bonds is held pursuant to leases (including garage leases, the lease for the West Palm Beach running repair facility, the lease for the Orlando station, the lease for the Orlando VMF, and to the extent mortgaged or collaterally assigned, the leases for the Aventura and Boca Raton stations), easement agreements (including with respect to aerial rights and the rail easement agreement with GOAA) and other use arrangements (including road rights of way). There is a risk that such leases, easement agreements and other use arrangements may terminate and no longer constitute Collateral for the Series 2019B Bonds.

The track for the passenger railway will be constructed on owned land and land not owned by the Company that is held pursuant to leases, easement agreements and other use arrangements. Debt secured by a lien on an easement interest, lease or other use arrangement is subject to risks not associated with debt secured by a mortgage lien on a fee interest in real estate. The most significant of these risks is that such interest could be terminated before the debt secured by the mortgage is paid in full. In addition, if a mortgage on the third party's fee interest in the property is recorded prior to the recordation of a memorandum of the Company's interest, as easement holder, tenant or other right holder (or if the easement, lease, or other use arrangement, by its terms, is subordinate to the fee holder's mortgage), the holder of such fee mortgage could, in the event of the foreclosure of such fee mortgage, elect to terminate the applicable easement, lease or other use arrangement, and, thereby, the mortgage lien on such easement, lease or other use arrangement constituting Collateral would terminate and no longer constitute Collateral for the Series 2019B Bonds. In addition, the Company's development of the Project requires modification to such agreements and failure to obtain such modifications could lead to delays in the completion of the Project and impact the Company's ability to complete the Project at all.

Some of the leases, easement agreements and other use arrangements have in the past and may in the future (with respect to any after-acquired collateral) require satisfaction of certain conditions, including certain consents of the landlord or other grantor. Until such time as such items are delivered (to the extent necessary), if at all, to the extent that the requisite consents of any landlords or other grantors are not obtained, a substantial portion of that part of the collateral package consisting of the Company's real property interests will not constitute Collateral securing the Series 2019B Bonds. Further, to the extent the landlord of any lease or other grantor fails or refuses to grant such consent after the Company has used commercially reasonable efforts to obtain such consent, the leasehold interest or joint venture interest in the applicable real property will not constitute Collateral securing the Series 2019B Bonds.

With respect to some of the Collateral, the Collateral Agent's security interest and ability to foreclose will also be limited by the need to meet certain requirements, such as obtaining third-party consents and making additional filings. If the Company is unable to obtain these consents or make these filings, the security interests may be invalid and the holders of the Series 2019B Bonds will not be entitled to the Collateral or any recovery with respect thereto. The Company cannot offer any assurance that any such required consents can be obtained on a timely basis or at all. These requirements may limit the number of potential bidders for certain Collateral in any foreclosure and may delay any sale, either of which events may have an adverse effect on the sale price of the Collateral. Therefore, the practical value of realizing on the Collateral may, without the appropriate consents and filings, be limited.

In the event of the Company's bankruptcy, the ability of the Owners of the Series 2019B Bonds to realize upon the Collateral securing the Series 2019B Bonds will be subject to certain limitations under U.S. federal bankruptcy laws.

The ability of Owners of the Series 2019B Bonds to realize upon the Collateral securing the Series 2019B Bonds will be subject to certain limitations under U.S. federal bankruptcy laws in the event of the Company's bankruptcy.

Under U.S. federal bankruptcy law, secured creditors are prohibited from repossessing their collateral from a debtor in bankruptcy, or from disposing of collateral in the secured creditors' possession, without bankruptcy court approval, which may or may not be given. Moreover, applicable U.S. federal bankruptcy laws generally permit the debtor to continue to use and expend collateral, including cash collateral, and to provide senior liens on the secured creditor's existing collateral to secure indebtedness incurred after the commencement of a bankruptcy case, provided that the secured creditor either consents or is given "adequate protection." "Adequate protection" could include cash payments or the granting of replacement liens on additional collateral and/or super priority claim status, to the extent and in such amounts as the presiding court in its discretion determines is necessary to compensate the secured creditor for the risk of any diminution in the value of the collateral as a result of the stay of repossession or disposition of the collateral during the pendency of the bankruptcy case. In view of the broad discretionary powers of a U.S. federal

bankruptcy court, the Company cannot predict whether or when the Trustee under the Indenture could foreclose upon or sell the collateral or whether or to what extent holders of the Series 2019B Bonds would receive “adequate protection” or whether such “adequate protection” would in fact fully compensate them for any delay in payment or loss of value of the collateral during a bankruptcy case.

Moreover, the Collateral Agent and the Trustee may need to evaluate the impact of the potential liabilities before determining to foreclose on Collateral consisting of real property because secured creditors that hold a security interest in real property may be held liable under environmental laws for the costs of remediating or preventing the release or threatened releases of hazardous substances at such real property. Consequently, the Collateral Agent may decline to foreclose on such Collateral or exercise remedies available in respect thereof if it does not receive indemnification to its satisfaction from the Owners of the Series 2019B Bonds.

In addition, the Company may be a railroad within the meaning of the U.S. federal bankruptcy laws, in which case certain special provisions of the U.S. federal bankruptcy laws would apply. In particular, the Secretary of Transportation would be required to submit names of potential trustees for the Company as a debtor, and the United States Trustee would be required to choose one of those parties to serve as a trustee for such a case. Moreover, the court would be required to consider the “public interest” in making certain decisions during such a bankruptcy case. Any of these special provisions for railroad bankruptcy cases could adversely affect the ability of the Owners of the Series 2019B Bonds to seek repayment of the Series 2019B Bonds or to realize on the Collateral securing the Series 2019B Bonds in a timely fashion.

Based on the current decision of the STB that the Project is not subject to the jurisdiction or regulation by the STB, there are no STB regulations that would treat the Project differently than any other foreclosure, liquidation, bankruptcy or similar proceeding. If the STB were to reverse its conclusion and take jurisdiction over the Project, or if the Project were determined to constitute a “railroad” within the meaning of the U.S. federal bankruptcy laws notwithstanding the decision of the STB that the Project is not subject to its jurisdiction, then the bankruptcy court would have to consider the public interest in continuing passenger service and would be required to refer the request to terminate service to the STB. No liquidation could occur prior to action approving the termination of service by the bankruptcy court. The proceeding before the STB would be subject to public comment and an independent analysis by the STB of the viability of the railroad.

In the event of a bankruptcy of the Company, holders of the Series 2019B Bonds may be deemed to have an unsecured claim to the extent that the Company’s obligations in respect of the Series 2019B Bonds exceed the value of the Collateral securing the Series 2019B Bonds, in which case Owners will not be entitled to post-petition interest.

In any bankruptcy proceeding with respect to the Company, it is possible that the bankruptcy trustee, the debtor-in-possession or competing creditors will assert that the value of the Collateral with respect to the Series 2019B Bonds is less than the outstanding amount of the Series 2019B Bonds. In the event a bankruptcy court determines that the value of the Collateral is not sufficient to repay all amounts due on the Series 2019B Bonds, the indebtedness under the Series 2019B Bonds would be “undersecured.” In such circumstances, U.S. federal bankruptcy laws do not permit the payment or accrual of post-petition interest (as discussed below) or any costs or fees (including attorneys’ fees), even if provided for by contract, during the debtor’s bankruptcy proceeding. Other consequences of a finding of under-collateralization would be a lack of entitlement on the part of the unsecured portion of the Series 2019B Bonds to receive “adequate protection” under U.S. federal bankruptcy laws. In addition, if the proceeds of any sale of the Collateral securing the Series 2019B Bonds are not sufficient to repay all amounts due on the Series 2019B Bonds, the Owners of the Series 2019B Bonds (to the extent not repaid from the proceeds of the sale of Collateral securing the Series 2019B Bonds) would have only an unsecured, unsubordinated claim against the Company’s and the guarantors’ remaining assets, and there may not be sufficient assets remaining to repay any or all amounts due on the Series 2019B Bonds.

Holders of the Series 2019B Bonds that have a security interest in Collateral with a value equal to or less than their pre-bankruptcy claim will not be entitled to post-petition interest under U.S. federal bankruptcy laws. In addition, if any payments of post-petition interest had been made at any time prior to such a finding of under-collateralization, the Company’s ability to continue to pay post-petition interest on the Series 2019B Bonds would cease and any prior payments would be re-characterized by the bankruptcy court as a reduction of the principal amount of the secured claim with respect to the Series 2019B Bonds. No appraisal of the value of the Collateral has been prepared in connection with this remarketing or will be prepared upon completion of the Project, and, therefore, the value of the

interest of the Owners of the Series 2019B Bonds in the Collateral may not equal or exceed the principal amount of the Series 2019B Bonds, and, accordingly, holders of the Series 2019B Bonds may not be entitled to post-petition interest in all or part of a bankruptcy proceeding.

The perfection of security interests in the Collateral securing the Series 2019B Bonds could be wholly or partially voided as a preferential transfer.

Any future pledge of Collateral in favor of the Collateral Agent for its benefit and for the benefit of the Trustee and the Owners of the Series 2019B Bonds, including pursuant to the mortgages, and the other security documents delivered after the date of the Indenture, could be avoidable in bankruptcy. If the Company was to become subject to a bankruptcy proceeding after the issue date of the Series 2019B Bonds, any mortgage or security interest in other collateral perfected after the issue date of the Series 2019B Bonds would face a greater risk than security interests in place on the issue date of being avoided by the pledgor (as a debtor in possession) or by its trustee in bankruptcy as a preference under U.S. federal bankruptcy law if certain events or circumstances exist or occur, including if the pledgor is insolvent at the time of the pledge, the pledge permits the holders of the Series 2019B Bonds to receive a greater recovery than if the pledge had not been given and a bankruptcy proceeding in respect of the pledgor is commenced within 90 days following the pledge, or, in certain circumstances, a longer period. To the extent that the grant of any such mortgage or other security interest is avoided as a preference, Owners of the Series 2019B Bonds would lose the benefit of such mortgage or security interest.

Federal and state fraudulent transfer laws may permit a court to void the Series 2019B Bonds, subordinate claims in respect of the Series 2019B Bonds and/or require Owners of Series 2019B Bonds to return payments received and, if that occurs, Owners of the Series 2019B Bonds may not receive any payments on the Series 2019B Bonds.

Federal and state fraudulent transfer and fraudulent conveyance statutes may apply to the issuance of the Series 2019B Bonds and the granting of liens to secure the Series 2019B Bonds. Under U.S. federal bankruptcy laws and comparable provisions of state fraudulent transfer or fraudulent conveyance laws, which vary from state to state, the Series 2019B Bonds or any of the liens securing the Series 2019B Bonds could be voided as a fraudulent transfer or fraudulent conveyance, if (1) the Company issued the Series 2019B Bonds or granted the liens with the intent of hindering, delaying or defrauding creditors or (2) the Company received less than reasonably equivalent value or fair consideration in return for issuing the Series 2019B Bonds or granting the liens and, in the case of (2) any one of the following is also true at the time thereof:

- the Company was insolvent or rendered insolvent by reason of the issuance of the Series 2019B Bonds or the granting of the liens;
- the issuance of the Series 2019B Bonds or the granting of the liens left the Company with an unreasonably small amount of capital to carry on its business; or
- the Company intended to, or believed that the Company would, incur debts beyond the Company's ability to pay such debts as they mature.

A court would likely find that the Company did not receive reasonably equivalent value or fair consideration for the Series 2019B Bonds if the Company did not substantially benefit directly or indirectly from the issuance of the Series 2019B Bonds. As a general matter, value is given for a transfer or an obligation if, in exchange for the transfer or obligation, property is transferred or antecedent debt is secured or satisfied. The Company cannot be certain as to the standards a court would use to determine whether or not the Company was solvent at the relevant time. Generally, however, an entity would be considered insolvent if, at the time it incurred indebtedness:

- the sum of its debts, including contingent liabilities, was greater than the fair value of all its assets;
- the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or
- it could not pay its debts as they become due.

If a court were to find that the issuance of the Series 2019B Bonds was a fraudulent transfer or fraudulent conveyance, the court could void the payment obligations under the Series 2019B Bonds or subordinate the Series

2019B Bonds to presently existing and future indebtedness of the Company, or require the Owners of the Series 2019B Bonds to repay any amounts received with respect to such Series 2019B Bonds. In addition, the court may avoid and set aside the liens securing the Collateral. In the event of a finding that a fraudulent transfer or fraudulent conveyance occurred, Owners of the Series 2019B Bonds may not receive any repayment on the Series 2019B Bonds or may be required to repay any amounts received with respect to such Series 2019B Bonds.

The Series 2019B Bonds may not be a suitable investment for all investors seeking exposure to green assets.

In connection with this remarketing, Sustainalytics has issued the Second Party Opinion and Pre-Issuance Review Report regarding alignment of the Series 2019B Bonds with Green Bond Principles 2018, which are a set of voluntary process guidelines that recommend transparency and disclosure and promote integrity in the development of the green bond market. The Second Party Opinion also concluded that the use of proceeds from the Series 2019B Bonds advances certain Sustainable Development Goals, which are a set of global goals set by the United Nations General Assembly in 2015 and intended to be achieved by the year 2030. There is currently no market consensus on what precise attributes are required for a particular project to be defined as “green” or “sustainable,” and therefore no assurance can be provided to investors that the Project will meet all investor expectations regarding sustainability performance and there can be no guarantee that adverse environmental and/or social impacts will not occur during the design, construction, commissioning and operation of the Project. In addition, where negative impacts are insufficiently mitigated, the Project could become controversial, and/or may be criticized by activist groups or other stakeholders.

The Second Party Opinion may not reflect the potential impact of all risks related to the structure, market and other factors that may affect the value of the Series 2019B Bonds, and is not a recommendation to buy, sell or hold securities and is only current as of the date that the opinion was initially issued. While the Company has voluntarily committed to make annual disclosure in the Second Party Opinion, the Company is not obligated to make annual disclosure regarding the green and sustainability elements of the Project. In addition, it will not be an event of default under the Indenture if the Company fails to either comply with any Green Bond Principles or advance Sustainable Development Goals. Any withdrawal of the Second Party Opinion or any failure by the Company to use the net proceeds from the Series 2019B Bonds in accordance with Green Bond Principles or certain Sustainable Development Goals to meet or continue to meet the investment requirements of certain environmentally focused investors with respect to the Series 2019B Bonds may affect the value of the Series 2019B Bonds and/or may have consequences for certain investors with portfolio mandates to invest in green assets. See “APPENDIX H—SUSTAINALYTICS PRE-ISSUANCE REVIEW REPORT AND GREEN BOND OPINION.”

The ability to transfer the Series 2019B Bonds may be limited by the absence of an active trading market and the requirement that the Series 2019B Bonds be sold in the primary and secondary market only to qualified institutional buyers within the meaning of Rule 144A of the Securities Act and “accredited investors” within the meaning of Rule 501(a) of the Securities Act, and there is no assurance that any active trading market will develop for the Series 2019B Bonds.

There is no established public market for the Series 2019B Bonds. The Remarketing Agents have advised the Company that it currently intends to make a market in the Series 2019B Bonds as permitted by applicable laws and regulations and approved by the Issuer. However, the Remarketing Agents are not obligated to do so, and it may discontinue any market-making activities with respect to the Series 2019B Bonds at any time without notice. The liquidity of any market for the Series 2019B Bonds will depend upon the number of holders of the Series 2019B Bonds, the Company’s performance, the market for similar securities, the interest of securities dealers in making a market in the Series 2019B Bonds and other factors. If a market develops, the Series 2019B Bonds could trade at prices that may be lower than the initial offering price of the Series 2019B Bonds. If an active market does not develop or is not maintained, the price and liquidity of the Series 2019B Bonds may be adversely affected. Historically, the market for non-investment grade debt has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the Series 2019B Bonds. The market, if any, for any of the Series 2019B Bonds may not be free from similar disruptions and any such disruptions may adversely affect the prices at which investors may sell their Series 2019B Bonds. In addition, subsequent to their initial issuance, the Series 2019B Bonds may trade at a discount from their initial offering price, depending upon prevailing interest rates, the market for similar notes, the Company’s performance and other factors.

The Company's failure to comply with certain covenants may jeopardize the tax-exempt status of the Series 2019B Bonds.

The Indenture, the Senior Loan Agreement and the Federal Tax Certificate for the Series 2019B Bonds contain various covenants and agreements on the part of the Company and the Issuer, as applicable, that are intended to establish and maintain the excludability of interest on the Series 2019B Bonds from gross income for federal income tax purposes. A failure by the Issuer or the Company to comply with such covenants and agreements, including their respective remediation obligations could, directly or indirectly, cause the interest on the Series 2019B Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2019B Bonds. See "TAX MATTERS—Opinions."

The IRS has a program for the auditing of tax-exempt obligations, including both random and targeted audits. It is possible that the Series 2019B Bonds could be selected for audit by the IRS. Such audits examine whether the issue is in compliance with the requirements that must be met for interest on the issue to be excludable from gross income for federal income tax purposes. Owners of the Series 2019B Bonds are advised that, if the Internal Revenue Service does audit the Series 2019B Bonds, under its current procedures, at least during the early stages of an audit, the IRS will treat the Issuer as the taxpayer, and the owners of the Series 2019B Bonds may have limited rights to participate in those proceedings. The commencement of such an audit could adversely affect the market value and liquidity of the Series 2019B Bonds until the audit is concluded, regardless of the ultimate outcome. Under the documents governing the Series 2019B Bonds, it is the Company's obligation to fund and assist in the defense of such an audit. In the event of an initial adverse determination by the IRS with respect to the tax-exempt status of interest on the Series 2019B Bonds, it would be the Company that would be obligated to fund any possible voluntary financial settlement with the IRS to preserve the tax-exempt status of interest on the Series 2019B Bonds. In the event that the Company did not reach and fund such a settlement, and a final adverse determination was reached by the IRS with respect to the tax-exempt status of interest on the Series 2019B Bonds, the availability of any secondary market for the Series 2019B Bonds would likely be adversely affected. Further, should interest on the Series 2019B Bonds become includable in gross income for federal income tax purposes as a result of such a final adverse determination by the IRS, not only will owners of Series 2019B Bonds be required to pay income taxes on the interest received on such Series 2019B Bonds and related penalties, but because the interest rate on such Series 2019B Bonds will not be adequate to compensate owners of the Series 2019B Bonds for the income taxes due on such interest, the value of the Series 2019B Bonds may decline. Loss of tax-exempt status as a result of a final adverse determination of an IRS audit is not an event that would result in a mandatory redemption of the Series 2019B Bonds.

Potential changes to tax law.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Series 2019B Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Series 2019B Bonds. See "TAX MATTERS—Future Changes in Law" herein.

Prospective purchasers of the Series 2019B Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, and regarding the impact of future legislation, regulations or litigation, as to which Bond Counsel express no opinion.

The Project and the Company may be subject to future litigation, which could have a material adverse effect on the Company, its ability to complete the Project in a timely manner or at all or, once the Project is complete, on the Company's business, financial condition, operating results, cash flows, liquidity and prospects.

From time to time, the Company, the Issuer, the Project and the proposed remarketing of the Series 2019B Bonds may also be involved in or subject to claims, litigation or other proceedings. If any of the plaintiffs were to prevail on such claims by a final, non-appealable judgment, it could have a material adverse effect on the Company, its ability to complete the Project in a timely manner or at all or on an investment in the Series 2019B Bonds. See "LITIGATION" for additional information.

In addition to the claims and potential claims described above, the Company may also be subject to claims in the ordinary course of business during the construction of the North Segment by contractors, construction workers or others who may be injured during such construction. In the course of the operation of the Project, the Company may also be subject to claims by the Company's customers as result of any accidents or other incidents that may occur in connection with rail travel or by employees of the Manager. Risks associated with legal liability are often difficult to assess or quantify and their existence and magnitude may not be known for significant periods of time. While the Company maintains insurance policies that it believes are appropriate for purposes of the construction of the Project and the operation of the railroad, the amount of insurance coverage may not cover, or be sufficient to cover, individually or in the aggregate, any pending, threatened or potential future claims involving, or related to, the Project or the operation thereof.

Any future claims or proceedings may require or cause the Company to expend substantial time and resources and the Project and the Company's business, financial condition, operating results, cash flows, liquidity and prospects could be materially adversely affected.

CONTINUING DISCLOSURE OF INFORMATION

Pursuant to the requirements of the Securities and Exchange Commission Rule 15c2-12 (17 C.F.R. Part 240, § 240.15c2-12) (“Rule 15c2-12”), the Company will agree in an Amended and Restated Disclosure Dissemination Agent Agreement, dated as of the Remarketing Date (the “Disclosure Dissemination Agent Agreement”), between the Company and the Dissemination Agent, to provide certain financial information, other operating data and notices of enumerated events for the benefit of the Owners of the Series 2019B Bonds. A form of the Disclosure Dissemination Agent Agreement is attached hereto as APPENDIX J, which includes certain additional disclosure requirements and clarifications since the offering of the Series 2019A Bonds. A failure by the Company, the Dissemination Agent or the Trustee to comply with the requirements of the Disclosure Dissemination Agent Agreement does not in and of itself constitute an Event of Default under the Indenture. Nevertheless, such a failure must be reported in accordance with Rule 15c2-12 and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Series 2019B Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Series 2019B Bonds and their market price. On December 4, 2018, Fitch withdrew its rating of the Series 2017 Bonds because the Company no longer fit under Fitch’s criteria for infrastructure and project finance. As a result, the Series 2017 Bonds are no longer rated by Fitch. The Company inadvertently failed to file a timely notice of this rating withdrawal under Rule 15c2-12. On March 18, 2019, the Company filed a material event notice due to such rating withdrawal as required under Rule 15c2-12.

EXPERTS

The Ridership and Revenue Study, the Ridership and Revenue Study Supplement and the Operations and Maintenance and Ancillary Revenue Report and respective bring-down letters conducted by WSP included in Appendix E and Appendix F, respectively, to this Limited Remarketing Memorandum have been included in reliance on the authority of such firm as experts in its field.

TECHNICAL ADVISOR

The Technical Advisor's Report and bring-down letters conducted by the Technical Advisor included in Appendix G to this Limited Remarketing Memorandum have been included in reliance on the authority of such firm as an expert in its field.

INDEPENDENT AUDITORS

The financial statements of Brightline Trains Florida LLC (f/k/a Virgin Trains USA Florida LLC) as of December 31, 2019 and 2018 and for the years ended December 31, 2019 and 2018, incorporated by reference into this Limited Remarketing Memorandum, have been audited by Ernst & Young LLP, independent auditors, as stated in their report included therein.

LEGAL MATTERS

The Issuer will furnish the Remarketing Agents a transcript of certain proceedings incident to the authorization and issuance of the Series 2019B Bonds. The Issuer will also furnish, at the Company's expense, the conversion opinion of Bond Counsel substantially in the form set forth in "APPENDIX I-2—FORM OF BOND COUNSEL OPINION."

The various legal opinions to be delivered concurrently with the delivery of the Series 2019B Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of the expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

The Series 2019B Bonds are offered when, as and if executed and delivered and accepted by the Remarketing Agents and subject to receipt of the opinions on certain legal matters of Greenberg Traurig, P.A., Miami, Florida, as Bond Counsel, and to certain other conditions. Certain legal matters will be passed upon for the Issuer by its special counsel Nelson Mullins Riley & Scarborough LLP, Attorneys at Law, Orlando, Florida; for the Company by its counsel, Skadden, Arps, Slate, Meagher & Flom LLP and Greenberg Traurig, P.A., Miami, Florida; and for the Remarketing Agents by their special counsel, Mayer Brown LLP, Chicago, Illinois.

TAX MATTERS

Opinions

On June 20, 2019, Bond Counsel rendered its opinion in connection with the issuance of the Series 2019B Bonds to the effect that under then existing statutes, assuming the accuracy of the certifications of the Issuer and the Company and their continued compliance with their respective covenants in the Indenture, the Senior Loan Agreement and the Federal Tax Certificate for the Series 2019B Bonds pertaining to the requirements of the Code, (i) interest on the Series 2019B Bonds is excludable from gross income for purposes of federal income taxation (except for interest on any Series 2019B Bonds while held by a substantial user of the Project or a related person as defined in Section 147(a) of the Code), (ii) interest on the Series 2019B Bonds is a preference item for purposes of determining the federal alternative minimum tax imposed on individuals, and (iii) the Series 2019B 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 therein. A copy Bond Counsel's original opinion in connection with the issuance of the Series 2019B Bonds is included in Appendix I-1 hereto.

In the opinion of Bond Counsel, to be rendered on the Remarketing Date (the "conversion opinion"), the conversion of the interest rate on the Series 2019B Bonds to the Fixed Rate and the remarketing of the Series 2019B Bonds as Released Bonds (as defined in the First Supplemental Indenture), in and of themselves, will not have an adverse effect upon (i) the exclusion of interest on the Series 2019B Bonds from gross income for federal income tax purposes, or (ii) the exclusion under existing Florida law of interest on the Series 2019B Bonds from taxation under the laws of the State of Florida.

The proposed form of Bond Counsel's conversion opinion is attached hereto as Appendix I-2. The opinion expressed in Bond Counsel's conversion opinion set forth in such Appendix is rendered as of the date thereof only. Bond Counsel has not been asked to, and does not, express any opinion as to whether interest on any of the Series 2019B Bonds is currently excludable from gross income for federal or Florida income tax or purposes. Such opinion will not constitute a reaffirmation of Bond Counsel's original opinion issued in connection with the issuance of the Series 2019B Bonds or any other opinion previously rendered by Bond Counsel with respect to the Series 2019B Bonds. A purchaser of a Series 2019B Bond remarketed at a discount from its stated principal amount should consult his or her own tax advisor concerning the proper treatment of such discount for federal income tax purposes.

General Requirements

The Code contains various requirements pertaining to the exclusion of interest on Series 2019B Bonds from the gross income of the holders thereof, including numerous requirements pertaining to (a) use of the proceeds of the Series 2019B Bonds, (b) the maturity of, and security for, the Series 2019B Bonds, (c) the payment to the United States of certain amounts earned from the investment of proceeds of the Series 2019B Bonds, (d) the procedure for issuance of the Series 2019B Bonds, and (e) filings with the Internal Revenue Service in respect of the Series 2019B Bonds. The exclusion from gross income of the interest on the Series 2019B Bonds depends upon and is subject to the accuracy of the certifications made by the Issuer and the Company with respect to the use of proceeds, investment of proceeds and rebate of earnings on the proceeds of the Series 2019B Bonds and present and continuing compliance with the requirements of the Code. Failure to comply with these requirements could cause interest on the Series 2019B Bonds to become required to be included in gross income as of the date of original issuance and delivery of the Series 2019B Bonds or as of some later date.

An officer of the Issuer responsible for issuing the Series 2019B Bonds and an authorized representative of the Company executed on the date of original issuance and delivery of the Series 2019B Bonds the Federal Tax Certificate for the Series 2019B Bonds stating the reasonable expectations of the Issuer and the Company on the date thereof as to future events that are material for purposes of Section 148 of the Code pertaining to arbitrage and certain other matters (as supplemented on the Remarketing Date, the "Federal Tax Certificate"). Therein and in the Indenture and the Senior Loan Agreement, the Issuer and the Company have covenanted that they will not use the proceeds of the Series 2019B Bonds or any moneys derived, directly or indirectly, from the use or investment thereof in a manner which would cause the Series 2019B Bonds to be "arbitrage bonds" as that term is defined in Section 148(a) of the Code. The Issuer and the Company certified in the Federal Tax Certificate on the date of original issuance and delivery of the Series 2019B Bonds that the Series 2019B Bonds met the requirements of the Code on such date, and they have covenanted that the requirements of the Code will be met as long as any of the Series 2019B Bonds are outstanding.

Also, the Issuer has filed with the Internal Revenue Service a report of the issuance of the Series 2019B Bonds as required by Section 149(e) of the Code as a condition of the exclusion from gross income of the interest on the Series 2019B Bonds.

Under the Indenture, the Senior Loan Agreement and the Federal Tax Certificate for the Series 2019B Bonds, as applicable, the Issuer and the Company have covenanted that they will not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of the interest on the Series 2019B Bonds for federal income tax purposes. Interest on the Series 2019B Bonds may become subject to federal income taxation retroactively to the date of their original issuance and delivery or a later date if such representations or assumptions are determined to have been inaccurate or if the Issuer or the Company fails to comply with such covenants. Bond Counsel has not undertaken to monitor compliance with such covenants or to advise any party as to changes in law or events that may take place after the date hereof that may affect the tax status of interest on the Series 2019B Bonds.

Opinions Are Not a Guarantee of Result in Litigation or on Audit

The opinions of Bond Counsel described herein do not constitute a guarantee that a particular federal or state court or any administrative tribunal or agency would reach the same conclusion if it were to consider the question. The Company has neither applied for nor received a ruling from the Internal Revenue Service with respect to the opinions described herein, and there is no guarantee that the Internal Revenue Service would reach the same conclusions as bond counsel if it were to audit the Series 2019B Bonds. In particular, upon audit, the Internal Revenue Service could conclude that the interest on the Series 2019B Bonds is includable in gross income for federal income tax purposes. In such event, a procedural avenue for judicial review of the Internal Revenue Service's conclusion would be available only if a holder refuses to pay the tax assessed, or a holder pays the tax, files for a refund and the refund request is denied by the Internal Revenue Service. For a further discussion of the risks arising from an Internal Revenue Service Audit, see "RISK FACTORS—The Company's failure to comply with certain covenants may jeopardize the tax-exempt status of the Series 2019B Bonds" herein.

Future Changes in Law

From time to time, there are legislative proposals suggested, debated, introduced or pending in Congress or in the State legislature that, if enacted into law, could alter or amend one or more of the federal tax matters or state tax matters described above including, without limitation, the excludability from gross income of interest on the Series 2019B Bonds, adversely affect the market price or marketability of the Series 2019B 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 affect the Series 2019B Bonds. Prospective purchasers of the Series 2019B 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 Series 2019B Bonds is subject to information reporting to the Internal Revenue Service in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of interest on the Series 2019B 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 Series 2019B Bonds, under certain circumstances, to "backup withholding" at the rates set forth in the Code, with respect to payments on the Series 2019B Bonds and proceeds from the sale of Series 2019B Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of Series 2019B Bonds. This withholding generally applies if the owner of Series 2019B 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 Series 2019B 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.

LITIGATION

The Issuer

There is not now pending (as to which the Issuer has received service of process), nor, to the actual knowledge of the Issuer, threatened any litigation against the Issuer seeking to restrain or enjoin the remarketing of the Series 2019B Bonds or questioning or challenging the creation, organization or existence of the Issuer, the title of any of the present members or other officers of the Issuer, the validity of the Series 2019B Bonds or the proceedings or authority under which they were issued or are to be remarketed. There is no litigation pending (as to which the Issuer has received service of process) or, to the actual knowledge of the Issuer, threatened against the Issuer which in any manner questions the right of the Issuer to enter into and perform its obligations the Indenture or the Senior Loan Agreement or to take any other action provided in the Indenture, the Senior Loan Agreement, the resolutions of the Issuer or the Issuer Act.

The Company

On February 13, 2018, Martin County, Indian River County, the Indian River County Emergency Services District and CARE in Florida filed suit against, among others, the USDOT (collectively, the “Federal Defendants”) in the United States District Court for the District of Columbia. The complaint challenged USDOT’s allocation of PABs to finance certain aspects of the Project. The complaint alleged that USDOT’s allocation of PABs violated the National Environmental Policy Act because the FRA and other cooperating agencies which prepared the FEIS for the Project allegedly failed to fully consider the environmental impacts of the Project and reasonable alternatives therefor. In addition, the complaint also alleged that USDOT’s allocation of PABs violated the Internal Revenue Code provisions governing grants of tax-exempt private activity bond authority, and that use of the PABs for the Project would violate certain Internal Revenue Code provisions requiring additional local government approvals. On February 21, 2018, the Pledgor, the Company’s direct parent, filed a motion to intervene as a defendant, which was granted by the Court. All parties filed cross motions for summary judgment. On December 24, 2018, the United States District Court for the District of Columbia issued its ruling granting summary judgment on all counts in favor of the Pledgor and the Federal Defendants, which was upheld by the United States Circuit Court for the District of Columbia Circuit on December 20, 2019. In May 2020, the Indian River County Board of County Commissioners filed a petition with the United States Supreme Court requesting the issuance of a writ of certiorari to review the decision of the United States Circuit Court of Appeals for the District of Columbia Circuit. On October 5, 2020, the United States Supreme Court denied Indian River County’s writ of certiorari appeal, effectively ending the matter in favor of Brightline Holdings.

In addition to the foregoing, the Company may be involved in other lawsuits from time to time that are brought against the Company in the normal course of business.

REMARKETING

The Series 2019B Bonds are expected to be remarketed by the Remarketing Agents identified on the cover to this Limited Remarketing Memorandum pursuant to a Remarketing Agreement among the Issuer, the Borrower and Morgan Stanley & Co. LLC as the representative of the several Remarketing Agents (the “Representative”). The obligations of the Remarketing Agents to remarket the Bonds will cease following the remarketing of the Series 2019B Bonds on the Remarketing Date or upon any earlier termination of the Remarketing Agreement. The Borrower directed Morgan Stanley & Co. LLC to join with dealers and other investment banking firms in the remarketing of the Series 2019B Bonds and to serve as representative of the Remarketing Agents.

The Remarketing Agents 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 Remarketing Agents and their respective affiliates may have certain creditor and/or other rights against the Issuer and the Borrower and its affiliates in connection with such activities. In the various course of their various business activities, the Remarketing Agents 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 Issuer and the Borrower (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Issuer and the Borrower. The Remarketing Agents 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.

The Borrower expects the Remarketing Agents to establish the interest rates on the Series 2019B Bonds for subsequent Flexible Rate Periods or for other interest rate modes and perform the other duties of the Remarketing Agents set forth in the First Supplemental Indenture, and expects to remarket the Series 2019B Bonds as provided for in the First Supplemental Indenture and in the expected Remarketing Agreement. The Borrower expects that the Remarketing Agents may deal in the Series 2019B Bonds for their own accounts or as broker or agent for others and may do anything any other Owner of the Series 2019B Bonds may do to the same extent as if the Remarketing Agents were not serving as such.

The Representative has entered into a retail distribution arrangement with its affiliate Morgan Stanley Smith Barney LLC. As part of the distribution arrangement, the Representative may distribute municipal securities to retail investors (who are “accredited investors” within the meaning of Rule 501(a) promulgated under the Securities Act) through the financial advisor network of Morgan Stanley Smith Barney LLC. As part of this arrangement, the Representative may compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the Bonds.

BofA Securities, Inc., a Remarketing Agent, has entered into a distribution agreement with its affiliate Merrill Lynch, Pierce, Fenner & Smith Incorporated (“MLPF&S”). As part of this arrangement, BofA Securities, Inc. may distribute securities to MLPF&S, which may in turn distribute such securities to investors through the financial advisor network of MLPF&S. As part of this arrangement, BofA Securities, Inc. may compensate MLPF&S as a dealer for its selling efforts with respect to the Series 2019B Bonds.

UBS Financial Services Inc. (“UBS FSI”), a Remarketing Agent of the Series 2019B Bonds, has entered into a distribution and service agreement with its affiliate UBS Securities LLC (“UBS Securities”) for the distribution of certain municipal securities offerings, including the Series 2019B Bonds. Pursuant to such agreement, UBS FSI will share a portion of its compensation with respect to the Series 2019B Bonds with UBS Securities. UBS FSI and UBS Securities are each subsidiaries of UBS Group AG.

Deutsche Bank Securities, Inc. is a Remarketing Agent of the Series 2019B Bonds. Deutsche Bank National Trust Company, an affiliate of Deutsche Bank Securities, Inc., is serving as Trustee and Collateral Agent of the Series 2019B Bonds and will be compensated separately for serving as Trustee and Collateral Agent.

On September 29, 2020, the Company entered into the Bank Loan Facility with the lenders from time to time party thereto and Morgan Stanley Senior Funding, Inc., an affiliate of the Representative of the Remarketing Agents, as administrative agent, providing for a bank loan credit facility. Certain of the lenders under the Bank Loan Facility are Remarketing Agents or affiliates of Remarketing Agents in respect of this remarketing. See “ADDITIONAL INDEBTEDNESS—Other Senior Indebtedness.”

The Representative is expected to finance a portion of the funds required by Brightline Holdings to consummate the Parent Tender Offers. See “SUMMARY—Brightline Holdings Tender Offers for Certain Series 2019A Bonds.”

In addition, the Representative is expected to serve as the sole remarketing agent in connection with a remarketing of certain of the Series 2019A Bonds. See “SUMMARY—Company Remarketing of Certain Series 2019A Bonds.”

MISCELLANEOUS

Registration of Bonds

Registration or qualification of the remarketing of the Series 2019B Bonds (as distinguished from registration of the ownership of the Series 2019B Bonds) is not required under the Securities Act or the Issuer Act. The Issuer assumes no responsibility for the qualification or registration of the Series 2019B Bonds for sale under the securities laws of any jurisdiction in which the Series 2019B Bonds may be sold, assigned, pledged, hypothecated or otherwise transferred.

Additional Information

Copies of any of the documents referenced or summarized herein will be available following the date of issuance of the Series 2019B Bonds, upon delivery of a written request, and the payment of reasonable copying, mailing and handling charges, to the Trustee.

The references, excerpts and summaries of all documents, referenced herein do not purport to be complete statements of the provisions of such documents and reference is directed to all such documents for full and complete statements of all matters of fact relating to the Series 2019B Bonds, the security for and the repayment of the Series 2019B Bonds and the rights and obligations of the holders thereof.

The Issuer is responsible only for the statements contained under the caption “THE ISSUER” and “LITIGATION—The Issuer” and the Issuer makes no representation as to the accuracy, completeness or sufficiency of any other information contained herein. Except as otherwise stated herein, none of the Issuer or the Remarketing Agents makes any representations or warranties whatsoever with respect to the information contained herein.

The agreements of the Issuer with the holders of the Series 2019B Bonds are fully set forth in the Indenture, and neither any advertisement of the Series 2019B Bonds nor this Limited Remarketing Memorandum is to be construed as constituting an agreement with the purchasers of the Series 2019B Bonds. So far as any statements are made in this Limited Remarketing Memorandum involving matters of opinion, whether or not expressly so stated, they are intended merely as such and not as representations of fact.

It is anticipated that CUSIP identification numbers will be printed on the Series 2019B Bonds, but neither the failure to print such numbers on any Series 2019B Bond nor any error in the printing of such numbers shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for any Series 2019B Bonds.

The preparation of this Limited Remarketing Memorandum and its distribution have been authorized by the Company and the Issuer. This Limited Remarketing Memorandum is not to be construed as an agreement or contract between the Issuer or the Company and any purchaser, owner or holder of any Series 2019B Bond.

Brightline Trains Florida LLC

By: /s/ Kolleen Cobb
Name: Kolleen Cobb
Title: Vice President

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FINANCIAL STATEMENTS EXHIBIT
UNAUDITED FINANCIAL STATEMENTS OF BRIGHTLINE TRAINS FLORIDA LLC
(f/k/a VIRGIN TRAINS USA FLORIDA LLC)

(See attached)

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Virgin Trains USA Passenger Rail Project

Brightline Trains Florida LLC

Statement of Operations

(Dollars in thousands)

	Three-Months Ended		Nine-Months Ended	
	September 30,		September 30,	
	2020	2019 ^(a)	2020	2019 ^(a)
Revenue				
Passenger and customer related.....	\$ -	\$ 4,005	\$ 5,764	\$ 14,110
Other.....	13	307	865	1,197
Total revenue.....	13	4,312	6,629	15,307
Operating expenses:				
Labor.....	1,322	3,407	6,486	10,780
Facilities.....	4,343	2,592	9,965	9,843
Maintenance of way.....	1,612	1,838	5,130	5,717
Maintenance of equipment.....	195	2,104	1,975	5,472
Fuel.....	-	555	590	1,771
Marketing expenses.....	94	1,431	1,921	4,745
Other operating expenses.....	-	1,127	2,348	3,459
Depreciation and amortization expense.....	9,036	7,853	27,039	23,959
Train operating expenses.....	16,602	20,907	55,454	65,746
Train operating loss.....	(16,589)	(16,595)	(48,825)	(50,439)
Corporate, general and administrative.....	2,632	9,548	16,317	26,264
Expansion.....	3,111	1,926	6,011	5,324
Operating loss.....	(22,332)	(28,069)	(71,153)	(82,027)
Other expenses:				
Interest.....	10,237	10,828	32,968	22,784
Loss on extinguishment of debt.....	47,513	-	47,513	48,147
Other.....	1,025	(38)	(7,444)	2,468
Total other expense.....	58,775	10,790	(73,037)	73,399
Net loss.....	\$ (81,107)	\$ (38,859)	\$ (144,190)	\$ (155,426)
Unrealized gain / (loss) on available for sale securities.....	-	-	3,858	-
Amounts reclassified from accumulated other comprehensive income.....	-	571	(8,411)	5,275
Net loss and comprehensive loss.....	\$ (81,107)	\$ (38,288)	\$ (148,743)	\$ (150,151)

- a) We have restated the net loss for the three- and nine-month periods ended September 30, 2019 by approximately \$0.3 million and \$1.1 million, respectively, to correct the allocation compensation costs as previously reported in those periods. These adjustments have no impact on our previously reported full year 2019 results. In addition, we have made certain change to the presentation of our statement of operations and comprehensive income for the three- and nine-months ended September 30, 2019, to conform to the current period presentation, primarily attributable to expansion costs.

Virgin Trains USA Passenger Rail Project

Brightline Trains Florida LLC

Balance Sheet

(Dollars in thousands)

	September 30, 2020	December 31, 2019
Assets		
Current assets		
Restricted cash.....	\$ 47,545	\$ 96,510
Investments in marketable securities.....	56,250	56,250
Other current assets.....	11,350	16,911
Total current assets.....	115,145	169,671
Properties, equipment, and investment in rail, net.....	2,529,122	2,013,491
Intangible assets, net.....	225,959	226,202
Restricted cash.....	10,043	370,325
Investments in marketable securities.....	1,090,532	1,181,387
Other assets.....	7,008	10,507
Total assets	\$ 3,977,809	\$ 3,971,583
Liabilities and invested equity		
Liabilities		
Current liabilities		
Accounts payable and accrued expenses.....	\$ 200,546	\$ 77,079
Accrued interest.....	29,609	65,867
Deposits from Transit Authority.....	35,445	35,445
Current portion of long-term debt.....	66,930	-
Related party liabilities.....	52,889	59,656
Other current liabilities.....	2,063	3,266
Total current liabilities.....	387,482	241,343
Long-term debt, net.....	2,658,687	2,659,952
Other liabilities.....	27,722	27,700
Total liabilities	3,073,891	2,928,965
Commitments and contingencies		
Member's equity		
Member's equity.....	903,918	1,038,064
Accumulated other comprehensive income.....	-	4,554
Member's equity.....	903,918	1,042,618
Total liabilities and invested equity	\$ 3,977,809	\$ 3,971,583

APPENDIX A

DEFINITIONS OF TERMS

Unless otherwise specified, capitalized terms used in the Limited Remarketing Memorandum have the meanings set forth below:

“Acceptable Bank” means a bank or other financial institution with a rating of at least “A-” (or the equivalent) by two Nationally Recognized Rating Agencies, or the equivalent as of the date of issuance of the applicable letter of credit and on the date of any rating change applied to such entity.

“Acceptable Letter of Credit” means any irrevocable letter of credit (a) issued by an Acceptable Bank, (b) the reimbursement obligations with respect to which shall not be recourse to the Company, (c) the term of which is at least one year from the date of issue (except where such letter of credit is issued to satisfy a requirement under the Secured Obligation Documents that expires less than one year after issuance, then the term shall be for such shorter period) and (d) which allows drawing (i) during the 30 day period prior to expiry (unless replaced or extended), (ii) upon downgrade of the issuer such that it is no longer an Acceptable Bank and, (iii) if such letter of credit is used to fund any reserve account established under the Collateral Agency Agreement, when funds would otherwise be drawn from such reserve account.

“Acceptable Surety” means a bank, insurance company or other financial institution with a rating of at least “A-” (or the equivalent) by two Nationally Recognized Rating Agencies, or the equivalent as of the date of issuance of the applicable surety bond or non-cancelable insurance policy and on the date of any rating change applied to such entity.

“Accession Agreement” means an accession agreement substantially in the form of the Accession Agreement attached as an exhibit to the Collateral Agency Agreement.

“Account Bank” means Deutsche Bank National Trust Company in its capacity as the securities intermediary with respect to any Project Account that is a securities account or as the bank with respect to any Project Account that is a deposit account.

“Account Control Agreement” means one or more Account Control Agreements entered into or to be entered into among the Company, the Collateral Agent and the Deposit Account Bank in respect of each Operating Account, the Equity Funded Account and any Collection Account.

“Accounts” means any account or sub-account created in any Fund under the Indenture (or any Supplemental Indenture) or any account or sub-account under the Collateral Agency Agreement.

“Additional Debt Service Reserve Account” means any debt service reserve account established from time to time under the Collateral Agency Agreement, at the request of the Company in accordance with the terms of the Collateral Agency Agreement, as required by the terms of any Additional Senior Indebtedness Documents.

“Additional Debt Service Reserve Requirement” means, with respect to an Additional Debt Service Reserve Account and calculated on any applicable Calculation Date, the amount required by the applicable Additional Senior Indebtedness Documents to be deposited into such Additional Debt Service Reserve Account and which is not in contravention of the terms of any Financing Obligation Documents in effect at such time.

“Additional Equity Contribution” means any equity contribution (excluding any Required Equity Contribution) that is delivered, directly or indirectly, on or after the Remarketing Date and deposited to the PABs Counties Equity Contribution Sub-Account, the Non-PABs Counties Equity Contribution Sub-Account or the Other Proceeds Sub-Account of the Construction Account, the Capital Projects Account, any Major Maintenance Reserve Account, any O&M Reserve Account, the Equity Funded Account or the Revenue Account in accordance with the Collateral Agency Agreement and the other applicable Financing Obligation Documents, including any Cure Amount.

“Additional Project Completion Indebtedness” has the meaning set forth in the Original Indenture.

“Additional Major Maintenance Reserve Account” means any major maintenance reserve account established from time to time under the Collateral Agency Agreement, at the request of the Company in accordance

with the terms of the Collateral Agency Agreement, as required by the terms of any Additional Senior Indebtedness Documents.

“Additional O&M Reserve Account” means any operations and maintenance reserve account established from time to time under the Collateral Agency Agreement, at the request of the Company in accordance with the terms of the Collateral Agency Agreement, as required by the terms of any Additional Senior Indebtedness Documents.

“Additional Parity Bonds” means any Additional Parity Bonds issued pursuant to the Indenture. Escrow Bonds issued pursuant to the Indenture, so long as such Escrow Bonds are secured solely by the Escrow Property, will not be deemed to be Additional Parity Bonds.

“Additional Parity Bonds Loan Agreement” means, for each series of Additional Parity Bonds, the loan agreement or supplemental loan agreement to be executed by the Issuer and the Company in connection with the issuance of such Additional Parity Bonds pursuant to the Indenture, substantially in the form of the Senior Loan Agreement (as determined in good faith by the Company).

“Additional Project” means the design, development, acquisition, construction, installation, equipping, ownership and operation, maintenance and administration of an expansion of, or improvement to the Project or any previously completed Additional Project, including without limitation, the Theme Park Extension and any Additional Station.

“Additional Senior Indebtedness” means all Additional Senior Secured Indebtedness and Additional Senior Unsecured Indebtedness outstanding as of such date.

“Additional Senior Indebtedness Documents” means all Additional Senior Secured Indebtedness Documents and Additional Senior Unsecured Indebtedness Documents then in effect.

“Additional Senior Indebtedness Holders” means, collectively, Additional Senior Secured Indebtedness Holders and Additional Senior Unsecured Indebtedness Holders.

“Additional Senior Secured Indebtedness” means indebtedness incurred by the Borrower other than the indebtedness constituting the Series 2019A Loan and the Series 2019B Loan under the Senior Loan Agreement that is *pari passu* to the indebtedness constituting the Series 2019A Bonds and the Series 2019A Loan and the Series 2019B Bonds and the Series 2019B Loan under the Senior Loan Agreement (except to the extent that certain accounts may be held solely for the benefit of certain creditors as set forth herein or in the Secured Obligation Documents or other Additional Senior Indebtedness Documents) and permitted to be incurred by the Borrower under the terms of the Financing Obligation Documents as in effect at such time.

“Additional Senior Secured Indebtedness Documents” means any credit agreement, purchase agreement, indenture or similar contract or instrument providing for the issuance or incurrence of, or evidencing, any Additional Senior Secured Indebtedness, including any Additional Parity Bonds and Additional Parity Bonds Loan Agreement, then in effect.

“Additional Senior Secured Indebtedness Holder” means any Person that enters into an Additional Senior Secured Indebtedness Document with the Borrower (including any holders of bonds or other securities that are represented by a Secured Debt Representative) and any Owner of Additional Parity Bonds (it being understood that Owners of Escrow Bonds prior to conversion to Additional Parity Bonds are not considered Owners of Additional Parity Bonds).

“Additional Senior Unsecured Indebtedness” means indebtedness that is not secured by the Collateral, but is payable under Section 5.02(b) of the Collateral Agency Agreement on the same basis as the indebtedness constituting the Series 2019B Bonds and the Series 2019B Loan under the Senior Loan Agreement and permitted to be incurred by the Borrower under the terms of the Financing Obligation Documents as in effect at such time.

“Additional Senior Unsecured Indebtedness Documents” means any credit agreement, purchase agreement, indenture or similar contract or instrument providing for the issuance or incurrence of, or evidencing, any Additional Senior Unsecured Indebtedness then in effect.

“Additional Senior Unsecured Indebtedness Holder” means any Person that enters into an Additional Senior Unsecured Indebtedness Document with the Borrower.

“Affiliate” of any Person means any Person that directly, or indirectly through one or more intermediaries, Controls, is Controlled by or is under common Control with that Person.

“Agent” means the Account Bank, the Collateral Agent and each Secured Debt Representative party to the Collateral Agency Agreement.

“Bankruptcy Event” has the meaning given such term in the Collateral Agency Agreement.

“Beneficial Owners” means purchasers of beneficial interests in the Series 2019B Bonds.

“Bond Counsel” means Greenberg Traurig, P.A., or other attorneys selected by the Company, with the consent of the Issuer, which consent shall not be unreasonably withheld, who have nationally recognized expertise in the issuance of municipal securities, the interest on which is excluded from gross income for federal income tax purposes.

“Bond Obligations” means all obligations of the Company under the Senior Loan Agreement and any Additional Parity Bonds Loan Agreements (if executed).

“Bond Resolution” means the Original Bond Resolution, the Prior Supplemental Bond Resolution, the Supplemental Bond Resolution adopted by the Issuer on August 29, 2018, and the Supplemental Bond Resolution adopted by the Issuer on April 5, 2019, authorizing the issuance of the Series 2019B Bonds.

“Bonds” means the Series 2019B Bonds together with the Series 2019A Bonds and any Additional Parity Bonds (excluding any Escrow Bonds that have not been converted to Additional Parity Bonds) issued from time to time pursuant to the Indenture, if any.

“Borrower” or **“Company”** means Brightline Trains Florida LLC (f/k/a Virgin Trains USA Florida LLC), a Delaware limited liability company.

“Business Day” means any day other than a Saturday, a Sunday or a day on which offices of the United States government or the State are authorized to be closed or on which commercial banks in New York, New York, Washington, D.C., or the city and state in which the Trustee, the Collateral Agent, the Account Bank or the Deposit Account Bank, as applicable, is located are authorized or required by law, regulation or executive order to be closed (unless otherwise provided in a Supplemental Indenture).

“Calculation Date” means for Financing Obligations bearing interest semi-annually, each January 1 and July 1, and for Financing Obligations bearing interest quarterly, each January 1, April 1, July 1 and October 1.

“Capital Project” means a physical expansion of, or improvement to, the Project, including the procurement and installation of additional equipment or facilities, or the replacement of existing equipment or facilities, in each case, that is in addition to the initial construction of the Project as contemplated by the Financing Documents, with such amendments and modifications thereto and change orders thereto permitted by the Financing Documents.

“Capital Projects Account” means the Capital Projects Account created and designated as such by Section 5.01 of the Collateral Agency Agreement and described in “PROJECT ACCOUNTS AND FLOW OF FUNDS—Project Accounts—Description of Project Accounts—Capital Projects Account” herein.

“Capitalized Lease Obligations” means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at such time be required to be capitalized and reflected as a liability on a balance sheet (excluding the footnotes thereto) in accordance with GAAP; *provided*, that the adoption or issuance of any accounting standards after the Remarketing Date (whether or not such adoption or issuance is, as of the date hereof, already scheduled to occur after the Remarketing Date) will not cause any lease that was not (or if it had been in existence on the Remarketing Date, would not have been) a capital lease prior to such adoption or issuance to be deemed a capital lease.

“**Casualty Event**” means an event that causes all or a portion of the Project to be damaged, destroyed or rendered unfit for normal use for any reason whatsoever, other than an Expropriation Event.

“**Code**” means the Internal Revenue Code of 1986, as amended from time to time, and any successor statute.

“**Collateral**” means all real and personal property of the Company and the Pledgor that is intended to be subject to the Security Interests granted to the Collateral Agent under the Security Documents to secure the Company’s payment and performance of the Secured Obligations, including the Grantor Collateral and the Pledged Collateral.

“**Collateral Agency Agreement**” means the Original Collateral Agency Agreement, as supplemented by the Supplemental Agency Agreement.

“**Collateral Agent**” means Deutsche Bank National Trust Company and its successors and assigns, as Collateral Agent, pursuant to the Collateral Agency Agreement.

“**Collection Account**” means a collection account subject to the security interest of the Collateral Agent established with the Deposit Account Bank in accordance with Section 5.02(a) of the Collateral Agency Agreement and subject to an Account Control Agreement.

“**Commercially Feasible Basis**” has the meaning given such term in the Collateral Agency Agreement.

“**Commitment**” means any commitment by a Secured Party to extend Indebtedness to the Company under the relevant Secured Obligation Document.

“**Commodity Exchange Act**” means the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

“**Company**” or “**Borrower**” means Brightline Trains Florida LLC (f/k/a All Aboard Florida — Operations LLC), a Delaware limited liability company.

“**Construction Account**” means the Construction Account created by and designated as such by Section 5.01 of the Collateral Agency Agreement and described in “PROJECT ACCOUNTS AND FLOW OF FUNDS—Project Accounts—Description of Project Accounts—Construction Account” herein.

“**Control**” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise, and “**Controlling**” and “**Controlled by**” have meanings correlative thereto.

“**Conversion Date**” means, with respect to all or a portion of the Bonds in the Term Rate Mode to be converted to bear interest at a Fixed Rate, the date on which such Bonds begin to bear interest at the Fixed Rate.

“**Costs of Issuance**” has the meaning set forth in the Collateral Agency Agreement.

“**Cure Amount**” has the meaning assigned thereto in the Senior Loan Agreement.

“**Debt Service Fund**” means the Debt Service Fund created by and designated as such in the Indenture.

“**Debt Service Payment Date**” means each date on which principal of and interest on the Bonds is due and includes, but is not limited to, the maturity date of any Bond; each Interest Payment Date and the date of any mandatory redemption payment on any Bond.

“**Debt Service Reserve Requirement**” means, (i) with respect to the Series 2019 Bonds, an amount equal to six months of interest payable on the next Payment Date, (ii) with respect to any Additional Parity Bonds issued to finance, or any Permitted Additional Senior Indebtedness constituting, Additional Project Completion Indebtedness, Rolling Stock Indebtedness, Theme Park Indebtedness or Additional Station Indebtedness, an amount equal to six months of interest payable on the next Payment Date, and (iii) with respect to any other Additional Senior Indebtedness, the corresponding Additional Debt Service Reserve Requirement (if any).

“**Default Rate**” means an interest rate per annum equal to the interest rate per annum that would otherwise be in effect on the Bonds if no Event of Default had occurred, plus 2.0% per annum.

“Defeasance Escrow Account” means an account created pursuant to Section 11.2 of the Indenture.

“Deposit Account Bank” means Bank of America N.A. or any other financial institution reasonably acceptable to the Representative and any replacement thereof appointed pursuant to the terms of the Collateral Agency Agreement.

“Determination of Taxability” means the occurrence of both of the following: (i) any of the litigation pending against the Company and/or the USDOT on the date of issuance of the Series 2019B Bonds in federal court with respect to the Project is determined adversely to the Borrower and/or the USDOT, from which determination no appeal may be taken or with respect to which the time for taking an appeal shall have expired without an appeal having been taken, and (ii) such determination adversely affects the excludability of the interest on the Series 2019B Bonds from gross income for federal income tax purposes.

“Direction Notice” has the meaning assigned to it in Section 9.03(a) of the Collateral Agency Agreement.

“Dispatching Services Agreement” means the Dispatching Services Agreement, dated as of December 27, 2016, among the Company, FECR and DispatchCo, as amended, supplemented or otherwise modified from time to time.

“Dissemination Agent” means Digital Assurance Certification, L.L.C.

“Distribution Account” means the Distribution Account created by the Company.

“Distribution Date” means each semi-annual Calculation Date beginning after the Phase 2 Revenue Service Commencement Date.

“Distribution Release Certificate” means the certificate substantially in the form of the Distribution Release Certificate attached as an exhibit to the Collateral Agency Agreement and described in “PROJECT ACCOUNTS AND FLOW OF FUNDS—Project Accounts—Description of Project Accounts—Distribution Account” herein.

“Enforcement Action” means any action, whether by judicial proceedings or otherwise, to enforce any of the rights and remedies granted pursuant to the Security Documents against the Collateral or the Company upon the occurrence and during the continuance of a Secured Obligation Event of Default.

“Equity Contribution” means any Required Equity Contribution and any Additional Equity Contribution.

“Equity Contribution Agreement” means the Equity Contribution Agreement, dated the Original Closing Date, and entered into by and among the Company, the Collateral Agent and the Equity Participant.

“Equity Funded Account” means the Equity Funded Account established with the Deposit Account Bank, as described in “PROJECT ACCOUNTS AND FLOW OF FUNDS—Description of Project Accounts—Operating Account and Equity Funded Account.”

“Equity Lock-Up Account” means the Equity Lock-Up Account created by and designated as such in Section 5.01 of the Collateral Agency Agreement and described in “PROJECT ACCOUNTS AND FLOW OF FUNDS—Project Accounts—Description of Project Accounts—Equity Lock-Up Account” herein.

“Equity Participant” means Brightline Holdings LLC, a Delaware limited liability company.

“Equity Transfer Certificate” means a certificate delivered by the Borrower in accordance with the Collateral Agency Agreement substantially in the form of Exhibit I thereto.

“Escrow Bonds” means any portion of any series of Bonds which are secured solely by Escrow Property and the proceeds of which Escrow Bonds are on deposit in an Account established for such purpose under the Indenture.

“Escrow Contribution” means any contribution and/or any irrevocable, transferable letter of credit, in an aggregate amount sufficient, together with the proceeds of the Escrow Bonds, and all investment earnings on such amounts, to pay the Purchase Price of such Escrow Bonds on the next mandatory tender date applicable to such Escrow Bonds.

“Escrow Property” means, collectively, the proceeds of the Escrow Bonds and the Escrow Contribution and any investment earnings on the foregoing.

“Event of Default” means with respect to the Financing Documents, as defined in the Indenture and the Senior Loan Agreement.

“Excluded Assets” means the collective reference to:

(a) any property or other asset (including any agreement or contract) (i) that by its terms validly prohibits the creation by the Company of a security interest therein, (ii) to the extent that any Law prohibits the creation of a security interest therein, or (iii) that would be rendered invalid, abandoned, void or unenforceable by reason of its being included as part of the Grantor Collateral (in each case, other than to the extent that any such term or restriction would be rendered ineffective pursuant to Section 9-406, 9-407, 9-408 or 9-409 of the UCC);

(b) any permit or other Governmental Approval that by its terms or by operation of law would become void, voidable, terminable or revocable if mortgaged, pledged or assigned hereunder or if a security interest therein were granted hereunder;

(c) the Series 2019B Rebate Fund and the Distribution Account;

(d) property subject to Permitted Security Interests described in clauses (j) or (h) of the definition of “Permitted Security Interests” so long as the documents governing such Permitted Security Interests do not permit any other Security Interests on such property; *provided*, that immediately upon the ineffectiveness, lapse or termination of any such restriction (after giving effect to all permitted refinancings of the Indebtedness secured by such Permitted Security Interests), such equipment or real property shall cease to be “Excluded Assets”; and

(e) any applications for Marks filed in the United States Patent and Trademark Office pursuant to 15 U.S.C. §1051 Section 1(b) on the basis of a grantor’s intent-to-use such Mark unless and until evidence of use of the Mark has been filed with, and accepted by, the United States Patent and Trademark Office, pursuant to Section 1(c) or 1(d) of the Lanham Act (15 U.S.C. §1051, et seq.),

provided, however, that Excluded Assets will not include (i) any proceeds, substitutions or replacements of any Excluded Assets referred to above other than Excluded Assets described in clause (d) above (unless such proceeds, substitutions or replacements would constitute Excluded Assets) and (ii) the Project Accounts and all funds, checks, securities, financial assets or other property held therein or credited thereto.

“Excluded Swap Obligation” means, with respect to any Person, any Swap Obligation if, and to the extent that, all or a portion of the guarantee by such Person of, or grant of a security interest by such Person to secure, such Swap Obligation is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of the failure of such Person for any reason to constitute an “eligible contract participant” as defined in the Commodity Exchange Act at the time the guarantee or grant of security interest by such Person becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such security interest is or becomes excluded in accordance with the first sentence of this definition.

“Existing Security Interests” means Security Interests existing on the Remarketing Date that are not expressly required to be discharged as a condition precedent to the obligations of the Representative pursuant to the Bond Purchase Agreement.

“Expropriation Event” means any action (or series of related actions) by any Governmental Authority (i) by which such Governmental Authority appropriates, confiscates, condemns, expropriates, nationalizes, seizes or otherwise takes all or any portion of the Collateral or the Project or (ii) by which such Governmental Authority assumes custody or control of all or any portion of the Project, in each case that is reasonably anticipated to last for more than one hundred twenty (120) consecutive days.

“Federal Tax Certificate” means with respect to any issuance of Bonds under the Indenture, (a) one or more certificates or agreements that sets forth the Issuer’s or the Company’s expectations regarding the investment and use of proceeds of any series of the Bonds and other matters relating to Bond Counsel’s opinion regarding the federal income tax treatment of interest on such Bonds, including any instructions delivered by Bond Counsel in connection with any such certificate or agreement; and (b) any amendment or modification of any such certificate or agreement that is accompanied by an opinion of Bond Counsel stating that the amendment or modification will not adversely affect the exclusion of interest on such bonds from gross income for federal and State income tax purposes.

“Financing Documents” has the meaning set forth in the Senior Loan Agreement.

“Financing Obligation Documents” means, collectively and without duplication, the Secured Obligation Documents and the Additional Senior Unsecured Indebtedness Documents and related notes (if any).

“Financing Obligations” means, collectively, without duplication, all of the Secured Obligations and the Borrower’s obligations under any Additional Senior Unsecured Indebtedness Documents.

“First Supplemental Indenture” means that certain First Supplemental Indenture of Trust, dated as of June 20, 2019, as amended by that certain First Amendment to First Supplemental Indenture of Trust, dated as of June 18, 2020

“First Supplemental Senior Loan Agreement” means that certain First Supplemental Senior Loan Agreement, dated as of June 20, 2019.

“Fiscal Quarter” means the three month period commencing on the first day of the first, fourth, seventh and tenth month of each Fiscal Year and ending on the last day of the third, sixth, ninth and twelfth month, respectively, of such Fiscal Year.

“Fiscal Year” means with respect to the Company the twelve months commencing on January 1 of any calendar year and ending on December 31 of such calendar year, or any other 12-month period which the Company designates as its fiscal year.

“Fitch” means Fitch Ratings, Inc. and any successor to its rating agency business.

“Fixed Rate” means the per annum interest rate on any Bond in the Fixed Rate Mode determined by the Remarketing Agents pursuant to Section 3.1(b) of the Indenture.

“Fixed Rate Mode” means the mode during which the Bonds bear interest at the Fixed Rate.

“Fixed Rate Period” means for the Bonds in the Fixed Rate Mode, the period from the Conversion Date upon which the Bonds were converted to the Fixed Rate Mode through the interest payment due on the maturity date for the Bonds.

“Flow of Funds” means the withdrawals, transfers and payments from the Revenue Account in the amounts, at the times, for the purposes and in the order of priority set forth in Section 5.02(b) of the Collateral Agency Agreement and described in “PROJECT ACCOUNTS AND FLOW OF FUNDS—Flow of Funds” herein.

“FRA” means the Federal Railroad Administration.

“Free Cash Flow” means, with respect of any period:

(a) all Project Revenues received by the Company and deposited to the Revenue Account during such period (excluding any Equity Contributions and any proceeds of Indebtedness); plus

(b) interest income earned on any Permitted Investments made with funds on deposit in the Project Accounts; plus

(c) releases from any Debt Service Reserve Account, any Major Maintenance Reserve Account and any O&M Reserve Account used to pay O&M Expenditures or Major Maintenance Costs during such period; less

(d) all O&M Expenditures and Major Maintenance Costs to the extent paid during such period (excluding any amounts for Major Maintenance Costs paid out of the Capital Projects Account); less

(e) deposits to any Debt Service Reserve Account (excluding the initial funding of the Initial Debt Service Reserve Account or any other Debt Service Reserve Account), any Major Maintenance Reserve Account and any O&M Reserve Account during such period.

“**Funds**” means any of the funds created under the Indenture.

“**Funds Transfer Certificate**” means a certificate delivered by the Company in accordance with the Collateral Agency Agreement substantially in the form of the Funds Transfer Certificate attached as an exhibit to the Collateral Agency Agreement.

“**GAAP**” means such accepted accounting practice as conforms at the time to applicable generally accepted accounting principles in the United States of America, consistently applied.

“**Governmental Approval**” means any registration, permit, license, consent, concession, grant, franchise, authorization, waiver, variance or other approval, guidance, protocol, mitigation agreement, or memoranda of agreement/understanding, and any amendment or modification of any of them provided or issued by Governmental Authority including State, local, or federal regulatory agencies, agents, or employees, which authorize or pertain to the Project.

“**Governmental Authority**” means any nation, state, sovereign or government, any federal, regional, state or local government or political subdivision thereof or other entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and having jurisdiction over the Person or matters in question.

“**Governmental Land Contribution**” means the dedication of real property to a governmental, quasi-governmental or municipal real estate holder in a transaction that the Company determines in good faith is in the best interests of the Company and in furtherance of the construction and operation of the Project or any Additional Project.

“**Grantor Collateral**” has the meaning assigned to it in the Security Agreement.

“**Indebtedness**” means with respect to any Person: (a) indebtedness of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (c) all obligations of such Person to pay the deferred purchase price of property or services, other than: (1) accounts payable and trade payables arising in the ordinary course of business (other than those addressed in clauses (2) through (5) of this clause (c)) which are payable in accordance with customary practices, *provided* that such accounts payable and trade payables (x) are not evidenced by a note, (y) are payable within ninety (90) days of the date of incurrence and are not more than ninety (90) days past due unless being contested in good faith and (z) do not exceed 4% of the sum of the original principal amount of the Series 2019 Bonds plus the principal amount of other Permitted Additional Senior Indebtedness and Additional Parity Bonds at any one time outstanding, (2) accrued expenses arising in the ordinary course of business and not recorded as either “short term indebtedness” or “long term indebtedness” on the balance sheet of the Company in accordance with GAAP, (3) payments due under any maintenance agreement for Rolling Stock, in each case, that are not more than ninety (90) days past due unless being contested in good faith, (4) any payments pursuant to any construction contracts that are not more than ninety (90) days past due unless being contested in good faith or to the extent such payments represent “retainage,” “holdback” or similar payments, and (5) payments due under any management contract pursuant to which a management company provides employees to provide services for the Company, (d) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person, (e) any Capitalized Lease Obligation, (f) all obligations, contingent or otherwise, of such Person under bankers acceptances issued or created for the account of such Person, (g) all unconditional obligations of such Person to purchase, redeem, retire, defease or otherwise acquire for value any capital stock or other equity interests of such Person or any warrants, rights or options to acquire such capital stock or other equity interests, (h) all net obligations of such Person pursuant to Permitted Swap Agreements, (i) all guarantee obligations of such Person in respect of obligations of the kind referred to in clauses (a) through (h) above, and (j) all Indebtedness of the type referred to in clauses (a) through (h) above secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any lien on property (including accounts and contracts rights) owned by such Person, even though such Person has not assumed or become liable for the

payment of such Indebtedness. Notwithstanding the foregoing, predelivery payments and commissioning costs and expenses in respect of Rolling Stock Assets are not included in the definition of Indebtedness.

“**Indenture**” means the Original Indenture, as supplemented by the Frist Supplemental Indenture and as further supplemented by the Second Supplemental Indenture.

“**Initial Debt Service Reserve Account**” means the Initial Debt Service Reserve Account established and created pursuant to the Collateral Agency Agreement and as described in “PROJECT ACCOUNTS AND FLOW OF FUNDS—Project Accounts—Description of Project Accounts—Debt Service Reserve Account” herein and each Additional Debt Service Reserve Account.

“**Initial Major Maintenance Reserve Account**” means the Initial Major Maintenance Reserve Account established and created pursuant to Section 5.01 of the Collateral Agency Agreement and described in “PROJECT ACCOUNTS AND FLOW OF FUNDS—Project Accounts—Description of Project Accounts—Major Maintenance Reserve Account” herein.

“**Initial O&M Reserve Account**” means the Initial O&M Reserve Account established and created pursuant to Section 5.01 of the Collateral Agency Agreement and described in “PROJECT ACCOUNTS AND FLOW OF FUNDS—Project Accounts—Description of Project Accounts—O&M Reserve Account” herein.

“**Intellectual Property**” has the meaning assigned to it in the Security Agreement.

“**Interest Account**” means the interest account with respect to the Series 2019B Bonds created and designated as such by the Indenture.

“**Interest Payment Date**” means, (i) with respect to any Financing Obligations bearing interest semi-annually, each January 1 and July 1, (ii) with respect to any Financing Obligations bearing interest quarterly, each January 1, April 1, July 1 and October 1, and (iii) with respect to any other Financing Obligations, each other date interest payments are required to be made under the related Financing Obligation Documents, and in each case continuing for so long as the Financing Obligations are outstanding.

“**Issuer**” means the Florida Development Finance Corporation in its capacity as “conduit issuer” in the issuance of the Series 2019B Bonds, which are special, limited obligations of the Issuer.

“**Issuer Representative**” means the Chairman, Vice Chairman, Executive Director, Secretary or Assistant Secretary of the Issuer, or any other officer or employee of the Issuer designated in writing to the Trustee by the Chairman, Vice Chairman or Executive Director as an authorized representative of the Issuer for purposes of the Senior Loan Agreement and the Indenture.

“**Joint Use Agreement**” means, collectively, that certain Joint Use and Operating Agreement dated as of December 20, 2007 as amended and restated by that certain Amended and Restated Joint Use and Operating Agreement dated June 13, 2014, among Florida East Coast Railway, L.L.C., the Company, and FDG Flagler Station II LLC, containing the terms and conditions of the joint use of the rail corridor between the parties, as amended, supplemented or modified from time to time and that certain Joint Use Agreement (Shared Infrastructure), dated February 28, 2014 as amended and restated by that certain Amended and Restated Joint-Use Agreement (Shared Infrastructure) dated June 13, 2014 as amended, restated and replaced by that certain Second Amended and Restated Joint Use Agreement (Shared Infrastructure) dated December 27, 2016 as amended by that certain First Amendment to Second Amended and Restated Joint Use Agreement (Shared Infrastructure) dated June 30, 2017, between Florida East Coast Railway, L.L.C., a Florida limited liability company, and the Company, as amended, supplemented or modified from time to time and as summarized in the Memorandum of Joint Use Agreement (Shared Infrastructure) dated June 30, 2017.

“**Law**” means any federal, state, local and municipal laws, rules and regulations, orders, codes, directives, permits, approvals, decisions, decrees, ordinances or by-laws having the force of law and any common or civil law, including binding court and judicial decisions having the force of law, and includes any amendment, extension or re-enactment of any of the same in force from time to time and all other instruments, orders and regulations made pursuant to statute.

“**Lock-Up Total DSCR**” means a Total DSCR equal to 1.50:1.00.

“**Loss Event**” has the meaning given such term in the Indenture.

“**Loss Proceeds**” has the meaning given such term in the Collateral Agency Agreement.

“**Loss Proceeds Account**” means the Loss Proceeds Account created and designated as such by Section 5.01 of the Collateral Agency Agreement and described in “PROJECT ACCOUNTS AND FLOW OF FUNDS—Project Accounts—Description of Project Accounts—Loss Proceeds Account” herein.

“**Main Operating Account**” means the Operating Account established with the Deposit Account Bank, as described in “PROJECT ACCOUNTS AND FLOW OF FUNDS—Description of Project Accounts—Operating Account and Equity Funded Account.”

“**Major Maintenance**” means any lifecycle maintenance, repair, renewal, reconstruction or replacement work of any portion or component of the Project, as applicable, of a type which is not normally included as an annually recurring cost in passenger rail maintenance and repair budgets.

“**Major Maintenance Costs**” means the estimated costs for Major Maintenance set forth in the Major Maintenance Plan provided by the Company to, and approved by the Technical Advisor.

“**Major Maintenance Plan**” means the budget and schedule delivered by the Company to, and approved by, the Technical Advisor for Major Maintenance Costs.

“**Major Maintenance Reserve Account**” means the Initial Major Maintenance Reserve Account and any Additional Major Maintenance Reserve Account created by and designated as such in the Collateral Agency Agreement and described in “PROJECT ACCOUNTS AND FLOW OF FUNDS—Project Accounts—Description of Project Accounts—Major Maintenance Reserve Account” herein and any Additional Major Maintenance Reserve Account.

“**Major Maintenance Reserve Required Balance**” means (i) with respect to the Initial Major Maintenance Reserve Account, the amount equal to the Major Maintenance Costs estimated to be due, on a rolling two year forward looking basis for any year “n” as follows: (A) 100% of Year n Major Maintenance Costs, plus (B) 50% of Year n+1 Major Maintenance Costs, where “n” is a forward looking rolling period of four Fiscal Quarters starting at and including the Fiscal Quarter considered for the calculation; and (ii) with respect to any Additional Major Maintenance Reserve Account and calculated on any applicable Transfer Date, an amount pertaining to Major Maintenance Costs as reasonably projected by the Company which under the terms of the applicable Additional Senior Indebtedness Documents is required by such documents to be deposited into such Additional Major Maintenance Reserve Account.

“**Make-Whole Redemption Price**” is equal to the sum of:

(a) one hundred seven percent (107%) of the principal amount of the Series 2019B Bonds to be redeemed; and

(b) an amount equal to the sum of the remaining unpaid payments of interest to be paid on such Series 2019B Bonds to be redeemed from and including the date of redemption to the First Premium Call Date of such Series 2019B Bonds.

“**Management Agreement**” means the General Operations, Management and Administrative Services Agreement dated as of December 19, 2017, by and among the Company and the Manager, as amended, amended and restated, supplemented or otherwise modified.

“**Manager**” means Brightline Management LLC (f/k/a All Aboard Florida Operations Management LLC), a Delaware limited liability company and an affiliate of the Company.

“**Mandatory Prepayment Account**” means the Mandatory Prepayment Account created and designated as such by Section 5.01 of the Collateral Agency Agreement and described in “PROJECT ACCOUNTS AND FLOW OF FUNDS—Project Accounts—Description of Project Accounts—Mandatory Prepayment Account” herein.

“**Mandatory Tender Date**” means the day immediately following the last day of each Term Rate Period.

“**Mark**” means (i) all trademarks, trade names, trade styles, service marks, certification marks, collective marks, logos and other source or business identifiers, now existing or hereafter adopted or acquired, all registrations thereof and all applications in connection therewith, including registrations and applications in the United States Patent and Trademark Office or in any office or agency of the United States of America, or any State thereof or any other country or political subdivision thereof or otherwise, and all common law rights relating to the foregoing, and (ii) the right to obtain all reissues, extensions or renewals of the foregoing.

“**Material Adverse Effect**” means a material adverse effect on (a) the business, properties, performance, results of operations or financial condition of the Company; (b) the Company’s ability to complete the Project; (c) the legality, validity or enforceability of any material Financing Document; (d) the Company’s ability to observe and perform its material obligations under any Financing Document; (e) the validity, perfection or priority of a material portion of the Security Interests created pursuant to the Security Documents on the Collateral taken as a whole; or (f) the rights of the Collateral Agent and the Trustee under the Financing Documents, including the ability of the Collateral Agent, the Trustee or any other Secured Party to enforce their material rights and remedies under the Financing Documents or any related document, instrument or agreement, in each case with respect to clauses (a) through (f) above relating to the Project.

“**Miami Station**” means those certain passenger railway station improvements owned by the Company and located in Miami, Florida, including MiamiCentral, and the Company’s fee interest in the air rights established pursuant to that certain Declaration of Covenants, Restrictions and Easements recorded in the Public Records of Miami-Dade County, Florida, within which such passenger railway station improvements are constructed, but specifically excluding the retail and office elements and all other interests in any other real property (including, without limitation, any ground lease interest of any tenant, any other air rights parcels or any other vertical subdivision) located along the railway or adjacent to, above, below or near such passenger railway station improvements.

“**Moody’s**” means Moody’s Investor Services and any successor to its rating agency business.

“**Mortgage**” means an agreement, including, but not limited to, a mortgage, leasehold mortgage or any other document, creating and evidencing a Security Interest on a Mortgaged Property substantially in the form of Attachment D to the Senior Loan Agreement.

“**Mortgaged Property**” has the meaning given such term in the Collateral Agency Agreement.

“**Nationally Recognized Rating Agency**” means S&P, Moody’s or Fitch, or any other nationally-recognized securities rating agency that is then providing a rating on any of the Secured Obligations at the request of the Company.

“**Non-Completed Work**” means Major Maintenance that is not completed in the year in which it was scheduled in the Major Maintenance Schedule.

“**Non-Completed Work Sub-Account**” means the Non-Completed Work Sub-Account established within the Initial Major Maintenance Reserve Sub-Account created and designated as such by the Collateral Agency Agreement and described in “PROJECT ACCOUNTS AND FLOW OF FUNDS—Project Accounts—Description of Project Accounts—Major Maintenance Reserve Account” herein.

“**Non-PABs Counties Equity Contribution Sub-Account**” has the meaning set forth in the Collateral Agency Agreement.

“**North Segment**” means the portion of the Project expected to run between West Palm Beach and Orlando, Florida.

“**Notice Parties**” means the Issuer, the Trustee, the Remarketing Agents, and the Company.

“**O&M Expenditures**” has the meaning assigned to such term in the Senior Loan Agreement.

“**O&M Reserve Account**” means the Initial O&M Reserve Account and any Additional O&M Reserve Account.

“**O&M Reserve Requirement**” with respect to (i) the Initial O&M Reserve Account has the meaning set forth in Section 5.07 of the Collateral Agency Agreement and (ii) any Additional O&M Reserve Account, calculated

on any Transfer Date, an amount pertaining to O&M Expenditures as reasonably projected by the Company which under the terms of the applicable Additional Senior Indebtedness Documents is required by such documents to be deposited in to such O&M Reserve Account.

“**Operating Account**” means the Main Operating Account and each additional Operating Account established with the Deposit Account Bank as described in “PROJECT ACCOUNTS AND FLOW OF FUNDS—Description of Project Accounts—Operating Accounts and Equity Funded Account.”

“**Ordinary Course Settlement Payments**” means all regularly scheduled payments due under any Permitted Swap Agreement with a Swap Bank from time to time, calculated in accordance with the terms of such Permitted Swap Agreement, but excluding, for the avoidance of doubt, any Swap Termination Payments due and payable under such Permitted Swap Agreement.

“**Original Closing Date**” means April 18, 2019.

“**Original Collateral Agency Agreement**” means that certain Second Amended and Restated Collateral Agency, Intercreditor and Accounts Agreement, dated as of the Original Closing Date, by and among the Collateral Agent, the Trustee, Deutsche Bank National Trust Company, in its capacity as Account Bank thereunder, the Company and each other Secured Party (as defined therein).

“**Original Indenture**” means the Indenture of Trust, dated as of the Original Closing Date, between the Issuer and the Trustee, and any amendment or supplement thereto permitted thereby.

“**Original Senior Loan Agreement**” means that certain Senior Loan Agreement, dated as the Original Closing Date, by and between the Issuer and the Company.”

“**Orlando Station**” means those certain improvements constituting the passenger railway station located in Orlando, Florida described in the Plans and Specifications and the leasehold interest in the real property upon which such improvements are constructed, but specifically excluding any one or more real estate interests (including, without limitation, any ground lease interest of any tenant, any air rights parcels or any other vertical subdivision) in any such real property along the railway or at, adjacent to, above, below or near such station, in all cases, other than the leasehold interest.

“**Other Proceeds Sub-Account**” has the meaning set forth in the Collateral Agency Agreement.

“**Outstanding**” means with respect to the Bonds, as of any date of determination, all Bonds that have been executed, authenticated and delivered under the Indenture, except:

(a) any Bond, or portion thereof, on which all principal and interest due or to become due on or before maturity has been paid;

(b) any Bond, or portion thereof, on which the Redemption Price due or to become due has been paid in accordance with the redemption provisions applicable to such Bond;

(c) Bonds in lieu of which other Bonds have been executed, authenticated and delivered pursuant to the provisions of the Indenture relating to the transfer and exchange of Bonds or the replacement of mutilated, lost, stolen or destroyed Bonds;

(d) Bonds that have been canceled by the Trustee or that have been surrendered to the Trustee for cancellation; and

(e) Bonds that have been defeased pursuant to and in accordance with the Indenture.

“**Owner**” of a Bond means the registered owner of such Bond as shown in the registration records of the Trustee.

“**PABs Counties**” means each of Brevard, Broward, Miami-Dade, Orange and Palm Beach County, Florida.

“**PABs Counties Equity Contribution Sub-Account**” has the meaning set forth in the Collateral Agency Agreement.

“PABs Proceeds Sub-Account” has the meaning set forth in the Collateral Agency Agreement.

“Payment Date” means an Interest Payment Date or a Principal Payment Date.

“Payment in Full” or **“Paid in Full”** means the payment in full in cash and performance in full of all Secured Obligations (other than contingent indemnification obligations for which no claim shall have been asserted) and termination or expiration of all Commitments.

“Permitted Activities” shall have the meaning specified in Section 6.14 of the Senior Loan Agreement.

“Permitted Additional Senior Indebtedness” means:

(a) Indebtedness of the Company issued from time to time for any corporate purpose in an outstanding aggregate principal amount not to exceed \$175,000,000;

(b) Indebtedness of the Company, other than Additional Parity Bonds, that shall satisfy the requirements of Section 12.2(b) of the Indenture for the issuance of Additional Parity Bonds as in effect on the date of issuance of the Series 2019A Bonds, mutatis mutandis,

in each case, that shall be payable pro rata with the Series 2019 Bonds and any Additional Parity Bonds pursuant to the Collateral Agency Agreement as in effect on the date of issuance of the Series 2019A Bonds, and may, at the option of the Company, be secured by all of the Collateral under the Collateral Agency Agreement, or may be unsecured; provided that if such Permitted Additional Senior Indebtedness is unsecured, it will be junior to the Secured Obligations upon the exercise of remedies against the Collateral to the extent of the value of the Collateral as provided in Section 9.08 of the Collateral Agency Agreement as in effect on the date of issuance of the Series 2019A Bonds.

“Permitted Business Activities” means the undertaking of the Project and any Additional Project (including all Permitted Activities) and any business that is ancillary and related thereto.

“Permitted Easements” means, to the extent that no Material Adverse Effect would be created by or result from the consummation thereof: (a) easements that burden solely an asset which is not used in the operation of the Project or, to the extent financed by Additional Parity Bonds or Permitted Additional Senior Indebtedness, any Additional Project, (b) underground easements, (c) access, pedestrian and vehicular crossing, longitudinal driveway, railroad cross access and track usage easements, public and private grade crossing and similar easements, (d) aerial easements or rights (including leases), including but not limited to those for transit oriented development, platforms, stations, communications, fiber optic or utility facilities (including easements for installation of cellular towers), (e) pylon sign and billboard easements and leases, (f) above-ground drainage or slope easements, (g) scenic and clear vision easements, (h) utility easements and minor survey exceptions, minor encumbrances, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions or covenants as to the use of real properties or Security Interests incidental to the conduct of the business of the Borrower or to the ownership of its properties, (i) easements, licenses, rights of way or similar encumbrances granted in the ordinary course of business, (j) reciprocal easement and/or access agreements encumbering a portion of the Project or any Additional Project and an adjacent parcel or track, (k) aerial easements or rights (including leases) across road right of ways or other property, (l) any easements, leases, licenses, rights of way or similar encumbrances or agreements in favor of South Florida Regional Transportation Authority, Florida Department of Transportation or any other state, federal or local transportation, transit or rail department or agency, or an affiliate thereof, to allow commuter rail service on the corridor comprising the Project or any Additional Project, (m) for the downtown Miami property and any Additional Station, if applicable, amendments to the recorded declaration of covenants in lieu of unity of title, easement and operating agreement and/or the declaration of covenants, restrictions and easements, including, but not limited to, any required amendment upon completion of the construction of such station and the other residential, retail and office structures interconnected with such station to correct any errors in the legal descriptions of the air rights granted to the entities owning the same or the designation of shared facilities or exclusive elements and amendment to the allocation of shared costs assessed pursuant to the declaration of covenants, restrictions and easements among the owners of the station and other elements, or (n) any final map, plat, parcel map, lot line adjustment or other subdivision map of any kind covering any portion of the Project or any Additional Project. For the avoidance of doubt, any of the foregoing which would create or result in a Material Adverse Effect is strictly prohibited.

“Permitted Indebtedness” means:

- (a) Any Indebtedness incurred under the Financing Documents;
- (b) Additional Parity Bonds and Permitted Additional Senior Indebtedness, subject to the terms of the Financing Documents;
- (c) Indebtedness of the Borrower and any interest accruing thereon existing as of the date of issuance of the Series 2019A Bonds (other than Indebtedness expressly required to be discharged as a condition precedent to the obligations of the Representative under the Bond Purchase Agreement) that is identified in Attachment C to the Senior Loan Agreement, and all Indebtedness incurred to refund, refinance, extend, renew or replace any Indebtedness incurred pursuant to this clause (c) so long as the principal amount of such Indebtedness is not increased to any amount greater than the sum of (A) the outstanding principal amount or, if greater, the committed amount of such Permitted Indebtedness on the date of issuance of the Series 2019A Bonds, and (B) an amount necessary to pay any fees and expenses, including premiums, related to such refunding, refinancing, extension, renewal or replacement;
- (d) Indebtedness (including Capitalized Lease Obligations) incurred by the Company to finance or refinance the purchase, lease, development, ownership, construction, maintenance or improvement of real or personal property or equipment that is used or useful in the Project or any Additional Project (including portions of the Project or any Additional Project that may be located outside of the PABs Counties) or any other Permitted Business Activities, and all Indebtedness incurred to refund, extend, renew, refinance or replace such Indebtedness; *provided, however*, that, (i) the aggregate principal amount which, when aggregated with the principal amount of all other Indebtedness then outstanding and incurred pursuant to this clause (d), and including all Indebtedness incurred to refund, extend, renew, refinance or replace any other Indebtedness incurred pursuant to this clause (d) does not exceed \$50,000,000, and (ii) such Indebtedness (other than Indebtedness incurred to refund, extend, renew, refinance or replace any other Indebtedness incurred pursuant to this clause (d)) is incurred within 365 days after the completion of such purchase, lease, development, construction, maintenance or improvement. Such Indebtedness is payable on the same basis as the Additional Senior Unsecured Indebtedness under Section 5.02(b) of the Collateral Agency Agreement as in effect on the date of issuance of the Series 2019A Bonds, and such Indebtedness shall not be secured by the Collateral;
- (e) Escrow Bonds;
- (f) (i) Indebtedness incurred by the Company constituting reimbursement obligations with respect to letters of credit and bank guarantees issued in the ordinary course of business, including without limitation letters of credit in respect of workers' compensation claims, health, disability or other benefits to employees or former employees or their families or property, casualty or liability insurance or self-insurance, and letters of credit in connection with the maintenance of, or pursuant to the requirements of, environmental or other permits or licenses from governmental authorities, (ii) other Indebtedness with respect to reimbursement type obligations regarding workers' compensation claims, and (iii) Indebtedness incurred to refund, extend, renew, refinance or replace any other Indebtedness incurred pursuant to this clause (f); *provided, however*, that (1) upon the drawing of such letters of credit or the incurrence of such Indebtedness, such obligations are reimbursed within 30 days following such drawing or incurrence, and (2) the aggregate principal amount which, when aggregated with the then outstanding principal amount of all other Indebtedness incurred pursuant to this clause (f) and including all Indebtedness incurred to refund, extend, renew, refinance or replace any other Indebtedness incurred pursuant to this clause (f), does not exceed \$50,000,000;
- (g) Permitted Swap Agreements for the purpose of limiting: (i) interest rate risk; (ii) exchange rate risk with respect to any currency exchange; (iii) commodity risk; or (iv) any combination of the foregoing;
- (h) Obligations in respect of performance, bid, appeal and surety bonds and guarantees of indemnification obligations provided by the Company or indemnification obligations incurred by the Company in the ordinary course of business or consistent with past practice or industry practice;

(i) Indebtedness of the Company consisting of the financing of insurance premiums in the ordinary course of business, and Indebtedness incurred to refund, extend, renew, refinance or replace such Indebtedness;

(j) Indebtedness of the Borrower consisting of take-or-pay obligations contained in supply arrangements in the ordinary course of business, and Indebtedness incurred to refund, extend, renew, refinance or replace such Indebtedness; provided, however, that the aggregate principal amount which, when aggregated with the then outstanding principal amount of all other Indebtedness incurred pursuant to this clause (j) and including all Indebtedness incurred to refund, extend, renew, refinance or replace any other Indebtedness incurred pursuant to this clause (j) does not exceed \$25,000,000; and

(k) Permitted Subordinated Debt.

“**Permitted Investments**” means to the extent permitted by State law:

(a) Cash or direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States of America);

(b) Investments in commercial paper maturing within 365 days from the date of acquisition thereof and having, at such date of acquisition, the highest short term credit rating obtainable from S&P or Moody’s;

(c) Obligations, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following: Federal Home Loan Bank System, Government National Mortgage Association, Farmer’s Home Administration, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Federal Farm Credit Bank or Federal Housing Administration;

(d) Direct and general obligations of any state of the United States of America or any municipality or political subdivision of such state, or obligations of any municipal corporation, if such obligations are rated at the time of investment in one of the three highest rating categories (without regard to gradation) by S&P, Moody’s or other similar nationally recognized rating agency;

(e) Any security that matures or that may be tendered for purchase at the option of the holder within not more than five years of the date on which it is acquired, if that security has a rating that is in one of the two highest long-term rating categories or highest short-term rating category (without regard to any refinements or gradations of rating category by numerical modifier or otherwise) assigned by S&P, Moody’s or other similar nationally recognized rating agency or if that security is senior to, or on a parity with, a security of the same issuer that has such a rating;

(f) Investments in certificates of deposit, banker’s acceptances and time deposits maturing within 180 days from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the United States of America or any State thereof which has a combined capital and surplus and undivided profits of not less than \$500,000,000 and having short-term unsecured debt securities rated not lower than “A-1” by S&P and “P-1” by Moody’s;

(g) Investment agreements, including guaranteed investment contracts, repurchase agreements, deposit agreements and forward delivery agreements, that are obligations of an entity whose senior long-term debt obligations, deposit rating or claims-paying ability are rated, or guaranteed by an entity, which may also be the Trustee or the Collateral Agent or any of their respective Affiliates, whose obligations have a rating (at the time the investment is entered into) of either not lower than “A-” by S&P or not lower than “A3” by Moody’s, *provided* that, in connection with any repurchase agreement entered into in connection with the investment of funds held under the Indenture, the Issuer, the Trustee and the Collateral Agent shall have received an opinion of counsel to the provider (which opinion shall be addressed to the Issuer, the Trustee and the Collateral Agent) that any such repurchase agreement complies with the terms of this definition and is legal, valid, binding and enforceable upon the provider in accordance with its terms;

(h) Fully collateralized repurchase agreements with any financial institution which is rated by S&P, Moody's or other similar nationally recognized rating agency in a rating category at least equal to the higher of "A" (or equivalent) or such rating agency's then current rating on the Bonds, if any, that is fully secured by collateral security described in clauses (a), (b), (c), (d) or (e) above. For the purpose of this definition, the term collateral means purchased securities under the terms of the PSA Bond Market Trade Association Master Repurchase Agreement. The purchased securities shall have a minimum market value including accrued interest of 102% of the dollar value of the transaction. Collateral shall be held in the Collateral Agent's third-party custodian bank as safekeeping agent, and the market value of the collateral securities shall be marked-to-market daily, with a term of not more than 30 days for securities described in clause (a) above and entered into with a financial institution satisfying the criteria described in clause (f) above; and

(i) Money market funds that (i) comply with the criteria set forth in Securities and Exchange Commission Rule 2a-7 under the Investment Company Act of 1940, (ii) are rated "AAA" by S&P and "Aaa" by Moody's and (iii) have portfolio assets of at least \$5,000,000,000.

"Permitted Sales and Dispositions" means:

(a) Sales or other dispositions of equipment or other property in the ordinary course of business (including, without limitation, the lease, sublease or license of any real or personal property);

(b) Sales or other dispositions of any obsolete, damaged, defective or worn out equipment in the ordinary course of business, inventory or goods held for sale in the ordinary course of business or any abandoned rail lines or property;

(c) Sales or other dispositions of real or personal property not required for the construction or operation of the Project or, to the extent financed by Additional Parity Bonds or Permitted Additional Senior Indebtedness, any Additional Project;

(d) Sales or other dispositions of cash or Permitted Investments;

(e) Sales or other dispositions that would constitute Permitted Indebtedness;

(f) The sale or discount of accounts receivable arising in the ordinary course of business in connection with the compromise or collection thereof or in bankruptcy or similar proceeding;

(g) The surrender, waiver, amendment or modification of contract rights or the settlement, release or surrender of a contract, tort or other claim of any kind, in each case, in the ordinary course of business;

(h) The granting of any Permitted Easement or Permitted Security Interest;

(i) The assignment of any purchase or maintenance agreement for Rolling Stock Assets or any sale or other disposition of any Rolling Stock Assets, or any sale, lease or other disposition of real property interests of the Company at any station within the Project or any Additional Project for commercial purposes, *provided* that any such sale, lease or disposition does not materially impair the use of such station or the sufficiency of the remaining Rolling Stock Assets in the operation of the business of the Company;

(j) The transfer of any deed in lieu of condemnation by a governmental entity related to the Project or any Additional Project;

(k) Subject to the requirements of Section 288.9606(6), Florida Statute, as amended, a Governmental Land Contribution; provided that any requirements to pledge additional Collateral received in exchange for or in connection with such Governmental Land Contribution pursuant to the Security Documents are satisfied;

(l) Any distribution from the Distribution Account permitted pursuant to the Collateral Agency Agreement;

(m) Foreclosures on assets or dispositions of assets required by Law, governmental regulation or any order of any court, administrative agency or regulatory body, and transfers resulting from or in connection with a Casualty Event or Expropriation Event; and

(n) The lapse or abandonment of intellectual property rights that in the good faith determination of the Company are not material to the conduct of the business of the Company.

“Permitted Security Interest” means:

(a) Any Security Interest arising by operation of law or in the ordinary course of business in connection with or to secure the performance of bids, tenders, contracts, leases, subleases, licenses or sublicenses of real property, personal property or Intellectual Property, statutory obligations, surety bonds or appeal bonds, or in connection with workers’ compensation laws, unemployment insurance laws or similar legislation or securing letters of credit supporting such obligations;

(b) Any mechanic’s, materialmen’s, workmen’s, repairmen’s, employees’, warehousemen’s, carriers’ or any like lien or right of set-off arising in the ordinary course of business or under applicable law, securing obligations incurred in connection with the Project or any Additional Project which are not overdue by more than sixty (60) days or are adequately bonded or are being contested in good faith (*provided* that the Company shall, to the extent required by GAAP, set aside adequate reserves with respect thereto);

(c) Any Security Interest on Escrow Property securing any Escrow Bonds;

(d) Any Security Interest for taxes, assessments or governmental charges not yet overdue for a period of more than forty-five (45) days or being contested in good faith (*provided* that the Company shall, to the extent required by GAAP, set aside adequate reserves with respect thereto);

(e) Any Security Interest securing judgments for the payment of money not constituting an Event of Default under the Senior Loan Agreement so long as such liens are adequately bonded and any appropriate legal proceedings that may have been duly initiated for the review of such judgment have not been finally terminated or the period within which such proceedings may be initiated has not expired;

(f) Any Security Interest created pursuant to or contemplated by the Financing Documents or to secure the Bond Obligations or Permitted Additional Senior Indebtedness secured by Collateral (on a *pari passu* basis with all other Bond Obligations and all other Permitted Additional Senior Indebtedness secured by Collateral and subject to the terms of the Collateral Agency Agreement);

(g) Any other Security Interest not securing debt for borrowed money granted over assets with an aggregate value at any one time not exceeding 3% of the sum of the original principal amount of the Series 2019 Bonds and any other Permitted Additional Senior Indebtedness and Additional Parity Bonds then outstanding;

(h) Any Security Interests securing Permitted Indebtedness described in clause (d) of the definition of Permitted Indebtedness; provided that such Security Interest may not extend to any property owned by the Company other than the specific property or asset being financed by the Permitted Indebtedness described in clause (d) of the definition of Permitted Indebtedness or proceeds thereof;

(i) Any Security Interest arising solely by virtue of any statutory or common law provision relating to banker’s liens, rights to set-off or similar rights, and (ii) any Security Interests on specific items of inventory of other goods and proceeds of any Person securing such Person’s obligations in respect of letters of credit or bankers’ acceptances issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(j) Any Security Interest existing on any property or asset prior to the acquisition thereof by the Company, including any acquisition by means of a merger or consolidation with or into the Company; *provided* that (i) such Security Interest is not created in contemplation of or in connection with such acquisition and (ii) such Security Interest may not extend to any other property owned by the Company (other than extensions, renewals, replacements or proceeds of such property, or assets or property affixed or appurtenant thereto);

- (k) Permitted Easements;
- (l) Existing Security Interests;
- (m) Security Interests securing Permitted Swap Agreements and the costs thereof;
- (n) Security Interests arising from precautionary Uniform Commercial Code financing statement filings regarding operating leases entered into by the Company in the ordinary course of business;
- (o) Security Interests on equipment of the Company granted in the ordinary course of business to the Company's client, customer or supplier at which such equipment is located;
- (p) [Reserved];
- (q) Security Interests to secure any refinancing, refunding, extension, renewal or replacement (or successive refinancing, refunding, extensions, renewals or replacements) as a whole, or in part, of any Indebtedness secured by a Permitted Security Interest under clauses (h), (j) or (l) of this defined term; *provided, however*, that (1) such new Security Interest shall be limited to all or part of the same property that secured the original Security Interest (plus extensions, renewals, replacements or proceeds of such property, or assets or property affixed or appurtenant thereto), (2) the Indebtedness secured by such Security Interest at such time is not increased to any amount greater than the sum of (A) the outstanding principal amount or, if greater, the committed amount of such Permitted Indebtedness at the time the original Security Interest became a Permitted Security Interest, and (B) an amount necessary to pay any fees and expenses, including premiums, related to such refinancing, refunding, extension, renewal or replacement and (3) the new Security Interest has no greater priority and the holders of the Indebtedness secured by such Permitted Security Interest have no greater intercreditor rights relative to the Owners of the Bonds and the owners of Permitted Additional Senior Indebtedness then outstanding, if any, than the original Security Interest and the related Indebtedness;
- (r) Security Interests securing reimbursement obligations with respect to letters of credit and other credit facilities that constitute Permitted Indebtedness and that encumber documents and other property relating to such letters of credit and products and proceeds thereof;
- (s) As to any portion of the Project or any Additional Project comprised of real property, any Security Interest that would not have a Material Adverse Effect;
- (t) Security Interests that are contractual rights of set-off relating to purchase orders and other agreements entered into with customers of the Company in the ordinary course of business;
- (u) Security Interests arising out of conditional sale, title retention, consignment or similar arrangements for the sale or purchase of goods entered into by the Company in the ordinary course of business;
- (v) Security Interests arising or granted in the ordinary course of business in favor of Persons performing credit card processing, clearinghouse or similar services for the Company, so long as such Security Interests are on cash or cash equivalents that are subject to holdbacks by, or are pledged to, such Persons to secure amounts that may be owed to such Persons under the Company's agreements with them in connection with their provision of credit card processing, clearinghouse or similar services to the Company; and
- (w) Any Security Interest created to secure Permitted Subordinated Debt secured by Collateral (on a subordinate basis to the Security Interest on the Collateral securing all Bond Obligations and all other Permitted Additional Senior Indebtedness and subject to the subordination terms set forth in Attachment A to the Senior Loan Agreement).

“**Permitted Senior Commodity Swap**” means any Swap Obligation under a Permitted Swap Agreement related to hedging of fluctuations of prices for oil and fuel permitted to be paid *pari passu* with Senior Indebtedness in the Flow of Funds in accordance with the Financing Obligation Documents.

“Permitted Subordinated Debt” means Indebtedness subordinate to all Bond Obligations and all other Permitted Additional Senior Indebtedness in accordance with Attachment A of the Senior Loan Agreement and payable only in accordance with levels Eleventh and Twelfth of the Flow of Funds set forth in the Collateral Agency Agreement.

“Permitted Swap Agreement” means any Swap Agreement, foreign currency trading transaction or other similar transaction or agreement entered into by the Company in the ordinary course of its business in connection with interest rate, foreign exchange or inflation risks to its business, or commodity risks for fuel and oil prices, and not for speculative purposes.

“Permitted Swap Counterparty” means any bank, trust company or financial institution which has (or whose parent company has) outstanding unguaranteed and unsecured long-term Indebtedness that is rated or which itself is rated “A-” or better by S&P or “A3” or better by Moody’s or the equivalent by another Nationally Recognized Rating Agency, or any other counterparty permitted under the applicable Secured Obligation Documents or otherwise approved by the Collateral Agent (acting at the direction of the Required Secured Creditors).

“Person” means an individual, partnership, corporation, limited liability company, association, trust, unincorporated organization, business entity, municipality, county or any other person having separate legal personality.

“Phase 1 Revenue Service Commencement Date” has the meaning set forth in the Collateral Agency Agreement.

“Phase 2” means the portion of the Project from West Palm Beach to Orlando, including the Orlando Station and all related railway and ancillary facilities.

“Phase 2 Completion Date” has the meaning set forth in the Collateral Agency Agreement.

“Phase 2 Revenue Service Commencement Date” has the meaning set forth in the Collateral Agency Agreement. The Phase 2 Revenue Service Commencement Date is expected to occur in the second half of 2022.

“Phase 2 Revenue Service Commencement Deadline” means January 6, 2023.

“Phase 2 Revenue Service Commencement Requirements” has the meaning set forth in the Collateral Agency Agreement.

“Plans and Specifications” means the then current drawings, plans and specifications for Phase 2 prepared by or on behalf of the Borrower and made available to the Technical Advisor as agreed upon by the Borrower and the Technical Advisor.

“Pledge Agreement” means that certain Pledge Agreement to be entered into by and between the Pledgor and the Collateral Agent.

“Pledged Collateral” has the meaning assigned to it in the Pledge Agreement.

“Pledgor” means AAF Operations Holdings LLC and its permitted successors and assigns.

“Potential Secured Obligation Event of Default” means an event, which with the giving of notice or lapse of time would become an “Event of Default” under any Financing Obligation Document.

“Principal Account” is the principal account with respect to the Series 2019B Bonds created and designated as such by the Indenture.

“Principal Payment Date” means, with respect to the Series 2019B Bonds, the maturity dates set forth in the inside cover page of this Official Statement.

“Project” means the design, development, acquisition, construction, installation, equipping, ownership, operation, maintenance and administration of a privately owned and operated intercity passenger rail system and related facilities, with stations located or to be located initially in Orlando, West Palm Beach, Fort Lauderdale and Miami, Florida, as more particularly described in the Bond Resolution.

“Project Accounts” means the following accounts of the Company, established pursuant to the Collateral Agency Agreement: (a) the Revenue Account, including the Series 2019B Interest Sub-Account, the Series 2019B Principal Sub-Account and any other sub-accounts created thereunder; (b) the Loss Proceeds Account; (c) the Construction Account, including the PABs Proceeds Sub-Account, the PABs Counties Equity Contribution Sub-Account, the Non-PABs Counties Equity Contribution Sub-Account, the Other Proceeds Sub-Account and any other sub-accounts created thereunder; (d) the Mandatory Prepayment Account, including the Series 2019B PABs Mandatory Prepayment Sub-Account; (e) each Debt Service Reserve Account; (f) each Major Maintenance Reserve Account, including the Non-Completed Work Sub-Account; (g) each O&M Reserve Account; (h) the Ramp-Up Reserve Account; (i) the Equity Lock-Up Account; (j) the Capital Projects Account; (k) the Operating Account; (l) the Equity Funded Account; (m) any Collection Account; (k) any Operating Account; (l) the Equity Funded Account; (m) any Collection Account; and (n) all other Funds or Accounts created under the Collateral Agency Agreement and designated a Project Account. For the avoidance of doubt, the Distribution Account is not a “Project Account.”

“Project Costs” means all costs and expenses incurred in connection with the design, construction, commissioning and financing of the Project or any Additional Project, including amounts payable under all construction, engineering, technical and other contracts entered into by the Borrower in connection with the Project or any Additional Project and, in accordance with the Secured Obligation Documents, all operation and maintenance costs incurred prior to the Phase 2 Revenue Service Commencement Date, Costs of Issuance, financing costs, fees, interest during construction, initial working capital costs, funding of reserves, development fees, any taxes, assessments or governmental charges payable by the Borrower in connection with the Project or any Additional Project. For the avoidance of doubt, “Project Costs” shall also include (i) payments under the Management Agreement and (ii) reimbursement for the prior payment of any of the foregoing costs and expenses, and “Project Costs” shall not include any O&M Expenditures.

“Project Revenues” means for any period (without duplication), all revenues received in cash by or on behalf of the Company during such period, including but not limited to ridership revenues received by the Company, third party revenues, interest on any Project Accounts (or other accounts created under the Transaction Documents), proceeds from any business interruption insurance, revenue derived from any third-party concession, lease or contract and any other receipts otherwise arising or derived from or paid or payable in respect of the Project, provided that such revenues shall exclude any net insurance proceeds received by the Company and required to be deposited to the Loss Proceeds Account except to the extent such proceeds are later transferred from the Loss Proceeds Account to the Revenue Account in accordance with the Secured Obligation Documents.

“Purchase Money Debt” means Indebtedness (including Capitalized Lease Obligations) of the type described in clause (d) of the definition of Permitted Indebtedness.

“Qualified Costs” has the meaning set forth in the Collateral Agency Agreement.

“Qualified Reserve Account Credit Instrument” means (a) an Acceptable Letter of Credit or (b) a surety bond or non-cancelable insurance policy (i) issued by an Acceptable Surety, (ii) the reimbursement obligations with respect to which shall not be recourse to the Company, (iii) the term of which is at least one year from the date of issue (except where such instrument is issued to satisfy a requirement under the Financing Obligation Documents that expires less than one year after issuance, then the term shall be for such shorter period) and (iv) allows drawing (A) during the 30 day period prior to expiry (unless replaced or extended), (B) upon downgrade of the issuer such that it is no longer an Acceptable Surety and, (C) if such instrument is used to fund any reserve account established under the Collateral Agency Agreement, when funds would otherwise be drawn from such reserve account.

“Ramp-Up Reserve Account” means the Ramp-Up Reserve Account created and designated as such by Section 5.01 of the Collateral Agency Agreement and described in “PROJECT ACCOUNTS AND FLOW OF FUNDS—Project Accounts—Description of Project Accounts—Ramp-Up Reserve Account” herein.

“Reaffirmation Agreement” means a reaffirmation agreement substantially in the form of the Reaffirmation Agreement attached as an exhibit to the Collateral Agency Agreement.

“Record Date” means the close of business on the 15th day of the month preceding the month of each Interest Payment Date.

“Redemption Account” means the Redemption Account created and designated as such by the Indenture.

“Redemption Moneys” mean the money deposited with the Trustee sufficient to pay the Redemption Price of all the Series 2019B Bonds called for redemption.

“Redemption Price” means the principal, interest and any premium, if any due on a Bond on the date on which it is redeemed prior to maturity pursuant to the redemption provisions applicable to such Bond.

“Released Bonds” has the meaning set forth in the First Supplemental Indenture.

“Remarketing Agents” means the firms identified on the cover to this Limited Remarketing Memorandum and designated by the Borrower as the Remarketing Agents.

“Remarketing Date” means the date the Series 2019B Bonds are remarketed and delivered in accordance with the Indenture.

“Representative” means Morgan Stanley & Co. LLC, as the representative of the several Remarketing Agents.

“Required Equity Contribution” means \$150,000,000 required to be delivered by or on behalf of the Equity Participant in the sub-accounts of the Construction Account (other than the PABs Proceeds Sub-Account) in accordance with the Equity Contribution Agreement and the Collateral Agency Agreement.

“Required Secured Creditors” has the meaning given such term in the Collateral Agency Agreement.

“Representative” means Morgan Stanley & Co. LLC, acting as representative of the Remarketing Agents.

“Reserved Rights” has the meaning assigned thereto in the Indenture.

“Responsible Officer” means (i) with respect to the Company, any manager, the chief executive officer, the chief financial officer or any other authorized designee of the managers of the Company, and when used with reference to any act or document of the Company, also means any other person authorized to perform the act or execute the document on behalf of the Company, (ii) with respect to the Issuer, means the Issuer Representative and (iii) with respect to the Trustee, the Collateral Agent or any other Person, the person authorized to perform the act or execute the document on behalf of such Person.

“Restoration,” “Restore” or “restoring” means repairing, rebuilding or otherwise restoring the Project.

“Restricted Payment Conditions” means with respect to a particular Distribution Date:

(i) all transfers and distributions required to be made pursuant to clauses First through Thirteenth of the “PROJECT ACCOUNTS AND FLOW OF FUNDS—Flow of Funds—Revenue Account” on or prior to the Distribution Date shall have been satisfied in full;

(ii) each required reserve account under the Collateral Agency Agreement, to the extent required by the Secured Obligation Documents, shall have been fully funded in cash or, to the extent permitted by the Secured Obligation Documents, with a Qualified Reserve Account Credit Instrument;

(iii) the Total DSCR on the Distribution Date shall be at least equal to the Lock-Up Total DSCR, and the Total DSCR for the 12-month period following the Distribution Date, taking into account the transfer requested pursuant to the Distribution Release Certificate, is projected by the Company to be at least equal to the Lock-Up Total DSCR (as set forth in the Distribution Release Certificate); and

(iv) no “Potential Secured Obligation Event of Default” or “Secured Obligation Event of Default” shall have occurred and be continuing or would exist as a result of the making of any transfer pursuant to the Distribution Release Certificate.

“Revenue Account” means the Revenue Account created and designated as such by Section 5.01 of the Collateral Agency Agreement and described in “PROJECT ACCOUNTS AND FLOW OF FUNDS—Project Accounts—Description of Project Accounts—Revenue Account” herein.

“Revolver Availability” means, as of the applicable date, the amount of any unused committed availability under a debt instrument for which any Indebtedness incurred pursuant to such instrument would be incurred under clause (a) of the definition of Permitted Additional Senior Indebtedness.

“Rolling Stock” means, collectively, all railroad cars, locomotives or other rolling stock, appliances, parts, accessories, additions, improvements and other equipment and components of any nature from time to time incorporated or installed in any item thereof and replacements thereof and substitutions therefor, used on such railroad cars, locomotives or other rolling stock (including superstructures and racks with replacement parts), together with any tools and maintenance shop equipment used in connection with the foregoing.

“Rolling Stock Assets” means (a) (i) each single-level economy class passenger coach, (ii) each single-level business class passenger coach, (iii) each diesel-electric locomotive, in each case, together with any and all appliances, parts, accessories, appurtenances, accessions, additions, improvements and other equipment or components of any nature from time to time incorporated or installed in any item thereof and replacements thereof and substitutions therefor and (iv) any other Rolling Stock; (b) each replacement unit of any of the items described in clause (a); (c) all substitutions of any of the foregoing; (d) all records, logs and other documents at any time maintained with respect to the foregoing; (e) all right, title and interests in, to and under each of the following documents and instruments (i) any purchase agreement and any bills of sale or similar instrument relating to the any of the foregoing, (ii) any and all manufacturer’s warranties relating to any of the foregoing, (iii) any maintenance agreement and any other use or service agreements relating to the foregoing, and (iv) any lease relating to the foregoing and all amounts of rent, requisition proceeds, insurance proceeds and other payments of any kind for or with respect to the foregoing payable thereunder; (f) all requisition proceeds and all insurance proceeds with respect to the foregoing; (g) any segregated deposit accounts and securities accounts exclusively containing funds for amounts payable for maintenance costs, insurance costs or hedging purposes relating to the assets described in clauses (a), (b) and (c) and any proceeds of the amounts in this clause (g); (h) any commercial tort claims related to or arising from the foregoing; and (i) all proceeds of the foregoing.

“Rule” means SEC Rule 15c2-12, as amended from time to time.

“S&P” means S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC, and any successor to its rating agency business.

“SEC” means the United States Securities and Exchange Commission.

“Second Supplemental Indenture” means that certain Second Supplemental Indenture of Trust, dated as of the Remarketing Date.

“Second Supplemental Senior Loan Agreement” means that certain Second Supplemental Senior Loan Agreement, dated as of the Remarketing Date.

“Secured Creditors” means each of (i) the Owners of the Bonds, (ii) any Additional Senior Secured Indebtedness Holders and (iii) each Person party to a Permitted Swap Agreement with the Company related to Additional Senior Secured Indebtedness or for a Permitted Senior Commodity Swap, including by way of assignment, if at the time the Company enters into such Permitted Swap Agreement, in each case that is or becomes (or whose Secured Debt Representative is or becomes) a party to the Collateral Agency Agreement by executing and delivering an Accession Agreement and Reaffirmation Agreement (or becomes party to the Collateral Agency Agreement by operation of law).

“Secured Debt Representative” has the meaning given such term in the Collateral Agency Agreement.

“Secured Obligation Documents” means, collectively and without duplication, (a) the Financing Documents, (b) Additional Senior Secured Indebtedness Documents, (c) any other credit agreement, note purchase agreement, indenture, reimbursement agreement or other agreement or instrument creating or evidencing Secured Obligations (other than a Permitted Swap Agreement), (d) each Permitted Swap Agreement with a Swap Bank provided such Swap Bank (or its Secured Debt Representative) is a party to the Collateral Agency Agreement or has validly executed and delivered an Accession Agreement and Reaffirmation Agreement and (e) the Security Documents, in each case in effect at the relevant time of determination; *provided*, that in each of clauses (b) and (c), the relevant Secured Creditors (or their respective Secured Debt Representatives) are party to the Collateral Agency

Agreement or become (or the Secured Debt Representative becomes) a party to the Collateral Agency Agreement by delivering an Accession Agreement and Reaffirmation Agreement.

“**Secured Obligation Event of Default**” means an “Event of Default” as set forth or defined in any Financing Obligation Document.

“**Secured Obligations**” means, collectively, without duplication: (a) the Bonds; (b) all of the Company’s Indebtedness, financial liabilities and obligations, of whatsoever nature and however evidenced (including, but not limited to, principal, interest, make-whole amount, premium, fees, reimbursement obligations, Ordinary Course Settlement Payments, Swap Termination Payments, indemnities and legal and other expenses, whether due after acceleration or otherwise) to the Secured Parties in their capacity as such under the Secured Obligation Documents; (c) any and all sums advanced by the Agents in order to preserve the Collateral or preserve the security interest in the Collateral in accordance with the Security Documents; and (d) in the event of any proceeding for the collection or enforcement of the obligations described in clauses (a), (b) or (c) above, after a Secured Obligation Event of Default has occurred and is continuing and unwaived, the expenses of retaking, holding, preparing for sale or lease, selling or otherwise disposing of or realizing on the Collateral, or of any exercise by the Collateral Agent of its rights under the Security Documents; *provided* that the Secured Obligations shall not include any Excluded Swap Obligations.

“**Secured Parties**” means (a) the Agents, (b) the Secured Creditors and (c) the Issuer.

“**Securities Act**” means the Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.

“**Security Agreement**” means that certain Amended and Restated Security Agreement to be entered into by and between the Company and the Collateral Agent.

“**Security Documents**” means the Security Agreement, the Pledge Agreement, the Collateral Agency Agreement, the Direct Agreements, the Mortgages, the Account Control Agreement, all UCC financing statements required by any Security Document and any other security agreement, account control agreement or instrument or other document to be executed or filed pursuant to the Collateral Agency Agreement or any other Secured Obligation Document or any other Security Document or otherwise to create or perfect in favor of the Collateral Agent, on behalf of the Secured Parties, a Security Interest in Collateral.

“**Security Interest**” means: (a) a mortgage, pledge, lien charge, assignment, hypothecation, security interest, title retention arrangement, preferential right, trust arrangement or other arrangement having the same or equivalent commercial effect as a grant of security; or (b) any agreement to create or give any arrangement referred to in clause (a) of this definition.

“**Senior Indebtedness**” means (without duplication) the Bonds and the indebtedness incurred by the Borrower under the Senior Loan Agreement, any Additional Parity Bonds Loan Agreement (if executed) and the Additional Senior Indebtedness Documents, in each case in effect at the relevant time of determination.

“**Senior Loan Agreement**” means the Original Senior Loan Agreement, as supplemented by the First Supplemental Senior Loan Agreement and further supplemented by the Second Supplemental Senior Loan Agreement.

“**Series 2017 Bonds**” means the \$600,000,000 aggregate principal amount of Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Florida Passenger Rail Project – South Segment), Series 2017, issued in December 2017, and any Series 2017 Bond or Series 2017 Bonds issued in exchange or replacement therefor.

“**Series 2019A Bonds**” means the \$1,750,000,000 aggregate principal amount of Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Florida Passenger Rail Project), Series 2019A issued in April 2019, and any Series 2019A Bond or Series 2019A Bonds issued in exchange or replacement therefor.

“**Series 2019B Bonds**” means the \$950,000,000 aggregate principal amount of Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Florida Passenger Rail Project), Series 2019B issued in June 2019, and any Series 2019B Bond or Series 2019B Bonds issued in exchange or replacement therefor.

“**Series 2019B Rebate Fund**” means the Series 2019B Rebate Fund established and created pursuant to the Indenture and described in “SECURITY AND SOURCES OF REPAYMENT FOR THE SERIES 2019B BONDS—Indenture—Funds and Accounts to be Established Under the Indenture” herein.

“**Series 2019B Funded Interest Account**” means the Series 2019B Funded Interest Account created and designated as such by the Indenture.

“**Series 2019B Interest Sub-Account**” means the Series 2019B Interest Sub-Account with respect to the Series 2019B Bonds-1 established within the Revenue Account and created and designated as such by the Collateral Agency Agreement.

“**Series 2019B Loan**” means the portion of the loan made by the Issuer to the Company on June 20, 2019 in an amount equal to proceeds of the Series 2019B Bonds pursuant to the Senior Loan Agreement.

“**Series 2019B PABs Mandatory Prepayment Sub-Account**” means the Series 2019B PABs Mandatory Prepayment Sub-Account with respect to the Series 2019B Bonds established within the Mandatory Prepayment Account created and designated as such by Section 5.01 of the Collateral Agency Agreement and described in “PROJECT ACCOUNTS AND FLOW OF FUNDS—Project Accounts—Description of Project Accounts—Mandatory Prepayment Account” herein.

“**Series 2019B Principal Sub-Account**” means the Series 2019B Principal Sub-Account with respect to the Series 2019B Bonds established within the Revenue Account and created and designated as such by Section 5.01 of the Collateral Agency Agreement.

“**Shared Corridor**” means FECR’s existing Miami to Cocoa rail corridor over which the Company has been granted a permanent, perpetual and exclusive easement for the operation of passenger train services.

“**Siemens Maintenance Agreement**” means the maintenance agreement between the Company and Siemens Industry, Inc. dated December 31, 2014, as amended, supplemented or otherwise modified from time to time.

“**South Segment**” means the portion of the Project running between Miami and West Palm Beach, Florida.

“**Special Record Date**” means a special date fixed to determine the names and addresses of Owners of Bonds for purposes of paying defaulted interest on Bonds in accordance with Section 4.5 of the Indenture.

“**State**” means the State of Florida.

“**Stations**” means the Miami station, the Fort Lauderdale station and the West Palm Beach station.

“**Supplemental Agency Agreement**” means that certain Third Amended, Partially Restated and Supplemental, Intercreditor and Accounts Agreement, dated as of the Remarketing Date, by and among the Collateral Agent, the Trustee, Deutsche Bank National Trust Company, in its capacity as Account Bank thereunder, the Company and each other Secured Party (as defined therein) that becomes a party thereto, as it may be amended, supplemented or otherwise modified from time to time.

“**Supplemental Indenture**” means any indenture supplementing or amending the Indenture that is adopted pursuant to the Indenture.

“**Swap Agreement**” means any agreement or instrument (including a cap, swap, collar, option, forward purchase agreement or other similar derivative instrument) relating to the hedging of any interest under Indebtedness or hedging of any fluctuation of prices for oil or fuel.

“**Swap Bank**” means, at any time, any Permitted Swap Counterparty party to a Permitted Swap Agreement.

“**Swap Obligation**” means any obligation to pay or perform under any agreement, contract or transaction that constitutes a “swap” within the meaning of Section 1a(47) of the Commodity Exchange Act.

“**Swap Termination Payment**” means any amount payable by the Company in connection with an early termination (whether as a result of the occurrence of an event of default or other termination event) of any Permitted Swap Agreement with a Swap Bank in accordance with the terms thereof.

“**Taxable Bonds**” means Additional Parity Bonds, the interest on which is not intended to be excludable from gross income of the Owners thereof for federal income tax purposes.

“**Technical Advisor**” means any independent construction engineer familiar with the Project and appropriately qualified to evaluate the construction and operation of an intercity passenger rail system and related facilities.

“**Technical Advisor Certificate**” means the Technical Advisor Certificate substantially in the form attached as Exhibit J to the Collateral Agency Agreement.

“**Term Rate**” means the per annum interest rate for the Bonds in the Term Rate Mode determined pursuant to Section 3.1(b) of the Indenture.

“**Term Rate Mode**” means the mode during which the Bonds bear interest at the Term Rate.

“**Term Rate Period**” means the period from (and including) the Remarketing Date to (and including) the last day of the applicable Term Rate Mode, as set forth in Section 3.1(c) of the Second Supplemental Indenture and, thereafter, the period from (and including) the beginning date of each successive Mode selected for the Bonds by the Borrower pursuant to the Indenture while it is in the Term Rate Mode to (but excluding) the commencement date of the next succeeding Interest Period, including another Term Rate Period.

“**Termination Date**” means the date when all Secured Obligations to be Paid in Full or performed by the Company have been paid and performed in full.

“**Total Debt Service Coverage Ratio**” or “**Total DSCR**” means (i) for the 12-month period ending on a Calculation Date (or, if prior to the first anniversary of the Phase 2 Revenue Service Commencement Date, any shorter period from the Phase 2 Revenue Service Commencement Date annualized for a 12-month period), or (ii) if a different calculation date or calculation period is specified in a Financing Obligation Document, then for such specified period ending or beginning on the specified calculation date (as applicable), the ratio of A divided by B where:

A = the Free Cash Flow for such period; and

B = all scheduled principal and interest payments on account of the Financing Obligations then outstanding for such period.

“**Transfer Date**” means the third Business Day prior to the fifteenth calendar day of each month.

“**Treasury Regulation**” means the temporary, proposed or final federal income tax regulations promulgated by the U.S. Department of the Treasury, together with the other published written guidance thereof as applicable to the Bonds under the Code.

“**Trust Estate**” means the property and rights granted to the Trustee pursuant to the Indenture and described in “SECURITY AND SOURCES OF REPAYMENT FOR THE SERIES 2019B BONDS—Indenture—Trust Estate” herein.

“**Trustee**” means Deutsche Bank National Trust Company, as Trustee pursuant to the Indenture.

“**UCC**” means the Uniform Commercial Code as in effect in the State of New York; *provided* that, if perfection or the effect of perfection or non-perfection or the priority of any security interest on any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than New York, “UCC” means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.

“**USDOT**” means the United States Department of Transportation.

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APPENDIX B-1

ORIGINAL INDENTURE

(See attached)

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INDENTURE OF TRUST

BETWEEN

FLORIDA DEVELOPMENT FINANCE CORPORATION

AND

**DEUTSCHE BANK NATIONAL TRUST COMPANY,
AS TRUSTEE**

DATED AS OF APRIL 18, 2019

PROVIDING FOR THE ISSUE OF

\$1,750,000,000

**FLORIDA DEVELOPMENT FINANCE CORPORATION
SURFACE TRANSPORTATION FACILITY
REVENUE BONDS**

(VIRGIN TRAINS USA PASSENGER RAIL PROJECT), SERIES 2019A

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EXHIBIT A - Form of Series 2019A Bond

INDENTURE OF TRUST

This INDENTURE OF TRUST (this “Indenture”) is dated as of April 18, 2019, and is entered into by and between the FLORIDA DEVELOPMENT FINANCE CORPORATION, a public body corporate and politic, and a public instrumentality organized and existing under the laws of the State of Florida (the “Issuer”), and DEUTSCHE BANK NATIONAL TRUST COMPANY, a national banking association organized and existing under and by virtue of the laws of the United States of America, as trustee (together with any successor trustee duly appointed under this Indenture, the “Trustee”).

WITNESSETH:

WHEREAS, the Issuer is authorized and empowered by the laws of the State of Florida (the “State”), and in particular, Chapter 288, Part X, Florida Statutes, as amended (being the Florida Development Finance Corporation Act of 1993), and other applicable provisions of law (collectively, the “Act”) to issue its revenue bonds for the purpose of financing and refinancing capital projects that promote economic development within the State; and

WHEREAS, the Issuer was created pursuant to the Act and its members and officers from time to time, including the present incumbents, have been duly appointed, chosen and qualified; and

WHEREAS, Virgin Trains USA Florida LLC (f/k/a Brightline Trains LLC and, prior to that, known as All Aboard Florida – Operations LLC), a limited liability company organized under the laws of the State of Delaware and authorized to do business in the State (together with its successors and assigns, the “Borrower”) desires to refund the Prior Bonds (as hereinafter defined) and finance or refinance the costs of the design, development, acquisition, construction, installation, equipping, ownership and operation of certain portions of a privately owned and operated intercity passenger rail system and related facilities, with stations located or to be located in Orlando, West Palm Beach, Fort Lauderdale and Miami, Florida as more particularly described in the Bond Resolution, and with proceeds of the Series 2019A Bonds to be spent only to finance or refinance Project Costs allocable to the portions of the Project located in the respective jurisdictions of Miami-Dade County, Florida, Broward County, Florida, Palm Beach County, Florida, Brevard County, Florida and Orange County, Florida (collectively, the “Series 2019A Counties”); and

WHEREAS, the Issuer has determined that the Project will serve the public purposes expressed in the Act by promoting and advancing economic development within the State, and that the Issuer will be acting in furtherance of the public purposes intended to be served by the Act by assisting the Borrower in financing and refinancing all or a portion of the costs of the Project through the issuance of its \$1,750,000,000 aggregate principal amount of Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Virgin Trains USA Passenger Rail Project), Series 2019A (the “Series 2019A Bonds”); and

WHEREAS, upon the issuance of the Series 2019A Bonds, the Issuer will lend (the “Series 2019A Loan”) the proceeds thereof to the Borrower pursuant to an Amended and Restated Senior Loan Agreement, dated as of April 18, 2019 (the “Senior Loan Agreement”),

between the Issuer and the Borrower, to refund the Prior Bonds and finance, pay or reimburse all or a portion of the costs of the Project within the Series 2019A Counties, fund certain reserves, if any, and pay certain costs of issuance of the Series 2019A Bonds; and

WHEREAS, pursuant to the provisions of the Senior Loan Agreement, the Borrower has agreed that it (i) may only expend proceeds of the Series 2019A Bonds on portions of the Project that are located within the jurisdictional limits of the Series 2019A Counties; and (ii) may not expend proceeds of the Series 2019A Bonds to acquire any building or facility that will be, during the term of the Series 2019A Bonds, used by, occupied by, leased to or paid for by any state, county or municipal agency or entity; and

WHEREAS, the Collateral Agent, the Borrower, the Trustee and various other parties thereto have concurrently entered into the Collateral Agency Agreement; and

WHEREAS, the Borrower has concurrently entered into certain other Financing Documents related to the Project and the issuance of the Series 2019A Bonds; and

WHEREAS, in the event that conditions set forth in Article 12 of this Indenture are satisfied, the Issuer may issue Additional Parity Bonds pursuant to Article 12 of this Indenture, which Additional Parity Bonds shall be equally and ratably secured by the Trust Estate with all other then Outstanding Bonds, without preference, priority or distinction; and

WHEREAS, the Bonds shall be special, limited obligations of the Issuer, payable solely from and secured exclusively by the Trust Estate and the Collateral, including the payments to be made by the Borrower under the Senior Loan Agreement and any Additional Parity Bonds Loan Agreement, and do not constitute an indebtedness of the Issuer, the State, the Series 2019A Counties or any other political subdivision of the State, within the meaning of any State constitutional provision or statutory limitation and shall not constitute or give rise to a pecuniary liability of the Issuer, the State, the Series 2019A Counties or any other political subdivision of the State, and neither the full faith and credit of the Issuer nor the full faith and credit or the taxing power of the State, the Series 2019A Counties or any other political subdivision of the State is pledged to the payment of the principal of or interest on the Bonds; and

WHEREAS, the execution and delivery of this Indenture has been duly authorized by the Bond Resolution adopted by the Issuer on August 5, 2015, as supplemented and amended by the Supplemental Bond Resolution adopted by the Issuer on October 27, 2017, and the Supplemental Bond Resolution adopted by the Issuer on August 29, 2018; and

WHEREAS, all acts, conditions and things required by the State Constitution and laws of the State and by the rules and regulations of the Issuer to happen, exist and be performed precedent to and in the execution and delivery of this Indenture (and the performance of its obligations hereunder) have happened, do exist and have been performed as so required, in order to make this Indenture a valid and binding indenture of trust for the purposes of creating a valid Security Interest in the Trust Estate and securing the payment of any amounts due in respect of the Bonds in accordance with the applicable terms hereof; and

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

NOW, THEREFORE, for and in consideration of the mutual covenants, and the representations and warranties, set forth herein, the Issuer and the Trustee agree as follows:

ARTICLE 1.

DEFINITIONS

Section 1.1 Definitions of Certain Terms. All capitalized terms used herein (including in the preamble and recitals) but not otherwise defined herein shall have the respective meanings given to them in Exhibit A to the Collateral Agency Agreement or, if not defined herein or in Exhibit A to the Collateral Agency Agreement, in the Senior Loan Agreement. In addition, the following terms as used in this Indenture shall have the following meanings:

“*Accounts*” means, collectively, the accounts and sub-accounts established and created by this Indenture.

“*Act*” means Chapter 288, Part X, Florida Statutes, as amended and supplemented (being the Florida Development Finance Corporation Act of 1993), and other applicable provisions of law.

“*Additional Parity Bonds*” means any Additional Parity Bonds issued pursuant to Article 12 hereof.

“*Additional Parity Bonds Loan*” means the loan to the Borrower by the Issuer pursuant to the Additional Parity Bonds Loan Agreement of the entire amount of the proceeds of any Additional Parity Bonds issued pursuant to the Indenture.

“*Additional Parity Bonds Loan Agreement*” means, for each series of Additional Parity Bonds, the loan agreement or supplemental loan agreement to be executed by the Issuer and the Borrower in connection with the issuance of such Additional Parity Bonds pursuant to Article 12 of this Indenture.

“*Additional Project Completion Indebtedness*” has the meaning set forth in Section 12.2(b)(i).

“*Additional Station*” has the meaning set forth in Section 12.2(b)(v).

“*Additional Station Indebtedness*” has the meaning set forth in Section 12.2(b)(v).

“*Additional Station Revenue Service Commencement Date*” has the meaning set forth in Section 12.2(b)(v).

“*Authorized Denominations*” means denominations of \$100,000 and integral multiples of \$5,000 in excess thereof.

“*Bond Counsel*” means Greenberg Traurig, P.A., or other attorneys selected by the Borrower, and reasonably acceptable to the Issuer, who have nationally recognized expertise in the issuance of municipal securities, the interest on which is excludable from gross income for federal income tax purposes.

“*Bond Resolution*” means Resolution No. 15-04 adopted by the Board of the Issuer on August 5, 2015, as supplemented and amended by Resolution No. 17-09 adopted by the Board of the Issuer on October 27, 2017, and Resolution No. 18-05 adopted by the Board of the Issuer on August 29, 2018, authorizing the issuance of the Series 2019A Bonds.

“*Bonds*” mean the Series 2019A Bonds together with the Additional Parity Bonds issued from time to time pursuant to this Indenture, if any.

“*Bond Year*” means, with respect to any series of Bonds, each one-year period ending on the anniversary of the date of delivery of such Bonds or such other period as may be elected by the Issuer in accordance with the Treasury Regulations and notice of which election has been given to the Trustee.

“*Borrower*” means Virgin Trains USA Florida LLC (f/k/a Brightline Trains LLC and, prior to that, known as All Aboard Florida – Operations LLC), a Delaware limited liability company, and its successors and assigns.

“*Borrower Bonds*” has the meaning set forth in Section 4.15 hereof.

“*Closing Date*” means the date the Series 2019A Bonds are issued, authenticated and delivered in accordance with this Indenture.

“*Code*” means the Internal Revenue Code of 1986, as amended from time to time, and any successor statute.

“*Collateral Agency Agreement*” means that certain Second Amended and Restated Collateral Agency, Intercreditor and Accounts Agreement, dated as of the Closing Date, by and among the Collateral Agent, the Trustee, Deutsche Bank National Trust Company, in its capacity as Account Bank thereunder, the Borrower and each other Secured Party (as defined therein) that becomes a party thereto, as it may be amended, supplemented or otherwise modified from time to time.

“*Collateral Agent*” means Deutsche Bank National Trust Company and its successors and assigns, as Collateral Agent, pursuant to the Collateral Agency Agreement.

“*Conversion Date*” means, with respect to all or a portion of the Bonds in the Term Rate Mode to be converted to bear interest at a new Term Rate for a new Term Rate Period or at a Fixed Rate, the date on which such Bonds begin to bear interest at such new Term Rate or at a Fixed Rate, as applicable.

“*Debt Service Fund*” means the Debt Service Fund created by and designated as such in Section 5.1 hereof.

“Debt Service Payment Date” means each date on which principal of and interest on the Bonds is due and includes, but is not limited to, the maturity date of any Bond; each Interest Payment Date and the date of any mandatory redemption payment on any Bond.

“Default Rate” means an interest rate per annum equal to the interest rate per annum that would otherwise be in effect on the Bonds if no Event of Default had occurred, plus 2.0% per annum.

“Defeasance Escrow Account” means an account created pursuant to Section 11.2 hereof.

“Defeasance Securities” means to the extent permitted by law: (1) cash, (2) non-callable direct obligations of the United States of America (“Treasuries”), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) pre-refunded municipal obligations rated no lower than the then-current rating on direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States of America); or (5) securities eligible for “AA+” defeasance under then existing criteria of S&P, or (6) any combination thereof used to effect defeasance of the Bonds.

“Designated Payment Office of the Trustee” means the Corporate Trust Office of the Trustee, located at 60 Wall Street, 16th Floor, Mail Stop NYC60-1630, New York, New York 10005-2836, or any other office designated by the Trustee.

“DTC” has the meaning given to it in Section 4.10 hereof.

“Electronic Means” means telecopy, facsimile transmission, e-mail transmission or other similar electronic means of communication providing evidence of transmission, including a telephonic communication confirmed by any other method set forth in this definition.

“Escrow Bonds” means any portion of any series of Bonds which are secured solely by Escrow Property and the proceeds of which Escrow Bonds are on deposit in an Account established for such purpose under this Indenture.

“Escrow Contribution” means any contribution and/or any irrevocable, transferable letter of credit, in an aggregate amount sufficient, together with the proceeds of the Escrow Bonds, and all investment earnings on such amounts, to pay the Purchase Price of such Escrow Bonds on the next mandatory tender date applicable to such Escrow Bonds.

“Escrow Property” means, collectively, the proceeds of the Escrow Bonds and the Escrow Contribution and any investment earnings on the foregoing.

“Event of Default” means an event described in Section 7.1 hereof.

“*Executive Director*” means the Executive Director of the Issuer or his designee or the officer or officers succeeding to his principal functions.

“*Favorable Opinion of Bond Counsel*” means, with respect to any action the occurrence of which requires such an opinion, an opinion of Bond Counsel to the effect that such action is permitted under the Act and this Indenture and will not adversely affect the excludability of the interest on the Bonds to which such action relates (other than the Taxable Bonds) from gross income for federal income tax purposes (with the understanding that such excludability may continue to be subject to any qualifications contained in the opinion delivered upon original issuance of such Bonds).

“*Federal Tax Certificate*” means with respect to any issuance of Bonds hereunder: (a) one or more certificates or agreements that sets forth the Issuer’s or the Borrower’s expectations regarding the investment and use of proceeds of any series of the Bonds and other matters relating to Bond Counsel’s opinion regarding the federal income tax treatment of interest on such Bonds, including any instructions delivered by Bond Counsel in connection with any such certificate or agreement; and (b) any amendment or modification of any such certificate or agreement that is accompanied by a Favorable Opinion of Bond Counsel.

“*Fixed Rate*” means the per annum interest rate on any Bond in the Fixed Rate Mode determined by the Remarketing Agent pursuant to Section 3.1(b) hereof.

“*Fixed Rate Bond*” means a Bond in the Fixed Rate Mode.

“*Fixed Rate Mode*” means the Mode during which the Bonds bear interest at the Fixed Rate.

“*Fixed Rate Period*” means for the Bonds in the Fixed Rate Mode, the period from the date of original issuance and delivery of such Bonds, if originally issued as Fixed Rate Bonds or, otherwise, the Conversion Date upon which the Bonds were converted to the Fixed Rate Mode to but not including the maturity date for the Bonds.

“*Funds*” means the funds created by this Indenture.

“*Indenture*” means this Indenture of Trust and any amendment or supplement hereto permitted hereby.

“*Interest Account*” means the Interest Account created by and designated as such in Section 5.1 hereof.

“*Interest Payment Date*” means each January 1 and July 1, commencing on July 1, 2019 and continuing for so long as the Bonds are Outstanding, and the day immediately following the last day of each Term Rate Period.

“*Interest Payments*” means, with respect to a payment date for the Bonds, the interest (including the interest component of the Redemption Price due in connection with any mandatory redemption payment on any Bond) due on such date on the Bonds.

“*Interlocal Agreement*” means that certain Interlocal Agreement, dated as of April 12, 1994, among Orange County, Florida, each of the other public agencies which may become a party thereto pursuant to the provisions thereof, and the Issuer, as amended to date, and as the same may be further amended from time to time.

“*Investment Grade Rating*” means a credit rating assigned by a Nationally Recognized Rating Agency to a series of Bonds that is within one of the top four rating categories (i.e., “BBB” or “BAA” or higher) of such Nationally Recognized Rating Agency (without regard to gradations within such category).

“*Issuer*” has the meaning set forth in the first paragraph of this Indenture.

“*Issuer Representative*” means the Chairman, Vice Chairman, Executive Director, Secretary or Assistant Secretary of the Issuer, or any other officer or employee of the Issuer designated in writing to the Trustee by the Chairman, Vice Chairman or Executive Director as an authorized representative of the Issuer for purposes of the Senior Loan Agreement and this Indenture.

“*Letter of Representations*” means the Letter of Representations dated September 25, 2006, from the Issuer to DTC and any amendments thereto or any successor agreements between the Issuer and any successor securities depository, relating to a book-entry system to be maintained by the securities depository with respect to the Bonds. Notwithstanding any provision hereof, including Article 9 regarding supplemental indentures and amendments, the Issuer may enter into any amendment or successor agreement to the Letter of Representations without the consent of the Owners of the Bonds.

“*Limited Offering Memorandum*” means the Limited Offering Memorandum of the Issuer, dated April 2, 2019, with respect to the Series 2019A Bonds.

“*Major Theme Park*” means any major theme park located in the Greater Orlando metropolitan area, including but not limited to the Walt Disney World Resort and associated amusement and theme parks.

“*Majority Holders*” means the holders of a majority of the aggregate principal amount of the then Outstanding Bonds.

“*Mandatory Tender Date*” means the day immediately following the last day of each Term Rate Period.

“*Mode*” means, as the context may require the Term Rate Mode or the Fixed Rate Mode.

“*Notice Parties*” means the Issuer, the Trustee, the Remarketing Agent, and the Borrower.

“*Opinion of Counsel*” means a written opinion of an attorney or firm of attorneys, who may be counsel for the Issuer or the Borrower, but shall not be a full time employee of either the Issuer or the Borrower.

“*Outstanding*” means, as of any date of determination, all Bonds that have been executed, authenticated and delivered under this Indenture, except:

- (i) any Bond, or portion thereof, on which all principal and interest due or to become due on or before maturity has been paid;
- (ii) any Bond, or portion thereof, on which the Redemption Price due or to become due has been paid in accordance with the redemption provisions applicable to such Bond;
- (iii) Bonds in lieu of which other Bonds have been executed, authenticated and delivered pursuant to the provisions of this Indenture relating to the transfer and exchange of Bonds or the replacement of mutilated, lost, stolen or destroyed Bonds;
- (iv) Bonds that have been canceled by the Trustee or that have been surrendered to the Trustee for cancellation; and
- (v) Bonds that have been defeased pursuant to and in accordance with Article 11 hereof.

“*Owner*” of a Bond means the registered owner of such Bond as shown in the registration records of the Trustee.

“*Permitted Investments*” means to the extent permitted by State law:

- (a) Cash or direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States of America);
- (b) Investments in commercial paper maturing within 365 days from the date of acquisition thereof and having, at such date of acquisition, the highest short term credit rating obtainable from S&P or Moody’s;
- (c) Obligations, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following: Federal Home Loan Bank System, Government National Mortgage Association, Farmer’s Home Administration, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Federal Farm Credit Bank or Federal Housing Administration;
- (d) Direct and general obligations of any state of the United States of America or any municipality or political subdivision of such state, or obligations of any municipal corporation, if such obligations are rated at the time of investment in one of the three highest rating categories (without regard to gradation) by S&P, Moody’s or other similar nationally recognized rating agency;
- (e) Any security that matures or that may be tendered for purchase at the option of the holder within not more than five years of the date on which it is acquired, if that security has a rating that is in one of the two highest long-term rating categories or highest short-term rating

category (without regard to any refinements or gradations of rating category by numerical modifier or otherwise) assigned by S&P, Moody's or other similar nationally recognized rating agency or if that security is senior to, or on a parity with, a security of the same issuer that has such a rating;

(f) Investments in certificates of deposit, banker's acceptances and time deposits maturing within 180 days from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the United States of America or any State thereof which has a combined capital and surplus and undivided profits of not less than \$500,000,000 and having short-term unsecured debt securities rated not lower than "A-1" by S&P and "P-1" by Moody's;

(g) Investment agreements, including guaranteed investment contracts, repurchase agreements, deposit agreements and forward delivery agreements, that are obligations of an entity whose senior long-term debt obligations, deposit rating or claims-paying ability are rated, or guaranteed by an entity whose obligations have a rating (at the time the investment is entered into) of either not lower than "A-" by S&P or not lower than "A3" by Moody's, including the Trustee and the Collateral Agent or any of their respective Affiliates, provided that, in connection with any repurchase agreement entered into in connection with the investment of funds held under the Indenture, the Issuer, the Trustee and the Collateral Agent shall have received an opinion of counsel to the provider (which opinion shall be addressed to the Issuer, the Trustee and the Collateral Agent) that any such repurchase agreement complies with the terms of this section and is legal, valid, binding and enforceable upon the provider in accordance with its terms;

(h) Fully collateralized repurchase agreements with any financial institution which is rated by S&P, Moody's or other similar nationally recognized rating agency in a rating category at least equal to the higher of "A" (or equivalent) or such rating agency's then current rating on the Bonds, if any, that is fully secured by collateral security described in clauses (a), (b), (c), (d) or (e) above. For the purpose of this section, the term collateral shall mean purchased securities under the terms of the PSA Bond Market Trade Association Master Repurchase Agreement. The purchased securities shall have a minimum market value including accrued interest of 102% of the dollar value of the transaction. Collateral shall be held in the Trustee's third-party custodian bank as safekeeping agent, and the market value of the collateral securities shall be marked-to-market daily, with a term of not more than 30 days for securities described in clause (a) above and entered into with a financial institution satisfying the criteria described in clause (f) above; and

(i) Money market funds that (i) comply with the criteria set forth in Securities and Exchange Commission Rule 2a-7 under the Investment Company Act of 1940, (ii) are rated "AAA" by S&P and "Aaa" by Moody's and (iii) have portfolio assets of at least \$5,000,000,000.

"Potential Event of Default" means an event which, with the giving of notice or lapse of time, would become an Event of Default under this Indenture.

“*Principal Account*” means the Principal Account created by and designated as such in Section 5.1 hereof.

“*Prior Bonds*” means the Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Passenger Rail Project – South Segment), Series 2017, outstanding in the aggregate principal amount of \$600,000,000.

“*Purchase Price*” means (i) with respect to Bonds tendered for purchase pursuant to Section 4.8, an amount equal to the principal amount of any Bonds purchased on any Mandatory Tender Date, plus accrued and unpaid interest, if any, to but not including the date of purchase, and (ii) with respect to Bonds purchased pursuant to Section 4.14, an amount equal to the purchase price of such Bonds established pursuant to Section 4.14.

“*Rate Determination Date*” means any date on which the interest rate on Bonds shall be determined, which, (i) in the case of the Term Rate Mode, shall be a Business Day no earlier than fifteen (15) Business Days and no later than the Business Day next preceding the first day of the applicable Term Rate Period after the initial Term Rate Period, as determined by the Remarketing Agent; and (ii) in the case of the Fixed Rate Mode, shall be a date determined by the Remarketing Agent which shall be at least one Business Day prior to the first date of the Fixed Rate Period.

“*Record Date*” has the meaning given to it in Exhibit A hereto.

“*Redemption Moneys*” has the meaning given to it in Exhibit A hereto.

“*Redemption Account*” means the Redemption Account created by and designated as such in Section 5.1 hereof.

“*Redemption Price*” means the principal, interest and premium, if any, due on a Bond on the date on which it is redeemed prior to maturity pursuant to the redemption provisions applicable to such Bond.

“*Remarketing Agent*” means any investment banking firm or firms which shall be appointed by the Borrower to act as Remarketing Agent under this Indenture.

“*Remarketing Agreement*” means that certain Remarketing Agreement relating to any series of Bonds by and between the Borrower and the Remarketing Agent or any similar agreement between the Borrower and a Remarketing Agent, as it may be amended or supplemented from time to time in accordance with its terms.

“*Reserved Rights*” means the rights of the Issuer under the Senior Loan Agreement, or any Additional Parity Bonds Loan Agreement, to payment of fees, costs and expenses (including fees and expenses of its counsel and its financial advisor), indemnification, obligations to hold harmless, and receipt of notices and other reports contemplated by such Senior Loan Agreement or Additional Parity Bonds Loan Agreement.

“*Revolver Availability*” means, as of the applicable date, the amount of any unused committed availability under a debt instrument for which any Indebtedness incurred pursuant to

such instrument would be incurred under clause (a) of the definition of Permitted Additional Senior Indebtedness.

“*Rolling Stock Indebtedness*” has the meaning set forth in Section 12.2(b)(ii).

“*SEC*” means the United States Securities and Exchange Commission.

“*Securities Act*” means the Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.

“*Senior Loan Agreement*” means that certain Amended and Restated Senior Loan Agreement, dated as of the date hereof, by and between the Issuer and the Borrower, pursuant to which the Issuer agreed to lend the proceeds of the Series 2019A Bonds to the Borrower.

“*Senior Loan Agreement Default*” means any “Event of Default” under the Senior Loan Agreement or any Additional Parity Bonds Loan Agreement (if executed).

“*Serial Bonds*” means the Bonds maturing on the Serial Maturities, as determined pursuant to Section 4.9(b) hereof.

“*Serial Maturities*” means the dates on which the Serial Bonds mature, as determined pursuant to Section 4.9(b) hereof.

“*Series 2019A Bonds*” means the \$1,750,000,000 aggregate principal amount of Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Virgin Trains USA Passenger Rail Project), Series 2019A, and any Series 2019A Bond or Series 2019A Bonds issued in exchange or replacement therefor.

“*Series 2019A Counties*” means Miami-Dade County, Florida, Broward County, Florida, Palm Beach County, Florida, Brevard County, Florida and Orange County, Florida.

“*Series 2019A Funded Interest Account*” means the Series 2019A Funded Interest Account created by and designated as such in Section 5.1 hereof.

“*Series 2019A Loan*” has the meaning set forth in the Recitals.

“*Series 2019A Rebate Fund*” means the Series 2019A Rebate Fund created by and designated as such in Section 5.1 hereof.

“*Special Record Date*” means a special date fixed to determine the names and addresses of Owners of Bonds for purposes of paying defaulted interest on Bonds in accordance with Section 3.1 hereof.

“*State*” has the meaning set forth in the Recitals.

“*Supplemental Indenture*” means any indenture supplementing or amending this Indenture that is adopted pursuant to Article 9 hereof.

“*Taxable Bonds*” means Additional Parity Bonds, the interest on which is not intended to be excludable from gross income of the Owners thereof for federal income tax purposes.

“*Taxes*” means any and all present or future taxes, levies, imposts, duties, deductions, charges or withholdings imposed by any Governmental Authority.

“*Term Rate*” means the per annum interest rate for the Bonds in the Term Rate Mode determined pursuant to Section 3.1(b) hereof.

“*Term Rate Bond*” means a Bond in the Term Rate Mode.

“*Term Rate Mode*” means the Mode during which the Bonds bear interest at the Term Rate.

“*Term Rate Period*” means the period from (and including) the Closing Date to (and including) the last day of the applicable initial Term Rate Mode, as set forth in Section 3.1(b) hereof and, thereafter, the period from (and including) the beginning date of each successive Mode selected for the Term Rate Bonds by the Borrower pursuant to Section 3.1(b) to (but excluding) the commencement date of the next succeeding Term Rate Period or the Fixed Rate Period.

“*Theme Park Extension*” has the meaning set forth in Section 12.2(b)(iv).

“*Theme Park Extension Revenue Service Commencement Date*” has the meaning set forth in Section 12.2(b)(iv).

“*Theme Park Indebtedness*” has the meaning set forth in Section 12.2(b)(iv).

“*Treasury Regulations*” means the temporary, proposed or final federal income tax regulations promulgated by the U.S. Department of the Treasury, together with the other published written guidance thereof as applicable to the Bonds under the Code.

“*Trust Estate*” means the property and rights granted to the Trustee pursuant to Section 2.1 hereof.

“*Trust Indenture Act*” means the Trust Indenture Act of 1939, as amended.

“*Trustee*” has the meaning set forth in the preamble to this Indenture.

“*Trustee Representative*” means any officer of the Trustee assigned to the corporate trust department or any other officer of the Trustee customarily performing functions similar to those performed by any such officer, with respect to matters related to the administration of this Indenture.

“*Underwriter*” shall mean the investment bank or investment banks designated by the Borrower to underwrite the sale of the Series 2019A Bonds.

Unless otherwise provided herein, all references to a particular time are to New York City Time.

ARTICLE 2.

SECURITY FOR BONDS

Section 2.1 Grant of Trust Estate. The Issuer, in consideration of the purchase of the Bonds by the Owners and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, in order to secure the payment of the Bonds, to secure the performance and observance of all the covenants and conditions set forth in the Bonds and this Indenture, has executed and delivered this Indenture and has pledged and assigned, and by these presents does pledge and assign unto the Trustee and to its successors and assigns forever and, subject to the Security Documents, for the benefit of the Owners, all of the following described property, franchises, rights and income, including any title or interest therein acquired after the date hereof (collectively, the “Trust Estate”):

(a) all right, title and interest of the Issuer (except for Reserved Rights) in and to the Senior Loan Agreement and any Additional Parity Bonds Loan Agreement (if executed), the present and continuing right of the Issuer (except for Reserved Rights) to make claim for, collect, receive and receipt for any of the sums, amounts, income, revenues, issues and profits and any other sums of money payable or receivable under the Senior Loan Agreement and any Additional Parity Bonds Loan Agreement (if executed), to bring actions and proceedings thereunder or for the enforcement thereof, and to do any and all things which the Issuer is entitled to do under such Senior Loan Agreement and any Additional Parity Bonds Loan Agreement (if executed);

(b) all moneys from time to time held by the Trustee under this Indenture in any Fund or Account other than (i) the Series 2019A Rebate Fund, (ii) any Defeasance Escrow Account, (iii) any Escrow Property, and (iv) any other Fund or Account specifically excluded from the Trust Estate pursuant to the terms of a Supplemental Indenture;

(c) any right, title or interest of the Issuer (except for Reserved Rights) in and to any Security Interest granted to the Collateral Agent for the benefit of the Trustee (as Secured Debt Representative) on behalf of the Owners of the Bonds under the Security Documents or otherwise, including without limitation the Collateral pledged thereunder, and the present and continuing right of the Collateral Agent on behalf of the Trustee (as Secured Debt Representative) to make claim for, collect, receive and receipt for any of the sums, amounts, income, revenues, issues and profits and any other sums of money payable or receivable under the Security Documents, to bring actions and proceedings thereunder or for the enforcement thereof, and to do any and all things which the Collateral Agent on behalf of the Trustee (as Secured Debt Representative) is entitled to do under such Security Documents;

(d) subject to the Collateral Agency Agreement, any right, title or interest of the Issuer (except for Reserved Rights) in and to all funds deposited from time to time

and earnings thereon in the Project Accounts, any and all other accounts established from time to time pursuant to the Collateral Agency Agreement, and any and all subaccounts created thereunder, each held by the Collateral Agent under the Collateral Agency Agreement; and

(e) any and all other property, revenues, rights or funds from time to time hereafter by delivery or by writing of any kind specifically granted, assigned or pledged as and for additional security for any of the Bonds, the Senior Loan Agreement or any Additional Parity Bonds Loan Agreement (if executed) in favor of the Trustee (as Secured Debt Representative) or the Collateral Agent on behalf of the Trustee (as Secured Debt Representative), including any of the foregoing granted, assigned or pledged by the Borrower or any other Person on behalf of the Borrower, and the Trustee or the Collateral Agent on behalf of the Trustee (as Secured Debt Representative) is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof.

Nothing in the Bonds or in this Indenture shall be considered or construed as pledging any funds or assets of the Issuer other than those pledged hereby or creating any liability of the Issuer's members, directors, employees or other agents.

Section 2.2 Time of Pledge; Delivery of Trust Estate. The Trust Estate pledged for the payment of the Bonds, as received by or otherwise credited to the Issuer, shall immediately be subject to the lien of such pledge without any physical delivery, filing, or further act. The lien of such pledge shall be valid, binding, and enforceable as against all Persons having claims of any kind in tort, contract, or otherwise against the Issuer irrespective of whether such Persons have notice of such liens. The Issuer hereby authorizes the filing by the Trustee or the Collateral Agent of any financing and continuation statements with respect to all liens and security interests granted or assigned by the Issuer to the Trustee pursuant to this Indenture.

Section 2.3 Amounts Received Pursuant to the Collateral Agency Agreement. All funds provided by the Collateral Agent to the Trustee pursuant to the Collateral Agency Agreement for deposit into any Fund or Account of this Indenture will be available together with other moneys then on deposit in such Funds and Accounts to be used for the applicable purposes as set forth in this Indenture.

Section 2.4 Discharge of Indenture. If this Indenture is discharged in accordance with Section 11.1 hereof, the right, title and interest of each Owner in and to the Trust Estate shall automatically terminate and be discharged without any further action; otherwise this Indenture is to be and remain in full force and effect. Subject to the terms of this Indenture, the Trustee shall execute and deliver such certificates or other documents acknowledging the discharge of this Indenture as may be reasonably requested by the Borrower or the Issuer.

Section 2.5 Bonds Secured on Equal and Proportionate Basis. The Trust Estate shall be held by the Trustee for the equal and proportionate benefit of the Owners and any of them, without preference, priority or distinction as to lien or otherwise.

Section 2.6 Limited Obligations. THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER, PAYABLE SOLELY FROM AND SECURED EXCLUSIVELY BY THE TRUST ESTATE AND THE COLLATERAL, INCLUDING THE PAYMENTS TO BE MADE BY THE BORROWER UNDER THE SENIOR LOAN AGREEMENT AND ANY ADDITIONAL PARITY BONDS LOAN AGREEMENT. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE STATE, THE SERIES 2019A COUNTIES OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE, WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE STATE, THE SERIES 2019A COUNTIES OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE, AND NEITHER THE FULL FAITH AND CREDIT OF THE ISSUER NOR THE FULL FAITH AND CREDIT OR THE TAXING POWER OF THE STATE OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS. NO COVENANT OR AGREEMENT CONTAINED IN THE BONDS OR THIS INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER OF THE GOVERNING BODY OF THE ISSUER NOR SHALL ANY OFFICIAL EXECUTING SUCH BONDS BE LIABLE PERSONALLY ON THE BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF (OR THE APPROVAL OF THE ISSUANCE) THE BONDS. THE ISSUER HAS NO TAXING POWER.

Section 2.7 Bonds Constitute a Contract. The Bonds shall constitute a contract between the Issuer and the Owners of the Bonds for their benefit.

Section 2.8 Borrower to Take Certain Action Hereunder. The Issuer and the Trustee (i) hereby acknowledge that pursuant to Section 3.06 of the Senior Loan Agreement the Borrower has agreed to take all action required to be taken by the Borrower in this Indenture as if the Borrower were a party to this Indenture, and (ii) subject to the terms and provisions of the Senior Loan Agreement and this Indenture, hereby authorize the Borrower to take any such action pursuant hereto.

ARTICLE 3.

AUTHORIZATION, ISSUANCE AND DELIVERY OF BONDS

Section 3.1 Authorization, Purpose, Name, Principal Amount, Interest Rates and Method and Place of Payment.

(a) *Authorization and Amount.* (1) There shall be issued under and secured by this Indenture a series of bonds designated as the “Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Virgin Trains USA Passenger Rail Project), Series 2019A” (the “Series 2019A Bonds”), in the aggregate principal amount of \$1,750,000,000. In order to distinguish between portions of the Series 2019A Bonds which in the future may be subject to different interest rate determination methods and other features, the Series 2019A Bonds may be designated and redesignated from time to time by the Issuer in such a way as to identify one or more subseries of the Series 2019A Bonds. Each Series 2019A Bond, as applicable, shall bear upon the face thereof such designation or redesignation, if any. In the event any Series 2019A Bonds are designated or redesignated from time to time as one or more subseries, all references to a series of the Series 2019A Bonds in this Indenture shall refer to each such subseries unless the context otherwise requires.

(2) The Series 2019A Bonds are being issued for the purpose of funding the Series 2019A Loan to the Borrower to (A) refund the Prior Bonds, (B) repay an outstanding taxable loan used to finance rolling stock, (C) pay or reimburse a portion of the Project Costs, (D) fund capitalized interest on the Series 2019A Bonds, to the extent permitted by the Code and Treasury Regulations, (E) fund various reserves, to the extent permitted by the Code and Treasury Regulations, and (F) pay or reimburse a portion of the costs of issuance of the Series 2019A Bonds, to the extent permitted by the Code and Treasury Regulations. The Series 2019A Bonds are being issued by the Issuer in connection with and in furtherance of the essential public and governmental purposes to be served by the Issuer under the Act.

(b) *Date, Maturity and Interest.* The Bonds shall be dated the date of their original issuance and delivery, and shall bear interest from their date or from the most recent Interest Payment Date to which interest has been paid or duly provided for, on the basis of a 360-day year comprised of twelve 30-day months, payable on each Interest Payment Date as herein provided until payment of the principal or Redemption Price thereof is made or provided for, whether at maturity, upon redemption, acceleration or otherwise. Interest on the Bonds shall be payable in arrears on each Interest Payment Date, commencing on the first Interest Payment Date after the Closing Date.

The Series 2019A Bonds shall be initially issued as Term Rate Bonds in the Term Rate Mode, bearing interest at the applicable initial Term Rate per annum, during the applicable initial Term Rate Period set forth below.

<u>Principal Amount</u>	<u>Term Rate</u>	<u>Term Rate Period (Delivery Date through)</u>	<u>Mandatory Tender Date</u>
\$ 250,000,000	6.250%	December 31, 2023	January 1, 2024
500,000,000	6.375	December 31, 2025	January 1, 2026
1,000,000,000	6.500	December 31, 2028	January 1, 2029

The Series 2019A Bonds shall mature on January 1, 2049. The Series 2019A Bonds shall be subject to mandatory tender for purchase on the day immediately following the last day of the applicable initial Term Rate Period as provided in Section 4.8 hereof. On the Mandatory Tender Date at the end of the applicable initial Term Rate Period and any subsequent Term Rate Period, the Borrower may elect to convert all or a portion of such Series 2019A Bonds to bear interest at a new Term Rate for a new Term Rate Period or convert all or a portion of the Series 2019A Bonds to bear interest at a Fixed Rate, as set forth in Section 4.9 hereof.

The Remarketing Agent shall determine the Term Rate for the Series 2019A Bonds for each Term Rate Period subsequent to the initial Term Rate Period and the Fixed Rate for Series 2019A Bonds converted to the Fixed Rate Mode in the manner and at the times as follows: not later than 4:00 P.M. on the applicable Rate Determination Date, the Remarketing Agent shall determine the Term Rate or the Fixed Rate, as applicable. The Term Rate or the Fixed Rate, as applicable, shall be the minimum interest rate which, in the sole judgment of the Remarketing Agent, will result in a sale of all of the Series 2019A Bonds then being remarketed at a price equal to the principal amount thereof on the Rate Determination Date. The Remarketing Agent shall make the Term Rate or the Fixed Rate, as applicable, available by telephone or by Electronic Means after 4:00 P.M. on the Rate Determination Date to each Notice Party. Each Term Rate so established shall remain in effect until the end of the applicable Term Rate Period selected by the Borrower in writing delivered to the Remarketing Agent prior to the applicable Rate Determination Date. The Fixed Rate so established shall remain in effect until the maturity date of such Series 2019A Bonds.

(c) *Method and Place of Payment.* The Trustee shall act as paying agent for the purpose of effecting payment of the principal of, redemption premium, if any, and interest on the Bonds.

The principal and purchase price of, redemption premium, if any, and interest on the Bonds shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts.

The principal and purchase price of and the redemption premium, if any, on all Bonds shall be payable (i) by check or draft, (ii) if the aggregate principal amount of the Bonds held by any Owner exceeds \$1,000,000, by wire transfer to an account designated by such Owner, (iii) in the case of Bonds in book-entry form, to DTC in immediately available funds and disbursement of such funds to owners of beneficial interests in Bonds in book-entry form will be made in accordance with the procedures of DTC or (iv) by such other method as mutually agreed in writing between the Owner of a Bond and the Trustee at maturity or upon earlier redemption or tender for purchase to the Owners in whose names such Bonds are registered on the bond register

maintained by the Trustee at the maturity date or redemption or tender date thereof, upon the presentation and surrender of such Bonds at the Designated Payment Office of the Trustee.

The interest payable on each Bond on any Interest Payment Date shall be paid (i) by check or draft sent on or prior to the appropriate date of payment, by the Trustee to the address of the Owner appearing in the registration books on the Record Date, (ii) in the case of Bonds in book-entry form, to DTC in immediately available funds and disbursement of such funds to owners of beneficial interests in Bonds in book-entry form will be made in accordance with the procedures of DTC or (iii) by such other method as mutually agreed in writing between the Owner of the Bond and the Trustee. Any such interest not so timely paid shall cease to be payable to the person who is the Owner thereof at the close of business on the Record Date and shall be payable to the person who is the Owner thereof at the close of business on a Special Record Date for the payment of such defaulted interest. Such Special Record Date shall be fixed by the Trustee whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given by the Trustee to the Owners of the Bonds, not less than 10 days prior to the Special Record Date, by certified or first-class mail to each such Owner as shown on the Trustee's registration records (or in accordance with the procedures of DTC) on a date selected by the Trustee, stating the date of the Special Record Date and the date fixed for the payment of such defaulted interest. Alternative means of payment of interest may be used if mutually agreed to in writing between the Owner of any Bond and the Trustee, provided that the Trustee shall provide the Issuer and the Borrower with a copy of any such agreement.

Section 3.2 Execution and Authentication of Bonds.

(a) *Execution of the Bonds.* The Bonds shall be signed by the manual or facsimile signature of the Chairman or Vice Chairman of the Board of the Issuer or the Executive Director of the Issuer in such officer's official capacity, and the Issuer's seal shall be affixed thereto or a facsimile thereof printed thereon and attested by the manual or facsimile signature of the Executive Director, the Secretary, the Assistant Secretary or another officer of the Issuer. In case any officer whose signature or a facsimile of whose signature shall appear on any Bond shall cease to be such officer before the delivery of the Bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. Any Bond may bear the facsimile signature of or may be signed by such persons as at the actual time of the execution thereof shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

(b) *Authentication of the Bonds.* No Bond shall be secured hereby or entitled to the benefit hereof, nor shall any such Bond be valid or obligatory for any purpose, unless a certificate of authentication, substantially in the form set forth in Exhibit A hereto, has been duly executed by the Trustee; and such certificate of the Trustee upon any such Bond shall be conclusive evidence and the only competent evidence that such Bond has been authenticated and delivered hereunder. The Trustee's certificate of authentication shall be deemed to have been duly executed by the Trustee if manually signed by a Trustee Representative, but it shall not be necessary that the same officer or employee sign the certificate of authentication on all of the Bonds. By authenticating any of the Bonds delivered pursuant to this Indenture, the Trustee shall be deemed to have assented to the provisions of this Indenture.

(c) *Recital in Bonds.* Each Bond issued under the Act shall contain a statement consistent with Section 2.6 hereof with respect to the Bonds.

Section 3.3 Delivery of Bonds.

(a) *Delivery.* The Bonds shall be executed in the manner set forth herein and delivered to the Trustee for authentication, but prior to or simultaneously with the authentication and delivery of the Series 2019A Bonds on the Closing Date by the Trustee the following documents shall be provided to the Trustee:

(1) A certified copy of the Bond Resolution authorizing (A) the execution and delivery of this Indenture and the Senior Loan Agreement, and (B) the issuance, sale, execution and delivery of the Series 2019A Bonds;

(2) Evidence that each county in which proceeds of the Series 2019A Bonds are to be spent or allocated for a portion of the cost of the Project within such county has executed a joinder, which remains in full force and effect, to the Interlocal Agreement and is a “Participating Public Agency” under the provisions of the Interlocal Agreement;

(3) A copy, certified by an authorized representative of the Borrower, of the resolution or resolutions of the managing member or the board of managers, as the case may be, of the Borrower approving the form of and authorizing the execution and delivery of the Senior Loan Agreement, the Collateral Agency Agreement and the other related documents and instruments, including the other Financing Documents to be delivered on the Closing Date in connection with the issuance of the Series 2019A Bonds to which the Borrower is a party;

(4) An original, facsimile or electronic executed counterpart of this Indenture, the Senior Loan Agreement, the Federal Tax Certificate, the Collateral Agency Agreement, and the other Financing Documents to be delivered on the Closing Date in connection with the issuance of the Series 2019A Bonds to which the Issuer or the Trustee is a party;

(5) An approving opinion of Bond Counsel in substantially the form attached to the Limited Offering Memorandum;

(6) An Opinion of Counsel to the Issuer, to the effect that this Indenture and the Senior Loan Agreement have been duly authorized, executed and delivered by the Issuer and constitute valid, binding and enforceable limited obligations of the Issuer;

(7) One or more Opinions of Counsel to the Borrower reasonably acceptable to the Issuer, Issuer’s Counsel and Bond Counsel to the effect that (A) the Borrower has been duly formed and is validly existing as a limited liability company organized in the State of Delaware and authorized to transact business in the State and the Borrower has the limited liability company power and authority

under the Delaware Limited Liability Company Act to execute and deliver the Senior Loan Agreement, the Collateral Agency Agreement, the Security Agreement and the Mortgages (to the extent executed on the Closing Date); and (B) the Senior Loan Agreement, Collateral Agency Agreement, the Security Agreement and the Mortgages have each been duly authorized, executed and delivered pursuant to requisite limited liability action on the part of the Borrower, and, assuming due authorization, execution and delivery of the same by the other parties thereto, the same constitute valid and binding obligations of the Borrower, enforceable in accordance with their terms, except to the extent that the enforceability of the same may be limited by, among other things, bankruptcy, insolvency or other laws affecting creditors' rights generally and by principles of equity; and

(8) A request and authorization of the Issuer to the Trustee to authenticate the Series 2019A Bonds and deliver said Series 2019A Bonds to the Underwriter, upon payment to or on behalf of the Trustee, of the purchase price thereof. The Trustee shall be entitled to rely conclusively upon such request and authorization as to the Underwriter and the amount of such purchase price.

(b) When the documents specified above have been provided to the Trustee, when the Series 2019A Bonds shall have been executed and authenticated as required by this Indenture, and when the Borrower shall have caused to be credited to the Series 2019A Funded Interest Account the amount specified in Section 5.2(a) of this Indenture, the Trustee shall deliver the Series 2019A Bonds to or upon the order of the Underwriter, but only upon payment by or on behalf of the Underwriter of the purchase price of the Series 2019A Bonds pursuant to the terms of the Financing Documents. Proceeds of the sale of the Series 2019A Bonds shall be applied, upon written instructions from the Issuer, at the direction of the Borrower pursuant to Section 3.01 of the Senior Loan Agreement.

ARTICLE 4.

TERMS OF BONDS

Section 4.1 Form of Bond, Registered Form, Denominations and Numbering of Bonds. The Bonds shall be issuable only as fully registered Bonds in Authorized Denominations (provided that no individual Bond may be issued for more than one maturity), without coupons, in substantially the form set forth in Exhibit A attached to this Indenture, with such necessary or appropriate variations, omissions and insertions as are permitted or required by this Indenture. The Bonds may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any Governmental Authority or any custom, usage or requirement of law with respect thereto. The Bonds shall be numbered from R-1 consecutively upward in order of issuance or in such other manner as the Trustee shall designate, and shall bear appropriate "CUSIP" identification numbers (if then generally in use).

Section 4.2 Registration of Bonds; Persons Treated as Owners; Transfer and Exchange of Bonds.

(a) Records for the registration and transfer of the Bonds shall be kept by the Trustee which is hereby appointed the registrar for the Bonds. The principal and purchase price of, interest on and Redemption Price of any Bond shall be payable only to or upon the order of the Owner or his legal representative (except as otherwise herein provided with respect to Record Dates and Special Record Dates for the payment of interest). Upon surrender for transfer of any Bond at the Designated Payment Office of the Trustee, duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or his attorney duly authorized in writing, the Trustee shall enter such transfer on the registration records and shall execute and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of a like maturity, aggregate principal amount and interest rate, bearing a number or numbers not previously assigned.

(b) Fully registered Bonds may be exchanged at the Designated Payment Office of the Trustee for an equal aggregate principal amount of Bonds of the same maturity and interest rate but of other Authorized Denominations. The Trustee shall execute and deliver Bonds which the Owner making the exchange is entitled to receive, bearing numbers not previously assigned.

(c) All Bonds issued upon any transfer or exchange of Bonds shall be the valid obligations of the Issuer, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Bonds surrendered upon transfer or exchange.

(d) The Trustee may require the payment, by the Owner of any Bond requesting exchange or transfer, of any reasonable charges as well as any taxes, transfer fees or other governmental charges required to be paid with respect to such exchange or transfer.

(e) The Trustee shall not be required to transfer or exchange (i) all or any portion of any Bond during the period beginning at the opening of business 15 days before the day of the sending by the Trustee of notice calling any of the Bonds for prior redemption and ending at the close of business on the day of such sending or (ii) all or any portion of a Bond after the sending of notice calling such Bond or any portion thereof for prior redemption.

(f) Except as otherwise herein provided with respect to Record Dates and Special Record Dates for the payment of interest, the Person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of and interest on or Redemption Price of any Bond shall be made only to or upon the written order of the Owner thereof or his legal representative, but such registration may be changed as herein provided. All such payments shall be valid and effectual to satisfy and discharge such Bond to the extent of the sum or sums paid.

Section 4.3 Transfer Restrictions. Upon a sale or transfer of a Bond (including the initial sale of the Bonds), each purchaser or transferee shall be deemed to have certified, acknowledged and represented to the Trustee, the Borrower, the Issuer and the Underwriter that such purchaser (i) is a “qualified institutional buyer” within the meaning of Rule 144A promulgated under the Securities Act, and (ii) will only transfer, resell, reoffer, pledge or otherwise transfer its Bond to a subsequent transferee who such transferor reasonably believes is a qualified institutional buyer within the meaning of said Rule 144A who is willing and able to conduct an independent investigation of the risks involved with ownership of such Bond and

agrees to be bound by the transfer restrictions applicable to such Bond. The foregoing transfer restrictions shall not apply if (i) the Trustee has received a municipal bond insurance policy or other form of credit enhancement securing payment of principal and interest on the Bonds, provided that the policy provider or credit enhancer is rated in one of the three highest categories by a Nationally Recognized Rating Agency and such insurance policy or credit enhancement has a term not less than the final maturity of the Bonds (or, if shorter, may be drawn upon in full upon its expiration), or (ii) a Nationally Recognized Rating Agency has assigned the Bonds an Investment Grade Rating, without any form of third party credit enhancement. A legend shall be printed on the face of each Bond indicating the foregoing transfer restrictions.

Section 4.4 Mutilated, Lost, Stolen or Destroyed Bonds. In the event that any Bond is mutilated, lost, stolen or destroyed, a new Bond of like series, date, maturity, interest rate and denomination as that mutilated, lost, stolen or destroyed shall be executed, authenticated and delivered in accordance with the terms and conditions of this Indenture to the Owner of such Bond upon receipt by the Trustee of such evidence, information or indemnity from the Owner of the Bond as the Trustee may reasonably require and, in case of any mutilated Bond, upon the surrender of the mutilated Bond to the Trustee. If any such Bond shall have matured, instead of issuing a duplicate Bond, the Trustee may pay the same without surrender thereof. The Trustee and the Issuer may charge the Owner of the Bond for its reasonable fees and expenses in connection therewith and require payment of such fees and expenses, and in the case of a lost, stolen or destroyed Bond, the Issuer and the Trustee may require indemnity reasonably satisfactory to each, as a condition precedent to the delivery of a new Bond. Every new Bond issued pursuant to this Section by reason of any Bond being mutilated, lost, stolen or destroyed (a) shall constitute, to the extent of the outstanding principal amount of the Bond lost, mutilated, stolen or destroyed, an additional contractual obligation of the Issuer, regardless of whether the mutilated, lost, stolen or destroyed Bond shall be enforceable at any time by anyone, and (b) shall be entitled to all of the benefits of this Indenture equally and proportionately with any and all other Outstanding Bonds.

Section 4.5 Payment of Debt Service and Redemption Price.

(a) The principal, Purchase Price and Redemption Price of any Bond shall be paid to the Owner thereof as shown on the registration records of the Trustee upon the maturity, mandatory tender or prior redemption thereof in accordance with Section 3.1 of this Indenture and upon presentation and surrender at the Designated Payment Office of the Trustee.

(b) Interest on the Bonds shall be paid to the Owner thereof in accordance with Section 3.1 of this Indenture.

Section 4.6 Redemption of Bonds and Redemption Payments.

(a) During the initial applicable Term Rate Period, the Series 2019A Bonds shall be subject to redemption as set forth in the Form of Bonds attached as Exhibit A to this Indenture. During any subsequent Term Rate Period and after the conversion of any Term Rate Bonds to the Fixed Rate Mode, unless redemption provisions are otherwise established by the Borrower pursuant to Section 4.9(b), the Series 2019A Bonds shall be subject to redemption as set forth in the Form of Bonds attached as Exhibit A to this Indenture.

(b) On the dates specified in the Form of Bonds attached as Exhibit A to this Indenture, the Issuer shall pay or cause to be paid to the Trustee, but solely from funds received from (or on behalf of) the Borrower, including funds provided pursuant to the Collateral Agency Agreement, for deposit into the Redemption Account of the Debt Service Fund, or any applicable sub-account thereof, moneys sufficient to pay the Redemption Price of the Series 2019A Bonds to be redeemed on the date fixed for redemption. Subject to the terms of Article 5 and the Collateral Agency Agreement, the Issuer and the Trustee shall make such payment solely from moneys available to the Issuer or the Trustee, as applicable, from (or on behalf of) the Borrower, including funds provided pursuant to the Collateral Agency Agreement. The Trustee shall use the moneys paid to it for such purpose and such other available moneys in such Account of the Debt Service Fund to pay the Redemption Price due on the appropriate series of Bonds to be redeemed on the date fixed for redemption. Upon the giving of notice and the deposit of such funds as may be available for redemption pursuant to this Indenture, interest on the Bonds or portions thereof thus called for redemption shall no longer accrue from and after the date fixed for redemption.

(c) The Trustee shall pay to the Owners of the Bonds so redeemed, the amounts due on their respective Bonds, at the Designated Payment Office of the Trustee upon presentation and surrender of the Bonds.

Section 4.7 Notice of Redemption. Notice of any redemption of Series 2019A Bonds shall be as set forth in the Form of Bonds attached as Exhibit A to this Indenture.

Section 4.8 Tender of Bonds. Bonds in the Term Rate Mode shall be subject to mandatory tender for purchase on each Mandatory Tender Date. Each Owner and each beneficial owner of Term Rate Bonds, by its acceptance of such Term Rate Bonds, agrees to tender its Term Rate Bonds to the Trustee for purchase on each Mandatory Tender Date. The Trustee shall give notice of such mandatory purchase by mail (or, in the case of Term Rate Bonds in book-entry form, in accordance with the procedures of DTC) to the Owners of the Term Rate Bonds subject to mandatory purchase no less than fifteen (15) days prior to the Mandatory Tender Date. Any notice shall state the Mandatory Tender Date, the Purchase Price, the numbers of the Term Rate Bonds to be purchased if less than all of the Term Rate Bonds owned by such Owner are to be purchased, and that, unless the Issuer defaults in the payment of the Purchase Price, interest on the Term Rate Bonds subject to mandatory purchase shall cease to accrue from and after the Mandatory Tender Date. The failure to send such notice with respect to any Term Rate Bond shall not affect the validity of the mandatory purchase of any other Term Rate Bond with respect to which notice was so sent. Any notice sent will be conclusively presumed to have been given, whether or not actually received by any Owner or beneficial owner.

Section 4.9 Conversion. While Bonds are in a Term Rate Mode, on each Mandatory Tender Date, the Borrower may convert all or a portion of such Term Rate Bonds to bear interest at a new Term Rate for a new Term Rate Period or convert all or a portion of such Term Rate Bonds to bear interest at a Fixed Rate. When a portion of the Term Rate Bonds is subject to a conversion, the Borrower may change the series designation for such portion with notice to the Trustee and the Issuer. On any Business Day which is at least twenty (20) days before the proposed Conversion Date, the Borrower shall give written notice to the Notice Parties stating

that the Term Rate Bonds will be converted to a new Term Rate for a new Term Rate Period or to the Fixed Rate, as applicable, and setting forth the proposed Conversion Date. Not later than the fifteenth (15th) day next preceding the Conversion Date, the Trustee shall, in accordance with written instructions from the Borrower, send, in the name of the Issuer, a notice of such proposed conversion to the Owners of the Term Rate Bonds stating that the Term Rate Bonds will be converted to a new Term Rate for a new Term Rate Period or to a Fixed Rate, as applicable, the proposed Conversion Date and that such Owner is required to tender such Owner's Bonds for purchase on such proposed Conversion Date. The new Mode shall commence on the Conversion Date and the interest rate(s) shall be determined by the Remarketing Agent in the manner provided in Section 3.1(b) hereof.

(a) The conversion to a new Term Rate for new Term Rate Period or to the Fixed Rate, as applicable, shall not occur unless a Favorable Opinion of Bond Counsel dated as of the Conversion Date and addressed to the Notice Parties shall have been delivered to the Notice Parties on or prior to the Conversion Date.

(b) Upon conversion, the Bonds shall be remarketed at par, shall mature on the same maturity date(s) and be subject to the same mandatory sinking fund redemption, if any, and optional redemption provisions as set forth in this Indenture prior to such conversion; provided, however, that if the Borrower shall deliver to the Trustee a certificate of the Remarketing Agent certifying that such revised maturity and redemption provisions will improve the marketability of the Bonds in the remarketing because they are industry standard at the time of such conversion for tax-exempt bonds of similar remaining maturity, security and credit quality as the Bonds, together with a Favorable Opinion of Bond Counsel, the Borrower shall direct that the maturity and redemption provisions be revised in one or more of the following ways: (1) have some of the Bonds be Serial Bonds with different interest rates for different Serial Maturities and some subject to sinking fund redemption, (2) change the optional redemption dates and/or premiums set forth in the Form of Bonds attached hereto as Exhibit A, and/or (3) sell some or all of the Bonds at a premium or a discount to par.

Section 4.10 Book-Entry Registration. Except as set forth below in this Section 4.10, the Bonds shall be delivered only in book-entry form registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York, acting as the securities depository of the Bonds and the principal of and interest on and Redemption Price of the Bonds shall be paid by wire transfer to DTC. The Issuer has entered into a Letter of Representations with DTC. DTC may determine to discontinue providing its service with respect to the Bonds at any time by giving notice to the Issuer and the Trustee and discharging its responsibilities with respect thereto under applicable law. If there is no successor securities depository appointed by the Issuer, the Issuer shall execute and the Trustee will authenticate and deliver Bonds to the beneficial owners thereof. The Issuer, at the direction of the Borrower, may determine not to continue participation in the system of book-entry transfers through DTC (or a successor securities depository) at any time by giving reasonable notice to DTC (or a successor securities depository) and the Trustee. In such event, the Issuer will execute and the Trustee will authenticate and deliver Bonds to the beneficial owners thereof pursuant to Section 4.2 hereof. Neither the Issuer nor the Trustee shall have any liability to DTC, Cede & Co., any substitute securities depository, any Person in whose name the Bonds are reregistered at the direction of

any substitute securities depository, any beneficial owner of the Bonds or any other Person for (i) any determination made by the Issuer pursuant to this Section or (ii) any action taken to implement such determination and the procedures related thereto that is taken pursuant to any direction of or in reliance on any information provided by DTC, Cede & Co., any substitute securities depository or any Person in whose name the Bonds are reregistered.

Section 4.11 Delivery of New Bonds upon Partial Redemption of Bonds. Upon surrender and cancellation of a Bond for redemption in part only, a new Bond or Bonds of the same series, maturity and interest rate and in an Authorized Denomination equal to the unredeemed portion of the original partially redeemed Bond, shall be executed on behalf of and delivered by the Issuer and the Trustee in accordance with Sections 3.2 and 4.1 hereof.

Section 4.12 Nonpresentment of Bonds. (a) In the event any Bond shall not be presented for payment on any date when the principal thereof becomes due, either at maturity, or at the date fixed for redemption thereof, or as set forth in any Supplemental Indenture regarding deemed tenders or redemptions or otherwise, and if funds sufficient to pay such Bond shall have been made available to the Trustee for the benefit of the Owner thereof, all liability of the Issuer to the Owner thereof for the payment of such Bond shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such funds uninvested for three (3) years, for the benefit of the Owner of such Bond, without liability for interest thereon to such Owner, who shall thereafter be restricted exclusively to such funds, for any claim of whatever nature on his part under this Indenture or on, or with respect to, such Bond.

(b) Except as may otherwise be required by applicable law, in case any moneys deposited with the Trustee for the payment of the principal of, or interest or premium, if any, on any Bond remain unclaimed for more than three (3) years after such principal, interest or premium has become due and payable, the Trustee may, and upon receipt of a written request of the Borrower shall, pay over to the Borrower the amount so deposited in immediately available funds, without additional interest, and thereupon the Trustee and the Issuer shall be released from any further liability with respect to the payment of principal, interest or premium, and the owner of such Bond shall be entitled (subject to any applicable statute of limitations) to look only to the Borrower as an unsecured creditor for the payment thereof.

Section 4.13 Cancellation of Bonds. Whenever any Outstanding Bonds have been paid or redeemed or are otherwise delivered to the Trustee for cancellation, upon payment or redemption thereof or before or after replacement, the respective Bonds shall be promptly cancelled by the Trustee. The Issuer may not issue new Bonds to replace Bonds it has paid or delivered to the Trustee for cancellation for any reason other than in connection with a transfer or exchange in accordance with the terms of this Indenture.

Section 4.14 Open Market Purchases/Purchase in Lieu of Redemptions. The Borrower may, to the extent permitted by applicable law, at any time and from time to time purchase Bonds in the open market, on an exchange or by tender or in a privately negotiated transaction at any price. Any Bonds so purchased may be held by or for the account of the Borrower, and the Borrower may surrender such Bonds to the Trustee for cancellation. At any time prior to giving notice of redemption, the Trustee shall, upon direction of the Borrower,

apply any amounts in the Redemption Account (excluding accrued interest, which is payable from the Interest Account) to the purchase of Bonds subject to optional redemption pursuant to the Form of Bonds attached hereto as Exhibit A, at public or private sale, as and when and at such prices (including brokerage and other charges) as the Borrower may direct, except that the purchase price may not exceed the Redemption Price then applicable to such Bonds. Whenever Bonds are called for redemption pursuant to the Form of Bonds attached hereto as Exhibit A, the Trustee may, upon direction of the Borrower, apply amounts in the Redemption Account (excluding accrued interest, which is payable from the Interest Account) to purchase some or all of the Bonds subject to optional redemption pursuant to the Form of Bonds attached hereto as Exhibit A, on the applicable redemption date, at the Redemption Price then applicable to such Bonds. Bonds purchased pursuant to this Section 4.14 and not cancelled shall be subject to conversion pursuant to Section 4.9 and to remarketing pursuant to Section 4.15, and the date of such purchase shall be deemed to be a Mandatory Tender Date for purposes of such Sections 4.9 and 4.15. Any Bonds purchased pursuant to this Section 4.14 at a purchase price other than the principal amount thereof, plus accrued and unpaid interest, if any, to but not including the date of purchase, and remarketed pursuant to Section 4.15, shall be converted to a Term Rate Period with a term of approximately ten years, unless otherwise directed by the Borrower which direction shall be accompanied by a Favorable Opinion of Bond Counsel.

Section 4.15 Remarketing. (a) The Borrower shall, not later than twenty (20) days prior to each Mandatory Tender Date, appoint and employ the services of a Remarketing Agent. The Remarketing Agent shall be authorized by law to perform all of the duties imposed upon it by this Indenture. The Remarketing Agent appointed by the Borrower shall use its best efforts to offer for sale at par: (i) all Term Rate Bonds required to be purchased on a Mandatory Tender Date as described in Section 4.8, (ii) any Bonds purchased pursuant to Section 4.14 and not cancelled, and (iii) any Borrower Bonds (as hereinafter defined), provided that in no event shall the Remarketing Agent remarket any Bonds to the Issuer. On each date on which a Term Rate Bond is to be purchased:

(i) the Remarketing Agent shall notify by Electronic Means the Trustee and the Borrower by 10:30 A.M. on such date if it has been unable to remarket all the tendered Bonds, and shall include in such notice the principal amount of Bonds it has been unable to remarket;

(ii) if the Bonds are no longer in the book-entry-only system, the Remarketing Agent shall notify the Trustee and the Borrower by Electronic Means by 1:00 P.M. on such date of the names of the purchasers of the remarketed Bonds and such information as may be necessary to register the Bonds and the registration instructions, including, without limitation, the names, addresses and taxpayer identification numbers of the purchasers and the desired Authorized Denominations with respect thereto; and

(iii) if the Bonds are no longer in the book-entry-only system, the Trustee shall authenticate new Bonds for the respective purchasers thereof which shall be available for delivery to purchasers.

(c) The Remarketing Agent shall cause the proceeds of the sale of tendered Term Rate Bonds to be paid to the Trustee in immediately available funds by 10:00 A.M. on the Mandatory Tender Date. The Remarketing Agent shall cause to be paid to the Trustee on each Mandatory Tender Date for tendered Term Rate Bonds all amounts representing proceeds of the remarketing of such Bonds. If the Purchase Price exceeds par, the Borrower will provide the difference between the remarketing proceeds and the Purchase Price, and if the Purchase Price is less than par, the remarketing proceeds in excess of the Purchase Price shall be held, invested and expended as set forth in a Favorable Opinion of Bond Counsel.

(d) On each date on which a Term Rate Bond is to be purchased, if the Remarketing Agent shall have given notice to the Borrower that it has been unable to remarket all the Bonds, then by 1:30 P.M. the Borrower shall pay or cause to be paid, by wire transfer of immediately available funds in the amount of the Purchase Price of the unremarketed tendered Term Rate Bonds specified in the notice provided above, to the Trustee. Bonds so purchased with amounts furnished by the Borrower shall be “Borrower Bonds.”

(e) By 3:00 P.M. on the date on which a Term Rate Bond is to be purchased, the Trustee shall purchase tendered Term Rate Bonds from the tendering Owners at the applicable Purchase Price by wire transfer in immediately available funds. Funds for the payment of such Purchase Price shall be derived solely from the following sources in the order of priority indicated and none of the Trustee or the Remarketing Agent shall be obligated to provide funds from any other source:

(i) immediately available funds provided to the Trustee pursuant to Section 4.15(c) hereof; and

(ii) immediately available funds provided to the Trustee pursuant to Section 4.15(d) hereof.

(f) On each date on which a Term Rate Bond is to be purchased, such Bond sold by the Remarketing Agent the proceeds of which have been deposited as described in Section 4.15(c) shall be registered and made available to the Remarketing Agent by 1:30 P.M. on such date.

ARTICLE 5.

FUNDS AND ACCOUNTS

Section 5.1 Establishment of Funds and Accounts.

There is hereby created and established the following Funds and Accounts:

(a) The Debt Service Fund (the “Debt Service Fund”), and within the Debt Service Fund, four accounts designated (i) the “Interest Account” (the “Interest Account”), (ii) the “Principal Account” (the “Principal Account”), (iii) the “Redemption

Account” (the “Redemption Account”); and (iv) the “Series 2019A Funded Interest Account” (the “Series 2019A Funded Interest Account”); and

(b) The Series 2019A Rebate Fund (the “Series 2019A Rebate Fund”).

Notwithstanding anything herein to the contrary, the Trustee may from time to time hereafter establish and maintain additional funds, accounts or subaccounts necessary or useful in connection with any other provision of this Indenture or any Supplemental Indenture or to the extent deemed necessary by the Trustee.

Section 5.2 Debt Service Fund.

(a) There shall be deposited into the appropriate Account of the Debt Service Fund: (i) amounts remitted or transferred to such Account from the Revenue Account pursuant to Section 5.02(b) of the Collateral Agency Agreement; (ii) any moneys paid to the Trustee pursuant to Section 4.6 hereof and Sections 5.02(b) and 5.09 of the Collateral Agency Agreement with respect to the Redemption Price of the Bonds; (iii) any amounts remitted or moneys transferred to such Account from the Series 2019 Debt Service Reserve Account pursuant to Section 5.05(c) of the Collateral Agency Agreement; (iv) any moneys deposited into such Account pursuant to Section 7.2 hereof and Section 9.08 of the Collateral Agency Agreement; (v) into the Series 2019A Funded Interest Account, \$360,312,500.00, to pay interest on the Series 2019A Bonds on July 1, 2019 and on each Interest Payment Date thereafter through and including July 1, 2022, and (vi) all other moneys received by the Trustee that are accompanied by directions that such moneys are to be deposited into such Account.

(b) Moneys on deposit in the Series 2019A Funded Interest Account shall be applied by the Trustee, prior to the application of any other funds in the Debt Service Fund, to pay interest on the Series 2019A Bonds on July 1, 2019 and on each Interest Payment Date thereafter through and including July 1, 2022. If on any Interest Payment Date the funds on deposit in the Interest Account are not sufficient to pay the Interest Payment in full on such Interest Payment Date, the Trustee shall transfer moneys from the Principal Account sufficient to make such payment. If on any Debt Service Payment Date there exists both (i) funds on deposit in the Interest Account in excess of the amount necessary to pay the Interest Payment due on such date, and (ii) insufficient funds on deposit in the Principal Account to make the principal payment due on such date in full, the Trustee shall transfer all or such portion of such excess funds on deposit in the Interest Account to the Principal Account as necessary to provide for such principal payment in full.

(c) Moneys in each Account of the Debt Service Fund shall be used solely for the payment (within each Account) of the principal of and interest on and the Redemption Price of the Bonds; provided, that (A) moneys paid by the Issuer pursuant to Section 4.6 hereof and Sections 5.02(b) and 5.09 of the Collateral Agency Agreement shall be used to pay the Redemption Price of the Bonds, and (B) moneys held in such Account of the Debt Service Fund following an acceleration of the Bonds upon an Event of Default shall

be used as provided in Section 7.3 hereof and Section 9.08 of the Collateral Agency Agreement.

Section 5.3 Series 2019A Rebate Fund. The Series 2019A Rebate Fund shall be for the sole benefit of the United States of America, shall be excluded from the Trust Estate as described in Section 2.1(b) hereof, and shall not be subject to the claim of any other Person, including without limitation, the Owners. The Series 2019A Rebate Fund is established for the purpose of complying with Section 148 of the Code and the Treasury Regulations promulgated pursuant thereto. There shall be deposited into the Series 2019A Rebate Fund all amounts transferred to such Fund pursuant to Section 5.02(b) of the Collateral Agency Agreement. The money deposited in the Series 2019A Rebate Fund, together with all investments thereof and investment income therefrom, shall be held in trust and applied solely as provided in the Federal Tax Certificate. The Series 2019A Rebate Fund is not a portion of the Trust Estate and is not subject to any lien under this Indenture. Notwithstanding the foregoing, the Trustee with respect to the Series 2019A Rebate Fund is afforded all the rights, protections and immunities otherwise accorded to it hereunder.

Section 5.4 Moneys to be Held in Trust. The Debt Service Fund, and any other Fund or Account created hereunder (excluding the Series 2019A Rebate Fund, any Defeasance Escrow Account, any Escrow Property, and any other Fund or Account specifically excluded from the Trust Estate pursuant to the terms of a Supplemental Indenture), shall be held by the Trustee, for the benefit of the Owners of the Bonds as specified in this Indenture. The Series 2019A Rebate Fund shall be held by the Trustee for the purpose of making payments to the United States pursuant to Section 6.5 hereof. Any Defeasance Escrow Account shall be held solely for the benefit of the Owners of the Bonds to be paid therefrom as provided in the agreement governing such Defeasance Escrow Account. Escrow Property shall be held solely for the benefit of the Owners of the applicable Escrow Bonds.

Section 5.5 Investment of Moneys.

(a) All moneys held as part of any Fund or Account shall be deposited or invested and reinvested by the Trustee, at the written direction of the Borrower, in Permitted Investments; *provided*, however, that moneys in the Debt Service Fund (other than moneys in the Series 2019A Funded Interest Account) shall be invested solely in direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States of America), in each case maturing within one year from the date of acquisition thereof; and *provided further*, however, that moneys in any Defeasance Escrow Account may only be invested in Defeasance Securities.

(b) Earnings from the investment of moneys held in any Fund or Account and losses from the investment of moneys held in any Fund or Account shall be charged against the Fund or Account in which they were realized; *provided*, however, that earnings from the investment of moneys held in the Series 2019A Funded Interest Account shall be transferred to the PABs Proceeds Sub-Account of the Construction Account established under the Collateral Agency Agreement.

(c) The Trustee shall sell and reduce to cash a sufficient amount of the investments held in any Fund or Account whenever the cash balance therein is insufficient to make any payment to be made therefrom and the Trustee shall not be liable or responsible for any loss or tax resulting from such sale.

ARTICLE 6.

COVENANTS OF THE ISSUER

Section 6.1 Representations, Covenants and Warranties. The Issuer represents, covenants and warrants that:

(a) It will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in any and every duly authorized Bond and in all proceedings of the Issuer pertaining thereto.

(b) It is duly authorized under the laws of the State, including particularly and without limitation, the Act, to issue the Bonds for the purposes stated in this Indenture and to execute this Indenture, to pledge the property described herein and pledged hereby and to pledge the Trust Estate in the manner and to the extent herein set forth, that all actions on its part required for the issuance of the Bonds and the execution and delivery of this Indenture have been duly and effectively taken or will be duly taken as provided herein, and that this Indenture is a valid and enforceable instrument of the Issuer and that the Bonds in the hands of the Owners thereof are and will be valid and enforceable obligations of the Issuer according to the terms thereof.

(c) It will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such indentures supplemental hereto and such further acts, instruments and transfers as the Trustee may reasonably require for the better assuring, transferring, pledging and hypothecating unto the Trustee all and singular the Trust Estate to the payment of the principal of, premium, if any, and interest on the Bonds.

(d) Promptly after any filing, registration or recording (other than the filing of the Senior Loan Agreement, any Additional Parity Bonds Loan Agreement, this Indenture and any financing statements in connection with the issuance of the Bonds) or any re-filing, re-registration or re-recording of this Indenture, the Senior Loan Agreement or any Additional Parity Bonds Loan Agreement, or any filing, registration, recording, re-filing, re-registration or re-recording of any supplement to any of said instruments, any financing statement or instrument of similar character relating to any of said instruments or any instrument of further assurance which is required pursuant to the preceding paragraph, the Issuer will, upon the written request of the Trustee, cause the Borrower to deliver to the Trustee a certificate of a Responsible Officer of the Borrower to the effect that such filing, registration, recording, re-filing, re-registration or re-recording has been duly accomplished and setting forth the particulars thereof.

(e) The execution, delivery and performance of its obligations under this Indenture by the Issuer do not and will not conflict with or result in a violation or a

breach of any law or the terms, conditions or provisions of any restriction under any Law, contract, agreement or instrument to which the Issuer is now a party or by which the Issuer is bound, or constitute a default under any of the foregoing.

(f) Except as described in the Limited Offering Memorandum, to the best of its knowledge, no litigation, inquiry or investigation of any kind in or by any judicial or administrative court or agency is pending or, threatened against the Issuer affecting the right of the Issuer to execute, deliver or perform its obligations under this Indenture.

Section 6.2 Conditions Precedent. Upon the date of issuance of any of the Bonds, the Issuer hereby covenants that all conditions, acts and things required of the Issuer by the Constitution or laws and statutes of the State (including, particularly, the Act) or by this Indenture to exist, to have happened or to have been performed precedent to or in connection with the issuance of the Bonds shall exist, have happened and have been performed.

Section 6.3 Maintenance of Existence. The Issuer pledges and agrees with the Owners of the Bonds that it shall use its best efforts to prevent the State from limiting or altering the rights vested in the Issuer to fulfill the terms of the agreements made with such Owners or from in any way impairing the rights or remedies of such Owners until the Bonds, together with the interest, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such Owners, are fully met and discharged.

Section 6.4 No Superior or Parity Liens on Trust Estate. The Issuer will not, pledge, grant, create or permit to exist in any manner any Security Interest on, or rights with respect to, the Trust Estate, (x) except as specifically permitted pursuant to this Indenture or any other Financing Document or (y) except for a contract or agreement under which the financial obligations of the Issuer and the rights of any Person to require the Issuer to make any payment are (a) limited to (i) moneys in the Funds and Accounts that are to be used pursuant to such contract or agreement for the purposes for which moneys in such Funds and Accounts may be used pursuant to the terms hereof or (ii) moneys of the Issuer that are not part of the Trust Estate; and (b) subordinate to the rights of the Owners of the Bonds under this Indenture.

Section 6.5 Tax Covenant. The Issuer shall not take any action or omit to take any action with respect to the Series 2019A Bonds or the Additional Parity Bonds, if any, the proceeds of the Series 2019A Bonds or the Additional Parity Bonds, if any, the Trust Estate, the Project or any other funds or property of the Issuer, and it will not permit, to the extent of its control, any other Person to take any action or omit to take any action with respect to the Series 2019A Bonds or the Additional Parity Bonds, if any, the Trust Estate, the Project or any other funds or property of the Issuer if such action or omission would cause interest on any of the Series 2019A Bonds or the Additional Parity Bonds, if any, to be included in gross income for federal income tax purposes. In furtherance of this covenant, the Issuer agrees to comply with the covenants set forth in the applicable Federal Tax Certificate for the Series 2019A Bonds or the Additional Parity Bonds, if any. The covenants set forth in this Section shall remain in full force and effect notwithstanding the payment in full or defeasance of the Series 2019A Bonds or the Additional Parity Bonds, if any, until the date on which all of the Issuer obligations in fulfilling such covenants have been met. This section shall not apply to Taxable Bonds.

Section 6.6 Compliance with Law. The Issuer shall comply with all Laws and regulations, the State Constitution, the Act and all other State Laws relating to the Bonds, the organization and operation of the Issuer and the subject matter of this Indenture.

Section 6.7 No Appointment of Receiver, etc. The Issuer agrees that it will not apply for or consent to the appointment of a receiver, trustee, liquidator or custodian or the like of the Issuer.

Section 6.8 Rights under Senior Loan Agreement, the Additional Parity Bonds Loan Agreement and the Collateral Agency Agreement. The Senior Loan Agreement, a duly executed counterpart of which will be filed with the Trustee, and any Additional Parity Bonds Loan Agreement, a counterpart of which will be filed with the Trustee if executed, set forth the covenants and obligations of the Issuer and the Borrower with respect to the related Series 2019A Loan and Additional Parity Bonds Loan, and reference is hereby made to the Senior Loan Agreement and Additional Parity Bonds Loan Agreement (if executed) for a detailed statement of such covenants and obligations of the Borrower thereunder. The Issuer will observe all of the obligations, terms and conditions required on its part to be observed or performed under the Senior Loan Agreement and any Additional Parity Bonds Loan Agreement. The Issuer agrees that wherever in the Senior Loan Agreement or any Additional Parity Bonds Loan Agreement it is stated that the Issuer will notify the Trustee, gives the Trustee some right or privilege, or in any way attempts to confer upon the Trustee the ability for the Trustee to protect the security for payment of the Bonds, that such part of the Senior Loan Agreement and any Additional Parity Bonds Loan Agreement shall be as though it were set out in this Indenture in full. The Issuer agrees that the Trustee (subject to the terms of the Collateral Agency Agreement) in its name or in the name of the Issuer may enforce all rights of the Issuer (other than Reserved Rights) and all obligations of the Borrower under and pursuant to the Senior Loan Agreement and Additional Parity Bonds Loan Agreement (if executed) and on behalf of the Owners, whether or not the Issuer is in default hereunder. The Issuer further agrees that the Trustee (subject to the terms of the Collateral Agency Agreement) in its name or in the name of the Issuer may enforce all rights of the Issuer under and pursuant to the Collateral Agency Agreement and hereby designates and authorizes the Trustee to serve as the Secured Debt Representative for the Issuer under the Collateral Agency Agreement.

Section 6.9 Inspection of Issuer Books. All books and documents relating to the Project in the possession of the Issuer shall at all reasonable times, during regular business hours of the Issuer and upon reasonable prior written notice to the Issuer, be open to inspection by such agents as the Trustee, or the Owners of not less than 50% in aggregate principal amount of the Bonds then Outstanding may from time to time designate.

Section 6.10 Indebtedness. The Issuer shall not create, incur, assume or permit to exist any indebtedness of the Issuer with respect to the Trust Estate pledged under this Indenture, other than the Series 2019A Bonds, any Additional Parity Bonds issued pursuant to Article 12 herein, any Permitted Additional Senior Indebtedness or any Permitted Subordinated Debt.

ARTICLE 7.

DEFAULTS AND REMEDIES

Section 7.1 Events of Default. Any of the following shall constitute an “Event of Default” under this Indenture with respect to all of the Outstanding Bonds:

(a) Failure to pay any portion of the principal or purchase price of any Outstanding Bond when due and payable;

(b) Failure to pay any portion of interest on any Outstanding Bond within ten (10) Business Days after such interest payment is due and payable;

(c) Failure by the Issuer to cure or cause the Borrower to cure any noncompliance with any other provision of this Indenture within 60 days after receiving written notice of such noncompliance from the Trustee or the Collateral Agent (with a copy to the Borrower and the Collateral Agent or the Trustee, as applicable) with respect to the Bonds; provided, however, that such noncompliance shall not be an Event of Default at the end of such sixty (60) day period, so long as: (i) the Issuer is proceeding diligently to cure such breach; and (ii) such breach, in any event, is cured within one hundred twenty (120) days of such written notification from the Trustee or the Collateral Agent;

(d) A Senior Loan Agreement Default shall have occurred and be continuing;
or

(e) The occurrence and continuance, with respect to the Issuer, of a Bankruptcy Event (provided that solely for purposes of this clause, all references to the “Borrower” within the definition of the term “Bankruptcy Event” shall be substituted with the “Issuer”).

Section 7.2 Remedies Following and During the Continuance of an Event of Default.

(a) Upon the occurrence and during the continuance of an Event of Default, Owners of at least 25% in aggregate principal amount of the Outstanding Bonds or the Issuer may deliver to the Trustee a written notice, with a copy to the Issuer, the Collateral Agent and the Borrower, that an Event of Default has occurred and is continuing. The Trustee shall not be deemed to have any knowledge of the occurrence of an Event of Default, except with respect to an Event of Default described in Section 7.1(a) or (b) hereof, unless and until it has received such a notice from the relevant party.

(b) At any time during which an Event of Default has occurred and is continuing commencing on the date of delivery to the Trustee of the notice described in Section 7.2(a) above (except with respect to an Event of Default described in Section 7.1(a) or (b) hereof in which no notice shall be required), the Majority Holders shall have the right to give the Trustee one or more enforcement directions directing the Trustee to take on behalf of the Owners of the Bonds, subject to the terms of the Collateral Agency Agreement and Section 7.2(c) below, whatever action at law or in equity may appear necessary or desirable to enforce the rights of the Owners of the Bonds.

(c) Upon the occurrence and during the continuance of an Event of Default, if so instructed by the Majority Holders, the Trustee, subject to the immediately succeeding provisos, shall, by notice delivered to the Issuer and the Borrower, declare all Bonds, all interest accrued and unpaid thereon, and all other amounts payable in respect of the Bonds to be due and payable, whereupon the same shall become immediately due and payable without presentment, demand, protest or further notice of any kind, all of which are waived by the Issuer; *provided* that the Bonds may be accelerated pursuant to this clause (c) only to the extent the underlying Series 2019A Loan under the Senior Loan Agreement (or any other loan pursuant to any Additional Parity Bonds Loan Agreement) shall have been accelerated.

(d) The Majority Holders may, by written notice to the Trustee, on behalf of all of the Owners, rescind any acceleration and its consequences, if the rescission would not conflict with any judgment or decree and if all existing Events of Default (except nonpayment of principal, interest or premium that has become due solely because of the acceleration) have been cured or waived and the Issuer has paid or deposited, or caused to be paid or deposited, with the Trustee a sum sufficient to pay all sums paid or advanced by the Trustee hereunder and the reasonable and documented compensation, expenses and disbursements of the Trustee, its agents and counsel. In case of any such rescission, then and in every such case the Issuer, the Trustee and the Owners shall be restored to their former positions and rights.

(e) All rights and actions and claims under this Indenture may be prosecuted and enforced by the Trustee on behalf of the Owners of the Bonds. In the case of pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization or other similar judicial proceeding relative to the Issuer or the Trust Estate, the Trustee, subject to the terms of the Collateral Agency Agreement, shall be entitled to file and prove a claim for the amount of the Issuer's and the Borrower's obligations to the Owners of the Bonds owing and unpaid and to file such other papers or documents as may be necessary in order to have the claims of the Owners allowed in such judicial proceeding and, to the extent permitted by Law, to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same in accordance with the terms hereof and of the Collateral Agency Agreement.

Section 7.3 Use of Moneys Received from Exercise of Remedies. After an acceleration pursuant to Section 7.2(c) hereof, moneys received by the Trustee from the Collateral Agent pursuant to the Collateral Agency Agreement, this Indenture and the other Security Documents in respect of the Issuer's obligations hereunder shall be applied first to pay the reasonable and proper fees and expenses (including the reasonable fees and expenses of counsel) of and indemnification payments owing to the Trustee pursuant to the Financing Documents, including those incurred in connection with the exercise of remedies following such Event of Default, and thereafter remaining amounts shall be applied promptly by the Trustee as follows:

First, ratably, to the payments then due and payable by the Borrower to the Series 2019A Rebate Fund and any rebate fund established by a Supplemental Indenture with respect to Additional Parity Bonds;

Second, ratably, to all accrued and unpaid interest on the Bonds;

Third, ratably, to the outstanding principal amount on the Bonds; and

Fourth, to the Borrower, upon termination, expiration or payment in full of all commitments, any surplus to be applied at the Borrower's discretion.

Section 7.4 Limitations on Rights of Owners Acting Individually. Subject to the Collateral Agency Agreement, no Owner shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of any remedy hereunder or for the enforcement of the terms of this Indenture, unless an Event of Default under this Indenture has occurred and is continuing and the Owner has made a written request to the Trustee, and (i) has given the Trustee sixty (60) days to take such action in its capacity as Trustee, (ii) the Trustee shall have been provided reasonable security or indemnity against costs, expenses and liabilities to be incurred in connection with such action to be taken, (iii) the Trustee shall have refused or unreasonably neglected to comply with such request, and (iv) during such sixty (60) day period, no direction inconsistent with such written request shall have been delivered to the Trustee. Nothing in this Section shall affect or impair the right of the Owner to enforce the payment of the principal of and interest on or Redemption Price or Purchase Price of any Bond at and after the date such payment is due, subject, however, to the limitations on remedies set forth in Section 7.2 hereof. In addition, any action by any Owner taken with respect to the Trust Estate shall only be taken in accordance with the provisions of Section 7.2 hereof.

Section 7.5 Trustee May Enforce Rights without Bonds. All rights of action and claims under this Indenture or any of the Outstanding Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or proceedings relative thereto; any suit or proceeding instituted by the Trustee shall be brought in its name as Trustee, without the necessity of joining as plaintiffs or defendants any Owners; and any recovery of judgment shall be for the ratable benefit of the Owners, subject to the provisions hereof and the Collateral Agency Agreement.

Section 7.6 Trustee to File Proofs of Claim in Receivership, Etc. In the case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceedings affecting the Trust Estate, the Trustee shall, subject to the Collateral Agency Agreement, to the extent permitted by law, be entitled to file such proofs of claim and other documents as may be necessary or advisable in order to have claims of the Trustee and of the Owners allowed in such proceedings for the entire amount due on the Bonds under this Indenture, at the date of the institution of such proceedings and for any additional amounts which may become due by it after such date, without prejudice, however, to the right of any Owner to file a claim on its own behalf, to the extent permitted hereunder.

Section 7.7 Delay or Omission No Waiver. No delay or omission of the Trustee or of any Owner to exercise any remedy, right or power accruing upon any Event of Default or otherwise shall exhaust or impair any such remedy, right or power or be construed to be a waiver of any such Event of Default, or acquiescence therein; and every remedy, right and power given by this Indenture may be exercised from time to time and as often as may be deemed expedient.

Section 7.8 Discontinuance of Proceedings on Event of Default; Position of Parties Restored. In case the Trustee or any Owner shall have proceeded to enforce any right under this Indenture and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee or such Owner, then and in every such case the Issuer, the Trustee and the Owners shall be restored to their former positions and rights, and all rights, remedies and powers of the Trustee, the Issuer and the Owner shall continue as if no such proceedings had been taken.

Section 7.9 Waivers of Events of Default. The Trustee, notwithstanding anything else to the contrary contained in this Indenture, shall waive any Event of Default upon the written direction of the Majority Holders; *provided, however*, that any Event of Default in the payment of the principal of or interest on, or the Redemption Price of, any Bond when due shall not be waived (except as contemplated in Section 7.2(d) hereof) without the consent of the Owner of each Bond affected thereby, unless, prior to such waiver, all such amounts (with interest on amounts past due on any Bond at the interest rate on such Bond) and all expenses of and indemnity payments to the Trustee (with interest on amounts past due with respect to any expenses of the Trustee at a rate per year equal to the highest yield on any series of Outstanding Bonds) in connection with such Event of Default have been paid or provided for. In case of any such waiver, then and in every such case the Issuer, the Trustee and the Owners shall be restored to their former positions and rights hereunder, but no such waiver shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

ARTICLE 8.

CONCERNING THE TRUSTEE

Section 8.1 Representations, Covenants and Warranties Regarding Execution, Delivery and Performance of Indenture. The Trustee represents, covenants and warrants that:

(a) The Trustee is a national banking association and is authorized, under its certificate of organization, action of its board of directors and applicable law, to own and manage its properties, to conduct its affairs in the State, to accept the grant of the Trust Estate hereunder and to execute, deliver and perform its obligations under this Indenture.

(b) The execution, delivery and performance of this Indenture by the Trustee have been duly authorized by the Trustee.

(c) This Indenture is enforceable against the Trustee in accordance with its terms, limited only by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

(d) The execution, delivery and performance of the terms of this Indenture by the Trustee do not and will not conflict with or result in a violation or a breach of any law or the terms, conditions or provisions of any restriction or any agreement or instrument to which the Trustee is now a party or by which the Trustee is bound, or constitute a default under any of the foregoing or, except as specifically provided in this Indenture, result in

the creation or imposition of a lien or encumbrance whatsoever upon the Trust Estate or any of the property or assets of the Trustee.

(e) There is no litigation or proceeding pending or threatened against the Trustee affecting the right of the Trustee to execute, deliver or perform its obligations under this Indenture.

Section 8.2 Duties of the Trustee. In addition to the other duties and responsibilities set forth herein, the Trustee (subject to the terms of the Collateral Agency Agreement) is hereby appointed as Secured Debt Representative for and on behalf of the Owners of the Bonds under the Collateral Agency Agreement and the Trustee may enforce all rights of the Owners of the Bonds under and pursuant to the Collateral Agency Agreement. The Trustee hereby accepts the duties imposed upon it by this Indenture and the other Financing Documents to which it is a party and agrees to perform said duties, but only upon and subject to the following express terms and conditions:

(a) The Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture and the other Financing Documents to which it is a party.

(b) The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees and shall not be responsible for the misconduct or negligence of any agent appointed with due care. Any reasonable expenses of hiring such agent shall be reimbursed by the Borrower, in accordance with the terms of the Senior Loan Agreement, any Additional Parity Bonds Loan Agreements (if executed) and any agreement between the Borrower and the Trustee with respect thereto.

(c) The Trustee shall not be responsible for any recital herein, in the Bonds or in any of the Financing Documents to which it is a party, for the validity of the execution by the Issuer of this Indenture or any instruments of further assurance or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby, for the validity or perfection of the lien on the Trust Estate or for the value of the Trust Estate. The Trustee shall have no obligation to perform any of the duties of the Issuer under this Indenture; and the Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it pursuant to instructions from the Borrower in accordance with Section 5.5 hereof.

(d) The Trustee shall not be accountable for the use of any Bonds delivered to the Underwriter pursuant to this Indenture. The Trustee may become the Owner of the Bonds with the same rights which it would have if not Trustee.

(e) The Trustee shall be fully protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document which it in good faith reasonably believes to be genuine and correct and to have been signed or sent by the proper Person or Persons and the Trustee shall be under no duty to make any investigation as to any statement contained in any such document. Any action taken by

the Trustee pursuant to (and as permitted by) this Indenture or the other Financing Documents to which it is a party upon the request or instruction or consent of any Person who at the time of making such request or giving such instruction or consent is the Owner of any Bond shall be conclusive and binding upon any Bonds issued in place thereof.

(f) The Trustee may employ or retain such counsel, accountants, appraisers or other experts or advisers as it may reasonably require for the purpose of determining and discharging its rights and duties hereunder and, in the absence of the Trustee's gross negligence, bad faith or willful misconduct in employing or retaining any such counsel, accountants, appraisers, experts or advisers, may act and rely and shall be protected in acting and relying in good faith on the opinion or advice of or information obtained from any counsel, accountant, appraiser or other expert or advisor, whether retained or employed by the Borrower, the Issuer or by the Trustee, in relation to any matter arising in the administration hereof, and shall not be responsible for any act or omission on the part of any of them. In addition, the Trustee shall not be liable for any acts or omissions of its nominees, correspondents, designees, agents, subagents or subcustodians appointed with due care.

(g) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to conclusively rely upon a certificate signed by an Issuer Representative as sufficient evidence of the facts therein contained.

(h) The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default hereunder or under any Financing Document to which it is a party, except failure to pay the principal of and interest on, or Redemption Price of, any Bond, unless the Trustee shall be specifically notified in writing of such Event of Default by the Issuer, the Collateral Agent, the Borrower or an Owner of a Bond.

(i) All moneys received by the Trustee shall, until used or applied or invested as herein provided, be held in trust in the manner and for the purposes for which they were received and shall be segregated from all other funds held by the Trustee.

(j) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(k) Notwithstanding anything to the contrary in this Indenture or any Financing Document to which the Trustee is a party, the Trustee shall have the right, but shall not be required, to reasonably request in respect of the delivery of any Bonds, the withdrawal of any cash, or any action whatsoever within the purview of this Indenture or any Financing Document to which it is a party, any showings, certificates, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required, as a condition of such action by the Trustee.

(l) The permissive right of the Trustee to do things enumerated hereunder or under other Financing Documents shall not be construed as a duty unless so specified

herein or therein, and in doing or not doing so, the Trustee shall not be answerable for other than its own bad faith, gross negligence or willful misconduct.

(m) Before taking any action or refraining from taking any action under this Indenture or any Financing Document to which it is a party, the Trustee may require that indemnity reasonably satisfactory to it be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability, including costs incurred in defending itself against any and all charges, claims, complaints, allegations, assertions, or demands of any nature whatsoever, except liability which is adjudicated to a result of the Trustee's bad faith, negligence or willful misconduct in connection with any such action.

(n) The Trustee shall have no responsibility with respect to any information, statement or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds.

(o) No provision of this Indenture, any Financing Document or any other documents related thereto shall require the Trustee to risk or expend its own funds or otherwise incur any financial liability in the performance of its duties and obligations hereunder or thereunder.

(p) In accordance with the terms hereof, the Trustee shall not be liable for any action taken or not taken by it in accordance with the direction of the Owners of a majority (or other percentage provided for herein) in aggregate principal amount of Bonds outstanding or of the Majority Holders relating to the exercise of any right or remedy available to it or the exercise of any trust or power available to the Trustee hereunder or under any other Financing Document.

(q) The immunities extended to the Trustee also extend to its directors, officers, employees and agents.

(r) The Trustee is authorized and directed to enter into the Financing Documents and any other documents related thereto to which the Trustee is a party. In entering into and performing any duties and obligations of the Trustee under the Financing Documents and any other documents related thereto, the Trustee shall be entitled to the provisions of this Indenture, including without limitation, the protections, immunities, limitations from liability and indemnification accorded to the Trustee under this Indenture.

(s) In no event shall the Trustee be responsible or liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(t) The Trustee shall not incur any liability for not performing any act or fulfilling any duty, obligation or responsibility hereunder by reason of any occurrence beyond the control of the Trustee (including but not limited to any act or provision of any present or future law or regulation or governmental authority, any act of God or war, civil unrest, natural disaster, any act of terrorism, or the unavailability of the Federal Reserve

Bank wire or facsimile or other wire or communication facility, it being understood that the Trustee shall use reasonable best efforts that are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

(u) Neither the Trustee nor the Collateral Agent are accountable for the use by the Issuer or the Borrower of the proceeds of the Bonds.

(v) The Trustee is not required to independently verify compliance with, nor is the Trustee liable, with respect to, any provisions of the Federal Tax Certificate, including calculation with respect to arbitrage rebate.

Section 8.3 Compensation of Trustee. The Trustee shall be entitled to compensation in accordance with its agreement with the Borrower, which, notwithstanding any other provision hereof, may be amended at any time by agreement of the Borrower and the Trustee without the consent of or notice to the Owners. In no event shall the Trustee be obligated to advance its own funds in order to take any action hereunder.

Section 8.4 Resignation or Replacement of Trustee.

(a) The present or any future Trustee may resign by giving written notice to the Issuer and the Collateral Agent (with a copy to the Borrower) not less than 60 days before such resignation is to take effect. Such resignation shall take effect only upon the appointment of and acceptance by a successor qualified as provided in subsection (c) of this Section. If no successor is appointed within 60 days following the date designated in the notice for the Trustee's resignation to take effect, the resigning Trustee may petition a court of competent jurisdiction for the appointment of a successor. The present or any future Trustee may be removed at any time by (i) the Issuer at the direction of the Borrower, so long as no Event of Default has occurred and is continuing, or (ii) the Majority Holders with the consent of the Issuer and, so long as no Event of Default has occurred and is continuing, the Borrower, such consent not to be unreasonably withheld, by an instrument or concurrent instruments in writing signed by such Owners; provided, however, that in case such vacancy continues for at least thirty (30) days the Issuer, by an instrument signed by the Chairman, Vice Chairman or Executive Director of the Issuer and attested by its Executive Director, Secretary or Assistant Secretary under its seal or the Borrower, by certificate signed by a Responsible Officer of the Borrower, may appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by the Owners in the manner provided above.

(b) In case the present or any future Trustee shall at any time resign or be removed or otherwise become incapable of acting, a successor may be appointed by the Owners in the manner provided above.

(c) Every successor Trustee shall be a bank or trust company in good standing, qualified to do business in the State, duly authorized to exercise trust powers and subject to examination by federal or state authority, qualified to act hereunder and

having a capital and surplus of not less than \$500,000,000. Any successor Trustee appointed hereunder shall execute, acknowledge and deliver to the Issuer (with a copy to the Borrower and the Collateral Agent) an instrument accepting such appointment hereunder, and thereupon such successor shall, without any further act, deed or conveyance, become vested with all the estates, properties, rights, powers and trusts of its predecessor in the trust hereunder with like effect as if originally named as Trustee herein; but the Trustee retiring shall, nevertheless, on the written demand of the Issuer or its successor, execute and deliver an instrument conveying and transferring to such successor, upon the trusts herein expressed, all the estates, properties, rights, powers and trusts of the predecessor, which shall duly assign, transfer and deliver to the successor all properties and moneys held by it under this Indenture. Should any instrument in writing from the Issuer be required by any successor for more fully and certainly vesting in and confirming to such successor the properties, rights, powers and duties hereby vested or intended to be vested in the predecessor, such instrument in writing shall, at the reasonable discretion of the Issuer, be made, executed, acknowledged and delivered by the Issuer on request of such successor.

(d) Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor, and also to the Issuer and the Borrower an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the Issuer, the Borrower or any respective successor thereof, execute and deliver an instrument transferring to such successor all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as the Trustee hereunder to its successor. Should any instrument in writing from the Issuer be required by any successor Trustee for more fully and certainly vesting in such successor Trustee the Trust Estate, rights, powers and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer.

(e) The instruments evidencing the resignation or removal of the Trustee and the appointment of a successor hereunder, together with all other instruments provided for in this Section shall be filed and/or recorded by the successor Trustee in each recording office, if any, where this Indenture shall have been filed and/or recorded.

(f) The rights of the Trustee under this Article 8 shall survive the Trustee's resignation or removal.

Section 8.5 Conversion, Consolidation or Merger of Trustee. Any bank or trust company into which the Trustee or its successor may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its trust business as a whole shall be the successor of the Trustee under this Indenture with the same rights, powers, duties and obligations and subject to the same restrictions, limitations and liabilities as its predecessor, all without the execution or filing of any papers or any further act on the part of any of the parties hereto or thereto, anything herein or therein to the contrary notwithstanding provided that so long as no

Event of Default has occurred and is continuing, the Owners may appoint a successor trustee other than the entity into which the Trustee may be converted or merged in the manner provided above. In case any of the Bonds shall have been executed, but not delivered, any successor Trustee may adopt the signature of any predecessor Trustee, and deliver the same as executed; and, in case any of such Bonds shall not have been executed, any successor Trustee may execute such Bonds in the name of such successor Trustee.

Section 8.6 Intervention by Trustee. In any judicial proceeding to which the Issuer is a party relating to the Senior Loan Agreement, the Security Documents or this Indenture and which in the reasonable opinion of the Trustee, the Collateral Agent and their respective counsel has a substantial bearing on the interests of the Owners, the Trustee or the Collateral Agent, as applicable, may, subject to the Collateral Agency Agreement, intervene on behalf of the Owners. In addition, the Collateral Agent shall be entitled to the same protections, indemnification and reimbursement for fees and expenses as set forth herein in connection with the Security Documents and all actions taken by or on behalf of the Collateral Agent pursuant to the Security Documents.

Section 8.7 Books and Records; Reports.

(a) The Trustee shall at all times keep, or cause to be kept, proper books of record and account in which complete and accurate entries shall be made of all transactions relating to the Bonds and all Funds and Accounts established pursuant to this Indenture. Such books of record and accounts shall be available for inspection by the Issuer, the Borrower, and any Owner or their agents or representatives duly authorized in writing, at reasonable hours and under reasonable circumstances and upon reasonable prior written request.

(b) The Trustee shall maintain records of all receipts, disbursements, and investments of funds with respect to the Funds and Accounts until the fifth anniversary of the date on which all of the Bonds shall have been paid in full.

(c) The Trustee hereby agrees to provide a monthly report to the Collateral Agent four Business Days prior to each Transfer Date setting forth, among other things, the balance for each Fund and Account, including any sub-accounts, established and created pursuant to this Indenture.

Section 8.8 Notices, Etc. Subject to the provisions of Section 8.2(i) of this Indenture, the Trustee shall promptly deliver to the Issuer, the Borrower (other than with respect to any notices set forth in subclause (a) below) and the Collateral Agent:

(a) any notice provided to it by the Borrower under the terms of the Senior Loan Agreement and Additional Parity Bonds Loan Agreement (if executed);

(b) written notice of the occurrence of any Event of Default under this Indenture (with a description of any action being taken or proposed to be taken with respect thereto), including any payment defaults under Section 7.1(a) or (b) hereof and any Senior Loan Agreement Default; and

(c) written notice of any Security Interest placed on or claim against the Trust Estate (other than the Security Interests created under this Indenture or the other Financing Documents or any other Permitted Security Interest);

provided, however, that the notices referred to in subclause (a) above shall only be delivered (in each case) to the Issuer upon its written request.

ARTICLE 9.

SUPPLEMENTAL INDENTURES

Section 9.1 Supplemental Indentures Not Requiring Consent of Owners. The Issuer and the Trustee may, without the consent of, or notice to, the Owners, but with the prior written consent of the Borrower, enter into a Supplemental Indenture for any one or more or all of the following purposes:

(a) to provide for the issuance by the Issuer of the Additional Parity Bonds or Escrow Bonds in accordance with Article 12 hereof;

(b) to add additional covenants to the covenants and agreements of the Issuer set forth herein;

(c) to add additional revenues, properties or collateral to the Trust Estate;

(d) to cure any ambiguity, or to cure, correct or supplement any defect, mistake, error, omission or inconsistent provision contained herein;

(e) to amend any existing provision hereof or to add additional provisions which, in the opinion of Bond Counsel, are necessary or advisable (i) to qualify, or to preserve the qualification of, the interest on any Bonds for exclusion from gross income for federal income tax purposes; (ii) to qualify, or to preserve the qualification of, this Indenture or any Supplemental Indenture under the Trust Indenture Act; or (iii) to qualify, or preserve the qualification of, any Bonds for an exemption from registration or other limitations under the laws of any state or territory of the United States and under any federal law of the United States;

(f) to amend any provision hereof relating to the Series 2019A Rebate Fund or a rebate fund established pursuant to a Supplemental Indenture for the issuance of Additional Parity Bonds, if, in the opinion of Bond Counsel, such amendment does not adversely affect the excludability of the interest on the Bonds from gross income for federal income tax purposes;

(g) to provide for or eliminate book-entry registration of any of the Bonds;

(h) to obtain or maintain a rating (but not a particular rating level) of the Bonds by a Nationally Recognized Rating Agency;

(i) to facilitate the receipt of moneys;

(j) to facilitate the conversion of any portion of the Bonds to a different Mode;

(k) to establish additional funds, accounts or subaccounts necessary or useful in connection with the Project;

(l) to facilitate the movement or relocation of the Operating Account to a replacement Deposit Account Bank or the movement or relocation of the Project Accounts to a successor Collateral Agent; or

(m) in connection with any other change which, in the judgment of the Trustee (who may for such purposes rely entirely upon a legal opinion with respect thereto of counsel selected by, or reasonably satisfactory to, the Trustee, which legal counsel may rely on a rating confirmation by any Nationally Recognized Rating Agency or a certificate of an investment banker or financial advisor with respect to financial matters and on a certificate from the Issuer or Borrower as to factual matters), does not materially adversely affect the rights of the Owners, including, without limitation, conforming this Indenture to the terms and provisions of any other Financing Document and, for the avoidance of doubt, the Trustee shall be fully indemnified by the Borrower in connection with any claim, demand, suit, action or proceedings whatsoever arising out of such action pursuant to Section 7.02 of the Senior Loan Agreement.

Provisions of this Indenture may also be amended without Owner consent, with the written consent of the Borrower, on the date of any mandatory tender of Term Rate Bonds, but only with respect to the applicable portion of the Term Rate Bonds so tendered, provided that notice of any such amendment is included in the notice of mandatory tender for purchase of such Term Rate Bonds.

Section 9.2 Supplemental Indentures Requiring Consent of Owners. The Issuer and the Trustee may enter into a Supplemental Indenture for the purpose of adding any provisions to, changing in any manner, eliminating or waiving any of the provisions of this Indenture or modifying the rights of the Owners in any way under this Indenture (other than as contemplated in Section 9.1 hereof) with the written consent of the Owners of a majority in the aggregate principal amount of the then Outstanding Bonds or of any series of Bonds affected by the proposed amendment or waiver and with the written consent of the Borrower; provided, however, that no Supplemental Indenture modifying this Indenture in the way described below may be entered into without the written consent of the Owner of each Bond affected thereby:

(a) a reduction of the interest rate, principal of or interest on or Redemption Price payable on any Bond, a change in the maturity date of any Bond, a change in any Interest Payment Date for any Bond or a change in the redemption provisions applicable to any Bond (other than notice periods);

(b) the release or subordination of all or substantially all of the Trust Estate granted by this Indenture and the other Collateral, collectively taken as a whole, from the Security Interest securing the Bonds;

(c) the release or subordination of the Project Revenues or the Project Accounts from the lien of the Security Agreement;

(d) the creation of a priority right in the Trust Estate of another Bond over the right of the affected Bond, except as permitted by the Financing Documents; or

(e) a reduction in the percentage of the aggregate Outstanding Bonds required for consent to any Supplemental Indenture or the parties whose consent is required.

Section 9.3 Conditions to Effectiveness of Supplemental Indentures.

(a) No Supplemental Indenture shall be effective until (i) it has been executed by the Issuer and the Trustee and, when applicable, the Borrower and (ii) Bond Counsel (or in the case of clause (x) below, other counsel reasonably satisfactory to the Trustee) has delivered a written opinion to the effect that the Supplemental Indenture (x) complies with the provisions of this Article and (y) will not adversely affect the excludability from gross income for federal income tax purposes of interest on any series of Outstanding Bonds other than Taxable Bonds.

(b) No Supplemental Indenture entered into pursuant to Section 9.2 hereof shall be effective until, in addition to the conditions set forth in subsection (a) of this Section, subject to the provisions of any Supplemental Indenture, Owners of the required percentage of the Bonds have consented to the Supplemental Indenture. It shall not be necessary for the consent of the Owners under Section 9.2 hereof to approve the particular form of any proposed Supplemental Indenture, but it is sufficient if such consent approves the substance thereof. A notice that describes the nature of the Supplemental Indenture shall be sent to Owners (or delivered in accordance with the procedures of DTC) promptly after the effectiveness of such Supplemental Indenture. Any failure to send such notice, or any defect therein, will not, however, in any way impair or affect the validity of any such Supplemental Indenture.

Section 9.4 Consent of the Borrower. Anything herein to the contrary notwithstanding, a Supplemental Indenture under this Article shall not become effective unless and until the Borrower shall have consented to the execution and delivery of such Supplemental Indenture. In this regard, the Trustee shall cause notice of the proposed execution of any such Supplemental Indenture together with a copy of the proposed Supplemental Indenture to be sent to the Borrower at least 15 Business Days (or such shorter period as may be consented to by the Borrower) prior to the proposed date of execution and delivery of any such Supplemental Indenture.

Section 9.5 Execution of Supplemental Indentures by Trustee. Upon the request of the Borrower or the Issuer and upon delivery of evidence of the consent of the Owners, if required by Section 9.2 of this Indenture, the Trustee shall sign any Supplemental Indenture authorized pursuant to this Article; provided, however, that the Trustee shall not be obligated to sign any Supplemental Indenture pursuant to this Article if the amendment, supplement or waiver, in the judgment of the Trustee, could adversely affect the rights, duties, liabilities, protections, privileges, indemnities or immunities of the Trustee. In signing a Supplemental

Indenture, the Trustee shall be entitled to receive, and shall be fully protected in relying on, a Favorable Opinion of Bond Counsel with respect to such Supplemental Indenture.

ARTICLE 10.

AMENDMENT OF AND CERTAIN ACTIONS UNDER SENIOR LOAN AGREEMENT

Section 10.1 Amendments to Senior Loan Agreement Not Requiring Consent of Owners. Except with respect to any proposed amendment, modification or waiver affecting the Reserved Rights, the Issuer hereby delegates and assigns its right to amend, modify or waive any provision of the Senior Loan Agreement to the Trustee. The Issuer (in the case of any amendment, modification or waiver affecting the Reserved Rights) and the Trustee (in the case of any other amendment, modification or waiver) may (i) upon receipt of a Favorable Opinion of Bond Counsel with respect to the proposed amendment, modification or waiver and (ii) upon the receipt of the written consent of the Borrower, consent to any amendment, modification or waiver of the Senior Loan Agreement, without the consent of, or notice to, the Owners, for any one or more or all of the following purposes:

(a) to provide for the loan by the Issuer to the Borrower of the proceeds of Additional Parity Bonds or Escrow Bonds issued in accordance with Article 12 hereof;

(b) to add additional covenants to the covenants and agreements of the Borrower set forth therein;

(c) to cure any ambiguity, or to cure, correct or supplement any defect, mistake, error, omission or inconsistent provision contained therein;

(d) to amend any existing provision thereof or to add additional provisions which, in the opinion of Bond Counsel, are necessary or advisable (i) to qualify, or to preserve the qualification of, the interest on any Bonds for exclusion from gross income for federal income tax purposes or (ii) to qualify, or preserve the qualification of, any Bonds for an exemption from registration or other limitations under the laws of any state or territory of the United States;

(e) to facilitate the receipt of moneys;

(f) to facilitate the conversion of any portion of the Bonds to a different Mode;

(g) to establish additional funds, accounts or subaccounts necessary or useful in connection with the Project;

(h) to facilitate the movement or relocation of the Operating Account to a replacement Deposit Account Bank or the movement or relocation of the Project Accounts to a successor Collateral Agent; or

(i) in connection with any other change which, in the judgment of the Trustee (who may for such purposes rely entirely upon a legal opinion with respect thereto of

counsel selected by, or reasonably satisfactory to, the Trustee, which legal counsel may rely on a rating confirmation by any Nationally Recognized Rating Agency or a certificate of an investment banker or financial advisor with respect to financial matters and on a certificate from the Issuer or Borrower as to factual matters), does not materially adversely affect the rights of the Owners, including, without limitation, conforming the Senior Loan Agreement to the terms and provisions of any other Financing Document.

Provisions of the Senior Loan Agreement may also be amended without Owner consent, with the written consent of the Borrower, on the date of any mandatory tender of Term Rate Bonds, but only with respect to the applicable portion of the Term Rate Bonds so tendered, provided that notice of any such amendment is included in the notice of mandatory tender for purchase of such Term Rate Bonds.

Section 10.2 Amendments to Senior Loan Agreement Requiring Consent of Owners. Except for the amendments, modifications or waivers as provided in Section 10.1 hereof, the Issuer (in the case of any amendment affecting the Reserved Rights) and the Trustee (in the case of any other amendment, modification or waiver) may consent to any other amendment, modification or waiver of the Senior Loan Agreement with the prior written consent of the Majority Holders and with the written consent of the Borrower; provided, however, that no amendment, modification or waiver of the Senior Loan Agreement may be entered into in respect of the matters contemplated below unless the prior the written consent of the Owner of each Bond affected thereby and the Borrower has been obtained:

(a) a reduction of the interest rate, principal of or interest on the Series 2019A Loan, a change in the maturity date of the Series 2019A Loan, a change in the Interest Payment Date for the Series 2019A Loan or a change in the prepayment provisions applicable to the Series 2019A Loan;

(b) the release or subordination of all or substantially all of the Trust Estate granted by this Indenture and the other Collateral, collectively taken as a whole, from the Security Interest securing the Bonds; or

(c) the release or subordination of the Project Revenues or the Project Accounts from the lien of the Security Agreement;

Except as set forth in Sections 9.2(b), 9.2(c), 10.2(b) and 10.2(c) of this Indenture, the parties hereto acknowledge and agree that the Security Documents may be amended, waived or otherwise modified (including, without limitation, with respect to the release, sharing or subordination of the Trust Estate or any other Collateral from the Security Interest securing the Bonds) in accordance with the terms of the Collateral Agency Agreement or otherwise in accordance with the terms of the applicable Security Document, and the Trustee is hereby authorized and directed to enter into any such amendment, waiver or modification in accordance with the terms thereof.

The Trustee shall upon being reasonably satisfactorily indemnified with respect to expenses, cause notice of such proposed amendment, modification or waiver to be given in the same manner as provided by Section 9.3 hereof with respect to Supplemental Indentures;

provided, that prior to the delivery of such notice or request, the Trustee may require that a Favorable Opinion of Bond Counsel be furnished with respect to such amendment, modification or waiver. Such notice shall briefly set forth the nature of such proposed amendment, modification or waiver and shall state that copies of the instrument embodying the same are on file at the Designated Payment Office of the Trustee for inspection by all Owners.

Section 10.3 Actions of Trustee Requiring Owner Consent Pursuant to the Senior Loan Agreement or any Additional Parity Bonds Loan Agreement. In the event that the Senior Loan Agreement or any Additional Parity Bonds Loan Agreement (if executed) requires certain actions by the Trustee at the direction of a designated portion of the Owners of the applicable Bonds, the Trustee hereby agrees as follows:

(a) if the Borrower requests consent of the Trustee to be provided at the direction of a designated portion of the Owners of the applicable Bonds, the Trustee shall, upon notice of the same from the Borrower and upon being satisfactorily indemnified with respect to expenses, cause notice of such requested consent or action to be given in the same manner as provided by Section 9.3 hereof with respect to Supplemental Indentures; *provided*, that prior to the delivery of such notice or request, the Trustee may require that a Favorable Opinion of Bond Counsel be furnished with respect to such consent or action. Such notice shall briefly set forth the nature of such requested consent or action and shall state that any copies of such request from the Borrower are on file at the Designated Payment Office of the Trustee for inspection by all Owners; and/or

(b) upon direction from Owners of not less than the required percentage in aggregate principal amount of the Outstanding Bonds, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, take any such directed action in accordance with the Senior Loan Agreement or any Additional Parity Bonds Loan Agreement (if executed); *provided*, that prior to the delivery of such notice or request, the Trustee may require that a Favorable Opinion of Bond Counsel be furnished with respect to such consent or action.

ARTICLE 11.

DEFEASANCE

Section 11.1 Discharge of Indenture. If 100% of the principal of and interest on and Redemption Price due, or to become due, on all the Bonds, the fees and expenses due to the Trustee and all other amounts payable hereunder have been paid, or provision shall have been made for the payment thereof in accordance with Section 11.2 hereof and the opinion of Bond Counsel required by Section 11.3 hereof has been delivered, then, (a) the right, title and interest of the Trustee in and to the Trust Estate shall terminate and be discharged (referred to herein as the “discharge” of this Indenture); (b) the Trustee shall transfer and convey to or to the order of the Issuer all property that was part of the Trust Estate, including but not limited to any moneys held in any Fund or Account hereunder, except any Defeasance Escrow Account created pursuant to Section 11.2 hereof (which Defeasance Escrow Account shall continue to be held in accordance with the agreement governing the administration thereof, subject to Section 4.12 hereof, and consistent with Section 4.12 hereof, subject to any applicable abandoned property

law, the Trustee shall pay the Borrower upon request any money held by it for the payment of principal or interest with respect to the Redemption Price that remains unclaimed for three (3) years, and thereafter, the Owners entitled to such Redemption Price must look to the Borrower for payment); and (c) the Trustee shall execute any instrument requested by the Issuer to evidence such discharge, transfer and conveyance.

Section 11.2 Defeasance of Bonds.

(a) All or any portion of the Outstanding Bonds shall be deemed to have been paid (referred to herein as “defeased”) prior to their maturity or redemption if:

(i) if the defeased Bonds are to be redeemed prior to their maturity, the Issuer has given notice or irrevocably instructed the Trustee to give notice of redemption of such Bonds in accordance with this Indenture;

(ii) there has been deposited in trust in a Defeasance Escrow Account either moneys in an amount which shall be sufficient, or Defeasance Securities, to pay the principal of and the interest on which when due, and without any reinvestment thereof, will provide moneys which, together with the moneys, if any, deposited into or held in the Defeasance Escrow Account, shall be sufficient to pay when due the principal of and interest on or Redemption Price, as applicable, due and to become due on the defeased Bonds on and prior to the redemption date or maturity date thereof, as the case may be;

(iii) a verification agent, not unacceptable to the Issuer and the Trustee, has delivered a verification report verifying the sufficiency of the deposit described in paragraph (ii) of this subsection; and

(iv) the opinion of Bond Counsel required by Section 11.3 hereof has been delivered.

(b) The Defeasance Securities and moneys deposited in a Defeasance Escrow Account pursuant to this Section and the principal and interest payments on such Defeasance Securities shall not be withdrawn or used for any purpose other than, and shall be held in trust solely for, the payment of the principal of and interest on and Redemption Price of the defeased Bonds; *provided*, however, that (i) any moneys received from principal and interest payments on such Defeasance Securities that are not required to pay the principal of and interest on or Redemption Price of the defeased Bonds on the date of receipt shall, to the extent practicable, be reinvested in Defeasance Securities maturing at the times and in amounts sufficient to pay when due the principal of and interest on and Redemption Price to become due on the defeased Bonds on or prior to the redemption date or maturity date thereof, as the case may be; and (ii) any moneys or Defeasance Securities may be withdrawn from a Defeasance Escrow Account if (A) the moneys and Defeasance Securities that are on deposit in the Defeasance Escrow Account, including any moneys or Defeasance Securities that are substituted for the moneys or Defeasance Securities that are withdrawn from the Defeasance Escrow Account, satisfy the conditions stated in subsection (a)(ii) of this Section and (B) a

verification report and Bond Counsel opinion are delivered that comply with subsections (a)(iii) and (a)(iv) of this Section.

(c) Any Bonds that are defeased as provided in this Section shall automatically no longer be secured by or entitled to any right, title or interest in or to the Trust Estate, and the principal of and interest on and Redemption Price thereof shall be paid solely from the Defeasance Securities and money held in the Defeasance Escrow Account.

Section 11.3 Opinion of Bond Counsel. Prior to any discharge of this Indenture pursuant to Section 11.1 hereof or the defeasance of any Bonds pursuant to Section 11.2 hereof, Bond Counsel (or, with respect to the opinion in clause (i) below, other counsel reasonably satisfactory to the Trustee) must have delivered to the Issuer and the Trustee a written opinion to the effect that (i) all requirements of this Indenture for such discharge or defeasance have been complied with and (ii) such discharge or defeasance will not adversely affect the tax-exempt status of interest on the Bonds of any series (other than Taxable Bonds).

Section 11.4 Defeasance of Less than all Bonds. If less than all of the Bonds, any particular maturity or any Bonds with a particular interest rate within a maturity are defeased, the Trustee shall institute a system to preserve the identity of the individual Bonds or portions thereof that are defeased, regardless of changes in Bond numbers attributable to transfers and exchanges of Bonds.

ARTICLE 12.

ADDITIONAL PARITY BONDS

Section 12.1 Authorization for Additional Parity Bonds. Subject to the restrictions set forth in this Article and upon request by the Borrower, the Issuer may issue Additional Parity Bonds, which shall be ratably and equally secured by the Trust Estate, upon execution of a Supplemental Indenture without consent of the Owners of the Bonds pursuant to Section 9.1 hereof. Except to the extent inconsistent with the express terms of the Additional Parity Bonds issued and the related Supplemental Indenture executed pursuant to this Article 12, all of the provisions, terms, covenants and conditions of this Indenture shall be applicable to any Additional Parity Bonds issued hereunder. Upon request by the Borrower, the Issuer also may issue Escrow Bonds in a principal amount not greater than the amount of unused private activity bond allocation obtained by the Borrower, upon execution of a Supplemental Indenture without consent of the Owners of the Bonds pursuant to Section 9.1 hereof. Outstanding Escrow Bonds may be converted to Additional Parity Bonds equally and ratably secured by the Trust Estate with all other Outstanding Bonds, only if any of the conditions for the issuance of Additional Parity Bonds set forth in Section 12.2 below are satisfied with respect to the Bonds so converted. Escrow Bonds issued pursuant hereto, so long as such Escrow Bonds are secured solely by the Escrow Property, shall not be deemed to be Additional Parity Bonds for the purposes of any provision of this Indenture.

Section 12.2 Additional Parity Bonds.

(a) The Issuer may issue Additional Parity Bonds in accordance with Section 12.1 hereof only.

(b) Such Additional Parity Bonds may be issued if any of the following conditions in clauses (i), (ii), (iii), (iv) or (v) below are met:

(i) Additional Project Completion Bonds.

Additional Parity Bonds may be issued to finance or refinance the costs of the Project, in an aggregate principal amount, together with the Series 2019A Bonds and any other outstanding Permitted Additional Senior Indebtedness issued by the Borrower to finance the costs of the Project (collectively, “Additional Project Completion Indebtedness”), not to exceed \$3,000,000,000, so long as:

(A) a funded interest account shall be established pursuant to the Supplemental Indenture providing for the issuance of such Additional Parity Bonds for the sole benefit of the owners of such Additional Parity Bonds with an initial deposit equal to the interest payments due on such Additional Parity Bonds prior to the projected Phase 2 Revenue Service Commencement Date; and

(B) on or before the Phase 2 Revenue Service Commencement Date, an amount equal to six months of interest on such Additional Parity Bonds shall be required to be deposited in the Series 2019 Debt Service Reserve Account established under the Collateral Agency Agreement for the benefit of the owners of the Series 2019A Bonds and such Additional Parity Bonds.

Such Additional Parity Bonds may be issued in one or more series from time to time and may be issued to refinance outstanding Additional Project Completion Indebtedness not issued as Additional Parity Bonds.

(ii) Rolling Stock Bonds.

Additional Parity Bonds may be issued for the purpose of financing or refinancing the acquisition of rolling stock in an aggregate principal amount, together with any other outstanding Permitted Additional Senior Indebtedness issued by the Borrower to finance or refinance the acquisition of rolling stock (collectively, the “Rolling Stock Indebtedness”), not to exceed \$100,000,000, so long as:

(A) the Borrower shall have certified to the Trustee that the aggregate principal amount of the Rolling Stock Indebtedness shall not exceed 65% of the total cost of the acquisition of the rolling stock;

(B) additional funds in an amount equal to the then-projected operating losses of the Borrower, in excess of the amount then on deposit in the

Ramp-Up Reserve Account less any Revolver Availability, as determined by the Company shall be deposited in the Ramp-Up Reserve Account established under the Collateral Agency Agreement;

(C) if such Additional Parity Bonds are issued prior to the Phase 2 Revenue Service Commencement Date, a funded interest account shall be established pursuant to the Supplemental Indenture providing for the issuance of such Additional Parity Bonds for the sole benefit of the owners of such Additional Parity Bonds with an initial deposit equal to the interest payments due on such Additional Parity Bonds prior to the Phase 2 Revenue Service Commencement Date;

(D) on or before the later of the Phase 2 Revenue Service Commencement Date and the date of issuance of such Additional Parity Bonds, an amount equal to six months of interest on such Additional Parity Bonds shall be required to be deposited in the Series 2019 Debt Service Reserve Account established under the Collateral Agency Agreement for the benefit of the owners of the Series 2019A Bonds and such Additional Parity Bonds;

(E) the Borrower's interest in the rolling stock financed or refinanced with the proceeds of such Additional Parity Bonds shall be pledged as additional collateral for the Senior Indebtedness; and

(F) the Total Debt Service Coverage Ratio for each annual calculation period following the Phase 2 Revenue Service Commencement Date, taking into account the issuance of the Additional Parity Bonds, is projected by the Company, based on the ridership projections of its independent ridership and revenue advisor, to be not less than 1.50:1.00.

(iii) Refunding Bonds.

Additional Parity Bonds may be issued for the purpose of refunding any Outstanding Senior Indebtedness so long as (x) the debt service payable on all Senior Indebtedness Outstanding after the issuance of such Additional Parity Bonds does not exceed the debt service payable on all Senior Indebtedness Outstanding prior to the issuance of such Additional Parity Bonds (calculated for the period through the earlier of the next mandatory tender date or the final maturity of the Senior Indebtedness Outstanding prior to such refunding or defeasance); (y) if all then Outstanding Bonds are to be refunded, prepaid or defeased prior to maturity, all necessary instructions or arrangements will have been made (or concurrently made with the issuance of the Additional Parity Bonds), in order to give effect to such refunding, prepayment or defeasance; and (z) if less than all then Outstanding Bonds are to be refunded, prepaid or defeased prior to maturity in connection with such issuance of Additional Parity Bonds, all necessary instructions or arrangements will have been made (or concurrently made with the issuance of the Additional Parity Bonds), in order to give effect to the refunding, prepayment or defeasance of the Bonds which will not remain Outstanding.

(iv) Theme Park Extension Bonds.

Additional Parity Bonds may be issued for the purpose of financing or refinancing the costs of extending the Borrower's intercity passenger rail system to a station located at or proximate to one of the Major Theme Parks (the "Theme Park Extension") in an aggregate principal amount, together with any other outstanding Permitted Additional Senior Indebtedness issued by the Borrower to finance or refinance the Theme Park Extension (collectively, the "Theme Park Indebtedness"), not to exceed \$200,000,000, so long as:

(A) the Borrower shall have certified to the Trustee that the aggregate principal amount of the Theme Park Indebtedness shall not exceed 65% of the projected total cost of the design, development, acquisition, construction, improvement, installation, furnishing and equipping of the Theme Park Extension;

(B) new sub-accounts of the Construction Account shall be established under the Collateral Agency Agreement from which the proceeds of the Theme Park Indebtedness and the equity and other sources of funds for the Theme Park Extension shall be disbursed to pay the costs of the Theme Park Extension in accordance with the Collateral Agency Agreement;

(C) additional funds in an amount equal to the then-projected operating losses of the Borrower, in excess of the amount then on deposit in the Ramp-Up Reserve Account less any Revolver Availability, as determined by the Company shall be deposited in the Ramp-Up Reserve Account established under the Collateral Agency Agreement;

(D) a funded interest account shall be established pursuant to the Supplemental Indenture providing for the issuance of such Additional Parity Bonds for the sole benefit of the owners of such Additional Parity Bonds with an initial deposit equal to the interest payments due on such Additional Parity Bonds prior to the projected date of commencement of revenue service on the Theme Park Extension (the "Theme Park Extension Revenue Service Commencement Date");

(E) on or before the Theme Park Extension Revenue Service Commencement Date, an amount equal to six months of interest on such Additional Parity Bonds shall be required to be deposited in the Series 2019 Debt Service Reserve Account established under the Collateral Agency Agreement for the benefit of the owners of the Series 2019A Bonds and such Additional Parity Bonds

(F) the Borrower's interest in substantially all of the assets comprising the Theme Park Extension, including real estate, rail infrastructure and stations, shall be pledged as additional collateral for the Senior Indebtedness; and

(G) the Total Debt Service Coverage Ratio for each annual calculation period following the Phase 2 Revenue Service Commencement Date, taking into account the issuance of the Additional Parity Bonds, is projected by the Company, based on the ridership projections of its independent ridership and revenue advisor, to be not less than 1.50:1.00.

(v) Additional Station Bonds.

Additional Parity Bonds may be issued for the purpose of financing or refinancing the costs of designing, developing, acquiring, constructing, renovating, improving, installing, equipping and furnishing one or more additional stations along the rail corridor from Orlando to Miami, including but not limited to stations located at PortMiami and the Fort Lauderdale-Hollywood International Airport (each, an “Additional Station”), in an aggregate principal amount per Additional Station, together with any other outstanding Permitted Additional Senior Indebtedness issued by the Borrower to finance or refinance such Additional Station (collectively, the “Additional Station Indebtedness”), not to exceed \$50,000,000, so long as:

(A) the Borrower shall have certified to the Trustee that the aggregate principal amount of the Additional Station Indebtedness issued for such Additional Station shall not exceed 65% of the projected total cost of the design, development, acquisition, construction, improvement, installation, furnishing and equipping of such Additional Station;

(C) new sub-accounts of the Construction Account shall be established under the Collateral Agency Agreement from which the proceeds of the Additional Station Indebtedness and the equity and other sources of funds for such Additional Station shall be disbursed to pay the costs of such Additional Station in accordance with the Collateral Agency Agreement;

(D) additional funds in an amount equal to the then-projected operating losses of the Borrower, in excess of the amount then on deposit in the Ramp-Up Reserve Account less any Revolver Availability, as determined by the Company shall be deposited in the Ramp-Up Reserve Account established under the Collateral Agency Agreement;

(E) a funded interest account shall be established pursuant to the Supplemental Indenture or loan agreement providing for the issuance of such Additional Parity Bonds for the sole benefit of the owners of such Additional Parity Bonds with an initial deposit equal to the interest payments due on such Additional Parity Bonds prior to the projected date of commencement of revenue service of such Additional Station (each, an “Additional Station Revenue Service Commencement Date”);

(F) on or before such Additional Station Revenue Service Commencement Date, an amount equal to six months of interest on such Additional Parity

Bonds shall be required to be deposited in the Series 2019 Debt Service Reserve Account established under the Collateral Agency Agreement for the benefit of the owners of the Series 2019A Bonds and such Additional Parity Bonds;

(G) the Borrower's interest in substantially all of the assets comprising such Additional Station, including real estate, rail infrastructure and stations, shall be pledged as additional collateral for the Senior Indebtedness; and

(H) the Total Debt Service Coverage Ratio for each annual calculation period following the Phase 2 Revenue Service Commencement Date, taking into account the issuance of the Additional Parity Bonds, is projected by the Company, based on the ridership projections of its independent ridership and revenue advisor, to be not less than 1.50:1.00.

(c) All Additional Parity Bonds will be issued on such terms and conditions as are approved by the Issuer and the Borrower. Such terms and conditions may be different than the terms and conditions then applicable to the then Outstanding Bonds, including, but not limited to, with respect to the interest rate on such Additional Parity Bonds, the amortization applicable to any such Additional Parity Bonds (if any), the maturity date, covenants, events of default and the redemption and tender provisions applicable to such Additional Parity Bonds. Prior to the issuance of any Additional Parity Bonds, the Borrower and the Issuer shall provide written instructions to the Trustee as to the application by the Trustee of the proceeds of the sale of such Additional Parity Bonds.

(d) To the extent that any or all of the Series 2019A Bonds (or any Additional Parity Bonds) are outstanding at the time the Additional Parity Bonds are proposed to be incurred, the additional financing documents entered into in connection therewith (1) shall not prohibit the Borrower from incurring new indebtedness to refinance such Bonds (at least to the extent permitted hereunder and under the Senior Loan Agreement) and (2) shall provide that all principal and interest payment dates with respect to such Additional Parity Bonds will be the same principal and interest payment dates as for the Bonds to remain Outstanding through maturity of such Bonds.

(e) Prior to the issuance of any Additional Parity Bonds, the Borrower must deliver to the Trustee, the Collateral Agent and the Issuer the following:

(1) A certificate of the Borrower, signed by a Responsible Officer of the Borrower, dated as of the date of issuance of such proposed Additional Parity Bonds stating that no Potential Event of Default or Event of Default has occurred and is continuing or will result from the issuance of such Additional Parity Bonds;

(2) A certified copy of the resolution authorizing the issuance by the Issuer of the Additional Parity Bonds and authorizing the execution and delivery of the Additional Parity Bonds Loan Agreement and the Supplemental Indenture relating to such Additional Parity Bonds;

(3) An Opinion of Counsel to the Issuer substantially in the form of the Opinion of Counsel to the Issuer described in Section 3.3(a)(6) hereof, relating to the Additional Parity Bonds;

(4) An Opinion of Counsel to the Borrower acceptable to the Issuer and Bond Counsel substantially in the form of the Opinion of Counsel to the Borrower described in Section 3.3(a)(7) hereof, relating to the Additional Parity Bonds; and

(5) Executed counterparts of all financing documents related to the Additional Parity Bonds including, without limitation, (i) a certified copy of the executed counterpart of the Additional Parity Bonds Loan Agreement, under which the Issuer agrees to loan the proceeds of the Additional Parity Bonds to the Borrower, and (ii) an original, facsimile or electronic executed counterpart of the Supplemental Indenture under which the Additional Parity Bonds have been issued.

ARTICLE 13.

MISCELLANEOUS

Section 13.1 Table of Contents, Titles and Headings. The table of contents, titles and headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part hereof, shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Indenture or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 13.2 Inapplicability of Trust Indenture Act. No provisions of the Trust Indenture Act are incorporated by reference in or made a part of this Indenture.

Section 13.3 Interpretation and Construction. This Indenture and all terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Indenture. For purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(a) All references in this Indenture to designated “Articles,” “Sections,” “subsections,” “paragraphs,” “clauses” and other subdivisions are to the designated Articles, Sections, subsections, paragraphs, clauses and other subdivisions of this Indenture. The words “herein,” “hereof,” “hereto,” “hereby,” “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision. If this Indenture has been amended, then such words shall refer to this Indenture as so amended.

(b) The terms defined in Article 1 hereof have the meanings assigned to them in that Article or in the applicable documents referenced thereby and include the plural as well as the singular.

(c) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with GAAP for governmental entities similar to the Issuer as in effect from time to time.

(d) The term “money” includes any cash, check, deposit, investment security or other form in which any of the foregoing are held hereunder.

(e) In the computation of a period of time from a specified date to a later specified date, the word “from” means “from and including” and each of the words “to” and “until” means “to but excluding.”

(f) All references to any contract or agreement in this Indenture or in Section 1.1 hereof shall include all amendments, supplements and modifications thereto.

(g) This Indenture and all terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Indenture.

Section 13.4 Further Assurances and Corrective Instruments. The Issuer and the Trustee agree that so long as this Indenture is in full force and effect, the Issuer and the Trustee shall have full power to carry out the acts and agreements provided herein and they will from time to time, execute, acknowledge and deliver or cause to be executed, acknowledged and delivered such supplements hereto and such further instruments as may be required for correcting any inadequate or incorrect description of the Trust Estate, or for otherwise carrying out the intention of or facilitating the performance of this Indenture.

Section 13.5 Evidence of Signature of Owners and Ownership of Bonds.

(a) Any request, consent or other instrument which this Indenture may require or permit to be signed and executed by Owners may be in one or more instruments of similar tenor, and shall be signed or executed by such Owners in person or by their attorneys or other representatives appointed in writing, and proof of the execution of any such instrument or of an instrument appointing any such attorney, or the ownership of Bonds, shall be sufficient (except as otherwise herein expressly provided) if made in the following manner, but the Trustee may, nevertheless, in its discretion require further or other proof in cases where it deems the same desirable:

(i) the fact and date of the execution by any Owner or his attorney of such instrument may be proved by the certificate of any officer authorized to take acknowledgments in the jurisdiction in which he purports to act 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 a notary public; and

(ii) the fact of the ownership by any person of Bonds and the amounts, numbers and date of ownership of such Bonds may be proved by the registration records of the Trustee.

(b) Any request or consent of the Owner of any Bond shall bind all transferees of such Bond in respect of anything done or suffered to be done by the Issuer or the Trustee in accordance therewith.

Bonds owned or held by or for the account of the Issuer or the Borrower shall not be deemed Outstanding for the purpose of any consent to be provided by the Owners of the Bonds pursuant to this Indenture. At the time of any such calculation, the Issuer and the Borrower shall furnish the Trustee certificates, upon which the Trustee may conclusively rely, describing any Bonds required so to be excluded.

Section 13.6 Authorization of Officers and Employees. The officers and employees of the Issuer are hereby authorized and directed to take all actions that are necessary, convenient and in conformity with the Constitution and other laws of the State, federal law and this Indenture, to carry out the provisions of this Indenture.

Section 13.7 Parties Interested Herein. (a) Except as otherwise expressly provided in this Indenture, this Indenture shall be for the sole and exclusive benefit of the Issuer, the Trustee and the Owners, and their respective successors and assigns. Nothing in this Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any Person other than the Issuer, the Trustee or the Owners, any right, remedy or claim, legal or equitable, under or by reason of this Indenture or any terms hereof. To the extent that the Indenture confers upon or gives or grants to the Borrower or the Collateral Agent any right, remedy or claim under or by reason of the Indenture, each of the Borrower and the Collateral Agent is hereby explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder.

(b) Deutsche Bank National Trust Company is hereby appointed by the Issuer as collateral agent for the benefit of the Secured Parties with respect to the Security Interests in the Collateral and the rights and remedies granted pursuant to the Security Documents.

Section 13.8 Issuer and Trustee Representatives. Whenever under the provisions hereof or of any Supplemental Indenture the approval of the Issuer or the Trustee is required, or the Issuer or the Trustee is required to take some action at the request of the other, unless otherwise provided, such approval or such request shall be given for the Issuer by an Issuer Representative and for the Trustee by a Trustee Representative, and the Issuer and the Trustee shall be authorized to act on any such approval or request.

Section 13.9 Reporting between the Trustee and Collateral Agent. Any reports or notices required to be given hereunder or pursuant to any Supplemental Indenture from the Trustee to the Collateral Agent, shall be deemed delivered to the Collateral Agent without any further action on the part of the Trustee, as long as the Trustee and the Collateral Agent are the same entity.

Section 13.10 Manner of Giving Notices. Unless otherwise expressly provided herein, all notices, certificates or other communications provided for herein or under any Supplemental Indenture shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy or email, as follows:

Issuer: Florida Development Finance Corporation
156 Tuskawilla Road, Suite 2340
Winter Springs, FL 32708
Attention: Bill Spivey, Executive Director
Telephone: (407) 712-6355
Facsimile: (407) 369-4260
E-mail: bspivey@fdcbonds.com

with a copy to: Nelson Mullins Riley & Scarborough LLP
390 North Orange Avenue
Suite 1400
Orlando, FL 32801

Attention: Joseph B. Stanton
Telephone: (407) 839-4210
Facsimile: (407) 425-8377
E-Mail: joseph.stanton@nelsonmullins.com

Trustee: Deutsche Bank National Trust Company
60 Wall Street, 16th Floor
Mail Stop NYC60-1630
New York, New York 10005-2836

Attention: Corporates Team, Virgin Trains
Facsimile: 732-578-4635

Borrower: Virgin Trains USA Florida LLC
161 NW 6th Street, Suite 900,
Miami, Florida 33136

Attention: Myles Tobin, General Counsel
Telephone: 305.521.4875
E-mail: Myles.Tobin@allaboardflorida.com

With a copy to: Patrick Goddard, President and
Chief Operating Officer
Telephone: 305.521.4848
E-mail: Patrick.Goddard@gobrightline.com

Any party hereto may change its address or telecopy number for notices and other communications hereunder by notice to the other parties hereto. All notices or other communications required or permitted to be given pursuant to this Indenture shall be in writing and, if given in accordance with this Section, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when delivered by hand or, in the case of notice

given by mail, private courier, overnight delivery service, international shipping service or facsimile.

Section 13.11 Notices to Rating Agencies. If additional property, revenues or funds are granted, assigned or pledged as and for additional security hereunder pursuant to Section 2.1(e) hereof, the Trustee shall notify each Nationally Recognized Rating Agency then maintaining a rating on the Bonds, if any, in writing of such grant, assignment or pledge and the nature of such additional security.

Section 13.12 No Recourse; No Individual Liability. No recourse shall be had for the payment of, or premium if any, or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement in this Indenture contained, against any past, present or future officer, director, member, trustee, employee or agent of the Issuer or any officer, director, member, trustee, employee or agent or any successor entity, as such, either directly or through the Issuer or any successor entity, under any rule of law or equity, statute or constitution or by enforcement by any assessment or penalty or otherwise. The members of the Issuer, the officers and employees of the Issuer, or any other agents of the Issuer are not subject to personal liability or accountability by reason of any action authorized by the Act, including without limitation, the issuance of bonds, the failure to issue bonds, the execution of bonds and the making of guarantees. All covenants, stipulations, promises, agreements and obligations of the Issuer or the Trustee, as the case may be, contained herein, in any Supplemental Indenture or in the Bonds shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Issuer or the Trustee, as the case may be, and not of any member, director, officer, employee, servant or other agent of the Issuer or the Trustee in his or her individual capacity, and no recourse shall be had on account of any such covenant, stipulation, promise, agreement or obligation, or for any claim based thereon or hereunder, against any member, director, officer, employee, servant or other agent of the Issuer or the Trustee or any natural person executing this Indenture, any Supplemental Indenture, the Bonds or any related document or instrument.

Section 13.13 Events Occurring on Days that are not Business Days. If the date for making any payment or the last day for performance of any act, delivery of any document or the exercising of any right under this Indenture or the Bonds is a day that is not a Business Day, such payment may be made, such act may be performed, such document may be delivered or such right may be exercised on the next succeeding Business Day, with the same force and effect as if done on the nominal date provided in such instrument. If a Mandatory Tender Date or a Conversion Date is a day that is not a Business Day, such mandatory tender or conversion, as applicable, shall occur and all actions to be taken pursuant to this Indenture on such date in connection with such mandatory tender or conversion, as applicable, shall be taken on the next succeeding Business Day, with the same force and effect as if done on the nominal date thereof.

Section 13.14 Severability. Whenever possible, each provision of this Indenture shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Indenture, other than the grant of the Trust Estate to the Trustee, shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Indenture.

Section 13.15 Applicable Law. The laws of the State shall be applied in the interpretation, execution and enforcement of this Indenture.

Section 13.16 Execution in Counterparts. This Indenture may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Indenture by signing any such counterpart.

Section 13.17 Patriot Act. In order to comply with the laws, rules, regulations and executive orders in effect from time to time applicable to banking institutions, including without limitation those related to the funding of terrorist activities and money laundering, including Section 326 of the USA Patriot Act of the United States (“Applicable Law”), the Trustee is required to obtain, verify, record and update certain information relating to individuals and entities which maintain a business relationship with the Trustee. Accordingly, each of the parties agree to provide to the Trustee, upon their request from time to time such identifying information and documentation as may be available for such party in order to enable the Trustee to comply with Applicable Law.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this Indenture to be executed in their respective corporate names by their duly authorized officers, all as of the date first above written.

FLORIDA DEVELOPMENT FINANCE CORPORATION



By: _____
Executive Director

[SEAL]

ATTEST:


Assistant Secretary

DEUTSCHE BANK NATIONAL TRUST COMPANY, as Trustee

By: _____
Name:
Title:

By: _____
Name:
Title:

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this Indenture to be executed in their respective corporate names by their duly authorized officers, all as of the date first above written.

FLORIDA DEVELOPMENT FINANCE CORPORATION

[SEAL]

By: _____
Executive Director

ATTEST:

Assistant Secretary

DEUTSCHE BANK NATIONAL TRUST COMPANY, as Trustee

By: 
Name: Debra A. Schwalb

Title: Vice President

By: 
Name: Annie Jaghatpanyan
Title: Vice President

FORM OF SERIES 2019A BOND

The Series 2019A Bonds shall be in substantially the following form:

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE TO BE ISSUED THEREFOR IS TO BE REGISTERED IN THE NAME OF CEDE & CO., OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS TO BE MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

EXCEPT AS OTHERWISE PROVIDED IN THE INDENTURE, THIS BOOK ENTRY BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF DTC OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY. THE ISSUER, THE BORROWER AND THE TRUSTEE HAVE NO RESPONSIBILITY OR OBLIGATION TO ANY NOMINEE OF DTC OR TO ANY NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY.

THIS BOND HAS NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (“1933 ACT”), OR THE SECURITIES LAWS OF ANY STATE. ANY RESALE, PLEDGE, TRANSFER OR OTHER DISPOSITION OF THIS BOND OR ANY INTEREST HEREIN WITHOUT SUCH REGISTRATION OR QUALIFICATION MAY BE MADE ONLY IN A TRANSACTION WHICH DOES NOT REQUIRE SUCH REGISTRATION OR QUALIFICATION AND WHICH IS IN ACCORDANCE WITH THE INDENTURE.

THIS BOND IS SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT TO A PERSON WHO THE TRANSFEROR REASONABLY BELIEVES IS A “QUALIFIED INSTITUTIONAL BUYER” WITHIN THE MEANING OF RULE 144A PROMULGATED UNDER THE 1933 ACT, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE 1933 ACT. THE PURCHASER HEREOF AGREES TO PROVIDE NOTICE TO ANY PROPOSED TRANSFEREE OF A BENEFICIAL OWNERSHIP INTEREST IN THE PURCHASED BONDS OF THE RESTRICTION ON TRANSFERS.

EACH TRANSFEREE OF THIS BOND, BY ITS PURCHASE HEREOF, IS DEEMED TO HAVE REPRESENTED THAT SUCH TRANSFEREE IS A “QUALIFIED INSTITUTIONAL

BUYER” WITHIN THE MEANING OF RULE 144A UNDER THE 1933 ACT AND WILL ONLY TRANSFER, RESELL, REOFFER, PLEDGE OR OTHERWISE TRANSFER THIS BOND TO A SUBSEQUENT TRANSFEREE WHO SUCH TRANSFEROR REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE 1933 ACT WHO IS WILLING AND ABLE TO CONDUCT AN INDEPENDENT INVESTIGATION OF THE RISKS INVOLVED WITH OWNERSHIP OF THE BONDS, AND AGREES TO BE BOUND BY THE TRANSFER RESTRICTIONS.

UNITED STATES OF AMERICA

STATE OF FLORIDA

**FLORIDA DEVELOPMENT FINANCE CORPORATION
SURFACE TRANSPORTATION FACILITY
REVENUE BONDS
(VIRGIN TRAINS USA PASSENGER RAIL PROJECT), SERIES 2019A**

**Registered
No. R-___**

**Registered
\$**

Interest Rate

**Maturity Date
January 1, 2049**

Dated Date

CUSIP

Interest Rate Mode:

Mandatory Tender Date:

Registered Owner: ** CEDE & CO. **

Principal Amount: _____ DOLLARS

Capitalized terms used herein and not otherwise defined herein shall have the respective meanings assigned to such terms in the Indenture described herein.

FLORIDA DEVELOPMENT FINANCE CORPORATION (the “Issuer”), a public body corporate and politic and a public instrumentality organized and existing under the laws of the State of Florida (the “State”), for value received, promises to pay, but solely from the sources herein specified to the registered owner named above, or registered assigns, the principal amount stated above on the maturity date stated above, except as the provisions herein set forth with respect to redemption prior to maturity may become applicable hereto, and in like manner to pay interest on said principal amount at the interest rate per annum set forth above in the manner set forth herein, until said principal amount is paid in full.

THE ISSUER PROMISES TO PAY interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the date of delivery of the Series 2019A Bonds at the respective Interest Rate per annum specified above. Interest is payable semiannually on July 1, 2019 and on each January 1 and July 1 thereafter to the date of payment; except, that if this Series 2019A Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), but before the first Interest Payment Date, such principal amount shall bear interest from the date of delivery of the Series 2019A Bonds, unless such date of authentication is after any other Record Date but on or before the next following Interest Payment Date, in which case such principal amount shall bear interest from such next following Interest Payment Date; provided, however, that if on the date of authentication hereof the interest on the Series 2019A Bond or Bonds, if any, for which this Series 2019A Bond is being exchanged is due but has not been paid, then this Series 2019A Bond shall bear interest from the date to which such interest has been paid in full. Notwithstanding the foregoing, following an Event of Default, the interest rate in effect on this Series 2019A Bond shall be the Default Rate.

Method and Place of Payment. The principal of and interest on this Series 2019A Bond shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. The principal of and redemption premium, if any, on this Series 2019A Bond shall be payable by (i) check or draft of the Trustee mailed, on or before each Interest Payment Date, to the Owner thereof at his address as it last appears on the registration records of the Trustee at the close of business on the Record Date, (ii) in the case of Series 2019A Bonds in book-entry form, to DTC in immediately available funds and disbursement of such funds to owners of beneficial interests in Series 2019A Bonds in book-entry form will be made in accordance with the procedures of DTC or (iii) by such other method as mutually agreed in writing between the Owner of this Series 2019A Bond and the Trustee at the maturity or redemption date upon presentation and surrender of this Series 2019A Bond at the designated payment office of Deutsche Bank National Trust Company, as trustee (the “Trustee”). The interest payable on this Series 2019A Bond on any Interest Payment Date shall be paid by the Trustee to the registered owner of this Series 2019A Bond appearing on the bond register maintained by the Trustee at the close of business on the 15th day of the month preceding the month of each Interest Payment Date (the “Record Date”). If any such Record Date is not a Business Day, then the Record Date is the Business Day next preceding such date.

Authorization of Bonds. This Series 2019A Bond is one of a duly authorized series of bonds of the Issuer designated as the “Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Virgin Trains USA Passenger Rail Project), Series 2019A” in the aggregate principal amount of \$1,750,000,000 (the “Series 2019A Bonds”), issued pursuant to the authority of and in full compliance with the applicable laws of the State and pursuant to proceedings duly had by the Issuer. The Series 2019A Bonds are issued under and are equally and ratably secured and entitled to the protection given by that certain Indenture of Trust, dated as of April 18, 2019 (said Indenture of Trust, as amended, modified and/or supplemented from time to time in accordance with the provisions thereof, the “Indenture”), between the Issuer and the Trustee, for the purpose of making a loan to Virgin Trains USA Florida LLC (f/k/a Brightline Trains LLC and, prior to that, known as All Aboard Florida – Operations LLC), a Delaware limited liability company (the “Borrower”), to provide funds for

the purposes set forth in the Indenture. The loan will be made pursuant to that certain Amended and Restated Senior Loan Agreement, dated as of April 18, 2019 (said Amended and Restated Senior Loan Agreement, as amended, modified and/or supplemented from time to time in accordance with the provisions thereof, the “Senior Loan Agreement”), between the Issuer and the Borrower. Pursuant to the terms and conditions of the Indenture, the Issuer has pledged and assigned all of its right, title and interest (except for Reserved Rights) in and to the Senior Loan Agreement, including the right to receive all payments thereunder, to the Trustee as security for the Series 2019A Bonds, subject to the Security Documents. Reference is hereby made to the Indenture, which may be inspected at the designated payment office of the Trustee, for a description of the property pledged and assigned thereunder, and the provisions, among others, with respect to the nature and extent of the security for the Series 2019A Bonds, and the rights, duties and obligations of the Issuer, the Trustee and the registered owners of the Series 2019A Bonds, and a description of the terms upon which the Series 2019A Bonds are issued and secured, upon which provision for payment of the Series 2019A Bonds or portions thereof and defeasance of the lien of the Indenture with respect thereto may be made and upon which the Indenture may be deemed satisfied and discharged prior to payment of the Series 2019A Bonds.

Redemption of Series 2019A Bonds Prior to Maturity. The Series 2019A Bonds are subject to redemption prior to their stated maturity, in accordance with the terms and provisions of the Indenture, as follows:

Make-Whole Redemption. During the applicable initial Term Rate Period, the Series 2019A Bonds are subject to redemption at the option of the Borrower, in whole or in part (and if in part, by lot or, in the case of Series 2019A Bonds in book-entry form, in accordance with the procedures of DTC), at any time prior to January 1, 2020 (the “First Premium Call Date”), at a redemption price equal to the Make-Whole Redemption Price, plus interest accrued to but not including the redemption date.

The “Make-Whole Redemption Price” is equal to the sum of:

- (a) one hundred five percent (105%) of the principal amount of the Series 2019A Bonds to be redeemed; and
- (b) an amount equal to the sum of the remaining unpaid payments of interest to be paid on such Series 2019A Bonds to be redeemed from and including the date of redemption to the First Premium Call Date of such Series 2019A Bonds.

The Make-Whole Redemption Price of the Series 2019A Bonds described above will be determined by an independent accounting firm, investment banking firm or financial advisor (which accounting firm or financial advisor shall be retained by the Borrower at the expense of the Borrower to calculate such Make-Whole Redemption Price) and such agent’s or advisor’s determination of the Make-Whole Redemption Price shall be final and binding in the absence of manifest error. The Issuer, the Trustee and the Borrower may conclusively rely on such accounting firm’s, investment banking firm’s or financial advisor’s determination of such redemption price and shall bear no liability for such reliance.

Optional Redemption at a Premium. During the applicable initial Term Rate Period, the Series 2019A Bonds are subject to redemption at the option of the Borrower, in whole or in part (and if in part, by lot or, in the case of Series 2019A Bonds in book-entry form, in accordance with the procedures of DTC), at any time on or after the First Premium Call Date to but not including the first date that the redemption premium shown below equals 0%, as applicable (the “First Par Call Date”) at a redemption price equal to the principal amount redeemed, plus the Optional Redemption Prepayment Premium, plus interest accrued to but not including the redemption date.

The “Optional Redemption Prepayment Premium” means the redemption premium set forth below (expressed as a percentage of the principal amount redeemed) applicable to the date on which redemption occurs:

(a) with respect to the Series 2019A Bonds bearing interest at an initial Term Rate of 6.250%:

<u>Period During Which Redeemed</u>	<u>Redemption Premium</u>
January 1, 2020 through and including December 31, 2020	4%
January 1, 2021 through and including December 31, 2021	3
January 1, 2022 through and including December 31, 2022	2
January 1, 2023 through and including December 31, 2023	1
January 1, 2024 and thereafter	0

(b) With respect to the Series 2019A Bonds bearing interest at initial Term Rates of 6.375% and 6.500%:

<u>Period During Which Redeemed</u>	<u>Redemption Premium</u>
January 1, 2020 through and including December 31, 2020	5%
January 1, 2021 through and including December 31, 2021	4
January 1, 2022 through and including December 31, 2022	3
January 1, 2023 through and including December 31, 2023	2
January 1, 2024 through and including December 31, 2024	1
January 1, 2025 and thereafter	0

Optional Redemption at Par. During the applicable initial Term Rate Period, the Series 2019A Bonds are subject to redemption at the option of the Borrower, in whole or in part (and if in part, by lot or, in the case of Series 2019A Bonds in book-entry form, in accordance with the procedures of DTC) at any time on or after the applicable First Par Call Date at a redemption price equal to the principal amount redeemed, plus interest accrued to but not including the redemption date.

During each subsequent Term Rate Period and after conversion to the Fixed Rate Mode, unless redemption provisions are otherwise established by the Borrower pursuant to Section 4.9(b) of the Indenture, the Series 2019A Bonds shall be subject to redemption at the option of the Borrower in whole or in part at any time on or after the First Optional Redemption Date applicable to such Term Rate Period or Fixed Rate Period, as set forth below, at a redemption

price equal to the principal amount redeemed, plus interest accrued to but not including the redemption date:

<u>Length of Rate Period</u>	<u>First Optional Redemption Date</u>
Greater than or equal to 15 years	Tenth anniversary of the Conversion Date
Less than 15 years and greater than or equal to 10 years	Seventh anniversary of the Conversion Date
Less than 10 years and greater than or equal to 5 years	Third anniversary of the Conversion Date
Less than 5 years	Bonds not subject to optional redemption

Mandatory Sinking Fund Redemption. The Series 2019A Bonds bearing interest at an initial Term Rate of 6.250% are subject to mandatory redemption prior to maturity, in part, at a redemption price equal to the principal amount thereof, plus interest accrued to but not including the redemption date, on January 1 of the years and in the aggregate principal amounts set forth in the following table:

<u>Redemption Dates</u> <u>(January 1)</u>	<u>Principal Amount</u>	<u>Redemption Dates</u> <u>(January 1)</u>	<u>Principal Amount</u>
2026	\$6,000,000	2038	\$10,800,000
2027	6,400,000	2039	11,200,000
2028	6,800,000	2040	11,600,000
2029	7,200,000	2041	12,000,000
2030	7,600,000	2042	12,400,000
2031	8,000,000	2043	12,800,000
2032	8,400,000	2044	13,200,000
2033	8,800,000	2045	13,500,000
2034	9,200,000	2046	13,500,000
2035	9,600,000	2047	13,500,000
2036	10,000,000	2048	13,500,000
2037	10,400,000	2049*	13,600,000

* Final maturity.

The Series 2019A Bonds bearing interest at an initial Term Rate of 6.375% are subject to mandatory redemption prior to maturity, in part, at a redemption price equal to the principal amount thereof, plus interest accrued to but not including the redemption date, on January 1 of the years and in the aggregate principal amounts set forth in the following table:

<u>Redemption Dates</u> <u>(January 1)</u>	<u>Principal Amount</u>	<u>Redemption Dates</u> <u>(January 1)</u>	<u>Principal Amount</u>
2030	\$12,000,000	2040	\$26,600,000
2031	12,000,000	2041	27,700,000

2032	12,000,000	2042	28,800,000
2033	12,000,000	2043	29,900,000
2034	20,000,000	2044	31,000,000
2035	21,100,000	2045	32,100,000
2036	22,200,000	2046	33,200,000
2037	23,300,000	2047	34,300,000
2038	24,400,000	2048	35,400,000
2039	25,500,000	2049*	36,500,000

* Final maturity.

The Series 2019A Bonds bearing interest at an initial Term Rate of 6.500% are subject to mandatory redemption prior to maturity, in part, at a redemption price equal to the principal amount thereof, plus interest accrued to but not including the redemption date, on January 1 of the years and in the aggregate principal amounts set forth in the following table:

<u>Redemption Dates</u> <u>(January 1)</u>	<u>Principal Amount</u>	<u>Redemption Dates</u> <u>(January 1)</u>	<u>Principal Amount</u>
2030	\$25,155,000	2040	\$45,205,000
2031	27,630,000	2041	49,060,000
2032	30,290,000	2042	53,265,000
2033	33,150,000	2043	57,840,000
2034	28,220,000	2044	62,805,000
2035	30,400,000	2045	68,290,000
2036	32,825,000	2046	74,520,000
2037	35,495,000	2047	81,225,000
2038	38,440,000	2048	88,435,000
2039	41,670,000	2049*	96,080,000

* Final maturity.

Extraordinary Mandatory Redemption.

Unspent Bond Proceeds.

The Series 2019A Bonds are subject to extraordinary mandatory redemption in part by lot or, in the case of Series 2019A Bonds in book-entry form, in accordance with the procedures of DTC, within such maturities as selected by the Borrower at a redemption price of par plus accrued interest to, but not including, the redemption date (which shall occur on any date for which the requisite notice of redemption can be given but which will be set by the Trustee on a Business Day that is no earlier than the date that is five years and 30 days after the date of issuance of the Series 2019A Bonds and no later than the date that is five years and 90 days after the date of issuance of the Series 2019A Bonds) in the principal amount of (rounded upward to a multiple of \$5,000) and to the extent of any remaining unspent Series 2019A Bond proceeds on such date, sufficient to effectuate such redemption; provided that no such redemption shall be required if the Borrower has obtained an opinion of Bond Counsel stating that the failure to redeem the Series 2019A Bonds will not adversely affect the exclusion of interest on the Series 2019A Bonds from gross income for federal income tax purposes.

Loss Proceeds.

The Series 2019A Bonds are subject to extraordinary mandatory redemption, *pro rata* with any Additional Senior Indebtedness in accordance with the applicable Financing Obligation Documents, from net amounts of Loss Proceeds, received by the Borrower, to the extent that (i) such proceeds exceed the amount required to Restore the Project or any portion thereof to the condition existing prior to the Loss Event or (ii) the affected property cannot be Restored to permit operation of the Project on a Commercially Feasible Basis and upon delivery to the Collateral Agent of an officer's certificate of the Borrower certifying to the foregoing (together with, in the case of clauses (i) and (ii) immediately above, a certificate signed by an authorized representative of the Independent Engineer concurring with such officer's certificate). Such redemption will be in whole or in part, and if in part, by lot or, in the case of Series 2019A Bonds in book-entry form, in accordance with the procedures of DTC, within such maturities as selected by the Borrower (provided that a portion of a Series 2019A Bond may be redeemed only in Authorized Denominations), at a redemption price of par plus accrued interest to but not including the redemption date.

Event of Taxability.

The Series 2019A Bonds are subject to extraordinary mandatory redemption, in whole, in the event of a Determination of Taxability, on the earliest date for which the requisite notice of redemption can be given in the manner set forth below following the occurrence of such Determination of Taxability, at a redemption price equal to par plus interest accrued to but not including the redemption date. As used herein, "Determination of Taxability" means the occurrence of both of the following: (i) any of the litigation pending against the Borrower and/or the United States Department of Transportation on the Closing Date in federal court with respect to the Project is determined adversely to the Borrower and/or the United States Department of Transportation, from which determination no appeal may be taken or with respect to which the time for taking an appeal shall have expired without an appeal having been taken, and (ii) such determination adversely affects the excludability of the interest on the Series 2019A Bonds from gross income for federal income tax purposes.

Notice of Redemption. Notice of any optional or mandatory redemption identifying the Series 2019A Bonds or portions thereof to be redeemed and specifying the terms of such redemption, shall be given by the Trustee by mailing a copy of the redemption notice by United States first-class mail (or, in the case of Series 2019A Bonds in book-entry form, sending such notice in accordance with the procedures of DTC), at least 30 days and not more than 60 days prior to the date fixed for redemption, to the Owner of each Series 2019A Bond to be redeemed at the address as it last appears on the registration records of the Trustee; *provided*, however, that failure to give any such notice, or any defect therein, shall not affect the validity of any proceedings of any Series 2019A Bonds as to which no such failure has occurred. The Trustee shall give notice in the name of the Issuer of redemption of the Series 2019A Bonds upon receipt by the Trustee at least 35 days (or such shorter period as may be agreed by the Trustee) prior to the redemption date of a written request of the Borrower. Such request shall specify the principal amount of the Series 2019A Bonds and their maturities to be called for redemption, the applicable redemption price or prices, the date fixed for redemption and the provision or

provisions above referred to pursuant to which Series 2019A Bonds are to be called for redemption.

Any notice sent as provided herein shall be conclusively deemed to have been duly given, whether or not the Owner receives the notice. Notice of optional redemption may, at the Borrower's option and discretion, be subject to one or more conditions precedent. If any such redemption or notice is subject to satisfaction of one or more conditions precedent, such notice will state that, in the Borrower's discretion, the date fixed for redemption may be delayed until such time as any or all such conditions shall be satisfied, or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied by the date fixed for redemption, or by such date so delayed.

If at the time of sending of notice of any optional redemption of Series 2019A Bonds at the option of the Borrower there shall not have been deposited with the Trustee moneys sufficient to pay the Redemption Price of all the Series 2019A Bonds called for redemption, which moneys are or will be available for redemption of Series 2019A Bonds (the "Redemption Moneys"), such notice shall state that it is conditional upon the deposit of an amount equivalent to the full amount of the Redemption Moneys with the Trustee for such purpose not later than the opening of business on the redemption date specified in the relevant redemption notice, and such redemption notice shall be of no effect unless such Redemption Moneys are so deposited.

So long as DTC is effecting book-entry transfers of the Series 2019A Bonds, the Trustee, at the direction of the Issuer or the Borrower, shall provide the notices specified herein to DTC. It is expected that DTC shall, in turn, notify its direct participants and that the direct participants, in turn, will notify or cause to be notified the beneficial owners of the Series 2019A Bonds. Any failure on the part of DTC or a direct participant, or failure on the part of a nominee of a beneficial owner of a Series 2019A Bond (having been sent notice from the Trustee, DTC, a direct participant or otherwise) to notify the beneficial owner of the Series 2019A Bond so affected, shall not affect the validity of the redemption of such Bond.

Mandatory Tender. The Series 2019A Bonds in the Term Rate Mode shall be subject to mandatory tender for purchase on each Mandatory Tender Date. EACH OWNER AND EACH BENEFICIAL OWNER OF THE SERIES 2019A BONDS, BY ITS ACCEPTANCE OF THE SERIES 2019A BONDS, AGREES TO TENDER ITS SERIES 2019A BONDS TO THE TRUSTEE FOR PURCHASE ON EACH MANDATORY TENDER DATE. The Trustee shall give notice of such mandatory purchase to the Owners of the Series 2019A Bonds subject to mandatory tender for purchase no less than fifteen (15) days prior to the Mandatory Tender Date. Any notice shall state the Mandatory Tender Date, the Purchase Price, the numbers of the Series 2019A Bonds to be purchased if less than all of the Series 2019A Bonds owned by such Owner are to be purchased, and that interest on Series 2019A Bonds subject to mandatory purchase shall cease to accrue from and after the Mandatory Tender Date. The failure to send such notice with respect to any Series 2019A Bond shall not affect the validity of the mandatory purchase of any other Series 2019A Bond with respect to which notice was so sent. Any notice sent will be conclusively presumed to have been given, whether or not actually received by any Owner or beneficial owner. The Series 2019A Bonds in the Fixed Rate Mode shall not be subject to mandatory tender for purchase.

Conversion. While the Series 2019A Bonds are in a Term Rate Mode, on each Mandatory Tender Date, the Borrower may effect a change in the interest rate with respect to all or a portion of the Series 2019A Bonds to a new Term Rate for a new Term Rate Period or convert all or a portion of the Series 2019A Bonds to bear interest at a Fixed Rate. When a portion of the Series 2019A Bonds is subject to conversion, the Borrower may change the series designation for such portion with notice to the Trustee and the Issuer. On any Business Day which is at least 20 days before the proposed Conversion Date, the Borrower shall give written notice to the Notice Parties stating that the Series 2019A Bonds will be converted to a new Term Rate for a new Term Rate Period or to the Fixed Rate, as applicable, and setting forth the proposed Conversion Date. Not later than the 15th day next preceding the Conversion Date, the Trustee shall send, in the name of the Issuer, a notice of such proposed conversion to the Owners of the Series 2019A Bonds stating that the Series 2019A Bonds will be converted to a new Term Rate for a new Term Rate Period or to a Fixed Rate, as applicable, stating the proposed Conversion Date and stating that such Owner is required to tender such Owner's Series 2019A Bonds for purchase on such proposed Conversion Date. Following conversion to the Fixed Rate Mode, the Series 2019A Bonds shall not be subject to mandatory tender for purchase.

Book-Entry System. The Series 2019A Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Indenture. One or more bond certificates with respect to each date on which the Series 2019A Bonds are stated to mature, registered in the nominee name of DTC, is being issued and required to be deposited with DTC and immobilized in its custody. The book-entry system will evidence positions held in the Series 2019A Bonds by DTC's direct participants, beneficial ownership of the Series 2019A Bonds in Authorized Denominations being evidenced in the records of such direct participants. Transfers of ownership shall be effected on the records of DTC and its direct participants pursuant to rules and procedures established by DTC and its direct participants. The Issuer and the Trustee will recognize the DTC nominee, while the registered owner of this Series 2019A Bond, as the owner of this Series 2019A Bond for all purposes under the Indenture, including (i) payments of principal of, and redemption premium, if any, and interest on, this Series 2019A Bond, (ii) notices and (iii) voting. Transfer of principal, interest and any redemption premium payments to direct participants of DTC, and transfer of principal, interest and any redemption premium payments to beneficial owners of the Series 2019A Bonds by direct participants of DTC will be the responsibility of such direct participants and other nominees of such beneficial owners. The Issuer and the Trustee will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by DTC, the DTC nominee, its direct participants or persons acting through such direct participants. While the DTC nominee is the owner of this Series 2019A Bond, notwithstanding the provisions hereinabove contained, payments of principal of, redemption premium, if any, and interest on this Series 2019A Bond shall be made in accordance with existing arrangements among the Issuer, the Trustee and DTC.

Transfer and Exchange. **EXCEPT AS OTHERWISE PROVIDED IN THE INDENTURE, THIS SERIES 2019A BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE DTC OR TO A DTC SUCCESSOR OR TO A NOMINEE OF THE DTC SUCCESSOR.** This Series 2019A Bond may be transferred or exchanged, as provided in the Indenture, only upon the bond register maintained by the Trustee 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 Series 2019A 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 Series 2019A Bond or Bonds of the same maturity and in the same aggregate principal amount, shall be issued to the transferee in exchange therefor as provided in the Indenture, and upon payment of the charges therein prescribed. Except as otherwise specifically provided herein and in the Indenture with respect to rights of direct participants and beneficial owners when a book-entry system is in effect, the Issuer and the Trustee may deem and treat the person in whose name this Series 2019A Bond is registered on the bond register 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 under the Indenture. The Series 2019A Bonds shall be in Authorized Denominations.

IN CERTAIN CIRCUMSTANCES SET OUT HEREIN, THIS SERIES 2019A BOND (OR PORTION THEREOF) IS SUBJECT TO PURCHASE OR REDEMPTION, IN EACH CASE UPON NOTICE TO THE OWNER HEREOF AS OF A DATE PRIOR TO SUCH PURCHASE OR REDEMPTION. IN EACH SUCH EVENT AND UPON DEPOSIT OF THE PURCHASE OR REDEMPTION PRICE WITH THE TRUSTEE ON THE PURCHASE OR REDEMPTION DATE, AS THE CASE MAY BE, THIS SERIES 2019A BOND (OR PORTION THEREOF) SHALL CEASE TO BE DEEMED TO BE OUTSTANDING UNDER THE INDENTURE, INTEREST HEREON SHALL CEASE TO ACCRUE AS OF THE PURCHASE OR REDEMPTION DATE, AND THE REGISTERED OWNER HEREOF SHALL BE ENTITLED ONLY TO RECEIVE THE PURCHASE OR REDEMPTION PRICE SO DEPOSITED WITH THE TRUSTEE BUT ONLY UPON SURRENDER OF THIS SERIES 2019A BOND TO THE TRUSTEE.

Limitation on Rights. The registered owner of this Series 2019A Bond shall have no right to enforce the provisions of the Indenture or to institute an action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Series 2019A Bonds issued under the Indenture and then outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon. The Series 2019A Bonds or the Indenture may be modified, amended or supplemented only to the extent and in the circumstances permitted by the Indenture.

Limited Obligations. THIS SERIES 2019A BOND SHALL NOT CONSTITUTE OR BECOME A GENERAL INDEBTEDNESS, A DEBT OR A LIABILITY OF OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE STATE OF FLORIDA, OR ANY SUBDIVISION OF THE STATE OF FLORIDA OR OF ANY OTHER POLITICAL SUBDIVISION OR BODY CORPORATE AND POLITIC WITHIN THE STATE OF FLORIDA BUT SHALL BE A SPECIAL, LIMITED OBLIGATION OF THE ISSUER TO THE EXTENT OF THE REVENUES PLEDGED IN THE INDENTURE, AND NEITHER THE STATE OF FLORIDA, OR ANY SUBDIVISION OF THE STATE OF FLORIDA, EXCEPT THE ISSUER TO THE EXTENT PROVIDED ABOVE, SHALL BE LIABLE HEREON; NOR SHALL THIS SERIES 2019A BOND CONSTITUTE THE GIVING, PLEDGING, OR

LOANING OF THE FAITH AND CREDIT OF THE STATE OF FLORIDA, OR ANY SUBDIVISION OF THE STATE OF FLORIDA OR OF ANY OTHER POLITICAL SUBDIVISION OR BODY CORPORATE AND POLITIC WITHIN THE STATE OF FLORIDA, BUT SHALL BE PAYABLE SOLELY FROM TRUST ESTATE AND THE COLLATERAL. THE BONDS AND THE INTEREST THEREON DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION. THE ISSUER HAS NO TAXING POWER.

Authentication and Authorization. It is hereby certified and recited that all conditions, acts and things required by law and the Indenture to exist, to have happened and to have been performed precedent to the issuance of this Series 2019A Bond, exist, have happened and have been performed and that the issue of Series 2019A Bonds of which this is one, together with all other indebtedness of the Issuer, complies in all respects with the applicable laws of the State, including, particularly, the Act.

Neither the members of the Issuer nor any person executing the securities of the Issuer shall be liable personally on such securities by reason of the issuance thereof.

This Series 2019A Bond shall not be entitled to any benefit under the Indenture or be valid or become obligatory for any purpose until this Series 2019A Bond shall have been authenticated by the execution by the Trustee of the Trustee's Certificate of Authentication hereon.

Governing Law. This Series 2019A Bond shall be governed by and construed in accordance with the laws of the State.

IN WITNESS WHEREOF, THE FLORIDA DEVELOPMENT FINANCE CORPORATION has caused this Series 2019A Bond to be signed by the manual or facsimile signature of its Executive Director, its seal to be impressed or printed hereon and attested by the manual or facsimile signature of its Assistant Secretary, and this Series 2019A Bond to be dated as of the 18th day of April, 2019.

FLORIDA DEVELOPMENT FINANCE CORPORATION

By: _____
Executive Director

[SEAL]

Attest:

By: _____
Assistant Secretary

[END OF SERIES 2019A BOND FORM]

[FORM OF CERTIFICATE OF AUTHENTICATION]

This Series 2019A Bond is one of the Series 2019A Bonds delivered pursuant to the within-mentioned Indenture.

DEUTSCHE BANK NATIONAL TRUST
COMPANY, as Trustee

Date: _____

By: _____

Authorized Signatory

[END OF FORM OF CERTIFICATE OF AUTHENTICATION]

[FORM OF ASSIGNMENT]

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Series 2019A Bond and hereby irrevocably constitutes and appoints _____ attorney, to transfer the same on the records of the Trustee, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed by a
member of the Medallion
Signature Program:

Address of transferee:

Social Security or other tax
identification number of
transferee:

NOTE: The signature to this Assignment must correspond with the name as written on the face of the within Series 2019A Bond in every particular, without alteration or enlargement or any change whatsoever.

EXCHANGE OR TRANSFER FEES MAY BE CHARGED

[END FORM OF ASSIGNMENT]

**FIRST AMENDMENT TO
INDENTURE OF TRUST**

THIS FIRST AMENDMENT TO INDENTURE OF TRUST, dated as of October 20, 2020 (this “Amendment”), is by and between **FLORIDA DEVELOPMENT FINANCE CORPORATION**, a public body corporate and politic, and a public instrumentality organized and existing under the laws of the State of Florida (the “Issuer”), and **DEUTSCHE BANK NATIONAL TRUST COMPANY**, a national banking association organized and existing under and by virtue of the laws of the United States of America, as trustee (the “Trustee”).

WHEREAS, the Issuer and the Trustee are parties to that certain Indenture of Trust, dated as of April 18, 2019 (the “Indenture of Trust” and, collectively with this Amendment, the “Indenture”);

WHEREAS, Brightline Holdings LLC (f/k/a Virgin Trains USA LLC) (the “Company”), the indirect parent of the Borrower (as hereinafter defined), is making offers to purchase a portion of the Series 2019A Bonds (the “Tender Offers”) described in the offer to purchase dated October 20, 2020 (the “Offer to Purchase”); and

WHEREAS, Brightline Trains Florida LLC (f/k/a Virgin Trains USA Florida LLC) (the “Borrower”) has requested, and the Trustee and the Issuer have agreed, to amend the Indenture of Trust, (i) effective as of the date hereof, to redesignate the Series 2019A Bonds and provide that the Bonds may be purchased and held by any affiliate of the Borrower, and (ii) effective as of the Settlement Date (as defined in the Offer to Purchase), to require that the Borrower make certain deposits to the Debt Service Fund as set forth herein;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Trustee and the Issuer agree as set forth herein.

1. **Amendments Effective Immediately.** The Indenture of Trust is hereby amended, effective as of the date hereof, as follows:

(a) There have been issued under and secured by the Indenture of Trust a series of bonds designated as the “Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Virgin Trains USA Passenger Rail Project), Series 2019A” (the “Series 2019A Bonds”), in the aggregate principal amount of \$1,750,000,000. The Series 2019A Bonds are hereby being redesignated as “Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Florida Passenger Rail Project), Series 2019A”.

Upon such redesignation, the Series 2019A Bonds shall be surrendered to the Trustee for cancellation and new Series 2019A Bond certificates of the same maturity and interest rate and in Authorized Denominations shall be executed on behalf of and delivered by the Issuer to the Trustee as custodial agent of The Depository Trust Company.

(b) Section 4.14 of the Indenture of Trust is hereby amended by deleting it in its entirety and replacing it with the following:

“Section 4.14 Open Market Purchases/Purchase in Lieu of Redemptions.

Notwithstanding the transfer restrictions set forth in Section 4.3 and the Form of Bonds attached as Exhibit A to the Indenture of Trust, the Borrower or any Affiliate thereof may, to the extent permitted by applicable law, at any time and from time to time purchase Bonds in the open market, on an exchange or by tender or in a privately negotiated transaction at any price. Any Bonds so purchased may be held by or for the account of the Borrower or such Affiliate, and the Borrower or such Affiliate may surrender such Bonds to the Trustee for cancellation.

At any time prior to giving notice of redemption, the Trustee shall, upon direction of the Borrower, apply any amounts in the Redemption Account (excluding accrued interest, which is payable from the Interest Account) to the purchase of Bonds subject to optional redemption pursuant to the Form of Bonds attached hereto as Exhibit A, at public or private sale, as and when and at such prices (including brokerage and other charges) as the Borrower may direct, except that the purchase price may not exceed the Redemption Price then applicable to such Bonds. Whenever Bonds are called for redemption pursuant to the Form of Bonds attached hereto as Exhibit A, the Trustee may, upon direction of the Borrower, apply amounts in the Redemption Account (excluding accrued interest, which is payable from the Interest Account) to purchase some or all of the Bonds subject to optional redemption pursuant to the Form of Bonds attached hereto as Exhibit A, on the applicable redemption date, at the Redemption Price then applicable to such Bonds. Bonds purchased pursuant to this paragraph of Section 4.14 and not cancelled shall be subject to conversion pursuant to Section 4.9 and to remarketing pursuant to Section 4.15, and the date of such purchase shall be deemed to be a Mandatory Tender Date for purposes of such Sections 4.9 and 4.15. Any Bonds purchased pursuant to this paragraph of Section 4.14 at a purchase price other than the principal amount thereof, plus accrued and unpaid interest, if any, to but not including the date of purchase, and remarketed pursuant to Section 4.15, shall be converted to a Term Rate Period with a term of approximately ten years, unless otherwise directed by the Borrower which direction shall be accompanied by a Favorable Opinion of Bond Counsel.”

2. **Amendments Effective Upon Tender.** If and when the Settlement Date occurs, the Indenture of Trust shall be amended, effective as of the Settlement Date, as follows:

- (a) Upon the remarketing of all or any portion of the Series 2019B Bonds issued pursuant to the First Supplemental Indenture of Trust, dated as of June 20, 2019, as amended by the First Amendment to First Supplemental Indenture of Trust, dated as of June 18, 2020, between the Issuer and the Trustee (as amended, the “First Supplemental Indenture”), as Released Bonds (as defined in the First Supplemental Indenture), the Borrower shall cause funds to be deposited into the Series 2019A Funded Interest Account of the Debt Service Fund in an amount sufficient (as reasonably calculated by the Borrower), together with other funds then on deposit in such Account, to pay interest on the Series 2019A Bonds through and including January 1, 2023 (the “Despoit Amount”), which Deposit Amount shall be used, together with funds then on deposit in such Account, to pay interest on the Series 2019A Bonds on each Interest Payment Date through and including January 1, 2023.

(b) Section 12.2(b)(i)(A) of the Indenture of Trust is hereby amended by deleting the phrase “prior to the projected Phase 2 Revenue Service Commencement Date” and replacing it with the following: “through and including the later of January 1, 2023 and the projected Phase 2 Revenue Service Commencement Date”.

(c) Section 12.2(b)(ii) of the Indenture of Trust is hereby amended by deleting the phrase “prior to the projected Phase 2 Revenue Service Commencement Date” and replacing it with the following: “through and including the later of January 1, 2023 and the projected Phase 2 Revenue Service Commencement Date”.

(d) Section 12.2(b)(iv)(D) of the Indenture of Trust is hereby amended by deleting the phrase “prior to the projected date of commencement of revenue service on the Theme Park Extension” and replacing it with the following: “through and including the later of January 1, 2023 and the projected date of commencement of revenue service on the Theme Park Extension”.

(e) Section 12.2(b)(v)(E) of the Indenture of Trust is hereby amended by deleting the phrase “prior to the projected date of commencement of revenue service of such Additional Station” and replacing it with the following: “through and including the later of January 1, 2023 and the projected date of commencement of revenue service of such Additional Station”.

3. Miscellaneous.

- a. All capitalized terms used herein and not defined herein shall have the meanings ascribed to them in the Indenture of Trust.
- b. The rights and obligations of the parties to this Amendment shall inure to their respective successors and assigns.
- c. In the event that any provision of this Amendment shall be held to be invalid in any circumstance, such invalidity shall not affect any other provisions or circumstances.
- d. This Amendment may be executed and delivered in any number of counterparts, each of which shall be deemed to be an original, but such counterparts together shall constitute one and the same instrument. Facsimile signatures on counterparts of this Amendment or other electronic format (including, without limitation, “pdf,” “tif” or “jpg”) and other electronic signatures (including, without limitation, DocuSign and AdobeSign) are authorized, and will have the same effect as though the facsimile signatures or other electronic signatures were original executions, and this Amendment will be deemed executed by a party when a signature page, or facsimile or other electronic format of a signature page, executed by that party is transmitted to each of the other parties or as they have directed.
- e. This instrument shall be governed by the laws of the State.

- f. This Amendment shall not extinguish, terminate or impair any of the obligations of the Issuer or the Trustee under the Indenture of Trust.
- g. Except as herein expressly amended, the Indenture of Trust shall remain unchanged, and the Indenture of Trust is in full force and effect.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed under seal as of the date first above written.

FLORIDA DEVELOPMENT FINANCE CORPORATION



By: _____
Executive Director

DEUTSCHE BANK NATIONAL TRUST COMPANY, as Trustee

By: _____
Name:
Title:

And by: _____
Name:
Title:

CONSENT OF BORROWER:

The undersigned hereby consents to the foregoing Amendment.

BRIGHTLINE TRAINS FLORIDA LLC

By: _____
Name: Jeff Swiatek
Title: Vice President and Chief Financial Officer

ACTIVE 53249883v6

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed under seal as of the date first above written.

FLORIDA DEVELOPMENT FINANCE CORPORATION

By: _____
Executive Director

DEUTSCHE BANK NATIONAL TRUST COMPANY, as Trustee

By: _____
Name: Kathryn Fischer
Title: Vice President

DocuSigned by:
Kathryn Fischer
783AEB0E6A8148D...

And by: _____
Name: Jeffrey Schoenfeld
Title: Vice President

DocuSigned by:
Jeffrey Schoenfeld
283D13D6CC8F4A6...

CONSENT OF BORROWER:

The undersigned hereby consents to the foregoing Amendment.

BRIGHTLINE TRAINS FLORIDA LLC

By: _____
Name: Jeff Swiatek
Title: Vice President and Chief Financial Officer

ACTIVE 53249883v6

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed under seal as of the date first above written.

FLORIDA DEVELOPMENT FINANCE CORPORATION

By: _____
Name:
Title: Executive Director

DEUTSCHE BANK NATIONAL TRUST COMPANY, as Trustee

By: _____
Name:
Title:

And by: _____
Name:
Title:

CONSENT OF BORROWER:

The undersigned hereby consents to the foregoing Amendment.

BRIGHTLINE TRAINS FLORIDA LLC

By:  _____
Name: Jeff Swiatek
Title: Vice President and Chief Financial Officer

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APPENDIX B-2

FIRST SUPPLEMENTAL INDENTURE AND AMENDMENT THERETO

(See attached)

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FIRST SUPPLEMENTAL INDENTURE OF TRUST

BETWEEN

FLORIDA DEVELOPMENT FINANCE CORPORATION

AND

**DEUTSCHE BANK NATIONAL TRUST COMPANY,
AS TRUSTEE**

DATED AS OF JUNE 20, 2019

PROVIDING FOR THE ISSUE OF

\$950,000,000

**FLORIDA DEVELOPMENT FINANCE CORPORATION
SURFACE TRANSPORTATION FACILITY
REVENUE BONDS
(VIRGIN TRAINS USA PASSENGER RAIL PROJECT), SERIES 2019B**

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FIRST SUPPLEMENTAL INDENTURE OF TRUST

This FIRST SUPPLEMENTAL INDENTURE OF TRUST (this “Supplement”) is dated as of June 20, 2019, and is entered into by and between the FLORIDA DEVELOPMENT FINANCE CORPORATION, a public body corporate and politic, and a public instrumentality organized and existing under the laws of the State of Florida (the “Issuer”), and DEUTSCHE BANK NATIONAL TRUST COMPANY, a national banking association organized and existing under and by virtue of the laws of the United States of America, as trustee (together with any successor trustee duly appointed under this Supplement, the “Trustee”), and amends and supplements the Indenture of Trust, dated as of April 18, 2019 (the “Original Indenture”).

WITNESSETH:

WHEREAS, the Issuer is authorized and empowered by the laws of the State of Florida (the “State”), and in particular, Chapter 288, Part X, Florida Statutes, as amended (being the Florida Development Finance Corporation Act of 1993), and other applicable provisions of law (collectively, the “Act”) to issue its revenue bonds for the purpose of financing and refinancing capital projects that promote economic development within the State; and

WHEREAS, the Issuer was created pursuant to the Act and its members and officers from time to time, including the present incumbents, have been duly appointed, chosen and qualified; and

WHEREAS, the Issuer previously issued its Surface Transportation Facility Revenue Bonds (Virgin Trains USA Passenger Rail Project), Series 2019A (the “Series 2019A Bonds”), pursuant to the Original Indenture and loaned the proceeds thereof to Virgin Trains USA Florida LLC (f/k/a Brightline Trains LLC and, prior to that, known as All Aboard Florida – Operations LLC), a limited liability company organized under the laws of the State of Delaware and authorized to do business in the State (together with its successors and assigns, the “Borrower”) to refund the Prior Bonds and finance or refinance the costs of the design, development, acquisition, construction, installation, equipping, ownership and operation of certain portions of a privately owned and operated intercity passenger rail system and related facilities, with stations located or to be located in Orlando, West Palm Beach, Fort Lauderdale and Miami, Florida as more particularly described in the Bond Resolution, and with the proceeds of such Series 2019A Bonds to be spent only to finance or refinance Project Costs allocable to the portions of the Project located in the respective jurisdictions of Miami-Dade County, Florida, Broward County, Florida, Palm Beach County, Florida, Brevard County, Florida and Orange County, Florida (collectively, the “Series 2019A Counties”); and

WHEREAS, in the event that conditions set forth in Article 12 of the Original Indenture are satisfied, the Issuer may issue Escrow Bonds, and such Escrow Bonds may, pursuant to and subject to the conditions set forth in Article 12 of the Original Indenture, subsequently be converted to Additional Parity Bonds upon the satisfaction of certain conditions; and

WHEREAS, the Borrower desires that the Issuer issue the Series 2019B Bonds (as hereinafter defined) initially as Escrow Bonds pursuant to Article 12 of the Original Indenture and

loan the proceeds thereof to the Borrower to, upon satisfaction of the Escrow Release Conditions, finance certain costs of the Project; and

WHEREAS, the Issuer has determined that the Project will serve the public purposes expressed in the Act by promoting and advancing economic development within the State, and that the Issuer will be acting in furtherance of the public purposes intended to be served by the Act by assisting the Borrower in financing and refinancing all or a portion of the costs of completing the Project through the issuance of its \$950,000,000 aggregate principal amount of Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Virgin Trains USA Passenger Rail Project), Series 2019B (the “Series 2019B Bonds”), which Series 2019B Bonds are being issued initially as Escrow Bonds pursuant to Article 12 of the Original Indenture, secured solely by the Escrow Property; and

WHEREAS, upon the issuance of the Series 2019B Bonds, the Issuer will lend (the “Series 2019B Loan”) the proceeds thereof to the Borrower pursuant to a First Supplemental Senior Loan Agreement, dated as of June 20, 2019 (the “First Supplemental Senior Loan Agreement”), between the Issuer and the Borrower, amending and supplementing the Amended and Restated Senior Loan Agreement, dated as of April 18, 2019 (the “Original Senior Loan Agreement,” and together with the First Supplemental Senior Loan Agreement, the “Senior Loan Agreement”) to, upon satisfaction of the Escrow Release Conditions, pay or reimburse a portion of the costs of completing the Project within the Series 2019A Counties; and

WHEREAS, pursuant to the provisions of the First Supplemental Senior Loan Agreement, the Borrower has agreed that it (i) may only expend proceeds of the Series 2019B Bonds on portions of the Project that are located within the jurisdictional limits of the Series 2019A Counties; and (ii) may not expend proceeds of the Series 2019B Bonds to acquire any building or facility that will be, during the term of the Series 2019B Bonds, used by, occupied by, leased to or paid for by any state, county or municipal agency or entity; and

WHEREAS, the Series 2019B Bonds shall be special, limited obligations of the Issuer, payable solely from and secured exclusively by (a) with regard to Escrow Bonds, the Security Interest in the Escrow Property and any investment earnings thereon granted by the Borrower to the Trustee pursuant to the First Supplemental Senior Loan Agreement, and (b) with regard to Released Bonds, the Trust Estate and the Collateral, including the payments to be made by the Borrower under the Senior Loan Agreement, and the Series 2019B Bonds do not constitute an indebtedness of the Issuer, the State, the Series 2019A Counties or any other political subdivision of the State, within the meaning of any State constitutional provision or statutory limitation and shall not constitute or give rise to a pecuniary liability of the Issuer, the State, the Series 2019A Counties or any other political subdivision of the State, and neither the full faith and credit of the Issuer nor the full faith and credit or the taxing power of the State, the Series 2019A Counties or any other political subdivision of the State is pledged to the payment of the principal of or interest on the Series 2019B Bonds; and

WHEREAS, the execution and delivery of this Supplement has been duly authorized by the Bond Resolution adopted by the Issuer on August 5, 2015, as supplemented and amended by the Supplemental Bond Resolution adopted by the Issuer on October 27, 2017, the Supplemental

Bond Resolution adopted by the Issuer on August 29, 2018, and the Supplemental Bond Resolution adopted by the Issuer on April 5, 2019 (collectively, the “Bond Resolution”); and

WHEREAS, all acts, conditions and things required by the State Constitution and laws of the State and by the rules and regulations of the Issuer to happen, exist and be performed precedent to and in the execution and delivery of this Supplement (and the performance of its obligations hereunder) have happened, do exist and have been performed as so required, in order to make this Supplement a valid and binding Supplemental Indenture pursuant to the Original Indenture for the purposes of creating a valid Security Interest in the Escrow Property and securing the payment of any amounts due in respect of the Series 2019B Bonds in accordance with the applicable terms hereof and thereof; and

WHEREAS, the Trustee has accepted the trusts created by the Original Indenture and this Supplement and in evidence thereof has joined in the execution hereof;

NOW, THEREFORE, for and in consideration of the mutual covenants, and the representations and warranties, set forth herein, the Issuer and the Trustee agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions of Certain Terms. All capitalized terms used herein (including in the preamble and recitals) but not otherwise defined herein shall have the respective meanings given to them in Appendix I hereto or, if not defined herein or in Appendix I, in the Original Indenture, or if not defined in the Original Indenture, in Exhibit A to the Collateral Agency Agreement, or if not defined in Exhibit A to the Collateral Agency Agreement, in the Senior Loan Agreement. In addition, the following terms as used in this Supplement shall have the following meanings:

“*Additional Contribution*” means any contribution made by an Unaffiliated Third Party and/or any irrevocable, transferable letter of credit, in an aggregate amount equal to the Additional Contribution Amount, if any, as required to be deposited in the Series 2019B Contribution Subaccount of the Series 2019B Escrow Reserve Redemption Account pursuant to Section 106 of Appendix I hereto.

“*Additional Contribution Amount*” means the amount sufficient, together with the proceeds of the Escrow Bonds, and all investment earnings on such amounts during the Flexible Rate Period for such Escrow Bonds, to pay the Purchase Price of the Escrow Bonds on the Mandatory Tender Date on the first Business Day following the last day of the Flexible Rate Period with respect to such Escrow Bonds, if any.

“*Authorized Denominations*” means, with respect to the Escrow Bonds, denominations of \$5,000 and any integral multiple thereof, and with respect to the Released Bonds, denominations of \$100,000 and integral multiples of \$5,000 in excess thereof.

“*Bond Resolution*” means Resolution No. 15-04 adopted by the Board of the Issuer on August 5, 2015, as supplemented and amended by Resolution No. 17-09 adopted by the Board of

the Issuer on October 27, 2017, Resolution No. 18-05 adopted by the Board of the Issuer on August 29, 2018, and Resolution No. 19-09 adopted by the Board of the Issuer on April 5, 2019, authorizing the issuance of the Series 2019B Bonds.

“*Borrower*” means Virgin Trains USA Florida LLC (f/k/a Brightline Trains LLC and, prior to that, known as All Aboard Florida – Operations LLC), a Delaware limited liability company, and its successors and assigns.

“*Closing Date*” means the date the Series 2019B Bonds are issued, authenticated and delivered in accordance with this Supplement.

“*Debt Service Payment Date*” means each date on which principal of and interest on the Series 2019B Bonds is due and includes, but is not limited to, the maturity date of any Series 2019B Bond, each Interest Payment Date and the date of any mandatory redemption payment on any Series 2019B Bond.

“*Defeasance Escrow Account*” means, with respect to the Escrow Bonds, an account created pursuant to Section 11.2 hereof.

“*Defeasance Securities*” means to the extent permitted by law: (1) cash, (2) non-callable direct obligations of the United States of America (“Treasuries”), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) pre-refunded municipal obligations rated no lower than the then-current rating on direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States of America), (5) securities eligible for “AA+” defeasance under then existing criteria of S&P, or (6) any combination thereof used to effect defeasance of the Escrow Bonds.

“*Escrow Bonds*” means any portion of the Series 2019B Bonds the proceeds of which are on deposit in the Series 2019B Proceeds Subaccount of the Series 2019B Escrow Reserve Redemption Account and which are secured by the Escrow Property.

“*Escrow End Date*” means March 17, 2020, as such date may be extended from time to time for additional intervals of not more than six months, upon written notice from the Borrower to the Trustee not less than 15 days prior to the then applicable Escrow End Date of such extension, accompanied by a Favorable Opinion of Bond Counsel.

“*Escrow Property*” means, collectively, the proceeds of the Escrow Bonds and the Additional Contribution and any investment earnings on the foregoing.

“*Escrow Redemption Date*” has the meaning given in the Form of Variable Rate Series 2019B Bonds attached hereto as Exhibit A.

“*Escrow Release Certificate*” has the meaning given to it in Section 3.4 hereof.

“*Escrow Release Conditions*” has the meaning given to it in Section 3.4 hereof.

“*Escrow Release Date*” means, with respect to any Escrow Bond, the next Mandatory Tender Date following the satisfaction of the Escrow Release Conditions with respect to such Escrow Bond.

“*Escrow Release Supplemental Indenture*” has the meaning given to it in Section 3.4 hereof.

“*Escrow Securities*” means obligations, investments and/or funds set forth in clause (a) of the definition of Permitted Investments maturing on or before the next Mandatory Tender Date.

“*Event of Default*” means, with respect to the Escrow Bonds, an event described in Section 7.1 hereof.

“*Favorable Opinion of Bond Counsel*” means, with respect to any action the occurrence of which requires such an opinion, an opinion of Bond Counsel to the effect that such action is permitted under the Act and this Supplement and will not adversely affect the excludability of the interest on the Series 2019B Bonds to which such action relates from gross income for federal income tax purposes (with the understanding that such excludability may continue to be subject to any qualifications contained in the opinion delivered upon original issuance of such Series 2019B Bonds).

“*Federal Tax Certificate*” means with respect to the Series 2019B Bonds: (a) one or more certificates or agreements that sets forth the Issuer’s or the Borrower’s expectations regarding the investment and use of proceeds of any subseries of the Series 2019B Bonds and other matters relating to Bond Counsel’s opinion regarding the federal income tax treatment of interest on such Series 2019B Bonds, including any instructions delivered by Bond Counsel in connection with any such certificate or agreement; and (b) any amendment or modification of any such certificate or agreement that is accompanied by a Favorable Opinion of Bond Counsel.

“*Final Escrow Release Date*” has the meaning given to it in Section 3.4 hereof.

“*First Supplemental Senior Loan Agreement Default*” means any “Event of Default” under the First Supplemental Senior Loan Agreement.

“*Funds*” means, with respect to the Series 2019B Bonds, the funds created by this Supplement.

“*Indenture*” means the Original Indenture, as supplemented and amended by this Supplement, and any further amendment or supplement thereto permitted thereby.

“*Interest Payment Date*” shall have the meaning set forth in Appendix I hereto.

“*Investment Grade Rating*” means a credit rating assigned by a Nationally Recognized Rating Agency to the Series 2019B Bonds that is within one of the top four rating categories (i.e., “BBB” or “Baa” or higher) of such Nationally Recognized Rating Agency (without regard to gradations within such category).

“*Majority Escrow Bondholders*” means the holders of a majority of the aggregate principal amount of the then Outstanding Escrow Bonds.

“*Official Statement*” means the Official Statement of the Issuer, dated June 13, 2019, with respect to the Series 2019B Bonds.

“*Outstanding*” means, as of any date of determination, all Series 2019B Bonds that have been executed, authenticated and delivered under this Supplement, except:

(i) any Series 2019B Bond, or portion thereof, on which all principal and interest due or to become due on or before maturity has been paid;

(ii) any Series 2019B Bond, or portion thereof, on which the Redemption Price due or to become due has been paid in accordance with the redemption provisions applicable to such Series 2019B Bond;

(iii) Series 2019B Bonds in lieu of which other Series 2019B Bonds have been executed, authenticated and delivered pursuant to the provisions of this Supplement relating to the transfer and exchange of Series 2019B Bonds or the replacement of mutilated, lost, stolen or destroyed Series 2019B Bonds;

(iv) Series 2019B Bonds that have been canceled by the Trustee or that have been surrendered to the Trustee for cancellation; and

(v) Series 2019B Bonds that have been defeased pursuant to and in accordance with Article 11 hereof.

“*Owner*” of a Series 2019B Bond means the registered owner of such Series 2019B Bond as shown in the registration records of the Trustee.

“*Permitted Investments*” means, with respect to the Series 2019B Bonds, to the extent permitted by State law:

(a) Cash or direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States of America);

(b) Investments in commercial paper maturing within 365 days from the date of acquisition thereof and having, at such date of acquisition, the highest short-term credit rating obtainable from S&P or Moody’s;

(c) Obligations, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following: Federal Home Loan Bank System, Government National Mortgage Association, Farmer's Home Administration, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Federal Farm Credit Bank or Federal Housing Administration;

(d) Direct and general obligations of any state of the United States of America or any municipality or political subdivision of such state, or obligations of any municipal corporation, if such obligations are rated at the time of investment in one of the three highest rating categories (without regard to gradation) by S&P, Moody's or other similar nationally recognized rating agency;

(e) Any security that matures or that may be tendered for purchase at the option of the holder within not more than five years of the date on which it is acquired, if that security has a rating that is in one of the two highest long-term rating categories or highest short-term rating category (without regard to any refinements or gradations of rating category by numerical modifier or otherwise) assigned by S&P, Moody's or other similar nationally recognized rating agency or if that security is senior to, or on a parity with, a security of the same issuer that has such a rating;

(f) Investments in certificates of deposit, banker's acceptances and time deposits maturing within 180 days from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the United States of America or any state thereof which has a combined capital and surplus and undivided profits of not less than \$500,000,000 and having short-term unsecured debt securities rated not lower than "A-1" by S&P and "P-1" by Moody's;

(g) Investment agreements, including guaranteed investment contracts, repurchase agreements, deposit agreements and forward delivery agreements, that are obligations of an entity whose senior long-term debt obligations, deposit rating or claims-paying ability are rated, or guaranteed by an entity whose obligations have a rating (at the time the investment is entered into) of either not lower than "A-" by S&P or not lower than "A3" by Moody's, including the Trustee or any of its Affiliates, provided that, in connection with any repurchase agreement entered into in connection with the investment of funds held under this Supplement, the Issuer and the Trustee shall have received an opinion of counsel to the provider (which opinion shall be addressed to the Issuer and the Trustee) that any such repurchase agreement complies with the terms of this section and is legal, valid, binding and enforceable upon the provider in accordance with its terms;

(h) Fully collateralized repurchase agreements with any financial institution which is rated by S&P, Moody's or other similar nationally recognized rating agency in a rating category at least equal to the higher of "A" (or equivalent) or such rating agency's then current rating on the Series 2019B Bonds, if any, that is fully secured by collateral security described in clauses (a), (b), (c), (d) or (e) above. For the purpose of this section, the term collateral shall mean purchased securities under the terms of the PSA Bond Market Trade Association Master Repurchase Agreement. The purchased securities shall have a minimum market value including accrued interest of 102% of the dollar value of the transaction. Collateral shall be held in the Trustee's third-party custodian bank as safekeeping agent, and the market value of the collateral securities shall be marked-to-market daily, with a term of not more than 30 days for securities described in clause (a) above and entered into with a financial institution satisfying the criteria described in clause (f) above; and

(i) Money market funds that (i) comply with the criteria set forth in Securities and Exchange Commission Rule 2a-7 under the Investment Company Act of 1940, (ii) are rated “AAA” by S&P and “Aaa” by Moody’s and (iii) have portfolio assets of at least \$5,000,000,000.

“*Potential Event of Default*” means, with respect to the Escrow Bonds, an event which, with the giving of notice or lapse of time, would become an Event of Default under this Supplement.

“*Record Date*” has the meaning given to it in Appendix I hereto.

“*Redemption Moneys*” has the meaning given to it in Exhibit A hereto.

“*Released Bonds*” has the meaning given to it in Section 3.4 hereof.

“*Senior Loan Agreement*” means that certain Amended and Restated Senior Loan Agreement, dated as of April 18, 2019, by and between the Issuer and the Borrower, as amended and supplemented by the First Supplemental Senior Loan Agreement, dated as of the date hereof, pursuant to which the Issuer agreed to lend the proceeds of the 2019B Bonds to the Borrower.

“*Series 2019B Bonds*” means the \$950,000,000 aggregate principal amount of Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Virgin Trains USA Passenger Rail Project), Series 2019B, and any Series 2019B Bond or Series 2019B Bonds issued in exchange or replacement therefor.

“*Series 2019B Contribution Subaccount*” means the Series 2019B Contribution Subaccount created by and designated as such in Section 5.1 hereof.

“*Series 2019B Escrow Reserve Redemption Account*” the Series 2019B Escrow Reserve Redemption Account created by and designated as such in Section 5.1 hereof.

“*Series 2019B Proceeds Subaccount*” the Series 2019B Proceeds Subaccount created by and designated as such in Section 5.1 hereof.

“*Series 2019B Rebate Fund*” means the Series 2019B Rebate Fund created by and designated as such in Section 5.1 hereof.

“*Special Record Date*” means a special date fixed to determine the names and addresses of Owners of Series 2019B Bonds for purposes of paying defaulted interest on Series 2019B Bonds in accordance with Section 3.1 hereof.

“*Underwriter*” shall mean the investment bank or investment banks designated by the Borrower to underwrite the sale of the Series 2019B Bonds.

Unless otherwise provided herein, all references to a particular time are to New York City Time.

ARTICLE II

SECURITY FOR SERIES 2019B BONDS

Section 2.1. Grant of Security. The Issuer, in consideration of the purchase of the Series 2019B Bonds by the Owners thereof and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, (A) in order to secure the payment of the Escrow Bonds, to secure the performance and observance of all the covenants and conditions set forth in the Escrow Bonds and this Supplement with respect to the Escrow Bonds, has executed and delivered this Supplement and has pledged and assigned, and by these presents does pledge and assign unto the Trustee, in its capacity as trustee for the Escrow Bonds (the “Escrow Trustee”) and to its successors and assigns forever, for the benefit of the Owners of the Escrow Bonds, the Series 2019B Escrow Reserve Redemption Account and all moneys from time to time held in such Account, including the Escrow Property, and (B) in order to secure the payment of the Released Bonds, to secure the performance and observance of all the covenants and conditions set forth in the Released Bonds and this Supplement with respect to the Released Bonds, has executed and delivered this Supplement and has pledged and assigned, and by these presents does pledge and assign unto the Trustee, in its capacity as trustee for the Released Bonds and any other Bonds Outstanding (the “Bonds Trustee”) and to its successors and assigns forever, subject to the Security Documents, for the benefit of the Owners of the Released Bonds, the Trust Estate and the Collateral.

The Series 2019B Escrow Reserve Redemption Account and Series 2019B Rebate Account are excluded from the Trust Estate pledged to secure the Bonds (including the Released Bonds) pursuant to the Original Indenture. In addition, the Series 2019B Rebate Account is excluded from the Escrow Property pledged to secure the Escrow Bonds pursuant to this Supplement.

Nothing in the Series 2019B Bonds or in this Supplement shall be considered or construed as pledging any funds or assets of the Issuer other than those pledged hereby or creating any liability of the Issuer’s members, directors, employees or other agents.

Section 2.2. Time of Pledge; Delivery of Escrow Property. The Escrow Property pledged for the payment of the Escrow Bonds, as received by or otherwise credited to the Issuer, shall immediately be subject to the lien of such pledge without any physical delivery, filing, or further act. The lien of such pledge shall be valid, binding, and enforceable as against all Persons having claims of any kind in tort, contract, or otherwise against the Issuer irrespective of whether such Persons have notice of such liens. The Issuer hereby authorizes the filing by the Trustee of any financing and continuation statements with respect to all liens and security interests granted or assigned by the Issuer to the Trustee pursuant to this Supplement.

Section 2.3. Discharge of Supplement. If this Supplement is discharged in accordance with Section 11.1 hereof, the right, title and interest of each Owner of the Escrow Bonds in and to the Escrow Property shall automatically terminate and be discharged without any further action; otherwise this Supplement is to be and remain in full force and effect. Subject to the terms of this Supplement, the Trustee shall execute and deliver such certificates or other documents acknowledging the discharge of this Supplement as may be reasonably requested by the Borrower or the Issuer.

Section 2.4. Limited Obligations. THE SERIES 2019B BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE STATE, THE SERIES 2019A COUNTIES OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE, WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE STATE, THE SERIES 2019A COUNTIES OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE, AND NEITHER THE FULL FAITH AND CREDIT OF THE ISSUER NOR THE FULL FAITH AND CREDIT OR THE TAXING POWER OF THE STATE OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2019B BONDS. NO COVENANT OR AGREEMENT CONTAINED IN THE SERIES 2019B BONDS OR THIS SUPPLEMENT SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER OF THE GOVERNING BODY OF THE ISSUER NOR SHALL ANY OFFICIAL EXECUTING SUCH SERIES 2019B BONDS BE LIABLE PERSONALLY ON THE SERIES 2019B BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF (OR THE APPROVAL OF THE ISSUANCE OF) THE SERIES 2019B BONDS. THE ISSUER HAS NO TAXING POWER.

Section 2.5. Series 2019B Bonds Constitute a Contract. The Series 2019B Bonds shall constitute a contract between the Issuer and the Owners of the Series 2019B Bonds for their benefit.

Section 2.6. Borrower to Take Certain Action Hereunder. The Issuer and the Trustee (i) hereby acknowledge that pursuant to Section 3.05 of the First Supplemental Senior Loan Agreement the Borrower has agreed to take all action required to be taken by the Borrower in this Supplement as if the Borrower were a party to this Supplement, and (ii) subject to the terms of the First Supplemental Senior Loan Agreement and this Supplement, hereby authorize the Borrower to take any such action pursuant hereto.

Section 2.7. Original Indenture Incorporated and Affirmed. The Original Indenture, as supplemented to date, including by this Supplement, and as may be amended, modified and supplemented hereafter, is referred to herein as the "Indenture". Except as otherwise set forth herein or as amended or supplemented hereby, the terms, conditions and provisions of the Original Indenture are incorporated into this Supplement by reference to the same extent and with the same force and effect as if fully stated in this Supplement. This Supplement shall not extinguish, terminate or impair any of the obligations under the Original Indenture. In addition, this Supplement shall not release or impair the priority of any security interests or liens held by the Trustee under the Original Indenture. Except as herein expressly amended and supplemented, the Original Indenture shall remain unchanged, and the Original Indenture is in full force and effect, and the Issuer and the Trustee, by executing this Supplement, hereby ratify and reaffirm each covenant, representation, warranty and agreement contained in the Original Indenture. Notwithstanding the foregoing, (i) the Escrow Bonds shall be separately secured and separately payable from the Bonds (including any Released Bonds), (ii) any Potential Event of Default or Event of Default with respect to the Bonds (including any Released Bonds) shall not, in and of itself, constitute a Potential Event of Default or Event of Default with respect to the Escrow Bonds and (iii) any Potential Event of Default or Event of Default with respect to the Escrow Bonds shall

not, in and of itself, constitute a Potential Event of Default or Event of Default with respect to the Bonds (including any Released Bonds).

ARTICLE III

AUTHORIZATION, ISSUANCE AND DELIVERY OF SERIES 2019B BONDS

Section 3.1. Authorization, Purpose, Name, Principal Amount, Interest Rates and Method and Place of Payment.

(a) *Authorization and Amount.* (1) There shall be issued under and secured by this Supplement a series of bonds designated as the “Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Virgin Trains USA Passenger Rail Project), Series 2019B” (the “Series 2019B Bonds”), in the aggregate principal amount of \$950,000,000. In order to distinguish between portions of the Series 2019B Bonds which in the future may be subject to different interest rate determination methods and other features, the Series 2019B Bonds may be designated and redesignated from time to time by the Issuer in such a way as to identify one or more subseries of the Series 2019B Bonds. Each Series 2019B Bond, as applicable, shall bear upon the face thereof such designation or redesignation, if any. In the event any Series 2019B Bonds are designated or redesignated from time to time as one or more subseries, all references to a series of the Series 2019B Bonds in this Supplement shall refer to each such subseries unless the context otherwise requires.

(2) The Series 2019B Bonds are being issued for the purpose of funding the Series 2019B Loan to the Borrower to (A) pay or reimburse a portion of the Project Costs, (B) fund interest on the Series 2019B Bonds, to the extent permitted by the Code and Treasury Regulations, (C) fund various reserves, and (D) pay or reimburse a portion of the costs of issuance of the Series 2019B Bonds, to the extent permitted by the Code and Treasury Regulations. The Series 2019B Bonds are being issued by the Issuer in connection with and in furtherance of the essential public and governmental purposes to be served by the Issuer under the Act.

(3) Notwithstanding the foregoing, on the Closing Date, the proceeds of the Series 2019B Bonds shall be paid to the Trustee for deposit to the Series 2019B Proceeds Subaccount of the Series 2019B Escrow Reserve Redemption Account pursuant to Section 5.2 hereof and held by the Trustee, in escrow, in such Account until released in accordance with Section 3.4(b) of this Supplement.

(b) *Date, Maturity and Interest.* The Series 2019B Bonds shall be dated the date of their original issuance and delivery, and shall bear interest from their date or from the most recent Interest Payment Date to which interest has been paid or duly provided for, payable on each Interest Payment Date as herein provided until payment of the principal or Redemption Price thereof is made or provided for, whether at maturity, upon redemption, acceleration or otherwise. Interest on the Series 2019B Bonds shall be payable in arrears on each Interest Payment Date, commencing on the first applicable Interest Payment Date after the Closing Date.

The Series 2019B Bonds shall be initially issued in the Flexible Mode, bearing interest at the initial Flexible Rate per annum, during the initial Flexible Rate Period set forth below.

<u>Principal Amount</u>	<u>Flexible Rate</u>	<u>Flexible Rate Period (Delivery Date through)</u>	<u>Scheduled Mandatory Tender Date</u>	<u>Earliest Optional Mode Change Date</u>
\$950,000,000	1.90%	March 16, 2020	March 17, 2020	July 22, 2019

The Series 2019B Bonds shall mature on January 1, 2049. The Series 2019B Bonds shall be subject to mandatory tender for purchase on the first Business Day following the last day of the initial Flexible Rate Period and on any Mode Change Date on or after the Earliest Optional Mode Change Date set forth above, as provided in Section 4.8 hereof and Appendix I hereto.

(c) *Conversion.* All or a portion of the Series 2019B Bonds in any Mode, other than a Fixed Rate Mode, may be changed to any other Mode at the times and in the manner provided in Appendix I hereto. Notwithstanding anything herein to the contrary, the Escrow Bonds shall not be in any Mode other than the Flexible Mode.

(d) *Method and Place of Payment.* The Trustee shall act as paying agent for the purpose of effecting payment of the principal of, redemption premium, if any, and interest on the Series 2019B Bonds.

The principal and purchase price of, redemption premium, if any, and interest on the Series 2019B Bonds shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts.

The principal and purchase price of and the redemption premium, if any, on all Series 2019B Bonds shall be payable (i) by check or draft, (ii) if the aggregate principal amount of the Series 2019B Bonds held by any Owner exceeds \$1,000,000, by wire transfer to an account designated by such Owner, (iii) in the case of Series 2019B Bonds in book-entry form, to DTC in immediately available funds and disbursement of such funds to owners of beneficial interests in Series 2019B Bonds in book-entry form will be made in accordance with the procedures of DTC or (iv) by such other method as mutually agreed in writing between the Owner of a Series 2019B Bond and the Trustee at maturity or upon earlier redemption or tender for purchase to the Owners in whose names such Series 2019B Bonds are registered on the bond register maintained by the Trustee at the maturity date or redemption or tender date thereof, upon the presentation and surrender of such Series 2019B Bonds at the Designated Payment Office of the Trustee.

The interest payable on each Series 2019B Bond on any Interest Payment Date shall be paid (i) by check or draft sent on or prior to the appropriate date of payment, by the Trustee to the address of the Owner appearing in the registration books on the Record Date, (ii) in

the case of Series 2019B Bonds in book-entry form, to DTC in immediately available funds and disbursement of such funds to owners of beneficial interests in Series 2019B Bonds in book-entry form will be made in accordance with the procedures of DTC or (iii) by such other method as mutually agreed in writing between the Owner of the Series 2019B Bonds and the Trustee. Any such interest not so timely paid shall cease to be payable to the person who is the Owner thereof at the close of business on the Record Date and shall be payable to the person who is the Owner thereof at the close of business on a Special Record Date for the payment of such defaulted interest. Such Special Record Date shall be fixed by the Trustee whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given by the Trustee to the Owners of the Series 2019B Bonds, not less than 10 days prior to the Special Record Date, by certified or first-class mail to each such Owner as shown on the Trustee's registration records (or in accordance with the procedures of DTC) on a date selected by the Trustee, stating the date of the Special Record Date and the date fixed for the payment of such defaulted interest. Alternative means of payment of interest may be used if mutually agreed to in writing between the Owner of any Series 2019B Bond and the Trustee, provided that the Trustee shall provide the Issuer and the Borrower with a copy of any such agreement.

Section 3.2. Execution and Authentication of Series 2019B Bonds.

(a) *Execution of the Series 2019B Bonds.* The Series 2019B Bonds shall be signed by the manual or facsimile signature of the Chairman or Vice Chairman of the Board of the Issuer or the Executive Director of the Issuer in such officer's official capacity, and the Issuer's seal shall be affixed thereto or a facsimile thereof printed thereon and attested by the manual or facsimile signature of the Executive Director, the Secretary, the Assistant Secretary or another officer of the Issuer. In case any officer whose signature or a facsimile of whose signature shall appear on any Series 2019B Bond shall cease to be such officer before the delivery of the Series 2019B Bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. Any Series 2019B Bond may bear the facsimile signature of or may be signed by such persons as at the actual time of the execution thereof shall be the proper officers to sign such Series 2019B Bond although at the date of such Series 2019B Bond such persons may not have been such officers.

(b) *Authentication of the Series 2019B Bonds.* No Series 2019B Bond shall be secured hereby or entitled to the benefit hereof, nor shall any such Series 2019B Bond be valid or obligatory for any purpose, unless a certificate of authentication, substantially in the form set forth in Exhibit A hereto, has been duly executed by the Trustee; and such certificate of the Trustee upon any such Series 2019B Bond shall be conclusive evidence and the only competent evidence that such Series 2019B Bond has been authenticated and delivered hereunder. The Trustee's certificate of authentication shall be deemed to have been duly executed by the Trustee if manually signed by a Trustee Representative, but it shall not be necessary that the same officer or employee sign the certificate of authentication on all of the Series 2019B Bonds. By authenticating any of the Series 2019B Bonds delivered pursuant to this Supplement, the Trustee shall be deemed to have assented to the provisions of this Supplement.

(c) *Recital in Bonds.* Each Series 2019B Bond issued under the Act shall contain a statement consistent with Section 2.6 hereof with respect to the Series 2019B Bonds.

Section 3.3. Delivery of Series 2019B Bonds.

(a) *Delivery.* The Series 2019B Bonds shall be executed in the manner set forth herein and delivered to the Trustee for authentication, but prior to or simultaneously with the authentication and delivery of the Series 2019B Bonds on the Closing Date by the Trustee the following documents shall be provided to the Trustee:

(1) A certified copy of the Bond Resolution of the Issuer authorizing (A) the execution and delivery of this Supplement and the First Supplemental Senior Loan Agreement, and (B) the issuance, sale, execution and delivery of the Series 2019B Bonds;

(2) Evidence that each county in which proceeds of the Series 2019B Bonds are to be spent or allocated for a portion of the cost of the Project within such county has executed a joinder, which remains in full force and effect, to the Interlocal Agreement and is a “Participating Public Agency” under the provisions of the Interlocal Agreement;

(3) A copy, certified by an authorized representative of the Borrower, of the resolution or resolutions of the managing member or the board of managers, as the case may be, of the Borrower approving the form of and authorizing the execution and delivery of the First Supplemental Senior Loan Agreement, and the other related documents and instruments, to be delivered on the Closing Date in connection with the issuance of the Series 2019B Bonds to which the Borrower is a party;

(4) An original, facsimile or electronic executed counterpart of this Supplement, the First Supplemental Senior Loan Agreement and the Federal Tax Certificate;

(5) An approving opinion of Bond Counsel in substantially the form attached to the Official Statement;

(6) An Opinion of Counsel to the Issuer, to the effect that this Supplement and the First Supplemental Senior Loan Agreement have been duly authorized, executed and delivered by the Issuer and constitute valid, binding and enforceable limited obligations of the Issuer;

(7) One or more Opinions of Counsel to the Borrower reasonably acceptable to the Issuer, Issuer’s Counsel and Bond Counsel to the effect that (A) the Borrower has been duly formed and is validly existing as a limited liability company organized in the State of Delaware and authorized to transact business in the State and the Borrower has the limited liability company power and authority under the Delaware Limited Liability Company Act to execute and deliver the First Supplemental Senior Loan Agreement; and (B) the First Supplemental Senior Loan Agreement has been duly authorized, executed and delivered pursuant to requisite limited liability action on the part of the Borrower, and, assuming due authorization, execution and delivery of the same by the other parties thereto, the same constitutes a valid and binding obligation of the Borrower enforceable in accordance with its terms, except to the extent that the enforceability of the same may be limited by, among other things, bankruptcy, insolvency or other laws affecting creditors’ rights generally and by principles of equity; and

(8) A request and authorization of the Issuer to the Trustee to authenticate the Series 2019B Bonds and deliver said Series 2019B Bonds to the Underwriter, upon payment to the Trustee, of the purchase price thereof. The Trustee shall be entitled to rely conclusively upon such request and authorization as to the Underwriter and the amount of such purchase price.

(b) When the documents specified above have been provided to the Trustee, and when the Series 2019B Bonds shall have been executed and authenticated as required by this Supplement, the Trustee shall deliver the Series 2019B Bonds to or upon the order of the Underwriter, but only upon payment by or on behalf of the Underwriter to the Trustee of the purchase price of the Series 2019B Bonds pursuant to the terms hereof.

Section 3.4. Escrow Release. (a) The Borrower may elect to remarket all or a portion of the Escrow Bonds on any Mandatory Tender Date without the benefit of the Series 2019B Escrow Reserve Redemption Account pledged as security therefor (collectively, the “Released Bonds”) and release any portion of the Escrow Securities on deposit in the Series 2019B Escrow Reserve Redemption Account in excess of the amount required with respect to the remaining Escrow Bonds, on or after the satisfaction of all of the following conditions (collectively, the “Escrow Release Conditions,” which, for the avoidance of doubt, may be satisfied substantially contemporaneously with the release of the Escrow Property described below):

- (1) if such remarketing will take place prior to the Scheduled Mandatory Tender Date:
 - (A) delivery to the Trustee of a verification report, prepared by a verification agent acceptable to the Trustee, verifying the sufficiency of the proceeds of the remarketing of the Released Bonds, together with the proceeds of any Escrow Securities and any earnings on the Escrow Securities not required with respect to the remaining Escrow Bonds as set forth in clause (B) below, to pay the Purchase Price of the Released Bonds on the Mandatory Tender Date;
 - (B) delivery to the Trustee of a verification report, prepared by a verification agent acceptable to the Trustee, verifying the sufficiency of the Escrow Securities remaining on deposit in the Series 2019B Escrow Reserve Redemption Account and any earnings thereon during the remainder of the applicable Flexible Rate Period, to pay the Purchase Price of the remaining Escrow Bonds on the Scheduled Mandatory Tender Date; and
 - (C) delivery to the Trustee of a rating confirmation with respect to the remaining Escrow Bonds from each Nationally Recognized Rating Agency then rating the Escrow Bonds.
- (2) the execution and delivery of a Supplemental Indenture (an “Escrow Release Supplemental Indenture”), providing for the Released Bonds to be remarketed as Additional Parity Bonds on parity with the Series 2019A Bonds and any other Bonds Outstanding;

- (3) if the Released Bonds were being issued on the remarketing date, such Released Bonds would satisfy the requirements for the issuance of Additional Parity Bonds set forth in Article 12 of the Original Indenture;
- (4) the execution and delivery of an amendment to the First Supplemental Senior Loan Agreement and/or a separate supplement to the Original Senior Loan Agreement, providing for the Released Bonds to be remarketed as Additional Parity Bonds on parity with the Series 2019A Bonds and any other Bonds Outstanding;
- (5) the execution by the Borrower and all other parties thereto and delivery to the Trustee of an Accession Agreement (as defined in the Collateral Agency Agreement), and such other documentation and instruments as may be necessary to provide that the Released Bonds are Secured Obligations under the Collateral Agency Agreement;
- (6) no Event of Default is then existing or would occur due to the actions contemplated in this Section 3.4;
- (7) the execution and delivery of an amendment to the Continuing Disclosure Agreement, providing for such ongoing disclosure as may be necessary in connection with the remarketing of the Released Bonds to comply with the continuing disclosure requirements promulgated under Rule 15c2-12;
- (8) the preparation and distribution of a remarketing memorandum or other disclosure document, in form and substance satisfactory to the Remarketing Agent and the Issuer, describing each of the forgoing documents, the Borrower and the Project;
- (9) the delivery to the Trustee and the Issuer of a Favorable Opinion of Bond Counsel with respect to the Released Bonds; and
- (10) the delivery to the Trustee of a certificate of the Borrower, dated as of the Escrow Release Date, certifying that the Escrow Release Conditions have been satisfied.

(b) On the Escrow Release Date, the Released Bonds shall be subject to mandatory tender for purchase, and if remarketed, and any portion of the Escrow Securities on deposit in the Series 2019B Escrow Reserve Redemption Account in excess of the amount required with respect to the remaining Escrow Bonds that is on deposit in the Series 2019B Escrow Reserve Redemption Account following such remarketing and not required to pay the Purchase Price of the Released Bonds on the Escrow Release Date, shall be released from the Series 2019B Escrow Reserve Redemption Account and deposited by the Trustee in such Funds or Accounts as designated pursuant to the applicable Escrow Release Supplemental Indenture and applied as set forth in Section 3.1(a) hereof.

(c) Upon the release of all the proceeds of the Series 2019B Bonds from the Series 2019B Escrow Reserve Redemption Account pursuant to Section 3.4(b) above (the “Final Escrow Release Date”), the Trustee shall close the Series 2019B Escrow Reserve Redemption Account.

(d) Released Bonds shall constitute Additional Parity Bonds under the Original Indenture subject to the terms of the Original Indenture as supplemented and amended by the applicable Escrow Release Supplemental Indenture.

ARTICLE IV

TERMS OF SERIES 2019B BONDS

Section 4.1. Form of Series 2019B Bond, Registered Form, Denominations and Numbering of Series 2019B Bonds. The Series 2019B Bonds shall be issuable only as fully registered Bonds in Authorized Denominations (provided that no individual Series 2019B Bond may be issued for more than one maturity), without coupons, in substantially the applicable form set forth in Exhibit A attached to this Supplement, with such necessary or appropriate variations, omissions and insertions as are permitted or required by this Supplement. The Series 2019B Bonds may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any Governmental Authority or any custom, usage or requirement of law with respect thereto. The Series 2019B Bonds shall be numbered from RB-1 consecutively upward in order of issuance or in such other manner as the Trustee shall designate, and shall bear appropriate “CUSIP” identification numbers (if then generally in use).

Section 4.2. Registration of Series 2019B Bonds; Persons Treated as Owners; Transfer and Exchange of Series 2019B Bonds.

(a) Records for the registration and transfer of the Series 2019B Bonds shall be kept by the Trustee which is hereby appointed the registrar for the Series 2019B Bonds. The principal and purchase price of, interest on and Redemption Price of any Series 2019B Bond shall be payable only to or upon the order of the Owner or his legal representative (except as otherwise herein provided with respect to Record Dates and Special Record Dates for the payment of interest). Upon surrender for transfer of any Series 2019B Bond at the Designated Payment Office of the Trustee, duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or his attorney duly authorized in writing, the Trustee shall enter such transfer on the registration records and shall execute and deliver in the name of the transferee or transferees a new fully registered Series 2019B Bond or Series 2019B Bonds of a like maturity, aggregate principal amount and interest rate, bearing a number or numbers not previously assigned.

(b) Fully registered Series 2019B Bonds may be exchanged at the Designated Payment Office of the Trustee for an equal aggregate principal amount of Series 2019B Bonds of the same maturity and interest rate but of other Authorized Denominations. The Trustee shall execute and deliver Series 2019B Bonds which the Owner making the exchange is entitled to receive, bearing numbers not previously assigned.

(c) All Series 2019B Bonds issued upon any transfer or exchange of Series 2019B Bonds shall be the valid obligations of the Issuer, evidencing the same debt, and entitled to the same benefits under this Supplement, as the Series 2019B Bonds surrendered upon transfer or exchange.

(d) The Trustee may require the payment, by the Owner of any Series 2019B Bond requesting exchange or transfer, of any reasonable charges as well as any taxes, transfer fees or other governmental charges required to be paid with respect to such exchange or transfer.

(e) The Trustee shall not be required to transfer or exchange (i) all or any portion of any Series 2019B Bond during the period beginning at the opening of business 15 days before the day of the sending by the Trustee of notice calling any of the Series 2019B Bonds for prior redemption and ending at the close of business on the day of such sending or (ii) all or any portion of a Series 2019B Bond after the sending of notice calling such Series 2019B Bond or any portion thereof for prior redemption.

(f) Except as otherwise herein provided with respect to Record Dates and Special Record Dates for the payment of interest, the Person in whose name any Series 2019B Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of and interest on or Redemption Price of any Series 2019B Bond shall be made only to or upon the written order of the Owner thereof or his legal representative, but such registration may be changed as herein provided. All such payments shall be valid and effectual to satisfy and discharge such Series 2019B Bond to the extent of the sum or sums paid.

Section 4.3. Transfer Restrictions. Upon a sale or transfer of a Series 2019B Bond (including the initial sale of the Series 2019B Bonds), each purchaser or transferee shall be deemed to have certified, acknowledged and represented to the Trustee, the Borrower, the Issuer and the Underwriter that such purchaser (i) is a “qualified institutional buyer” within the meaning of Rule 144A promulgated under the Securities Act, and (ii) will only transfer, resell, reoffer, pledge or otherwise transfer its Series 2019B Bond to a subsequent transferee who such transferor reasonably believes is a qualified institutional buyer within the meaning of said Rule 144A who is willing and able to conduct an independent investigation of the risks involved with ownership of such Series 2019B Bond and agrees to be bound by the transfer restrictions applicable to such Series 2019B Bond. The foregoing transfer restrictions shall not apply if (i) the Trustee has received a municipal bond insurance policy or other form of credit enhancement securing payment of principal and interest on the Series 2019B Bonds, provided that the policy provider or credit enhancer is rated in one of the three highest categories by a Nationally Recognized Rating Agency and such insurance policy or credit enhancement has a term not less than the final maturity of the Series 2019B Bonds (or, if shorter, may be drawn upon in full upon its expiration), or (ii) a Nationally Recognized Rating Agency has assigned the Series 2019B Bonds an Investment Grade Rating, without any form of third party credit enhancement. A legend shall be printed on the face of each Series 2019B Bond indicating the foregoing transfer restrictions, if applicable.

Section 4.4. Mutilated, Lost, Stolen or Destroyed Series 2019B Bonds. In the event that any Series 2019B Bond is mutilated, lost, stolen or destroyed, a new Series 2019B Bond of like subseries, date, maturity, interest rate and denomination as that mutilated, lost, stolen or destroyed shall be executed, authenticated and delivered in accordance with the terms and conditions of this Supplement to the Owner of such Series 2019B Bond upon receipt by the Trustee of such evidence, information or indemnity from the Owner of the Series 2019B Bond as the Trustee may reasonably require and, in case of any mutilated Series 2019B Bond, upon the surrender of the mutilated Series 2019B Bond to the Trustee. If any such Series 2019B Bond shall

have matured, instead of issuing a duplicate Series 2019B Bond, the Trustee may pay the same without surrender thereof. The Trustee and the Issuer may charge the Owner of the Series 2019B Bond for its reasonable fees and expenses in connection therewith and require payment of such fees and expenses, and in the case of a lost, stolen or destroyed Series 2019B Bond, the Issuer and the Trustee may require indemnity reasonably satisfactory to each, as a condition precedent to the delivery of a new Series 2019B Bond. Every new Series 2019B Bond issued pursuant to this Section by reason of any Series 2019B Bond being mutilated, lost, stolen or destroyed (a) shall constitute, to the extent of the outstanding principal amount of the Series 2019B Bond lost, mutilated, stolen or destroyed, an additional contractual obligation of the Issuer, regardless of whether the mutilated, lost, stolen or destroyed Series 2019B Bond shall be enforceable at any time by anyone, and (b) shall be entitled to all of the benefits of this Supplement equally and proportionately with any and all other Outstanding Series 2019B Bonds.

Section 4.5. Payment of Debt Service and Redemption Price.

(a) The principal, Purchase Price and Redemption Price of any Series 2019B Bond shall be paid to the Owner thereof as shown on the registration records of the Trustee upon the maturity, mandatory tender or prior redemption thereof in accordance with Section 3.1 of this Supplement and upon presentation and surrender at the Designated Payment Office of the Trustee.

(b) Interest on the Series 2019B Bonds shall be paid to the Owner thereof in accordance with Section 3.1 of this Supplement.

Section 4.6. Redemption of Series 2019B Bonds and Redemption Payments.

(a) The Series 2019B Bonds shall be subject to redemption as set forth in Appendix I hereto and in the applicable Form of Series 2019B Bonds attached as Exhibit A to this Supplement.

(b) On the dates specified in the applicable Form of Series 2019B Bonds attached as Exhibit A to this Supplement, the Issuer shall pay or cause to be paid to the Trustee, but solely, with respect to the redemption of Escrow Bonds, from funds on deposit in the Series 2019B Escrow Reserve Redemption Account, and otherwise from funds received from (or on behalf of) the Borrower for deposit into the Redemption Account of the Debt Service Fund, or any applicable sub-account thereof, moneys sufficient to pay the Redemption Price of the Series 2019B Bonds to be redeemed on the date fixed for redemption. Subject to the terms of Article V, the Issuer and the Trustee shall make such payment solely from moneys available to the Issuer or the Trustee, as applicable, from (or on behalf of) the Borrower. The Trustee shall, with respect to the redemption of Escrow Bonds, use moneys on deposit in the Series 2019B Escrow Reserve Redemption Account, and otherwise use the moneys paid to it for such purpose and such other available moneys in the applicable Account of the Debt Service Fund to pay the Redemption Price due on the Series 2019B Bonds to be redeemed on the date fixed for redemption. Upon the giving of notice and the deposit of such funds as may be available for redemption pursuant to this Supplement, interest on the Series 2019B Bonds or portions thereof thus called for redemption shall no longer accrue from and after the date fixed for redemption.

(c) The Trustee shall pay to the Owners of the Series 2019B Bonds so redeemed, the amounts due on their respective Series 2019B Bonds, at the Designated Payment Office of the Trustee upon presentation and surrender of the Series 2019B Bonds.

Section 4.7. Notice of Redemption. Notice of any redemption of Series 2019B Bonds shall be as set forth in the applicable Form of Series 2019B Bonds attached as Exhibit A to this Supplement.

Section 4.8. Tender of Series 2019B Bonds. The Series 2019B Bonds in any Mode, other than a Fixed Rate Mode, shall be subject to tender for purchase as provided in Appendix I hereto and in the applicable Form of Series 2019B Bonds attached hereto as Exhibit A. Each Owner and each beneficial owner of the Series 2019B Bonds, by its acceptance of the Series 2019B Bonds, agrees to tender its Series 2019B Bonds to the Trustee for purchase on each Purchase Date. Notwithstanding anything herein to the contrary, the Purchase Price of the Escrow Bonds shall be paid from the amounts on deposit in the Series 2019B Escrow Reserve Redemption Account, unless paid from the proceeds of a remarketing of the Escrow Bonds or otherwise paid or provided for pursuant to Appendix I hereto.

Section 4.9. [Reserved].

Section 4.10. Book-Entry Registration. Except as set forth below in this Section 4.10, the Series 2019B Bonds shall be delivered only in book-entry form registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”), New York, New York, acting as the securities depository of the Series 2019B Bonds and the principal of and interest on and Redemption Price of the Series 2019B Bonds shall be paid by wire transfer to DTC. The Issuer has entered into a Letter of Representations with DTC. DTC may determine to discontinue providing its service with respect to the Series 2019B Bonds at any time by giving notice to the Issuer and the Trustee and discharging its responsibilities with respect thereto under applicable law. If there is no successor securities depository appointed by the Issuer, the Issuer shall execute and the Trustee will authenticate and deliver Series 2019B Bonds to the beneficial owners thereof. The Issuer, at the direction of the Borrower, may determine not to continue participation in the system of book-entry transfers through DTC (or a successor securities depository) at any time by giving reasonable notice to DTC (or a successor securities depository) and the Trustee. In such event, the Issuer will execute and the Trustee will authenticate and deliver Series 2019B Bonds to the beneficial owners thereof pursuant to Section 4.2 hereof. Neither the Issuer nor the Trustee shall have any liability to DTC, Cede & Co., any substitute securities depository, any Person in whose name the Series 2019B Bonds are reregistered at the direction of any substitute securities depository, any beneficial owner of the Series 2019B Bonds or any other Person for (i) any determination made by the Issuer pursuant to this Section or (ii) any action taken to implement such determination and the procedures related thereto that is taken pursuant to any direction of or in reliance on any information provided by DTC, Cede & Co., any substitute securities depository or any Person in whose name the Series 2019B Bonds are reregistered.

Section 4.11. Delivery of New Series 2019B Bonds upon Partial Redemption or Tender of Series 2019B Bonds. Upon surrender and cancellation of a Series 2019B Bond for redemption or tender in part only, a new Series 2019B Bond or Series 2019B Bonds of the same series, maturity and interest rate and in an Authorized Denomination equal to the unredeemed or

untendered portion of the original partially redeemed or tendered Series 2019B Bond, shall be executed on behalf of and delivered by the Issuer and the Trustee in accordance with Sections 3.2 and 4.1 hereof.

Section 4.12. Nonpresentment of Series 2019B Bonds. (a) In the event any Series 2019B Bond shall not be presented for payment on any date when the principal thereof becomes due, either at maturity, or at the date fixed for redemption thereof, or as set forth herein regarding deemed tenders or redemptions or otherwise, and if funds sufficient to pay such Series 2019B Bond shall have been made available to the Trustee for the benefit of the Owner thereof, all liability of the Issuer to the Owner thereof for the payment of such Series 2019B Bond shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such funds uninvested for three (3) years, for the benefit of the Owner of such Series 2019B Bond, without liability for interest thereon to such Owner, who shall thereafter be restricted exclusively to such funds, for any claim of whatever nature on his part under this Supplement or on, or with respect to, such Series 2019B Bond.

(b) Except as may otherwise be required by applicable law, in case any moneys deposited with the Trustee for the payment of the principal of, or interest or premium, if any, on any Series 2019B Bond remain unclaimed for more than three (3) years after such principal, interest or premium has become due and payable, the Trustee may, and upon receipt of a written request of the Borrower shall, pay over to the Borrower the amount so deposited in immediately available funds, without additional interest, and thereupon the Trustee and the Issuer shall be released from any further liability with respect to the payment of principal, interest or premium, and the owner of such Series 2019B Bond shall be entitled (subject to any applicable statute of limitations) to look only to the Borrower as an unsecured creditor for the payment thereof.

Section 4.13. Cancellation of Series 2019B Bonds. Whenever any Outstanding Series 2019B Bonds have been paid or redeemed or are otherwise delivered to the Trustee for cancellation, upon payment or redemption thereof or before or after replacement, the respective Series 2019B Bonds shall be promptly cancelled by the Trustee. The Issuer may not issue new Series 2019B Bonds to replace Series 2019B Bonds it has paid or delivered to the Trustee for cancellation for any reason other than in connection with a transfer or exchange in accordance with the terms of this Supplement.

Section 4.14. Open Market Purchases/Purchase in Lieu of Redemptions. The Borrower may, to the extent permitted by applicable law, at any time and from time to time purchase Series 2019B Bonds in the open market, on an exchange or by tender or in a privately negotiated transaction at any price. Any Series 2019B Bonds so purchased may be held by or for the account of the Borrower, and the Borrower may surrender such Series 2019B Bonds to the Trustee for cancellation.

Whenever Released Bonds are called for redemption pursuant to the Form of Series 2019B Bonds attached hereto as Exhibit A, the Trustee may, upon direction of the Borrower, apply amounts in the Redemption Account (excluding accrued interest, which is payable from the Interest Account) to purchase some or all of the Released Bonds subject to optional redemption, on the applicable redemption date, at the Redemption Price then applicable to such Released Bonds. Released Bonds purchased pursuant to this Section 4.14 and not cancelled shall be subject

to conversion and remarketing pursuant to Appendix I hereto, and the date of such purchase shall be deemed to be a Mandatory Tender Date for purposes of Appendix I hereto. Any Released Bonds purchased pursuant to this Section 4.14 at a purchase price other than the principal amount thereof, plus accrued and unpaid interest, if any, to but not including the date of purchase, and remarketed pursuant to Appendix I hereto, shall be converted to a Term Rate Period with a term of approximately ten years, unless otherwise directed by the Borrower which direction shall be accompanied by a Favorable Opinion of Bond Counsel.

ARTICLE V

FUNDS AND ACCOUNTS

Section 5.1. Establishment of Funds and Accounts.

There is hereby created and established the following Funds and Accounts:

(a) Within the Debt Service Fund, one additional account designated the “Series 2019B Escrow Reserve Redemption Account” (the “Series 2019B Escrow Reserve Redemption Account”), held by the Trustee for the benefit of the Owners of the Escrow Bonds, and within such Account, two subaccounts designated (i) the “Series 2019B Proceeds Subaccount” and (ii) the “Series 2019B Contribution Subaccount”; and

(b) The Series 2019B Rebate Fund (the “Series 2019B Rebate Fund”).

Notwithstanding anything herein to the contrary, the Trustee may from time to time hereafter establish and maintain additional funds, accounts or subaccounts necessary or useful in connection with any other provision of this Supplement or any other Supplemental Indenture or to the extent deemed necessary by the Trustee, including without limitation, the Funds described in Appendix I hereto.

Section 5.2. Deposit of Funds.

(a) On the Closing Date, the proceeds of the Series 2019B Bonds shall be deposited in the Series 2019B Proceeds Subaccount of the Series 2019B Escrow Reserve Redemption Account. Notwithstanding anything herein to the contrary, until the earlier of (i) the Escrow Redemption Date and (ii) the Final Escrow Release Date, moneys held in each subaccount of the Series 2019B Escrow Reserve Redemption Account and earnings thereon (A) shall be held by the Trustee in such Account, in escrow, (B) shall be invested solely in Escrow Securities, and (C) shall be used (1) unless and until released in whole or in part for application in accordance with Section 3.4(b) of this Supplement upon the occurrence of an Escrow Release Date, solely for the payment of the Purchase Price of the Escrow Bonds on each Mandatory Tender Date prior to the Escrow Release Date and the payment of the Redemption Price of the Escrow Bonds on the Escrow Redemption Date, in the event the Escrow Release Conditions are not satisfied on or prior to the Escrow End Date, or, (2) to the extent released in whole or in part on an Escrow Release Date, in accordance with Section 3.4(b) hereof.

(b) Moneys on deposit in the Series 2019B Escrow Reserve Redemption Account shall not be used to pay principal or purchase price of or interest on any Bonds or any Series 2019B Bonds other than the Escrow Bonds, except to the extent permitted pursuant to Section 3.4 hereof. Monies on deposit in any Account established within the Debt Service Fund other than the Series 2019B Escrow Reserve Redemption Account shall be used solely for the payment of principal or purchase price of or interest on the Released Bonds and any other Bonds Outstanding, as set forth in the Original Indenture as supplemented and amended by the applicable Escrow Release Supplemental Indenture. In addition, there shall be deposited into the appropriate Account of the Debt Service Fund: (i) any moneys paid to the Trustee pursuant to Section 4.6 hereof with respect to the Redemption Price of the Series 2019B Bonds; (ii) any moneys deposited into such Account pursuant to Section 7.2 hereof; and (iii) all other moneys received by the Trustee that are accompanied by directions that such moneys are to be deposited into such Account.

Section 5.3. Series 2019B Rebate Fund. The Series 2019B Rebate Fund shall be for the sole benefit of the United States of America, shall be excluded from the Trust Estate and the Escrow Property as described in Section 2.1 hereof, and shall not be subject to the claim of any other Person, including without limitation, the Owners. The Series 2019B Rebate Fund is established for the purpose of complying with Section 148 of the Code and the Treasury Regulations promulgated pursuant thereto. The money deposited in the Series 2019B Rebate Fund, together with all investments thereof and investment income therefrom, shall be held in trust and applied solely as provided in the Federal Tax Certificate. The Series 2019B Rebate Fund is not a portion of the Trust Estate or the Escrow Property and is not subject to any lien under the Original Indenture or this Supplement. Notwithstanding the foregoing, the Trustee with respect to the Series 2019B Rebate Fund is afforded all the rights, protections and immunities otherwise accorded to it hereunder.

Section 5.4. Moneys to be Held in Trust. The Series 2019B Escrow Reserve Redemption Account shall be held by the Trustee, solely for the benefit of the Owners of the Escrow Bonds as specified in this Supplement. The Series 2019B Rebate Fund shall be held by the Trustee for the purpose of making payments to the United States pursuant to Section 6.5 hereof. Any Defeasance Escrow Account established pursuant hereto shall be held solely for the benefit of the Owners of the Series 2019B Bonds to be paid therefrom as provided in the agreement governing such Defeasance Escrow Account.

Section 5.5. Investment of Moneys.

(a) All moneys held as part of any Fund or Account established pursuant to this Supplement shall be deposited or invested and reinvested by the Trustee, at the written direction of the Borrower, in Permitted Investments; *provided*, however, that moneys in any Defeasance Escrow Account may only be invested in Defeasance Securities; and *provided further*, however that moneys in the Series 2019B Escrow Reserve Redemption Account may only be invested in Escrow Securities.

(b) Earnings from the investment of moneys held in any Fund or Account established pursuant to this Supplement and losses from the investment of moneys held in

any such Fund or Account shall be charged against the Fund or Account in which they were realized.

(c) The Trustee shall sell and reduce to cash a sufficient amount of the investments held in any Fund or Account established pursuant to this Supplement whenever the cash balance therein is insufficient to make any payment to be made therefrom and the Trustee shall not be liable or responsible for any loss or tax resulting from such sale.

Section 5.6. Drawing on Facility. If a Facility is available for the Series 2019B Bonds, the Trustee shall draw on the Facility to pay principal or purchase price of and interest coming due on the Series 2019B Bonds as provided in Appendix I hereto. The Series 2019B Bonds shall not have the benefit of a Credit Facility or Liquidity Facility unless and until the Borrower determines to deliver one as provided in Appendix I hereto.

ARTICLE VI

COVENANTS OF THE ISSUER

Section 6.1. Representations, Covenants and Warranties. The Issuer represents, covenants and warrants that:

(a) It will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Supplement, in any and every duly authorized Series 2019B Bond and in all proceedings of the Issuer pertaining thereto.

(b) It is duly authorized under the laws of the State, including particularly and without limitation, the Act, to issue the Series 2019B Bonds for the purposes stated in this Supplement and to execute this Supplement, to pledge the property described herein and pledged hereby and to pledge the Escrow Property in the manner and to the extent herein set forth, that all actions on its part required for the issuance of the Series 2019B Bonds and the execution and delivery of this Supplement have been duly and effectively taken or will be duly taken as provided herein, and that this Supplement is a valid and enforceable instrument of the Issuer and that the Series 2019B Bonds in the hands of the Owners thereof are and will be valid and enforceable obligations of the Issuer according to the terms thereof.

(c) It will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such indentures supplemental hereto and such further acts, instruments and transfers as the Trustee may reasonably require for the better assuring, transferring, pledging and hypothecating unto the Trustee all and singular the Escrow Property to the payment of the principal of, premium, if any, and interest on the Escrow Bonds.

(d) Promptly after any filing, registration or recording (other than the filing of the First Supplemental Senior Loan Agreement, this Supplement and any financing

statements in connection with the issuance of the Series 2019B Bonds) or any re-filing, re-registration or re-recording of this Supplement, the First Supplemental Senior Loan Agreement, or any filing, registration, recording, re-filing, re-registration or re-recording of any supplement to any of said instruments, any financing statement or instrument of similar character relating to any of said instruments or any instrument of further assurance which is required pursuant to the preceding paragraph, the Issuer will, upon written request of the Trustee, cause the Borrower to deliver to the Trustee a certificate of a Responsible Officer of the Borrower to the effect that such filing, registration, recording, re-filing, re-registration or re-recording has been duly accomplished and setting forth the particulars thereof.

(e) The execution, delivery and performance of its obligations under this Supplement by the Issuer do not and will not conflict with or result in a violation or a breach of any law or the terms, conditions or provisions of any restriction under any Law, contract, agreement or instrument to which the Issuer is now a party or by which the Issuer is bound, or constitute a default under any of the foregoing.

(f) Except as described in the Official Statement, to the best of its knowledge, no litigation, inquiry or investigation of any kind in or by any judicial or administrative court or agency is pending or, threatened against the Issuer affecting the right of the Issuer to execute, deliver or perform its obligations under this Supplement.

Section 6.2. Conditions Precedent. Upon the date of issuance of the Series 2019B Bonds, the Issuer hereby covenants that all conditions, acts and things required of the Issuer by the Constitution or laws and statutes of the State (including, particularly, the Act) or by this Supplement to exist, to have happened or to have been performed precedent to or in connection with the issuance of the Series 2019B Bonds shall exist, have happened and have been performed.

Section 6.3. Maintenance of Existence. The Issuer pledges and agrees with the Owners of the Series 2019B Bonds that it shall use its best efforts to prevent the State from limiting or altering the rights vested in the Issuer to fulfill the terms of the agreements made with such Owners or from in any way impairing the rights or remedies of such Owners until the Series 2019B Bonds, together with the interest, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such Owners, are fully met and discharged.

Section 6.4. No Superior or Parity Liens on Escrow Property. The Issuer will not, pledge, grant, create or permit to exist in any manner any Security Interest on, or rights with respect to, the Escrow Property, (x) except as specifically permitted pursuant to this Supplement or (y) except for a contract or agreement under which the financial obligations of the Issuer and the rights of any Person to require the Issuer to make any payment are (a) limited to moneys of the Issuer that are not part of the Escrow Property; and (b) subordinate to the rights of the Owners of the Series 2019B Bonds under this Supplement.

Section 6.5. Tax Covenant. The Issuer shall not take any action or omit to take any action with respect to the Series 2019B Bonds, the proceeds of the Series 2019B Bonds, the Escrow Property, or any other funds or property of the Issuer, and it will not permit, to the extent of its

control, any other Person to take any action or omit to take any action with respect to the Series 2019B Bonds, the Escrow Property or any other funds or property of the Issuer if such action or omission would cause interest on any of the Series 2019B Bonds to be included in gross income for federal income tax purposes. In furtherance of this covenant, the Issuer agrees to comply with the covenants set forth in the applicable Federal Tax Certificate for the Series 2019B Bonds. The covenants set forth in this Section shall remain in full force and effect notwithstanding the payment in full or defeasance of the Series 2019B Bonds until the date on which all of the Issuer obligations in fulfilling such covenants have been met.

Section 6.6. Compliance with Law. The Issuer shall comply with all Laws and regulations, the State Constitution, the Act and all other State Laws relating to the Series 2019B Bonds, the organization and operation of the Issuer and the subject matter of this Supplement.

Section 6.7. No Appointment of Receiver, etc. The Issuer agrees that it will not apply for or consent to the appointment of a receiver, trustee, liquidator or custodian or the like of the Issuer.

Section 6.8. Rights under First Supplemental Senior Loan Agreement. The First Supplemental Senior Loan Agreement, a duly executed counterpart of which will be filed with the Trustee, sets forth the covenants and obligations of the Issuer and the Borrower with respect to the related Series 2019B Loan, and reference is hereby made to the First Supplemental Senior Loan Agreement for a detailed statement of such covenants and obligations of the Borrower thereunder. The Issuer will observe all of the obligations, terms and conditions required on its part to be observed or performed under the First Supplemental Senior Loan Agreement. The Issuer agrees that wherever in the First Supplemental Senior Loan Agreement it is stated that the Issuer will notify the Trustee, give the Trustee some right or privilege, or in any way attempt to confer upon the Trustee the ability for the Trustee to protect the security for payment of the Series 2019B Bonds, that such part of the First Supplemental Senior Loan Agreement shall be as though it were set out in this Supplement in full. The Issuer agrees that the Trustee in its name or in the name of the Issuer may enforce all rights of the Issuer (other than Reserved Rights) and all obligations of the Borrower under and pursuant to the First Supplemental Senior Loan Agreement and on behalf of the Owners, whether or not the Issuer is in default hereunder.

Section 6.9. Indebtedness. The Issuer shall not create, incur, assume or permit to exist any indebtedness of the Issuer with respect to the Escrow Property pledged under this Supplement, other than the Series 2019B Bonds.

ARTICLE VII

DEFAULTS AND REMEDIES

Section 7.1. Events of Default. Any of the following shall constitute an “Event of Default” under this Supplement with respect to all of the Outstanding Escrow Bonds:

- (a) Failure to pay any portion of the principal or purchase price of any Outstanding Escrow Bond when due and payable;

(b) Failure to pay any portion of interest on any Outstanding Escrow Bond within ten (10) Business Days after such interest payment is due and payable;

(c) Failure by the Issuer to cure or cause the Borrower to cure any noncompliance with any other provision of this Supplement within 60 days after receiving written notice of such noncompliance from the Trustee (with a copy to the Borrower) with respect to the Escrow Bonds; provided, however, that such noncompliance shall not be an Event of Default at the end of such sixty (60) day period, so long as: (i) the Issuer is proceeding diligently to cure such breach; and (ii) such breach, in any event, is cured within one hundred twenty (120) days of such written notification from the Trustee;

(d) A First Supplemental Senior Loan Agreement Default with respect to the Escrow Bonds shall have occurred and be continuing;

(e) The occurrence and continuance, with respect to the Issuer, of a Bankruptcy Event (provided that solely for purposes of this clause, all references to the “Borrower” within the definition of the term “Bankruptcy Event” shall be substituted with the “Issuer”);

(f) If applicable, the Trustee shall have received written notice from the Credit Provider of the occurrence of an event of default under any Reimbursement Agreement then in effect, which notice shall direct the acceleration of the Series 2019B Bonds; or

(g) If applicable, the Trustee shall receive written notice from the Credit Provider after a drawing under a Credit Facility to pay interest on the Series 2019B Bonds that the Credit Provider has not reinstated the amount so drawn.

Section 7.2. Remedies Following and During the Continuance of an Event of Default.

(a) Upon the occurrence and during the continuance of an Event of Default, Owners of at least 25% in aggregate principal amount of the Outstanding Escrow Bonds or the Issuer may deliver to the Trustee a written notice, with a copy to the Issuer and the Borrower, that an Event of Default has occurred and is continuing. The Trustee shall not be deemed to have any knowledge of the occurrence of an Event of Default, except with respect to an Event of Default described in Section 7.1(a) or (b) hereof, unless and until it has received such a notice from the relevant party.

(b) At any time during which an Event of Default has occurred and is continuing commencing on the date of delivery to the Trustee of the notice described in Section 7.2(a) above (except with respect to an Event of Default described in Section 7.1(a) or (b) hereof in which no notice shall be required), the Majority Escrow Bondholders shall have the right to give the Trustee one or more enforcement directions directing the Trustee to take on behalf of the Owners of the Escrow Bonds, subject to the terms of Section 7.2(c) below, whatever action at law or in equity may appear necessary or desirable to enforce the rights of the Owners of the Escrow Bonds.

(c) Upon the occurrence and during the continuance of an Event of Default, if so instructed by the Majority Escrow Bondholders, the Trustee, subject to the immediately

succeeding provisos, shall, by notice delivered to the Issuer and the Borrower, declare all Escrow Bonds, all interest accrued and unpaid thereon, and all other amounts payable in respect of the Escrow Bonds to be due and payable, whereupon the same shall become immediately due and payable without presentment, demand, protest or further notice of any kind, all of which are waived by the Issuer; *provided* that the Escrow Bonds may be accelerated pursuant to this clause (c) only to the extent the portion of the underlying Series 2019B Loan relating to the Escrow Bonds under the First Supplemental Senior Loan Agreement shall have been accelerated.

(d) The Majority Escrow Bondholders may, by written notice to the Trustee, on behalf of all of the Owners of the Escrow Bonds, rescind any acceleration and its consequences, if the rescission would not conflict with any judgment or decree and if all existing Events of Default (except nonpayment of principal, interest or premium that has become due solely because of the acceleration) have been cured or waived and the Issuer has paid or deposited, or caused to be paid or deposited, with the Trustee a sum sufficient to pay all sums paid or advanced by the Trustee hereunder and the reasonable and documented compensation, expenses and disbursements of the Trustee, its agents and counsel. In case of any such rescission, then and in every such case the Issuer, the Trustee and the Owners of the Escrow Bonds shall be restored to their former positions and rights.

(e) All rights and actions and claims under this Supplement may be prosecuted and enforced by the Trustee on behalf of the Owners of the Escrow Bonds. In the case of pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization or other similar judicial proceeding relative to the Issuer or the Escrow Property, the Trustee shall be entitled to file and prove a claim for the amount of the Issuer's and the Borrower's obligations to the Owners of the Escrow Bonds owing and unpaid and to file such other papers or documents as may be necessary in order to have the claims of the Owners of the Escrow Bonds allowed in such judicial proceeding and, to the extent permitted by Law, to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same in accordance with the terms hereof.

Section 7.3. Use of Moneys Received from Exercise of Remedies. After an acceleration pursuant to Section 7.2(c) hereof, moneys received by the Trustee pursuant to this Supplement in respect of the Issuer's obligations hereunder with respect to the Escrow Bonds shall be applied first to pay the reasonable and proper fees and expenses (including the reasonable fees and expenses of counsel) of and indemnification payments owing to the Trustee, including those incurred in connection with the exercise of remedies following such Event of Default, and thereafter remaining amounts shall be applied promptly by the Trustee as follows:

First, ratably, to the payments then due and payable by the Borrower to the Series 2019B Rebate Fund with respect to the Escrow Bonds;

Second, ratably, to all accrued and unpaid interest on the Escrow Bonds;

Third, ratably, to the outstanding principal amount on the Escrow Bonds; and

Fourth, to the Borrower, upon termination, expiration or payment in full of all commitments, any surplus to be applied at the Borrower's discretion.

Section 7.4. Limitations on Rights of Owners Acting Individually. No Owner of any Escrow Bonds shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of any remedy hereunder or for the enforcement of the terms of this Supplement, unless an Event of Default under this Supplement has occurred and is continuing and the Owner of such Escrow Bond has made a written request to the Trustee, and (i) has given the Trustee sixty (60) days to take such action in its capacity as Trustee, (ii) the Trustee shall have been provided reasonable security or indemnity against costs, expenses and liabilities to be incurred in connection with such action to be taken, (iii) the Trustee shall have refused or unreasonably neglected to comply with such request, and (iv) during such sixty (60) day period, no direction inconsistent with such written request shall have been delivered to the Trustee. Nothing in this Section shall affect or impair the right of the Owner of any Escrow Bond to enforce the payment of the principal of and interest on or Redemption Price or Purchase Price of any Escrow Bond at and after the date such payment is due, subject, however, to the limitations on remedies set forth in Section 7.2 hereof. In addition, any action by any Owner of any Escrow Bond taken with respect to the Escrow Property shall only be taken in accordance with the provisions of Section 7.2 hereof.

Section 7.5. Trustee May Enforce Rights without Bonds. All rights of action and claims under this Supplement or any of the Outstanding Escrow Bonds may be enforced by the Trustee without the possession of any of the Escrow Bonds or the production thereof in any trial or proceedings relative thereto; any suit or proceeding instituted by the Trustee shall be brought in its name as Trustee, without the necessity of joining as plaintiffs or defendants any Owners of any Escrow Bonds; and any recovery of judgment shall be for the ratable benefit of the Owners of the Escrow Bonds, subject to the provisions hereof.

Section 7.6. Trustee to File Proofs of Claim in Receivership, Etc. In the case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceedings affecting the Escrow Property, the Trustee shall, to the extent permitted by law, be entitled to file such proofs of claim and other documents as may be necessary or advisable in order to have claims of the Trustee and of the Owners of the Escrow Bonds allowed in such proceedings for the entire amount due on the Escrow Bonds under this Supplement, at the date of the institution of such proceedings and for any additional amounts which may become due by it after such date, without prejudice, however, to the right of any Owner of any Escrow Bonds to file a claim on its own behalf, to the extent permitted hereunder.

Section 7.7. Delay or Omission No Waiver. No delay or omission of the Trustee or of any Owner of any Escrow Bonds to exercise any remedy, right or power accruing upon any Event of Default or otherwise shall exhaust or impair any such remedy, right or power or be construed to be a waiver of any such Event of Default, or acquiescence therein; and every remedy, right and power given by this Supplement may be exercised from time to time and as often as may be deemed expedient.

Section 7.8. Discontinuance of Proceedings on Event of Default; Position of Parties Restored. In case the Trustee or any Owner of any Escrow Bonds shall have proceeded to enforce any right under this Supplement and such proceedings shall have been discontinued or abandoned

for any reason, or shall have been determined adversely to the Trustee or such Owner of Escrow Bonds, then and in every such case the Issuer, the Trustee and the Owners of the Escrow Bonds shall be restored to their former positions and rights, and all rights, remedies and powers of the Trustee, the Issuer and the Owners of the Escrow Bonds shall continue as if no such proceedings had been taken.

Section 7.9. Waivers of Events of Default. The Trustee, notwithstanding anything else to the contrary contained in this Supplement, shall waive any Event of Default upon the written direction of the Majority Escrow Bondholders; *provided, however*, that any Event of Default in the payment of the principal of or interest on, or the Redemption Price of, any Escrow Bond when due shall not be waived (except as contemplated in Section 7.2(d) hereof) without the consent of the Owner of each Escrow Bond affected thereby, unless, prior to such waiver, all such amounts (with interest on amounts past due on any Escrow Bond at the interest rate on such Escrow Bond) and all expenses of and indemnity payments to the Trustee (with interest on amounts past due with respect to any expenses of the Trustee at a rate per year equal to the highest yield on any series of Outstanding Escrow Bonds) in connection with such Event of Default have been paid or provided for. In case of any such waiver, then and in every such case the Issuer, the Trustee and the Owners of the Escrow Bonds shall be restored to their former positions and rights hereunder, but no such waiver shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

Section 7.10. Released Bonds Events of Default and Remedies. Notwithstanding the foregoing, the Events of Default with respect to the Released Bonds and the rights and remedies available to the Trustee and the Owners of the Released Bonds following and during the continuance of an Event of Default with respect to the Released Bonds shall be as set forth in the Original Indenture as supplemented and amended by the applicable Escrow Release Supplemental Indenture. Following an Event of Default with respect to the Released Bonds, the interest rate in effect on the Released Bonds shall be the Default Rate.

ARTICLE VIII

CONCERNING THE TRUSTEE

Section 8.1. Representations, Covenants and Warranties Regarding Execution, Delivery and Performance of Supplement. The Trustee represents, covenants and warrants that:

(a) The Trustee is a national banking association and is authorized, under its certificate of organization, action of its board of directors and applicable law, to own and manage its properties, to conduct its affairs in the State, to accept the grant of the Escrow Property hereunder and to execute, deliver and perform its obligations under this Supplement.

(b) The execution, delivery and performance of this Supplement by the Trustee have been duly authorized by the Trustee.

(c) This Supplement is enforceable against the Trustee in accordance with its terms, limited only by bankruptcy, insolvency, reorganization, moratorium and other

similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

(d) The execution, delivery and performance of the terms of this Supplement by the Trustee do not and will not conflict with or result in a violation or a breach of any law or the terms, conditions or provisions of any restriction or any agreement or instrument to which the Trustee is now a party or by which the Trustee is bound, or constitute a default under any of the foregoing or, except as specifically provided in this Supplement, result in the creation or imposition of a lien or encumbrance whatsoever upon the Escrow Property or any of the property or assets of the Trustee.

(e) There is no litigation or proceeding pending or threatened against the Trustee affecting the right of the Trustee to execute, deliver or perform its obligations under this Supplement.

Section 8.2. Duties of the Trustee. The Trustee hereby accepts the duties imposed upon it by this Supplement and agrees to perform said duties, but only upon and subject to the following express terms and conditions:

(a) The Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Supplement.

(b) The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees and shall not be responsible for the misconduct or negligence of any agent appointed with due care. Any reasonable expenses of hiring such agent shall be reimbursed by the Borrower, in accordance with the terms of the First Supplemental Senior Loan Agreement and any agreement between the Borrower and the Trustee with respect thereto.

(c) The Trustee shall not be responsible for any recital herein or in the Series 2019B Bonds, for the validity of the execution by the Issuer of this Supplement or any instruments of further assurance or for the sufficiency of the security for the Series 2019B Bonds issued hereunder or intended to be secured hereby, for the validity or perfection of the lien on the Escrow Property or for the value of the Escrow Property. The Trustee shall have no obligation to perform any of the duties of the Issuer under this Supplement; and the Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it pursuant to instructions from the Borrower in accordance with Section 5.5 hereof.

(d) The Trustee shall not be accountable for the use of any Series 2019B Bonds delivered to the Underwriter pursuant to this Supplement. The Trustee may become the Owner of the Series 2019B Bonds with the same rights which it would have if not Trustee.

(e) The Trustee shall be fully protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document which it in good faith reasonably believes to be genuine and correct and to have been signed or sent by the proper Person or Persons and the Trustee shall be under no duty to make any investigation as to any statement contained in any such document. Any action taken by the

Trustee pursuant to (and as permitted by) this Supplement upon the request or instruction or consent of any Person who at the time of making such request or giving such instruction or consent is the Owner of any Series 2019B Bond shall be conclusive and binding upon any Series 2019B Bonds issued in place thereof.

(f) The Trustee may employ or retain such counsel, accountants, appraisers or other experts or advisers as it may reasonably require for the purpose of determining and discharging its rights and duties hereunder and, in the absence of the Trustee's gross negligence, bad faith or willful misconduct in employing or retaining any such counsel, accountants, appraisers, experts or advisers, may act and rely and shall be protected in acting and relying in good faith on the opinion or advice of or information obtained from any counsel, accountant, appraiser or other expert or advisor, whether retained or employed by the Borrower, the Issuer or by the Trustee, in relation to any matter arising in the administration hereof, and shall not be responsible for any act or omission on the part of any of them. In addition, the Trustee shall not be liable for any acts or omissions of its nominees, correspondents, designees, agents, subagents or subcustodians appointed with due care.

(g) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to conclusively rely upon a certificate signed by an Issuer Representative as sufficient evidence of the facts therein contained.

(h) The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default hereunder or under the Original Indenture, except failure to pay the principal of and interest on, Purchase Price of, or Redemption Price of, any Series 2019B Bond, unless the Trustee shall be specifically notified in writing of such Event of Default by the Issuer, the Borrower or an Owner of a Series 2019B Bond.

(i) All moneys received by the Trustee shall, until used or applied or invested as herein provided, be held in trust in the manner and for the purposes for which they were received and shall be segregated from all other funds held by the Trustee.

(j) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(k) Notwithstanding anything to the contrary in this Supplement, the Trustee shall have the right, but shall not be required, to reasonably request in respect of the delivery of any Series 2019B Bonds, the withdrawal of any cash, or any action whatsoever within the purview of this Supplement, any showings, certificates, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required, as a condition of such action by the Trustee.

(l) The permissive right of the Trustee to do things enumerated shall not be construed as a duty unless so specified herein, and in doing or not doing so, the Trustee shall not be answerable for other than its own bad faith, gross negligence or willful misconduct.

(m) Before taking any action or refraining from taking any action under this Supplement, the Trustee may require that indemnity reasonably satisfactory to it be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability, including costs incurred in defending itself against any and all charges, claims, complaints, allegations, assertions, or demands of any nature whatsoever, except liability which is adjudicated to be a result of the Trustee's bad faith, negligence or willful misconduct in connection with any such action.

(n) The Trustee shall have no responsibility with respect to any information, statement or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Series 2019B Bonds.

(o) No provision of this Supplement or any other documents related thereto shall require the Trustee to risk or expend its own funds or otherwise incur any financial liability in the performance of its duties and obligations hereunder or thereunder.

(p) In accordance with the terms hereof, the Trustee shall not be liable for any action taken or not taken by it in accordance with the direction of the Owners of a majority (or other percentage provided for herein) in aggregate principal amount of Series 2019B Bonds outstanding or of the Majority Escrow Bondholders, as applicable, relating to the exercise of any right or remedy available to it or the exercise of any trust or power available to the Trustee hereunder.

(q) The immunities extended to the Trustee also extend to its directors, officers, employees and agents.

(r) In no event shall the Trustee be responsible or liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(s) The Trustee shall not incur any liability for not performing any act or fulfilling any duty, obligation or responsibility hereunder by reason of any occurrence beyond the control of the Trustee (including but not limited to any act or provision of any present or future law or regulation or governmental authority, any act of God or war, civil unrest, natural disaster, any act of terrorism, or the unavailability of the Federal Reserve Bank wire or facsimile or other wire or communication facility, it being understood that the Trustee shall use reasonable best efforts that are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

(t) The Trustee is not accountable for the use by the Issuer or the Borrower of the proceeds of the Series 2019B Bonds.

(u) The Trustee is not required to independently verify compliance with, nor is the Trustee liable, with respect to, any provisions of the Federal Tax Certificate, including calculation with respect to arbitrage rebate.

Section 8.3. Compensation of Trustee. The Trustee shall be entitled to compensation in accordance with its agreement with the Borrower, which, notwithstanding any other provision hereof, may be amended at any time by agreement of the Borrower and the Trustee without the consent of or notice to the Owners. In no event shall the Trustee be obligated to advance its own funds in order to take any action hereunder. Notwithstanding the foregoing or anything herein to the contrary, the Trustee shall not be entitled to assert a lien on the Series 2019B Escrow Reserve Redemption Account or any Escrow Property to secure the payment of any compensation due to the Trustee hereunder.

Section 8.4. Co-Trustees. (a) With the consent of the Borrower, the Trustee shall have power to appoint one or more Persons to act as co-trustee under this Supplement, with such powers as may be provided in the instrument of appointment, and to vest in such person or persons any property, title, right or power deemed necessary or desirable, subject to the remaining provisions of this Section, including, without limitation, the appointment of a co-trustee to act as Escrow Trustee and/or Bonds Trustee, separately from the Trustee.

(b) Each co-trustee shall, to the extent permitted by applicable law, be appointed subject to the following terms:

(i) The rights, powers, duties and obligations conferred or imposed upon any such trustee shall not be greater than those conferred or imposed upon the Trustee.

(ii) The Trustee may at any time, by an instrument in writing executed by it, accept the resignation of or remove any co-trustee appointed under this Section.

(iii) No co-trustee under this Supplement shall be liable by reason of any act or omission of any other co-trustee appointed under this Supplement.

Section 8.5. Resignation or Replacement of Trustee.

(a) The resignation, removal and replacement of the Bonds Trustee shall be governed by the terms of the Original Indenture.

(b) The present or any future Escrow Trustee may resign by giving written notice to the Issuer (with a copy to the Borrower) not less than 60 days before such resignation is to take effect. Such resignation shall take effect only upon the appointment of and acceptance by a successor qualified as provided in subsection (d) of this Section. If no successor is appointed within 60 days following the date designated in the notice for the Escrow Trustee's resignation to take effect, the resigning Escrow Trustee may petition a court of competent jurisdiction for the appointment of a successor. The present or any future Escrow Trustee may be removed at any time by (i) the Issuer at the direction of the Borrower, so long as no Event of Default has occurred and is continuing, or (ii) the Majority Escrow Bondholders with the consent of the Issuer and, so long as no Event of Default has occurred and is continuing, the Borrower, such consent not to be unreasonably withheld, by an instrument or concurrent instruments in writing signed by such Owners; provided, however, that in case such vacancy continues for at least thirty (30) days the Issuer, by an instrument signed by the Chairman, Vice Chairman or Executive Director of the Issuer and attested by its Executive Director, Secretary or Assistant Secretary under its seal or the

Borrower, by certificate signed by a Responsible Officer of the Borrower, may appoint a temporary Escrow Trustee to fill such vacancy until a successor Escrow Trustee shall be appointed by the Owners of the Escrow Bonds in the manner provided above.

(c) In case the present or any future Escrow Trustee shall at any time resign or be removed or otherwise become incapable of acting, a successor may be appointed by the Owners of the Escrow Bonds in the manner provided above.

(d) Every successor Escrow Trustee shall be a bank or trust company in good standing, qualified to do business in the State, duly authorized to exercise trust powers and subject to examination by federal or state authority, qualified to act hereunder and having a capital and surplus of not less than \$500,000,000. Any successor Escrow Trustee appointed hereunder shall execute, acknowledge and deliver to the Issuer (with a copy to the Borrower) an instrument accepting such appointment hereunder, and thereupon such successor shall, without any further act, deed or conveyance, become vested with all the estates, properties, rights, powers and trusts of its predecessor in the trust hereunder with like effect as if originally named as Escrow Trustee herein; but the Escrow Trustee retiring shall, nevertheless, on the written demand of the Issuer or its successor, execute and deliver an instrument conveying and transferring to such successor, upon the trusts herein expressed, all the estates, properties, rights, powers and trusts of the predecessor, which shall duly assign, transfer and deliver to the successor all properties and moneys held by it under this Supplement. Should any instrument in writing from the Issuer be required by any successor for more fully and certainly vesting in and confirming to such successor the properties, rights, powers and duties hereby vested or intended to be vested in the predecessor, such instrument in writing shall, at the reasonable discretion of the Issuer, be made, executed, acknowledged and delivered by the Issuer on request of such successor.

(e) Every successor Escrow Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor, and also to the Issuer and the Borrower an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the Issuer, the Borrower or any respective successor thereof, execute and deliver an instrument transferring to such successor all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Escrow Trustee shall deliver all securities and moneys held by it as the Escrow Trustee hereunder to its successor. Should any instrument in writing from the Issuer be required by any successor Escrow Trustee for more fully and certainly vesting in such successor Escrow Trustee the Escrow Property, rights, powers and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer.

(f) The instruments evidencing the resignation or removal of the Escrow Trustee and the appointment of a successor hereunder, together with all other instruments provided for in this Section shall be filed and/or recorded by the successor Escrow Trustee

in each recording office, if any, where this Supplement shall have been filed and/or recorded.

(g) The rights of the Escrow Trustee under this Article 8 shall survive the Escrow Trustee's resignation or removal.

Section 8.6. Conversion, Consolidation or Merger of Trustee. The effect of any conversion, consolidation or merger of the Bonds Trustee shall be governed by the terms of the Original Indenture. Any bank or trust company into which the Escrow Trustee or its successor may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its trust business as a whole shall be the successor of the Escrow Trustee under this Supplement with the same rights, powers, duties and obligations and subject to the same restrictions, limitations and liabilities as its predecessor, all without the execution or filing of any papers or any further act on the part of any of the parties hereto or thereto, anything herein or therein to the contrary notwithstanding provided that so long as no Event of Default has occurred and is continuing, the Owners of the Escrow Bonds may appoint a successor trustee other than the entity into which the Escrow Trustee may be converted or merged in the manner provided above. In case any of the Escrow Bonds shall have been executed, but not delivered, any successor Escrow Trustee may adopt the signature of any predecessor Escrow Trustee, and deliver the same as executed; and, in case any of such Escrow Bonds shall not have been executed, any successor Escrow Trustee may execute such Escrow Bonds in the name of such successor Escrow Trustee.

Section 8.7. Intervention by Trustee. In any judicial proceeding to which the Issuer is a party relating to the First Supplemental Senior Loan Agreement or this Supplement and which in the reasonable opinion of the Trustee and its counsel has a substantial bearing on the interests of the Owners, the Trustee may intervene on behalf of the Owners.

Section 8.8. Books and Records; Reports.

(a) The Trustee shall at all times keep, or cause to be kept, proper books of record and account in which complete and accurate entries shall be made of all transactions relating to the Series 2019B Bonds and all Funds and Accounts established pursuant to this Supplement. Such books of record and accounts shall be available for inspection by the Issuer, the Borrower, and any Owner or their agents or representatives duly authorized in writing, at reasonable hours and under reasonable circumstances and upon reasonable prior written request.

(b) The Trustee shall maintain records of all receipts, disbursements, and investments of funds with respect to the Funds and Accounts until the fifth anniversary of the date on which all of the Series 2019B Bonds shall have been paid in full.

Section 8.9. Notices, Etc. Subject to the provisions of Section 8.2(i) of this Supplement, the Trustee shall promptly deliver to the Issuer and the Borrower (other than with respect to any notices set forth in subclause (a) below):

(a) any notice provided to it by the Borrower under the terms of the First Supplemental Senior Loan Agreement;

(b) written notice of the occurrence of any Event of Default under this Supplement (with a description of any action being taken or proposed to be taken with respect thereto), including any payment defaults under Section 7.1(a) or (b) hereof and any First Supplemental Senior Loan Agreement Default; and

(c) written notice of any Security Interest placed on or claim against the Escrow Property (other than the Security Interests created under this Supplement);

provided, however, that the notices referred to in subclause (a) above shall only be delivered (in each case) to the Issuer upon its written request.

ARTICLE IX

AMENDMENTS

Section 9.1. Amendments Not Requiring Consent of Owners. The Issuer and the Trustee may, without the consent of, or notice to, the Owners, but with the prior written consent of the Borrower, enter into amendments or supplements to this Supplement (“Amendments”) for any one or more or all of the following purposes:

(a) to provide for the remarketing of the Series 2019B Bonds as Released Bonds pursuant to Section 3.4 hereof;

(b) to provide for the issuance by the Issuer of additional Escrow Bonds in accordance with Article 12 of the Original Indenture;

(c) to add additional covenants with respect to the Series 2019B Bonds to the covenants and agreements of the Issuer set forth herein;

(d) to add additional revenues, properties or collateral to the Escrow Property;

(e) to cure any ambiguity, or to cure, correct or supplement any defect, mistake, error, omission or inconsistent provision contained herein relating to the Series 2019B Bonds;

(f) to amend any existing provision hereof relating to the Series 2019B Bonds or to add additional provisions which, in the opinion of Bond Counsel, are necessary or advisable (i) to qualify, or to preserve the qualification of, the interest on any Series 2019B Bonds for exclusion from gross income for federal income tax purposes; (ii) to qualify, or to preserve the qualification of, this Supplement under the Trust Indenture Act; or (iii) to qualify, or preserve the qualification of, any Series 2019B Bonds for an exemption from registration or other limitations under the laws of any state or territory of the United States and under any federal law of the United States;

(g) to amend any provision hereof relating to the Series 2019B Rebate Fund, if, in the opinion of Bond Counsel, such amendment does not adversely affect the excludability of the interest on the Series 2019B Bonds from gross income for federal income tax purposes;

(h) to provide for or eliminate book-entry registration of any of the Series 2019B Bonds;

(i) to obtain or maintain a rating (but not a particular rating level) of the Series 2019B Bonds by a Nationally Recognized Rating Agency;

(j) to facilitate the receipt of moneys;

(k) to facilitate the conversion of any portion of the Series 2019B Bonds to a different Mode;

(l) to establish additional funds, accounts or subaccounts necessary or useful in connection with the Project; or

(m) in connection with any other change which, in the judgment of the Trustee (who may for such purposes rely entirely upon a legal opinion with respect thereto of counsel selected by, or reasonably satisfactory to, the Trustee, which legal counsel may rely on a rating confirmation by any Nationally Recognized Rating Agency or a certificate of an investment banker or financial advisor with respect to financial matters and on a certificate from the Issuer or Borrower as to factual matters), does not materially adversely affect the rights of the Owners of the Series 2019B Bonds, and for the avoidance of doubt, the Trustee shall be fully indemnified by the Borrower in connection with any claim, demand, suit, action or proceedings whatsoever arising out of such action pursuant to Section 7.02 of the First Supplemental Senior Loan Agreement; provided, however, that no amendment pursuant to this clause (m) shall be permitted so long as any Escrow Bonds remain Outstanding.

Provisions of this Supplement may also be amended without Owner consent, with the written consent of the Borrower, on the date of any mandatory tender of Series 2019B Bonds, but only with respect to the applicable portion of the Series 2019B Bonds so tendered, provided that notice of any such amendment is included in the notice of mandatory tender for purchase of such Series 2019B Bonds.

Section 9.2. Amendments Requiring Consent of Owners. The Issuer and the Trustee may enter into an Amendment (a) for the purpose of adding any provisions to, changing in any manner, eliminating or waiving any of the provisions of this Supplement or modifying the rights of the Owners of Escrow Bonds in any way under this Supplement (other than as contemplated in Section 9.1 hereof) with the written consent of the Owners of a majority in the aggregate principal amount of the then Outstanding Escrow Bonds or of any series of Escrow Bonds affected by the proposed amendment or waiver and with the written consent of the Borrower, and (b) for the purpose of adding any provisions to, changing in any manner, eliminating or waiving any of the provisions of this Supplement or modifying the rights of the Owners of Released Bonds (and any other Outstanding Bonds) in any way under this Supplement (other than as contemplated in Section 9.1 hereof) with the written consent of the Owners of a majority in the aggregate principal amount of the then Outstanding Bonds or of any series of Bonds affected by the proposed amendment or waiver and with the written consent of the Borrower, as set forth in Section 9.2 of the Original Indenture; provided, however, that no Amendments modifying this Supplement in the way

described below may be entered into without the written consent of the Owner of each Series 2019B Bond affected thereby:

(a) a reduction of the interest rate, principal of or interest on or Redemption Price payable on any Series 2019B Bond, a change in the maturity date of any Series 2019B Bond, a change in any Interest Payment Date for any Series 2019B Bond or a change in the redemption provisions applicable to any Series 2019B Bond (other than notice periods);

(b) the release or subordination of all or substantially all of the Escrow Property or the Trust Estate, as applicable, granted by this Supplement and the other Collateral, collectively taken as a whole, from the Security Interest securing the Series 2019B Bonds;

(c) the creation of a priority right in the Escrow Property or the Trust Estate, as applicable, of another Series 2019B Bond over the right of the affected Series 2019B Bond; or

(d) a reduction in the percentage of the aggregate Outstanding Escrow Bonds or Bonds, as applicable, required for consent to Amendments or the parties whose consent is required.

Section 9.3. Conditions to Effectiveness of Amendments.

(a) No Amendment shall be effective until (i) it has been executed by the Issuer and the Trustee and, when applicable, the Borrower and (ii) Bond Counsel (or in the case of clause (x) below, other counsel reasonably satisfactory to the Trustee) has delivered a written opinion to the effect that the Amendment (x) complies with the provisions of this Article and (y) will not adversely affect the excludability from gross income for federal income tax purposes of interest on any series of Outstanding Series 2019B Bonds.

(b) No Amendment entered into pursuant to Section 9.2 hereof shall be effective until, in addition to the conditions set forth in subsection (a) of this Section, subject to the provisions of any Amendment, Owners of the required percentage of the Escrow Bonds or Bonds, as applicable, have consented to the Amendment. It shall not be necessary for the consent of the Owners under Section 9.2 hereof to approve the particular form of any proposed Amendment, but it is sufficient if such consent approves the substance thereof. A notice that describes the nature of the Amendment shall be sent to Owners (or delivered in accordance with the procedures of DTC) promptly after the effectiveness of such Amendment. Any failure to send such notice, or any defect therein, will not, however, in any way impair or affect the validity of any such Amendment.

(c) Written notice of any Amendment shall be sent by the Borrower to each Nationally Recognized Rating Agency then rating the Escrow Bonds in advance of such Amendment.

Section 9.4. Consent of the Borrower. Anything herein to the contrary notwithstanding, an Amendment under this Article shall not become effective unless and until the Borrower shall have consented to the execution and delivery of such Amendment. In this regard, the Trustee shall cause notice of the proposed execution of any such Amendment together with a

copy of the proposed Amendment to be sent to the Borrower at least 15 Business Days (or such shorter period as may be consented to by the Borrower) prior to the proposed date of execution and delivery of any such Amendment.

Section 9.5. Execution of Amendments by Trustee. Upon the request of the Borrower or the Issuer and upon delivery of evidence of the consent of the Owners, if required by Section 9.2 of this Supplement, the Trustee shall sign any Amendment authorized pursuant to this Article; provided, however, that the Trustee shall not be obligated to sign any Amendment pursuant to this Article if the amendment, supplement or waiver, in the judgment of the Trustee, could adversely affect the rights, duties, liabilities, protections, privileges, indemnities or immunities of the Trustee. In signing a Amendment, the Trustee shall be entitled to receive, and shall be fully protected in relying on, a Favorable Opinion of Bond Counsel with respect to such Amendment.

ARTICLE X

AMENDMENT OF AND CERTAIN ACTIONS UNDER FIRST SUPPLEMENTAL SENIOR LOAN AGREEMENT

Section 10.1. Amendments to First Supplemental Senior Loan Agreement Not Requiring Consent of Owners. Except with respect to any proposed amendment, modification or waiver affecting the Reserved Rights, the Issuer hereby delegates and assigns its right to amend, modify or waive any provision of the First Supplemental Senior Loan Agreement to the Trustee. The Issuer (in the case of any amendment, modification or waiver affecting the Reserved Rights) and the Trustee (in the case of any other amendment, modification or waiver) may (i) upon receipt of a Favorable Opinion of Bond Counsel with respect to the proposed amendment, modification or waiver and (ii) upon the receipt of the written consent of the Borrower, consent to any amendment, modification or waiver of the First Supplemental Senior Loan Agreement, without the consent of, or notice to, the Owners, for any one or more or all of the following purposes:

- (a) to provide for the remarketing of the Series 2019B Bonds as Released Bonds pursuant to Section 3.4 hereof;
- (b) to provide for the loan by the Issuer to the Borrower of the proceeds of additional Escrow Bonds issued in accordance with Article 12 of the Original Indenture;
- (c) to add additional covenants to the covenants and agreements of the Borrower set forth therein;
- (d) to cure any ambiguity, or to cure, correct or supplement any defect, mistake, error, omission or inconsistent provision contained therein;
- (e) to amend any existing provision thereof or to add additional provisions which, in the opinion of Bond Counsel, are necessary or advisable (i) to qualify, or to preserve the qualification of, the interest on any Series 2019B Bonds for exclusion from gross income for federal income tax purposes or (ii) to qualify, or preserve the qualification

of, any Series 2019B Bonds for an exemption from registration or other limitations under the laws of any state or territory of the United States;

(f) to facilitate the receipt of moneys;

(g) to facilitate the conversion of any portion of the Series 2019B Bonds to a different Mode;

(h) to establish additional funds, accounts or subaccounts necessary or useful in connection with the Project;

(i) in connection with any other change which, in the judgment of the Trustee (who may for such purposes rely entirely upon a legal opinion with respect thereto of counsel selected by, or reasonably satisfactory to, the Trustee, which legal counsel may rely on a rating confirmation by any Nationally Recognized Rating Agency or a certificate of an investment banker or financial advisor with respect to financial matters and on a certificate from the Issuer or Borrower as to factual matters), does not materially adversely affect the rights of the Owners.

Provisions of the First Supplemental Senior Loan Agreement may also be amended without Owner consent, with the written consent of the Borrower, on the date of any mandatory tender of Series 2019B Bonds, but only with respect to the applicable portion of the Series 2019B Bonds so tendered, provided that notice of any such amendment is included in the notice of mandatory tender for purchase of such Series 2019B Bonds.

Section 10.2. Amendments to First Supplemental Senior Loan Agreement Requiring Consent of Owners. Except for the amendments, modifications or waivers as provided in Section 10.1 hereof, the Issuer (in the case of any amendment affecting the Reserved Rights) and the Trustee (in the case of any other amendment, modification or waiver) may consent to any other amendment, modification or waiver of the First Supplemental Senior Loan Agreement (a) relating to the Escrow Bonds, with the prior written consent of the Majority Escrow Bondholders and with the written consent of the Borrower, and (b) relating to the Released Bonds (and any other Outstanding Bonds), with the prior written consent of the Owners of a majority in the aggregate principal amount of the then Outstanding Bonds or of any series of Bonds affected by the proposed amendment or waiver and with the written consent of the Borrower, as set forth in Section 9.2 of the Original Indenture; provided, however, that no amendment, modification or waiver of the First Supplemental Senior Loan Agreement may be entered into in respect of the matters contemplated below unless the prior the written consent of the Owner of each Series 2019B Bond affected thereby and the Borrower has been obtained:

(a) a reduction of the interest rate, principal of or interest on the Series 2019B Loan, a change in the maturity date of the Series 2019B Loan, a change in the Interest Payment Date for the Series 2019B Loan or a change in the prepayment provisions applicable to the Series 2019B Loan; or

(b) the release or subordination of all or substantially all of the Escrow Property or the Trust Estate, as applicable, granted by this Supplement and the other Collateral, collectively taken as a whole, from the Security Interest securing the Series 2019B Bonds.

The Trustee shall upon being reasonably satisfactorily indemnified with respect to expenses, cause notice of such proposed amendment, modification or waiver to be given in the same manner as provided by Section 9.3 hereof with respect to Amendments; provided, that prior to the delivery of such notice or request, the Trustee may require that a Favorable Opinion of Bond Counsel be furnished with respect to such amendment, modification or waiver. Such notice shall briefly set forth the nature of such proposed amendment, modification or waiver and shall state that copies of the instrument embodying the same are on file at the Designated Payment Office of the Trustee for inspection by all Owners.

Section 10.3. Actions of Trustee Requiring Owner Consent Pursuant to the First Supplemental Senior Loan Agreement. In the event that the First Supplemental Senior Loan Agreement requires certain actions by the Trustee at the direction of a designated portion of the Owners of the applicable Series 2019B Bonds, the Trustee hereby agrees as follows:

(c) if the Borrower requests consent of the Trustee to be provided at the direction of a designated portion of the Owners of the applicable Series 2019B Bonds, the Trustee shall, upon notice of the same from the Borrower and upon being satisfactorily indemnified with respect to expenses, cause notice of such requested consent or action to be given in the same manner as provided by Section 9.3 hereof with respect to Amendments; *provided*, that prior to the delivery of such notice or request, the Trustee may require that a Favorable Opinion of Bond Counsel be furnished with respect to such consent or action. Such notice shall briefly set forth the nature of such requested consent or action and shall state that any copies of such request from the Borrower are on file at the Designated Payment Office of the Trustee for inspection by all Owners; and/or

(d) upon direction from Owners of not less than the required percentage in aggregate principal amount of the applicable Outstanding Series 2019B Bonds, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, take any such directed action in accordance with the First Supplemental Senior Loan Agreement; provided, that prior to the delivery of such notice or request, the Trustee may require that a Favorable Opinion of Bond Counsel be furnished with respect to such consent or action.

ARTICLE XI

DEFEASANCE

Section 11.1. Discharge of Supplement. The defeasance of the Released Bonds shall be governed by the terms of the Original Indenture as supplemented and amended by the applicable Escrow Release Supplemental Indenture. If 100% of the principal of and interest on and Redemption Price due, or to become due, on all the Escrow Bonds, the fees and expenses due to the Trustee and all other amounts payable hereunder have been paid, or provision shall have been made for the payment thereof in accordance with Section 11.2 hereof and the opinion of Bond Counsel required by Section 11.3 hereof has been delivered, then, (a) the right, title and interest of the Trustee in and to the Escrow Property shall terminate and be discharged (referred to herein as the “discharge” of this Supplement); (b) the Trustee shall transfer and convey to or to the order of the Issuer all property that was part of the Escrow Property, including but not limited to any Escrow Property held in any Fund or Account hereunder, except any Defeasance Escrow Account created

pursuant to Section 11.2 hereof (which Defeasance Escrow Account shall continue to be held in accordance with the agreement governing the administration thereof, subject to Section 4.12 hereof, and consistent with Section 4.12 hereof, subject to any applicable abandoned property law, the Trustee shall pay the Borrower upon request any money held by it for the payment of principal or interest with respect to the Redemption Price that remains unclaimed for three (3) years, and thereafter, the Owners of the Escrow Bonds entitled to such Redemption Price must look to the Borrower for payment); and (c) the Trustee shall execute any instrument requested by the Issuer to evidence such discharge, transfer and conveyance.

Section 11.2. Defeasance of Escrow Bonds.

(a) All or any portion of the Outstanding Escrow Bonds shall be deemed to have been paid (referred to herein as “defeased”) prior to their maturity or redemption if:

(i) if the defeased Escrow Bonds are to be redeemed prior to their maturity, the Issuer has given notice or irrevocably instructed the Trustee to give notice of redemption of such Escrow Bonds in accordance with this Supplement;

(ii) there has been deposited in trust in a Defeasance Escrow Account either moneys in an amount which shall be sufficient, or Defeasance Securities, to pay the principal of and the interest on which when due, and without any reinvestment thereof, will provide moneys which, together with the moneys, if any, deposited into or held in the Defeasance Escrow Account, shall be sufficient to pay when due the principal of and interest on or Redemption Price, as applicable, due and to become due on the defeased Escrow Bonds on and prior to the redemption date or maturity date thereof, as the case may be;

(iii) a verification agent, not unacceptable to the Issuer and the Trustee, has delivered a verification report verifying the sufficiency of the deposit described in paragraph (ii) of this subsection; and

(iv) the opinion of Bond Counsel required by Section 11.3 hereof has been delivered.

(b) The Defeasance Securities and moneys deposited in a Defeasance Escrow Account pursuant to this Section and the principal and interest payments on such Defeasance Securities shall not be withdrawn or used for any purpose other than, and shall be held in trust solely for, the payment of the principal of and interest on and Redemption Price of the defeased Escrow Bonds; *provided*, however, that (i) any moneys received from principal and interest payments on such Defeasance Securities that are not required to pay the principal of and interest on or Redemption Price of the defeased Escrow Bonds on the date of receipt shall, to the extent practicable, be reinvested in Defeasance Securities maturing at the times and in amounts sufficient to pay when due the principal of and interest on and Redemption Price to become due on the defeased Escrow Bonds on or prior to the redemption date or maturity date thereof, as the case may be; and (ii) any moneys or Defeasance Securities may be withdrawn from a Defeasance Escrow Account if (A) the moneys and Defeasance Securities that are on deposit in the Defeasance Escrow Account,

including any moneys or Defeasance Securities that are substituted for the moneys or Defeasance Securities that are withdrawn from the Defeasance Escrow Account, satisfy the conditions stated in subsection (a)(ii) of this Section and (B) a verification report and Bond Counsel opinion are delivered that comply with subsections (a)(iii) and (a)(iv) of this Section.

(c) Any Escrow Bonds that are defeased as provided in this Section shall automatically no longer be secured by or entitled to any right, title or interest in or to the Escrow Property, and the principal of and interest on and Redemption Price thereof shall be paid solely from the Defeasance Securities and money held in the Defeasance Escrow Account.

Section 11.3. Opinion of Bond Counsel. Prior to any discharge of this Supplement pursuant to Section 11.1 hereof or the defeasance of any Escrow Bonds pursuant to Section 11.2 hereof, Bond Counsel (or, with respect to the opinion in clause (i) below, other counsel reasonably satisfactory to the Trustee) must have delivered to the Issuer and the Trustee a written opinion to the effect that (i) all requirements of this Supplement for such discharge or defeasance have been complied with and (ii) such discharge or defeasance will not adversely affect the tax-exempt status of interest on the Escrow Bonds of any series.

Section 11.4. Defeasance of Less than all Escrow Bonds. If less than all of the Escrow Bonds, any particular maturity or any Escrow Bonds with a particular interest rate within a maturity are defeased, the Trustee shall institute a system to preserve the identity of the individual Escrow Bonds or portions thereof that are defeased, regardless of changes in Escrow Bond numbers attributable to transfers and exchanges of Escrow Bonds.

ARTICLE XII

MISCELLANEOUS

Section 12.1. Table of Contents, Titles and Headings. The table of contents, titles and headings of the Articles and Sections of this Supplement have been inserted for convenience of reference only, are not to be considered a part hereof, shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Supplement or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 12.2. Inapplicability of Trust Indenture Act. No provisions of the Trust Indenture Act are incorporated by reference in or made a part of this Supplement.

Section 12.3. Interpretation and Construction. This Supplement and all terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Supplement. For purposes of this Supplement, except as otherwise expressly provided or unless the context otherwise requires:

(a) All references in this Supplement to designated “Articles,” “Sections,” “subsections,” “paragraphs,” “clauses” and other subdivisions are to the designated Articles,

Sections, subsections, paragraphs, clauses and other subdivisions of this Supplement. The words “herein,” “hereof,” “hereto,” “hereby,” “hereunder” and other words of similar import refer to this Supplement as a whole and not to any particular Article, Section or other subdivision. If this Supplement has been amended, then such words shall refer to this Supplement as so amended.

(b) The terms defined in Article I hereof have the meanings assigned to them in that Article or in the applicable documents referenced thereby and include the plural as well as the singular.

(c) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with GAAP for governmental entities similar to the Issuer as in effect from time to time.

(d) The term “money” includes any cash, check, deposit, investment security or other form in which any of the foregoing are held hereunder.

(e) In the computation of a period of time from a specified date to a later specified date, the word “from” means “from and including” and each of the words “to” and “until” means “to but excluding.”

(f) All references to any contract or agreement in this Supplement or in Section 1.1 hereof shall include all amendments, supplements and modifications thereto.

(g) This Supplement and all terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Supplement.

Section 12.4. Further Assurances and Corrective Instruments. The Issuer and the Trustee agree that so long as this Supplement is in full force and effect, the Issuer and the Trustee shall have full power to carry out the acts and agreements provided herein and they will from time to time, execute, acknowledge and deliver or cause to be executed, acknowledged and delivered such supplements hereto and such further instruments as may be required for correcting any inadequate or incorrect description of the Escrow Property, or for otherwise carrying out the intention of or facilitating the performance of this Supplement.

Section 12.5. Authorization of Officers and Employees. The officers and employees of the Issuer are hereby authorized and directed to take all actions that are necessary, convenient and in conformity with the Constitution and other laws of the State, federal law and this Supplement, to carry out the provisions of this Supplement.

Section 12.6. Parties Interested Herein. Except as otherwise expressly provided in this Supplement, this Supplement shall be for the sole and exclusive benefit of the Issuer, the Trustee and the Owners, and their respective successors and assigns. Nothing in this Supplement expressed or implied is intended or shall be construed to confer upon, or to give to, any Person other than the Issuer, the Trustee or the Owners, any right, remedy or claim, legal or equitable, under or by reason of this Supplement or any terms hereof. To the extent that this Supplement confers upon or gives or grants to the Borrower any right, remedy or claim under or by reason of

this Supplement, the Borrower is hereby explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder.

Section 12.7. No Recourse; No Individual Liability. No recourse shall be had for the payment of, or premium if any, or interest on any of the Series 2019B Bonds or for any claim based thereon or upon any obligation, covenant or agreement in this Supplement contained, against any past, present or future officer, director, member, trustee, employee or agent of the Issuer or any officer, director, member, trustee, employee or agent or any successor entity, as such, either directly or through the Issuer or any successor entity, under any rule of law or equity, statute or constitution or by enforcement by any assessment or penalty or otherwise. The members of the Issuer, the officers and employees of the Issuer, or any other agents of the Issuer are not subject to personal liability or accountability by reason of any action authorized by the Act, including without limitation, the issuance of bonds, the failure to issue bonds, the execution of bonds and the making of guarantees. All covenants, stipulations, promises, agreements and obligations of the Issuer or the Trustee, as the case may be, contained herein, in any Amendment or in the 2019B Bonds shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Issuer or the Trustee, as the case may be, and not of any member, director, officer, employee, servant or other agent of the Issuer or the Trustee in his or her individual capacity, and no recourse shall be had on account of any such covenant, stipulation, promise, agreement or obligation, or for any claim based thereon or hereunder, against any member, director, officer, employee, servant or other agent of the Issuer or the Trustee or any natural person executing this Supplement, any Amendment, the 2019B Bonds or any related document or instrument.

Section 12.8. Events Occurring on Days that are not Business Days. If the date for making any payment or the last day for performance of any act, delivery of any document or the exercising of any right under this Supplement or the Series 2019B Bonds is a day that is not a Business Day, such payment may be made, such act may be performed, such document may be delivered or such right may be exercised on the next succeeding Business Day, with the same force and effect as if done on the nominal date provided in such instrument. If a Mandatory Tender Date, a Mode Change Date or a Conversion Date is a day that is not a Business Day, such mandatory tender, mode change or conversion, as applicable, shall occur and all actions to be taken pursuant to this Supplement on such date in connection with such mandatory tender, mode change or conversion, as applicable, shall be taken on the next succeeding Business Day, with the same force and effect as if done on the nominal date thereof.

Section 12.9. Severability. Whenever possible, each provision of this Supplement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Supplement, other than the grant of the Escrow Property to the Trustee, shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Supplement.

Section 12.10. Applicable Law. The laws of the State shall be applied in the interpretation, execution and enforcement of this Supplement.

Section 12.11. Execution in Counterparts. This Supplement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Supplement by signing any such counterpart.

Section 12.12. Patriot Act. In order to comply with the laws, rules, regulations and executive orders in effect from time to time applicable to banking institutions, including without limitation those related to the funding of terrorist activities and money laundering, including Section 326 of the USA Patriot Act of the United State (“Applicable Law”), the Trustee is required to obtain, verify, record and update certain information relating to individuals and entities which maintain a business relationship with the Trustee. Accordingly, each of the parties agree to provide to the Trustee, upon their request from time to time such identifying information and documentation as may be available for such party in order to enable the Trustee to comply with Applicable Law.

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IN WITNESS WHEREOF, the Issuer and the Trustee have caused this Supplement to be executed in their respective corporate names by their duly authorized officers, all as of the date first above written.




[SEAL]

ATTEST:


Assistant Secretary

FLORIDA DEVELOPMENT FINANCE CORPORATION

By: 
Executive Director

DEUTSCHE BANK NATIONAL TRUST COMPANY, as Trustee

By: _____
Name:
Title:

By: _____
Name:
Title:

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this Supplement to be executed in their respective corporate names by their duly authorized officers, all as of the date first above written.

FLORIDA DEVELOPMENT FINANCE CORPORATION

[SEAL]

By: _____
Executive Director

ATTEST:

Assistant Secretary

DEUTSCHE BANK NATIONAL TRUST COMPANY, as Trustee

By: 
Name: Debra A. Schwalb
Title: Vice President

By: 
Name: Chris Niesz
Title: Vice President

APPENDIX I TO THE SUPPLEMENT

TERMS AND PROVISIONS OF THE SERIES 2019B BONDS

Section 101 Incorporation in the Supplement. This Appendix I is incorporated and for all purposes shall be deemed part of the Supplement to which it is appended.

Section 102 Definitions. In addition to the words and terms elsewhere defined in this Supplement, the following words and terms as used in this Appendix I and elsewhere in this Supplement have the following meanings with respect to Series 2019B Bonds in a Variable Rate Mode or Fixed Rate Mode unless the context or use indicates another or different meaning or intent:

“Adjusted LIBOR Rate” means, relative to each LIBOR Period, a rate per annum determined by dividing (x) LIBOR for such LIBOR Period by (y) a percentage equal to 100% minus the LIBOR Reserve Percentage. The Adjusted LIBOR Rate will be deemed to change on each date when there is a change in the LIBOR Reserve Percentage.

“Alternate Credit Facility” or *“Alternate Liquidity Facility”* means a letter of credit, insurance policy, line of credit, surety bond, standby purchase agreement or other security or liquidity instrument, as the case may be, issued in accordance with the terms hereof as a replacement or substitute for any Credit Facility or Liquidity Facility, as applicable, then in effect.

“Alternate Rate” means, on any Rate Determination Date, a rate per annum equal to (a) the SIFMA Municipal Swap Index calculated and published by Bloomberg (the “SIFMA Rate”) most recently available as of the date of determination, or (b) if such index is no longer available, or if the SIFMA Rate is no longer published, the S&P Municipal Bond 7-Day High Grade Index, or if neither the SIFMA Rate nor the S&P Municipal Bond 7-Day High Grade Index is published, the index determined to equal the prevailing rate determined by the Remarketing Agent for tax-exempt state and local government bonds meeting criteria determined in good faith by the Remarketing Agent to be comparable under the circumstances to the criteria used by the Securities Industry and Financial Markets Association to determine the SIFMA Rate just prior to when the Securities Industry and Financial Markets Association stopped publishing the SIFMA Rate. The Borrower shall make the determinations required by this determination, upon notification from the Issuer, if there is no Remarketing Agent, if the Remarketing Agent fails to make any such determination or if the Remarketing Agent has suspended its remarketing efforts in accordance with the Remarketing Agreement.

“Applicable Spread” means the spread determined by the Remarketing Agent pursuant to Section 105 of this Appendix I.

“Automatic Termination Event” means an event of default set forth in any Reimbursement Agreement which would result in the immediate termination of a Liquidity Facility or Credit Facility prior to its stated expiration date without at least thirty days’ prior notice from the Liquidity Provider or Credit Provider, as applicable, to the Trustee, other than a termination upon the substitution of an Alternate Liquidity Facility or Alternate Credit Facility, as the case may be.

“*Available Amount*” means the amount available under the Credit Facility or Liquidity Facility, as applicable, to pay the principal of and interest on the Series 2019B Bonds or the Purchase Price of the Series 2019B Bonds, as applicable.

“*Bank Bonds*” shall mean any Series 2019B Bonds purchased by the Credit Provider with funds drawn on or advanced under the Credit Facility.

“*Borrower Bond*” means any Series 2019B Bond registered to the Borrower pursuant to Section 116 of this Appendix I.

“*Borrower Purchase Account*” means the account by that name created in Section 123 of this Appendix I.

“*Calculation Agent*” means, any Person appointed by the Borrower, and approved by the Remarketing Agent, to perform the duties of Calculation Agent with respect to the Series 2019B Bonds.

“*Conversion Date*” means, with respect to all or a portion of the Series 2019B Bonds in the Daily, Weekly, Flexible, Floating Rate or Term Rate Mode to be converted to a Fixed Rate, the date on which such Series 2019B Bonds begin to bear interest at a Fixed Rate.

“*Credit Facility*” means a direct-pay letter of credit, insurance policy, surety bond, line of credit or other instrument then in effect which secures or guarantees the payment of principal of and interest on the Series 2019B Bonds, if any.

“*Credit Provider*” means any bank, insurance company, pension fund or other financial institution which provides a Credit Facility or Alternate Credit Facility for the Series 2019B Bonds.

“*Credit Facility Failure*” or “*Liquidity Facility Failure*” means a failure of a Credit Provider or Liquidity Provider, as applicable, to pay a properly presented and conforming draw or request for advance under the Credit Facility or Liquidity Facility, as applicable, or the filing or commencement of any bankruptcy or insolvency proceedings by or against the Credit Provider or Liquidity Provider, as applicable.

“*Current Mode*” has the meaning specified in Section 110(a)(i) of this Appendix I.

“*Daily Mode*” means the Mode during which the Series 2019B Bonds bear interest at the Daily Rate.

“*Daily Rate*” means the per annum interest rate on any Series 2019B Bond in the Daily Mode determined pursuant to Section 107(a) of this Appendix I.

“*Daily Rate Period*” means the period during which a Series 2019B Bond in the Daily Mode shall bear interest at a Daily Rate, which shall be from the Business Day upon which a Daily Rate is set to but not including the next succeeding Business Day.

“*Earliest Optional Mode Change Date*” means the date selected by the Borrower pursuant to Section 106 of this Appendix I, on or after which date a Flexible Rate Bond may be converted to a different Mode.

“*Effective Date*” means the date on which a new interest rate takes effect.

“*Eligible Account*” means an account that is either (a) maintained with a federal or state-chartered depository institution or trust company, including the Trustee, that has S&P’s short-term debt rating of at least “A-2” (or, if no short-term debt rating, a long-term debt rating of at least “BBB+”) or (b) maintained with the corporate trust department of a federal depository institution or state-chartered depository institution, including the Trustee, subject to regulations regarding fiduciary funds on deposit, which, in either case, has corporate trust powers and is acting in its fiduciary capacity. In the event that an account required to be an “Eligible Account” no longer complies with the requirements hereof, the Trustee shall promptly (and, in any case, within not more than 30 calendar days) move such account to another financial institution such that the Eligible Account requirements hereof will again be satisfied.

“*Eligible Funds*” means (i) amounts that are the proceeds of refunding bonds issued pursuant to Section 12.2(b)(iii) of the Original Indenture; (ii) amounts drawn on any Credit Facility or Liquidity Facility, as applicable; (iii) amounts paid to the Trustee pursuant to this Supplement which have been held by it for a period of at least 123 days during which no Event of Bankruptcy has occurred and which have been commingled only with other Eligible Funds; (iv) amounts which if applied to the payment of the Series 2019B Bonds would not, in the opinion of nationally recognized counsel experienced in bankruptcy matters selected by the Borrower and satisfactory to the Trustee, be subject to avoidance as a preference under the United States Bankruptcy Code upon an Event of Bankruptcy; and (v) income derived from investment of the foregoing. The Trustee shall maintain records of Eligible Funds held by it.

“*Event of Bankruptcy*” means the filing of a petition in bankruptcy or the commencement of a proceeding under the United States Bankruptcy Code or any other applicable law concerning insolvency, reorganization or bankruptcy by or against the Borrower, any affiliates thereof, any guarantor of the Series 2019B Bonds (other than the Credit Provider, if any) or the Issuer.

“*Expiration Date*” means the stated expiration date of any Credit Facility or Liquidity Facility, as it may be extended from time to time as provided in the Credit Facility or Liquidity Facility, or any earlier date on which any Credit Facility or Liquidity Facility shall terminate, expire or be cancelled.

“*Facility*” means a Credit Facility, a Liquidity Facility or a single facility that provides both credit and liquidity support for the Series 2019B Bonds.

“*Fixed Rate*” means the per annum interest rate on any Series 2019B Bond in the Fixed Rate Mode determined pursuant to Section 108(b) of this Appendix I.

“*Fixed Rate Bond*” means a Series 2019B Bond in the Fixed Rate Mode.

“*Fixed Rate Mode*” means the Mode during which the Series 2019B Bonds bear interest at the Fixed Rate.

“*Fixed Rate Period*” means for the Series 2019B Bonds in the Fixed Rate Mode, the period from the Mode Change Date upon which the Series 2019B Bonds were converted to the Fixed Rate Mode to but not including the maturity date for the Series 2019B Bonds.

“*Flexible Mode*” means the Mode during which the Series 2019B Bonds bear interest at the Flexible Rate.

“*Flexible Rate*” means the per annum interest rate on a Series 2019B Bond in the Flexible Mode determined for such Series 2019B Bond pursuant to Section 106 of this Appendix I. The Series 2019B Bonds in the Flexible Mode may bear interest at different Flexible Rates.

“*Flexible Rate Bond*” means a Series 2019B Bond in the Flexible Mode.

“*Flexible Rate Period*” means the period of from one to 360 calendar days (which period must end on a Business Day) during which a Flexible Rate Bond shall bear interest at a Flexible Rate, as selected by the Borrower pursuant to Section 106 of this Appendix I. The Series 2019B Bonds in the Flexible Mode may be in different Flexible Rate Periods.

“*Floating Rate*” means a per annum rate of interest equal to the Tax-Exempt Equivalency Factor multiplied by the sum of (i) the Applicable Spread plus (ii) the Adjusted LIBOR Rate, as determined for each LIBOR Period, pursuant to Section 105 of this Appendix I.

“*Floating Rate Bonds*” means a Series 2019B Bond in the Floating Rate Mode.

“*Floating Rate Mode*” means the Mode during which the Series 2019B Bonds bear interest at the Floating Rate.

“*Floating Rate Period*” means each period during which the Floating Rate is in effect for the Series 2019B Bonds.

“*Interest Accrual Period*” means the period during which a Series 2019B Bond accrues interest payable on the next Interest Payment Date applicable thereto. With respect to any Mode, each Interest Accrual Period shall commence on (and include) the last Interest Payment Date to which interest has been paid (or, if no interest has been paid in such Mode, from the date of original authentication and delivery of the Series 2019B Bonds, or the Mode Change Date, as the case may be) to, but not including, the Interest Payment Date on which interest is to be paid. If, at the time of authentication of any Series 2019B Bond, interest is in default or overdue on the Series 2019B Bonds, such Series 2019B Bond shall bear interest from the date to which interest has previously been paid in full or made available for payment in full on Outstanding Series 2019B Bonds.

“*Interest Amount*” means the aggregate amount available under any Credit Facility or Liquidity Facility, as applicable, to pay interest accruing on the Series 2019B Bonds or that portion of the Purchase Price constituting interest.

“*Interest Payment Date*” means each date on which interest is to be paid and is: (i) with respect to the Series 2019B Bonds in the Flexible Mode, each Mandatory Tender Date applicable thereto; (ii) with respect to the Series 2019B Bonds in the Floating Rate Mode, the Daily Mode or the Weekly Mode, the first Business Day of each month; (iii) with respect to the Series 2019B

Bonds in a Long-Term Mode, January 1 and July 1 of each year or, upon the receipt by the Trustee of a Favorable Opinion of Bond Counsel, any other six-month interval chosen by the Borrower (beginning with the first such day which is at least three months after the Mode Change Date) and, with respect to a Term Rate Period, the day immediately following the last day of each Interest Period, if other than a regular six-month interval; (iv) (without duplication as to any Interest Payment Date listed above) any Mode Change Date (other than a change between a Daily Mode and a Weekly Mode), and the maturity date; and (v) with respect to any Bank Bonds or Liquidity Provider Bonds, the day set forth in the Reimbursement Agreement then in effect.

“*Interest Period*” means, for the Series 2019B Bonds in a particular Mode, the period of time that the Series 2019B Bonds bear interest at the rate (per annum) which becomes effective at the beginning of such period, and shall include a Flexible Rate Period, a LIBOR Period, a Daily Rate Period, a Weekly Rate Period, a Term Rate Period, a Fixed Rate Period.

“*LIBOR*” means, relative to any LIBOR Period, the offered rate for deposits of U.S. Dollars in an amount approximately equal to the principal amount of the Series 2019B Bonds for a one-month period which the ICE Benchmark Administration, or any successor administrator of LIBOR rates (“ICE”) fixes as its LIBOR rate as of 11:00 a.m. London time on the day that is two London Banking Days prior to the commencement of such LIBOR Period (as published by Bloomberg, or such other commercially available source providing quotations of LIBOR as designated by the Calculation Agent from time to time). If the Calculation Agent determines that a LIBOR Discontinuance Event has occurred, the Calculation Agent shall use the LIBOR Alternate Rate.

“*LIBOR Alternate Rate*” means the forward-looking Secured Overnight Financing Rate for a term of one-month (“SOFR”) provided by the Federal Reserve Bank of New York, as the administrator of such benchmark (or a successor administrator) on the Federal Reserve Bank of New York’s Website, or, if SOFR is not available, the reference rate designated by the Alternative Reference Rates Committee to replace LIBOR, or, if neither SOFR nor such alternative reference rate is available, the index designated by the International Swaps and Derivatives Association to replace LIBOR in its standard interest rate swap master agreements.

“*LIBOR Discontinuance Event*” means the occurrence of one or more of the following events with respect to LIBOR:

(a) a public statement or publication of information by or on behalf of ICE announcing that ICE has ceased or will cease to provide LIBOR permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide LIBOR;

(b) a public statement or publication of information by the regulatory supervisor for ICE, the central bank for the currency of LIBOR, an insolvency official with jurisdiction over ICE, a resolution authority with jurisdiction over ICE or a court or an entity with similar insolvency or resolution authority over ICE, which states that ICE has ceased or will cease to provide LIBOR permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide LIBOR;

(c) the LIBOR rate is not published by ICE for five consecutive Business Days and such failure is not the result of a temporary moratorium, embargo or disruption declared by ICE or by the regulatory supervisor for ICE;

(d) a public statement or publication of information by ICE that it has invoked or will invoke, permanently or indefinitely, its insufficient submissions policy; or

(e) a public statement by the regulatory supervisor for ICE announcing that LIBOR is no longer representative or may no longer be used.

“*LIBOR Period*” means, initially, the period beginning on (and including) the date on which a Floating Rate Period commences and ending on the day immediately prior to the first Interest Payment Date and thereafter during the period commencing on and including an Interest Payment Date to but not including the following Interest Payment Date; provided, however, that no LIBOR Period may end later than the maturity date of the applicable Series 2019B Bond.

“*LIBOR Reserve Percentage*” means, relative to any day of any LIBOR Period, the maximum aggregate (without duplication) of rates (expressed as a decimal fraction) of reserve requirements (including all basic, emergency, supplemental, marginal and other reserves and taking into account any traditional adjustments or other scheduled changes in reserve requirements and taking into account any transitional adjustments or other scheduled changes in reserve requirements) under any regulations of the Board of Governors of the Federal Reserve System (the “Board”) or other governmental authority having jurisdiction with respect thereto as issued from time to time and then applicable to assets or liabilities consisting of “Eurocurrency Liabilities,” as currently defined in Regulation D of the Board, having a term approximately equal or comparable to such LIBOR Period.

“*Liquidity Facility*” means any letter of credit, line of credit, standby purchase agreement or other instrument then in effect which provides for the purchase of Series 2019B Bonds upon the tender thereof in the event remarketing proceeds are insufficient therefor.

“*Liquidity Provider*” means any bank, insurance company, pension fund or other financial institution which provides a Liquidity Facility or Alternate Liquidity Facility for the Series 2019B Bonds.

“*Liquidity Provider Bonds*” means any Series 2019B Bonds purchased by a Liquidity Provider with funds drawn on or advanced under a Liquidity Facility.

“*London Banking Day*” means any day on which dealings in U.S. dollar deposits are transacted in the London interbank market.

“*Long-Term Mode*” means a Term Rate Mode or a Fixed Rate Mode.

“*Mandatory Tender Date*” means: (i) with respect to a Flexible Rate Bond, the first Business Day following the last day of each Flexible Rate Period with respect to such Series 2019B Bond, (ii) for Series 2019B Bonds in the Term Rate Mode, the day immediately following the last day of each Term Rate Period, (iii) any Mode Change Date (except a change in Mode between the Daily Mode and the Weekly Mode), (iv) for any Series 2019B Bonds that are secured by a Credit

Facility or the purchase of which is provided for by a Liquidity Facility, any Substitution Date (other than a substitution of an Alternate Credit Facility for a Credit Facility while the applicable Series 2019B Bonds are in the Fixed Rate Mode), (v) for any Series 2019B Bonds which are secured by a Credit Facility or the purchase of which is provided for by a Liquidity Facility, the fifth Business Day prior to the Expiration Date (other than as a result of an Automatic Termination Event), and (vi) for any Series 2019B Bonds which are secured by a Credit Facility or the purchase of which is provided for by a Liquidity Facility, the date of receipt by the Trustee of written notice from the Credit Provider or Liquidity Provider, pursuant to Section 115 of this Appendix I, following the occurrence of an event of default (other than an Automatic Termination Event) under the Reimbursement Agreement (upon which date interest on the Series 2019B Bonds shall cease to accrue), which date shall be at least two Business Days prior to the termination of the Credit Facility or Liquidity Facility, if applicable.

“*Maximum Rate*” means, (i) with respect to Series 2019B Bonds in a Variable Rate Mode, the lesser of (a) twelve percent (12%) per annum, and (b) the maximum rate of interest permitted by applicable law, and (ii) with respect to Series 2019B Bonds in a Fixed Rate Mode, the maximum rate of interest permitted by applicable law.

“*Mode*” means, as the context may require, the Flexible Mode, the Floating Rate Mode, the Daily Mode, the Weekly Mode, the Term Rate Mode, or the Fixed Rate Mode.

“*Mode Change Date*” means with respect to the Series 2019B Bonds in a particular Mode, the day on which another Mode for the Series 2019B Bonds begins.

“*Mode Change Notice*” means the notice from the Borrower to the other Notice Parties of the Borrower’s intention to change the Mode with respect to the Series 2019B Bonds.

“*New Mode*” shall have the meaning specified in Section 110(a) of this Appendix I.

“*Notice Parties*” means the Issuer, the Trustee, the Remarketing Agent, the Calculation Agent, the Credit Provider, if any, the Liquidity Provider, if any, any Nationally Recognized Rating Agency then rating the Series 2019B Bonds, and the Borrower.

“*Payment Default*” means any failure to make timely payment of principal, redemption price or interest on the Series 2019B Bonds when due.

“*Principal Payment Date*” means any date upon which the principal amount of Series 2019B Bonds is due hereunder, including the maturity date, any Serial Maturity Date, any Redemption Date, or the date the maturity of any Series 2019B Bond is accelerated pursuant to the terms hereof or otherwise.

“*Purchase Date*” means (i) for a Series 2019B Bond in the Daily Mode or the Weekly Mode, any Business Day selected by the beneficial owner of said Bond pursuant to the provisions of Section 114 of this Appendix I, and (ii) any Mandatory Tender Date.

“*Purchase Fund*” means the Fund by that name created in Section 123 of this Appendix I.

“*Purchase Price*” means (i) with respect to Series 2019B Bonds purchased pursuant to Section 4.14, an amount equal to the purchase price of such Series 2019B Bonds established pursuant to Section 4.14, and (ii) otherwise, an amount equal to the principal amount of any Series 2019B Bonds purchased on any Purchase Date, plus accrued and unpaid interest, if any, to but not including the date of purchase.

“*Rate Determination Date*” means any date on which the interest rate on Series 2019B Bonds shall be determined, which, (i) in the case of the Floating Rate Mode, shall be the second London Banking Day preceding the commencement of each LIBOR Period, (ii) in the case of the Flexible Mode, shall be a Business Day no later than the first day of an Interest Period, as determined by the Remarketing Agent; (iii) in the case of the Daily Mode, shall be each Business Day commencing with the first day (which must be a Business Day) the Series 2019B Bonds become subject to the Daily Mode; (iv) in the case of the initial conversion to the Weekly Mode, shall be no later than the Business Day prior to the Mode Change Date, and thereafter, shall be each Wednesday or, if Wednesday is not a Business Day, then the Business Day next preceding such Wednesday; (v) in the case of the Term Rate Mode, shall be a Business Day no later than the Business Day next preceding the first day of an Interest Period, as determined by the Remarketing Agent; and (vi) in the case of the Fixed Rate Mode, shall be a date determined by the Remarketing Agent which shall be at least one Business Day prior to the Mode Change Date.

“*Record Date*” means (i) with respect to Series 2019B Bonds in a Short-Term Mode, the last Business Day before an Interest Payment Date and (ii) with respect to Series 2019B Bonds in a Long-Term Mode, the fifteenth (15th) day (whether or not a Business Day) of the month next preceding each Interest Payment Date.

“*Redemption Date*” means the date fixed for redemption of Series 2019B Bonds subject to redemption in any notice of redemption given in accordance with the terms hereof.

“*Reimbursement Agreement*” means any reimbursement agreement, credit agreement, line of credit agreement, standby purchase agreement or other agreement, by and between a Credit Provider or Liquidity Provider, as applicable, and the Borrower.

“*Remarketing Agent*” means, initially, Morgan Stanley & Co. LLC, and any other investment banking firm or firms which shall be appointed by the Borrower to act as Remarketing Agent under this Supplement.

“*Remarketing Agreement*” means that certain Remarketing Agreement relating the Series 2019B Bonds or any subseries thereof by and between the Borrower and the Remarketing Agent or any similar agreement between the Borrower and a Remarketing Agent, as it may be amended or supplemented from time to time in accordance with its terms.

“*Remarketing Proceeds Account*” means each of the accounts by that name created in Section 123 of this Appendix I.

“*Serial Bonds*” means the Series 2019B Bonds maturing on the Serial Maturity Dates, as determined pursuant to Section 110(b) of this Appendix I.

“*Serial Maturity Dates*” means the dates on which the Serial Bonds mature, as determined pursuant to Section 110(b) of this Appendix I.

“*Serial Payments*” means the payments to be made in payment of the principal of the Serial Bonds on the Serial Maturity Dates.

“*Short-Term Mode*” means the Floating Rate Mode, the Daily Mode, the Weekly Mode, or the Flexible Mode.

“*S&P Municipal Bond 7-Day High Grade Index*” means the index of such name maintained by S&P Dow Jones Indices for weekly obligations, as published on the Rate Determination Date.

“*Substitution Date*” means the date upon which a Credit Facility or Liquidity Facility is provided for Series 2019B Bonds not previously covered by a Credit Facility or Liquidity Facility or the date upon which an Alternate Credit Facility or Alternate Liquidity Facility is substituted for the Credit Facility or Liquidity Facility then in effect.

“*Tax Exempt Equivalency Factor*” means the tax exempt equivalency factor established by the Remarketing Agent in accordance with Section 105.

“*Tender Notice*” means a notice delivered by Electronic Means or in writing that states (i) the principal amount of such Series 2019B Bond to be purchased pursuant to Section 114 of this Appendix I, (ii) the Purchase Date on which such Series 2019B Bond is to be purchased, (iii) applicable payment instructions with respect to the Series 2019B Bonds being tendered for purchase and (iv) an irrevocable demand for such purchase.

“*Tender Notice Deadline*” means (i) during the Daily Mode, 10:00 A.M. on any Business Day and (ii) during the Weekly Mode, 5:00 P.M. on the Business Day seven days prior to the applicable Purchase Date.

“*Term Rate*” means the per annum interest rate for the Series 2019B Bonds in the Term Rate Mode determined pursuant to Section 108(a) of this Appendix I.

“*Term Rate Mode*” means the Mode during which the Series 2019B Bonds bear interest at the Term Rate.

“*Term Rate Period*” means the period from (and including) the Mode Change Date to (and including) the last day of the first period that the Series 2019B Bonds shall be in the Term Rate Mode as established by the Borrower for the Series 2019B Bonds pursuant to Section 110(a)(i) of this Appendix I and, thereafter, the period from (and including) the beginning date of each successive Mode selected for the Series 2019B Bonds by the Borrower pursuant to Section 108(a) of this Appendix I while it is in the Term Rate Mode to (but excluding) the commencement date of the next succeeding Interest Period, including another Term Rate Period.

“*Variable Rate*” means the Floating Rate, the Daily Rate, Weekly Rate, Flexible Rate or Term Rate.

“*Variable Rate Mode*” means any Mode during which the Series 2019B Bonds bear interest at the Variable Rate.

“*Weekly Mode*” means the Mode during which the Series 2019B Bonds bear interest at the Weekly Rate.

“*Weekly Rate*” means the per annum interest rate on the Series 2019B Bonds in the Weekly Mode determined pursuant to Section 107(b) of this Appendix I.

“*Weekly Rate Period*” means the period during which a Series 2019B Bond in the Weekly Mode shall bear a Weekly Rate, which shall be the period commencing on Thursday of each week to and including Wednesday of the following week, except the first Weekly Rate Period which shall be from the Mode Change Date or date of initial issuance of the Series 2019B Bonds, as applicable, to and including the Wednesday of the following week and the last Weekly Rate Period which shall be from and including the Thursday of the week prior to the Mode Change Date to the day next succeeding the Mode Change Date.

Unless otherwise provided herein, all references to a particular time are to New York City Time.

Section 103 Interest on the Series 2019B Bonds; Acceptance of Terms and Conditions.

(a) The Series 2019B Bonds shall be dated as described in Section 3.1 and, while in a Variable Rate Mode or the Fixed Rate Mode, shall bear interest at the applicable rate or rates during each applicable Interest Accrual Period until the entire principal amount of the Series 2019B Bonds has been paid.

(b) The Series 2019B Bonds shall initially bear interest at the Flexible Rate as described in Section 3.1 of this Supplement. From and after any change in Mode pursuant to Section 110 of this Appendix I, the Series 2019B Bonds shall bear interest determined in accordance with the provisions of this Appendix I pertaining to the New Mode. The Variable Rate Bonds shall bear interest for each Interest Accrual Period at the rate of interest per annum for such Interest Accrual Period established in accordance with this Appendix I. From and after the conversion of the Series 2019B Bonds to the Fixed Rate Mode, the Series 2019B Bonds shall bear interest at the Fixed Rate until their applicable maturity date or earlier redemption.

(c) The interest on the Series 2019B Bonds shall become due and payable on the Interest Payment Dates in each year to and including the respective maturity date, and on each Redemption Date and on the date of any acceleration prior thereto. The principal of the Series 2019B Bonds shall become due and payable on the Principal Payment Dates.

(d) By the acceptance of its Series 2019B Bond, the Owner and each beneficial owner thereof shall be deemed to have agreed to all the terms and provisions of such Series 2019B Bond as specified in such Series 2019B Bond and this Supplement including, without limitation, the applicable Modes, Interest Periods, interest rates (including any applicable Alternate Rate), Purchase Dates, Mandatory Tender Dates, Purchase Prices, mandatory and optional purchase and redemption provisions applicable to such Series 2019B Bond, method and timing of purchase, redemption, payment, etc. Such Owner and each

beneficial owner further agree that if, on any date upon which one of its Series 2019B Bonds is to be purchased, redeemed or paid at maturity or earlier due date, funds are on deposit with the Trustee to pay the full amount due on such Series 2019B Bond, then such Owner or beneficial owner shall have no rights under this Supplement other than to receive such full amount due with respect to such Series 2019B Bond and that interest on such Series 2019B Bond shall cease to accrue as of such date.

(e) While any Series 2019B Bonds are Bank Bonds or Liquidity Provider Bonds, such Series 2019B Bonds shall bear interest and be payable at the times and in the amounts required under the Reimbursement Agreement then in effect and under this Supplement.

Section 104 Calculation and Payment of Interest; Change in Mode; Maximum Rate.

(a) When a Short-Term Mode is in effect, interest shall be calculated on the basis of a 365/366 day year for the actual number of days elapsed. When a Long-Term Mode is in effect, interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months. Payment of interest on each Series 2019B Bond shall be made on each Interest Payment Date for such Series 2019B Bond for unpaid interest accrued during the Interest Accrual Period to the Owner of record of such Series 2019B Bond on the applicable Record Date.

(b) All or a portion of the Series 2019B Bonds in any Mode, other than a Fixed Rate Mode, may be changed to any other Mode at the times and in the manner hereinafter provided. Subsequent to such change in Mode (other than a change to a Fixed Rate Mode), all or a portion of such Series 2019B Bonds may again be changed to a different Mode at the times and in the manner hereinafter provided. A Fixed Rate Mode shall be in effect until the respective maturity date, or acceleration thereof prior to such maturity date, and may not be changed to any other Mode.

(c) No Series 2019B Bonds (including Bank Bonds and Liquidity Provider Bonds) shall bear interest at an interest rate higher than the Maximum Rate.

(d) In the absence of manifest error, the determination of interest rates (including any determination of rates in connection with a New Mode) and interest periods by the Remarketing Agent and the record of interest rates maintained by the Trustee shall be conclusive and binding upon the Remarketing Agent, the Trustee, the Issuer, the Borrower, the Owners and the beneficial owners.

Section 105 Determination of Interest Rates During the Floating Rate Mode. The interest rate for the Series 2019B Bonds in the Floating Rate Mode shall be the rate of interest per annum determined by the Calculation Agent on the second London Banking Day preceding the commencement of each LIBOR Period, and shall be equal to the Tax-Exempt Equivalency Factor multiplied by the sum of the Applicable Spread plus the Adjusted LIBOR Rate. Each Floating Rate shall apply to the period commencing on and including the first day of each LIBOR Period and ending on and including the last day of such LIBOR Period, or the last day of the Floating Rate Period, if sooner.

During each Floating Rate Period, the Tax-Exempt Equivalency Factor and the Applicable Spread shall be the amounts determined by the Remarketing Agent as described below, in each case no later than 5:00 p.m., New York City time on the second Business Day preceding the commencement of such Floating Rate Period.

Any Applicable Spread and any Tax-Exempt Equivalency Factor determined by the Remarketing Agent pursuant to this section, shall be the amount, expressed as a spread over or under the Adjusted LIBOR Rate or a percentage of the Adjusted LIBOR Rate, as applicable, determined by the Remarketing Agent to be the spread or percentage which, if used in the formula to determine the Floating Rate to be borne by the Series 2019B Bonds and based on prevailing financial market conditions, would enable the Series 2019B Bonds to be sold on the commencement date of such Floating Rate Period at a price of par, plus accrued interest, if any. The Remarketing Agent shall determine the Applicable Spread and the Tax-Exempt Equivalency Factor prior to each Floating Rate Period, as provided above, and shall notify the Trustee, the Issuer, the Borrower and the Calculation Agent of the same by Electronic Means no later than the Business Day preceding the commencement of such Floating Rate Period.

During each Floating Rate Period, no later than five Business Days preceding each Interest Payment Date, the Calculation Agent shall notify the Borrower and the Trustee by Electronic Means of the total amount of interest payable on the Series 2019B Bonds bearing interest at the Floating Rate on such Interest Payment Date. The Remarketing Agent's determination of any Applicable Spread or Tax-Exempt Equivalency Factor, and the Calculation Agent's determination of any Floating Rate, shall be final and binding in the absence of manifest error. In no event shall the Floating Rate exceed the Maximum Rate.

Section 106 Determination of Flexible Rates and Interest Periods During Flexible Mode. An Interest Period for the Series 2019B Bonds in the Flexible Mode shall be of such duration from one to 360 calendar days, ending on a Business Day or the maturity date, as selected by the Borrower in accordance with the provisions of this Section; provided, however, that if the Remarketing Agent has received notice from the Borrower that the Series 2019B Bonds are to be changed from the Flexible Mode to any other Mode, the Interest Period shall not extend beyond the resulting applicable Mandatory Tender Date of the Series 2019B Bonds. A Flexible Rate Bond can have an Interest Period, and bear interest at a Flexible Rate, different than another Flexible Rate Bond. The Borrower shall also select the Earliest Optional Mode Change Date for each Flexible Rate Period. The Flexible Rate shall be the minimum rate which, in the sole judgment of the Remarketing Agent, would result in a sale of the Series 2019B Bonds at a price equal to the principal amount thereof on the Rate Determination Date for the Interest Period selected by the Borrower in writing delivered to the Remarketing Agent before such Rate Determination Date. If a new Interest Period is not selected by the Borrower prior to a Rate Determination Date (for a reason other than a court prohibiting such selection), the new Interest Period shall be the same length as the current Interest Period (or such lesser period as shall be necessary to comply with the last sentence of this paragraph). No Interest Period in the Flexible Mode may extend beyond the applicable maturity date.

By 1:00 P.M. on each Rate Determination Date, the Remarketing Agent, with respect to each Series 2019B Bond in the Flexible Mode that is subject to adjustment on such date, shall determine the Flexible Rate(s) for the Interest Periods then selected for such Series 2019B Bond

and shall give notice by Electronic Means to the Trustee and the Borrower, of the Interest Period(s), the Purchase Date(s) and the Flexible Rate(s). The Remarketing Agent shall make the Flexible Rate and Interest Period available after 2:00 P.M. on each Rate Determination Date by telephone or Electronic Means to any beneficial owner or Notice Party requesting such information.

Prior to the Final Escrow Release Date, on or before the commencement of each Flexible Rate Period, the following shall be provided to the Trustee:

(a) A verification report, prepared by a verification agent acceptable to the Trustee, verifying the sufficiency of the Escrow Securities purchased with the proceeds of the Escrow Bonds and the Additional Contribution, and any earnings thereon during such Flexible Rate Period, to pay the Purchase Price of the Escrow Bonds on the Mandatory Tender Date on the first Business Day following the last day of such Flexible Rate Period; and

(b) A contribution by an Unaffiliated Third Party and/or an irrevocable, transferable letter of credit shall be deposited in the Series 2019B Contribution Subaccount of the Series 2019B Escrow Reserve Redemption Account in an amount sufficient, if any, together with amounts held in the Series 2019B Proceeds Subaccount of the Series 2019B Escrow Reserve Redemption Account and earnings thereon, for the verification agent to deliver the report described in paragraph (a) above.

Section 107 Determination of Interest Rates During the Daily Mode and the Weekly Mode. The interest rate for the Series 2019B Bonds in the Daily Mode or Weekly Mode shall be the rate of interest per annum determined by the Remarketing Agent on and as of the applicable Rate Determination Date as the minimum rate of interest which, in the opinion of the Remarketing Agent under then-existing market conditions, would result in the sale of the Series 2019B Bonds in the Daily Rate Period or Weekly Rate Period, as applicable, at a price equal to the principal amount thereof, plus interest, if any, accrued through the Rate Determination Date during the then current Interest Accrual Period.

(a) During the Daily Mode, the Remarketing Agent shall establish the Daily Rate by 10:00 A.M. on each Rate Determination Date. The Daily Rate for any day during the Daily Mode which is not a Business Day shall be the Daily Rate established on the immediately preceding Rate Determination Date. The Remarketing Agent shall make the Daily Rate available after 10:30 A.M. on each Rate Determination Date by telephone or Electronic Means to any beneficial owner or other Notice Party requesting such rate.

(b) During the Weekly Mode, the Remarketing Agent shall establish the Weekly Rate by 10:00 A.M. on each Rate Determination Date. The Weekly Rate shall be in effect during the applicable Weekly Rate Period. The Remarketing Agent shall make the Weekly Rate available after 10:30 A.M. on the Rate Determination Date by telephone or Electronic Means to the Trustee and any beneficial owner or other Notice Party requesting such rate.

Section 108 Determination of Term Rates and Fixed Rates.

(a) Term Rates. Once the Series 2019B Bonds are changed to the Term Rate Mode, the Series 2019B Bonds shall continue in the Term Rate Mode until changed to another

Mode in accordance with Section 110 of this Appendix I. The Term Rate shall be determined by the Remarketing Agent not later than 4:00 P.M. on the Rate Determination Date, and the Remarketing Agent shall make the Term Rate available by telephone or by Electronic Means after 4:00 P.M. on the Rate Determination Date to the Trustee and any other Notice Party requesting such rate. The Term Rate shall be the minimum rate which, in the sole judgment of the Remarketing Agent, would result in a sale of the Series 2019B Bonds at a price equal to the principal amount thereof on the Rate Determination Date for the Interest Period selected by the Borrower in writing delivered to the Remarketing Agent before such Rate Determination Date. If a new Interest Period is not selected by the Borrower prior to a Rate Determination Date (for a reason other than a court prohibiting such selection), the new Interest Period shall be the same length as the current Interest Period (or such lesser period as shall be necessary to comply with the last sentence of this paragraph). No Interest Period in the Term Rate Mode may extend beyond the applicable maturity date.

(b) Fixed Rates. The Remarketing Agent shall determine the Fixed Rate for the Series 2019B Bonds being converted to the Fixed Rate Mode in the manner and at the times as follows: not later than 4:00 P.M. on the applicable Rate Determination Date the Remarketing Agent shall determine the Fixed Rate (or rates, if the Series 2019B Bonds will have Serial Maturity Dates in accordance with Section 110(c) of this Appendix I). Except as set forth in Section 110(c) of this Appendix I, the Fixed Rate shall be the minimum interest rate which, in the sole judgment of the Remarketing Agent, will result in a sale of the Series 2019B Bonds at a price equal to the principal amount thereof on the Rate Determination Date. The Remarketing Agent shall make the Fixed Rate available by telephone or by Electronic Means after 4:00 P.M. on the Rate Determination Date to any Notice Party requesting such Fixed Rate. Subject to Section 110(c), the Fixed Rate so established shall remain in effect until the maturity date of such Series 2019B Bonds.

Section 109 Alternate Rates.

While Series 2019B Bonds are in the Daily, Weekly, Flexible, Floating Rate or Term Rate Modes, the following provisions shall apply in the event (i) the Remarketing Agent fails or is unable to determine the interest rate or Interest Period for the Series 2019B Bonds, (ii) the method by which the Remarketing Agent determines the interest rate or Interest Period with respect to the Series 2019B Bonds (or the selection by the Borrower of the Interest Periods for Series 2019B Bonds in the Flexible Rate Mode or the Term Rate Mode) shall be held to be unenforceable by a court of law of competent jurisdiction or (iii) if the Remarketing Agent suspends its remarketing effort in accordance with the Remarketing Agreement or if the Series 2019B Bonds are not purchased when required to be by the terms hereof. These provisions shall continue to apply until such time as the Remarketing Agent (or the Borrower if applicable) again makes such determinations. In the case of clause (ii) above, the Remarketing Agent (or the Borrower, if applicable) shall again make such determination at such time as there is delivered to the Remarketing Agent and the Issuer an Opinion of Counsel to the effect that there are no longer any legal prohibitions against such determinations. The following shall be the methods by which the interest rates and, in the case of the Flexible and Term Rate Modes, the Interest Periods, shall be determined for the Series 2019B Bonds as to which either of the events described in clauses (i), (ii) or (iii) shall be applicable. Such methods shall be applicable from and after the date any of the events described in clauses (i), (ii) or (iii) first become applicable

to the Series 2019B Bonds until such time as the events described in clauses (i), (ii) or (iii) are no longer applicable to the Series 2019B Bonds. These provisions shall not apply if the Borrower fails to select an Interest Period for the Series 2019B Bonds in the Flexible Rate Mode or the Term Rate Mode for a reason other than as described in clause (ii) above.

(a) For Flexible Rate Bonds, the next Interest Period shall be from, and including, the first day following the last day of the current Interest Period for the Series 2019B Bonds to, but excluding, the next succeeding Business Day and thereafter shall commence on each Business Day and extend to, but exclude, the next succeeding Business Day. For each such Interest Period, the interest rate for the Series 2019B Bonds shall be the applicable Alternate Rate in effect on the Business Day that begins an Interest Period.

(b) If the Series 2019B Bonds are in the Floating Rate Mode, the Daily Mode or the Weekly Mode, then the Series 2019B Bonds shall bear interest during each subsequent Interest Period at the Alternate Rate in effect on the first day of such Interest Period.

(c) If the Series 2019B Bonds are then in the Term Rate Mode, then the Series 2019B Bonds shall automatically convert to Flexible Rate Bonds, with an Interest Period commencing on the first day following the last day of the current Interest Period for the Series 2019B Bonds to, but excluding, the next succeeding Business Day and thereafter shall commence on each Business Day and extend to, but exclude, the next succeeding Business Day. For each such Interest Period, the interest rate for the Series 2019B Bonds shall be the applicable Alternate Rate in effect at the beginning of each such Interest Period.

Section 110 Changes in Mode. While the Series 2019B Bonds are in a Variable Rate Mode, subject to the provisions of this Supplement and any Reimbursement Agreement then in effect, the Borrower may effect a change in Mode with respect to all or a portion of the Series 2019B Bonds in the Floating Rate, Daily, Weekly, Flexible or Term Rate Mode by following the procedures set forth in this Section. When a portion of the Series 2019B Bonds in the Floating Rate, Daily, Weekly, Flexible or Term Rate Mode is subject to a change in Mode, the Borrower may change the series designation for such portion with notice to the Trustee and Issuer and the portion of the Series 2019B Bonds subject to the change in Mode shall be determined as set forth in clause (f) below. If a change in Mode or change in length of the Flexible Rate Period will make the Series 2019B Bonds subject to Rule 15c2-12 promulgated under the Securities Act of 1934, as amended, if it has not already done so, the Borrower will execute a continuing disclosure undertaking satisfying the requirements of such Rule and shall cooperate with the Remarketing Agent and any Underwriter (as defined in such Rule) in satisfying the requirements of such Rule.

(a) Changes to Modes Other Than Fixed Rate Mode. All or a portion of the Series 2019B Bonds or any subseries of Series 2019B Bonds (other than Series 2019B Bonds in the Fixed Rate Mode) may be changed from a Floating Rate, Daily, Weekly, Flexible or Term Rate Mode to another Mode (other than the Fixed Rate Mode) as follows:

(i) Mode Change Notice; Notice to Owners. No later than a Business Day which is at least 20 days preceding the proposed Mode Change Date, the Borrower shall give written notice to the Notice Parties of its intention to effect a change in the Mode from the Mode then prevailing (for purposes of this Section, the “Current Mode”) to another

Mode (for purposes of this Section, the “New Mode”) specified in such written notice, and, if the change is to a Flexible Rate Mode or a Term Rate Mode, the length of the initial Interest Period as set by the Borrower. In the case of a change to a Flexible Mode, or from one Flexible Mode to another Flexible Mode, or a Term Rate Mode, or from one Term Rate Mode to another Term Rate Mode, such notice to the Notice Parties shall also include a statement as to whether there will be a Liquidity Facility and/or Credit Facility in effect with respect to the Series 2019B Bonds following such change and the identity of any provider of such Liquidity Facility and/or Credit Facility. Notice of the proposed change in Mode shall be given by the Trustee, in the name of the Issuer, to the Owners of the applicable Series 2019B Bonds not less than the 15th day next preceding the Mode Change Date. Such notice shall state: (1) the Mode to which the conversion will be made and the Mode Change Date; (2) except in the case of a change from the Daily Mode to the Weekly Mode or from the Weekly Mode to the Daily Mode, that the Series 2019B Bonds will be subject to mandatory tender for purchase on the Mode Change Date and the Purchase Price of the Series 2019B Bonds; and (3) if the Book-Entry System is no longer in effect, information with respect to required delivery of Series 2019B Bond certificates and payment of Purchase Price.

(ii) Determination of Interest Rates. The New Mode shall commence on the Mode Change Date, the Interest Period(s), in the case of Series 2019B Bonds in the Flexible Rate Mode or the Term Rate Mode, shall be selected by the Borrower, and the interest rate(s) shall be determined by the Remarketing Agent in the manner provided in Sections 105, 106, 107 and 108, as applicable.

(iii) Conditions Precedent:

(A) The Mode Change Date shall be:

(1) In the case of a change from the Floating Rate Mode, any Interest Payment Date;

(2) in the case of a change from the Flexible Mode, the next Mandatory Tender Date for the Flexible Rate Bonds or any date selected by the Borrower on or after the Earliest Optional Mode Change Date established pursuant hereto;

(3) in the case of a change from the Daily or Weekly Mode, any Business Day; and

(4) in the case of a change from the Term Rate Mode to another Mode, or from a Term Rate Period to a new Term Rate Period, the Mode Change Date shall be limited to any Interest Payment Date on which the Series 2019B Bonds are subject to optional redemption or to the last Interest Payment Date of the current Term Rate Period, as the case may be. Such Series 2019B Bonds shall be purchased on such Mode Change Date at a Purchase Price equal to 100% of the principal amount thereof; provided, however, that, if there shall have been delivered to the Trustee a Favorable Opinion of Bond Counsel, such Series 2019B Bonds may be purchased on a Mode Change Date that is an Interest Payment Date on which the

Series 2019B Bonds would otherwise be subject to optional redemption other than the last Interest Payment Date of the current Term Rate Period at a Purchase Price equal to the Redemption Price of the Series 2019B Bonds on such date, even if the Redemption Price exceeds 100% of the principal amount thereof.

(B) If the Series 2019B Bonds to be converted are in the Flexible Mode, no Interest Period set after delivery by the Borrower to the Remarketing Agent of the notice of the intention to effect a change in Mode shall extend beyond the proposed Mode Change Date.

(C) The following items shall have been delivered to the Trustee, the Credit Provider, if any, the applicable Liquidity Provider, if any, and the Remarketing Agent on or prior to the Mode Change Date:

(1) in the case of a change from a Short-Term Mode to a Long-Term Mode or from a Long-Term Mode to a Short-Term Mode, a Favorable Opinion of Bond Counsel dated the Mode Change Date and addressed to the Notice Parties;

(2) if there is to be an Alternate Liquidity Facility or Alternate Credit Facility delivered in connection with such change, the items required by Section 122(f) of this Appendix I; and

(3) except in the case of conversions between the Daily and Weekly Modes, a notice from the Nationally Recognized Rating Agencies of the rating(s), if any, to be assigned the Series 2019B Bonds on such Mode Change Date.

(D) Any Credit Facility or Liquidity Facility to be in effect on the Mode Change Date shall entitle the Trustee to draw upon or demand and receive in immediately available funds an amount equal to the principal amount of the Series 2019B Bonds then outstanding plus a number of days of accrued interest at the Maximum Rate at least equal to the number of days required to be covered in such new Mode.

(b) Change to Fixed Rate Mode. At the option of the Borrower, all or a portion of the Series 2019B Bonds or any subseries of the Series 2019B Bonds in the Daily, Weekly, Floating, Flexible or Term Rate Mode may be changed to the Fixed Rate Mode as provided in this Section 110(b). On any Business Day which is at least 20 days before the proposed Mode Change Date, the Borrower shall give written notice to the Notice Parties stating that the Mode will be changed to the Fixed Rate Mode and setting forth the proposed Mode Change Date. Such notice shall also state whether or not there shall be a Credit Facility with respect to the Series 2019B Bonds following such change and, if so, the identity of the Credit Provider. In addition, such notice shall state whether some or all of the Series 2019B Bonds to be converted shall be converted to Serial Bonds and, if so, the applicable Serial Maturity Dates and Serial Payments, all as determined pursuant to subsection (v) of this subsection (b). Any such change in Mode shall be made as follows:

(i) Mode Change Date. The Mode Change Date shall be:

(A) in the case of a change from the Floating Rate Mode, any Interest Payment Date;

(B) in the case of a change from the Flexible Mode, the next Mandatory Tender Date for the Flexible Rate Bonds or any date selected by the Borrower on or after the Earliest Optional Mode Change Date established pursuant hereto;

(C) in the case of a change from the Daily or Weekly Mode, any Business Day; and

(D) in the case of a change from the Term Rate Mode, the Mode Change Date shall be limited to any Interest Payment Date on which the Series 2019B Bonds are subject to optional redemption or to the next Mandatory Tender Date for the Term Rate Bonds, as the case may be. Such Series 2019B Bonds shall be purchased on such Mode Change Date at a Purchase Price equal to 100% of the principal amount thereof, provided that if such Series 2019B Bonds would otherwise be subject to optional redemption on such Mode Change Date at a Redemption Price of more than 100% of the principal amount thereof, such Series 2019B Bonds shall be purchased at a Purchase Price equal to such Redemption Price.

(ii) Notice to Owners. Not later than the 15th day next preceding the Mode Change Date, the Trustee shall mail, in the name of the Issuer, a notice of such proposed change to the Owners of the Series 2019B Bonds stating that the Mode will be changed to the Fixed Rate Mode, the proposed Mode Change Date and that such Owner is required to tender such Owner's Series 2019B Bonds for purchase on such proposed Mode Change Date.

(iii) General Provisions Applying to Change to Fixed Rate Mode. The change to the Fixed Rate Mode shall not occur unless the following items shall have been delivered to the Issuer, the Borrower, the Trustee, and the Remarketing Agent on or prior to the Mode Change Date:

(A) a Favorable Opinion of Bond Counsel dated the Mode Change Date and addressed to the Notice Parties;

(B) if there is to be a Credit Facility delivered in connection with such change, the items required by Section 122(f) of this Appendix I in connection with the delivery of an Alternate Credit Facility, and

(C) notice from the Nationally Recognized Rating Agencies of the rating(s), if any, to be assigned the Series 2019B Bonds on such Mode Change Date.

(iv) Determination of Interest Rate. The Fixed Rate (or rates in the case of Serial Bonds) for the Series 2019B Bonds to be converted to the Fixed Rate Mode shall be established by the Remarketing Agent on the Rate Determination Date applicable thereto

pursuant to the provisions of Section 108(b) of this Appendix I. Such Fixed Rate (or rates) shall remain in effect until the maturity date of the Series 2019B Bonds.

(c) Serialization and Sinking Fund; Redemption; Tender; Price. Upon conversion of any Series 2019B Bonds to a New Mode, the Series 2019B Bonds shall be remarketed at par, shall mature on the same maturity date(s) and be subject to the same mandatory sinking fund redemption, if any, and optional redemption provisions as set forth in this Supplement for any prior Mode; provided, however, that if the Borrower shall deliver to the Trustee a certificate of the Remarketing Agent certifying that such revised maturity, tender and redemption provisions will improve the marketability of the Series 2019B Bonds in the remarketing because they are industry standard at the time of such conversion for tax-exempt bonds of similar remaining maturity, security and credit quality as the Series 2019B Bonds, together with a Favorable Opinion of Bond Counsel, the Borrower shall direct that the maturity, redemption and tender provisions be revised in one or more of the following ways: (1) have some of the Series 2019B Bonds be Serial Bonds with different interest rates for different Serial Maturity Dates and some subject to sinking fund redemption even if such Series 2019B Bonds were not Serial Bonds or subject to mandatory sinking fund redemption prior to such change, (2) change the mandatory and/or optional redemption dates and/or premiums set forth in Section 113(b) of this Appendix I, (3) change the mandatory and/or optional tender dates set forth in this Appendix I and/or (4) sell some or all of the Series 2019B Bonds at a premium or a discount to par.

(d) Failure to Satisfy Conditions Precedent to a Mode Change. In the event the conditions described above in subsections (a) or (b), as applicable, of this Section have not been satisfied by the applicable Mode Change Date, then the New Mode shall not take effect and any mandatory tender that was to occur solely as a result of such conversion to a New Mode shall not take effect. If the proposed Mode Change Date would have been a Mandatory Tender Date regardless of whether such date was a Mode Change Date, such date shall continue to be a Mandatory Tender Date. If the failed change in Mode was from the Floating Rate Mode, the Series 2019B Bonds shall remain in the Floating Rate Mode, with interest rates established in accordance with the applicable provisions of Section 105 of this Appendix I on and as of the failed Mode Change Date. If the failed change in Mode was from the Flexible Mode, the Series 2019B Bonds shall remain in the Flexible Mode with interest rates and Interest Periods to be established in accordance with Section 106 of this Appendix I. If the failed change in Mode was from the Daily Mode, the Series 2019B Bonds shall remain in the Daily Mode, and if the failed change in Mode was from the Weekly Mode, the Series 2019B Bonds shall remain in the Weekly Mode, in each case with interest rates established in accordance with the applicable provisions of Section 107 of this Appendix I. If the failed change in Mode was from the Term Rate Mode, then the Series 2019B Bonds shall remain in the Term Rate Mode for an Interest Period ending on the following Interest Payment Date for the Series 2019B Bonds in the Term Rate Mode and the interest rate shall be established by the Remarketing Agent in accordance with Section 108(a) of this Appendix I.

(e) Rescission of Election. Notwithstanding anything herein to the contrary, the Borrower may rescind any election by it to change a Mode as described above prior to the Mode Change Date by giving written notice thereof to the Notice Parties prior to such Mode Change Date. If the Trustee receives notice of such rescission prior to the time the Trustee has

given notice to the Owners of the Series 2019B Bonds, then such notice of change in Mode shall be of no force and effect. If the Trustee receives notice from the Borrower of rescission of a Mode change after the Trustee has given notice thereof to the Owners of the Series 2019B Bonds, then if the proposed Mode Change Date would have been a Mandatory Tender Date solely as a result of such conversion to a New Mode, the Trustee shall give notice of such rescission to the Owners of the Series 2019B Bonds, and such date shall no longer be a Mandatory Tender Date. If the proposed Mode Change Date would have been a Mandatory Tender Date regardless of whether such date was a Mode Change Date, such date shall continue to be a Mandatory Tender Date. If the proposed change in Mode was from the Floating Rate Mode, the Series 2019B Bonds shall remain in the Floating Rate Mode, with interest rates established in accordance with the applicable provisions of Section 105 of this Appendix I. If the proposed change in Mode was from the Flexible Mode, the Series 2019B Bonds shall remain in the Flexible Mode with interest rates and Interest Periods to be established in accordance with Section 106 of this Appendix I. If the proposed change in Mode was from the Daily Mode, the Series 2019B Bonds shall remain in the Daily Mode, and if the proposed change in Mode was from the Weekly Mode, the Series 2019B Bonds shall remain in the Weekly Mode, in each case with interest rates established in accordance with the applicable provisions of Section 107 of this Appendix I. If the proposed change in Mode was from the Term Rate Mode, then the Series 2019B Bonds shall stay in the Term Rate Mode for an Interest Period ending on the following Interest Payment Date for the Series 2019B Bonds in the Term Rate Mode and the interest rate shall be established by the Remarketing Agent in accordance with Section 108(a) of this Appendix I. If the Remarketing Agent is unable to determine the interest rate on the proposed Mode Change Date, the provisions of Section 109 of this Appendix I shall apply.

(f) Selection of a Portion of Series 2019B Bonds Subject to a Mode Change.

If the Series 2019B Bonds are registered in book-entry form and so long as DTC or a successor securities depository is the sole registered owner of the Series 2019B Bonds, if less than all of the Series 2019B Bonds are subject to conversion to a new Mode, the particular Series 2019B Bonds or portions thereof to be changed to a new Mode shall be allocated on a pro rata pass-through distribution of principal basis in accordance with DTC procedures, provided that, so long as the Series 2019B Bonds are held in book-entry form, the selection for conversion of such Series 2019B Bonds shall be made in accordance with the operational arrangements of DTC then in effect and, if DTC's operational arrangements do not allow for selection on a pro rata pass-through distribution of principal basis, the Series 2019B Bonds will be selected for conversion, in accordance with DTC procedures, by lot or in such other manner as in accordance with the applicable arrangements of DTC.

The Borrower intends that conversion allocations made by DTC be made on a pro rata pass-through distribution of principal basis as described above. However, neither the Borrower nor the Underwriter can provide any assurance that DTC, DTC's direct and indirect participants or any other intermediary will allocate the conversion of Series 2019B Bonds on such basis.

For purposes of calculation of the pro rata pass-through distribution of principal, "pro rata," means, for any amount of principal to be converted to a new Mode, the application of a fraction to each denomination of the respective Series 2019B Bonds where (i) the numerator is equal to the amount due to the respective bondholders on a conversion date, and (ii) the denominator is equal to the total original par amount of the respective Series 2019B Bonds.

If the Series 2019B Bonds are no longer registered in book-entry-only form, each owner will receive an amount of Series 2019B Bonds equal to the original face amount then beneficially held by that owner, registered in such investor's name. Thereafter, any conversion of less than all of the Series 2019B Bonds of any maturity will continue to be paid to the registered owners of such Series 2019B Bonds on a pro-rata basis, based on the portion of the original face amount of any such Series 2019B Bonds to be converted.

Section 111 Optional Redemption of Flexible Rate Bonds. Series 2019B Bonds in the Flexible Mode are not subject to optional redemption prior to their respective Purchase Dates. Series 2019B Bonds in the Flexible Mode shall be subject to redemption at the option of the Borrower (in such order of sinking fund installments as directed by the Borrower) in whole or in part on their respective Mandatory Tender Dates at a redemption price equal to the principal amount thereof, plus accrued interest, if any, to the redemption date.

Section 112 Optional Redemption of Series 2019B Bonds in the Floating Rate Mode, Daily Mode or Weekly Mode. Series 2019B Bonds in the Floating Rate Mode are subject to redemption at par plus accrued interest prior to the Fixed Rate Conversion Date at the option of the Borrower in whole or in part in Authorized Denominations on any Interest Payment Date (in such order of sinking fund installments as directed by the Borrower). Series 2019B Bonds in the Daily Mode or Weekly Mode are subject to optional redemption by the Borrower, in whole or in part, in Authorized Denominations on any date, at a redemption price equal to the principal amount thereof, plus, accrued interest, if any, from the end of the preceding Interest Accrual Period to the Redemption Date (in such order of sinking fund installments as directed by the Borrower).

Section 113 Optional Redemption of Series 2019B Bonds in the Term Rate or the Fixed Rate Mode; Mandatory Redemption.

(a) Series 2019B Bonds in the Term Rate Mode are subject to redemption, in whole or in part, on their individual Mandatory Tender Dates, at the option of the Borrower (in such order of sinking fund installments as directed by the Borrower) at a redemption price equal to the principal amount thereof, plus accrued interest, if any, to the redemption date.

(b) *Make-Whole Redemption.* Subject to the provisions of Section 110(c), the Series 2019B Bonds in the Term Rate Mode or Fixed Rate Mode are subject to redemption at the option of the Borrower, in whole or in part (and if in part, by lot or, in the case of Series 2019B Bonds in book-entry form, in accordance with the procedures of DTC), at any time prior to the first anniversary of the commencement of each Term Rate Period or the first anniversary of the Conversion Date, as applicable (the "First Premium Call Date"), at a redemption price equal to the Make-Whole Redemption Price, plus interest accrued to but not including the redemption date.

The "Make-Whole Redemption Price" is equal to the sum of:

(i) one hundred five percent (105%) of the principal amount of the Series 2019B Bonds to be redeemed; and

(ii) an amount equal to the sum of the remaining unpaid payments of interest to be paid on such Series 2019B Bonds to be redeemed from and including the date of redemption to the First Premium Call Date of such Series 2019B Bonds.

The Make-Whole Redemption Price of the Series 2019B Bonds described above will be determined by an independent accounting firm, investment banking firm or financial advisor (which accounting firm or financial advisor shall be retained by the Borrower at the expense of the Borrower to calculate such Make-Whole Redemption Price) and such agent's or advisor's determination of the Make-Whole Redemption Price shall be final and binding in the absence of manifest error. The Issuer, the Trustee and the Borrower may conclusively rely on such accounting firm's, investment banking firm's or financial advisor's determination of such redemption price and shall bear no liability for such reliance.

(c) *Optional Redemption at a Premium.* Subject to the provisions of Section 110(c), the Series 2019B Bonds in Term Rate Mode or Fixed Rate Mode are subject to redemption at the option of the Borrower, in whole or in part (and if in part, by lot or, in the case of Series 2019B Bonds in book-entry form, in accordance with the procedures of DTC), at any time on or after the First Premium Call Date at a redemption price equal to the principal amount redeemed, plus the Optional Redemption Prepayment Premium, plus interest accrued to but not including the redemption date. The "Optional Redemption Prepayment Premium" means the redemption premium set forth below (expressed as a percentage of the principal amount redeemed) applicable to the date on which redemption occurs:

<u>Period During Which Redeemed</u>	<u>Redemption Premium</u>
First Year after the First Premium Call Date	5%
Second Year after the First Premium Call Date	4
Third Year after the First Premium Call Date	3
Fourth Year after the First Premium Call Date	2
Fifth Year after the First Premium Call Date	1
Thereafter	0

(d) The Borrower, in connection with a change to a Long-Term Mode, may waive or otherwise alter its rights to direct the redemption of any such Series 2019B Bonds so changed to a Long-Term Mode at any time without premium; provided that notice describing the waiver or alteration shall be submitted to the Trustee and the Remarketing Agent, together with a Favorable Opinion of Bond Counsel, addressed to them.

(e) If a Credit Facility that constitutes a direct-pay letter of credit is then in effect and the Redemption Price includes any premium, the right of the Borrower to direct an optional redemption is subject to the condition that the Trustee has received, prior to the date on which notice of redemption is required to be given to Owners, either Eligible Funds of the Borrower or written confirmation from the Credit Provider that it may draw under the Credit Facility on the proposed redemption date in an aggregate amount sufficient, together with Eligible Funds of the Borrower, to cover the principal of and premium and interest due on the Redemption Date.

(f) *Mandatory Sinking Fund Redemption.* Subject to the provisions of Section 110(c), the Series 2019B Bonds are subject to mandatory redemption prior to maturity, in part, on the dates and in the aggregate principal amounts set forth in the Forms of Bonds attached hereto as Exhibit A.

Section 114 Optional Tenders of Series 2019B Bonds in the Daily Mode or the Weekly Mode. Subject to Section 119 of this Appendix I, the beneficial owner of Series 2019B Bonds in a Daily Mode or a Weekly Mode may elect to have their Series 2019B Bonds (or portions of those Series 2019B Bonds in amounts equal to Authorized Denominations) purchased on any Business Day at a price equal to the Purchase Price, upon delivery of a Tender Notice to the Trustee by the Tender Notice Deadline.

Section 115 Mandatory Purchase on Mandatory Tender Date. The Series 2019B Bonds of any subseries shall be subject to mandatory tender for purchase on each Mandatory Tender Date. The Trustee shall give notice of such mandatory purchase by mail to the Owners of the Series 2019B Bonds subject to mandatory tender (a) no less than fifteen (15) days prior to the Mandatory Tender Date in the case of a mandatory purchase (i) at the end of an Interest Period for Series 2019B Bonds in a Term-Rate Mode or (ii) on a Substitution Date; (b) no less than one Business Day prior to the Mandatory Tender Date in the case of a mandatory purchase at the end of a Flexible Rate Period; (c) no less than fifteen (15) days prior to the Mandatory Tender Date in the case of a mandatory tender on a Mode Change Date; (d) immediately upon receipt by the Trustee of notice from the Credit Provider or Liquidity Provider, as applicable, of an event of default under the Reimbursement Agreement then in effect, which notice shall cite this Section 115; and (e) no later than three (3) Business Days prior to the Mandatory Tender Date immediately preceding any Expiration Date. Any notice shall state the Mandatory Tender Date, the Purchase Price, the numbers of the Series 2019B Bonds to be purchased if less than all of the Series 2019B Bonds owned by such Owner are to be purchased, and that interest on Series 2019B Bonds subject to mandatory purchase shall cease to accrue from and after the Mandatory Tender Date. The failure to mail such notice with respect to any Series 2019B Bond shall not affect the validity of the mandatory purchase of any other Series 2019B Bond with respect to which notice was so mailed. Any notice mailed will be conclusively presumed to have been given, whether or not actually received by any Owner or beneficial owner.

Section 116 Remarketing of Series 2019B Bonds; Notices

(a) Remarketing of Series 2019B Bonds. The Remarketing Agent shall with respect to the initial remarketing of any Released Bonds, on a best efforts basis or on a firmly underwritten basis as set forth in the applicable Remarketing Agreement, and with respect to any other remarketing of the Series 2019B Bonds, on a best efforts basis, offer for sale at par:

(i) all Series 2019B Bonds or portions thereof as to which notice of tender pursuant to Section 114 of this Appendix I has been given; and

(ii) all Series 2019B Bonds required to be purchased on a Mandatory Tender Date described in clauses (i), (ii), (iii) or (iv) of the definition thereof; and

(iii) any Bank Bonds or Liquidity Provider Bonds (A) that are, subject to clauses (B) and (C), purchased on a Purchase Date described in clause (i) or (ii) above, (B) with respect to which the Credit Provider or Liquidity Provider, as the case may be, has provided notice to the Trustee and the Remarketing Agent that it has reinstated the Available Amount, (C) with respect to which an Alternate Liquidity Facility and Alternate Credit Facility is in effect (if such Series 2019B Bonds were secured by a Credit Facility prior to becoming Bank Bonds or Liquidity Provider Bonds, which Credit Facility is no longer in effect), or (D) which are being marketed as Fixed Rate Bonds; and

(iv) any Series 2019B Bond purchased pursuant to Section 4.14 of the Supplement and not cancelled; and

(v) any Borrower Bonds;

provided that in no event shall the Remarketing Agent remarket any Series 2019B Bonds to the Issuer or any Affiliate of the Issuer.

(b) Deposits into Remarketing Proceeds Account. The Remarketing Agent shall cause the proceeds of the sale of tendered bonds to be paid to the Trustee for deposit in the Remarketing Proceeds Account of the Purchase Fund in immediately available funds at or before 10:00 A.M. (New York City time) (9:30 A.M. for Series 2019B Bonds in the Weekly Mode) on the Purchase Date. The Remarketing Agent shall cause to be paid to the Trustee on each Purchase Date for tendered Series 2019B Bonds all amounts representing proceeds of the remarketing of such Series 2019B Bonds, based upon the notice given by the Remarketing Agent pursuant to Section 116(c)(i) of this Appendix I. If the Purchase Price exceeds par, the Borrower will provide the difference between the remarketing proceeds and the Purchase Price, and if the Purchase Price is less than par, the remarketing proceeds in excess of the Purchase Price shall be held, invested and expended as set forth in a Favorable Opinion of Bond Counsel.

(c) Notice of Remarketing; Registration Instructions; New Series 2019B Bonds. On each date on which a Series 2019B Bond is to be purchased:

(i) the Remarketing Agent shall notify by Electronic Means the Trustee and the Borrower by 10:30A.M. (9:30 A.M. for Series 2019B Bonds in the Weekly Mode) if it has been unable to remarket all the tendered Series 2019B Bonds, and shall include in such notice the principal amount of Series 2019B Bonds it has been unable to remarket;

(ii) if the Series 2019B Bonds are no longer in the Book-Entry-Only System, the Remarketing Agent shall notify the Trustee by Electronic Means not later than 1:00 P.M. of the names of the purchasers of the remarketed Series 2019B Bonds and such information as may be necessary to register the Series 2019B Bonds and the registration instructions (i.e., the names, addresses and taxpayer identification numbers of the purchasers and the desired Authorized Denominations) with respect thereto; and

(iii) if the Series 2019B Bonds are no longer in the Book-Entry-Only System, the Trustee shall authenticate new Series 2019B Bonds for the respective purchasers thereof which shall be available for delivery to purchasers.

(d) Draw on the Credit Facility or Liquidity Facility. On each date on which a Series 2019B Bond is to be purchased, if the Remarketing Agent shall have given notice to the Trustee pursuant to clause (c)(i) above that it has been unable to remarket all the Series 2019B Bonds, the Trustee shall draw on the Credit Facility or Liquidity Facility, as the case may be (or if there is no Credit Facility or Liquidity Facility or the Credit Facility or Liquidity Facility is unavailable to honor such draw, request funds from the Borrower) by 11:00 A.M. (10:00 A.M. for Series 2019B Bonds in the Weekly Mode) in an amount equal to the Purchase Price of all such Series 2019B Bonds which have not been successfully remarketed; provided that the Trustee shall not draw on the Credit Facility or Liquidity Facility for the Purchase Price of Series 2019B Bonds in Modes not covered by the Credit Facility or Liquidity Facility; and provided further that in the case of a draw on a Substitution Date, the Trustee shall draw on the Credit Facility or Liquidity Facility then in effect and being substituted, if applicable. In the absence of receipt of such notice from the Remarketing Agent, the Trustee shall make such draw based on the amount of remarketing proceeds on deposit in the Purchase Fund, if any. If the Trustee shall have received notice from the Credit Provider or Liquidity Provider, as applicable, pursuant to Section 115(c)(i) above, of an event of default under the Reimbursement Agreement, the Trustee shall immediately draw on the Credit Facility or Liquidity Facility, as the case may be, in an amount equal to the Purchase Price of all the Series 2019B Bonds. Principal and Purchase Price of, and interest on Borrower Bonds, Bank Bonds and Liquidity Provider Bonds shall not be paid from amounts drawn on the Credit Facility.

(e) Purchase of Series 2019B Bonds by Borrower. On each date on which a Series 2019B Bond is to be purchased, if the Remarketing Agent shall have given notice to the Borrower pursuant to clause (c)(i) above that it has been unable to remarket all the Series 2019B Bonds, and no Credit Facility or Liquidity Facility is in effect with respect to the Series 2019B Bonds, then on or before 2:30 P.M. the Borrower shall pay or cause to be paid, by wire transfer of immediately available funds in the amount of the Purchase Price of the unremarketed tendered Series 2019B Bonds specified in the notice provided in clause (c)(i) above, to the Trustee for deposit in the Borrower Purchase Account. Notwithstanding the foregoing, on each date on which an Escrow Bond is to be purchased, if the Remarketing Agent shall have given notice to the Borrower pursuant to clause (c)(i) above that it has been unable to remarket all the Escrow Bonds, and no Credit Facility or Liquidity Facility is in effect with respect to the Escrow Bonds, then on or before 2:00 P.M. the Trustee, shall liquidate the Escrow Securities and transfer such funds for deposit in the Borrower Purchase Account and, on or before 2:30 P.M. the Borrower shall pay or cause to be paid, by wire transfer of immediately available funds an amount equal to the deficiency, if any, in the amount of funds on deposit in the Borrower Purchase Account available to pay the Purchase Price of the unremarketed tendered Escrow Bonds specified in the notice provided in clause (c)(i) above, to the Trustee for deposit in the Borrower Purchase Account. Series 2019B Bonds so purchased with Escrow Property or with amounts furnished by the Borrower shall be “Borrower Bonds.”

Section 117 Source of Funds for Purchase of Series 2019B Bonds. By 3:00 P.M. on the date on which a Series 2019B Bond is to be purchased, and except as set forth in Section 119(b)(ii) of this Appendix I, the Trustee shall purchase tendered Series 2019B Bonds from the tendering Owners at the applicable Purchase Price by wire transfer in immediately available funds. Funds for the payment of such Purchase Price shall be derived solely from the following

sources in the order of priority indicated and none of the Trustee or the Remarketing Agent shall be obligated to provide funds from any other source:

(a) immediately available funds on deposit in the applicable Remarketing Proceeds Account for such series of Series 2019B Bonds;

(b) immediately available funds on deposit in the applicable Liquidity Facility Purchase Account for such subseries of Series 2019B Bonds, provided that such funds may be used only to purchase Series 2019B Bonds as to which the applicable Liquidity Facility or Credit Facility, as applicable, is in effect; and

(c) immediately available funds on deposit in the Borrower Purchase Account.

Section 118 Delivery of Series 2019B Bonds. On each date on which a Series 2019B Bond is to be purchased, such Series 2019B Bond shall be delivered as follows:

(a) Series 2019B Bonds sold by the Remarketing Agent the proceeds of which have been deposited as described in Section 117(a) of this Appendix I shall be registered and made available to the Remarketing Agent by 1:30 P.M.; and

(b) Series 2019B Bonds purchased by the Trustee with moneys described in Section 117(b) of this Appendix I shall be registered immediately in the name of the applicable Liquidity Provider or Credit Provider, as the case may be, or its nominee (which may be the securities depository) on or before 2:30 P.M.

(c) Series 2019B Bonds purchased by the Borrower with moneys described in Section 117(c) of this Appendix I shall be registered immediately in the name of the Borrower or its nominee on or before 2:30 P.M. Series 2019B Bonds so owned by the Borrower shall continue to be outstanding under the terms of this Supplement and be subject to all of the terms and conditions of this Supplement and shall be subject to remarketing by the Remarketing Agent.

Section 119 Book-Entry Tenders

(a) Notwithstanding any other provision of this Appendix I to the contrary, all tenders for purchase during any period in which the Series 2019B Bonds are registered in the name of Cede & Co. (or the nominee of any successor securities depository) shall be subject to the terms and conditions set forth in the Letter of Representations and to any regulations promulgated by DTC (or any successor securities depository). For so long as the Series 2019B Bonds are registered in the name of Cede & Co., as nominee for DTC, the tender option rights of beneficial owners of Series 2019B Bonds may be exercised only by a Direct Participant of DTC acting, directly or indirectly, on behalf of a beneficial owner of Series 2019B Bonds by giving notice of its election to tender Series 2019B Bonds or portions thereof at the times and in the manner described above. Beneficial owners will not have any rights to tender Series 2019B Bonds directly to the Trustee. Procedures under which a beneficial owner may direct a Direct Participant or DTC, or an Indirect Participant of DTC acting through a Direct Participant of DTC, to exercise a tender option right in respect of Series 2019B Bonds or portions thereof

in an amount equal to all or a portion of such beneficial owner's beneficial ownership interest therein shall be governed by standing instructions and customary practices determined by such Direct Participant or Indirect Participant. For so long as the Series 2019B Bonds are registered in the name of Cede & Co., as nominee for DTC, delivery of Series 2019B Bonds required to be tendered for purchase shall be effected by the transfer by a Direct Participant on the applicable Purchase Date of a book-entry credit to the account of the Trustee of a beneficial interest in such Series 2019B Bonds.

(b) Notwithstanding anything expressed or implied herein to the contrary, so long as the Book-Entry-Only System for the Series 2019B Bonds is maintained:

(i) there shall be no requirement of physical delivery to or by the Trustee or the Remarketing Agent of:

(A) any Series 2019B Bonds subject to mandatory or optional purchase as a condition to the payment of the Purchase Price therefor;

(B) any Series 2019B Bonds that have become Bank Bonds or Liquidity Provider Bonds; or

(C) any remarketing proceeds of such Series 2019B Bonds or Bank Bonds or Liquidity Provider Bonds; and

(ii) except as provided in (iii) below, the Trustee shall not have any responsibility for paying the Purchase Price of any tendered Series 2019B Bond or for remitting remarketing proceeds to any person; and

(iii) the Trustee's sole responsibilities in connection with the purchase and remarketing of a tendered Series 2019B Bond shall be to:

(A) draw upon the Liquidity Facility, Credit Facility or the Borrower, as applicable, in the event the Remarketing Agent notifies the Trustee as provided herein that such Series 2019B Bond has not been remarketed on or before the Purchase Date therefor, which draw shall be in an amount equal to the difference between such Purchase Price and any remarketing proceeds received by the Remarketing Agent in connection with a partial remarketing of such Series 2019B Bond, and to remit the amount so drawn to or upon the order of the securities depository for the benefit of the tendering beneficial owner;

(B) remit any proceeds derived from the remarketing of a Bank Bond or Liquidity Provider Bond to the applicable Credit Provider or Liquidity Provider, as the case may be; and

(C) remit any proceeds derived from the remarketing of an Borrower Bond to the Borrower.

Section 120 No Book-Entry-Only System. If at any time the Series 2019B Bonds shall no longer be in the Book-Entry-Only System, the following procedures shall be followed:

(a) Series 2019B Bonds shall be delivered (with all necessary endorsements) at or before 12:00 noon on the Purchase Date at the office of the Trustee; provided, however, that payment of the Purchase Price shall be made pursuant to this Section only if the Series 2019B Bond so delivered to the Trustee conforms in all respects to the description thereof in the notice described in this Section. Payment of the Purchase Price with respect to purchases under this Section shall be made to the Owners of tendered Series 2019B Bonds by wire transfer in immediately available funds by the Trustee by 3:00 P.M. on the Purchase Date.

(b) If a Series 2019B Bond to be purchased is not delivered by the Owner to the Trustee by 12:00 noon on the date on which such Series 2019B Bond is to be purchased, the Trustee shall hold any funds received for the purchase of those Series 2019B Bonds in trust in a separate account and shall pay such funds to the former Owners of the Series 2019B Bonds upon presentation of the Series 2019B Bonds. Such undelivered Series 2019B Bonds shall cease to accrue interest as to the former Owners on such purchase date and moneys representing the Purchase Price shall be available against delivery of those Series 2019B Bonds at the Principal Office of the Trustee; provided, however, that any funds which shall be so held by the Trustee shall be treated in accordance with Section 4.11 of this Supplement. The Trustee shall authenticate a replacement Series 2019B Bond for any undelivered Series 2019B Bond which may then be remarketed by the Remarketing Agent.

(c) The Trustee shall hold all Series 2019B Bonds properly tendered to it for purchase hereunder as agent and bailee of, and in escrow for the benefit of, the respective Owners of the Series 2019B Bonds which shall have so tendered such Series 2019B Bonds until moneys representing the Purchase Price of such Series 2019B Bonds shall have been delivered to or for the account of or to the order of such Owners.

Section 121 No Purchases or Sales after Credit Provider or Liquidity Provider Failure.
Anything in this Supplement to the contrary notwithstanding, if there shall have occurred and be continuing either a Credit Facility Failure or a Liquidity Facility Failure, the Remarketing Agent shall not remarket any Series 2019B Bonds covered by the Credit Facility or Liquidity Facility, as applicable. All other provisions of this Supplement, including without limitation, those relating to the setting of interest rates and Interest Periods and mandatory and optional purchases, shall remain in full force and effect during the continuance of such Credit Facility Failure or Liquidity Facility Failure.

Section 122 Credit Facility and Liquidity Facility

(a) The Borrower, at its sole option, may provide for a Credit Facility or a Liquidity Facility to secure the Series 2019B Bonds at any time, upon such terms and conditions as the Borrower determines, so long as not inconsistent with the provisions of this Supplement, as the same may be amended in accordance with the provisions hereof.

(b) While any Credit Facility constituting a direct-pay letter of credit is in effect with respect to any Series 2019B Bonds, the Trustee shall, on the Business Day preceding each Interest Payment Date and Principal Payment Date, before such day and time as may be required by such Credit Facility, draw on the Credit Facility in accordance with the terms thereof so as to receive thereunder with respect to Series 2019B Bonds covered by the Credit

Facility by 1:00 P.M. on said Interest Payment Date or Principal Payment Date, an amount, in immediately available funds, equal to the amount of interest or principal payable on such Series 2019B Bonds on such Interest Payment Date or Principal Payment Date. The proceeds of such draws shall be deposited in an account dedicated to such purpose.

(c) On each date on which a Series 2019B Bond is to be purchased, the Trustee, by demand given by Electronic Means shall draw on or request purchase under the applicable Credit Facility or Liquidity Facility, in accordance with the terms thereof so as to receive thereunder by 2:00 P.M. on such date an amount, in immediately available funds, sufficient, together with the proceeds of the remarketing of such Series 2019B Bonds on such date on deposit in the Purchase Fund, to enable the Trustee to pay the Purchase Price in connection therewith. The proceeds of such draw shall be deposited in the applicable Liquidity Facility Purchase Account pursuant to Section 123(b) of this Appendix I.

(d) Notwithstanding the foregoing paragraphs of this section, if the Credit Provider and the Liquidity Provider are the same entity, the Trustee shall not draw on the Credit Facility with respect to any payments due or made in connection with Liquidity Provider Bonds. In no event shall the Trustee draw on the Credit Facility or Liquidity Facility with respect to any payments made or made in connection with Series 2019B Bonds not covered by the Credit Facility or Liquidity Facility or Series 2019B Bonds owned by the Issuer, the Borrower or any of their respective Affiliates.

(e) The Trustee shall apply Eligible Funds, and to the extent necessary other funds, from the applicable Debt Service Fund for the payment of principal, premium, if any, and interest payable on the Series 2019B Bonds (whether at maturity, upon redemption or acceleration, on an Interest Payment Date, or otherwise) as provided in Section 5.2 of this Supplement to the extent amounts drawn on the Credit Facility, if any, are insufficient to pay the same. The Trustee shall apply such funds to the payment of principal, premium, if any, and interest on Series 2019B Bonds, in the following order, (i) moneys drawn on the Credit Facility (which shall not be applied to the payment of premiums except as specifically provided for by the applicable Credit Facility), (ii) Eligible Funds on deposit in the applicable Debt Service Fund other than moneys drawn on the Credit Facility, (iii) any other moneys in the applicable Debt Service Fund, and (iv) other available moneys from the Borrower; provided, however, that except as specified in the next sentence, in no event shall the Trustee use any moneys other than Eligible Funds to pay principal of, premium, if any, or interest on Series 2019B Bonds supported by a Credit Facility. If and to the extent that sufficient Eligible Funds, including moneys drawn on the Credit Facility, are not available to pay in full the principal of, premium, if any, and interest on the Series 2019B Bonds supported by a Credit Facility, then other available moneys shall be so used. Promptly after any payment on the Series 2019B Bonds is made from funds drawn under the Credit Facility, the Trustee shall to the extent available pay to the Credit Provider from amounts in the applicable Debt Service Fund an amount equal to such payment on the Series 2019B Bonds from the drawing on the Credit Facility. Each payment to the Credit Provider described in the immediately preceding sentence shall be made by the Trustee by wire transfer to the Credit Provider (to such account as the Credit Provider may from time to time indicate) of the applicable amount immediately following, and on the same Business Day as, the Credit Provider's initiation of payment of the corresponding drawing under the Credit Facility.

(f) If at any time there shall have been delivered to the Trustee for a series of Series 2019B Bonds (i) an Alternate Credit Facility or an Alternate Liquidity Facility in substitution for a Credit Facility or Liquidity Facility then in effect, (ii) a Favorable Opinion of Bond Counsel, (iii) a written Opinion of Counsel for the provider of the Alternate Credit Facility or Alternate Liquidity Facility, as applicable, to the effect that such Alternate Credit Facility or Alternate Liquidity Facility is a valid, legal and binding obligation of the provider thereof (subject to customary exceptions), (iv) unless waived by such entity, written evidence satisfactory to the Credit Provider and the Liquidity Provider of the provision for purchase from the Credit Provider or Liquidity Provider, as applicable, of all Bank Bonds or Liquidity Provider Bonds of such series, as the case may be, at a price equal to the principal amount thereof plus accrued and unpaid interest at the rate provided for in the applicable Reimbursement Agreement, and payment of all amounts due to the Credit Provider and the Liquidity Provider under the Reimbursement Agreement(s) on or before the effective date of such Alternate Credit Facility or Alternate Liquidity Facility, and (v) if the Series 2019B Bonds to be covered by the Alternate Credit Facility are in the Fixed Rate Mode and are then rated by a Nationally Recognized Rating Agency, a written confirmation from each Nationally Recognized Rating Agency that the substitution will not result in the withdrawal or reduction of its respective rating on such Series 2019B Bonds, then the Trustee shall accept such Alternate Credit Facility or Alternate Liquidity Facility on the Substitution Date and shall surrender the Credit Facility or Liquidity Facility then in effect to the provider thereof on the Substitution Date so long as the Credit Provider or Liquidity Provider has honored any necessary draws on the Credit Facility or Liquidity Facility then in effect prior to such surrender. The Borrower shall give the Notice Parties written notice of the proposed substitution of an Alternate Credit Facility or Alternate Liquidity Facility no less than twenty (20) days prior to the proposed Substitution Date. The Trustee shall give notice of such proposed substitution by mail to the Owners of the Series 2019B Bonds no less than fifteen (15) days prior to the proposed Substitution Date.

(g) All proceeds from draws upon the Credit Facility shall be held by the Trustee in separate Eligible Accounts for the benefit of the owners of the Series 2019B Bonds, shall remain uninvested and shall be used solely to pay the Purchase Price or principal of, and interest on the Series 2019B Bonds for which the Credit Facility is available. Principal and Purchase Price of, and interest on Borrower Bonds, Bank Bonds and Liquidity Provider Bonds shall not be paid from amounts drawn on the Credit Facility.

Section 123 Purchase Fund. So long as the Series 2019B Bonds are in a Variable Rate Mode, the Trustee shall establish and maintain a separate fund to be known as the "Purchase Fund." The Trustee shall establish further separate accounts within the Purchase Fund to be known as the "Liquidity Facility Purchase Account" and the "Remarketing Proceeds Account" and the "Borrower Purchase Account."

(a) Remarketing Proceeds Account. Upon receipt of the proceeds of a remarketing of a Series 2019B Bond on the date such bond is to be purchased, the Trustee shall deposit such proceeds in the applicable Remarketing Proceeds Account for application to the Purchase Price of the applicable subseries of Series 2019B Bonds. Notwithstanding the foregoing, upon the receipt of the proceeds of a remarketing of Bank Bonds or Liquidity Provider Bonds, the Trustee shall immediately pay such proceeds to the Credit Provider or Liquidity Provider, as the case may be, to the extent of any amount owing to the Credit Provider

or Liquidity Provider, as applicable, and upon the receipt of the proceeds of a remarketing of Borrower Bonds, the Trustee shall immediately pay such proceeds to the Borrower.

(b) Liquidity Facility Purchase Account. Upon receipt from the Trustee of the immediately available funds received pursuant to Section 116(d) or Section 122(b) of this Appendix I, the Trustee shall deposit such money in the Liquidity Facility Purchase Account for application to the Purchase Price of the Series 2019B Bonds to the extent that the moneys on deposit in the Remarketing Proceeds Account shall not be sufficient. Any amounts deposited in the Liquidity Facility Purchase Account and not needed with respect to the Purchase Price for any Series 2019B Bonds shall be immediately returned to the Liquidity Provider or Credit Provider, as the case may be.

(c) Borrower Purchase Account. Upon receipt of Funds from the Borrower pursuant to Section 116(e) or Section 117(c) of this Appendix I, the Trustee shall deposit such Funds in the Borrower Purchase Account for application to the Purchase Price of the Series 2019B Bonds. Any amounts deposited in the Borrower Purchase Account and not needed with respect to the Purchase Price for any Series 2019B Bonds shall be immediately refunded to the Borrower.

(d) Investment. Amounts held in the Liquidity Facility Purchase Account and the Remarketing Proceeds Account by the Trustee shall be held uninvested and separate and apart from all other funds and accounts.

Section 124 Inadequate Funds for Tenders. If sufficient funds are not available for the purchase of all tendered Series 2019B Bonds required to be purchased on any Purchase Date, the Trustee shall take all actions available to it to obtain remarketing proceeds from the Remarketing Agent and sufficient funds from the Credit Provider, the Liquidity Provider or the Borrower to purchase all such Series 2019B Bonds on or before 12:00 noon, New York City time, on the Business Day next succeeding such Purchase Date. Thereafter, the Trustee shall continue to take all such action available to it to obtain such remarketing proceeds from the Remarketing Agent and such funds from the Credit Provider, the Liquidity Provider or the Borrower. Any obligations of the Remarketing Agent, the Credit Provider, the Liquidity Provider or the Borrower to cause the deposit of such funds from remarketing proceeds, proceeds of the Credit Facility, Liquidity Facility or other amounts, respectively, shall remain enforceable pursuant to this Supplement, and such obligation shall be discharged only at such time as funds are deposited with the Trustee in an amount sufficient to purchase all such Series 2019B Bonds, together with any interest which has accrued on such Series 2019B Bonds to the subsequent actual purchase date.

Section 125 Appointment of Remarketing Agent

(a) A Remarketing Agent shall be appointed to remarket Series 2019B Bonds while such Series 2019B Bonds are in a Variable Rate Mode, and the Remarketing Agent shall keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Notice Parties at all reasonable times. The Remarketing Agent shall act as such under a Remarketing Agreement.

(b) The Remarketing Agent may at any time resign and be discharged of the duties and obligations created by this Supplement by giving at least ten (10) days' notice to the Notice Parties. The Remarketing Agent may suspend its remarketing efforts as set forth in the Remarketing Agreement. The Remarketing Agent may be removed at any time, at the direction of the Borrower, by an instrument filed with the Remarketing Agent and the Trustee and upon at least ten (10) days' notice to the Remarketing Agent. Any successor Remarketing Agent shall be selected by the Borrower, and shall be a member of the National Association of Securities Dealers, Inc., shall have a capitalization of at least fifty million dollars (\$50,000,000), shall be authorized by law to perform all the duties set forth in this Supplement and shall be acceptable to the Credit Provider and Liquidity Provider, if any. The Borrower's delivery to the Trustee of a certificate setting forth the effective date of the appointment of a successor Remarketing Agent and the name of such successor shall be conclusive evidence that (i) if applicable, the predecessor Remarketing Agent has been removed in accordance with the provisions of this Supplement and (ii) such successor has been appointed and is qualified to act as Remarketing Agent under the terms of this Supplement. The Trustee shall provide notice of such successor Remarketing Agent to the Owners within ten (10) days of such appointment.

(c) If the Remarketing Agent consolidates with, merges or converts into, or transfers all or substantially all of its assets (or, in the case of a bank, national banking association or trust company, its corporate assets) to, another corporation, the resulting, surviving or transferee corporation without any further act shall be the successor Remarketing Agent.

Section 126 Remedies Following the Occurrence and During the Continuance of an Event of Default with respect to Series 2019B Bonds Supported by a Credit Facility

(a) So long as a Credit Facility is in effect and no Credit Facility Failure exists, no acceleration shall be declared by reason of an Event of Default without the prior written consent of the Credit Provider. Notwithstanding the foregoing, if any Event of Default occurs due to the failure of the Trustee to receive sufficient funds for the payment of the Purchase Price of all Series 2019B Bonds supported by a Credit Facility tendered for purchase on any Purchase Date, the Trustee shall immediately draw under the Credit Facility an amount equal to such deficiency (except to the extent that one or more drawings have been made previously in respect of the same deficiency), plus one day's accrued interest on such Series 2019B Bonds, and only if such Event of Default is not cured by the close of business on the next Business Day shall there be such an automatic acceleration of the payment of principal of and accrued interest on the Series 2019B Bonds.

(b) Upon declaration of acceleration of the Series 2019B Bonds prior to expiration of the Credit Facility, the Trustee shall draw immediately on the Credit Facility in an amount equal to the aggregate unpaid principal of and interest on the Series 2019B Bonds supported by the Credit Facility to the date of declaration of acceleration for Series 2019B Bonds on which date interest shall cease to accrue. Upon receipt of payment of such a draw, the Trustee shall immediately pay therefrom to the owners of the Series 2019B Bonds (other than Bank Bonds and Borrower Bonds) the principal and accrued interest due. The Trustee shall not require indemnification for any draw required by this Section 126 except and unless

such instruction is prohibited by or violates applicable law or any outstanding or pending court or governmental order or decree.

(c) So long as no Credit Facility Failure or Liquidity Facility Failure exists, in the event that (i) an Event of Default shall occur and be continuing under this Supplement while the Series 2019B Bonds are in the Daily or Weekly Mode, or (ii) the Trustee shall draw under the Credit Facility or Liquidity Facility in connection with the payment of principal or Purchase Price of, premium, if any, or interest on the Series 2019B Bonds (other than Bank Bonds or Borrower Bonds), and in either such case the Credit Provider shall have provided the Trustee with funds pursuant to the Credit Facility or Liquidity Facility for the payment of the principal or Purchase Price of, premium, if any, or interest on the Series 2019B Bonds (other than Bank Bonds or Borrower Bonds), then, in any such event, the Credit Provider or Liquidity Provider, as applicable, shall be subrogated to all rights theretofore possessed under this Supplement by the Trustee and the Owners in respect of which such principal or Purchase Price of, premium, if any, and interest shall have been paid with funds provided by the Credit Provider or Liquidity Provider, as applicable, (to the extent such funds provided by the Credit Provider or Liquidity Provider, as applicable, pursuant to the Credit Facility or Liquidity Facility, as applicable, shall not have been reimbursed to the Credit Provider or Liquidity Provider, as applicable). After the payment of any such Outstanding Series 2019B Bonds owned by the Owners other than the Credit Provider or Liquidity Provider, as applicable, any reference herein to the holders of such Series 2019B Bonds or such Owners shall mean the Credit Provider or Liquidity Provider, as applicable, to the extent of its subrogation rights resulting from the payments made pursuant to the Credit Facility or Liquidity Facility, as applicable. Notwithstanding any provision contained herein to the contrary, under no circumstances shall the Issuer's rights or the Trustee's rights relating to the Trustee as opposed to rights for the benefit of Owners reserved in this Supplement, including without limitation the right of indemnification or the Issuer's right or the Trustee's right to enforce the same, be subrogated to the Credit Provider or Liquidity Provider, as applicable.

(d) All consents, approvals and requests required of the Credit Provider shall be deemed not required if a Credit Facility Failure has occurred and is continuing. Subject to the immediately preceding sentence, but notwithstanding any other provision of this Section 126 or any other provision of this Supplement, in the event that all Outstanding Series 2019B Bonds (other than Bank Bonds and Borrower Bonds) are secured by the Credit Provider pursuant to the Credit Facility, the exercise or direction of all remedies granted under this Section 126 or upon an Event of Default with respect to the Series 2019B Bonds and the granting of any waivers with respect to any such Event of Default shall be subject solely to the direction and prior written consent of the Credit Provider. Further, the Trustee, in its exercise of its rights for the benefit of Owners upon an Event of Default and the rights of the Issuer assigned under this Supplement (but not including the rights of the Trustee or the Issuer under this Supplement for its own benefit including, but not limited to, indemnification and any fees and expenses owed to it), in the event that all Outstanding Series 2019B Bonds are Bank Bonds, shall be subject to the direction of the Credit Provider. In the event that less than all Outstanding Series 2019B Bonds are secured by the Credit Provider pursuant to the Credit Facility, the Credit Provider shall be treated as the owner of all Bank Bonds for purposes of giving directions, consents, waivers or other actions. In no event shall the Series 2019B Bonds be accelerated without the prior written consent of the Credit Provider so long as the Credit Facility is in full

force and effect and the Credit Provider has not defaulted thereunder by failing to honor a draft submitted under the Credit Facility in strict conformity therewith.

FORM OF VARIABLE RATE SERIES 2019B BOND

The Series 2019B Bonds in the Variable Rate Mode shall be in substantially the following form, provided that in connection with any conversion to a new Variable Rate Mode, appropriate revisions shall be made to the form of Series 2019B Bonds in such Variable Rate Mode to reflect the actual terms of the Series 2019B Bonds as so converted:

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE TO BE ISSUED THEREFOR IS TO BE REGISTERED IN THE NAME OF CEDE & CO., OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS TO BE MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

EXCEPT AS OTHERWISE PROVIDED IN THE SUPPLEMENT, THIS BOOK ENTRY BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF DTC OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY. THE ISSUER, THE BORROWER AND THE TRUSTEE HAVE NO RESPONSIBILITY OR OBLIGATION TO ANY NOMINEE OF DTC OR TO ANY NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY.

THIS BOND HAS NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (“1933 ACT”), OR THE SECURITIES LAWS OF ANY STATE. ANY RESALE, PLEDGE, TRANSFER OR OTHER DISPOSITION OF THIS BOND OR ANY INTEREST HEREIN WITHOUT SUCH REGISTRATION OR QUALIFICATION MAY BE MADE ONLY IN A TRANSACTION WHICH DOES NOT REQUIRE SUCH REGISTRATION OR QUALIFICATION AND WHICH IS IN ACCORDANCE WITH THE SUPPLEMENT.

[THIS BOND IS SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT TO A PERSON WHO THE TRANSFEROR REASONABLY BELIEVES IS A “QUALIFIED INSTITUTIONAL BUYER” WITHIN THE MEANING OF RULE 144A PROMULGATED UNDER THE 1933 ACT, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE 1933 ACT. THE PURCHASER HEREOF AGREES TO PROVIDE NOTICE TO ANY PROPOSED TRANSFEREE OF A BENEFICIAL OWNERSHIP INTEREST IN THE PURCHASED BONDS OF THE RESTRICTION ON TRANSFERS.

EACH TRANSFEREE OF THIS BOND, BY ITS PURCHASE HEREOF, IS DEEMED TO HAVE REPRESENTED THAT SUCH TRANSFEREE IS A “QUALIFIED INSTITUTIONAL BUYER” WITHIN THE MEANING OF RULE 144A UNDER THE 1933 ACT AND WILL ONLY TRANSFER, RESELL, REOFFER, PLEDGE OR OTHERWISE TRANSFER THIS BOND TO A SUBSEQUENT TRANSFEREE WHO SUCH TRANSFEROR REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE 1933 ACT WHO IS WILLING AND ABLE TO CONDUCT AN INDEPENDENT INVESTIGATION OF THE RISKS INVOLVED WITH OWNERSHIP OF THE SERIES 2019B BONDS, AND AGREES TO BE BOUND BY THE TRANSFER RESTRICTIONS.]

UNITED STATES OF AMERICA

STATE OF FLORIDA

**FLORIDA DEVELOPMENT FINANCE CORPORATION
SURFACE TRANSPORTATION FACILITY REVENUE BONDS
(VIRGIN TRAINS USA PASSENGER RAIL PROJECT), SERIES 2019B**

**Registered
No. R-___**

**Registered
\$**

<u>Mode</u>	<u>Maturity Date</u>	<u>Dated Date</u>	<u>CUSIP</u>
	January 1, 2049	June 20, 2019	

[Scheduled Mandatory Tender Date: _____]

[Earliest Optional Mode Change Date: _____]

Registered Owner: ** CEDE & CO. **

Principal Amount: _____ DOLLARS

Capitalized terms used herein and not otherwise defined herein shall have the respective meanings assigned to such terms in the Supplement described herein.

FLORIDA DEVELOPMENT FINANCE CORPORATION (the “Issuer”), a public body corporate and politic and a public instrumentality organized and existing under the laws of the State of Florida (the “State”), for value received, promises to pay, but solely from the sources herein specified to the registered owner named above, or registered assigns, the principal amount stated above on the maturity date stated above, except as the provisions herein set forth with respect

to redemption prior to maturity may become applicable hereto, and in like manner to pay interest on said principal amount at the respective Variable Rate per annum applicable to the Mode set forth above in the manner set forth herein, until said principal amount is paid in full.

THE ISSUER PROMISES TO PAY interest on the unpaid principal amount hereof from the date of delivery of the Series 2019B Bonds at the respective Variable Rate per annum applicable to the Mode specified above, pursuant to the terms of the Supplement (as hereinafter defined). Interest is payable on each Interest Payment Date; except, that if this Series 2019B Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), but before the first Interest Payment Date, such principal amount shall bear interest from the date of delivery of the Series 2019B Bonds, unless such date of authentication is after any other Record Date but on or before the next following Interest Payment Date, in which case such principal amount shall bear interest from such next following Interest Payment Date; provided, however, that if on the date of authentication hereof the interest on the Series 2019B Bond or Bonds, if any, for which this Series 2019B Bond is being exchanged is due but has not been paid, then this Series 2019B Bond shall bear interest from the date to which such interest has been paid in full. [Notwithstanding the foregoing, following an Event of Default with respect to the Released Bonds, the interest rate in effect on the Released Bonds shall be the Default Rate.] [While this Series 2019B Bond is in the Daily, Weekly, Flexible, or Floating Rate Mode, interest shall be computed on the basis of 365/366 day year and actual days elapsed.] [While this Series 2019B Bond is in the Term Rate Mode, interest shall be computed on the basis of a 360-day year consisting of twelve 30-day months.]

Method and Place of Payment. The principal of and interest on this Series 2019B Bond shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. The principal of and redemption premium, if any, on this Series 2019B Bond shall be payable by (i) check or draft of the Trustee mailed, on or before each Interest Payment Date, to the Owner thereof at his address as it last appears on the registration records of the Trustee at the close of business on the Record Date, (ii) in the case of Series 2019B Bonds in book-entry form, to DTC in immediately available funds and disbursement of such funds to owners of beneficial interests in Series 2019B Bonds in book-entry form will be made in accordance with the procedures of DTC or (iii) by such other method as mutually agreed in writing between the Owner of the Series 2019B Bond and the Trustee at the maturity or redemption date upon presentation and surrender of this Series 2019B Bond at the designated payment office of Deutsche Bank National Trust Company, as trustee (the “Trustee”). The interest payable on this Series 2019B Bond on any Interest Payment Date shall be paid by the Trustee to the registered owner of this Series 2019B Bond appearing on the bond register maintained by the Trustee at the close of business on the Record Date.

Authorization of Series 2019B Bonds. This Series 2019B Bond is one of a duly authorized series of bonds of the Issuer designated as the “Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Virgin Trains USA Passenger Rail Project), Series 2019B” in the aggregate principal amount of \$950,000,000 (the “Series 2019B Bonds”), issued pursuant to the authority of and in full compliance with the applicable laws of the State and pursuant to proceedings duly had by the Issuer. The Series 2019B Bonds are issued under that certain First Supplemental Indenture of Trust, dated as of June 20, 2019 (the “Supplement”), supplementing the Indenture of Trust, dated as of April 18, 2019 (said Indenture

of Trust, as amended, modified and/or supplemented from time to time in accordance with the provisions thereof, the “Indenture”), between the Issuer and the Trustee, for the purpose of making a loan to Virgin Trains USA Florida LLC, a Delaware limited liability company (together with its successors and assigns, the “Borrower”), to provide funds for the purposes set forth in the Supplement. The loan will be made pursuant to that certain First Supplemental Senior Loan Agreement, dated as of June 20, 2019, supplementing the Amended and Restated Senior Loan Agreement, dated as of April 18, 2019 (said Senior Loan Agreement, as amended, modified and/or supplemented from time to time in accordance with the provisions thereof, the “Senior Loan Agreement”), between the Issuer and the Borrower. Reference is hereby made to the Supplement, which may be inspected at the designated payment office of the Trustee, for a description of the property pledged and assigned thereunder, and the provisions, among others, with respect to the nature and extent of the security for the Series 2019B Bonds, and the rights, duties and obligations of the Issuer, the Trustee and the registered owners of the Series 2019B Bonds, and a description of the terms upon which the Series 2019B Bonds are issued and secured, upon which provision for payment of the Series 2019B Bonds or portions thereof and defeasance of the lien of the Supplement with respect thereto may be made and upon which the Supplement may be deemed satisfied and discharged prior to payment of the Series 2019B Bonds.

Redemption of Series 2019B Bonds Prior to Maturity. The Series 2019B Bonds are subject to redemption prior to their stated maturity, in accordance with the terms and provisions of the Supplement, as follows:

Optional Redemption. [The Series 2019B Bonds in the Daily Mode or Weekly Mode are subject to optional redemption at par plus accrued interest prior to the Fixed Rate Conversion Date at the option of the Borrower in whole or in part in Authorized Denominations on any date (in such order of sinking fund installments as directed by the Borrower).] [The Series 2019B Bonds in the Floating Rate Mode are subject to redemption at par plus accrued interest prior to the Fixed Rate Conversion Date at the option of the Borrower in whole or in part in Authorized Denominations on any Interest Payment Date (in such order of sinking fund installments as directed by the Borrower).] [The Series 2019B Bonds in the Flexible Mode are not subject to optional redemption prior to their respective Purchase Dates. The Series 2019B Bonds in the Flexible Mode shall be subject to redemption at the option of the Borrower (in such order of sinking fund installments as directed by the Borrower) in whole or in part on their respective Mandatory Tender Dates at a redemption price equal to the principal amount thereof, plus accrued interest, if any, to the redemption date.] [The Series 2019B Bonds in the Term Rate Mode are subject to redemption, in whole or in part, on their individual Mandatory Tender Dates, at the option of the Borrower (in such order of sinking fund installments as directed by the Borrower) at a redemption price equal to the principal amount thereof, plus accrued interest, if any, to the redemption date.]

[**Make-Whole Redemption.** The Series 2019B Bonds in the Term Rate Mode also are subject to redemption at the option of the Borrower, in whole or in part (and if in part, by lot or, in the case of Series 2019B Bonds in book-entry form, in accordance with the procedures of DTC), at any time prior to the first anniversary of the commencement each Term Rate Period (the “First Premium Call Date”), at a redemption price equal to the Make-Whole Redemption Price, plus interest accrued to but not including the redemption date.

The “Make-Whole Redemption Price” is equal to the sum of:

- (a) one hundred five percent (105%) of the principal amount of the Series 2019B Bonds to be redeemed; and
- (b) an amount equal to the sum of the remaining unpaid payments of interest to be paid on such Series 2019B Bonds to be redeemed from and including the date of redemption to the First Premium Call Date of such Series 2019B Bonds.

The Make-Whole Redemption Price of the Series 2019B Bonds described above will be determined by an independent accounting firm, investment banking firm or financial advisor (which accounting firm or financial advisor shall be retained by the Borrower at the expense of the Borrower to calculate such Make-Whole Redemption Price) and such agent’s or advisor’s determination of the Make-Whole Redemption Price shall be final and binding in the absence of manifest error. The Issuer, the Trustee and the Borrower may conclusively rely on such accounting firm’s, investment banking firm’s or financial advisor’s determination of such redemption price and shall bear no liability for such reliance.]

[Optional Redemption at a Premium. The Series 2019B Bonds in the Term Rate Mode also are subject to redemption at the option of the Borrower, in whole or in part (and if in part, by lot or, in the case of Series 2019B Bonds in book-entry form, in accordance with the procedures of DTC), at any time on or after the First Premium Call Date at a redemption price equal to the principal amount redeemed, plus the Optional Redemption Prepayment Premium, plus interest accrued to but not including the redemption date. The “Optional Redemption Prepayment Premium” means the redemption premium set forth below (expressed as a percentage of the principal amount redeemed) applicable to the date on which redemption occurs:

<u>Period During Which Redeemed</u>	<u>Redemption Premium</u>
First Year after the First Premium Call Date	5%
Second Year after the First Premium Call Date	4
Third Year after the First Premium Call Date	3
Fourth Year after the First Premium Call Date	2
Fifth Year after the First Premium Call Date	1
Thereafter	0]

[Mandatory Sinking Fund Redemption. The Series 2019B Bonds are subject to mandatory redemption prior to maturity, in part, at a redemption price equal to the principal amount thereof, plus interest accrued to but not including the redemption date, on January 1 of the years and in the aggregate principal amounts set forth in the following table:

<u>Redemption Dates</u> <u>(January 1)</u>	<u>Principal Amount</u>	<u>Redemption Dates</u> <u>(January 1)</u>	<u>Principal Amount</u>
2030	\$24,465,000	2040	\$45,930,000
2031	26,060,000	2041	48,920,000
2032	27,755,000	2042	52,100,000
2033	29,555,000	2043	55,480,000
2034	31,475,000	2044	59,090,000
2035	33,525,000	2045	62,930,000
2036	35,700,000	2046	67,020,000

2037	38,025,000	2047	71,375,000
2038	40,495,000	2048	76,015,000
2039	43,125,000	2049*	80,960,000

* Final maturity.

The Trustee shall credit against the mandatory sinking fund requirement for such Series 2019B Bonds (and corresponding mandatory redemption obligation), as set forth above in order determined by the Borrower, any of such Series 2019B Bonds of the applicable maturity delivered to the Trustee for cancellation or purchased for cancellation by the Trustee and canceled by the Trustee and not theretofore applied as a credit against any redemption obligation under the Supplement.]

Extraordinary Mandatory Redemption

[Failure to Satisfy the Escrow Release Conditions

The Escrow Bonds, if any, will be subject to extraordinary mandatory redemption in whole, but not in part, on the next Mandatory Tender Date after the Escrow End Date (the “Escrow Redemption Date”) at a redemption price equal to: [(i) in the case of Escrow Bonds issued at par, at] 100% of the principal amount thereof, [(ii) in the case of Escrow Bonds issued at a premium, at the Amortized Value or (iii) in the case of Escrow Bonds issued at a discount, at the Accreted Value, in each case,] plus interest thereon to but not including the Escrow Redemption Date.

[“Amortized Value” has the meaning set forth on the attached Schedule 1 calculated based on the date on which redemption occurs.

“Accreted Value” has the meaning set forth on the attached Schedule 2 calculated based on the date on which redemption occurs.]]

[Unspent Bond Proceeds

The Released Bonds are subject to extraordinary mandatory redemption in part by lot within such maturities as selected by the Borrower at a redemption price of par plus accrued interest to, but not including, the redemption date (which shall occur on any date for which the requisite notice of redemption can be given but which will be set by the Trustee on a Business Day that is no earlier than the date that is five years and 30 days after the date of issuance of the Released Bonds and no later than the date that is five years and 90 days after the date of issuance of the Released Bonds) in the principal amount of (rounded upward to a multiple of \$5,000) and to the extent of any remaining unspent Released Bond proceeds on such date, sufficient to effectuate such redemption; *provided* that no such redemption shall be required if the Borrower has obtained an opinion of Bond Counsel stating that the failure to redeem the Released Bonds will not adversely affect the exclusion of interest on the Released Bonds from gross income for federal or State income tax purposes and that such redemption is not required by State law.

Loss Proceeds

The Released Bonds are subject to extraordinary mandatory redemption, *pro rata* with any Additional Senior Indebtedness in accordance with the applicable Financing Documents, from net amounts of Loss Proceeds, received by the Borrower, to the extent that (i) such proceeds exceed the amount required to Restore the Project or any portion thereof to the condition existing prior to the Loss Event or (ii) the affected property cannot be Restored to permit operation of the Project on a Commercially Feasible Basis and upon delivery to the Collateral Agent of an officer's certificate of the Borrower certifying to the foregoing (together with, in the case of clauses (i) and (ii) immediately above, a certificate signed by an authorized representative of the Independent Engineer concurring with such officer's certificate). Such redemption will be in whole or in part, and if in part, by lot within such maturities as selected by the Borrower (provided that a portion of a Released Bond may be redeemed only in Authorized Denominations), at a redemption price of par plus accrued interest to, but not including, the redemption date.

Event of Taxability.

The Released Bonds are subject to extraordinary mandatory redemption, in whole, in the event of a Determination of Taxability, on the earliest date for which the requisite notice of redemption can be given in the manner set forth below following the occurrence of such Determination of Taxability, at a redemption price equal to par plus interest accrued to but not including the redemption date. As used herein, "Determination of Taxability" means the occurrence of both of the following: (i) any of the litigation pending against the Borrower and/or the United States Department of Transportation on the Closing Date in federal court with respect to the Project is determined adversely to the Borrower and/or the United States Department of Transportation, from which determination no appeal may be taken or with respect to which the time for taking an appeal shall have expired without an appeal having been taken, and (ii) such determination adversely affects the excludability of the interest on the Released Bonds from gross income for federal income tax purposes.]

Notice of Redemption. Notice of any optional or mandatory redemption identifying the Series 2019B Bonds or portions thereof to be redeemed and specifying the terms of such redemption, shall be given by the Trustee by mailing a copy of the redemption notice by United States first-class mail (or, in the case of Series 2019B Bonds in book-entry form, sending such notice in accordance with the procedures of DTC), at least 15 days prior to the date fixed for redemption (provided that if this Series 2019B Bond is in the Term Rate Mode, the Trustee shall give 30 days prior notice), to the Owner of each Series 2019B Bond to be redeemed at the address as it last appears on the registration records of the Trustee; *provided*, however, that failure to give any such notice, or any defect therein, shall not affect the validity of any proceedings of any Series 2019B Bonds as to which no such failure has occurred. The Trustee shall give notice in the name of the Issuer of redemption of the Series 2019B Bonds upon receipt by the Trustee at least 20 days (or at least 45 days in the case of Term Rate Bonds) (or such shorter period as may be agreed by the Trustee) prior to the redemption date of a written request of the Borrower. Such request shall specify the principal amount of the Series 2019B Bonds and their maturities to be called for redemption, the applicable redemption price or prices, the date fixed for redemption and the provision or provisions above referred to pursuant to which Series 2019B Bonds are to be called for redemption.

Any notice sent as provided herein shall be conclusively deemed to have been duly given, whether or not the Owner receives the notice. Notice of optional redemption may, at the Borrower's option and discretion, be subject to one or more conditions precedent. If any such redemption or notice is subject to satisfaction of one or more conditions precedent, such notice will state that, in the Borrower's discretion, the date fixed for redemption may be delayed until such time as any or all such conditions shall be satisfied, or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied by the date fixed for redemption, or by such date so delayed.

If at the time of sending of notice of any optional redemption of Series 2019B Bonds at the option of the Borrower there shall not have been deposited with the Trustee moneys sufficient to pay the Redemption Price of all the Series 2019B Bonds called for redemption, which moneys are or will be available for redemption of Series 2019B Bonds (the "Redemption Moneys"), such notice shall state that it is conditional upon the deposit of an amount equivalent to the full amount of the Redemption Moneys with the Trustee for such purpose not later than the opening of business on the redemption date specified in the relevant redemption notice, and such redemption notice shall be of no effect unless such Redemption Moneys are so deposited.

So long as DTC is effecting book-entry transfers of the Series 2019B Bonds, the Trustee, at the direction of the Issuer or the Borrower, shall provide the notices specified herein to DTC. It is expected that DTC shall, in turn, notify its direct participants and that the direct participants, in turn, will notify or cause to be notified the beneficial owners of the Series 2019B Bonds. Any failure on the part of DTC or a direct participant, or failure on the part of a nominee of a beneficial owner of a Series 2019B Bond (having been sent notice from the Trustee, DTC, a direct participant or otherwise) to notify the beneficial owner of the Series 2019B Bond so affected, shall not affect the validity of the redemption of such Series 2019B Bond.

Conversion. At the option of the Borrower and upon certain conditions provided for in the Supplement, all or a portion of the Series 2019B Bonds (a) may be converted or reconverted from time to time to or from the Daily Mode, Floating Rate Mode, Flexible Mode, Weekly Mode or Term Rate Mode (collectively, the "Variable Rate Mode"), and (b) may be converted to the Fixed Rate Mode. While this bond is in a Variable Rate Mode, "Effective Date" means the date on which a new interest rate takes effect as provided below. [While this bond is in the Floating Rate Mode a new interest rate shall take effect on the date such Mode takes effect and thereafter on the first day of each LIBOR Period.] [While this bond is in the Weekly Mode, a new interest rate shall take effect on the date such Mode takes effect and thereafter on each Thursday.] [While this bond is in the Daily Mode, the new interest rate shall be determined at 10:00 a.m. on each Business Day effective for that day.] [While this bond is in the Flexible Mode, a new interest rate shall take effect on the date such Mode takes effect, and on the Effective Date of the next Flexible Rate Period applicable to this bond.] [While this bond is in the Term Rate Mode, a new interest rate shall take effect on the date such Mode takes effect and thereafter on the day next succeeding the Interest Payment Date ending the Interest Period designated by the Borrower.] [Notwithstanding anything herein to the contrary, the Escrow Bonds shall not be in any Mode other than the Flexible Mode.]

[While this bond is in the Floating Rate Mode, conversions to any other Mode may take place on any Interest Payment Date, upon not less than fifteen (15) days' prior written notice from

the Trustee to the Registered Owner of this bond.] [While this bond is in the Daily or Weekly Mode, conversions to any other Mode may take place on any Business Day, upon not less than fifteen (15) days' prior written notice from the Trustee to the Registered Owner of this bond.] [While this bond is in the Term Rate Mode, conversion to any other Mode, or conversion between Term Rate Periods of different lengths while in the Term Rate Mode, may take place only on an Interest Payment Date on which this bond is subject to optional redemption or on the last Interest Payment Date of the current Term Rate Period, upon not less than fifteen (15) days' prior written notice from the Trustee to the Registered Owner of this bond.] [While this bond is in the Flexible Mode, conversion to any other Mode may take place on the Scheduled Mandatory Tender Date for this bond or any date selected by the Borrower on or after the Earliest Optional Mode Change Date.] [Upon such conversion or reconversion this bond may be subject to mandatory tender for purchase as described below. Each conversion of the Series 2019B Bonds from one Mode to another Mode, or conversion between Term Rate Periods of different lengths while in the Term Rate Mode, shall be subject to the conditions set forth above and in the Supplement. In the event that the conditions for a proposed conversion to a new Mode, or conversions between Term Rate Periods of different lengths while in the Term Rate Mode, are not met (i) such new Mode shall not take effect on the proposed conversion date, notwithstanding any prior notice to the Owners of such conversion, (ii) this bond shall remain in its prior Mode, and (iii) this bond shall be subject to mandatory tender for purchase as provided below if notice has been sent to the Registered Owner stating that this bond would be subject to mandatory purchase on such date. In no event shall the failure of this bond to be converted to another Mode be deemed to be a default or an Event of Default (as defined in the Supplement) as long as the Purchase Price (as defined below) is made available if this bond is required to be purchased.]

While this bond is in any Variable Rate Mode, the Variable Rate in effect for each Interest Period shall be determined on the Rate Determination Date for the applicable Mode. If the Remarketing Agent or Calculation Agent, as applicable, fails to make such determination or fails to announce the interest rate as required, the rate to take effect on any Effective Date shall be the Alternate Rate. Each determination and redetermination of the Daily Rate, Weekly Rate, Term Rate, Flexible Rate, Floating Rate and Fixed Rate shall be conclusive and binding on the Issuer, the Trustee, the Borrower and the Owners.

[Optional Tender. Unless this Series 2019B Bond is a Borrower Bond or a Bank Bond, while this bond is in the Daily Mode or the Weekly Mode the Registered Owner shall have the right to tender this bond for purchase in Authorized Denominations at a price equal to 100% of the principal amount thereof, plus accrued interest, if any, upon compliance with the conditions described in the Supplement; provided, however, that such tender shall not result in any portion of a Series 2019B Bond not tendered being below the minimum Authorized Denomination. In order to exercise the right to tender, the Registered Owner must deliver to the Trustee a written irrevocable notice of tender satisfactory to the Trustee. If the Registered Owner of this bond has elected to require purchase as provided above, the Registered Owner shall be deemed, by such election, to have agreed irrevocably to sell this bond to any purchaser determined in accordance with the provisions of the Supplement on the date fixed for purchase at a price (the "Purchase Price") equal to the principal amount of this bond plus accrued and unpaid interest thereon, if any, to but on including the Purchase Date. The Purchase Price of this bond shall be paid to the Registered Owner by the Trustee on the Delivery Date, which shall be the Purchase Date or any subsequent Business Day on which this bond is delivered to the Trustee. The Purchase Price of

this bond shall be paid only upon surrender of this bond to the Trustee as provided herein. From and after the Purchase Date, no further interest on this bond shall be payable to the Registered Owner who gave notice of tender for purchase, provided that there are sufficient funds available on the Purchase Date to pay the Purchase Price. Tender of this bond will not be effective and this bond will not be purchased if at the time fixed for purchase an acceleration of the maturity of the Series 2019B Bonds shall have occurred and not have been annulled in accordance with the Supplement. Notice of tender of this bond is irrevocable.]

[AFTER THE FIXED RATE CONVERSION DATE, THE REGISTERED OWNER SHALL HAVE NO RIGHT TO TENDER THIS BOND FOR PURCHASE.]

[Mandatory Tender. Unless this Series 2019B Bond is a Borrower Bond or a Bank Bond, this bond is subject to mandatory tender for purchase at a price of par plus accrued interest, if any, to the Purchase Date, on each Mandatory Tender Date. Notice of mandatory tender shall be given or caused to be given by the Trustee in writing to the Registered Owner (a) no less than fifteen (15) days prior to the Mandatory Tender Date in the case of a mandatory purchase on a Substitution Date; (b) no less than one Business Day prior to the Mandatory Tender Date in the case of a mandatory purchase at the end of a Flexible Rate Period; (c) no less than 15 days prior to the Mandatory Tender Date in the case of a mandatory purchase on a Mode Change Date; (d) immediately upon receipt by the Trustee of notice from the Credit Provider or Liquidity Provider, as applicable, of an event of default under the Reimbursement Agreement then in effect; or (e) no later than three (3) Business Days prior to the Mandatory Tender Date immediately preceding any Expiration Date. THE OWNER OF THIS BOND, BY ACCEPTANCE HEREOF, AGREES TO SELL AND SURRENDER THIS BOND AT SUCH PRICE TO ANY PURCHASER DETERMINED IN ACCORDANCE WITH THE PROVISIONS OF THE SUPPLEMENT IN THE EVENT OF SUCH MANDATORY TENDER AND, ON SUCH PURCHASE DATE, TO SURRENDER THIS BOND TO THE TRUSTEE FOR PAYMENT OF THE PURCHASE PRICE. From and after the Purchase Date, no further interest on this bond shall be payable to the REGISTERED OWNER, provided that there are sufficient funds available on the Purchase Date to pay the Purchase Price.]

Book-Entry System. The Series 2019B Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Supplement. One or more bond certificates with respect to each date on which the Series 2019B Bonds are stated to mature, registered in the nominee name of DTC, is being issued and required to be deposited with DTC and immobilized in its custody. The book-entry system will evidence positions held in the Series 2019B Bonds by DTC's direct participants, beneficial ownership of the Series 2019B Bonds in Authorized Denominations being evidenced in the records of such direct participants. Transfers of ownership shall be effected on the records of DTC and its direct participants pursuant to rules and procedures established by DTC and its direct participants. The Issuer and the Trustee will recognize the DTC nominee, while the registered owner of this Series 2019B Bond, as the owner of this Series 2019B Bond for all purposes under the Supplement, including (i) payments of principal of, and redemption premium, if any, and interest on, this Series 2019B Bond, (ii) notices and (iii) voting. Transfer of principal, interest and any redemption premium payments to direct participants of DTC, and transfer of principal, interest and any redemption premium payments to beneficial owners of the Series 2019B Bonds by direct participants of DTC will be the responsibility of such direct participants and other nominees of

such beneficial owners. The Issuer and the Trustee will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by DTC, the DTC nominee, its direct participants or persons acting through such direct participants. While the DTC nominee is the owner of this Series 2019B Bond, notwithstanding the provisions hereinabove contained, payments of principal of, redemption premium, if any, and interest on this Series 2019B Bond shall be made in accordance with existing arrangements among the Issuer, the Trustee and DTC.

Transfer and Exchange. EXCEPT AS OTHERWISE PROVIDED IN THE SUPPLEMENT, THIS SERIES 2019B BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE DTC OR TO A DTC SUCCESSOR OR TO A NOMINEE OF THE DTC SUCCESSOR. This Series 2019B Bond may be transferred or exchanged, as provided in the Supplement, only upon the bond register maintained by the Trustee 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 Series 2019B 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 Series 2019B Bond or Bonds of the same maturity and in the same aggregate principal amount, shall be issued to the transferee in exchange therefor as provided in the Supplement, and upon payment of the charges therein prescribed. Except as otherwise specifically provided herein and in the Supplement with respect to rights of direct participants and beneficial owners when a book-entry system is in effect, the Issuer and the Trustee may deem and treat the person in whose name this Series 2019B Bond is registered on the bond register 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 under the Supplement. The Series 2019B Bonds shall be in Authorized Denominations.

IN CERTAIN CIRCUMSTANCES SET OUT HEREIN, THIS SERIES 2019B BOND (OR PORTION THEREOF) IS SUBJECT TO PURCHASE OR REDEMPTION, UPON NOTICE AS SPECIFIED HEREIN TO OR FROM THE OWNER HEREOF AS OF A DATE PRIOR TO SUCH PURCHASE OR REDEMPTION. IN EACH SUCH EVENT AND UPON DEPOSIT OF THE PURCHASE OR REDEMPTION PRICE WITH THE TRUSTEE ON THE PURCHASE OR REDEMPTION DATE, AS THE CASE MAY BE, THIS SERIES 2019B BOND (OR PORTION THEREOF) SHALL CEASE TO BE DEEMED TO BE OUTSTANDING UNDER THE SUPPLEMENT, INTEREST HEREON SHALL CEASE TO ACCRUE AS OF THE PURCHASE OR REDEMPTION DATE, AND THE REGISTERED OWNER HEREOF SHALL BE ENTITLED ONLY TO RECEIVE THE PURCHASE OR REDEMPTION PRICE SO DEPOSITED WITH THE TRUSTEE BUT ONLY UPON SURRENDER OF THIS SERIES 2019B BOND TO THE TRUSTEE.

Limitation on Rights. The registered owner of this Series 2019B Bond shall have no right to enforce the provisions of the Supplement or to institute an action to enforce the covenants therein, or to take any action with respect to any event of default under the Supplement, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Supplement. In certain events, on the conditions, in the manner and with the effect set forth in the Supplement, the principal of all the Series 2019B Bonds issued under the Supplement and then outstanding may become or may be declared due and payable before the stated maturity

thereof, together with interest accrued thereon. The Series 2019B Bonds or the Supplement may be modified, amended or supplemented only to the extent and in the circumstances permitted by the Supplement.

Limited Obligations. THIS SERIES 2019B BOND SHALL NOT CONSTITUTE OR BECOME A GENERAL INDEBTEDNESS, A DEBT OR A LIABILITY OF OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE STATE OF FLORIDA, OR ANY SUBDIVISION OF THE STATE OF FLORIDA OR OF ANY OTHER POLITICAL SUBDIVISION OR BODY CORPORATE AND POLITIC WITHIN THE STATE OF FLORIDA BUT SHALL BE A SPECIAL, LIMITED OBLIGATION OF THE ISSUER TO THE EXTENT OF THE REVENUES PLEDGED IN THE SUPPLEMENT, AND NEITHER THE STATE OF FLORIDA, OR ANY SUBDIVISION OF THE STATE OF FLORIDA, EXCEPT THE ISSUER TO THE EXTENT PROVIDED ABOVE, SHALL BE LIABLE HEREON; NOR SHALL THIS SERIES 2019B BOND CONSTITUTE THE GIVING, PLEDGING, OR LOANING OF THE FAITH AND CREDIT OF THE STATE OF FLORIDA, OR ANY SUBDIVISION OF THE STATE OF FLORIDA OR OF ANY OTHER POLITICAL SUBDIVISION OR BODY CORPORATE AND POLITIC WITHIN THE STATE OF FLORIDA. THE SERIES 2019B BONDS AND THE INTEREST THEREON DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION. THE ISSUER HAS NO TAXING POWER.

Authentication and Authorization. It is hereby certified and recited that all conditions, acts and things required by law and the Supplement to exist, to have happened and to have been performed precedent to the issuance of this Series 2019B Bond, exist, have happened and have been performed and that the issue of Series 2019B Bonds of which this is one, together with all other indebtedness of the Issuer, complies in all respects with the applicable laws of the State, including, particularly, the Act.

Neither the members of the Issuer nor any person executing the securities of the Issuer shall be liable personally on such securities by reason of the issuance thereof.

This Series 2019B Bond shall not be entitled to any benefit under the Supplement or be valid or become obligatory for any purpose until this Series 2019B Bond shall have been authenticated by the execution by the Trustee of the Trustee's Certificate of Authentication hereon.

Governing Law. This Series 2019B Bond shall be governed by and construed in accordance with the laws of the State.

IN WITNESS WHEREOF, THE FLORIDA DEVELOPMENT FINANCE CORPORATION has caused this Series 2019B Bond to be signed by the manual or facsimile signature of its Executive Director, its seal to be impressed or printed hereon and attested by the manual or facsimile signature of its Assistant Secretary, and this Series 2019B Bond to be dated as of the 20th day of June, 2019.

FLORIDA DEVELOPMENT FINANCE CORPORATION

By: _____
Executive Director

[SEAL]

Attest:

By: _____
Assistant Secretary

[END OF VARIABLE RATE SERIES 2019B BOND FORM]

[FORM OF CERTIFICATE OF AUTHENTICATION]

This Series 2019B Bond is one of the Series 2019B Bonds delivered pursuant to the within-mentioned Supplement.

DEUTSCHE BANK NATIONAL TRUST
COMPANY, as Trustee

Date: _____ By: _____
Authorized Signatory

[END OF FORM OF CERTIFICATE OF AUTHENTICATION]

[FORM OF ASSIGNMENT]

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Series 2019B Bond and hereby irrevocably constitutes and appoints _____ attorney, to transfer the same on the records of the Trustee, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed by a
member of the Medallion
Signature Program:

Address of transferee:

Social Security or other tax
identification number of
transferee:

NOTE: The signature to this Assignment must correspond with the name as written on the face of the within Series 2019B Bond in every particular, without alteration or enlargement or any change whatsoever.

EXCHANGE OR TRANSFER FEES MAY BE CHARGED

[END FORM OF ASSIGNMENT]

FORM OF FIXED RATE SERIES 2019B BOND

The Series 2019B Bonds in the Fixed Rate Mode shall be in substantially the following form, provided that in connection with any conversion to a Fixed Rate Mode, appropriate revisions shall be made to the form of Series 2019B Bonds in such Fixed Rate Mode to reflect the actual terms of the Series 2019B Bonds as so converted:

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE TO BE ISSUED THEREFOR IS TO BE REGISTERED IN THE NAME OF CEDE & CO., OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS TO BE MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

EXCEPT AS OTHERWISE PROVIDED IN THE SUPPLEMENT, THIS BOOK ENTRY BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF DTC OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY. THE ISSUER, THE BORROWER AND THE TRUSTEE HAVE NO RESPONSIBILITY OR OBLIGATION TO ANY NOMINEE OF DTC OR TO ANY NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY.

THIS BOND HAS NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (“1933 ACT”), OR THE SECURITIES LAWS OF ANY STATE. ANY RESALE, PLEDGE, TRANSFER OR OTHER DISPOSITION OF THIS BOND OR ANY INTEREST HEREIN WITHOUT SUCH REGISTRATION OR QUALIFICATION MAY BE MADE ONLY IN A TRANSACTION WHICH DOES NOT REQUIRE SUCH REGISTRATION OR QUALIFICATION AND WHICH IS IN ACCORDANCE WITH THE SUPPLEMENT.

[THIS BOND IS SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT TO A PERSON WHO THE TRANSFEROR REASONABLY BELIEVES IS A “QUALIFIED INSTITUTIONAL BUYER” WITHIN THE MEANING OF RULE 144A PROMULGATED UNDER THE 1933 ACT, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE 1933 ACT. THE PURCHASER HEREOF AGREES TO PROVIDE NOTICE TO ANY PROPOSED TRANSFEREE OF A BENEFICIAL OWNERSHIP INTEREST IN THE PURCHASED BONDS OF THE RESTRICTION ON TRANSFERS.

EACH TRANSFEREE OF THIS BOND, BY ITS PURCHASE HEREOF, IS DEEMED TO HAVE REPRESENTED THAT SUCH TRANSFEREE IS A “QUALIFIED INSTITUTIONAL BUYER” WITHIN THE MEANING OF RULE 144A UNDER THE 1933 ACT AND WILL ONLY TRANSFER, RESELL, REOFFER, PLEDGE OR OTHERWISE TRANSFER THIS BOND TO A SUBSEQUENT TRANSFEREE WHO SUCH TRANSFEROR REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE 1933 ACT WHO IS WILLING AND ABLE TO CONDUCT AN INDEPENDENT INVESTIGATION OF THE RISKS INVOLVED WITH OWNERSHIP OF THE SERIES 2019B BONDS, AND AGREES TO BE BOUND BY THE TRANSFER RESTRICTIONS.]

UNITED STATES OF AMERICA

STATE OF FLORIDA

**FLORIDA DEVELOPMENT FINANCE CORPORATION
SURFACE TRANSPORTATION FACILITY REVENUE BONDS
(VIRGIN TRAINS USA PASSENGER RAIL PROJECT), SERIES 2019B**

**Registered
No. R-___**

**Registered
\$**

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Dated Date</u>	<u>CUSIP</u>
	January 1, 2049	June 20, 2019	

Registered Owner: ** CEDE & CO. **

Principal Amount: _____ DOLLARS

Capitalized terms used herein and not otherwise defined herein shall have the respective meanings assigned to such terms in the Supplement described herein.

FLORIDA DEVELOPMENT FINANCE CORPORATION (the “Issuer”), a public body corporate and politic and a public instrumentality organized and existing under the laws of the State of Florida (the “State”), for value received, promises to pay, but solely from the sources herein specified to the registered owner named above, or registered assigns, the principal amount stated above on the maturity date stated above, except as the provisions herein set forth with respect to redemption prior to maturity may become applicable hereto, and in like manner to pay interest on said principal amount at the interest rate per annum set forth above in the manner set forth herein, until said principal amount is paid in full.

THE ISSUER PROMISES TO PAY interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the date of delivery of the Series 2019B Bonds at the respective Interest Rate per annum specified above. Interest is payable semiannually on each July 1 and January 1 to the date of payment; except, that if this Series 2019B Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), but before the first Interest Payment Date, such principal amount shall bear interest from the date of delivery of the Series 2019B Bonds, unless such date of authentication is after any other Record Date but on or before the next following Interest Payment Date, in which case such principal amount shall bear interest from such next following Interest Payment Date; provided, however, that if on the date of authentication hereof the interest on the Series 2019B Bond or Bonds, if any, for which this Series 2019B Bond is being exchanged is due but has not been paid, then this Series 2019B Bond shall bear interest from the date to which such interest has been paid in full. Notwithstanding the foregoing, following an Event of Default with respect to the Released Bonds, the interest rate in effect on the Released Bonds shall be the Default Rate.

Method and Place of Payment. The principal of and interest on this Series 2019B Bond shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. The principal of and redemption premium, if any, on this Series 2019B Bond shall be payable by (i) check or draft of the Trustee mailed, on or before each Interest Payment Date, to the Owner thereof at his address as it last appears on the registration records of the Trustee at the close of business on the Record Date, (ii) in the case of Series 2019B Bonds in book-entry form, to DTC in immediately available funds and disbursement of such funds to owners of beneficial interests in Series 2019B Bonds in book-entry form will be made in accordance with the procedures of DTC or (iii) by such other method as mutually agreed in writing between the Owner of the Series 2019B Bond and the Trustee at the maturity or redemption date upon presentation and surrender of this Series 2019B Bond at the designated payment office of Deutsche Bank National Trust Company, as trustee (the “Trustee”). The interest payable on this Series 2019B Bond on any Interest Payment Date shall be paid by the Trustee to the registered owner of this Series 2019B Bond appearing on the bond register maintained by the Trustee at the close of business on the Record Date.

Authorization of Series 2019B Bonds. This Series 2019B Bond is one of a duly authorized series of bonds of the Issuer designated as the “Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Virgin Trains USA Passenger Rail Project), Series 2019B” in the aggregate principal amount of \$950,000,000 (the “Series 2019B Bonds”), issued pursuant to the authority of and in full compliance with the applicable laws of the State and pursuant to proceedings duly had by the Issuer. The Series 2019B Bonds are issued under that certain First Supplemental Indenture of Trust, dated as of June 20, 2019 (the “Supplement”), supplementing the Indenture of Trust, dated as of April 18, 2019 (said Indenture of Trust, as amended, modified and/or supplemented from time to time in accordance with the provisions thereof, the “Indenture”), between the Issuer and the Trustee, for the purpose of making a loan to Virgin Trains USA Florida LLC, a Delaware limited liability company (together with its successors and assigns, the “Borrower”), to provide funds for the purposes set forth in the Supplement. The loan will be made pursuant to that certain First Supplemental Senior Loan Agreement, dated as of June 20, 2019, supplementing the Amended and Restated Senior Loan Agreement, dated as of April 18, 2019 (said Senior Loan Agreement, as amended, modified and/or

supplemented from time to time in accordance with the provisions thereof, the “Senior Loan Agreement”), between the Issuer and the Borrower. Reference is hereby made to the Supplement, which may be inspected at the designated payment office of the Trustee, for a description of the property pledged and assigned thereunder, and the provisions, among others, with respect to the nature and extent of the security for the Series 2019B Bonds, and the rights, duties and obligations of the Issuer, the Trustee and the registered owners of the Series 2019B Bonds, and a description of the terms upon which the Series 2019B Bonds are issued and secured, upon which provision for payment of the Series 2019B Bonds or portions thereof and defeasance of the lien of the Supplement with respect thereto may be made and upon which the Supplement may be deemed satisfied and discharged prior to payment of the Series 2019B Bonds.

Redemption of Series 2019B Bonds Prior to Maturity. The Series 2019B Bonds are subject to redemption prior to their stated maturity, in accordance with the terms and provisions of the Supplement, as follows:

Make-Whole Redemption. The Series 2019B Bonds are subject to redemption at the option of the Borrower, in whole or in part (and if in part, by lot or, in the case of Series 2019B Bonds in book-entry form, in accordance with the procedures of DTC), at any time prior to the first anniversary of the Conversion Date (the “First Premium Call Date”), at a redemption price equal to the Make-Whole Redemption Price, plus interest accrued to but not including the redemption date.

The “Make-Whole Redemption Price” is equal to the sum of:

- (a) one hundred five percent (105%) of the principal amount of the Series 2019B Bonds to be redeemed; and
- (b) an amount equal to the sum of the remaining unpaid payments of interest to be paid on such Series 2019B Bonds to be redeemed from and including the date of redemption to the First Premium Call Date of such Series 2019B Bonds.

The Make-Whole Redemption Price of the Series 2019B Bonds described above will be determined by an independent accounting firm, investment banking firm or financial advisor (which accounting firm or financial advisor shall be retained by the Borrower at the expense of the Borrower to calculate such Make-Whole Redemption Price) and such agent’s or advisor’s determination of the Make-Whole Redemption Price shall be final and binding in the absence of manifest error. The Issuer, the Trustee and the Borrower may conclusively rely on such accounting firm’s, investment banking firm’s or financial advisor’s determination of such redemption price and shall bear no liability for such reliance.

Optional Redemption at a Premium. The Series 2019B Bonds are subject to redemption at the option of the Borrower, in whole or in part (and if in part, by lot or, in the case of Series 2019B Bonds in book-entry form, in accordance with the procedures of DTC), at any time on or after the First Premium Call Date at a redemption price equal to the principal amount redeemed, plus the Optional Redemption Prepayment Premium, plus interest accrued to but not including the redemption date. The “Optional Redemption Prepayment Premium” means the redemption

premium set forth below (expressed as a percentage of the principal amount redeemed) applicable to the date on which redemption occurs:

<u>Period During Which Redeemed</u>	<u>Redemption Premium</u>
First Year after the First Premium Call Date	5%
Second Year after the First Premium Call Date	4
Third Year after the First Premium Call Date	3
Fourth Year after the First Premium Call Date	2
Fifth Year after the First Premium Call Date	1
Thereafter	0

[Mandatory Sinking Fund Redemption. The Series 2019B Bonds are subject to mandatory redemption prior to maturity, in part, at a redemption price equal to the principal amount thereof, plus interest accrued to but not including the redemption date, on January 1 of the years and in the aggregate principal amounts set forth in the following table:

<u>Redemption Dates</u> <u>(January 1)</u>	<u>Principal Amount</u>	<u>Redemption Dates</u> <u>(January 1)</u>	<u>Principal Amount</u>
2030	\$24,465,000	2040	\$45,930,000
2031	26,060,000	2041	48,920,000
2032	27,755,000	2042	52,100,000
2033	29,555,000	2043	55,480,000
2034	31,475,000	2044	59,090,000
2035	33,525,000	2045	62,930,000
2036	35,700,000	2046	67,020,000
2037	38,025,000	2047	71,375,000
2038	40,495,000	2048	76,015,000
2039	43,125,000	2049*	80,960,000

* Final maturity.

The Trustee shall credit against the mandatory sinking fund requirement for such Series 2019B Bonds (and corresponding mandatory redemption obligation), as set forth above in order determined by the Borrower, any of such Series 2019B Bonds of the applicable maturity delivered to the Trustee for cancellation or purchased for cancellation by the Trustee and canceled by the Trustee and not theretofore applied as a credit against any redemption obligation under the Supplement.]

Extraordinary Mandatory Redemption

Unspent Bond Proceeds

The Released Bonds are subject to extraordinary mandatory redemption in part by lot within such maturities as selected by the Borrower at a redemption price of par plus accrued interest to, but not including, the redemption date (which shall occur on any date for which the requisite notice of redemption can be given but which will be set by the Trustee on a Business Day that is no earlier than the date that is five years and 30 days after the date of issuance of the Released Bonds and no later than the date that is five years and 90 days after the date of issuance of the

Released Bonds) in the principal amount of (rounded upward to a multiple of \$5,000) and to the extent of any remaining unspent Released Bond proceeds on such date, sufficient to effectuate such redemption; *provided* that no such redemption shall be required if the Borrower has obtained an opinion of Bond Counsel stating that the failure to redeem the Released Bonds will not adversely affect the exclusion of interest on the Released Bonds from gross income for federal or State income tax purposes and that such redemption is not required by State law.

Loss Proceeds

The Released Bonds are subject to extraordinary mandatory redemption, *pro rata* with any Additional Senior Indebtedness in accordance with the applicable Financing Documents, from net amounts of Loss Proceeds, received by the Borrower, to the extent that (i) such proceeds exceed the amount required to Restore the Project or any portion thereof to the condition existing prior to the Loss Event or (ii) the affected property cannot be Restored to permit operation of the Project on a Commercially Feasible Basis and upon delivery to the Collateral Agent of an officer's certificate of the Borrower certifying to the foregoing (together with, in the case of clauses (i) and (ii) immediately above, a certificate signed by an authorized representative of the Independent Engineer concurring with such officer's certificate). Such redemption will be in whole or in part, and if in part, by lot within such maturities as selected by the Borrower (provided that a portion of a Released Bond may be redeemed only in Authorized Denominations), at a redemption price of par plus accrued interest to, but not including, the redemption date.

Event of Taxability.

The Released Bonds are subject to extraordinary mandatory redemption, in whole, in the event of a Determination of Taxability, on the earliest date for which the requisite notice of redemption can be given in the manner set forth below following the occurrence of such Determination of Taxability, at a redemption price equal to par plus interest accrued to but not including the redemption date. As used herein, "Determination of Taxability" means the occurrence of both of the following: (i) any of the litigation pending against the Borrower and/or the United States Department of Transportation on the Closing Date in federal court with respect to the Project is determined adversely to the Borrower and/or the United States Department of Transportation, from which determination no appeal may be taken or with respect to which the time for taking an appeal shall have expired without an appeal having been taken, and (ii) such determination adversely affects the excludability of the interest on the Released Bonds from gross income for federal income tax purposes.

Notice of Redemption. Notice of any optional or mandatory redemption identifying the Series 2019B Bonds or portions thereof to be redeemed and specifying the terms of such redemption, shall be given by the Trustee by mailing a copy of the redemption notice by United States first-class mail, at least 30 days and not more than 60 days prior to the date fixed for redemption, to the Owner of each Series 2019B Bond to be redeemed at the address as it last appears on the registration records of the Trustee; *provided*, however, that failure to give any such notice, or any defect therein, shall not affect the validity of any proceedings of any Series 2019B Bonds as to which no such failure has occurred. The Trustee shall give notice in the name of the Issuer of redemption of the Series 2019B Bonds upon receipt by the Trustee at least 45 days (or such shorter period as may be agreed by the Trustee) prior to the redemption date of a written

request of the Borrower; *provided* that the Trustee shall give notice of mandatory sinking fund redemption without such written request. Such request shall specify the principal amount of the Series 2019B Bonds and their maturities to be called for redemption, the applicable redemption price or prices, the date fixed for redemption and the provision or provisions above referred to pursuant to which Series 2019B Bonds are to be called for redemption.

Any notice sent as provided herein shall be conclusively deemed to have been duly given, whether or not the Owner receives the notice. Notice of optional redemption may, at the Borrower's option and discretion, be subject to one or more conditions precedent. If any such redemption or notice is subject to satisfaction of one or more conditions precedent, such notice will state that, in the Borrower's discretion, the date fixed for redemption may be delayed until such time as any or all such conditions shall be satisfied, or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied by the date fixed for redemption, or by such date so delayed.

If at the time of sending of notice of any optional redemption of Series 2019B Bonds at the option of the Borrower there shall not have been deposited with the Trustee moneys sufficient to pay the Redemption Price of all the Series 2019B Bonds called for redemption, which moneys are or will be available for redemption of Series 2019B Bonds (the "Redemption Moneys"), such notice shall state that it is conditional upon the deposit of an amount equivalent to the full amount of the Redemption Moneys with the Trustee for such purpose not later than the opening of business on the redemption date specified in the relevant redemption notice, and such redemption notice shall be of no effect unless such Redemption Moneys are so deposited.

So long as DTC is effecting book-entry transfers of the Series 2019B Bonds, the Trustee, at the direction of the Issuer or the Borrower, shall provide the notices specified herein to DTC. It is expected that DTC shall, in turn, notify its direct participants and that the direct participants, in turn, will notify or cause to be notified the beneficial owners of the Series 2019B Bonds. Any failure on the part of DTC or a direct participant, or failure on the part of a nominee of a beneficial owner of a Series 2019B Bond (having been sent notice from the Trustee, DTC, a direct participant or otherwise) to notify the beneficial owner of the Series 2019B Bond so affected, shall not affect the validity of the redemption of such Series 2019B Bond.

Book-Entry System. The Series 2019B Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Supplement. One or more bond certificates with respect to each date on which the Series 2019B Bonds are stated to mature, registered in the nominee name of DTC, is being issued and required to be deposited with DTC and immobilized in its custody. The book-entry system will evidence positions held in the Series 2019B Bonds by DTC's direct participants, beneficial ownership of the Series 2019B Bonds in Authorized Denominations being evidenced in the records of such direct participants. Transfers of ownership shall be effected on the records of DTC and its direct participants pursuant to rules and procedures established by DTC and its direct participants. The Issuer and the Trustee will recognize the DTC nominee, while the registered owner of this Series 2019B Bond, as the owner of this Series 2019B Bond for all purposes under the Supplement, including (i) payments of principal of, and redemption premium, if any, and interest on, this Series 2019B Bond, (ii) notices and (iii) voting. Transfer of principal, interest and any redemption premium payments to direct participants of DTC, and transfer of principal, interest and any

redemption premium payments to beneficial owners of the Series 2019B Bonds by direct participants of DTC will be the responsibility of such direct participants and other nominees of such beneficial owners. The Issuer and the Trustee will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by DTC, the DTC nominee, its direct participants or persons acting through such direct participants. While the DTC nominee is the owner of this Series 2019B Bond, notwithstanding the provisions hereinabove contained, payments of principal of, redemption premium, if any, and interest on this Series 2019B Bond shall be made in accordance with existing arrangements among the Issuer, the Trustee and DTC.

Transfer and Exchange. EXCEPT AS OTHERWISE PROVIDED IN THE SUPPLEMENT, THIS SERIES 2019B BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE DTC OR TO A DTC SUCCESSOR OR TO A NOMINEE OF THE DTC SUCCESSOR. This Series 2019B Bond may be transferred or exchanged, as provided in the Supplement, only upon the bond register maintained by the Trustee 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 Series 2019B 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 Series 2019B Bond or Bonds of the same maturity and in the same aggregate principal amount, shall be issued to the transferee in exchange therefor as provided in the Supplement, and upon payment of the charges therein prescribed. Except as otherwise specifically provided herein and in the Supplement with respect to rights of direct participants and beneficial owners when a book-entry system is in effect, the Issuer and the Trustee may deem and treat the person in whose name this Series 2019B Bond is registered on the bond register 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 under the Supplement. The Series 2019B Bonds shall be in Authorized Denominations.

Limitation on Rights. The registered owner of this Series 2019B Bond shall have no right to enforce the provisions of the Supplement or to institute an action to enforce the covenants therein, or to take any action with respect to any event of default under the Supplement, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Supplement. In certain events, on the conditions, in the manner and with the effect set forth in the Supplement, the principal of all the Series 2019B Bonds issued under the Supplement and then outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon. The Series 2019B Bonds or the Supplement may be modified, amended or supplemented only to the extent and in the circumstances permitted by the Supplement.

Limited Obligations. THIS SERIES 2019B BOND SHALL NOT CONSTITUTE OR BECOME A GENERAL INDEBTEDNESS, A DEBT OR A LIABILITY OF OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE STATE OF FLORIDA, OR ANY SUBDIVISION OF THE STATE OF FLORIDA OR OF ANY OTHER POLITICAL SUBDIVISION OR BODY CORPORATE AND POLITIC WITHIN THE STATE OF FLORIDA BUT SHALL BE A SPECIAL, LIMITED OBLIGATION OF THE ISSUER TO THE EXTENT OF THE REVENUES PLEDGED IN THE SUPPLEMENT, AND NEITHER THE STATE OF

FLORIDA, OR ANY SUBDIVISION OF THE STATE OF FLORIDA, EXCEPT THE ISSUER TO THE EXTENT PROVIDED ABOVE, SHALL BE LIABLE HEREON; NOR SHALL THIS SERIES 2019B BOND CONSTITUTE THE GIVING, PLEDGING, OR LOANING OF THE FAITH AND CREDIT OF THE STATE OF FLORIDA, OR ANY SUBDIVISION OF THE STATE OF FLORIDA OR OF ANY OTHER POLITICAL SUBDIVISION OR BODY CORPORATE AND POLITIC WITHIN THE STATE OF FLORIDA. THE SERIES 2019B BONDS AND THE INTEREST THEREON DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION. THE ISSUER HAS NO TAXING POWER.

Authentication and Authorization. It is hereby certified and recited that all conditions, acts and things required by law and the Supplement to exist, to have happened and to have been performed precedent to the issuance of this Series 2019B Bond, exist, have happened and have been performed and that the issue of Series 2019B Bonds of which this is one, together with all other indebtedness of the Issuer, complies in all respects with the applicable laws of the State, including, particularly, the Act.

Neither the members of the Issuer nor any person executing the securities of the Issuer shall be liable personally on such securities by reason of the issuance thereof.

This Series 2019B Bond shall not be entitled to any benefit under the Supplement or be valid or become obligatory for any purpose until this Series 2019B Bond shall have been authenticated by the execution by the Trustee of the Trustee's Certificate of Authentication hereon.

Governing Law. This Series 2019B Bond shall be governed by and construed in accordance with the laws of the State.

IN WITNESS WHEREOF, THE FLORIDA DEVELOPMENT FINANCE CORPORATION has caused this Series 2019B Bond to be signed by the manual or facsimile signature of its Executive Director, its seal to be impressed or printed hereon and attested by the manual or facsimile signature of its Assistant Secretary, and this Series 2019B Bond to be dated as of the 20th day of June, 2019.

FLORIDA DEVELOPMENT FINANCE CORPORATION

By: _____
Executive Director

[SEAL]

Attest:

By: _____
Assistant Secretary

[END OF FIXED RATE SERIES 2019B BOND FORM]

[FORM OF CERTIFICATE OF AUTHENTICATION]

This Series 2019B Bond is one of the Series 2019B Bonds delivered pursuant to the within-mentioned Supplement.

DEUTSCHE BANK NATIONAL TRUST
COMPANY, as Trustee

Date: _____ By: _____
Authorized Signatory

[END OF FORM OF CERTIFICATE OF AUTHENTICATION]

[FORM OF ASSIGNMENT]

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Series 2019B Bond and hereby irrevocably constitutes and appoints _____ attorney, to transfer the same on the records of the Trustee, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed by a
member of the Medallion
Signature Program:

Address of transferee:

Social Security or other tax
identification number of
transferee:

NOTE: The signature to this Assignment must correspond with the name as written on the face of the within Series 2019B Bond in every particular, without alteration or enlargement or any change whatsoever.

EXCHANGE OR TRANSFER FEES MAY BE CHARGED

[END FORM OF ASSIGNMENT]

**FIRST AMENDMENT TO
FIRST SUPPELEMENTAL INDENTURE OF TRUST**

THIS FIRST AMENDMENT TO FIRST SUPPLEMENTAL INDENTURE OF TRUST, dated as of June 18, 2020 (this “Amendment”), is by and among **FLORIDA DEVELOPMENT FINANCE CORPORATION**, a public body corporate and politic, and a public instrumentality organized and existing under the laws of the State of Florida (the “Issuer”), **DEUTSCHE BANK NATIONAL TRUST COMPANY**, a national banking association organized and existing under and by virtue of the laws of the United States of America, as trustee (the “Trustee”) and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, as co-trustee (the “Co-Trustee”) pursuant to that certain Certificate of Appointment and Acceptance of Appointment of Co-Trustee dated as of May 15, 2020.

WHEREAS, the Issuer and the Trustee are parties to that certain First Supplemental Indenture of Trust, dated as of June 20, 2019 (the “First Supplemental Indenture,” and collectively with this Amendment, the “Supplemental Indenture”); and

WHEREAS, the Virgin Trains USA Florida LLC (the “Borrower”) has requested and the Trustee, the Co-Trustee and the Issuer have agreed to amend the First Supplemental Indenture to provide a definition for the term “Unaffiliated Third Party” as used therein;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Trustee, the Co-Trustee and the Issuer agree as set forth herein.

1. **Amendment.** The First Supplemental Indenture is hereby amended as follows:

The following definition is added to Section 1.1 of the First Supplemental Indenture, such definition to be inserted into Section 1.1 in alphabetical order:

“*Unaffiliated Third Party*” means any Person other than the Borrower or an Affiliate of the Borrower.

2. **Miscellaneous.**

- a. All capitalized terms used herein and not defined herein shall have the meanings ascribed in the First Supplemental Indenture.
- b. The rights and obligations of the parties to this Amendment shall inure to their respective successors and assigns.
- c. In the event that any provision of this Amendment shall be held to be invalid in any circumstance, such invalidity shall not affect any other provisions or circumstances.
- d. This Amendment may be executed and delivered in any number of counterparts, each of which shall be deemed to be an original, but such counterparts together

shall constitute one and the same instrument.

- e. This instrument shall be governed by the laws of the State.
- f. This Amendment shall not extinguish, terminate or impair any of the obligations of the Issuer, the Trustee or the Co-Trustee under the First Supplemental Indenture.
- g. Except as herein expressly amended, the First Supplemental Indenture shall remain unchanged, and the First Supplemental Indenture is in full force and effect.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed under seal as of the date first above written.

FLORIDA DEVELOPMENT FINANCE CORPORATION

By:  _____
Executive Director

DEUTSCHE BANK NATIONAL TRUST COMPANY, as Trustee

By: _____
Name:
Title:

And by: _____
Name:
Title:

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Co-Trustee

By: _____
Name:
Title:

CONSENT OF BORROWER:

The undersigned hereby consents to the foregoing Amendment.

VIRGIN TRAINS USA FLORIDA LLC

By: _____
Name: Jeff Swiatek
Title: Vice President and Chief Financial Officer

ACTIVE 6016808v1

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed under seal as of the date first above written.

FLORIDA DEVELOPMENT FINANCE CORPORATION

By: _____
Executive Director

DEUTSCHE BANK NATIONAL TRUST COMPANY, as Trustee

By: _____
Name: Debra A Schwab
Title: Vice President

And by: _____
Name: Irina Golovashchuk
Title: Vice President

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Co-Trustee

By: _____
Name:
Title:

CONSENT OF BORROWER:

The undersigned hereby consents to the foregoing Amendment.

VIRGIN TRAINS USA FLORIDA LLC

By: _____
Name: Jeff Swiatek
Title: Vice President and Chief Financial Officer

ACTIVE 6016808v1

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed under seal as of the date first above written.

FLORIDA DEVELOPMENT FINANCE CORPORATION

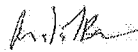
By: _____
Executive Director

DEUTSCHE BANK NATIONAL TRUST COMPANY, as Trustee

By: _____
Name:
Title:

And by: _____
Name:
Title:

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Co-Trustee

By:  _____
Name: Watson T. Berger, Vice President
Title:

CONSENT OF BORROWER:

The undersigned hereby consents to the foregoing Amendment.

VIRGIN TRAINS USA FLORIDA LLC

By: _____
Name: Jeff Swiatek
Title: Vice President and Chief Financial Officer

ACTIVE 6016808v1

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed under seal as of the date first above written.

FLORIDA DEVELOPMENT FINANCE CORPORATION

By: _____
Executive Director

DEUTSCHE BANK NATIONAL TRUST COMPANY, as Trustee

By: _____
Name:
Title:

And by: _____
Name:
Title:

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Co-Trustee

By: _____
Name:
Title:

CONSENT OF BORROWER:

The undersigned hereby consents to the foregoing Amendment.

VIRGIN TRAINS USA FLORIDA LLC

DocuSigned by:
By: Jeff Swiatek
Name: Jeff Swiatek
Title: Vice President and Chief Financial Officer

ACTIVE 6016808v1

APPENDIX B-3

FORM OF SECOND SUPPLEMENTAL INDENTURE

(See attached)

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SECOND SUPPLEMENTAL INDENTURE OF TRUST

BETWEEN

FLORIDA DEVELOPMENT FINANCE CORPORATION

AND

**DEUTSCHE BANK NATIONAL TRUST COMPANY,
AS TRUSTEE**

DATED AS OF DECEMBER 23, 2020

PROVIDING FOR THE REMARKETING OF

\$950,000,000

**FLORIDA DEVELOPMENT FINANCE CORPORATION
SURFACE TRANSPORTATION FACILITY
REVENUE BONDS**

(BRIGHTLINE FLORIDA PASSENGER RAIL PROJECT), SERIES 2019B

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SECOND SUPPLEMENTAL INDENTURE OF TRUST

This SECOND SUPPLEMENTAL INDENTURE OF TRUST (this “Supplement”) is dated as of December 23, 2020, and is entered into by and between the FLORIDA DEVELOPMENT FINANCE CORPORATION, a public body corporate and politic, and a public instrumentality organized and existing under the laws of the State of Florida (the “Issuer”), and DEUTSCHE BANK NATIONAL TRUST COMPANY, a national banking association organized and existing under and by virtue of the laws of the United States of America, as trustee (together with any successor trustee duly appointed under this Supplement, the “Trustee”), and amends and supplements the Indenture of Trust, dated as of April 18, 2019, as amended by a First Amendment to Indenture of Trust, dated as of October 20, 2020 (the “Original Indenture”), as previously supplemented by that certain First Supplemental Indenture of Trust, dated as of June 20, 2019, as amended by the First Amendment to First Supplemental Indenture of Trust, dated as of June 18, 2020 (as amended, the “First Supplemental Indenture” and together with the Original Indenture, the “Prior Indenture”).

WITNESSETH:

WHEREAS, the Issuer is authorized and empowered by the laws of the State of Florida (the “State”), and in particular, Chapter 288, Part X, Florida Statutes, as amended (being the Florida Development Finance Corporation Act of 1993), and other applicable provisions of law (collectively, the “Act”) to issue its revenue bonds for the purpose of financing and refinancing capital projects that promote economic development within the State; and

WHEREAS, the Issuer was created pursuant to the Act and its members and officers from time to time, including the present incumbents, have been duly appointed, chosen and qualified; and

WHEREAS, the Issuer previously issued its Surface Transportation Facility Revenue Bonds (Brightline Florida Passenger Rail Project), Series 2019A (the “Series 2019A Bonds”), pursuant to the Original Indenture and loaned the proceeds thereof to Brightline Trains Florida LLC (f/k/a Virgin Trains USA Florida LLC), a limited liability company organized under the laws of the State of Delaware and authorized to do business in the State (together with its successors and assigns, the “Borrower”) to finance and refinance a portion of the costs of the Project within the Series 2019A Counties; and

WHEREAS, the Issuer previously issued its Surface Transportation Facility Revenue Bonds (Virgin Trains USA Passenger Rail Project), Series 2019B (the “Series 2019B Bonds”), pursuant to the First Supplemental Indenture, as Escrow Bonds (as defined in the First Supplemental Indenture) and loaned the proceeds thereof to the Borrower to, upon satisfaction of the Escrow Release Conditions (as defined in the First Supplemental Indenture), finance and refinance a portion of the costs of completing the Project within the Series 2019A Counties; and

WHEREAS, in the event that the conditions set forth in Article 12 of the Original Indenture are satisfied and upon satisfaction of the other Escrow Release Conditions, the Borrower may elect to remarket all or a portion of the Series 2019B Bonds as Released Bonds (as defined in

the Supplemental Indenture), which will constitute Additional Parity Bonds under the Original Indenture; and

WHEREAS, the Borrower desires to remarket all of the Series 2019B Bonds as Released Bonds and release the Escrow Securities on deposit in the Series 2019B Escrow Reserve Redemption Account established pursuant to the First Supplemental Indenture in order to use the net proceeds of such released Escrow Securities to finance and refinance a portion of the costs of completing the Project within the Series 2019A Counties; and

WHEREAS, upon remarketing, the Series 2019B Bonds subject to mandatory tender and remarketing shall constitute Released Bonds (as defined in the First Supplemental Indenture) and shall be redesignated as “Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Florida Passenger Rail Project), Series 2019B”; and

WHEREAS, in connection with the remarketing of the Series 2019B Bonds, the Borrower and the Issuer have executed and delivered a Second Supplemental Senior Loan Agreement, dated as of December 23, 2020 (the “Second Supplemental Senior Loan Agreement”), amending and supplementing the Amended and Restated Senior Loan Agreement, dated as of April 18, 2019 (the “Original Senior Loan Agreement”), as previously amended and supplemented by the First Supplemental Senior Loan Agreement, dated as of June 20, 2019 (the “First Supplemental Senior Loan Agreement,” and together with the Original Senior Loan Agreement, the “Prior Senior Loan Agreement”); and

WHEREAS, pursuant to the provisions of the Second Supplemental Senior Loan Agreement, the Borrower has agreed that it (i) may only expend proceeds of the Series 2019B Bonds on portions of the Project that are located within the jurisdictional limits of the Series 2019A Counties; and (ii) may not expend proceeds of the Series 2019B Bonds to acquire any building or facility that will be, during the term of the Series 2019B Bonds, used by, occupied by, leased to or paid for by any state, county or municipal agency or entity; and

WHEREAS, the Borrower desires, and the Issuer and the Trustee have agreed, to amend the First Supplemental Indenture as set forth in Section 4.1 hereof (the “Indenture Amendments”), effective as of the Remarketing Date; and

WHEREAS, the Series 2019B Bonds are special, limited obligations of the Issuer, and upon being remarketed as Released Bonds, the Series 2019B Bonds shall be payable solely from and secured exclusively by the Trust Estate and the Collateral, including the payments to be made by the Borrower under the Senior Loan Agreement, and the Series 2019B Bonds do not constitute an indebtedness of the Issuer, the State, the Series 2019A Counties or any other political subdivision of the State, within the meaning of any State constitutional provision or statutory limitation and shall not constitute or give rise to a pecuniary liability of the Issuer, the State, the Series 2019A Counties or any other political subdivision of the State, and neither the full faith and credit of the Issuer nor the full faith and credit or the taxing power of the State, the Series 2019A Counties or any other political subdivision of the State is pledged to the payment of the principal of or interest on the Series 2019B Bonds; and

WHEREAS, the execution and delivery of this Supplement by the Issuer has been duly authorized by the Bond Resolution adopted by the Issuer on August 5, 2015, as supplemented and amended by the Supplemental Bond Resolution adopted by the Issuer on October 27, 2017, the Supplemental Bond Resolution adopted by the Issuer on August 29, 2018, and the Supplemental Bond Resolution adopted by the Issuer on April 5, 2019 (collectively, the “Bond Resolution”); and

WHEREAS, all acts, conditions and things required by the State Constitution and laws of the State and by the rules and regulations of the Issuer to happen, exist and be performed precedent to and in the execution and delivery of this Supplement (and the performance of its obligations hereunder) have happened, do exist and have been performed as so required, in order to make this Supplement a valid and binding Supplemental Indenture pursuant to the Prior Indenture for the purposes of confirming the pledge of the Trust Estate in favor of the Trustee and securing the payment of any amounts due in respect of the Series 2019B Bonds in accordance with the applicable terms hereof and thereof; and

WHEREAS, the Trustee has accepted the trusts created by the Prior Indenture and this Supplement and in evidence thereof has joined in the execution hereof;

NOW, THEREFORE, for and in consideration of the mutual covenants, and the representations and warranties, set forth herein, the Issuer and the Trustee agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions of Certain Terms. All capitalized terms used herein (including in the preamble and recitals) but not otherwise defined herein shall have the respective meanings given to them in the Second Supplemental Senior Loan Agreement, or if not defined in the Second Supplemental Senior Loan Agreement, in the Prior Indenture, or if not defined in the Prior Indenture, in Exhibit A to the Collateral Agency Agreement, or if not defined in Exhibit A to the Collateral Agency Agreement, in the Senior Loan Agreement. In addition, the following terms as used in this Supplement shall have the following meanings:

“*Indenture*” means the Prior Indenture, as supplemented and amended by this Supplement, and any further amendment or supplement thereto permitted thereby.

“*Senior Loan Agreement*” means that certain Amended and Restated Senior Loan Agreement, dated as of April 18, 2019, by and between the Issuer and the Borrower, as amended and supplemented by the First Supplemental Senior Loan Agreement, dated as of June 20, 2019, pursuant to which the Issuer agreed to lend the proceeds of the 2019B Bonds to the Borrower, and by the Second Supplemental Senior Loan Agreement, dated as of the date hereof, and any further amendment or supplement thereto permitted thereby.

“*Series 2019 Bonds*” means, collectively, the Series 2019A Bonds and the Series 2019B Bonds.

“*Series 2019A Bonds*” means the \$1,750,000,000 aggregate principal amount of Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline

Florida Passenger Rail Project), Series 2019A, and any Series 2019A Bond or Series 2019A Bonds issued in exchange or replacement therefor.

“*Series 2019B Bonds*” means the \$950,000,000 aggregate principal amount of Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Florida Passenger Rail Project), Series 2019B, and any Series 2019B Bond or Series 2019B Bonds issued in exchange or replacement therefor

“*Remarketing Agent*” shall mean the investment bank or investment banks designated by the Borrower to remarket the Series 2019B Bonds.

“*Remarketing Date*” means the date the Series 2019B Bonds are remarketed as Released Bonds, authenticated and delivered in accordance with this Supplement.

Unless otherwise provided herein, all references to a particular time are to New York City Time.

ARTICLE II

SECURITY FOR SERIES 2019B BONDS

Section 2.1. Confirmation of Pledge. The Issuer, in consideration of the purchase of the Series 2019B Bonds following the remarketing thereof as Released Bonds by the Owners thereof and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, in order to secure the payment of the Series 2019B Bonds, to secure the performance and observance of all the covenants and conditions set forth in the Series 2019B Bonds and this Supplement, has executed and delivered this Supplement and has pledged and assigned, and by these presents does hereby confirm and agree that the grant in the Prior Indenture of the Trust Estate to the Trustee for the benefit of the Owners of the Bonds shall constitute a lien on and security interest in the Trust Estate for the benefit of the Owners of the Series 2019B Bonds on an equal and ratable basis with the Owners of all Bonds currently Outstanding under the Prior Indenture and the Owners of any Additional Parity Bonds.

Nothing in the Series 2019B Bonds or in this Supplement shall be considered or construed as pledging any funds or assets of the Issuer other than those pledged hereby or creating any liability of the Issuer’s members, directors, employees or other agents.

Section 2.2. Bonds Secured on Equal and Proportionate Basis. The Trust Estate shall be held by the Trustee for the equal and proportionate benefit of the Owners and any of them, without preference, priority or distinction as to lien or otherwise.

Section 2.3. Limited Obligations. THE SERIES 2019B BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER, PAYABLE SOLELY FROM AND SECURED EXCLUSIVELY BY THE TRUST ESTATE AND THE COLLATERAL, INCLUDING THE PAYMENTS TO BE MADE BY THE BORROWER UNDER THE SENIOR LOAN AGREEMENT. THE SERIES 2019B BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE STATE, THE SERIES 2019A COUNTIES OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE, WITHIN THE MEANING OF ANY STATE

CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE STATE, THE SERIES 2019A COUNTIES OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE, AND NEITHER THE FULL FAITH AND CREDIT OF THE ISSUER NOR THE FULL FAITH AND CREDIT OR THE TAXING POWER OF THE STATE OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2019B BONDS. NO COVENANT OR AGREEMENT CONTAINED IN THE SERIES 2019B BONDS OR THE INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER OF THE GOVERNING BODY OF THE ISSUER NOR SHALL ANY OFFICIAL EXECUTING SUCH SERIES 2019B BONDS BE LIABLE PERSONALLY ON THE SERIES 2019B BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF (OR THE APPROVAL OF THE ISSUANCE OF) THE SERIES 2019B BONDS. THE ISSUER HAS NO TAXING POWER.

Section 2.4. Series 2019B Bonds Constitute a Contract. The Series 2019B Bonds shall constitute a contract between the Issuer and the Owners of the Series 2019B Bonds for their benefit.

Section 2.5. Borrower to Take Certain Action Hereunder. The Issuer and the Trustee (i) hereby acknowledge that pursuant to Section 3.05 of the Second Supplemental Senior Loan Agreement the Borrower has agreed to take all action required to be taken by the Borrower in this Supplement as if the Borrower were a party to this Supplement, and (ii) subject to the terms of the Second Supplemental Senior Loan Agreement and this Supplement, hereby authorize the Borrower to take any such action pursuant hereto.

Section 2.6. Prior Indenture Incorporated and Affirmed. The Prior Indenture, as supplemented to date, including by this Supplement, and as may be amended, modified and supplemented hereafter, is referred to herein as the “Indenture”. Except as otherwise set forth herein or as amended or supplemented hereby, the terms, conditions and provisions of the Prior Indenture are incorporated into this Supplement by reference to the same extent and with the same force and effect as if fully stated in this Supplement. This Supplement shall not extinguish, terminate or impair any of the obligations under the Prior Indenture. In addition, this Supplement shall not release or impair the priority of any security interests or liens held by the Trustee under the Prior Indenture. Except as herein expressly amended and supplemented, the Prior Indenture shall remain unchanged, and the Prior Indenture is in full force and effect, and the Issuer and the Trustee, by executing this Supplement, hereby ratify and reaffirm each covenant, representation, warranty and agreement contained in the Prior Indenture.

ARTICLE III

AUTHORIZATION AND DELIVERY OF SERIES 2019B BONDS

Section 3.1. Authorization, Purpose, Mandatory Tender, Remarketing, Interest Rate Mode, and Method and Place of Payment.

(a) *Authorization and Amount.* (1) There have been issued under and secured by the Indenture a series of bonds designated as the “Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Virgin Trains USA Passenger Rail Project), Series 2019B”, in the aggregate principal amount of \$950,000,000. Upon remarketing, the Series 2019B Bonds subject to mandatory tender and remarketing shall constitute Released Bonds (as defined in the First Supplemental Indenture) and shall be redesignated as “Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Florida Passenger Rail Project), Series 2019B”.

(2) The Series 2019B Bonds were issued for the purpose of funding the Series 2019B Loan to the Borrower to (A) pay or reimburse a portion of the Project Costs, (B) fund interest on the Series 2019B Bonds, to the extent permitted by the Code and Treasury Regulations, (C) fund various reserves, and (D) pay or reimburse a portion of the costs of issuance of the Series 2019B Bonds, to the extent permitted by the Code and Treasury Regulations. The Series 2019B Bonds were issued by the Issuer in connection with and in furtherance of the essential public and governmental purposes to be served by the Issuer under the Act.

(b) *Mandatory Tender and Remarketing.* The Series 2019B Bonds are subject to mandatory tender on the Remarketing Date and are being remarketed on the Remarketing Date pursuant hereto and pursuant to Section 3.4 of the First Supplemental Indenture as Released Bonds.

(c) *Interest Rate Mode.* The Series 2019B Bonds were initially issued in the Flexible Rate Mode. The Series 2019B Bonds are being remarketed on the Remarketing Date as Fixed Rate Bonds in the Fixed Rate Mode, bearing interest at the applicable Fixed Rate per annum set forth below.

<u>Principal Amount</u>	<u>Fixed Rate</u>
\$950,000,000	7.375%

The Series 2019B Bonds shall mature on January 1, 2049.

(d) *Redemption Provisions.* The Series 2019B Bonds are subject to redemption in accordance with the terms and provisions of this Supplement and the Prior Indenture, as follows:

(i) **Make-Whole Redemption.** The Series 2019B Bonds also are subject to redemption at the option of the Borrower, in whole or in part (and if in part, by lot or, in the case of Series 2019B Bonds in book-entry form, in accordance with the procedures of DTC), at any time prior to January 1, 2024 (the “First Premium Call Date”), at a redemption price equal to the Make-Whole Redemption Price, plus interest accrued to but not including the redemption date.

The “Make-Whole Redemption Price” is equal to the sum of:

- (a) one hundred seven percent (107%) of the principal amount of the Series 2019B Bonds to be redeemed; and
- (b) an amount equal to the sum of the remaining unpaid payments of interest to be paid on such Series 2019B Bonds to be redeemed from and including the date of redemption to the First Premium Call Date of such Series 2019B Bonds.

The Make-Whole Redemption Price of the Series 2019B Bonds described above will be determined by an independent accounting firm, investment banking firm or financial advisor (which accounting firm or financial advisor shall be retained by the Borrower at the expense of the Borrower to calculate such Make-Whole Redemption Price) and such agent’s or advisor’s determination of the Make-Whole Redemption Price shall be final and binding in the absence of manifest error. The Issuer, the Trustee and the Borrower may conclusively rely on such accounting firm’s, investment banking firm’s or financial advisor’s determination of such redemption price and shall bear no liability for such reliance.

(ii) **Optional Redemption at a Premium.** The Series 2019B Bonds also are subject to redemption at the option of the Borrower, in whole or in part (and if in part, by lot or, in the case of Series 2019B Bonds in book-entry form, in accordance with the procedures of DTC), at any time on or after the First Premium Call Date at a redemption price equal to the principal amount redeemed, plus the Optional Redemption Prepayment Premium, plus interest accrued to but not including the redemption date. The “Optional Redemption Prepayment Premium” means the redemption premium set forth below (expressed as a percentage of the principal amount redeemed) applicable to the date on which redemption occurs:

<u>Period During Which Redeemed</u>	<u>Redemption Premium</u>
January 1, 2024 through and including December 31, 2024	7%
January 1, 2025 through and including December 31, 2025	6
January 1, 2026 through and including December 31, 2026	5
January 1, 2027 through and including December 31, 2027	4
January 1, 2028 through and including December 31, 2028	3
January 1, 2029 through and including December 31, 2029	2
January 1, 2030 through and including December 31, 2030	1
From and after January 1, 2031	0

(iii) **Mandatory Sinking Fund Redemption.** The Series 2019B Bonds are subject to mandatory redemption prior to maturity, in part, at a redemption price equal to the principal amount thereof, plus interest accrued to but not including the redemption date, on January 1 of the years and in the aggregate principal amounts set forth in the following table:

<u>Redemption Dates</u> <u>(January 1)</u>	<u>Principal Amount</u>	<u>Redemption Dates</u> <u>(January 1)</u>	<u>Principal Amount</u>
2030	\$24,465,000	2040	\$45,930,000
2031	26,060,000	2041	48,920,000
2032	27,755,000	2042	52,100,000
2033	29,555,000	2043	55,480,000
2034	31,475,000	2044	59,090,000
2035	33,525,000	2045	62,930,000
2036	35,700,000	2046	67,020,000
2037	38,025,000	2047	71,375,000
2038	40,495,000	2048	76,015,000
2039	43,125,000	2049*	80,960,000

* Final maturity.

The Trustee shall credit against the mandatory sinking fund requirement for such Series 2019B Bonds (and corresponding mandatory redemption obligation), as set forth above in order determined by the Borrower, any of such Series 2019B Bonds of the applicable maturity delivered to the Trustee for cancellation or purchased for cancellation by the Trustee and canceled by the Trustee and not theretofore applied as a credit against any redemption obligation under this Supplement.

(iv) **Extraordinary Mandatory Redemption**

Unspent Bond Proceeds

The Series 2019B Bonds are subject to extraordinary mandatory redemption in part by lot or, in the case of Series 2019B Bonds in book entry form, in accordance with the procedures of DTC, within such maturities as selected by the Borrower at a redemption price of par plus accrued interest to, but not including, the redemption date (which shall occur on any date for which the requisite notice of redemption can be given but which will be set by the Trustee on a Business Day that is no earlier than the date that is five years and 30 days after the date of issuance of the Series 2019B Bonds and no later than the date that is five years and 90 days after the date of issuance of the Series 2019B Bonds) in the principal amount of (rounded upward to a multiple of \$5,000) and to the extent of any remaining unspent Series 2019B Bond proceeds on such date, sufficient to effectuate such redemption; *provided* that no such redemption shall be required if the Borrower has obtained an opinion of Bond Counsel stating that the failure to redeem the Series 2019B Bonds will not adversely affect the exclusion of interest on the Series 2019B Bonds from gross income for federal or State income tax purposes and that such redemption is not required by State law.

Loss Proceeds

The Series 2019B Bonds are subject to extraordinary mandatory redemption, *pro rata* with any Additional Senior Indebtedness in accordance with the applicable Financing Documents, from net amounts of Loss Proceeds, received by the Borrower, to the extent that (i) such proceeds exceed the amount required to Restore the Project or any portion thereof to the condition existing prior to the Loss Event or (ii) the affected property cannot be Restored to permit operation of the Project on a Commercially Feasible Basis and upon delivery to the Collateral Agent of an officer's certificate of the Borrower certifying to the foregoing (together with, in the case of clauses (i) and (ii) immediately above, a certificate signed by an authorized representative of the Independent Engineer concurring with such officer's certificate). Such redemption will be in whole or in part, and if in part, by lot or, in the case of Series 2019B Bonds in book entry form, in accordance with the procedures of DTC, within such maturities as selected by the Borrower (provided that a portion of a Series 2019B Bond may be redeemed only in Authorized Denominations), at a redemption price of par plus accrued interest to, but not including, the redemption date.

Event of Taxability.

The Series 2019B Bonds are subject to extraordinary mandatory redemption, in whole, in the event of a Determination of Taxability, on the earliest date for which the requisite notice of redemption can be given in the manner set forth below following the occurrence of such Determination of Taxability, at a redemption price equal to par plus interest accrued to but not including the redemption date. As used herein, "Determination of Taxability" means the occurrence of both of the following: (i) any of the litigation pending against the Borrower and/or the United States Department of Transportation on the Closing Date in federal court with respect to the Project is determined adversely to the Borrower and/or the United States Department of Transportation, from which determination no appeal may be taken or with respect to which the time for taking an appeal shall have expired without an appeal having been taken, and (ii) such determination adversely affects the excludability of the interest on the Series 2019B Bonds from gross income for federal income tax purposes.

Section 3.2. Execution, Authentication and Delivery of Series 2019B Bonds.

(a) *Delivery.* Upon the remarketing of the Series 2019B Bonds as Released Bonds pursuant hereto, new bond certificates, substantially in the form set forth in Exhibit A to the First Supplemental Indenture shall be executed and authenticated in exchange for the original bond certificates in the manner set forth in the Prior Indenture and delivered to the Trustee for authentication, but prior to or simultaneously with the authentication and delivery of the Series 2019B Bonds on the Remarketing Date by the Trustee, the following documents shall be provided to the Trustee:

(1) An original, facsimile or electronic executed counterpart of this Supplement, the Second Supplemental Senior Loan Agreement, the Collateral Agency Agreement and the Disclosure Dissemination Agent Agreement;

(2) A Favorable Opinion of Bond Counsel with respect to the Series 2019B Bonds being remarketed as Released Bonds;

(3) A certificate of the Borrower, dated as of the Remarketing Date, certifying that the Escrow Release Conditions have been satisfied with respect to the Series 2019B Bonds; and

(4) A request and authorization of the Issuer to the Trustee to authenticate the Series 2019B Bonds and deliver said Series 2019B Bonds to the Remarketing Agent, upon payment to or on behalf of the Trustee, of the purchase price thereof.

(b) When the documents specified above have been provided to the Trustee, when the Series 2019B Bonds shall have been executed and authenticated as required by this Supplement and the Prior Indenture, and when the Borrower shall have caused to be credited to the Series 2019B Funded Interest Account the amount specified in Section 5.2(a) of this Supplement, the Trustee shall deliver the Series 2019B Bonds to or upon the order of the Remarketing Agent, but only upon payment by or on behalf of the Remarketing Agent of the purchase price of the Series 2019B Bonds pursuant to the terms of this Supplement and the Prior Indenture.

Section 3.3. Application of Escrow Reserve.

Upon the remarketing of the Series 2019B Bonds as Released Bonds pursuant hereto, funds on deposit in the Series 2019B Escrow Reserve Redemption Account in the amount of \$953,133,061.85 shall be released therefrom and applied as follows: (a) \$55,104,889.78 shall be applied to pay a portion of the Purchase Price of the Series 2019B Bonds tendered for purchase on the Remarketing Date, and (b) \$898,028,172.07 shall be deposited by the Trustee in such Funds and Accounts as designated by the Borrower pursuant to a written direction from the Borrower to the Trustee.

ARTICLE IV

AMENDMENTS

Section 4.1. Amendments to Prior Indenture.

The Prior Indenture is hereby amended, effective as of the Remarketing Date, as follows:

(a) The transfer restrictions set forth in Section 4.3 of the First Supplemental Indenture shall be amended and restated with respect to the Series 2019B Bonds as follows:

“Upon a sale or transfer of a Series 2019B Bond (including the initial sale of the Series 2019B Bonds), each purchaser or transferee shall be deemed to have certified, acknowledged and represented to the Trustee, the Borrower, the Issuer and the Underwriter that such purchaser (i) is either a “qualified institutional buyer” within the meaning of Rule 144A promulgated under the Securities Act or an “accredited investor” within the meaning of Section 501(a) of the Securities Act, and (ii) will only transfer, resell, reoffer, pledge or otherwise transfer its Series 2019B Bond to a subsequent transferee who such transferor reasonably believes is either a qualified institutional buyer within the meaning of said Rule

144A or an accredited investor within the meaning of said Section 501(a), in each case, who is willing and able to conduct an independent investigation of the risks involved with ownership of such Series 2019B Bond and agrees to be bound by the transfer restrictions applicable to such Series 2019B Bond. The foregoing transfer restrictions shall not apply if (i) the Trustee has received a municipal bond insurance policy or other form of credit enhancement securing payment of principal and interest on the Series 2019B Bonds, provided that the policy provider or credit enhancer is rated in one of the three highest categories by a Nationally Recognized Rating Agency and such insurance policy or credit enhancement has a term not less than the final maturity of the Series 2019B Bonds (or, if shorter, may be drawn upon in full upon its expiration), or (ii) a Nationally Recognized Rating Agency has assigned the Series 2019B Bonds an Investment Grade Rating, without any form of third party credit enhancement. A legend shall be printed on the face of each Series 2019B Bond indicating the foregoing transfer restrictions, if applicable.”

(b) Section 4.14 of the First Supplemental Indenture is hereby amended by deleting it in its entirety and replacing it with the following:

“Section 4.14 Open Market Purchases/Purchase in Lieu of Redemptions.

Notwithstanding the transfer restrictions set forth in Section 4.3 and the Form of Bonds attached as Exhibit A to the Indenture of Trust, the Borrower or any Affiliate thereof may, to the extent permitted by applicable law, at any time and from time to time purchase Series 2019B Bonds in the open market, on an exchange or by tender or in a privately negotiated transaction at any price. Any Series 2019B Bonds so purchased may be held by or for the account of the Borrower or such Affiliate, and the Borrower or such Affiliate may surrender such Bonds to the Trustee for cancellation.

At any time prior to giving notice of redemption, the Trustee shall, upon direction of the Borrower, apply any amounts in the Redemption Account (excluding accrued interest, which is payable from the Interest Account) to the purchase of Series 2019B Bonds subject to optional redemption pursuant to the Form of Bonds attached hereto as Exhibit A, at public or private sale, as and when and at such prices (including brokerage and other charges) as the Borrower may direct, except that the purchase price may not exceed the Redemption Price then applicable to such Series 2019B Bonds. Whenever Series 2019B Bonds are called for redemption pursuant to the Form of Bonds attached hereto as Exhibit A, the Trustee may, upon direction of the Borrower, apply amounts in the Redemption Account (excluding accrued interest, which is payable from the Interest Account) to purchase some or all of the Series 2019B Bonds subject to optional redemption pursuant to the Form of Bonds attached hereto as Exhibit A, on the applicable redemption date, at the Redemption Price then applicable to such Series 2019B Bonds. Series 2019B Bonds purchased pursuant to this paragraph of Section 4.14 and not cancelled shall be subject to conversion and remarketing pursuant to Appendix I hereto, and the date of such purchase shall be deemed to be a Mandatory Tender Date for purposes of Appendix I hereto. Any Series 2019B Bonds purchased pursuant to this paragraph of Section 4.14 at a purchase price other than the principal amount thereof, plus accrued and unpaid interest, if any, to but not including the date of purchase, and remarketed pursuant to Appendix I hereto, shall be converted to a Term Rate Period with a term of approximately ten years, unless otherwise directed by the Borrower which direction shall be accompanied by a Favorable Opinion of Bond Counsel.”

(c) Section 12.2(b)(i) of the Original Indenture is hereby amended and restated as follows:

“(i) Additional Project Completion Bonds.

Additional Parity Bonds may be issued to finance or refinance the costs of the Project, in an aggregate principal amount, together with the Series 2019A Bonds and any other outstanding Permitted Additional Senior Indebtedness issued by the Borrower to finance the costs of the Project (collectively, “Additional Project Completion Indebtedness”), not to exceed \$3,000,000,000, so long as:

(A) a funded interest account shall be established pursuant to the Supplemental Indenture providing for the issuance of such Additional Parity Bonds for the sole benefit of the owners of such Additional Parity Bonds with an initial deposit equal to the interest payments due on such Additional Parity Bonds through and including the later of January 1, 2023 and the then-projected Phase 2 Revenue Service Commencement Date;

(B) [if such Additional Parity Bonds are issued prior to July 1, 2023,] additional funds in an amount equal to the amount of interest due and payable on July 1, 2023, on such Additional Parity Bonds shall be deposited in the Ramp-Up Reserve Account; and

(C) on or before the Phase 2 Revenue Service Commencement Date, an amount equal to six months of interest on such Additional Parity Bonds shall be required to be deposited in the Series 2019 Debt Service Reserve Account established under the Collateral Agency Agreement for the benefit of the owners of the Series 2019A Bonds and such Additional Parity Bonds.

Such Additional Parity Bonds may be issued in one or more series from time to time and may be issued to refinance outstanding Additional Project Completion Indebtedness not issued as Additional Parity Bonds.”

(d) Section 12.2(b)(ii) of the Original Indenture is hereby amended and restated as follows:

“(ii) Rolling Stock Bonds.

Additional Parity Bonds may be issued for the purpose of financing or refinancing the acquisition of rolling stock in an aggregate principal amount, together with any other outstanding Permitted Additional Senior Indebtedness issued by the Borrower to finance or refinance the acquisition of rolling stock (collectively, the “Rolling Stock Indebtedness”), not to exceed \$100,000,000, so long as:

(A) the Borrower shall have certified to the Trustee that the aggregate principal amount of the Rolling Stock Indebtedness shall not exceed 65% of the total cost of the acquisition of the rolling stock;

(B) (1) if such Additional Parity Bonds are issued prior to July 1, 2023, additional funds in an amount equal to the amount of interest due and payable on July 1, 2023 on such Additional Parity Bonds shall be deposited in the Ramp-Up Reserve Account established under the Collateral Agency Agreement, and (2) if such Additional Parity Bonds are issued on or after July 1, 2023, additional funds in an amount equal to the then-projected operating losses of the Borrower, in excess of the aggregate amount then on deposit in the Ramp-Up Reserve Account and the Initial O&M Reserve Account, less any Revolver Availability, as determined by the Borrower, shall be deposited in the Ramp-Up Reserve Account;

(C) if such Additional Parity Bonds are issued prior to the Phase 2 Revenue Service Commencement Date, a funded interest account shall be established pursuant to the Supplemental Indenture providing for the issuance of such Additional Parity Bonds for the sole benefit of the owners of such Additional Parity Bonds with an initial deposit equal to the interest payments due on such Additional Parity Bonds through and including the later of January 1, 2023 and the then-projected Phase 2 Revenue Service Commencement Date;

(D) on or before the later of the Phase 2 Revenue Service Commencement Date and the date of issuance of such Additional Parity Bonds, an amount equal to six months of interest on such Additional Parity Bonds shall be required to be deposited in the Series 2019 Debt Service Reserve Account established under the Collateral Agency Agreement for the benefit of the owners of the Series 2019A Bonds and such Additional Parity Bonds;

(E) the Borrower's interest in the rolling stock financed or refinanced with the proceeds of such Additional Parity Bonds shall be pledged as additional collateral for the Senior Indebtedness; and

(F) the Total Debt Service Coverage Ratio for each annual calculation period following the Phase 2 Revenue Service Commencement Date, taking into account the issuance of the Additional Parity Bonds, is projected by the Borrower, based on the ridership projections of its independent ridership and revenue advisor, to be not less than 1.50:1.00."

(e) Section 12.2(b)(iv) of the Original Indenture is hereby amended and restated as follows:

“(vi) Theme Park Extension Bonds.

Additional Parity Bonds may be issued for the purpose of financing or refinancing the costs of extending the Borrower's intercity passenger rail system to a station located at or proximate to one of the Major Theme Parks (the "Theme Park Extension") in an aggregate principal amount, together with any other outstanding Permitted Additional Senior Indebtedness issued by the Borrower to finance or refinance the Theme Park

Extension (collectively, the “Theme Park Indebtedness”), not to exceed \$200,000,000, so long as:

(A) the Borrower shall have certified to the Trustee that the aggregate principal amount of the Theme Park Indebtedness shall not exceed 65% of the projected total cost of the design, development, acquisition, construction, improvement, installation, furnishing and equipping of the Theme Park Extension;

(B) new sub-accounts of the Construction Account shall be established under the Collateral Agency Agreement from which the proceeds of the Theme Park Indebtedness and the equity and other sources of funds for the Theme Park Extension shall be disbursed to pay the costs of the Theme Park Extension in accordance with the Collateral Agency Agreement;

(C) (1) if such Additional Parity Bonds are issued prior to July 1, 2023, additional funds in an amount equal to the amount of interest due and payable on July 1, 2023 on such Additional Parity Bonds shall be deposited in the Ramp-Up Reserve Account, and (2) if such Additional Parity Bonds are issued on or after July 1, 2023, an amount equal to the then-projected operating losses of the Borrower, in excess of the aggregate amount then on deposit in the Ramp-Up Reserve Account and the Initial O&M Reserve Account, less any Revolver Availability, as determined by the Borrower, shall be deposited in the Ramp-Up Reserve Account;

(D) a funded interest account shall be established pursuant to the Supplemental Indenture providing for the issuance of such Additional Parity Bonds for the sole benefit of the owners of such Additional Parity Bonds with an initial deposit equal to the interest payments due on such Additional Parity Bonds through and including the later of January 1, 2023 and the then-projected date of commencement of revenue service on the Theme Park Extension (the “Theme Park Extension Revenue Service Commencement Date”);

(E) on or before the Theme Park Extension Revenue Service Commencement Date, an amount equal to six months of interest on such Additional Parity Bonds shall be required to be deposited in the Series 2019 Debt Service Reserve Account established under the Collateral Agency Agreement for the benefit of the owners of the Series 2019A Bonds and such Additional Parity Bonds

(F) the Borrower’s interest in substantially all of the assets comprising the Theme Park Extension, including real estate, rail infrastructure and stations, shall be pledged as additional collateral for the Senior Indebtedness; and

(G) the Total Debt Service Coverage Ratio for each annual calculation period following the Phase 2 Revenue Service Commencement Date, taking into account the issuance of the Additional Parity Bonds, is projected by the Borrower, based on the ridership projections of its independent ridership and revenue advisor, to be not less than 1.50:1.00.”

(f) Section 12.2(b)(v) of the Original Indenture is hereby amended and restated as follows:

“(v) Additional Station Bonds.

Additional Parity Bonds may be issued for the purpose of financing or refinancing the costs of designing, developing, acquiring, constructing, renovating, improving, installing, equipping and furnishing one or more additional stations along the rail corridor from Orlando to Miami, including but not limited to stations located at PortMiami and the Fort Lauderdale-Hollywood International Airport (each, an “Additional Station”), in an aggregate principal amount per Additional Station, together with any other outstanding Permitted Additional Senior Indebtedness issued by the Borrower to finance or refinance such Additional Station (collectively, the “Additional Station Indebtedness”), not to exceed \$50,000,000, so long as:

(A) the Borrower shall have certified to the Trustee that the aggregate principal amount of the Additional Station Indebtedness issued for such Additional Station shall not exceed 65% of the projected total cost of the design, development, acquisition, construction, improvement, installation, furnishing and equipping of such Additional Station;

(C) new sub-accounts of the Construction Account shall be established under the Collateral Agency Agreement from which the proceeds of the Additional Station Indebtedness and the equity and other sources of funds for such Additional Station shall be disbursed to pay the costs of such Additional Station in accordance with the Collateral Agency Agreement;

(D) (1) if such Additional Parity Bonds are issued prior to July 1, 2023, additional funds in an amount equal to the amount of interest due and payable on July 1, 2023 on such Additional Parity Bonds shall be deposited in the Ramp-Up Reserve Account, and (2) if such Additional Parity Bonds are issued on or after July 1, 2023, an amount equal to the then-projected operating losses of the Borrower, in excess of the aggregate amount then on deposit in the Ramp-Up Reserve Account and the Initial O&M Reserve Account, less any Revolver Availability, as determined by the Borrower, shall be deposited in the Ramp-Up Reserve Account;

(E) a funded interest account shall be established pursuant to the Supplemental Indenture or loan agreement providing for the issuance of such Additional Parity Bonds for the sole benefit of the owners of such Additional Parity Bonds with an initial deposit equal to the interest

payments due on such Additional Parity Bonds through and including the later of January 1, 2023 and the then-projected date of commencement of revenue service of such Additional Station (each, an “Additional Station Revenue Service Commencement Date”);

(F) on or before such Additional Station Revenue Service Commencement Date, an amount equal to six months of interest on such Additional Parity Bonds shall be required to be deposited in the Series 2019 Debt Service Reserve Account established under the Collateral Agency Agreement for the benefit of the owners of the Series 2019A Bonds and such Additional Parity Bonds;

(G) the Borrower’s interest in substantially all of the assets comprising such Additional Station, including real estate, rail infrastructure and stations, shall be pledged as additional collateral for the Senior Indebtedness; and

(H) the Total Debt Service Coverage Ratio for each annual calculation period following the Phase 2 Revenue Service Commencement Date, taking into account the issuance of the Additional Parity Bonds, is projected by the Borrower, based on the ridership projections of its independent ridership and revenue advisor, to be not less than 1.50:1.00.”

ARTICLE V

FUNDS AND ACCOUNTS

Section 5.1. Establishment of Funds and Accounts.

There is hereby created and established within the Debt Service Fund, one additional Account designated the “Series 2019B Funded Interest Account” (the “Series 2019B Funded Interest Account”).

Notwithstanding anything herein to the contrary, the Trustee may from time to time hereafter establish and maintain additional funds, accounts or subaccounts necessary or useful in connection with any other provision of this Supplement or any other Supplemental Indenture or to the extent deemed necessary by the Trustee.

Section 5.2. Deposit of Funds.

(a) There shall be deposited into the appropriate Account of the Debt Service Fund amounts remitted or transferred to the Trustee in accordance with Section 5.2 of the Original Indenture. In addition, (i) there shall be deposited into the Series 2019B Funded Interest Account, \$141,681,944.44, which shall be used to pay interest on the Series 2019B Bonds on July 1, 2021 and on each Interest Payment Date thereafter through and including January 1, 2023, and (ii) there shall be deposited into the Series 2019A Funded Interest Account additional funds in the amount of \$56,250,000.00, which shall be used, together with funds then on deposit in such Account, to pay interest on the Series 2019A Bonds on

January 1, 2021 and on each Interest Payment Date thereafter through and including January 1, 2023.

(b) Moneys on deposit in the Series 2019B Funded Interest Account shall be applied by the Trustee, prior to the application of any other funds in the Debt Service Fund, to pay interest on the Series 2019B Bonds on July 1, 2021 and on each Interest Payment Date thereafter through and including January 1, 2023. Moneys on deposit in the Series 2019A Funded Interest Account shall be applied by the Trustee, prior to the application of any other funds in the Debt Service Fund, to pay interest on the Series 2019A Bonds on January 1, 2021 and on each Interest Payment Date thereafter through and including January 1, 2023.

Section 5.3. Investment of Moneys.

(a) All moneys held as part of the Series 2019B Funded Interest Account established pursuant to this Supplement shall be deposited or invested and reinvested by the Trustee, at the written direction of the Borrower, in Permitted Investments.

(b) Earnings from the investment of moneys held in the Series 2019B Funded Interest Account shall be transferred to the PABs Proceeds Sub-Account of the Construction Account established under the Collateral Agency Agreement.

(c) The Trustee shall sell and reduce to cash a sufficient amount of the investments held in any Fund or Account established pursuant to this Supplement whenever the cash balance therein is insufficient to make any payment to be made therefrom and the Trustee shall not be liable or responsible for any loss or tax resulting from such sale.

ARTICLE VI

COVENANTS OF THE ISSUER

Section 6.1. Representations, Covenants and Warranties. The Issuer hereby confirms and restates, as of the date hereof, the representations, covenants and warranties set forth in Article 6 of the Original Indenture.

ARTICLE VII

DEFAULTS AND REMEDIES

Section 7.1. Events of Default and Remedies. Following the remarketing of the Series 2019B Bonds as Released Bonds, the Events of Default with respect to the Series 2019B Bonds and the rights and remedies available to the Trustee and the Owners of the Series 2019B Bonds following and during the continuance of an Event of Default with respect to the Series 2019B Bonds shall be as set forth in the Original Indenture. Following an Event of Default with respect to the Series 2019B Bonds, the interest rate in effect on the Series 2019B Bonds shall be the Default Rate.

ARTICLE VIII

CONCERNING THE TRUSTEE

Section 8.1. Representations, Covenants and Warranties Regarding Execution, Delivery and Performance of Supplement. The Trustee hereby confirms and restates, as of the date hereof, the representations, covenants and warranties set forth in Section 8.1 of the Original Indenture.

Section 8.2. Duties of the Trustee. The Trustee hereby accepts the duties imposed upon it by this Supplement and the Original Indenture and agrees to perform said duties, but only upon and subject to the express terms and conditions set forth in Section 8.2 of the Original Indenture. In entering into this Supplemental Indenture and the performance of its obligations set forth herein, the Trustee shall have all of the rights, benefits, protections, indemnities and immunities afforded to it under the Prior Indenture.

Section 8.3. Compensation of Trustee. The Trustee shall be entitled to compensation in accordance with its agreement with the Borrower, which, notwithstanding any other provision hereof, may be amended at any time by agreement of the Borrower and the Trustee without the consent of or notice to the Owners. In no event shall the Trustee be obligated to advance its own funds in order to take any action hereunder.

Section 8.4. Resignation or Replacement of Trustee. The resignation, removal and replacement of the Trustee shall be governed by the terms of the Original Indenture.

ARTICLE IX

AMENDMENTS TO THIS SUPPLEMENT

Section 9.1. Amendments to this Supplement. This Supplement may be supplemented or amended on the conditions and subject to the provisions set forth in Article IX of the First Supplemental Indenture applicable to supplements and amendments to the First Supplemental Indenture.

ARTICLE X

AMENDMENT OF SECOND SUPPLEMENTAL SENIOR LOAN AGREEMENT

Section 10.1. Amendments to Second Supplemental Senior Loan Agreement. The Second Supplemental Senior Loan Agreement may be supplemented or amended on the conditions and subject to the provisions set forth in Article X of the First Supplemental Indenture applicable to supplements and amendments to the First Supplemental Senior Loan Agreement.

ARTICLE XI

[RESERVED]

ARTICLE XII

MISCELLANEOUS

Section 12.1. Table of Contents, Titles and Headings. The table of contents, titles and headings of the Articles and Sections of this Supplement have been inserted for convenience of reference only, are not to be considered a part hereof, shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Supplement or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 12.2. Inapplicability of Trust Indenture Act. No provisions of the Trust Indenture Act are incorporated by reference in or made a part of this Supplement.

Section 12.3. Interpretation and Construction. This Supplement and all terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Supplement. For purposes of this Supplement, except as otherwise expressly provided or unless the context otherwise requires:

(a) All references in this Supplement to designated “Articles,” “Sections,” “subsections,” “paragraphs,” “clauses” and other subdivisions are to the designated Articles, Sections, subsections, paragraphs, clauses and other subdivisions of this Supplement. The words “herein,” “hereof,” “hereto,” “hereby,” “hereunder” and other words of similar import refer to this Supplement as a whole and not to any particular Article, Section or other subdivision. If this Supplement has been amended, then such words shall refer to this Supplement as so amended.

(b) The terms defined in Article I hereof have the meanings assigned to them in that Article or in the applicable documents referenced thereby and include the plural as well as the singular.

(c) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with GAAP for governmental entities similar to the Issuer as in effect from time to time.

(d) The term “money” includes any cash, check, deposit, investment security or other form in which any of the foregoing are held hereunder.

(e) In the computation of a period of time from a specified date to a later specified date, the word “from” means “from and including” and each of the words “to” and “until” means “to but excluding.”

(f) All references to any contract or agreement in this Supplement or in Section 1.1 hereof shall include all amendments, supplements and modifications thereto.

(g) This Supplement and all terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Supplement.

Section 12.4. Further Assurances and Corrective Instruments. The Issuer and the Trustee agree that so long as this Supplement is in full force and effect, the Issuer and the Trustee shall have full power to carry out the acts and agreements provided herein and they will from time to time, execute, acknowledge and deliver or cause to be executed, acknowledged and delivered such supplements hereto and such further instruments as may be required for correcting any inadequate or incorrect description of the Trust Estate, or for otherwise carrying out the intention of or facilitating the performance of this Supplement.

Section 12.5. Authorization of Officers and Employees. The officers and employees of the Issuer are hereby authorized and directed to take all actions that are necessary, convenient and in conformity with the Constitution and other laws of the State, federal law and this Supplement, to carry out the provisions of this Supplement.

Section 12.6. Parties Interested Herein. Except as otherwise expressly provided in this Supplement, this Supplement shall be for the sole and exclusive benefit of the Issuer, the Trustee and the Owners, and their respective successors and assigns. Nothing in this Supplement expressed or implied is intended or shall be construed to confer upon, or to give to, any Person other than the Issuer, the Trustee or the Owners, any right, remedy or claim, legal or equitable, under or by reason of this Supplement or any terms hereof. To the extent that this Supplement confers upon or gives or grants to the Borrower any right, remedy or claim under or by reason of this Supplement, the Borrower is hereby explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder.

Section 12.7. No Recourse; No Individual Liability. No recourse shall be had for the payment of, or premium if any, or interest on any of the Series 2019B Bonds or for any claim based thereon or upon any obligation, covenant or agreement in this Supplement contained, against any past, present or future officer, director, member, trustee, employee or agent of the Issuer or any officer, director, member, trustee, employee or agent or any successor entity, as such, either directly or through the Issuer or any successor entity, under any rule of law or equity, statute or constitution or by enforcement by any assessment or penalty or otherwise. The members of the Issuer, the officers and employees of the Issuer, or any other agents of the Issuer are not subject to personal liability or accountability by reason of any action authorized by the Act, including without limitation, the issuance of bonds, the failure to issue bonds, the execution of bonds and the making of guarantees. All covenants, stipulations, promises, agreements and obligations of the Issuer or the Trustee, as the case may be, contained herein, in any Supplemental Indenture or in the 2019B Bonds shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Issuer or the Trustee, as the case may be, and not of any member, director, officer, employee, servant or other agent of the Issuer or the Trustee in his or her individual capacity, and no recourse shall be had on account of any such covenant, stipulation, promise, agreement or obligation, or for any claim based thereon or hereunder, against any member, director, officer, employee, servant or other agent of the Issuer or the Trustee or any natural person executing this Supplement, any other Supplemental Indenture, the 2019B Bonds or any related document or instrument.

Section 12.8. Events Occurring on Days that are not Business Days. If the date for making any payment or the last day for performance of any act, delivery of any document or the exercising of any right under this Supplement or the Series 2019B Bonds is a day that is not a Business Day, such payment may be made, such act may be performed, such document may be delivered or such right may be exercised on the next succeeding Business Day, with the same force and effect as if done on the nominal date provided in such instrument. If a Mandatory Tender Date, a Mode Change Date or a Conversion Date is a day that is not a Business Day, such mandatory tender, mode change or conversion, as applicable, shall occur and all actions to be taken pursuant to this Supplement on such date in connection with such mandatory tender, mode change or conversion, as applicable, shall be taken on the next succeeding Business Day, with the same force and effect as if done on the nominal date thereof.

Section 12.9. Severability. Whenever possible, each provision of this Supplement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Supplement, other than the grant of the Trust Estate to the Trustee, shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Supplement.

Section 12.10. Applicable Law. The laws of the State shall be applied in the interpretation, execution and enforcement of this Supplement.

Section 12.11. Execution in Counterparts. This Supplement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Supplement by signing any such counterpart.

Section 12.12. Patriot Act. In order to comply with the laws, rules, regulations and executive orders in effect from time to time applicable to banking institutions, including without limitation those related to the funding of terrorist activities and money laundering, including Section 326 of the USA Patriot Act of the United State (“Applicable Law”), the Trustee is required to obtain, verify, record and update certain information relating to individuals and entities which maintain a business relationship with the Trustee. Accordingly, each of the parties agree to provide to the Trustee, upon their request from time to time such identifying information and documentation as may be available for such party in order to enable the Trustee to comply with Applicable Law.

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IN WITNESS WHEREOF, the Issuer and the Trustee have caused this Supplement to be executed in their respective corporate names by their duly authorized officers, all as of the date first above written.

FLORIDA DEVELOPMENT FINANCE CORPORATION

[SEAL]

By: _____
Executive Director

ATTEST:

Assistant Secretary

DEUTSCHE BANK NATIONAL TRUST COMPANY, as Trustee

By: _____
Name:
Title:

By: _____
Name:
Title:

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APPENDIX C-1

ORIGINAL SENIOR LOAN AGREEMENT

(See attached)

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AMENDED AND RESTATED SENIOR LOAN AGREEMENT

BETWEEN

FLORIDA DEVELOPMENT FINANCE CORPORATION, as Issuer

and

**VIRGIN TRAINS USA FLORIDA LLC (F/K/A BRIGHTLINE TRAINS LLC AND F/K/A
ALL ABOARD FLORIDA -- OPERATIONS LLC), as Borrower**

Dated as of April 18, 2019

RELATING TO

\$1,750,000,000

FLORIDA DEVELOPMENT FINANCE CORPORATION

SURFACE TRANSPORTATION FACILITY

REVENUE BONDS

(VIRGIN TRAINS USA PASSENGER RAIL PROJECT), SERIES 2019A

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AMENDED AND RESTATED SENIOR LOAN AGREEMENT

THIS AMENDED AND RESTATED SENIOR LOAN AGREEMENT (as amended, supplemented or otherwise modified from time to time, this “Senior Loan Agreement” or this “Agreement”), dated as of April 18, 2019, is being entered into by and between the FLORIDA DEVELOPMENT FINANCE CORPORATION, a public body corporate and politic, and a public instrumentality organized and existing under the laws of the State of Florida (the “Issuer”), and VIRGIN TRAINS USA FLORIDA LLC (F/K/A BRIGHTLINE TRAINS LLC AND F/K/A ALL ABOARD FLORIDA - OPERATIONS LLC), a Delaware limited liability company (together with its successors and permitted assigns, the “Borrower”).

WITNESSETH:

WHEREAS, the Issuer is authorized and empowered by the laws of the State of Florida (the “State”), and in particular, Chapter 288, Part X, Florida Statutes, as amended (being the Florida Development Finance Corporation Act of 1993), and other applicable provisions of law (collectively, the “Act”) to issue its revenue bonds for the purpose of financing and refinancing capital projects that promote economic development within the State; and

WHEREAS, the Borrower desires to refund the Prior Bonds (as hereinafter defined) and finance or refinance the costs of the design, development, acquisition, construction, installation, equipping, ownership and operation of certain portions of a privately owned and operated intercity passenger rail system and related facilities, with stations located or to be located in Orlando, West Palm Beach, Fort Lauderdale and Miami, Florida, as more particularly described in the Bond Resolution, and with proceeds of the Series 2019A Bonds to be spent only to finance or refinance Project Costs allocable to the portions of the Project located in the respective jurisdictions of Miami-Dade County, Florida, Broward County, Florida, Palm Beach County, Florida, Brevard County, Florida and Orange County, Florida (collectively, the “Series 2019A Counties”); and

WHEREAS, the Issuer has determined that the Project will serve the public purposes expressed in the Act by promoting and advancing economic development within the State, and that the Issuer will be acting in furtherance of the public purposes intended to be served by the Act by assisting the Borrower in financing and refinancing all or a portion of the costs of the Project through the issuance of its \$1,750,000,000 aggregate principal amount of Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Virgin Trains USA Passenger Rail Project), Series 2019A (the “Series 2019A Bonds”); and

WHEREAS, upon the issuance of the Series 2019A Bonds, the Issuer will lend (the “Series 2019A Loan”) the proceeds thereof to the Borrower pursuant to this Agreement, to refund the Prior Bonds and finance, pay or reimburse all or a portion of the costs of the Project within the Series 2019A Counties, fund certain reserves, if any, and pay certain costs of issuance of the Series 2019A Bonds; and

WHEREAS, the Issuer has concurrently entered into the Indenture of Trust, dated as of April 18, 2019 (as it may be amended, supplemented or otherwise modified from time to time,

the “Indenture”), with Deutsche Bank National Trust Company, as Trustee (the “Trustee”), to provide for the issuance of the Series 2019A Bonds; and

WHEREAS, the Collateral Agent, the Borrower, the Trustee and various other parties thereto have concurrently entered into the Collateral Agency Agreement; and

WHEREAS, the Borrower has concurrently entered into certain other Financing Documents related to the Project and the issuance of the Series 2019A Bonds; and

WHEREAS, the Issuer and the Borrower entered into that certain Senior Loan Agreement, dated as of December 1, 2017 (as amended, supplemented and/or modified from time to time prior to the date hereof, the “Series 2017 Senior Loan Agreement”), whereby the Issuer lent the proceeds of the Prior Bonds to the Borrower to finance, pay or reimburse a portion of the costs of the Project located in Miami-Dade County, Florida, Broward County, Florida, and Palm Beach county, Florida and pay certain costs of issuance of the Prior Bonds; and

WHEREAS, the Issuer and the Borrower desire to amend and restate the Series 2017 Senior Loan Agreement as of the date hereof to reflect the terms of the Series 2019A Loan; and

WHEREAS, the Series 2019A Bonds are special, limited obligations of the Issuer, payable solely from and secured exclusively by the Trust Estate established under the Indenture, including the payments to be made by the Borrower under this Agreement, and the Collateral, and do not constitute an indebtedness of the Issuer, the State, the Series 2019A Counties, or any other political subdivision of the State, within the meaning of any State constitutional provision or statutory limitation and shall not constitute or give rise to a pecuniary liability of the Issuer, the State, the Series 2019A Counties, or any other political subdivision of the State, and neither the full faith and credit of the Issuer nor the full faith and credit or the taxing power of the State, the Series 2019A Counties, or any other political subdivision of the State is pledged to the payment of the principal of or interest on the Series 2019A Bonds; and

WHEREAS, the execution and delivery of this Agreement has been duly authorized by the Bond Resolution adopted by the Issuer on August 5, 2015, as supplemented and amended by the Supplemental Bond Resolution adopted by the Issuer on October 27, 2017 and by the Supplemental Bond Resolution adopted by the Issuer on August 29, 2018 (collectively, the “Bond Resolution”); and

NOW THEREFORE, in consideration of the premises and the mutual covenants herein made, and subject to the conditions herein set forth, the parties hereto agree as follows:

ARTICLE I DEFINITIONS

Section 1.01 Definitions.

All capitalized terms used herein (including in the preamble and recitals) but not otherwise defined herein shall have the respective meanings given to them in the Definitions Annex to the Collateral Agency Agreement, or, if not defined herein or in the Definitions Annex to the Collateral Agency Agreement, in the Indenture.

As used in this Agreement, the following capitalized terms shall have the following meanings:

“*Additional Project*” means the design, development, acquisition, construction, installation, equipping, ownership and operation of an expansion of, or improvement to, the Project or any previously completed Additional Project, including without limitation, the Theme Park Extension and any Additional Station.

“*Board of Directors*” means, with respect to any Person, either the board of directors or managing members, as applicable, of such Person (or, if such Person is a partnership, the board of directors or other governing body of the general partner of such Person) or any duly authorized committee of such board.

“*Bond Obligations*” means all obligations of the Borrower under this Agreement and any Additional Parity Bonds Loan Agreements (if executed).

“*Bond Purchase Agreement*” means that certain Bond Purchase Agreement entered into among the Underwriter, the Issuer and the Borrower.

“*Borrower*” has the meaning specified in the preamble of this Agreement; provided that “Borrower” shall refer to a Successor Borrower upon consummation of any transaction described in Section 6.16, including with respect to any determination of whether a Change of Control has occurred.

“*Capital Project*” means a physical expansion of, or improvement to, the Project, including the procurement and installation of additional equipment or facilities, or the replacement of existing equipment or facilities, in each case, that is in addition to the initial construction of the Project as contemplated by the Financing Documents, with such amendments and modifications thereto and change orders thereto permitted by the Financing Documents.

“*Capitalized Lease Obligations*” means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at such time be required to be capitalized and reflected as a liability on a balance sheet (excluding the footnotes thereto) in accordance with GAAP; provided, that the adoption or issuance of any accounting standards after the Closing Date (whether or not such adoption or issuance is, as of the date hereof, already scheduled to occur after the Closing Date) will not cause any lease that was not (or if it had been in existence on the Closing Date, would not have been) a capital lease prior to such adoption or issuance to be deemed a capital lease.

“*Change of Control*” means any “person” or “group” of related persons (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act as in effect on the Closing Date), other than one or more Permitted Holders and excluding any employee benefit plan or Person acting as the trustee, agent or other fiduciary or administrator therefor, is or becomes the direct beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act as in effect on the Closing Date) of more than 50% of the total voting power of the Voting Stock of the Borrower; provided, however, that notwithstanding the foregoing, a transaction or series of transactions will not be deemed to involve a Change of Control if (x) the Borrower becomes a direct or indirect wholly-owned subsidiary of a holding company and (y) (A) the direct or indirect beneficial owners of

the Voting Stock of such holding company immediately following such transaction or transactions are substantially the same as the beneficial owners of the Voting Stock of the Borrower immediately prior to such transaction or transactions or (B) immediately following such transaction or transactions, no Person (other than a holding company satisfying the requirements of this proviso) is the beneficial owner, directly or indirectly, of more than 50% of the Voting Stock of such holding company, other than one or more Permitted Holders and excluding any employee benefit plan or Person acting as the trustee, agent or other fiduciary or administrator therefor. For purposes of this definition, a Person shall not be deemed to have beneficial ownership of Voting Stock subject to a stock purchase agreement, merger agreement or similar agreement until the consummation of the transactions contemplated by such agreement.

“*Collateral Agency Agreement*” means that certain Second Amended and Restated Collateral Agency, Intercreditor and Accounts Agreement, dated as of the Closing Date, by and among the Collateral Agent, the Trustee, Deutsche Bank National Trust Company, in its capacity as Account Bank thereunder, the Borrower and each other Secured Party (as defined therein) that becomes a party thereto, as it may be amended, supplemented or otherwise modified from time to time.

“*Continuing Disclosure Agreement*” means that certain Disclosure Dissemination Agent Agreement, dated as of the Closing Date, entered into between the Borrower and the Dissemination Agent pursuant to the Rule.

“*DispatchCo*” means Florida DispatchCo LLC, a Delaware limited liability company and joint venture between the Borrower and FECR.

“*Dissemination Agent*” means Digital Assurance Certification, L.L.C.

“*ERISA*” means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute thereto of similar import, together with the regulations thereunder, in each case as in effect from time to time.

“*ERISA Affiliate*” means any trade or business (whether or not incorporated) that, together with the Borrower, is treated as a single employer under Section 414 of the Code.

“*ERISA Event*” means (a) any “reportable event,” as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Pension Plan (other than an event for which the 30-day notice period is waived); (b) the determination that any Pension Plan is considered an at-risk plan within the meaning of Sections 430 of the Code or Section 303 of ERISA or that any Multiemployer Plan to which Borrower or any ERISA Affiliate is obligated to contribute is endangered or is in critical status within the meaning of Section 431 or 432 of the Code or Section 304 or 305 of ERISA; (c) the incurrence by the Borrower or any ERISA Affiliate of any liability under Title IV of ERISA, other than for PBGC premiums not yet due; (d) the receipt by the Borrower or any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Pension Plan or to appoint a trustee to administer any Pension Plan or the occurrence of any event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any

Pension Plan; (e) the appointment of a trustee to administer any Pension Plan; (f) the withdrawal of the Borrower or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which such entity was a substantial employer (as defined in Section 4001(a)(2) of ERISA) or the cessation of operations by the Borrower or any ERISA Affiliate that would be treated as a withdrawal from a Pension Plan under Section 4062(e) of ERISA; (g) the partial or complete withdrawal by the Borrower or any ERISA Affiliate from any Multiemployer Plan; or (h) the taking of any action to terminate any Pension Plan under Section 4041 or 4041A of ERISA.

“*Event of Default*” has the meaning specified in Section 8.01 of this Agreement.

“*Exchange Act*” means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations of the Securities and Exchange Commission promulgated thereunder, as amended.

“*Existing Security Interests*” means Security Interests existing on the Closing Date that are not expressly required to be discharged as a condition precedent to the obligations of the Underwriter pursuant to the Bond Purchase Agreement.

“*FECR*” means Florida East Coast Railway, L.L.C. and its successors and assigns.

“*Financing Documents*” means the Indenture, any Supplemental Indenture executed with respect to the Series 2019A Bonds, the Series 2019A Bonds, the Limited Offering Memorandum, this Agreement, the Collateral Agency Agreement, the Security Agreement, the Direct Agreements, the Mortgages, the Account Control Agreement, any other Security Documents, the Continuing Disclosure Agreement, and the Federal Tax Certificate.

“*Force Majeure Event*” means any of the following events that causes a delay in the construction of the Project: (a) an act of god, including, without limitation, a tornado, flood, earthquake, hurricane, tropical storm or other seismic or weather event or other natural occurrence); (b) fires or other casualties; (c) strikes, lockouts or other labor disturbances that cause a delay in construction of the Project in spite of the Borrower’s use of commercially reasonable efforts to mitigate the delay; (d) acts of war, riots, insurrections, civil commotions, acts of terrorism or similar acts of destruction; (e) requirements of Law enacted after the Closing Date; (f) orders or judgments; or (g) embargoes, shortages or unavailability of materials, supplies, labor, equipment and systems that first arise after the Closing Date in spite of the Borrower’s commercially reasonable efforts to mitigate such shortage or unavailability.

“*Fortress Entities*” means any of (i) Fortress Investment Group LLC and its successors or any Affiliate thereof, (ii) any investment vehicle (whether formed as a private investment fund, stock company, partnership or otherwise) or managed account managed directly or indirectly by (x) Fortress Investment Group LLC and its successors or any Affiliate thereof or (y) any other entity whose day-to-day business and operations are, at the time of any direct or indirect acquisition by such entity of any securities of the Borrower, managed and supervised by one or more of the Principals or individuals under such Principal’s supervision, or any Affiliates of such entity, and (iii) any Person the majority of whose stock, partnership or membership interests are

owned, directly or indirectly, by any Person described in clause (i) or clause (ii) of this definition.

“*GOAA*” means the Greater Orlando Aviation Authority.

“*Governmental Land Contribution*” means the dedication of real property to a governmental, quasi-governmental or municipal real estate holder in a transaction that the Borrower determines in good faith is in the best interests of the Borrower and in furtherance of the construction and operation of the Project or any Additional Project.

“*Indebtedness*” means with respect to any Person: (a) indebtedness of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (c) all obligations of such Person to pay the deferred purchase price of property or services, other than: (1) accounts payable and trade payables arising in the ordinary course of business (other than those addressed in clauses (2) through (5) of this clause (c)) which are payable in accordance with customary practices, provided that such accounts payable and trade payables (x) are not evidenced by a note, (y) are payable within ninety (90) days of the date of incurrence and are not more than ninety (90) days past due unless being contested in good faith and (z) do not exceed 4% of the sum of the original principal amount of the Series 2019A Bonds plus the principal amount of other Permitted Additional Senior Indebtedness and Additional Parity Bonds at any one time outstanding, (2) accrued expenses arising in the ordinary course of business and not recorded as either “short term indebtedness” or “long term indebtedness” on the balance sheet of the Borrower in accordance with GAAP, (3) payments due under any maintenance agreement for Rolling Stock, in each case, that are not more than ninety (90) days past due unless being contested in good faith, (4) any payments pursuant to any construction contracts that are not more than ninety (90) days past due unless being contested in good faith or to the extent such payments represent “retainage,” “holdback” or similar payments, and (5) payments due under any management contract pursuant to which a management company provides employees to provide services for the Borrower, (d) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person, (e) any Capitalized Lease Obligation, (f) all obligations, contingent or otherwise, of such Person under bankers acceptances issued or created for the account of such Person, (g) all unconditional obligations of such Person to purchase, redeem, retire, defease or otherwise acquire for value any capital stock or other equity interests of such Person or any warrants, rights or options to acquire such capital stock or other equity interests, (h) all net obligations of such Person pursuant to Permitted Swap Agreements, (i) all guarantee obligations of such Person in respect of obligations of the kind referred to in clauses (a) through (h) above, and (j) all Indebtedness of the type referred to in clauses (a) through (h) above secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any lien on property (including accounts and contracts rights) owned by such Person, even though such Person has not assumed or become liable for the payment of such Indebtedness. Notwithstanding the foregoing, predelivery payments and commissioning costs and expenses in respect of Rolling Stock Assets are not included in the definition of Indebtedness.

“*Independent Manager*” means a Person who (i) is not at the time of initial appointment, or at any time while serving as a director or manager, as applicable, and has not been at any time

during the preceding five (5) years: (a) a stockholder, director (with the exception of serving as the Independent Manager), officer, employee, partner, member, manager, contractor, attorney or counsel of the Borrower or any Affiliate thereof; (b) a customer, creditor, supplier or other person who derives any of its purchases or revenues from its activities with the Borrower or any Affiliate thereof; (c) a Person Controlling or under common Control with any such stockholder, director, officer, partner, member, manager, contractor, customer, creditor, supplier or other Person; or (d) a member of the immediate family of any such stockholder, director, officer, employee, partner, member, manager, contractor, customer, creditor, supplier or other Person (provided, that in the case of each of (a) through (d), indirect stock or other equity interest ownership of the Borrower or any Affiliate thereof by such Person through a mutual fund or similar diversified investment pool shall be permitted); (ii) has prior experience as an independent director/manager for a corporation/limited liability company involved in a structured financing transaction whose organizational documents require the unanimous written consent of all independent directors/managers thereof before such corporation/limited liability company could consent to the institution of bankruptcy or insolvency proceedings against it or could file a petition seeking relief under any applicable federal or state law relating to bankruptcy; and (iii) is provided by Corporation Service Company, CT Corporation, Lord Securities Corporation, National Registered Agents, Inc., Stewart Management Company, Wilmington Trust Company, Wilmington Trust SP Services, Inc., or, if none of those companies is then providing professional independent managers, another nationally-recognized company reasonably approved by the Trustee, in each case that is not an Affiliate of the Borrower and that provides professional independent managers and other corporate services in the ordinary course of its business.

“*Lock-Up Total DSCR*” means a Total DSCR equal to 1.50:1.00.

“*Major Action*” means the Borrower shall: (A) dissolve, merge, liquidate or consolidate; (B) sell all or substantially all of its assets; or (C) file a voluntary bankruptcy or insolvency petition or otherwise institute insolvency proceedings.

“*Material Adverse Effect*” means a material adverse effect on (a) the business, properties, performance, results of operations or financial condition of the Borrower; (b) the Borrower’s ability to complete the Project; (c) the legality, validity or enforceability of any material Financing Document; (d) the Borrower’s ability to observe and perform its material obligations under any Financing Document; (e) the validity, perfection or priority of a material portion of the Security Interests created pursuant to the Security Documents on the Collateral taken as a whole; or (f) the rights of the Collateral Agent and the Trustee under the Financing Documents, including the ability of the Collateral Agent, the Trustee or any other Secured Party to enforce their material rights and remedies under the Financing Documents or any related document, instrument or agreement, in each case with respect to clauses (a) through (f) above relating to the Project.

“*Mortgage*” means an agreement, including, but not limited to, a mortgage, leasehold mortgage or any other document, creating and evidencing a Security Interest on a Mortgaged Property substantially in the form of **Attachment D**.

“*Multiemployer Plan*” means a Pension Plan which is a “multiemployer plan” as defined in Section 4001(a)(3) of ERISA.

“*O&M Expenditures*” means for any period, the sum (without duplication) of the following costs paid by or on behalf of the Borrower: (a) payments to any and all management operating companies, which may be an Affiliate of the Borrower (subject to the requirements on transactions with Affiliates set forth herein), including management fees, payment or reimbursement in respect of rent, furniture, telephone, computer, information technology systems and other equipment and property used or useful in the operation of the Project or any Additional Project and reimbursement of all salaries, employee benefits and other compensation of their employees providing management, leasing, operating, maintenance, legal, accounting, finance, IT, sales and marketing, and human resources services; plus (b) insurance deductibles, claims and premiums and, without duplication, payments made in respect of financing of insurance premiums in the ordinary course of business; plus (c) other than Major Maintenance Costs, costs (including capital expenditures) of operating and maintaining the Project or any Additional Project, including, without limitation, (w) Rolling Stock maintenance expenditures, advance payments to or deposits with vendors, suppliers or service providers, including pre-delivery payments and commissioning costs and expenses in respect of Rolling Stock Assets, (x) payments and deposits in the ordinary course of business in connection with or to secure bids, tenders, contracts, leases, subleases, licenses or sublicenses of real property, personal property or Intellectual Property (including all payments made under the Virgin License Agreement, dated November 15, 2018, between Virgin Trains USA LLC and Virgin Enterprises Limited), statutory obligations, surety bonds or appeal bonds and payments and deposits securing letters of credit supporting such obligations and (y) payments and deposits in the ordinary course of business in connection with workers’ compensation laws, unemployment insurance laws or similar legislation and payments and deposits securing letters of credit supporting such obligations; plus (d) property and other similar taxes payable by the Borrower in respect of the Project or any Additional Project; plus (e) fees for accounting, legal and other professional services; plus (f) general and administrative expenses, including payments for cash management services and reimbursements of banking institutions for checks drawn on insufficient funds; plus (g) Major Maintenance Costs solely in accordance with item Second in the Flow of Funds under Section 5.02(b) of the Collateral Agency Agreement; plus (h) payments to any direct or indirect parent company of the Borrower to pay or reimburse (1) corporate overhead costs and expenses (including fees for accounting, legal and other professional services) which are reasonable and customary and incurred in the ordinary course of business and attributable to the ownership or operations of the Borrower, (2) customary salary, bonus and other benefits payable to directors, officers and employees of such direct or indirect parent company to the extent such salaries, bonuses and other benefits are attributable to the ownership or operations of the Borrower, (3) any directors and officers liability insurance and reasonable and customary indemnification claims made by directors, managers or officers of such direct or indirect parent company attributable to the ownership or operations of the Borrower, (4) franchise taxes and other fees, taxes and expenses required to maintain such direct or indirect parent company’s corporate existence, (5) U.S. federal, state and local taxes that are attributable to the taxable income, revenue, receipts or profits of the Borrower for any taxable period (A) in which the Borrower is a member of a consolidated, combined, unitary or similar tax group of which such direct or indirect parent company is the common parent or (B) in which the Borrower is treated as a disregarded entity or partnership for U.S. federal, state and/or local income tax purposes, (6)

listing fees and other costs and expenses attributable to such direct or indirect parent company being a publicly traded company and (7) fees and expenses related to any debt offering (including debt securities and bank loans) or equity offering by such direct or indirect parent company, whether or not consummated; provided that, for purposes of this clause (h), for so long as any such direct or indirect parent company owns no material assets other than cash, Permitted Investments and equity interests of the Borrower or another direct or indirect parent of the Borrower, any requirement herein that the applicable costs and expenses be attributable to the ownership or operations of the Borrower shall be deemed satisfied, plus (i) filings or other costs required in connection with the maintenance of the first priority Security Interest of the Secured Parties in the Collateral; provided, that the following shall be excluded from the foregoing items (a) through (h): (i) payments of principal, interest or fees with respect to the Series 2019A Bonds and other Indebtedness (other than payments in respect of ordinary cash management services) permitted under the Secured Obligation Documents; (ii) capital expenditures or contributions paid with funds made available to the Borrower by Additional Equity Contributions; (iii) payments for Capital Projects or the construction of any Additional Projects permitted under the Financing Documents; (iv) any payments, dividends or distributions to any Person in respect of any capital stock of the Borrower, except as set forth in clause (h) above; and (v) depreciation, amortization of intangibles and other non-cash accounting entries of a similar nature for such period. O&M Expenditures are not to be considered investments for the purposes of the Senior Loan Agreement or the Collateral Agency Agreement.

“*Organizational Documents*” means for any Person the organizational documents governing its creation, existence and actions, as in effect on the date in question.

“*Pension Plan*” means a “pension benefit plan” as defined in Section 3(2) of ERISA that is subject to Title IV of ERISA or Section 412 of the Code, other than a Multiemployer Plan, that is maintained by, or contributed to by, or required to be contributed to by, the Borrower or any ERISA Affiliate.

“*Permitted Activities*” has the meaning specified in Section 6.14 hereof.

“*Permitted Additional Senior Indebtedness*” means:

(a) Indebtedness of the Borrower issued from time to time for any corporate purpose in a cumulative aggregate principal amount not to exceed \$175,000,000; and

(b) Indebtedness of the Borrower, other than Additional Parity Bonds, that shall satisfy the requirements of Section 12.2(b) of the Indenture for the issuance of Additional Parity Bonds as in effect on the Closing Date, mutatis mutandis; and

in each case, that shall be payable pro rata with the Series 2019A Bonds and any Additional Parity Bonds pursuant to the Collateral Agency Agreement as in effect on the Closing Date, and may, at the option of the Borrower, be secured by all of the Collateral under the Collateral Agency Agreement, or may be unsecured; provided that if such Permitted Additional Senior Indebtedness is unsecured, it will be junior to the Secured Obligations upon the exercise of remedies against the Collateral to the extent of the value of the Collateral as provided in Section 9.08 of the Collateral Agency Agreement as in effect on the Closing Date.

“*Permitted Business Activities*” means the undertaking of the Project and any Additional Project (including all Permitted Activities) and any business that is ancillary and related thereto.

“*Permitted Easements*” means, to the extent that no Material Adverse Effect would be created by or result from the consummation thereof: (a) easements that burden solely an asset which is not used in the operation of the Project or, to the extent financed by Additional Parity Bonds or Permitted Additional Senior Indebtedness, any Additional Project, (b) underground easements, (c) access, pedestrian and vehicular crossing, longitudinal driveway, railroad cross access and track usage easements, public and private grade crossing and similar easements, (d) aerial easements or rights (including leases), including but not limited to those for transit oriented development, platforms, stations, communications, fiber optic or utility facilities (including easements for installation of cellular towers), (e) pylon sign and billboard easements and leases, (f) above-ground drainage or slope easements, (g) scenic and clear vision easements, (h) utility easements and minor survey exceptions, minor encumbrances, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions or covenants as to the use of real properties or Security Interests incidental to the conduct of the business of the Borrower or to the ownership of its properties, (i) easements, licenses, rights of way or similar encumbrances granted in the ordinary course of business, (j) reciprocal easement and/or access agreements encumbering a portion of the Project or any Additional Project and an adjacent parcel or track, (k) aerial easements or rights (including leases) across road right of ways or other property, (l) any easements, leases, licenses, rights of way or similar encumbrances or agreements in favor of South Florida Regional Transportation Authority, Florida Department of Transportation or any other state, federal or local transportation, transit or rail department or agency, or an affiliate thereof, to allow commuter rail service on the corridor comprising the Project or any Additional Project, (m) for the downtown Miami property and any Additional Station, if applicable, amendments to the recorded declaration of covenants in lieu of unity of title, easement and operating agreement and/or the declaration of covenants, restrictions and easements, including, but not limited to, any required amendment upon completion of the construction of such station and the other residential, retail and office structures interconnected with such station to correct any errors in the legal descriptions of the air rights granted to the entities owning the same or the designation of shared facilities or exclusive elements and amendment to the allocation of shared costs assessed pursuant to the declaration of covenants, restrictions and easements among the owners of the station and other elements, or (n) any final map, plat, parcel map, lot line adjustment or other subdivision map of any kind covering any portion of the Project or any Additional Project. For the avoidance of doubt, any of the foregoing which would create or result in a Material Adverse Effect is strictly prohibited.

“*Permitted Holders*” means the collective reference to the Fortress Entities, their Affiliates, the Management Group, Softbank Group Corp and its Affiliates, Corvina Holdings Limited and its Affiliates and Virgin Enterprises Limited and its Affiliates. Any Person or group whose acquisition of beneficial ownership constitutes a Change of Control with respect to which the Majority Holders have consented in accordance with the requirements of the Indenture will thereafter, together with its Affiliates, constitute an additional Permitted Holder.

“*Permitted Indebtedness*” means:

- (a) Any Indebtedness incurred under the Financing Documents;
- (b) Additional Parity Bonds and Permitted Additional Senior Indebtedness, subject to the terms of the Financing Documents;
- (c) Indebtedness of the Borrower and any interest accruing thereon existing as of the Closing Date (other than Indebtedness expressly required to be discharged as a condition precedent to the obligations of the Underwriter under the Bond Purchase Agreement) that is identified in **Attachment C** to this Agreement, and all Indebtedness incurred to refund, refinance, extend, renew or replace any Indebtedness incurred pursuant to this clause (c) so long as the principal amount of such Indebtedness is not increased to any amount greater than the sum of (A) the outstanding principal amount or, if greater, the committed amount of such Permitted Indebtedness on the Closing Date, and (B) an amount necessary to pay any fees and expenses, including premiums, related to such refunding, refinancing, extension, renewal or replacement;
- (d) Indebtedness (including Capitalized Lease Obligations) incurred by the Borrower to finance or refinance the purchase, lease, development, ownership, construction, maintenance or improvement of real or personal property or equipment that is used or useful in the Project or any Additional Project (including portions of the Project or any Additional Project that may be located outside of the Series 2019A Counties) or any other Permitted Business Activities, and all Indebtedness incurred to refund, extend, renew, refinance or replace such Indebtedness; provided, however, that, (i) the aggregate principal amount which, when aggregated with the principal amount of all other Indebtedness then outstanding and incurred pursuant to this clause (d), and including all Indebtedness incurred to refund, extend, renew, refinance or replace any other Indebtedness incurred pursuant to this clause (d) does not exceed \$50,000,000, and (ii) such Indebtedness (other than Indebtedness incurred to refund, extend, renew, refinance or replace any other Indebtedness incurred pursuant to this clause (d)) is incurred within 365 days after the completion of such purchase, lease, development, construction, maintenance or improvement. Such Indebtedness is payable on the same basis as the Additional Senior Unsecured Indebtedness under Section 5.02(b) of the Collateral Agency Agreement as in effect on the Closing Date, and such Indebtedness shall not be Secured by the Collateral;
- (e) Escrow Bonds;
- (f) (i) Indebtedness incurred by the Borrower constituting reimbursement obligations with respect to letters of credit and bank guarantees issued in the ordinary course of business, including without limitation letters of credit in respect of workers' compensation claims, health, disability or other benefits to employees or former employees or their families or property, casualty or liability insurance or self-insurance, and letters of credit in connection with the maintenance of, or pursuant to the requirements of, environmental or other permits or licenses from governmental authorities, (ii) other Indebtedness with respect to reimbursement type obligations regarding workers' compensation claims, and (iii) Indebtedness incurred to refund, extend, renew, refinance or replace any other Indebtedness incurred pursuant to this clause (f); provided, however, that (1) upon the drawing of such letters of credit or the incurrence of such Indebtedness, such obligations are reimbursed within 30 days following such drawing or incurrence, and (2) the aggregate principal amount which, when aggregated with the then outstanding principal amount of all other Indebtedness incurred pursuant to this clause (f) and

including all Indebtedness incurred to refund, extend, renew, refinance or replace any other Indebtedness incurred pursuant to this clause (f), does not exceed \$50,000,000;

(g) Permitted Swap Agreements for the purpose of limiting: (i) interest rate risk; (ii) exchange rate risk with respect to any currency exchange; (iii) commodity risk; or (iv) any combination of the foregoing;

(h) Obligations in respect of performance, bid, appeal and surety bonds and guarantees of indemnification obligations provided by the Borrower or indemnification obligations incurred by the Borrower in the ordinary course of business or consistent with past practice or industry practice;

(i) Indebtedness of the Borrower consisting of the financing of insurance premiums in the ordinary course of business, and Indebtedness incurred to refund, extend, renew, refinance or replace such Indebtedness;

(j) Indebtedness of the Borrower consisting of take-or-pay obligations contained in supply arrangements in the ordinary course of business, and Indebtedness incurred to refund, extend, renew, refinance or replace such Indebtedness; provided, however, that the aggregate principal amount which, when aggregated with the then outstanding principal amount of all other Indebtedness incurred pursuant to this clause (j) and including all Indebtedness incurred to refund, extend, renew, refinance or replace any other Indebtedness incurred pursuant to this clause (j), does not exceed \$25,000,000; and

(k) Permitted Subordinated Debt.

“Permitted Sales and Dispositions” means:

(a) Sales or other dispositions of equipment or other property in the ordinary course of business (including, without limitation, the lease, sublease or license of any real or personal property);

(b) Sales or other dispositions of any obsolete, damaged, defective or worn out equipment in the ordinary course of business, inventory or goods held for sale in the ordinary course of business or any abandoned rail lines or property;

(c) Sales or other dispositions of real or personal property not required for the construction or operation of the Project or, to the extent financed by Additional Parity Bonds or Permitted Additional Senior Indebtedness, any Additional Project;

(d) Sales or other dispositions of cash or Permitted Investments;

(e) Sales or other dispositions that would constitute Permitted Indebtedness;

(f) The sale or discount of accounts receivable arising in the ordinary course of business in connection with the compromise or collection thereof or in bankruptcy or similar proceeding;

(g) The surrender, waiver, amendment or modification of contract rights or the settlement, release or surrender of a contract, tort or other claim of any kind, in each case, in the ordinary course of business;

(h) The granting of any Permitted Easement or Permitted Security Interest;

(i) The assignment of any purchase or maintenance agreement for Rolling Stock Assets or any sale or other disposition of any Rolling Stock Assets, or any sale, lease or other disposition of real property interests of the Borrower at any station within the Project or any Additional Project for commercial purposes, provided that any such sale, lease or disposition does not materially impair the use of such station or the sufficiency of the remaining Rolling Stock Assets in the operation of the business of the Borrower;

(j) The transfer of any deed in lieu of condemnation by a governmental entity related to the Project or any Additional Project;

(k) Subject to the requirements of Section 288.9606(6), Florida Statutes, as amended, a Governmental Land Contribution; provided that any requirements to pledge additional Collateral received in exchange for or in connection with such Governmental Land Contribution pursuant to the Security Documents are satisfied;

(l) Any distribution from the Distribution Account permitted pursuant to the Collateral Agency Agreement;

(m) Foreclosures on assets or dispositions of assets required by Law, governmental regulation or any order of any court, administrative agency or regulatory body, and transfers resulting from or in connection with a Casualty Event or Expropriation Event; and

(n) The lapse or abandonment of intellectual property rights that in the good faith determination of the Borrower are not material to the conduct of the business of the Borrower.

“Permitted Security Interest” means:

(a) Any Security Interest arising by operation of law or in the ordinary course of business in connection with or to secure the performance of bids, tenders, contracts, leases, subleases, licenses or sublicenses of real property, personal property or Intellectual Property, statutory obligations, surety bonds or appeal bonds, or in connection with workers’ compensation laws, unemployment insurance laws or similar legislation or securing letters of credit supporting such obligations;

(b) Any mechanic’s, materialmen’s, workmen’s, repairmen’s, employees’, warehousemen’s, carriers’ or any like lien or right of set-off arising in the ordinary course of business or under applicable law, securing obligations incurred in connection with the Project or any Additional Project which are not overdue by more than sixty (60) days or are adequately bonded or are being contested in good faith (provided that the Borrower shall, to the extent required by GAAP, set aside adequate reserves with respect thereto);

(c) Any Security Interest on Escrow Property securing any Escrow Bonds;

(d) Any Security Interest for taxes, assessments or governmental charges not yet overdue for a period of more than forty-five (45) days or being contested in good faith (provided that the Borrower shall, to the extent required by GAAP, set aside adequate reserves with respect thereto);

(e) Any Security Interest securing judgments for the payment of money not constituting an Event of Default under Section 8.01(g) hereof so long as such liens are adequately bonded and any appropriate legal proceedings that may have been duly initiated for the review of such judgment have not been finally terminated or the period within which such proceedings may be initiated has not expired;

(f) Any Security Interest created pursuant to or contemplated by the Financing Documents or to secure the Bond Obligations or Permitted Additional Senior Indebtedness secured by Collateral (on a pari passu basis with all other Bond Obligations and all other Permitted Additional Senior Indebtedness secured by Collateral and subject to the terms of the Collateral Agency Agreement);

(g) Any other Security Interest not securing debt for borrowed money granted over assets with an aggregate value at any one time not exceeding 3% of the sum of the original principal amount of the Series 2019A Bonds and any other Permitted Additional Senior Indebtedness and Additional Parity Bonds then outstanding;

(h) Any Security Interests securing Permitted Indebtedness described in clause (d) of the definition of Permitted Indebtedness; provided that such Security Interest may not extend to any property owned by the Borrower other than the specific property or asset being financed by the Permitted Indebtedness described in clause (d) of the definition of Permitted Indebtedness or proceeds thereof;

(i) (i) Any Security Interest arising solely by virtue of any statutory or common law provision relating to banker's liens, rights to set-off or similar rights, and (ii) any Security Interests on specific items of inventory of other goods and proceeds of any Person securing such Person's obligations in respect of letters of credit or bankers' acceptances issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(j) Any Security Interest existing on any property or asset prior to the acquisition thereof by the Borrower, including any acquisition by means of a merger or consolidation with or into the Borrower; provided that (i) such Security Interest is not created in contemplation of or in connection with such acquisition and (ii) such Security Interest may not extend to any other property owned by the Borrower (other than extensions, renewals, replacements or proceeds of such property, or assets or property affixed or appurtenant thereto);

(k) Permitted Easements;

(l) Existing Security Interests;

(m) Security Interests securing Permitted Swap Agreements and the costs thereof;

(n) Security Interests arising from precautionary Uniform Commercial Code financing statement filings regarding operating leases entered into by the Borrower in the ordinary course of business;

(o) Security Interests on equipment of the Borrower granted in the ordinary course of business to the Borrower's client, customer or supplier at which such equipment is located;

(p) [Reserved];

(q) Security Interests to secure any refinancing, refunding, extension, renewal or replacement (or successive refinancing, refunding, extensions, renewals or replacements) as a whole, or in part, of any Indebtedness secured by a Permitted Security Interest under clauses (h), (j) or (l) of this defined term; provided, however, that (1) such new Security Interest shall be limited to all or part of the same property that secured the original Security Interest (plus extensions, renewals, replacements or proceeds of such property, or assets or property affixed or appurtenant thereto), (2) the Indebtedness secured by such Security Interest at such time is not increased to any amount greater than the sum of (A) the outstanding principal amount or, if greater, the committed amount of such Permitted Indebtedness at the time the original Security Interest became a Permitted Security Interest, and (B) an amount necessary to pay any fees and expenses, including premiums, related to such refinancing, refunding, extension, renewal or replacement and (3) the new Security Interest has no greater priority and the holders of the Indebtedness secured by such Permitted Security Interest have no greater intercreditor rights relative to the Owners of the Bonds and the owners of Permitted Additional Senior Indebtedness then outstanding, if any, than the original Security Interest and the related Indebtedness;

(r) Security Interests securing reimbursement obligations with respect to letters of credit and other credit facilities that constitute Permitted Indebtedness and that encumber documents and other property relating to such letters of credit and products and proceeds thereof;

(s) As to any portion of the Project or any Additional Project comprised of real property, any Security Interest that would not have a Material Adverse Effect;

(t) Security Interests that are contractual rights of set-off relating to purchase orders and other agreements entered into with customers of the Borrower in the ordinary course of business;

(u) Security Interests arising out of conditional sale, title retention, consignment or similar arrangements for the sale or purchase of goods entered into by the Borrower in the ordinary course of business;

(v) Security Interests arising or granted in the ordinary course of business in favor of Persons performing credit card processing, clearinghouse or similar services for the Borrower, so long as such Security Interests are on cash or cash equivalents that are subject to holdbacks by, or are pledged to, such Persons to secure amounts that may be owed to such Persons under the Borrower's agreements with them in connection with their provision of credit card processing, clearinghouse or similar services to the Borrower; and

(w) Any Security Interest created to secure Permitted Subordinated Debt secured by Collateral (on a subordinate basis to the Security Interest on the Collateral securing all Bond Obligations and all other Permitted Additional Senior Indebtedness and subject to the subordination terms set forth in **Attachment A**).

“*Permitted Subordinated Debt*” means Indebtedness subordinate to all Bond Obligations and all other Permitted Additional Senior Indebtedness in accordance with **Attachment A** of this Senior Loan Agreement and payable only in accordance with levels Eleventh and Twelfth of the Flow of Funds set forth in the Collateral Agency Agreement.

“*Potential Event of Default*” means an event which, with the giving of notice or lapse of time, would become an Event of Default under this Agreement.

“*Principals*” means Peter L. Briger, Wesley R. Edens and Randal A. Nardone.

“*Prior Bonds*” has the meaning specified in the Indenture.

“*Prudent Industry Practice*” means, at a particular time, any of the practices, methods, standards and procedures (including those engaged in or approved by a material portion of the passenger railroad industry) that, in the exercise of reasonable judgment in light of the facts known at the time a decision was made, would reasonably have been expected to accomplish the desired result consistent with good business practices, including due consideration of the Project’s reliability, environmental compliance, economy, safety and expedition.

“*Restricted Payment Conditions*” means with respect to a particular Distribution Date:

(i) All transfers and distributions required to be made pursuant to clauses First through Thirteen of the Flow of Funds on or prior to the Distribution Date shall have been satisfied in full;

(ii) Each required reserve account under the Collateral Agency Agreement, to the extent required by the Secured Obligation Documents, shall have been fully funded in cash or, to the extent permitted by the Secured Obligation Documents, with a Qualified Reserve Account Credit Instrument;

(iii) The Total DSCR on the Distribution Date shall be at least equal to the Lock-Up Total DSCR, and the Total DSCR for the 12-month period following the Distribution Date, taking into account the transfer requested pursuant to the Distribution Release Certificate, is projected by the Borrower to be at least equal to the Lock-Up Total DSCR (as set forth in the Distribution Release Certificate); and

(iv) No Potential Secured Obligation Event of Default or Secured Obligation Event of Default shall have occurred and be continuing or would exist as a result of the making of any transfer pursuant to the Distribution Release Certificate.

“*Rule*” or “*Rule 15c2-12*” means SEC Rule 15c2-12, as amended from time to time.

“*Securities Act*” means the Securities Act of 1933, as amended, and the rules and regulations of the Securities and Exchange Commission promulgated thereunder, as amended.

“*Series 2019A Bonds*” has the meaning specified in the recitals to this Agreement.

“*Series 2019A Counties*” has the meaning specified in the recitals to this Agreement.

“*Series 2019A Loan*” has the meaning specified in the recitals to this Agreement.

“*Special Purpose Entity*” means a corporation, limited liability company or limited partnership which, since the date of its formation, has complied with (except as otherwise specified in Section 6.14), and at all times on and after the date hereof, complies and will continue to comply with, the requirements set forth in Section 6.14 hereto.

“*Successor Borrower*” has the meaning specified in Section 6.15 of this Agreement.

“*Total Debt Service Coverage Ratio*” or “*Total DSCR*” has the meaning specified in the Collateral Agency Agreement as in effect on the Closing Date.

“*Underwriter’s Counsel*” means Mayer Brown LLP.

“*Voting Stock*” of any Person as of any date means the capital stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

Section 1.02 Uses of Phrases.

(a) Except as otherwise expressly provided, the following rules of interpretation shall apply to this Senior Loan Agreement:

(i) the definitions of terms herein shall apply equally to the singular and plural forms of the terms defined;

(ii) whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms;

(iii) the words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”;

(iv) the word “will” shall be construed to have the same meaning and effect as the word “shall”;

(v) unless the context requires otherwise, any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein or therein) and shall include any appendices, schedules, exhibits, clarification letters, side letters and disclosure letters executed in connection therewith;

(vi) any reference herein to any Person shall be construed to include such Person's permitted successors and assigns and, in the case of any Governmental Authority, any Person succeeding to its functions and capacities;

(vii) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Senior Loan Agreement in its entirety and not to any particular provision thereof;

(viii) all references in this Senior Loan Agreement to Articles, Sections, Exhibits, Attachments and Schedules shall be construed to refer to Articles and Sections of, and Exhibits, Attachments and Schedules to, this Senior Loan Agreement;

(ix) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights;

(x) each reference to a Law shall be deemed to refer to such Law as the same may in effect from time to time;

(xi) references to days shall refer to calendar days unless Business Days are specified; references to weeks, months or years shall be to calendar weeks, months or years, respectively; and

(xii) except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP.

(b) Withdrawals to Occur on a Business Day. In the event that any withdrawal, transfer or payment to or from any Account contemplated under this Senior Loan Agreement shall be required to be made on a day that is not a Business Day, such withdrawal, transfer or payment shall be made on the immediately succeeding Business Day.

(c) Delivery or Performance to Occur on a Business Day. In the event that any document, agreement or other item or action is required by any Secured Obligation Document to be delivered or performed on a day that is not a Business Day, the due date thereof shall be extended to the immediately succeeding Business Day.

(d) Any percentage of Series 2019A Bonds specified herein for any purpose is to be calculated by reference to the unpaid principal amount thereof then Outstanding.

ARTICLE II REPRESENTATIONS AND WARRANTIES

Section 2.01 Representations and Warranties of the Issuer.

The Issuer hereby represents and warrants to the Borrower, as of the Closing Date, that:

(a) The Issuer is a public body corporate and politic, and a public instrumentality organized and existing under the laws of the State and pursuant to the Act has the power to (1)

enter into this Senior Loan Agreement and the Indenture, (2) assign its rights (other than the Reserved Rights) under this Senior Loan Agreement to the Trustee in accordance with the terms of the Indenture, (3) issue the Series 2019A Bonds to finance Project Costs, (4) lend the proceeds of the issuance of the Series 2019A Bonds under the terms of this Senior Loan Agreement to the Borrower for the purpose of refunding the Prior Bonds and financing, refinancing or reimbursing a portion of the costs of the Project and other costs in accordance with Section 3.03 hereof, and (5) carry out its other obligations in connection therewith pursuant to the Indenture and this Senior Loan Agreement.

(b) Pursuant to the Bond Resolution, the Issuer has duly authorized the execution and delivery of the Indenture, this Senior Loan Agreement, and the consummation of the transactions contemplated therein and herein, including without limitation, the assignment of its rights (other than the Reserved Rights) under this Senior Loan Agreement to the Trustee in accordance with the terms of the Indenture, the performance of its obligations hereunder and thereunder, the issuance of the Series 2019A Bonds, the loan of the proceeds of the Series 2019A Bonds to the Borrower for the purpose of refunding the Prior Bonds and financing or refinancing a portion of the costs of the Project and other costs in accordance with Section 3.03 hereof and, simultaneously with the execution and delivery of this Senior Loan Agreement, has duly executed and delivered the Indenture. The Bond Resolution has not been repealed, revoked, rescinded or amended and is in full force and effect.

(c) No further approval, consent or withholding of objection on the part of any regulatory body, federal, state or local, is required in connection with (1) the issuance and delivery of the Series 2019A Bonds by the Issuer, (2) the execution or delivery of or compliance by the Issuer with the terms and conditions of this Senior Loan Agreement, the Indenture or the Series 2019A Bonds, or (3) the assignment and pledge by the Issuer pursuant to the Indenture of its rights under this Senior Loan Agreement (except the Reserved Rights) and the payments thereon by the Borrower, as security for payment of the principal of, premium, if any, and interest on the Series 2019A Bonds. The consummation by the Issuer of the transactions set forth in the manner and under the terms and conditions as provided in this Senior Loan Agreement, the Indenture and the Series 2019A Bonds will comply with all applicable laws. Notwithstanding the preceding sentences, no representation is expressed as to any action required under federal or state securities or Blue Sky Laws in connection with the sale or distribution of the Series 2019A Bonds.

(d) The Issuer is not in breach of or default under this Senior Loan Agreement or the Series 2019A Bonds or in violation of any applicable constitutional provision, law or administrative regulation of the State or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or is otherwise subject, in each case which breach, default or violation would have a material adverse effect on the authorization, issuance, sale or delivery of the Series 2019A Bonds or the authorization, execution, delivery and performance of this Senior Loan Agreement, the Indenture or the Series 2019A Bonds and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute such a breach, default or violation. The execution, delivery and performance of its obligations under the Indenture, this Senior Loan Agreement and the Series 2019A Bonds, and the assignment of its rights (other than the Reserved Rights) under this Senior Loan Agreement do not and will not conflict with or

result in a violation or a breach of any law or the terms, conditions or provisions of any restriction under any law, contract, agreement or instrument to which the Issuer is now a party or by which the Issuer is bound, or constitute a default under any of the foregoing.

(e) Except as may be described in the Limited Offering Memorandum, as the same may be amended and supplemented, there is no action, suit, proceeding or litigation pending against the Issuer or, to the knowledge of its members, officers or counsel, threatened, seeking to restrain or enjoin the issuance, sale, execution or delivery of the Series 2019A Bonds, or in any way contesting or affecting the validity of the Series 2019A Bonds or any proceedings of the Issuer taken with respect to the issuance or sale thereof, or the pledge or application of any monies or security provided for the payment of the Series 2019A Bonds, the use of the Series 2019A Bond proceeds or the existence or powers of the Issuer or its officers or members.

(f) Each of this Senior Loan Agreement and the Indenture constitutes the valid and binding obligation of the Issuer, enforceable against the Issuer in accordance with the terms thereof, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or other similar laws or judicial action affecting the enforcement of creditors' rights generally and the application of general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law) subject to the valid exercise of the constitutional powers of the State and the United States of America. The execution and delivery of this Senior Loan Agreement and the Indenture, the performance by the Issuer of its obligations hereunder and thereunder and the consummation of the transactions herein and therein contemplated do not and will not materially conflict with, or constitute a material breach or result in a material violation of the Act or bylaws of the Issuer, any agreement or other instrument to which the Issuer is a party or by which it is bound or any constitutional or statutory provision or order, rule, regulation, decree or ordinance of any court, government or governmental authority having jurisdiction over the Issuer or its property.

(g) The Issuer hereby acknowledges that the Project Accounts are the property of the Borrower and not the Issuer and that the Borrower has represented to the Issuer in Section 2.02(k) below that the Borrower has granted a security interest in the Project Accounts to the Collateral Agent pursuant to the terms of the Security Agreement.

(h) Notwithstanding anything herein to the contrary, any obligation the Issuer may incur hereunder in connection with the issuance of the Series 2019A Bonds shall not be deemed to constitute a general obligation of the Issuer, but, as to the Issuer, shall be payable solely from the payments received hereunder and from the Trust Estate as provided in the Indenture. The Issuer has no taxing power.

The representations and warranties included in this Section 2.01 are made subject to the limitations set forth in Section 3.05 hereof.

Section 2.02 Representations and Warranties of the Borrower.

The Borrower hereby represents and warrants to the Issuer, as of the Closing Date and any other date on which representations and warranties are expressly required to be true pursuant to the Financing Documents, that:

(a) The Borrower is a limited liability company, duly formed, validly existing and in good standing under the laws of the state of Delaware, is qualified to do business in the State and in every jurisdiction where such qualification is required by applicable law, except where the failure to be so qualified would not reasonably be expected to have a Material Adverse Effect.

(b) The Borrower has full organizational power and authority to conduct its business as now conducted and as presently proposed to be conducted immediately following the execution and delivery of the Transaction Documents to which it is a party and the Borrower has full power and authority to execute, deliver and perform its obligations under each Transaction Document to which it is a party.

(c) All necessary actions on the part of the Borrower required to authorize the execution, delivery and performance of each Transaction Document to which it is a party has been duly taken.

(d) Each of the Transaction Documents to which the Borrower is a party has been duly authorized, executed and delivered by the Borrower and constitutes a valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or other similar laws or judicial action affecting the enforcement of creditors' rights generally and the application of general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law).

(e) The execution, delivery and performance by the Borrower of each Transaction Document to which it is a party does not (1) conflict with any contractual obligations binding on, or to the knowledge of the Borrower, affecting the Borrower, except where such conflict would not reasonably be expected to have a Material Adverse Effect, (2) violate any provision of any court decree or order binding on, or to the knowledge of the Borrower, affecting the Borrower, except where such violation would not reasonably be expected to have a Material Adverse Effect, (3) violate any provision of any law or governmental regulation binding on, or to the knowledge of the Borrower, affecting the Borrower, except where such violation would not reasonably be expected to have a Material Adverse Effect, or (4) result in, or require, the creation or imposition of any Security Interest on any of the properties or revenues of the Borrower, except for Permitted Security Interests;

(f) Except as may be described in the Limited Offering Memorandum, on the Closing Date, there is no pending or, to Borrower's knowledge, threatened litigation or proceeding against the Borrower or with respect to the transactions contemplated by this Senior Loan Agreement or the other Financing Documents which has a material likelihood of success and if determined adversely to the Borrower or to such transactions, would reasonably be expected to have a Material Adverse Effect.

(g) Except as may be described in the Limited Offering Memorandum, the Borrower has obtained all Governmental Approvals required to be obtained by the Borrower in connection with the execution and delivery of, and performance by the Borrower of its obligations, and the exercise of its rights, under the Transaction Documents and all such Governmental Approvals are in full force and effect except for such Governmental Approvals that are not then required to be

obtained or such Governmental Approvals the failure to obtain which would not reasonably be expected to result in a Material Adverse Effect.

(h) As of the Closing Date (and as of such other date on which this representation is required to be made pursuant to the Financing Documents), the Equity Participant, its subsidiaries or Affiliates have deposited or caused to be deposited with the Collateral Agent any amount required to be deposited as of such date pursuant to the Equity Contribution Agreement.

(i) The Borrower has timely filed (or applied for an extension relating to the same) all required income tax returns related to material Taxes, if any, and has paid all required Taxes due, if any, except for such Taxes being contested in good faith and for which the Borrower has established adequate reserves in accordance with GAAP, and except where failure to make such filing or payment as would not reasonably be expected to have a Material Adverse Effect. There is no stamp, registration or similar Tax under applicable law, as presently in effect, imposed, assessed, levied or collected by a Governmental Authority on or in relation to amounts payable pursuant to any Financing Document that is presently due other than as shall already have been paid or for which provision for payment shall already have been made.

(j) No Potential Event of Default or Event of Default has occurred and is continuing under this Agreement and no “Potential Event of Default” (as defined in the Indenture) or “Event of Default” (as defined in the Indenture) has occurred and is continuing under the Indenture.

(k) The Borrower has granted a security interest in the Project Accounts to the Collateral Agent pursuant to the terms of the Security Agreement. All Security Interests created under the Security Documents are valid, legally binding and, assuming the filing of financing statements and recordation of the Mortgages required to perfect such Security Interests, such Security Interests will be ranked as contemplated in the Financing Documents, and no Security Interest exists over the Borrower’s interest in the Project or any other Collateral or over any other of the Borrower’s revenues or assets other than Permitted Security Interests.

(l) There are no liabilities or claims against the Borrower under any Environmental Law with respect to the Project, except to the extent that noncompliance with such Environmental Laws, or such liabilities or claims under Environmental Laws, would not reasonably be expected to give rise to a Material Adverse Effect.

(m) The Borrower has no Indebtedness, except for Permitted Indebtedness.

(n) The Borrower owns, has a license or application to use, or otherwise has the right to use, free and clear of any liens (other than Permitted Security Interests), all the material patents, patent applications, trademarks, permits, service marks, names, trade secrets, proprietary information and knowledge, technology, computer programs, databases, copyrights, licenses, franchises and formulas, or rights with respect thereto, and has obtained assignments of all leases and other rights of whatever nature, in each case, that are required as of the Closing Date (and as of such other date on which this representation is required to be made pursuant to the Financing Documents) for the performance by it of its obligations under the Transaction Documents to which it is a party without any infringement upon the legal rights of others that would adversely affect the Borrower’s rights to the same or result in a Material Adverse Effect.

(o) To the knowledge of the Borrower, there are no Hazardous Materials on the Project, the presence of which would cause the Borrower to be in violation of any applicable laws, except where such violation would not reasonably be expected to have a Material Adverse Effect.

(p) No Bankruptcy Event has occurred and is continuing with respect to the Borrower.

(q) Subject to Section 6.31, the Security Documents are effective to create a legally valid and enforceable Security Interest in respect of the Collateral under such Security Documents, and all necessary recordings and filings will have been or will be recorded and filed on or promptly following the Closing Date, as and when required, and the Borrower has title to all material property, assets and revenues it purports to own subject to the Security Interests of the Security Documents, free and clear of all other Security Interests other than Permitted Security Interests, except where failure to have such title would not be reasonably likely to have a Material Adverse Effect. Subject to Section 6.31, on or promptly following the Closing Date, all necessary recordings and filings will have been or will be made such that the Security Interests created by such Security Documents will constitute valid and perfected Security Interests on the Collateral to the extent required under such Security Documents, subject only to Permitted Security Interests.

(r) Except to the extent a Transaction Document has been terminated and such termination does not violate Section 6.25 hereof, each Transaction Document that has been executed and delivered by the Borrower is in full force and effect as against the Borrower, and the Borrower is not in default under any Transaction Document to which the Borrower is a party, except as would not reasonably be expected to have a Material Adverse Effect.

(s) The Borrower is and has been since its date of formation a Special Purpose Entity created solely for the purpose of undertaking the acquisition, ownership, holding, marketing, operation, management, maintenance, repair, replacement, renovation, restoration, improvement, design, development, construction, financing and/or refinancing of an intercity passenger rail system and other facilities and activities related, supplemental or incidental to any of the foregoing, and engaging in any lawful act or activity and exercising any powers permitted to limited liability companies organized under the laws of the State of Delaware that are related or incidental to and necessary, convenient or advisable for the accomplishment of the above-mentioned purpose, and holds no equity or other ownership interest in any Person, other than DispatchCo. Without limiting the foregoing, the Borrower: (i) was duly formed, is validly existing and is in good standing in the state of its incorporation or formation and in all other jurisdictions where it is qualified to do business, except where the failure to be in good standing in such other jurisdictions would not reasonably be expected to have a Material Adverse Effect, (ii) has paid all taxes which it owes and, subject to Borrower's contest rights set forth in this Agreement, is not involved in any dispute with any taxing authority, except in each case where the failure to make such payment or where such dispute would not reasonably be expected to have a Material Adverse Effect, (iii) is not party to any lawsuit, arbitration, summons or legal proceeding that resulted in a judgment against it that has not been paid in full, except where the failure to pay such judgment would not reasonably be expected to have a Material Adverse Effect, (iv) has no liens of any nature against it except for prior liens which have been or will be

discharged as a result of the closing of the Series 2019A Loan as of the Closing Date and Permitted Security Interests, (v) has no material contingent or actual obligations not related to the Project or any Additional Project, (vi) does not and has not owned any real property other than with respect to the Project or any Additional Project, (vii) is not party to any contract or agreement with any of its Affiliates except upon terms and conditions that are commercially reasonable and substantially similar to those available in an arm's-length transaction with an unrelated party, in each case as reasonably determined by the Borrower in good faith, (viii) has paid all of its debts and liabilities that are not currently outstanding only from its own assets, (ix) has done or caused to be done all things necessary to observe all organizational formalities applicable to it and to preserve its separate existence, (x) has allocated fairly and reasonably any overhead expenses for any shared office space, services, property or assets, and (xi) has not had any of its obligations guaranteed by an Affiliate, except for guarantees that have been either released or discharged prior to December 19, 2017, and for immaterial obligations guaranteed or indemnified by Affiliates in the ordinary course of business.

(t) True and complete copies of all Transaction Documents that have been executed and delivered and remain in full force and effect have been delivered to the Collateral Agent.

(u) (1) None of the information in any agreement, document, certificate, exhibit, financial statement, book, record, material or report or other information furnished by or on behalf of the Borrower (A) in any Financing Documents, or (B) otherwise to the Issuer, the Trustee or the Collateral Agent with respect to the Project, when taken as a whole, contained any untrue statement of material fact or omitted to state a material fact necessary in order to make the statements contained therein not materially misleading as of the relevant date on which the same was provided in light of the circumstances in which such statements were made; and (2) any factual information provided by or on behalf of the Borrower in writing to the consultants for use in connection with any reports relating to the Project or provided to the Collateral Agent, was provided in good faith and, to the Borrower's knowledge, was accurate and correct in all material respects as of the date it was delivered; provided that with respect to the representations and warranties in this clause (u), no representation or warranty is made as to any forecasts, projections, opinions or other forward looking statements contained in any such agreement, document, certificate, exhibit, financial statement, book, record, material or report or other information, except that such forecasts, projections, opinions or other forward looking statements were prepared or made in good faith and represented, in the reasonable opinion of the Borrower, reasonable estimates at the time made of the future performance of the Borrower and the Project based on assumptions believed by the Borrower to be reasonable at such time (it being understood that projections are not to be considered or regarded as facts, contain significant uncertainties and contingencies, many of which are beyond the control of the Borrower and actual results may differ significantly from projections).

(v) The Borrower is not an "investment company," or a company "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940, as amended.

(w) All insurance required to be maintained by the Borrower under the Transaction Documents in effect has been obtained and is in full force and effect. All premiums due with respect thereto have been paid.

(x) No ERISA Event has occurred and is continuing or is reasonably expected to occur that, when taken together with all other such ERISA Events for which liability is reasonably expected to occur, would reasonably be expected to have a Material Adverse Effect.

(y) Neither the Borrower nor any ERISA Affiliate has incurred any withdrawal liability with respect to any Multiemployer Plan.

(z) Neither the Borrower nor any ERISA Affiliate has failed to satisfy the minimum funding requirements of Section 302 of ERISA or Section 412 of the Code with respect to any Pension Plan.

(aa) The representations and warranties of the Borrower set forth herein, in the other Financing Documents or in certificates of the Borrower delivered in connection therewith as of the date made are true and correct in all material respects, except to the extent that such representations or warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date. The Borrower understands that all such representations and warranties have been and will be relied upon as an inducement by the Issuer to issue the Series 2019A Bonds.

(bb) As of the Closing Date (after giving effect to the repayment of any Indebtedness on such date and the termination of any related Security Interests), the Equity Participant owns, directly or indirectly, 100% of the equity interests in the Borrower and each intermediate holding entity free and clear of all Security Interests other than the Security Interests granted under the Financing Documents, such equity interests have been duly and validly authorized and issued, and there are no outstanding options, warrants, calls or other rights to subscribe for or otherwise acquire any of such equity interests, except for any of such rights in favor of the Equity Participant set forth in the Organizational Documents.

(cc) As of the Closing Date, the Borrower is treated as a “disregarded entity” for U.S. federal income tax and Florida corporate income tax purposes.

(dd) As of the Closing Date, the Borrower has delivered a certificate to the Collateral Agent making the representations and warranties set forth in the forms of estoppel certificates approved by Underwriter’s Counsel as of the Closing Date to be delivered from each of the ROW Owners (as defined in Schedule 6.31) and not contained in any applicable estoppel certificates delivered by such ROW Owners on the Closing Date; provided that, to the extent such representations and warranties are made after the Closing Date by the applicable ROW Owners in any estoppel certificate delivered pursuant to item (9)(b) set forth in Schedule 6.31, such representations and warranties shall no longer be deemed made by (or required to have been made by) the Borrower in such certificate.

ARTICLE III ISSUANCE OF THE SERIES 2019A BONDS

Section 3.01 Agreement to Issue the Series 2019A Bonds; Loan of Proceeds.

The Issuer hereby agrees to issue, sell and deliver the Series 2019A Bonds in accordance with the terms of the Indenture to provide for the refunding of the Prior Bonds and the financing

and refinancing of a portion of the costs of the Project. Upon the terms and conditions of this Senior Loan Agreement and the Indenture, the Issuer hereby agrees to make the Series 2019A Loan to the Borrower on the Closing Date in an amount equal to the amount of the proceeds of the Series 2019A Bonds. As more particularly described in the Certificate Regarding Receipt and Application of Proceeds executed and delivered on this date by the Issuer, the Borrower, the Trustee and the Underwriter, the Trustee shall apply the proceeds received from the sale of the Series 2019A Bonds on the Closing Date as follows: (A) to the trustee for the Prior Bonds an amount sufficient, together with funds remitted to the trustee for the Prior Bonds pursuant to clause (C)(ii) of this paragraph below, to refund and redeem the Prior Bonds on the Closing Date; (B) to Siemens Financial Services, Inc. an amount sufficient to repay in full all of the Borrower's outstanding obligations under the Credit Agreement, dated as of July 10, 2018, between the Borrower and Siemens Financial Services, Inc., as administrative agent and lender; (C) to reimburse (or fund a deposit to the Funded Interest Account for later reimbursement to) the Borrower for internal advances of Project Costs incurred prior to the Closing Date, with such reimbursement to be applied by the Borrower to (i) fund costs of issuance and other closing costs associated with the Series 2019A Bonds, (ii) fund a portion of the redemption price of the Prior Bonds, (iii) fund a deposit to the Funded Interest Account in respect of the Series 2019A Bonds, (iv) fund a deposit to the Non-PABs Counties Equity Contribution Sub-Account of the Construction Account, (v) fund a deposit to the Main Operating Account and (vi) fund a deposit to the Ramp-Up Reserve Account; (D) to the Collateral Agent for deposit to the PABs Proceeds Sub-Account of the Construction Account to pay or reimburse a portion of the Project Costs; and (E) to the Trustee for deposit in the Funded Interest Account to fund capitalized interest and other interest on the Series 2019A Bonds, to the extent permitted by the Code and Treasury Regulations.

Section 3.02 Borrower to Provide Funds.

In the event that proceeds derived from the Series 2019A Loan, or any other available (or to be available) funds are not sufficient to refund the Prior Bonds and to finance, pay or reimburse a portion of the costs of the Project, to fund certain reserves and to pay or reimburse certain costs of issuance of the Bonds, as described in Section 3.01 hereof, the Borrower shall not be entitled to any reimbursement from the Trustee for the payment of such excess costs nor shall the Borrower be entitled to any abatement, diminution or postponement of its payments hereunder.

Section 3.03 Loan to Finance Project Costs.

The Borrower shall use the proceeds of the Series 2019A Loan to refund the Prior Bonds and to finance, pay or reimburse a portion of the Project Costs, to fund certain reserves, if any, and to pay or reimburse certain costs of issuance of the Bonds, as further described in Section 3.01. No proceeds of the Series 2019A Loan shall be used outside of the respective jurisdictions of the Series 2019A Counties.

Section 3.04 Security for Repayment of Loan.

Prior to or simultaneously with the delivery of this Senior Loan Agreement, the Borrower shall deliver the Security Documents (and, to the extent required to be delivered by the Security

Documents, the possessory Collateral) required to be delivered on the Closing Date pursuant to the Bond Purchase Agreement to the Collateral Agent as security for the payments and obligations of the Borrower hereunder.

Section 3.05 Limitation of Issuer's Liability.

THE SERIES 2019A BONDS ARE SPECIAL AND LIMITED OBLIGATIONS OF THE ISSUER, PAYABLE SOLELY FROM AND SECURED EXCLUSIVELY BY THE TRUST ESTATE ESTABLISHED UNDER THE INDENTURE, INCLUDING THE PAYMENTS TO BE MADE BY THE BORROWER UNDER THIS SENIOR LOAN AGREEMENT AND BY THE COLLATERAL. THE SERIES 2019A BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE STATE, THE SERIES 2019A COUNTIES OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE, WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE STATE, THE SERIES 2019A COUNTIES OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE, AND NEITHER THE FULL FAITH AND CREDIT OF THE ISSUER NOR THE FULL FAITH AND CREDIT OR THE TAXING POWER OF THE STATE, THE SERIES 2019A COUNTIES OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2019A BONDS. THE ISSUER HAS NO TAXING POWER.

No provision, covenant, or agreement contained in this Senior Loan Agreement, or any obligations herein imposed upon the Issuer, or the breach thereof, shall constitute an indebtedness or liability of the Issuer within the meaning of any State constitutional provision or statutory limitation or shall constitute or give rise to a pecuniary liability of the Issuer or any member, officer or agent of the Issuer or a charge against the Issuer's general credit. In making the agreements, provisions and covenants set forth in this Senior Loan Agreement, the Issuer has not obligated itself except with respect to the application of the payments, as hereinabove provided.

No recourse shall be had for the payment of principal of, or premium, if any, or interest on any of the Series 2019A Bonds or for any claim based thereon or upon any obligation, covenant or agreement in this Agreement contained, against any past, present or future officer, director, member, trustee, employee or agent of the Issuer or any officer, director, member, trustee, employee or agent of any successor entity, as such, either directly or through the Issuer or any successor entity, under any rule of law or equity, statute or constitution or by enforcement by any assessment or penalty or otherwise. The members of the Issuer, the officers and employees of the Issuer, or any other agents of the Issuer are not subject to personal liability or accountability by reason of any action authorized by the Act, including without limitation, the issuance of the Series 2019A Bonds, the failure to issue the Series 2019A Bonds, or the execution and delivery of the Series 2019A Bonds.

The Parties acknowledge that the Issuer will have no control over the application or use of the proceeds of the Series 2019A Loan or the Project. The Issuer does not by this Agreement or otherwise assume any obligation or affirmative duty to review, monitor, investigate, inspect or after the issuance of the Series 2019A Bonds, undertake any responsibility with respect to the

Project, any change in the Borrower entity, or the application of Series 2019A Loan proceeds by the Borrower.

Section 3.06 Compliance with Indenture.

The Borrower shall take all action required to be taken by the Borrower in the Indenture as if the Borrower were a party to the Indenture.

ARTICLE IV LOAN PROVISIONS

Section 4.01 Amounts Payable.

(a) (1) The Borrower hereby covenants and agrees to repay the Series 2019A Loan, as follows: on or before any Interest Payment Date for the Series 2019A Bonds or any other date that any payment of interest, principal, Purchase Price or Redemption Price on the Series 2019A Bonds is required to be made in respect of the Series 2019A Bonds pursuant to the Indenture, until the payment of interest, principal, Purchase Price or Redemption Price on the Series 2019A Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the Indenture, in immediately available funds, a sum which, together with any other moneys available for such payment in the applicable Account of the Debt Service Fund will enable the Trustee to pay to the Owners of the Series 2019A Bonds the amount due and payable on such date as interest, principal, Purchase Price or Redemption Price on the Series 2019A Bonds as provided in the Indenture.

(2) The Issuer hereby directs the Borrower and, subject to the Indenture or the Collateral Agency Agreement, as applicable, the Borrower hereby agrees to pay to the Trustee at the Designated Payment Office of the Trustee all payments payable by the Borrower in respect of the Series 2019A Loan pursuant to this subsection.

(b) The Borrower also shall pay to the Issuer the Issuer's reasonable administrative expenses in connection with the Series 2019A Bonds, and any other reasonable fees, costs and expenses incurred by the Issuer, its counsel or its financial advisor under the Indenture, this Senior Loan Agreement or any other Financing Document, as and when the same become due upon submission by the Issuer to the Borrower of a statement therefor. Without limiting the generality of the foregoing, the Borrower acknowledges that in the event of an examination, inquiry or related action by the Internal Revenue Service, SEC or any other Governmental Authority (having jurisdiction with respect to the Series 2019A Bonds or the Project) with respect to the Series 2019A Bonds or the exclusion of interest thereon from the gross income of the holders thereof for federal income tax purposes, the Issuer may be treated as the responsible party, and the Borrower agrees to respond promptly and thoroughly to the reasonable satisfaction of the Issuer, its counsel and its financial advisor to such examination, inquiry or related action on behalf of the Issuer, and shall pay all costs and expenses of the Issuer, its counsel and its financial advisor associated with such examination, inquiry or action, including without limitation, any and all costs, fees and expenses of the Issuer and its counsel. The Borrower shall indemnify and hold harmless the Issuer, its counsel and its financial advisor against any and all

costs, losses, claims, penalties, damages or liability of or resulting from such examination, inquiry or related action by the Internal Revenue Service.

(c) The Borrower also will pay the reasonable fees and expenses of the Trustee, including without limitation any fees or expenses incurred pursuant to Section 8.2(b) of the Indenture, and all other amounts which may be payable to the Trustee under the terms of the Indenture or in accordance with any contractual arrangement between the Borrower and the Trustee with respect thereto.

(d) The Borrower also shall pay to the Trustee for deposit to the Series 2019A Rebate Fund any amounts necessary to comply with Section 148 of the Code and the Treasury Regulations as provided in the Federal Tax Certificate. The Borrower agrees that this obligation of the Borrower shall survive the payment in full of the Series 2019A Bonds or the refunding and defeasance of the Series 2019A Bonds pursuant to the provisions of Article 11 of the Indenture.

(e) In the event that the Borrower should fail to make any of the payments required in this Section, the amount so in default shall continue as an obligation of the Borrower until the amount in default shall have been fully paid, and the Borrower agrees to pay the same with interest thereon, to the extent provided under the Indenture or under the fee agreement between the Borrower and the Trustee or as permitted by law, from the date when such payment was due, at a rate per year equal to the highest yield on any Outstanding Series 2019A Bonds.

(f) To the extent any moneys have been deposited by the Borrower, or on the Borrower's behalf, into any Account or subaccount of the Debt Service Fund for the purpose of paying interest on and principal of the Series 2019A Bonds when due, the Borrower's payment obligations pursuant this Section 4.01 with respect to the applicable Interest Payment, Principal Payment, mandatory tender or redemption of such Bonds will be deemed satisfied.

Section 4.02 Obligations of Borrower Unconditional.

The obligations of the Borrower to make the payments required in Section 4.01 hereof and to perform and observe the other agreements contained herein shall be absolute and unconditional and shall not be subject to any defense or any right of setoff, counterclaim or recoupment arising out of (a) any breach by the Issuer or the Trustee of any obligation to the Borrower, whether hereunder or otherwise, or (b) any indebtedness or liability at any time owing to the Borrower by the Issuer or the Trustee, and, until such time as the principal of, premium, if any, and interest on the Series 2019A Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the Indenture, the Borrower (1) will not suspend or discontinue any payments provided for in Section 4.01 hereof, (2) will perform and observe all other agreements contained in this Senior Loan Agreement and the Security Documents and (3) except as otherwise provided herein, will not terminate this Senior Loan Agreement or any of the Security Documents for any cause, or any failure of the Issuer or the Trustee to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Senior Loan Agreement. Nothing contained in this Section shall be construed to release the Issuer from the performance of any of the agreements on its part herein contained, and in the event the Issuer should fail to perform any such agreement on its part, the Borrower may institute such action against the Issuer as the

Borrower may deem necessary to compel performance so long as such action does not abrogate the obligations of the Borrower contained in the first sentence of this Section.

ARTICLE V PREPAYMENT, REDEMPTION AND CONVERSION

Section 5.01 Prepayment and Redemption.

The Borrower shall have the option to prepay its obligations hereunder at the times and in the amounts as necessary to cause the Issuer to redeem the Series 2019A Bonds in accordance with the terms of the Indenture and the Series 2019A Bonds. The Issuer, at the request of the Borrower, if applicable, shall forthwith take all steps (other than the payment of funds necessary to effect such redemption) necessary under the applicable redemption provisions of the Indenture to effect redemption of all or part of the Outstanding Series 2019A Bonds, as may be specified by the Borrower and required by the Indenture, on the date established for such redemption. Upon any such redemption in full and payment of all amounts required by Article 11 of the Indenture, this Agreement shall terminate as provided in Section 9.01 hereof.

Section 5.02 Conversion.

On the Mandatory Tender Date at the end of the initial Term Rate Period and any subsequent Term Rate Period, the Borrower may elect to convert all or a portion of the Series 2019A Bonds to bear interest at a new Term Rate for a new Term Rate Period or convert all or a portion of the Series 2019A Bonds to bear interest at a Fixed Rate, as set forth in the Indenture. The Issuer, at the prior written request of the Borrower, if applicable, shall forthwith take all steps necessary under the applicable provisions of the Indenture to effect such a conversion of all or a part of the Series 2019A Bonds, as may be specified by the Borrower.

ARTICLE VI SPECIAL COVENANTS

Section 6.01 Completion of the Project.

The Borrower shall use commercially reasonable efforts to pursue and complete the construction of the Project as described in the Limited Offering Memorandum.

The Borrower shall not abandon the Project, which abandonment shall be deemed to have occurred solely if the Borrower, without reasonable cause, (a) expressly declares in writing that it will not resume work on the Project or (b) fails to pursue the construction of the Project or fails to operate the Project for a period of ninety (90) consecutive days, which period shall be in addition to any period during which a Force Majeure Event shall have occurred and be continuing up to an additional ninety (90) consecutive days.

Section 6.02 Maintenance of Existence.

Throughout the term of this Senior Loan Agreement, other than in connection with a transfer permitted pursuant to Section 6.15 of this Agreement, the Borrower shall maintain (a) its legal existence as a limited liability company, (b) its good standing and qualification to do

business in the State and in every jurisdiction where such qualification is required by applicable law, except where the failure to so qualify would not reasonably be expected to have a Material Adverse Effect, and (c) all material rights, franchises, privileges and consents necessary for the maintenance of its existence and for the development, operation and maintenance of the Project, except to the extent the Borrower reasonably determines that the failure to maintain any such rights, franchises, privileges and consents would not reasonably be expected to result in a Material Adverse Effect.

Section 6.03 Operation and Maintenance of Project.

The Borrower shall operate and maintain the Project (or cause the same to be operated and maintained) in good working order and condition (ordinary wear and tear excepted) and otherwise in accordance with the Transaction Documents and make all necessary repairs, renewals and replacements with respect thereto that are necessary, in each case, to permit the Project to operate in accordance with Prudent Industry Practice, in accordance in all material respects with the Transaction Documents and in compliance in all material respects with applicable laws and Governmental Approvals material to the conduct of its business and the terms of the Insurance required under Section 6.04 hereof, except to the extent that the failure to do any of the foregoing would not reasonably be expected to have a Material Adverse Effect.

Notwithstanding the foregoing, the Borrower shall not initiate or consent to any Capital Project (other than the Project) or any Additional Project the cost of which would reasonably be expected to exceed, when aggregated with amounts for all other Capital Projects and Additional Projects undertaken in such Fiscal Year, \$50,000,000 (as such amount may be adjusted for increases in the Consumer Price Index that have occurred since the prior Fiscal Year), unless (a) such Capital Project or Additional Project is funded with the proceeds of Permitted Indebtedness and/or Additional Equity Contributions, (b) the Borrower certifies in its reasonable opinion that: (1) such Capital Project or Additional Project is not reasonably expected to result in a Material Adverse Effect, (2) such Capital Project or Additional Project is not expected to have a material adverse effect on the operation, performance, value or remaining useful life of the Project and the payment of the Bonds, and (3) adequate funds are and are expected to be available to complete construction of such Capital Project or Additional Project, or (c) such Capital Project or Additional Project is otherwise required by applicable Law.

Section 6.04 Insurance.

(a) The Borrower shall maintain or shall require its contractors to maintain Insurance that is required to be obtained by the Borrower and its contractors to satisfy the requirements set forth in **Attachment B** of this Agreement (such coverage to include provisions waiving subrogation against the Issuer, the Trustee, the Collateral Agent and all other Secured Parties, except in the case of Insurance for professional liability or workers' compensation). Such policies, to the extent they are commercial general liability policies, shall name the Collateral Agent, on behalf of the Secured Parties, as additional insured, and to the extent they are casualty policies, as loss payee as its interests may appear (pending any existing contractual overrides). Each Insurance policy required to be obtained by the Borrower shall require the insurer or insurance broker to endeavor to provide at least thirty (30) days (or such shorter period, if any, as

is available on a commercially reasonable basis) prior written notice of cancellation, termination or lapse in coverage by the insurer to the Trustee and the Collateral Agent.

(b) The Borrower shall not take, or fail to take, any action, which would result in any Insurance obtained by the Borrower, lapsing, becoming cancelled or otherwise being rendered void, voidable or ineffective and shall not cancel or vary any policy of Insurance required to be maintained by it in either case unless (i) this Agreement requires or permits otherwise or (ii) such Insurance is (prior to its cessation) replaced by Insurance that satisfies the insurance requirements set forth in **Attachment B** to this Agreement.

(c) Prior to expiration of any such policy or upon renewal, the Borrower shall furnish the Trustee and the Collateral Agent with evidence that the policy or certificate has been renewed or replaced in compliance with this Senior Loan Agreement or is no longer required by this Senior Loan Agreement.

(d) No later than ninety (90) days after the end of every third (3rd) Fiscal Year of the Borrower, starting with the Fiscal Year ending December 31, 2019, the Borrower shall cause an independent insurance agent, provider or consultant qualified to survey risks and to recommend insurance coverage for facilities and organizations engaged in like operations, to deliver a report to the Borrower, the Trustee and the Collateral Agent stating whether the Borrower is in compliance with the foregoing requirements as of the last day of such Fiscal Year and to make recommendations concerning insurance coverages maintained by the Borrower. The Borrower will promptly comply with the recommendations made in such report to the extent that the recommended coverage is available to the Borrower on commercially reasonable terms. The Borrower shall provide the Issuer with a copy of such report promptly upon the written request of the Issuer.

(e) In the event the Borrower shall fail to maintain, or cause to be maintained, the full Insurance coverage required by this Senior Loan Agreement, the Trustee or the Collateral Agent may (but shall be under no obligation to), after thirty (30) days written notice to the Borrower, contract for the required policies of Insurance and pay the premiums on the same; and the Borrower agrees to reimburse the Trustee and the Collateral Agent to the extent of the amounts so advanced by them or any of them with interest thereon at a rate per year equal to the highest yield on any Outstanding Series 2019A Bonds, from the date of advance to the date of reimbursement. In the event the Borrower shall fail to keep or cause to be kept the Project in good repair and good operating condition (ordinary wear and tear excepted), the Issuer, the Trustee or the Collateral Agent may (but shall be under no obligation to), after thirty (30) days written notice to the Borrower (except in the event of an emergency or if necessary to preserve Borrower's interest in any real estate), make any required repairs, renewals and replacements; provided, however, if any repairs, renewals or replacements are not susceptible of being completed within thirty (30) days, if Borrower commences such repairs, renewals and replacements within such 30-day period and diligently prosecutes such actions to completion thereafter, the Trustee or the Collateral Agent will not be entitled to make such required repairs, renewals and replacements, unless such actions are necessary in an emergency or to preserve Borrower's interest in any real estate and the Borrower agrees to reimburse the Trustee and the Collateral Agent to the extent of the amounts so advanced by them or any of them with interest thereon at a rate per year equal to the highest yield on any Outstanding Series 2019A Bonds,

from the date of advance to the date of reimbursement. Any amounts so advanced by the Trustee or the Collateral Agent shall become an additional obligation of the Borrower, shall be payable on demand, and shall be deemed a part of the obligations of the Borrower.

(f) The Borrower shall use commercially reasonable efforts to enforce the obligations of all providers of Insurance policies under the insurance policies issued to the Borrower or with respect to the Project as required pursuant to this Section 6.04 and shall use commercially reasonable efforts to enforce the obligations of all other parties to the Transaction Documents to maintain Insurance as required by the applicable Transaction Document.

Section 6.05 Accounts and Reporting.

(a) The Borrower shall keep proper records and books of accounts in which entries shall be made of its transactions in accordance with GAAP. Such records and books shall, to the extent permitted by Law, be subject to the inspection of the Issuer, the Collateral Agent and the Trustee or their respective representatives upon reasonable notice and at reasonable times during business hours, provided that absent an Event of Default the Borrower shall not be responsible for the cost of any such inspection in excess of once each year. The Borrower will permit the Issuer, the Collateral Agent and the Trustee, upon prior reasonable notice and at reasonable times, to take copies and extracts from such books, and records, and will from time to time furnish, or cause to be furnished, to the Issuer, the Collateral Agent and the Trustee such information and statements as the Issuer, the Collateral Agent or the Trustee may reasonably request, all as may be reasonably necessary for the purpose of determining performance or observance by the Borrower of its obligations under this Senior Loan Agreement. Nothing in this paragraph shall require the Borrower to disclose trade secrets, violate confidentiality or non-disclosure agreements, violate applicable law or waive attorney-client privilege.

(b) The Borrower shall deliver to the Collateral Agent and, upon request, to the Issuer copies of all reports of the Independent Engineer and updates to the Ridership and Revenue Report as attached to the Limited Offering Memorandum for the Project and similar reports by consultants other than the Independent Engineer received by the Borrower.

(c) The Borrower agrees to promptly furnish to the Collateral Agent notice of any amendments or modifications to the Financing Documents.

Section 6.06 Project Accounts.

The Borrower shall establish and maintain each Fund or Account, including the Project Accounts and other accounts required from time to time by the Financing Documents and shall not maintain or permit to be maintained any other accounts other than (i) accounts used exclusively as payroll and payroll tax accounts, workers' compensation and other employee wage and benefit payment and trust accounts, (ii) any special purpose account which holds only cash or securities collateral that is subject to a Permitted Security Interest and (iii) as otherwise permitted or contemplated in the Collateral Agency Agreement, the Indenture, or the other Financing Documents.

Section 6.07 Compliance with Laws.

The Borrower shall comply with, and shall ensure that the Project is operated in compliance with, all applicable Laws and Governmental Approvals, including Environmental Laws, as and when required, except, in each case, for any failure to comply which would not reasonably be expected to have a Material Adverse Effect.

Section 6.08 Use of Proceeds; Tax Covenant.

(a) Use of Proceeds. The Borrower shall use the proceeds of the Series 2019A Loan to refund the Prior Bonds, finance, pay or reimburse a portion of the costs of the Project, fund certain reserves, if any, and pay or reimburse certain costs of issuance of the Series 2019A Bonds, as further described in Section 3.01. No proceeds of the Series 2019A Loan shall be used outside of the respective jurisdictions of the Series 2019A Counties.

(b) Tax Covenant. The Borrower covenants for the benefit of the Issuer and the Owners of the Series 2019A Bonds that it will not take any action or omit to take any action with respect to the Series 2019A Bonds, the proceeds thereof, any other funds of the Borrower or any of the facilities financed with the proceeds of the Series 2019A Bonds if such action or omission would cause the interest on the Series 2019A Bonds to lose its excludability from gross income for federal income tax purposes under Section 103 of the Code. This paragraph (b) shall not apply to Taxable Bonds.

(c) The Borrower further covenants, represents and warrants that the procedures set forth in the Federal Tax Certificate implementing the covenant in paragraph (a) shall be complied with to the extent necessary to comply with the covenant in paragraph (b).

(d) The Borrower will apply a portion of the proceeds of the Series 2019A Bonds to finance, refinance or reimburse costs of the Project, but acknowledges and agrees that such proceeds shall only be used for such portions of the Project which are situated in the Series 2019A Counties. The Borrower may (i) only expend proceeds of the Series 2019A Bonds on portions of the Project that are located within the jurisdictional limits of the Series 2019A Counties; and (ii) not expend proceeds of the Series 2019A Bonds to acquire any building or facility that will be, during the term of the Series 2019A Bonds, used by, occupied by, leased to or paid for by any state, county or municipal agency or entity.

(e) Neither the Borrower nor its owners shall take any action to cause the Borrower to become treated as an association (or publicly traded partnership) taxable as a corporation for U.S. federal, state or local income tax purposes.

Section 6.09 Further Assurances and Corrective Instruments.

The Issuer and the Borrower agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the expressed intentions of this Senior Loan Agreement and the Indenture, including as may be reasonably necessary or desirable for establishing, maintaining, assuring, conveying, granting, assigning, securing, perfecting and confirming the pledge of the Trust Estate and the lien thereon as set forth in the Indenture and the Security Interests (whether now existing or hereafter arising) granted by or on behalf of the Borrower to the Collateral Agent for the benefit of the Secured

Parties, pursuant to the Security Documents, or intended so to be granted pursuant to the Security Documents, or which the Borrower may become bound to grant, and the subject of each such Security Interest will comply with the requirements under the Financing Documents and the Borrower's representations and warranties in Section 2.02 hereof.

Section 6.10 Issuer and Borrower Representatives.

Whenever under the provisions of this Senior Loan Agreement the approval of the Issuer or the Borrower is required or the Issuer or the Borrower is required to take some action at the request of the other, such approval or such request shall be given for the Issuer by an Issuer Representative and for the Borrower by a Responsible Officer of the Borrower and the Trustee and the Collateral Agent, as applicable, shall be permitted to rely on, and shall be protected in acting upon, such approval.

Section 6.11 Recording and Filing; Other Instruments.

The Borrower shall file and refile and record and re-record or shall cause to be filed and re-filed and recorded and re-recorded all instruments required to be filed and re-filed and recorded or re-recorded and shall continue and perfect or cause to be continued and perfected the Security Interests created by the Indenture and the Security Documents of such instruments for so long as any of the Series 2019A Bonds shall be Outstanding. The Issuer shall, upon the prior written request of the Borrower, execute and deliver all instruments and shall furnish all information and evidence deemed necessary or advisable in order to enable the Borrower to fulfill its obligations as provided in this Section 6.11 and the Security Documents.

Section 6.12 Approvals; Governmental Authorizations.

At all times, the Borrower shall obtain on a timely basis and thereafter maintain in full force and effect, or in the case of such permits as are required to be obtained by third parties, use reasonable efforts to cause such third parties to obtain and thereafter maintain in full force and effect, all Governmental Approvals necessary as and when necessary for the construction, use or operation of the Project, as applicable, or as and when required from and after the Closing Date to comply with its obligations under the Transaction Documents, except where the failure to obtain or maintain any such Governmental Approval would not reasonably be expected to have a Material Adverse Effect.

Section 6.13 Taxes.

(a) The Borrower shall pay as the same respectively become due, (i) all taxes, assessments, levies, claims and charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Project or the Borrower (including, without limiting the generality of the foregoing, any tax upon or with respect to the income or profits of the Borrower from the Project and that, if not paid, would become a charge on the payments to be made under this Senior Loan Agreement prior to or on a parity with the charge thereon created by the Indenture and the Security Documents and including ad valorem, sales and excise taxes, assessments and charges upon the Borrower's interest in the Project), (ii) all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Project, and (iii) all assessments and charges lawfully made by any governmental body for public

improvements that may be secured by the Project, except, in the case of each of (i), (ii) and (iii) above, to the extent that any such taxes, assessments, levies, claims or other charges are being contested pursuant to Section 6.11(b) below or the failure to pay any such tax, assessment, levy, claim or other charge would not reasonably be expected to have a Material Adverse Effect.

(b) The Borrower may, at its expense, contest in good faith any such levy, tax, assessment, claim or other charge, but the Borrower may permit the items otherwise required to be paid under Section 6.11(a) to remain undischarged and unsatisfied during the period of such contest related to such items and any appeal therefrom only if the Borrower shall provide to the Trustee and the Collateral Agent an Opinion of Counsel to the Borrower (who may be in-house counsel to the Borrower) that by non-payment of any such items, the rights of the Trustee or the Collateral Agent with respect to this Senior Loan Agreement created by the assignment under the Indenture and the Security Documents, as to the rights assigned under this Senior Loan Agreement or any part of the payments to be made under this Senior Loan Agreement will not be materially endangered, nor will the Project or any part thereof or any of the Collateral be subject to loss or forfeiture. If the Borrower is unable to deliver such an Opinion of Counsel, the Borrower shall promptly pay or bond or cause to be satisfied or discharged all such unpaid items or furnish, at the expense of the Borrower, indemnity satisfactory to the Trustee and the Collateral Agent; but provided further, that any tax, assessment, charge, levy or claim shall be paid forthwith upon the commencement of proceedings to foreclose any lien securing the same. The Issuer, the Trustee and the Collateral Agent, at the expense of the Borrower, will cooperate fully in any such permitted contest.

(c) If the Borrower shall fail to pay any of the items required to be paid by it pursuant to (a) above, the Issuer, the Collateral Agent or the Trustee may (but shall be under no obligation to) pay the same, and any amounts so advanced therefor by the Issuer, the Collateral Agent or the Trustee shall become an additional obligation of the Borrower to the one making the advancement of such amounts, together with interest thereon at a rate per year equal to the highest yield on any Outstanding Series 2019A Bonds, from the date of payment. The Borrower agrees to reimburse any such amounts on demand therefor.

(d) The Borrower shall furnish the Collateral Agent and the Trustee, upon reasonable written request, with proof of payment of any taxes, governmental charges, utility charges, insurance premiums or other charges required to be paid by the Borrower under this Senior Loan Agreement or any other Financing Document.

Section 6.14 Special Purpose Entity.

The Borrower has observed from its date of formation (except as otherwise specified below) and shall, from and after the Closing Date, comply with the following requirements whereby the Borrower shall:

(a) maintain its own separate books and records and maintain its own separate bank accounts from the date such bank accounts are established;

(b) at all times hold itself out to the public and all other Persons as a legal entity separate from any other Person (except for services rendered under a management, service,

operation or maintenance agreement with respect to the Project or any Additional Project, so long as the applicable party holds itself out as acting as an agent on behalf of the Borrower);

(c) file its own tax returns (except to the extent that the Borrower (i) is treated as a “disregarded entity” for tax purposes and is not required to file tax returns under applicable law or (ii) files a consolidated federal income tax return with another Person as may be permitted by applicable law);

(d) not commingle its assets or funds with assets or funds of any other Person;

(e) conduct its business in its own name or a trade name registered, licensed to or trademarked (or subject to an application for trademark) by the Borrower (except for services rendered under a management, service, operation or maintenance agreement, so long as the applicable party holds itself out as acting as an agent on behalf of the Borrower) and strictly comply with all organizational formalities necessary to maintain its separate existence;

(f) maintain separate financial statements, and, from and after December 19, 2017, if consolidated with financial statements of Affiliates, (i) include footnotes to the effect that the Borrower is a separate legal entity and that its assets and credit are not available to satisfy the debts, claims or other obligations of Affiliates or any other Person, and (ii) list the Borrower’s assets on a separate balance sheet within such consolidated financial statements;

(g) pay its own liabilities and expenses only out of its own funds (provided that there exists sufficient cash flow from the operation of the Project and any Additional Project to enable it to do so and, provided further, that no Person shall be required to make any direct or indirect additional capital contributions or loans to the Borrower);

(h) maintain an arm’s length relationship with its Affiliates and, except for capital contributions and capital distributions permitted under the terms and conditions of its organizational documents and properly reflected in its books and records, not enter into any transaction, contract or agreement with any general partner, member, shareholder, principal or Affiliate, except upon terms and conditions that are commercially reasonable and substantially similar to those that would be available on an arm’s-length basis with unaffiliated third parties, in each case, as reasonably determined by the Borrower in good faith;

(i) pay the salaries of its own employees and consultants, if any, only out of its own funds (provided that there exists sufficient cash flow from the operation of the Project and any Additional Project to enable it to do so and, provided further, that no Person shall be required to make any direct or indirect additional capital contributions or loans to the Borrower) and maintain (or contract with a management company for) a sufficient number of employees in light of its contemplated business operation;

(j) from and after December 19, 2017, not hold out its credit or assets as being available to satisfy the obligations of any other Person;

(k) allocate fairly and reasonably any overhead for any shared office space, services, property or assets;

(l) use, to the extent reasonably necessary in the operation of its business, separate stationery, invoices, and checks bearing its own name or a trade name registered, licensed to or trademarked (or subject to an application for trademark) by the Borrower and not bearing the name of any other entity unless such entity is clearly designated as being the Borrower's agent;

(m) from and after December 19, 2017, not pledge its assets or credit for the benefit of any affiliate of the Borrower;

(n) correct any known misunderstanding regarding its separate identity;

(o) intend to maintain adequate capital in light of its contemplated business purpose, transactions, and liabilities, provided that there exists sufficient cash flow from the operation of the Project and any Additional Project to enable it to do so and, provided further, that no Person shall be required to make any direct or indirect additional capital contributions or loans to the Borrower;

(p) keep minutes of meetings of the Board of Managers of the Borrower and observe all other formalities of Delaware limited liability companies necessary to maintain its separate existence, and the Borrower will not, nor will the Borrower permit any constituent party to amend, modify or otherwise change the organizational documents of the Borrower or such constituent party in any manner inconsistent with the covenants set forth in this Section 6.14;

(q) from and after December 19, 2017, not acquire or hold any securities or evidence of indebtedness in any Affiliate or any other Person, other than Permitted Investments;

(r) from and after December 19, 2017, not acquire or hold direct ownership interests in any Affiliate or any other Person, other than DispatchCo;

(s) cause its managers, officers, agents, and other representatives to act at all times, with respect to the Borrower, consistently and in furtherance of the foregoing and in the best interests of the Borrower;

(t) be a limited liability company or, to the extent permitted pursuant to Section 6.16, corporation organized in the State of Delaware that, from and after December 19, 2017, has (i) at least one (1) Independent Manager and has not caused or allowed and will not cause or allow the manager of such entity to take any voluntary Major Action unless the Independent Manager shall have participated in such vote and (ii) at least one springing member that will become the member of such entity upon the dissolution of the existing member;

(u) (i) not enter into any line of business other than the acquisition, ownership, holding, marketing, operation, management, maintenance, repair, replacement, renovation, restoration, improvement, design, development, construction, financing and/or the refinancing of an intercity passenger rail system and other facilities and activities related, supplemental or incidental to any of the foregoing (collectively, the "Permitted Activities") or undertake or participate in activities other than the Permitted Activities or terminate such business for any reason whatsoever and (ii) from and after December 19, 2017, not acquire any property or assets not used or useful in Permitted Activities;

(v) from and after December 19, 2017, not merge into or consolidate with any Person, or, to the fullest extent permitted by law, dissolve, terminate, liquidate in whole or in part, transfer or otherwise dispose of all or substantially all of its assets, other than in connection with a transfer permitted pursuant to Section 6.16 of this Agreement, or change its legal structure (which for the avoidance of doubt, shall not be deemed to include changes in the legal structure of any direct or indirect member, partner or Affiliate of the Borrower, including through the addition or removal of entities in the legal structure for the purpose of forming or collapsing a holding entity structure, to the extent such changes are not otherwise prohibited by this Agreement);

(w) once established, not permit any Affiliate or constituent party independent access to its bank accounts other than any manager acting pursuant to a management, service, operation or maintenance agreement, solely in its capacity as the Borrower's agent under such agreement, and solely for the legitimate business purposes of the Borrower;

(x) not maintain its assets in such a manner that it will be costly or difficult to segregate, ascertain or identify its individual assets from those of any other Person;

(y) not make any loans or advances to any Person (other than deposits, prepayments or advances to third parties in the ordinary course of business, including, without limitation, payments to contractors, subcontractors, suppliers or service providers in the ordinary course of business);

(z) except with respect to immaterial obligations guaranteed or indemnified by Affiliates in the ordinary course of business on or prior to December 19, 2017, not have any of its obligations guaranteed by an Affiliate; and

(aa) to the fullest extent permitted by law, not seek or effect, or permit any constituent party to seek or effect, the liquidation, dissolution, winding up, liquidation, consolidation or merger, in whole or in part, of the Borrower into another entity or transfer all or substantially all of its assets.

Section 6.15 Organizational Documents. The Borrower shall comply with the terms and provisions of its Organizational Documents and shall not amend, alter, change or repeal the Special Purpose Provisions (as defined in the Organizational Documents) in any material respect adverse to the Issuer or the Collateral Agent, or permit the Special Purpose Provisions to be amended, altered, changed or repealed, in any material respect adverse to the Issuer or the Collateral Agent, in each case, without the prior written consent of the Collateral Agent.

Section 6.16 Limitation on Fundamental Changes; Sale of Assets, Etc.

(a) The Borrower shall not merge, consolidate or amalgamate unless the surviving entity is the Borrower, or enter into any demerger, reconstruction, partnership, profit-sharing or any analogous arrangement.

(b) The Borrower shall not (i) liquidate, dissolve or wind-up; (ii) convey, sell, lease, assign, transfer or otherwise dispose of all or substantially all of its property, business or assets,

or (iii) take any action that would result in the liquidation, dissolution or winding-up of the Borrower.

(c) The Borrower shall not sell, assign or dispose of or direct the Collateral Agent, as applicable, to sell, assign or dispose of, any material assets of the Project in excess of \$10,000,000 per year except for Permitted Sales and Dispositions.

Notwithstanding the foregoing, the Borrower may merge, consolidate or amalgamate with another Person or convey, sell, assign, transfer or otherwise dispose of all or substantially all of its property, business or assets to another Person so long as (x) such Person (the “Successor Borrower”) is an entity organized or existing under the laws of the State of Delaware, (y) the Successor Borrower expressly assumes all of the obligations of the Borrower under this Agreement and the other Financing Documents pursuant to documents and in a manner reasonably satisfactory to the Trustee and the Collateral Agent and (z) such transaction does not otherwise involve a Change of Control. If the foregoing conditions under clauses (x), (y) and (z) are satisfied, the Successor Borrower shall become the “Borrower” hereunder and under each of the other Financing Documents and will succeed to, and be substituted for, the Borrower under this Agreement and the other Financing Documents.

Any assets sold or otherwise disposed of in a Permitted Sales and Disposition that constitutes a transfer of ownership, shall be sold free and clear of the Security Interest in favor of the Collateral Agent, which Security Interest shall be automatically released upon the consummation of such sale or other disposition. The Collateral Agent and the Trustee shall deliver such documents and instruments as the Borrower may request, including any subordination and non-disturbance agreements and reciprocal easement agreements, to evidence such release (or, at the Borrower’s request, subordination of the Collateral Agent’s security interest).

Section 6.17 Limitation on Indebtedness.

The Borrower shall not create, incur or assume any Indebtedness other than Permitted Indebtedness.

Section 6.18 Permitted Investments.

The Borrower shall not make or direct the Trustee or the Collateral Agent to make any investments of moneys credited to any of the Funds or Accounts other than Permitted Investments (as defined in the Indenture and the Collateral Agency Agreement, as applicable, as of the Closing Date) and under no circumstances shall the Trustee be required to make a determination as to whether an investment is a Permitted Investment (as defined in the Indenture and the Collateral Agency Agreement, as applicable, as of the Closing Date); provided that this Section 6.18 shall not prohibit or otherwise restrict the Borrower from making, or directing the Collateral Agent or the Trustee to make, deposits, prepayments or advance payments in the ordinary course of business with funds withdrawn from any Fund or Account, including, without limitation, payments to contractors, subcontractors, vendors, suppliers or service providers in the ordinary course of business.

Section 6.19 [Reserved].

Section 6.20 Change in Name, Place of Business or Fiscal Year.

The Borrower shall not, at any time:

- (a) change its name, jurisdiction of formation, or principal place of business without giving the Trustee and the Collateral Agent at least fifteen (15) days prior written notice; or
- (b) change its Fiscal Year without prior notice sent to the Trustee and the Collateral Agent at least thirty (30) days prior to such change.

Section 6.21 Negative Pledge.

The Borrower shall not create, incur, assume or permit to exist any Security Interest on any property or asset, including its revenues (including accounts receivable) or rights in respect of any thereof, now owned or hereafter acquired by it, except Permitted Security Interests.

Section 6.22 Access to the Project.

The Borrower shall give the Trustee, the Collateral Agent and their respective consultants and representatives access to the Project, at the sole cost of such Persons, at any reasonable time during regular business hours and as often as may reasonably be requested, and, upon reasonable prior notice to the Borrower, in each case during official business hours and in a manner that cannot reasonably be expected materially to interfere with or disrupt the performance by the Borrower or any other party of its obligations with respect to the construction and operation of the Project, and permit the Trustee, the Collateral Agent and their respective consultants and representatives to discuss the Project and the business, accounts, operations, properties and financial and other conditions of the Borrower with officers of the Borrower and to witness (but not cause) the performance and other tests conducted pursuant to any Material Project Contract, subject to all applicable confidentiality undertakings. The Borrower shall offer all reasonable assistance to such Persons in connection with any such visit. Upon the occurrence and during the continuance of a Potential Event of Default or an Event of Default, if the Trustee or the Collateral Agent requests that any of its consultants or representatives be permitted to make such visit, the reasonable fees and expenses of the Trustee, the Collateral Agent and their respective consultants and representatives in connection with such visit shall be paid by the Borrower at its sole expense. Nothing in this section shall require the Borrower to disclose trade secrets, violate confidentiality or non-disclosure agreements, violate applicable law or waive attorney-client privilege.

Section 6.23 Nationally Recognized Rating Agencies.

- (a) The Borrower shall use commercially reasonable efforts to cooperate with each Nationally Recognized Rating Agency then rating the Series 2019A Bonds, if any, and, if applicable, any Additional Parity Bonds, in connection with any review which may be undertaken by such Nationally Recognized Rating Agency.
- (b) The Borrower shall deliver to the Issuer and the Trustee copies of any reports or ratings on the Series 2019A Bonds or, if applicable, any Additional Parity Bonds, from any Nationally Recognized Rating Agency.

(c) The Borrower shall enter into and comply with reasonable and customary “ratings surveillance” agreements with any Nationally Recognized Rating Agency then rating the Series 2019A Bonds, if any, and, if applicable, any Additional Parity Bonds.

Section 6.24 Continuing Disclosure. The Borrower hereby covenants and agrees to comply with the continuing disclosure requirements promulgated under Rule 15c2-12, as it may from time to time hereafter be amended or supplemented, in accordance with the provisions of the continuing disclosure undertaking delivered by the Borrower in connection with the issuance of the Series 2019A Bonds. Failure of the Borrower to comply with the requirements of Rule 15c2-12, as amended or supplemented, shall not be an Event of Default hereunder. The Borrower acknowledges and agrees that the Issuer shall have no liability with respect to these obligations.

Section 6.25 Material Project Contracts. The Borrower will perform all of its obligations and enforce all of its rights under each Material Project Contract, except to the extent that failure to perform its obligations or enforce such rights would not reasonably be expected to have a Material Adverse Effect. The Borrower shall not amend or waive in any material respect or terminate or assign any Material Project Contract without the prior written confirmation from the Independent Engineer to the effect that such amendment, waiver, termination or assignment would not reasonably be expected to have a Material Adverse Effect; provided that, without such confirmation, (a) the Borrower may enter into change orders under any Material Project Contract if either (i) such change will not, together with all prior change orders, require the additional payment (net of any decreases resulting from such change order or prior change orders) by the Borrower in excess of, in the aggregate, \$200,000,000 or (ii) such change order will be funded from any combination of Additional Parity Bonds, Additional Equity Contributions, Permitted Additional Senior Indebtedness or Permitted Subordinated Indebtedness; and (b) the Borrower may amend, waive or terminate any Material Project Contract if such amendment, modification, waiver or termination would not reasonably be expected to have a Material Adverse Effect.

Section 6.26 No Distributions. The Borrower will not declare or pay dividends or make any distributions, except in accordance with the Flow of Funds set forth in the Collateral Agency Agreement as in effect on the Closing Date; provided that this restriction shall not be deemed to preclude the Borrower from paying Project Costs or making any O&M Expenditures.

Section 6.27 Independent Engineer. The Borrower shall retain an Independent Engineer in order to satisfy all requirements of the Financing Documents pertaining to the Independent Engineer.

Section 6.28 Hazardous Materials. The Borrower shall not cause any releases of Hazardous Materials at the Project site that would be reasonably likely to result in an environmental claim against the Borrower or the Project, other than those environmental claims that, individually or in the aggregate, would not be reasonably expected to result in a Material Adverse Effect.

Section 6.29 Collateral Assignment of Material Project Contracts.

The Borrower acknowledges that it has collaterally assigned all of its right, title and interest in and to each Material Project Contract to which it is a party to the Collateral Agent pursuant to the Security Agreement. The Borrower covenants and agrees that, to the extent that it enters into any Material Project Contract after the Closing Date, then with respect to such Material Project Contract, the Borrower shall use reasonable good faith efforts to require each party to any such Material Project Contract to execute and deliver to the Collateral Agent an acknowledgment of the collateral assignment, containing substantially the same language or language to similar effect, as set forth on Schedule 6.29.

Section 6.30 Major Maintenance Plan.

Not later than December 31, 2020, and not later than December 31 of each year thereafter, the Borrower shall submit the Major Maintenance Plan to the Collateral Agent. The Borrower will provide a copy to the Issuer upon written request of the Issuer.

Section 6.31 Post-Closing Requirement. The Borrower shall take the actions set forth on Schedule 6.31 (the “Post-Closing Actions”) within the time periods specified therein; provided that the failure to complete any Post-Closing Action by the applicable date specified in Schedule 6.31 shall not constitute an Event of Default or a Potential Event of Default under this Senior Loan Agreement so long as the Borrower is diligently pursuing the completion of such Post-Closing Action; provided, however, that despite the Borrower’s diligent pursuit of the completion of items (1), (2), (3), (4), (5), (6), (7) and (12) of the list of Post-Closing Actions, the failure of the Borrower to complete items (1), (2), (3), (4), (5), (6), (7) or (12) of the list of Post-Closing Actions by the Phase 2 Revenue Service Commencement Deadline shall constitute an Event of Default under this Senior Loan Agreement.

ARTICLE VII ASSIGNMENT; INDEMNIFICATION

Section 7.01 Assignment.

Except as expressly contemplated herein, in the Indenture and in the Security Documents, neither the Borrower nor the Issuer may assign its interest in this Senior Loan Agreement. In the event of any permitted assignment of its interest in this Senior Loan Agreement by the Issuer, the Issuer (solely for this purpose as a non-fiduciary agent on behalf of the Borrower) shall maintain or cause to be maintained a register for interests in this Senior Loan Agreement in which it shall register the issuance and transfer of such interests. All transfers of such interests shall be recorded on the register maintained by the Issuer or its agent, the register shall be conclusive absent manifest error, and the parties hereto shall regard the registered holder of such interests as the actual owner thereof for all purposes. To the extent that a particular permitted assignment by the Issuer is expressly identified in this Senior Loan Agreement or the Indenture, as the same may be amended, respectively, this Senior Loan Agreement or the Indenture may constitute a register for the purposes of this Section 7.01.

Section 7.02 Release and Indemnification Covenants.

(a) The Borrower shall and hereby agrees to indemnify, defend, hold harmless and save the Issuer, the Trustee, and the members, servants, officers, counsel to the Issuer,

employees, advisors and other agents, now or hereafter, of the Issuer or the Trustee (each an “indemnified party”) harmless against and from all claims, demands, suits, actions or proceedings whatsoever by or on behalf of any Person arising from or purporting to arise from this Senior Loan Agreement, the Indenture, the Series 2019A Bonds, the other Financing Documents, or the transactions contemplated thereby, including without limitation, (1) any condition of the Project or the Borrower’s operation of the Project, (2) any breach or default on the part of the Borrower in the performance of any of its obligations under this Senior Loan Agreement, including, without limitation, the Borrower’s payment obligations with respect to the Series 2019A Loan as set forth in Section 4.01 hereof, (3) any act or negligence of the Borrower or of any of its agents, contractors, servants, employees or licensees, (4) any act or negligence of any assignee or lessee of the Borrower, or of any agents, contractors, servants, employees or licensees of any assignee or lessee of the Borrower, or (5) the Issuer’s authorization, approval or execution of the Series 2019A Bonds, the Financing Documents or any other documents, opinions, certificates or agreements executed in connection with the transactions contemplated by this Senior Loan Agreement, the Indenture, the Series 2019A Bonds or the transactions contemplated thereby. The Borrower shall indemnify and save the Issuer, the Trustee, and the members, servants, officers, counsel to the Issuer, employees, advisors and other agents, now or hereafter, of the Issuer or the Trustee harmless from any such claim, demand, suit, action or other proceeding whatsoever arising as aforesaid and upon notice from the Issuer or the Trustee, the Borrower shall defend such parties, as applicable, in any such action or proceeding.

(b) The Issuer and the Trustee, each separately agree that, upon the receipt of notice of the commencement of any action against the Issuer or the Trustee or their respective members, servants, officers, counsel to the Issuer, employees, advisors and other agents, now or hereafter, as applicable, or any Person controlling it as aforesaid, in respect of which indemnity, costs, expenses or defense may be sought on account of any agreement contained herein, the Issuer or the Trustee, as applicable, will promptly give written notice of the commencement thereof to the Borrower, but the failure so to notify the Borrower of any such action shall not relieve the Borrower from any liability hereunder to the extent it is not materially prejudiced as a result of such failure to notify and in any event shall not relieve it from any liability which it may have to the indemnified party otherwise than on account of such indemnity agreement. In case such notice of any such action shall be so given, the Borrower shall be entitled to participate at its own expense in the defense or, if it so elects, to assume the defense of such action, in which event such defense shall be conducted by counsel chosen by the Borrower and reasonably satisfactory to the indemnified party or parties who shall be defendant or defendants in such action, and such defendant or defendants shall bear the fees and expenses of any additional counsel retained by them; but if the Borrower shall elect not to assume the defense of such action, the Borrower will reimburse such indemnified party or parties for the reasonable fees and expenses of any counsel retained by them; provided, however, if the defendants in any such action (including impleaded parties) include both the indemnified party and the Borrower and counsel for the Borrower shall have reasonably concluded that there may be a conflict of interest involved in the representation by a single counsel of both the Borrower and the indemnified parties, the indemnified party or parties shall have the right to select separate counsel, at the Borrower’s expense and satisfactory to the Borrower, to participate in the defense of such action on behalf of such indemnified party or parties (it being understood, however, that the Borrower shall not be liable for the expenses of more than one separate counsel (in addition to local counsel) representing the indemnified parties who are parties to such action).

(c) Without the consent of the Borrower neither the Trustee nor the Issuer shall settle, compromise or consent to the entry of any judgment in any claim in respect of which indemnification may be sought under the indemnification provision of this Senior Loan Agreement, unless such settlement, compromise or consent (1) includes an unconditional release of such other applicable party from all liability arising out of such claim and (2) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of such other applicable party.

(d) Notwithstanding anything to the contrary contained herein, the Borrower shall have no liability to indemnify the Trustee against claims or damages resulting from such parties' own gross negligence or willful misconduct, or the Issuer against claims or damages resulting from such parties' own willful misconduct.

(e) The indemnification obligation of the Borrower under this Section 7.02 shall survive the termination of this Senior Loan Agreement.

ARTICLE VIII EVENTS OF DEFAULTS AND REMEDIES

Section 8.01 Events of Default Defined.

Any one or more of the following events shall constitute "Events of Default" under this Senior Loan Agreement:

(a) Failure by the Borrower to pay any amount required to be paid under Section 4.01(a) hereof and, solely in the case of any such failure to pay interest, such failure is not remedied within five (5) Business Days after the applicable due date; or failure by the Borrower to pay any other amount required to be paid hereunder, which failure is not remedied within ten (10) days after notice in writing thereof is given by the Issuer or the Trustee to the Borrower;

(b) Failure by the Borrower to observe and perform in any material respect any covenant, condition or agreement on its part to be observed or performed under this Senior Loan Agreement, the Indenture or any other Financing Document, other than as covered by another provision of this Section 8.01 and other than failure to observe or perform the covenants set forth in Section 6.24 and the Continuing Disclosure Agreement, and such non-compliance shall remain unremedied for a period of sixty (60) days after the earlier of (1) written notice specifying such failure shall have been given to the Trustee by the Borrower, or (2) written notice specifying such failure and requesting that it be remedied shall have been given to the Borrower by the Trustee or the Issuer, or such longer period as is reasonably necessary under the circumstances to remedy such failure, such extension not to exceed one hundred twenty (120) days without prior written approval by the Trustee acting at the direction of the Majority Holders delivered by the Trustee pursuant to Section 10.4 of the Indenture;

(c) The occurrence of a Bankruptcy Event with respect to the Borrower;

(d) Any of the representations, warranties or certifications of the Borrower made in or delivered pursuant to any Financing Document, including this Senior Loan Agreement, shall prove to have been incorrect when made and a Material Adverse Effect would reasonably be

expected to result therefrom, unless such misrepresentation is capable of being cured and is cured within thirty (30) days after the Borrower's receipt of written notice from the Trustee of such misrepresentation;

(e) An "Event of Default" occurs under Section 7.1(a) or 7.1(b) of the Indenture or any payment default occurs under any agreement or instrument involving any other Senior Indebtedness having a principal amount in excess of \$60,000,000 (such amount to be adjusted annually by an increase in the Consumer Price Index) (after giving effect to any applicable grace periods and any extensions thereof);

(f) An "Event of Default" occurs under Section 7.1 of the Indenture or an event of default occurs under any agreement or instrument governing any other Senior Indebtedness with a principal amount in excess of \$60,000,000 (such amount to be adjusted annually by the increase in the Consumer Price Index from the prior year), in each case other than as described in clause (e) immediately above, beyond the grace period, if any, provided, but only where such Event of Default under Section 7.1 of the Indenture results in an acceleration of the Bonds then Outstanding under the Indenture or such event of default in respect of other Senior Indebtedness results in the holder or holders of such other Senior Indebtedness causing such Senior Indebtedness to become due prior to its stated maturity;

(g) A non-appealable final judgment (to the extent such judgment is not paid or covered by insurance), which judgment in combination with all other such judgments is for an amount in excess of \$60,000,000 (such amount to be adjusted annually by the increase in the Consumer Price Index from the prior year), shall have been entered against the Borrower and, in the event such judgment is not covered by insurance, the same shall remain unsatisfied without any procurement of a stay of execution for a period of sixty (60) consecutive days after such judgment has become final;

(h) Any Security Document ceases, except in accordance with its terms or as expressly permitted under the Financing Documents, to be effective to grant a perfected Security Interest on any portion of the Collateral exceeding \$50,000,000 in fair market value, other than as a result of actions or failure to act by the Trustee, the Collateral Agent or any other Secured Party;

(i) The Borrower fails to comply with its obligations under Section 6.01;

(j) Any Insurance required under Section 6.04 and the other Financing Documents is not, or ceases to be, in full force and effect at any time when it is required to be in effect and such failure continues for a period of ten (10) Business Days, unless such insurance is (prior to its cessation) replaced by insurance on substantially similar terms and as evidenced by a certificate from a nationally recognized insurance broker confirming the same, which shall be sent to the Issuer and the Trustee;

(k) An ERISA Event has occurred which, when taken together with all other such ERISA Events for which liability is reasonably expected to occur, would reasonably be expected to result in a Material Adverse Effect; or

(l) Any event that constitutes a Change of Control has occurred,

Section 8.02 Remedies on Event of Default.

Whenever any Event of Default hereunder shall have occurred and be continuing, the Trustee shall have the right to, in conjunction with its available remedies under the Indenture, take one or any combination of the following remedial steps, by notice to the Borrower and the Collateral Agent:

(a) Declare that all or any part of any amount outstanding under this Senior Loan Agreement is (1) immediately due and payable, and/or (2) payable on demand by the Trustee, and any such notice shall take effect in accordance with its terms but only if all amounts payable with respect to the Outstanding Series 2019A Bonds are being accelerated pursuant to Section 7.2(c) of the Indenture, or if all of the Outstanding Series 2019A Bonds are being defeased pursuant to Article 11 of the Indenture or otherwise paid in full; provided that, upon the occurrence of an Event of Default under Section 8.1(c), all principal of, and accrued interest on the Series 2019A Loan shall be immediately due and payable without any presentment, demand or notice from any Person;

(b) Pursuant to the terms of any Security Document, direct the Collateral Agent or other applicable Secured Party to take or cause to be taken any and all actions necessary to implement any available remedies with respect to the Collateral under any of the Security Documents;

(c) Have reasonable access to and inspect, examine and make copies of the books and records and any and all accounts, data and income tax and other tax returns of the Borrower during regular business hours of the Borrower and following prior reasonable notice; or

(d) Take on behalf of the Owners whatever other action at law or in equity as may appear necessary or desirable to collect the amounts then due and thereafter to become due, or to enforce performance and observance of any obligations, agreement or covenant of the Borrower under this Senior Loan Agreement or the rights of the Owners.

Any amounts collected pursuant to action taken under this Section and the Security Documents paid to the Trustee shall be applied in accordance with Section 7.3 of the Indenture.

Any rights and remedies as are given to the Issuer under this Senior Loan Agreement will also extend to the Owners of the Series 2019A Bonds, and the Trustee, subject to the provisions of the Indenture, will be entitled to the benefit of all covenants and agreements contained in this Senior Loan Agreement, subject to the terms of the Security Documents.

In case proceedings shall be pending for the bankruptcy or for the reorganization of the Borrower under the federal bankruptcy laws or any other applicable law, or in case a receiver or trustee shall have been appointed for the property of the Borrower or in the case of any other similar judicial proceedings relative to the Borrower, or the creditors or property of the Borrower, then the Trustee shall be entitled and empowered, by intervention in such proceedings or otherwise, to file and prove a claim or claims for the whole amount owing and unpaid pursuant to this Agreement and, in case of any judicial proceedings, to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee allowed in such judicial proceedings relative to the Borrower, its creditors or its

property, and to collect and receive any moneys or other property payable or deliverable on any such claims, and to distribute such amounts as provided in the Indenture after the deduction of its reasonable charges and expenses to the extent permitted by the Indenture. Any receiver, assignee or trustee in bankruptcy or reorganization is hereby authorized to make such payments to the Trustee, and to pay to the Trustee any amount due it for reasonable compensation and expenses, including reasonable expenses and fees of counsel incurred by it up to the date of such distribution.

Section 8.03 [Reserved].

Section 8.04 Rescission and Waiver.

(a) The Trustee shall rescind any acceleration and its consequences immediately after the acceleration of the Series 2019A Bonds has been rescinded in accordance with the Indenture.

(b) The Trustee shall waive any Event of Default immediately after any such Event of Default has been waived in accordance with the Indenture.

(c) The Trustee shall have the right to, but shall be under no obligation to (except with respect to clauses (a) and (b) of this Section 8.04), waive any other Event of Default at any time.

(d) In case of any such waiver or rescission, then and in every such case the Issuer, the Trustee and the Borrower shall be restored to their former positions and rights, but no such waiver shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

Section 8.05 No Remedy Exclusive.

Subject to Section 7.2 of the Indenture, no remedy hereunder is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Senior Loan Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer or the Trustee to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be required by law or in this Article. Any such rights and remedies as are given to the Issuer hereunder shall also extend to the Owners of the Series 2019A Bonds, and the Trustee, subject to the provisions of the Indenture, shall be entitled to the benefit of all covenants and agreements herein contained, subject to the terms of the Security Documents.

Section 8.06 Agreement to Pay Attorneys' Fees and Expenses.

Following the occurrence and during the continuance of an Event of Default, if the Issuer shall employ attorneys or financial advisors or incur other expenses for the collection of payments required hereunder or the enforcement of performance or observance of any obligation or agreement on the part of the Borrower herein contained, the Borrower agrees that it will

within thirty (30) days of request therefor pay to the Issuer the reasonable fees of such attorneys and such other reasonable and documented expenses so incurred by the Issuer in connection with the same. This Section shall continue in full force and effect, notwithstanding the full payment of all obligations under this Agreement or the termination of this Agreement for any reason.

Following the occurrence and during the continuance of an Event of Default, the Trustee may, at the Borrower's reasonable and documented costs and expense, employ or retain such counsel, accountants, appraisers or other experts or advisers as it may reasonably require for the purpose of determining and discharging its rights and duties hereunder and, in the absence of the Trustee's gross negligence, bad faith or willful misconduct in employing or retaining any such counsel, accountants, appraisers, experts or advisers, may act and rely and shall be protected in acting and relying in good faith on the opinion or advice of or information obtained from any counsel, accountant, appraiser or other expert or advisor, whether retained or employed by the Borrower or by the Trustee, in relation to any matter arising in the administration hereof, and shall not be responsible for any act or omission on the part of any of them. In addition, the Trustee shall not be liable for any acts or omissions of its nominees, correspondents, designees, agents, subagents or subcustodians appointed with due care.

Section 8.07 No Additional Waiver Implied by One Waiver.

In the event any agreement contained in this Senior Loan Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

ARTICLE IX MISCELLANEOUS

Section 9.01 Term of Agreement.

Except to the extent otherwise provided herein, this Senior Loan Agreement shall be effective upon its execution and delivery and shall expire at such time as all of the Series 2019A Bonds and the fees and expenses of the Issuer and the Trustee shall have been fully paid or provision made for such payments, whichever is later; provided, however, that this Senior Loan Agreement may be terminated prior to such date pursuant to Article V of this Senior Loan Agreement and Article 11 of the Indenture, but in no event before all of the obligations and duties of the Borrower hereunder have been fully performed, including, without limitation, the payments of all costs and fees mandated hereunder or under any other Financing Document to which the Borrower is a party; provided further, however, that the indemnity obligation of the Borrower under Section 7.02 and the payment obligations of the Borrower under Section 4.01(b), (c) or (d) hereof shall survive the termination of this Senior Loan Agreement.

Section 9.02 Notices.

All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid, addressed as follows:

Issuer: Florida Development Finance Corporation
156 Tuskawilla Road, Suite 2340
Winter Springs, Florida 32708
Attention: William F. Spivey, Jr.
Telephone: 407-712-6355
Facsimile: 407-369-4260
E-mail: bspivey@fdcbonds.com

Copy to: Nelson Mullins Riley & Scarborough LLP
390 N. Orange Avenue
Suite 1400
Orlando, Florida 32801
Attention: Joseph B. Stanton
Telephone: 407-839-4210
Facsimile: 407-425-8377
E-Mail: joseph.stanton@nelsonmullins.com

Trustee/Collateral Agent: Deutsche Bank National Trust Company
c/o Deutsche Bank Trust Company Americas
Trust and Agency Services
60 Wall Street, 16th Floor
Mail Stop: NYC60-1630
New York, New York 10005
Attention: Corporates Team, Virgin Trains
Facsimile: 732-578-4635

Borrower: Virgin Trains USA Florida LLC
161 NW 6th Street, Suite 900
Miami, Florida 33136
Attention: Myles Tobin, General Counsel
Telephone: 305-521-4875
E-mail: Myles.Tobin@gobrightline.com

With a copy to: Virgin Trains USA Florida LLC
161 NW 6th Street, Suite 900
Miami, Florida 33136
Attention: Patrick Goddard, President
Telephone: 305-521-4848
E-mail: Patrick.Goddard@gobrightline.com

A duplicate copy of each notice, certificate or other communication given hereunder by the Issuer or the Borrower shall also be given to the Trustee. The Issuer, the Borrower and the Trustee may, by written notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall each be sent.

Section 9.03 Binding Effect.

This Senior Loan Agreement shall inure to the benefit of and shall be binding upon the Issuer, the Borrower, the Trustee and the Owners of Series 2019A Bonds, and their respective successors and assigns, subject, however, to the limitations contained herein.

Section 9.04 Severability.

In the event any provision of this Senior Loan Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 9.05 Amendments, Changes and Modifications.

Subsequent to the issuance of Series 2019A Bonds and prior to their payment in full (or provision for the payment thereof having been made in accordance with the provisions of the Indenture), and except as otherwise herein expressly provided, this Senior Loan Agreement may not be effectively amended, changed, modified, altered or terminated except in accordance with the provisions of the Indenture.

Section 9.06 Execution in Counterparts.

This Senior Loan Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.07 No Pecuniary Liability of the Issuer.

No provision, covenant or agreement contained in this Agreement, or any obligations herein imposed upon the Issuer, or the breach thereof, shall constitute an indebtedness or liability of the Issuer within the meaning of any State constitutional provision or statutory limitation or shall constitute or give rise to a pecuniary liability of the Issuer or any member, officer, director, employee or agent of the Issuer or a charge against the Issuer's general credit. In making the Series 2019A Loan, the Issuer has not obligated itself except and solely to the extent provided in the Indenture.

Section 9.08 Applicable Law.

This Senior Loan Agreement shall be governed by and construed in accordance with the applicable laws of the State. To the extent allowed by law, the Borrower hereby submits itself to jurisdiction in the State for any action or cause of action arising out of or in connection with the Financing Documents, agrees that venue for any such action shall be in Orange County, Florida, and waives any and all rights under the laws of any state to object to jurisdiction or venue within Orange County, Florida.

Section 9.09 Captions.

The captions and headings in this Senior Loan Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this Senior Loan Agreement.

Section 9.10 Limitation of Liability.

(a) No covenant, agreement or obligation contained herein shall be deemed to be a covenant, agreement or obligation of any present or future director, officer, employee, member or agent of the Issuer or the Borrower in his or her individual capacity, and no such director, officer, employee, member or agent thereof shall be subject to any liability under this Senior Loan Agreement or with respect to any other action taken by such person.

(b) Except as otherwise expressly set forth in the Financing Documents, the Secured Parties will have full recourse to the Borrower and all of its assets and properties for the liabilities and obligations of the Borrower under the Financing Documents, but in no event will any Affiliates of the Borrower, or any officer, director, member or holder of any interest in the Borrower or any Affiliates of the Borrower, be liable or obligated for such liabilities and obligations of the Borrower other than to the extent arising directly as a result of any (i) pledge of an ownership interest in the Borrower by any owner of such interest or (ii) obligation under the Equity Contribution Agreement.

(c) Notwithstanding anything in subsection (b) of this Section, nothing in said subsection (b) shall limit or affect or be construed to limit or affect the obligations and liabilities of any Affiliate of the Borrower (1) arising under any Financing Document to which such Affiliate of the Borrower is a party, or (2) arising from any liability pursuant to any applicable law for such Affiliate of the Borrower's fraudulent actions, bad faith or willful misconduct.

(d) Except for such claims or actions arising directly from the gross negligence, bad faith or willful misconduct of the Issuer, the Issuer shall not be liable to any Person for any environmental claims or contribution actions under any federal, state or local law, rule or regulation by reason of the Issuer's actions and conduct as authorized, empowered and directed hereunder or relating to the discharge, release or threatened release of hazardous materials into the environment.

Section 9.11 Parties Interested Herein.

Except as otherwise expressly provided in this Agreement, this Agreement shall be for the sole and exclusive benefit of the Issuer and the Borrower, and their respective successors and assigns. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon, or to give to, any Person other than the Issuer and the Borrower, any right, remedy or claim, legal or equitable, under or by reason of this Agreement or any terms hereof. To the extent that this Agreement or the Indenture confers upon or gives or grants to the Collateral Agent, the Trustee or the Owners any right, remedy or claim under or by reason of this Agreement or the Indenture, the Collateral Agent, the Trustee and the Owners are hereby explicitly recognized as being third-party beneficiaries hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder or under the Indenture.

Section 9.12 Amendment and Restatement.


The Issuer and the Borrower acknowledge and agree that (a) this Agreement amends, restates, supersedes and replaces in its entirety the Series 2017 Senior Loan Agreement; (b) the execution and effectiveness of this Agreement does not constitute a novation, payment and reborrowing, or termination of any obligations under the Financing Documents as in effect prior to the date hereof; (c) such obligations are in all respects continuing (as amended, restated, superseded and replaced hereby) with only the terms being modified as provided in this Agreement and in the other Financing Documents; (d) the Security Documents as in effect prior to the date hereof, and the grants of security interests thereunder, remain in full force and effect and are hereby ratified and confirmed; and (e) any Security Interests as in effect prior to the date hereof in all respects are continuing and in full force and effect and secure the payment of such respective continuing obligations hereunder.

IN WITNESS WHEREOF, the parties hereto have caused this Senior Loan Agreement to be executed in their respective corporate names all as of the date first above written.

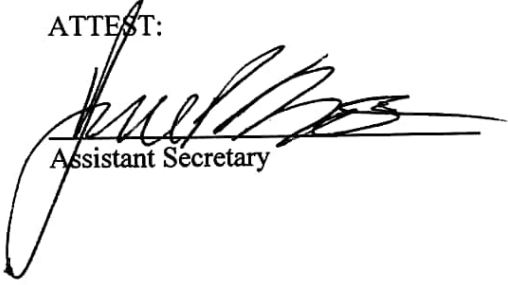


(SEAL)

FLORIDA DEVELOPMENT FINANCE CORPORATION

By: 
Executive Director

ATTEST:


Assistant Secretary

VIRGIN TRAINS USA FLORIDA LLC

By: 
Name: Jeff Swiatek
Title: Vice President and Chief Financial Officer

ATTACHMENT A

PROVISIONS EVIDENCING THE SUBORDINATION OF PERMITTED SUBORDINATED DEBT

Permitted Subordinated Debt shall be issued pursuant to, or evidenced by, an instrument containing provisions for the subordination of such Permitted Subordinated Debt to all Bonds, substantially as follows.

All capitalized terms used in this Attachment A but not defined herein shall have the meanings ascribed to such terms in the Definitions Annex of the Collateral Agency Agreement.

SUBORDINATION OF PERMITTED SUBORDINATED DEBT

General.

Notwithstanding any provision of this agreement to the contrary, the Borrower and the holder of the Permitted Subordinated Debt, for themselves and for all present and future holders of such Permitted Subordinated Debt, hereby covenant and agree that the Permitted Subordinated Debt shall be and is hereby expressly made subordinate and junior in right of payment to the prior payment (in cash or cash equivalents) and performance in full of all Bonds to the extent and in the manner provided below.

Waiver.

The holder of the Permitted Subordinated Debt (or any instrument evidencing the same) by acceptance hereof waives any and all notice of the creation or accrual of any such Bonds and notice of proof of reliance upon these subordination provisions by any holder of Bonds and hereby assents to any renewal, extension or postponement of the time of payment of Bonds or any other indulgence with respect thereto, to any increase in the amount of Bonds, and to any substitution, exchange or release of collateral therefor; and any such Bonds shall conclusively be deemed to have been created, contracted or incurred in reliance upon these subordination provisions and all dealings between the Borrower and any holder of Bonds so arising shall be deemed to have been consummated in reliance upon these subordination provisions.

Effects of Certain Defaults in Respect of Bonds.

If the Borrower shall default in the payment of any principal of or interest on or other amount with respect to the Bonds when the same becomes due and payable, whether at maturity or at a date fixed for redemption or by declaration or otherwise (a "Senior Default"), and unless and until such Senior Default shall have been remedied or waived or shall have ceased to exist, no direct or indirect payment by the Borrower from any source whatsoever shall be made on account of the principal of, or premium, if any, or interest on or other amount with respect to, the Permitted Subordinated Debt.

Limitation on Payments and Demand for Payments.

For so long as any Bonds are outstanding, (i) the Borrower shall not, directly or indirectly, make, or permit any of its Affiliates to make, any payment of principal or interest on account of the Permitted Subordinated Debt, except for payments made in accordance with clauses Eleventh and Twelfth of Section 5.02(b) of the Collateral Agency Agreement, and (ii) the holder of the Permitted Subordinated Debt shall not demand, sue for, retain, or accept from the Borrower or any other Person any payment of principal or interest on account of such Permitted Subordinated Debt, except for payments made in accordance with clauses Eleventh and Twelfth of Section 5.02(b) of the Collateral Agency Agreement.

Limitation on Acceleration.

For so long as any Bonds are outstanding, the Permitted Subordinated Debt may not be declared to be due and payable before its stated maturity unless all Bonds have become due and payable, at maturity or at a date fixed for redemption or by declaration or otherwise and, in the case of any such declaration, such declaration has not been rescinded.

Insolvency, Etc.

(a) In the event of any liquidation, reorganization, dissolution, winding up or composition or readjustment of the Borrower or its interests (whether voluntary or involuntary, or in bankruptcy, insolvency, reorganization, liquidation, receivership proceedings, or upon a general assignment for the benefit of the Borrower's creditors or any other marshalling of the assets and liabilities of the Borrower, or otherwise), all Bonds (including any claim for interest thereon accruing at the contract rate after the commencement of any such proceedings and any claim for additional interest that would have accrued thereon but for the commencement of such proceedings, whether or not, in either case, such claim shall be enforceable in such proceedings) shall first be paid in full in cash or cash equivalents before any direct or indirect payment or distribution, whether in cash or cash equivalents, securities or other property, is made in respect of the Permitted Subordinated Debt, and any cash, securities or other property which would otherwise (but for these subordination provisions) be payable or deliverable in respect of the Permitted Subordinated Debt directly or indirectly by the Borrower from any source whatsoever shall be paid or delivered directly to the holders of Bonds in accordance until all Bonds (including claims for interest and additional interest as aforesaid) shall have been paid in full in cash or cash equivalents.

(b) The holder of Permitted Subordinated Debt shall not commence or join with any other creditor or creditors of the Borrower in commencing any bankruptcy, insolvency, reorganization, liquidation, receivership proceedings against the Borrower. At any general meeting of creditors of the Borrower in the event of any liquidation, reorganization, dissolution, winding up or composition or readjustment of the Borrower or its interests (whether voluntary or involuntary, or in bankruptcy, insolvency, reorganization, liquidation, receivership proceedings, or upon a general assignment for the benefit of the Borrower's creditors or any other marshalling of the assets and liabilities of the Borrower, or otherwise), if all Bonds have not been paid in full at such time, the Trustee (or any authorized agent thereof) is hereby authorized at any such meeting or in any such proceeding:

(i) to enforce claims comprising Permitted Subordinated Debt in the name of the holder of such Permitted Subordinated Debt, by proof of debt, proof of claim, suit or otherwise;

(ii) to collect any assets of the Borrower distributed, divided or applied by way of dividend or payment, or such securities issued, on account of Permitted Subordinated Debt, and apply the same, or the proceeds of any realization upon the same that the Trustee elects to effect pursuant to the Indenture or the other Financing Documents, to the Bonds until all Bonds shall have been paid in full;

(iii) to vote claims comprising Permitted Subordinated Debt to accept or reject any plan of partial or complete liquidation, reorganization, arrangement, composition or extension; and

(iv) to take generally any action in connection with any such meeting or proceeding which the holder of Permitted Subordinated Debt might otherwise take.

(c) The Borrower and holder of the Permitted Subordinated Debt each hereby (i) authorizes and empowers the Trustee, under the circumstances set forth in the above paragraph, to demand, sue for, collect and receive every such payment or distribution referred to in such paragraph and give acquittance therefor, and execute, verify, deliver and file any claims or proofs of claim, consents, assignments or other instruments which any holder of the Bonds may at any time reasonably require in order to provide and realize upon any rights or claims pertaining to the Permitted Subordinated Debt in any statutory or non-statutory proceeding, vote any such claims in any such proceeding and take such other actions, on behalf of the holders of the Bonds or otherwise, as the Trustee may deem necessary or advisable for the enforcement of the subordination provisions hereto and (ii) appoints any Person designated for such purpose by the Trustee as its attorney-in-fact for all such purposes.

Turnover of Payments.

If (i) any payment or distribution shall be collected or received by the holder of the Permitted Subordinated Debt in contravention of the terms hereof and prior to the payment in full in cash or cash equivalents of all Bonds at the time outstanding and (ii) any holder of such Bonds (or any authorized agent thereof) shall have notified the holder of the Permitted Subordinated Debt of the facts by reason of which such collection or receipt so contravenes the subordination provisions hereto, the holder of the Permitted Subordinated Debt will deliver such payment or distribution, to the extent necessary to pay all such Bonds in full in cash or cash equivalents, to the Trustee, for the benefit of the holders of the Bonds, in the form received, and until so delivered, the same shall be held by the holder of the Permitted Subordinated Debt in trust for the holders of the Bonds and shall not be commingled with other funds or property of the holder of the Permitted Subordinated Debt.

No Prejudice or Impairment.

No present or future holder of any Bonds shall be prejudiced in the right to enforce subordination of the Permitted Subordinated Debt by any act or failure to act on the part of the Borrower. Nothing contained herein shall impair, as between the Borrower and the holder of the

Permitted Subordinated Debt, the obligation of the Borrower to pay to the holder hereof the principal hereof and premium, if any, and interest hereon as and when the same shall become due and payable in accordance with the terms hereof, or, except as provided herein, prevent the holder of the Permitted Subordinated Debt from exercising all rights, powers and remedies otherwise permitted by applicable law or hereunder upon the happening of an event of default in respect of the Permitted Subordinated Debt, all subject to the rights of the holders of Bonds as provided in this Section to receive cash, securities or other property otherwise payable or deliverable to the holder of the Permitted Subordinated Debt directly or indirectly by the Borrower from any source whatsoever.

Payment of Bonds, Subrogation, etc.

Upon the payment in full in cash or cash equivalents of all Bonds, the holder of the Permitted Subordinated Debt shall be subrogated to all rights of the holders of such Bonds to receive any further payments or distributions applicable to Bonds until the Permitted Subordinated Debt shall have been paid in full in cash or cash equivalents, and, for the purposes of such subrogation, no payment or distribution received by the holders of Bonds of cash, securities, or other property to which the holder of the Permitted Subordinated Debt would have been entitled except for this Section shall, as between the Borrower and its creditors other than the holders of Bonds, on the one hand, and the holder of the Permitted Subordinated Debt, on the other hand, be deemed to be a payment or distribution by the Borrower on account of Bonds.

Subordination of Security Interests; Release of Security Interests; Exclusive Rights of Enforcement; Bailee for Perfection

The holder of the Permitted Subordinated Debt shall agree to usual and customary intercreditor provisions for financings of this type (as reasonably determined by the Borrower) regarding (i) the subordination of any Security Interests securing such Permitted Subordinated Debt to the Security Interests securing the Bonds and any Permitted Additional Senior Indebtedness, (ii) the automatic release of any Security Interests securing such Permitted Subordinated Debt under certain circumstances, (iii) the exclusive right of the Collateral Agent (as directed by the Required Secured Creditors) to enforce remedies in respect of Security Interests on the Collateral under certain circumstances and (iv) the limited agreement of the Collateral Agent to serve as bailee for perfection of any Security Interests on the Collateral for the benefit of the holder of the Permitted Subordinated Debt (with reciprocal provisions for the benefit of the holders of the Bonds and any Permitted Additional Senior Indebtedness).

Miscellaneous.

The foregoing subordination provisions are for the benefit of the holders of the Bonds and, so long as any Bonds are outstanding, may not be rescinded, cancelled or modified adversely to the interests of the holders of the Bonds.

ATTACHMENT B

REQUIRED INSURANCE

The Borrower shall maintain or shall require its contractors to maintain Insurance that is required to be obtained by the Borrower and its contractors to satisfy the requirements set forth in this Attachment B (such coverage to include provisions waiving subrogation against the Issuer, the Trustee, the Collateral Agent and all other Secured Parties, except in the case of Insurance for professional liability or workers' compensation). Such policies, to the extent they are commercial general liability policies, shall name the Collateral Agent, on behalf of the Secured Parties, as additional insured, and to the extent they are property policies, as loss payee as its interests may appear (pending any existing contractual overrides). Each Insurance policy required to be obtained by the Borrower shall require the insurer or insurance broker to endeavor to provide at least thirty (30) days (or such shorter period, if any, as is available on a commercially reasonable basis) prior written notice of cancellation, termination or lapse in coverage by the insurer to the Issuer, the Trustee and the Collateral Agent. No such Insurance policy shall be invalidated by any action or inaction of the Borrower or any other Person and shall insure the respective interests of the additional insureds, as they appear, regardless of any breach or violation of any warranty, declaration or condition contained in such policies by the Borrower or by any other Person.

Borrower shall carry or cause to be carried, at a minimum, the following insurance coverages:

A. Builder's Risk

At all times during the period from the commencement of construction work until substantial completion or when work done at the job site is put to its intended use, Borrower shall procure and keep in force, or cause to be procured and kept in force, Builder's Risk Insurance as specified below.

The policy shall provide coverage for "all risks" of direct physical loss or damage to the portions or elements of the Project under construction, with no exclusions or restrictions for terrorism, earthquake, earth movement, flood, storm, tempest, windstorm, hurricane, tornado, or subsidence. The policy shall contain extensions of coverage that are typical for a project of the nature of the Project and shall contain only those exclusions that are typical for a project of the nature of the Project.

The policy shall cover all property, roads, buildings, bridge structures, other structures, fixtures, materials, supplies, foundations, pilings, machinery and equipment that are part of or related to the portions or elements of the Project under construction, and the works of improvement, including permanent and temporary works and materials, and including goods intended for incorporation into the works located at the Project Right-of-Way, in storage or in the course of transit to the Project Right-of-Way and all improvements that are within the Project Right-of-Way.

The policy shall provide coverage per occurrence up to the full replacement cost or a loss limit based on a Probable Maximum Loss (PML) study of the covered property loss, but in no

event less than \$100,000,000 and will include sublimits for professional fees, demolition and debris removal, property in transit, property in storage offsite, expediting expenses, contractors extra expense, temporary repairs, plantings, fire department charges, valuable papers, destruction of property at the direction of a civil authority, increased cost of construction, damage to existing Borrower's property that will be renovated or rehabilitated and incorporated into the completed project (in an amount not less than \$100,000,000), claims preparation costs and expediting and extra expenses without risk of co-insurance; provided, that the policy may include appropriate sublimits for earthquake, earth movement, tsunami and flood but in no event less than \$75,000,000 aggregate each for earthquake and flood. If a PML option is used, then the study supporting the PML must be provided to the Collateral Agent.

Borrower and the Collateral Agent shall be the named insureds on the policy as their respective interests appear. Borrower also may, but is not obligated to, include other Contractors and interested parties as additional insureds as their respective interests appear. Borrower may name itself and the Collateral Agent as loss payee under the policy. The proceeds of the policy shall be held by the loss payee and timely applied to the cleanup, repair and reconstruction of the Project.

The policy shall include coverage for: (i) foundations (including pilings), but excluding normal settling, shrinkage, or expansion; (ii) physical damage resulting from faulty workmanship or faulty materials, (iii) physical damage resulting from machinery accidents, but excluding normal wear and tear, corrosion, inherent vice and latent defect in the machinery, (iv) physical damage resulting from design error or omission but excluding the cost of making good such design error or omission, (v) demolition and debris removal, (vi) protection of property pre loss, (vii) extra expense to comply with any change in laws, applicable codes and/or building or related ordinance, and (viii) "soft cost expense" including the cost of obtaining new or revised governmental approvals, mitigation expenses, attorneys' fees and other fees and costs associated with such damage or loss or replacement thereof.

Additionally, the policy shall include coverage for delay in start up insuring against income loss or specified additional expenses that result from a delay in the completion of the construction project beyond the expected completion date as a result of covered property damage with a minimum limit of \$20,000,000.

B. "All Risk" Property Insurance

The Borrower shall maintain All Risk Property Insurance for all assets including stations, track and roadbed, overhead rail infrastructure, signaling, rolling stock etc. The coverage shall insure the full replacement costs and have a minimum loss limit of \$200,000,000 any one occurrence unless Borrower/Operator approves a reduced limit following receipt and concurrence in the conclusions of a maximum probable loss study. The coverage shall afford all extensions of coverage including Windstorm Flood, Earthquake, Law and Ordinance, etc. Lower limits for Windstorm, Flood and Earthquake are permitted based on availability in the insurance market and on a maximum probable loss analysis conducted by an independent third-party acceptable to Borrower/Operator but the minimum Limit for Flood will be \$25,000,000 and the minimum Limit for Windstorm will be \$60,000,000.

C. Commercial General Liability Insurance

The Borrower shall procure and keep in force commercial general liability insurance as specified below.

The policy shall provide the latest form of ISO standard wording or an acceptable equivalent, and shall be written on an occurrence form. The policy shall contain extensions of coverage that are typical for the operating phase of the Project, and shall contain only those exclusions that are typical for a project of such nature.

The policy shall insure against the legal liability of the insureds named relating to claims by third parties for accidental death, bodily injury or illness, property damage, personal injury and advertising injury, and shall include, at a minimum the following specific coverages:

- (i) Contractual liability;
- (ii) Premises/operations;
- (iii) Independent contractors;
- (iv) Products and completed operations;
- (v) Broad form property damage;
- (vi) Incidental medical malpractice;
- (vii) No exclusion for work performed within 50 feet of a railroad; and
- (viii) Broad named insured endorsement; and Non-owned automobile liability.

The policy shall have limits of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate (per location aggregate to apply) and coverage shall be provided throughout the operation and maintenance period. Such limits may be shared by the Borrower and any O&M Contractor, as well as all additional insureds, if coverage is provided specifically for the Project. If such policy is not project-specific, the limits shall apply on a per project basis. Any other contractors, subcontractors, sub consultants, design engineering firms, suppliers, fabricators, material dealers, truckers, haulers, drivers and others shall procure and keep in force similar commercial general Liability Insurance with per project/per location limits of \$1,000,000 per occurrence and \$2,000,000 aggregate.

Borrower shall be a named insured and the Collateral Agent and the Indemnified Parties shall be additional insureds with respect to the acts, omissions, and activities of Borrower and its contractors and subcontractors of every tier. The policy shall be written so that no act or omission of a named insured shall vitiate coverage of the other named insureds.

Borrower shall have the right to satisfy the requisite insurance coverage amounts through a combination of primary policies and umbrella or excess policies and retentions typical for the operating phase of the Project. Umbrella and excess policies shall comply with all insurance requirements, terms and provisions set forth in the Agreement for the applicable type of coverage.

D. Borrower's Pollution Liability Insurance

The Borrower shall procure and keep in force, or cause to be procured and kept in force, environmental impairment liability insurance on a claims-made basis as specified below.

The policy shall cover sums that the insured becomes legally obligated to pay to a third party or for the investigation, removal, remediation (including associated monitoring) or disposal of soil, surface water, groundwater or other contamination to the extent required by environmental laws (together “clean-up costs”) caused by pollution conditions resulting from covered operations, subject to the policy terms and conditions, including bodily injury, property damage (including natural resource damages), clean-up costs, and legal defense costs. Such policy shall cover claims related to pollution conditions to the extent such are caused:

- (i) by the operation and maintenance of the Project (i.e., performance of Work);
- (ii) by transportation, including loading and unloading, by owned and non-owned vehicles; or
- (iii) by other activities performed by or on behalf of Borrower that occur on the Project.

The policy shall have no exclusions or limitations for loss occurring over, about or under water including but not limited to a navigable waterway.

Borrower shall be a named insured and the Indemnified Parties shall be the additional insureds under such policy. The policy shall be written so that no acts or omissions of a named insured shall vitiate coverage of the other named insureds. The insured vs. insured exclusion shall not apply to additional insureds named to the policy.

The policy shall have a limit of not less than \$5,000,000 per claim and in the aggregate annually, unless applicable regulatory standards impose more stringent coverage requirements.

E. Professional Liability Insurance

Borrower shall cause any design subcontractors utilized for maintenance or new construction after substantial completion of the Project to procure and keep in force Professional Liability Insurance in accordance with industry norms based on contract values. Such additional policies need not be project-specific. The retroactive date applicable to coverage under the policy must precede the effective date of the design subcontract and continuous coverage must be maintained for a period of ten (10) years after the completion of the work.

F. Workers’ Compensation & Employer’s Liability Insurance

The Borrower, and any Contractors, subcontractors, subconsultants, design engineering firms, suppliers, fabricators, material dealers, truckers, haulers, drivers and others who merely transport, pickup, deliver, or carry materials, personnel, parts or equipment or any other items or persons to or from the Project, each shall procure and keep in force, or cause to be procured and kept in force, a policy of Workers’ Compensation Insurance in conformance with applicable law. Borrower and/or the Contractors, subcontractors, subconsultants, design engineering firms etc., whichever is the applicable employer, shall be the named insured on these policies. Such coverage need not be project-specific. Each Workers’ Compensation Insurance Policy shall include the following:

- Workers' Compensation Limits: Florida Statutory
- Employer's Liability minimum limits:
 - Borrower: \$1,000,000 bodily injury by accident, each accident; \$1,000,000 bodily injury by disease, each employee; \$1,000,000 bodily injury by disease, policy limits.
- Terms and conditions shall include coverage for:
 - Voluntary Compensation Endorsement
 - Alternative Employer Endorsement (Not for Workers' Compensation), if applicable
 - All Other States Endorsement - if applicable
 - U.S. Longshoremen's & Harbor Workers - if applicable
 - Jones Act - if applicable
 - Federal Employer's Liabilities Act - if applicable

G. Automobile Liability Insurance

The Borrower shall continue to procure and keep in force commercial automobile liability insurance as specified below.

Each policy shall cover accidental death, bodily injury and property damage liability arising from the ownership, maintenance or use of all owned, non-owned and hired vehicles connected with performance of the Work, including loading and unloading. The policy shall contain extensions of coverage that are typical for a project of the nature of the Project, and shall contain only those exclusions that are typical for a project of the nature of the Project.

Borrower shall be the named insured under its automobile liability policy and all Indemnitees shall be additional insureds.

Borrower's policy shall have limits not less than \$1,000,000 each accident.

Borrower shall have the right to satisfy the requisite insurance coverage amounts for liability insurance through a combination of primary policies and umbrella or excess policies. Umbrella and excess policies shall comply with all insurance requirements, terms and provisions set forth in the Agreement for the applicable type of coverage.

Commercial auto liability insurance is also required for all other consultants, design professionals, contractors, subcontractors, suppliers, fabricators, material dealers, truckers, haulers, drivers and others employed by the Borrower as well as those who merely transport, pickup, deliver, or carry materials, personnel, parts or equipment or any other items or persons to or from the Project site.

H. Excess Rail Liability

Borrower shall procure and keep in force umbrella/excess liability insurance in the minimum amount of \$25,000,000 per occurrence/annual aggregate. Such policy or policies shall be excess of and follow form over the general liability, automobile liability and employer's liability insurance required above.

I. Railroad Protective Liability Insurance

If Borrower's Commercial General Liability insurance as noted in B. above does not provide the necessary coverage for work within 50 feet of a rail line, Borrower shall procure or cause its contractor to procure, and keep in force, or cause to be procured and kept in force, stand-alone railroad protective liability insurance in the amounts and for the risks described in the Railroad Agreements. The railroad shall be the named insured on any such policy.

J. Crime Insurance

Borrower shall procure crime insurance with an annual limit of a minimum of \$2,000,000. The management of the fare collection, including the handling of ticket media, cash and credit, shall include but not be limited to: employee dishonesty coverage; forgery or alteration coverage; computer fraud coverage; funds transfer fraud coverage; money and securities coverage; and money orders and counterfeit money coverage.

K. Cyber Liability

Borrower shall procure insurance with a minimum annual limit of \$10,000,000 for any Security Breach, including privacy violations, information theft, damage to or destruction of electronic information, intentional and/or unintentional release of private information, alteration of electronic information, extortion and network security, including any act or omission that compromises either the security, confidentiality or integrity of personal information in Borrower's care, custody or control.

ATTACHMENT C

EXISTING INDEBTEDNESS

Irrevocable Standby Letter of Credit Number: 68122949, issued by Bank of America, N.A. on December 30, 2015, with Greater Orlando Aviation Authority as the beneficiary, in an amount not exceeding \$13,500,000.

ATTACHMENT D

MORTGAGE

[See attached.]

Prepared By and Return to:

Mayer Brown LLP
214 North Tryon Street, Suite 3800
Charlotte, NC 28202
Attention: David B. H. Saye, Esq.

Miami-Dade, Broward, Palm Beach, Martin,
Saint Lucie, Indian River, Brevard and Orange Counties, Florida

FIRST MORTGAGE, ASSIGNMENT OF RENTS, SECURITY
AGREEMENT AND FIXTURE FILING

BY

VIRGIN TRAINS USA FLORIDA LLC,
as Mortgagor

TO

DEUTSCHE BANK NATIONAL TRUST COMPANY,
as Collateral Agent, and as Mortgagee

Relating to Mortgage Estate in:
Miami-Dade, Broward, Palm Beach, Martin, Saint Lucie,
Indian River, Brevard and Orange Counties, Florida

DATED: As of April 18, 2019

Note to Examiner: This instrument is being recorded to secure payment of bonds issued by the Florida Development Finance Corporation. Accordingly, this instrument is exempt from Florida documentary stamp tax and nonrecurring intangible tax. See § 288.9606(2) F.S. and Letter of Technical Advice 15B4-006.

FIRST MORTGAGE, ASSIGNMENT OF RENTS, SECURITY
AGREEMENT AND FIXTURE FILING

KNOW ALL PERSONS BY THESE PRESENTS:

THIS FIRST MORTGAGE, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING (this "Mortgage") is made as of April 18, 2019 by VIRGIN TRAINS USA FLORIDA LLC (f/k/a Brightline Trains LLC and, prior to that, All Aboard Florida – Operations LLC), a Delaware limited liability company ("Mortgagor"), having an office at 161 NW 6th Street, 9th Floor, Miami, Florida 33136, in favor of DEUTSCHE BANK NATIONAL TRUST COMPANY, as Collateral Agent (in such capacity, together with its successors in such capacity, "Mortgagee"), having an address at 60 Wall Street, 16th Floor, New York, New York 10005, Attention: Corporate Team, Virgin Trains, for the benefit of the Secured Parties. Capitalized terms shall have the meaning as provided for under Section 6.10 of this Mortgage.

W I T N E S S E T H:

WHEREAS, pursuant to that certain Indenture of Trust, dated as of April 18, 2019 (as amended, restated, supplemented and/or otherwise modified from time to time, the "Indenture"), the Florida Development Finance Corporation, a public body corporate and politic and a public instrumentality organized and existing under the laws of the State of Florida, as Issuer ("Issuer"), has authorized the issuance of its \$1,750,000,000 aggregate principal amount of Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Virgin Trains USA Passenger Rail Project), Series 2019A (the "Series 2019A Bonds");

WHEREAS, upon the issuance of the Series 2019A Bonds, Issuer loaned (the "Series 2019A Loan") the entire net proceeds thereof to Mortgagor pursuant to the terms of that certain Amended and Restated Senior Loan Agreement, dated as of April 18, 2019, by and between Issuer and Mortgagor, as "Borrower" (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Senior Loan Agreement");

WHEREAS, a portion of the proceeds of the Series 2019A Loan will be used to pay or reimburse a portion of the cost of the design, development, acquisition, construction, installation, equipping, operation and maintenance of certain portions of a privately owned and operated intercity passenger rail system and related facilities, with stations located in Orlando, West Palm Beach, Fort Lauderdale and Miami, Florida, as more particularly described in the Bond Resolution; and

WHEREAS, pursuant to Section 3.04 of the Senior Loan Agreement and Section 3.3(a)(4) of the Indenture, as a condition precedent to Issuer issuing the Series 2019A Bonds and extending the Loan, Mortgagor shall deliver this Mortgage, in favor of Mortgagee.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and FOR THE PURPOSE OF SECURING the Secured Obligations for the benefit of the Secured Parties, Mortgagor hereby irrevocably grants, bargains, sells, releases,

conveys, warrants, assigns, transfers, mortgages, pledges, grants a security interest, sets over and confirms unto Mortgagee, for the benefit of the Secured Parties, under and subject to the terms and conditions hereinafter set forth, its ownership, leasehold, easement and any other right, title and interest in the land and premises described in Schedules I, II and III hereto (collectively, the "Property"; such portion of the Property described on Schedule I hereto and owned by Mortgagor in fee simple, collectively, the "Owned Property");

TOGETHER WITH its existing and after acquired interest in and to all estate, right, title and interest of Mortgagor as lessee under (a) that certain Garage Lease dated September 2, 2016 by and between DTS 3MC PARKING LLC, a Delaware limited liability company, as lessor, and Mortgagor, as lessee, as amended by that First Amendment to Garage Lease dated December 19, 2017, that Second Amendment to Garage Lease dated May 23, 2018 and that Third Amendment to Garage Lease dated April [___], 2019 (as amended, the "Miami Parking Garage Lease") and evidenced by that certain Amended and Restated Memorandum of Garage Lease recorded April [___], 2019 in Book [____], Page [____], Official Records of Miami-Dade County, Florida, pursuant to which Mortgagor leases a portion of the real property described on Schedule II-A as more particularly described therein; (b) that certain Garage Lease dated August 26, 2016 by and between WPB Rosemary LLC, a Delaware limited liability company, as lessor, and Mortgagor, as lessee, as amended by that First Amendment to Garage Lease dated December 19, 2017, that Second Amendment to Garage Lease dated May 23, 2018 and that Third Amendment to Garage Lease dated April [___], 2019 (as amended, the "WPB Parking Garage Lease") and evidenced by that certain Amended and Restated Memorandum of Garage Lease recorded April [___], 2019 in Book [____], Page [____], Official Records of Palm Beach County, Florida, pursuant to which Mortgagor leases a portion of the real property described on Schedule II-B as more particularly described therein; (c) that certain Garage Lease dated August 4, 2016 by and between DTS FLL PARKING LLC, a Delaware limited liability company, as lessor, and Mortgagor, as lessee, as amended by that First Amendment to Garage Lease dated December 19, 2017, that Second Amendment to Garage Lease dated March 15, 2018 and that Third Amendment to Garage Lease dated April [___], 2019 (as amended, the "Broward Parking Garage Lease") and evidenced by that certain Amended and Restated Memorandum of Garage Lease recorded April [___], 2019 in Book [____], Page [____], Official Records of Broward County, Florida, pursuant to which Mortgagor leases a portion of the real property described on Schedule II-C as more particularly described therein; and (d) that certain Real Estate Lease dated as of June 24, 2015 between Florida East Coast Railway, L.L.C. ("FECCR"), as lessor, and Mortgagor, as lessee, as amended by that Real Estate Lease Amendment No. 1 dated October 23, 2015, that Real Estate Lease Amendment No. 2 dated March 20, 2017, that Acknowledgement and Reinstatement of Real Estate Lease dated as of June 30, 2017 and that Real Estate Lease Amendment No. 3 dated December 19, 2017 (as amended the "RRF Lease") and evidenced by that certain Memorandum of Garage Lease recorded December 20, 2017 in Book 29543, Page 1181, Official Records of Palm Beach County, Florida, pursuant to which Mortgagor leases the real property described on Schedule II-D as more particularly described therein; (e) that certain State of Florida, Department of Transportation Lease Agreement dated effective as of March 29, 2018 between the State of Florida, Department of Transportation ("FDOT"), as lessor, and Mortgagor, as lessee, recorded April 4, 2018 as Document No. 20180200352, Official Records of Orange County, Florida, and in Book 8130, Page 2008, Official Records of Brevard County, Florida (the "FDOT Lease"; and collectively with the Miami Parking Garage Lease, WPB Parking Garage

Lease, the Broward Parking Garage Lease and the RRF Lease, as may be further amended or amended and restated, the "Tenant Leases") pursuant to which Mortgagor leases the real property described on Schedule II-E as more particularly described therein, each together with all amendments, supplements, consolidations, extensions, renewals, restatements or other modifications of such Tenant Leases now or hereafter entered into in accordance with the provisions thereof (such portion of the Property affected by the Tenant Leases, collectively, the "Leasehold Property"), including, subject to the terms hereof, the rights to exercise options, to give consents to, to modify, extend or terminate such Tenant Leases, to surrender such Tenant Leases, to elect to treat such Tenant Leases as rejected or to remain in possession under Section 365(h) of the Bankruptcy Code, 11 U.S.C. § 101, *et seq.*; and

TOGETHER WITH all estate, right, title, interest, claim and demand of Mortgagor in, to and under the following agreements (including any agreements related thereto) solely to the extent related to the Property: (a) that certain Grant of Passenger Service Easements dated December 20, 2007 between FECR and FDG Passenger Row Holdings LLC, which was recorded with (i) the public records of Miami-Dade County on December 28, 2007 in Official Records Book 26134, Page 3357, as amended and restated in part by that certain Amended and Restated Grant of Passenger Service Easement (Miami Dade to Cocoa) dated February 28, 2014 between FECR and Mortgagor, which was recorded with the public records of Miami-Dade County on June 20, 2014 in Official Records Book 29200, Page 993, as amended and restated in part by that certain Second Amended and Restated Grant of Passenger Service Easement (Miami to West Palm Beach) dated June 13, 2014 between FECR and Mortgagor, which was recorded with the public records of Miami-Dade County on June 20, 2014 in Official Records Book 29200, Page 1014, as corrected by that certain Corrective Second Amended and Restated Grant of Passenger Service Easement (Miami to West Palm Beach) dated October 5, 2017 between FECR and Mortgagor, which was recorded with the public records of Miami-Dade County on October 11, 2017 in Official Records Book 30712, Page 3065, and affected by that Partial Release of Passenger Service Easements dated December 19, 2017 between FECI LT1 LLC, a Delaware limited liability company and successor in interest to FECR, and Mortgagor, which was recorded with the public records of Miami-Dade County on December 22, 2017 in Official Records Book 30803, Page 155; (ii) the public records of Broward County on December 28, 2007 in Official Records Book 44946, Page 647, as amended and restated in part by that certain Amended and Restated Grant of Passenger Service Easement (Miami Dade to Cocoa) dated February 28, 2014 between FECR and Mortgagor, which was recorded with the public records of Broward County on June 18, 2014 in Official Records Book 50865, Page 1242, as amended and restated in part by that certain Second Amended and Restated Grant of Passenger Service Easement (Miami to West Palm Beach) dated June 13, 2014 between FECR and Mortgagor, which was recorded with the public records of Broward County on June 18, 2014 in Official Records Book 50865, Page 1262, as corrected by that certain Corrective Second Amended and Restated Grant of Passenger Service Easement (Miami to West Palm Beach) dated October 5, 2017 between FECR and Mortgagor, which was recorded with the public records of Broward County on October 10, 2017 under Instrument Number 114651582, (iii) the public records of Palm Beach County on December 28, 2007 in Official Records Book 22350, Page 72, as amended and restated in part by that certain Amended and Restated Grant of Passenger Service Easement (Miami Dade to Cocoa) dated February 28, 2014 between FECR and Mortgagor, which was recorded with the public records of Palm Beach County on June 19, 2014 in Official Records Book 26864, Page 660, as amended and restated by (1) that certain Second Amended

and Restated Grant of Passenger Service Easement (Miami to West Palm Beach) dated June 13, 2014 between FECR and Mortgagor, which was recorded with the public records of Palm Beach County on June 19, 2014 in Official Records Book 26864, Page 680, as corrected by that certain Corrective Second Amended and Restated Grant of Passenger Service Easement (Miami to West Palm Beach) dated October 5, 2017 between FECR and Mortgagor, which was recorded with the public records of Palm Beach County on October 13, 2017 in Official Records Book 29401, Page 235, and (2) that certain Second Amended and Restated Grant of Passenger Service Easement (West Palm Beach to Cocoa) dated June 13, 2014 between FECR and Mortgagor, which was recorded with the public records of Palm Beach County on June 19, 2014 in Official Records Book 26864, Page 698, as corrected by that certain Corrective Second Amended and Restated Grant of Passenger Service Easement (West Palm Beach to Cocoa) dated October 5, 2017 between FECR and Mortgagor, which was recorded with the public records of Palm Beach County on October 13, 2017 in Official Records Book 29401, Page 287; (iv) the public records of Martin County on December 28, 2007 in Official Records Book 2300, Page 1057, as amended and restated in part by that certain Amended and Restated Grant of Passenger Service Easement (Miami Dade to Cocoa) dated February 28, 2014 between FECR and Mortgagor, which was recorded with the public records of Martin County on June 18, 2014 in Official Records Book 2427, Page 1993, as amended and restated in part by that certain Second Amended and Restated Grant of Passenger Service Easement (West Palm Beach to Cocoa) dated June 13, 2014 between FECR and Mortgagor, which was recorded with the public records of Martin County on June 18, 2014 in Official Records Book 2724, Page 2013, as corrected by that certain Corrective Second Amended and Restated Grant of Passenger Service Easement (West Palm Beach to Cocoa) dated October 5, 2017 between FECR and Mortgagor, which was recorded with the public records of Martin County on October 10, 2017 in Official Records Book 2952, Page 2948; (v) the public records of Saint Lucie County on December 28, 2007 in Official Records Book 2921, Page 990, as amended and restated in part by that certain Amended and Restated Grant of Passenger Service Easement (Miami Dade to Cocoa) dated February 28, 2014 between FECR and Mortgagor, which was recorded with the public records of Saint Lucie County on June 18, 2014 in Official Records Book 3644, Page 1, as amended and restated in part by that certain Second Amended and Restated Grant of Passenger Service Easement (West Palm Beach to Cocoa) dated June 13, 2014 between FECR and Mortgagor, which was recorded with the public records of Saint Lucie County on June 18, 2014 in Official Records Book 3644, Page 21, as corrected by that certain Corrective Second Amended and Restated Grant of Passenger Service Easement (West Palm Beach to Cocoa) dated October 5, 2017 between FECR and Mortgagor, which was recorded with the public records of Saint Lucie County on October 13, 2017 in Official Records Book 4052, Page 1557; (vi) the public records of Indian River County on December 28, 2007 in Official Records Book 2231, Page 192, as amended and restated in part by that certain Amended and Restated Grant of Passenger Service Easement (Miami Dade to Cocoa) dated February 28, 2014 between FECR and Mortgagor, which was recorded with the public records of Indian River County on June 18, 2014 in Official Records Book 2767, Page 283, as amended and restated in part by that certain Second Amended and Restated Grant of Passenger Service Easement (West Palm Beach to Cocoa) dated June 13, 2014 between FECR and Mortgagor, which was recorded with the public records of Indian River County on June 18, 2014 in Official Records Book 2767, Page 303, as corrected by that certain Corrective Second Amended and Restated Grant of Passenger Service Easement (West Palm Beach to Cocoa) dated October 5, 2017 between FECR and Mortgagor, which was recorded with the public records of Indian River County on October

10, 2017 in Official Records Book 3061, Page 1740; and (vii) the public records of Brevard County on December 28, 2007 in Official Records Book 5834, Page 8004, as amended and restated in part by that certain Amended and Restated Grant of Passenger Service Easement (Miami Dade to Cocoa) dated February 28, 2014 between FECR and Mortgagor, which was recorded with the public records of Brevard County on June 18, 2014 in Official Records Book 7149, Page 1310, as amended and restated in part by that certain Second Amended and Restated Grant of Passenger Service Easement (West Palm Beach to Cocoa) dated June 13, 2014 between FECR and Mortgagor, which was recorded with the public records of Brevard County on June 18, 2014 in Official Records Book 7149, Page 1350, as corrected by that certain Corrective Second Amended and Restated Grant of Passenger Service Easement (West Palm Beach to Cocoa) dated October 5, 2017 between FECR and Mortgagor, which was recorded with the public records of Brevard County on October 10, 2017 in Official Records Book 8000, Page 230; (b) that certain Joint Use Agreement (Shared Infrastructure) dated February 28, 2014 between FECR and Mortgagor, as amended and restated by that certain Amended and Restated Joint Use Agreement (Shared Infrastructure) dated June 13, 2014 between FECR and Mortgagor, as amended by that certain Second Amended and Restated Joint Use Agreement (Shared Infrastructure) dated December 27, 2016, between FECR and Mortgagor, as amended by that certain First Amendment to Second Amended and Restated Joint Use Agreement (Shared Infrastructure) dated June 30, 2017, between FECR and Mortgagor; (c) that certain Joint Use and Operating Agreement dated December 20, 2007 between FECR and FDG Row Holdings LLC, as amended and restated by that certain Amended and Restated Joint Use and Operating Agreement dated June 13, 2014 between FECR, Mortgagor and FDG Flagler Station II LLC; (d) all other documents, instruments or agreements executed in connection with the foregoing; and (e) all assignments, amendments, restatements, supplements, consolidations, extensions, renewals, or other modifications of any and all of the documents described in the foregoing clauses (a) through (e) (collectively, the "North-South ROW Agreements"), together with all credits, deposits, options, privileges and rights of Mortgagor, as grantee under such documents; and

TOGETHER WITH all interests, estates or other claims, both in law and in equity, that Mortgagor now has or may hereafter acquire in and under the following, including all tenements, hereditaments and appurtenances in any manner belonging, relating or appertaining thereto: (a) the Property; and (b) all easements, rights-of-way and rights used in connection therewith or as a means of access thereto, including those granted in (i) that certain State of Florida Department of Transportation Use and Occupancy Agreement dated January 31, 2017 between FDOT and Mortgagor, (ii) that certain Rail Crossing and Temporary Construction Agreement dated December 31, 2016 between Orlando Utilities Commission and Mortgagor, (iii) that certain Central Florida Expressway Authority Rail Line Easement dated December 14, 2015 by and between Central Florida Expressway Authority ("CFX"), as grantor, and Mortgagor, as grantee, recorded in the public records of Orange County on December 15, 2015 in Book 11028, Page 3290 as Document #20150648966, pursuant to which a rail easement was granted in that property described in Schedule III-A, (iv) that certain Central Florida Expressway Authority Rail Line Easement dated December 14, 2015 by and between CFX, as grantor, and Mortgagor, as grantee, recorded in the public records of Orange County on December 15, 2015 in Book 11028, Page 3168 as Document #20150648941, pursuant to which a rail easement was granted in that property described in Schedule III-B, (v) that certain Central Florida Expressway Authority Rail Line Easement dated November 30, 2015 by and between CFX, as grantor, and Mortgagor,

as grantee, recorded in the public records of Orange County on December 1, 2015 in Book 11020, Page 4646 as Document #20150620722, pursuant to which a rail easement was granted in that property described in Schedule III-C, (vi) that certain Central Florida Expressway Authority Rail Line Easement of Acquired Property dated December 16, 2015 by and between CFX, as grantor, and Mortgagor, as grantee, recorded in the public records of Orange County on December 16, 2015 in Book 11029, Page 9397, as Document #2015064569 pursuant to which a rail easement was granted in that property described in Schedule III-D, (vii) that certain Central Florida Expressway Authority Rail Line Easement dated December 17, 2015 by and between CFX, as grantor, and Mortgagor, as grantee, recorded in the public records of Orange County on December 18, 2015 in Book 11030, Page 3696 as Document #20150656115, pursuant to which a rail easement was granted in that property described in Schedule III-E, (viii) that certain Central Florida Expressway Authority Rail Line Easement of Existing Authority Property dated December 16, 2015 by and between CFX, as grantor, and Mortgagor, as grantee, recorded in the public records of Orange County on December 16, 2015 in Book 11029, Page 9231 as Document #20150654568, pursuant to which a rail easement was granted in that property described in Schedule III-F, (ix) that certain Aerial Railroad Bridge, Bridge Support and Drainage Easement Agreement dated January 31, 2017 by and between Brevard County, Florida, as grantor, and Mortgagor, as grantee, recorded in the public records of Brevard County on January 31, 2017 in OR Book 7809, Page 2494, as amended by that Amendment to Aerial Railroad Bridge, Bridge Support and Drainage Easement Agreement dated July 25, 2017 by and between Brevard County, Florida, as grantor, and Mortgagor, as grantee, recorded in the public records of Brevard County on August 15, 2017 in OR Book 7960, Page 2911, pursuant to which a rail easement was granted in that property described in Schedule III-G, (x) that certain Right-of-Way and Easements Agreement dated January 26, 2017 by and between City of Orlando, Florida, as grantor, and Mortgagor, as grantee, recorded in the public records of Orange County on January 31, 2017 as Document #20170058421, pursuant to which certain easements were granted in that property described in Schedule III-H and (xi) that certain Board of Trustees of the Internal Improvement Trust Fund of the State of Florida Sovereignty Submerged Lands Easement dated effective December 20, 2017 by and between the Board of Trustees of the Internal Improvement Trust Fund of the State of Florida, as grantor, and Mortgagor, as grantee, recorded in the public records of Brevard County on March 6, 2018 in OR Book 8107, Page 787 and in the public records of Orange County on March 7, 2018 as Document #20180134471, pursuant to which easements were granted in that property described in Schedule III-I (all of the foregoing interests, estates and other claims being hereinafter collectively called "East-West Easements and Rights of Way"; and collectively with the North-South ROW Agreements, the "Corridor Agreements"); and

TOGETHER WITH all estate, right, title and interest of Mortgagor, now owned or hereafter acquired, in and to any land lying within the right-of-way of any streets, open or proposed, adjoining the Property, and any and all sidewalks, alleys and strips and gores of land adjacent to or used in connection therewith (all of the foregoing estate, right, title and interest being hereinafter called "Adjacent Rights"); and

TOGETHER WITH all estate, right, title and interest of Mortgagor, now owned or hereafter acquired, in and to any and all buildings and other improvements now or hereafter located on the Property and all building materials, building equipment and fixtures of every kind and nature located on the Property or, attached to, contained in or used in any such buildings and

other improvements, and all appurtenances and additions thereto and betterments, substitutions and replacements thereof (all of the foregoing estate, right, title and interest being hereinafter collectively called "Improvements"); and

TOGETHER WITH all estate, right, title and interest of Mortgagor in and to all such tangible property now owned or hereafter acquired by Mortgagor (including all machinery, apparatus, equipment, fittings, fixtures, as-extracted collateral and articles of personal property) and now or hereafter located on or at or attached to the Property such that an interest in such tangible property arises under applicable real estate law and/or the Tenant Leases, and any and all products and accessions to any such property that may exist at any time (all of the foregoing estate, right, title and interest, and products and accessions being hereinafter called "Fixtures"); and

TOGETHER WITH all estate, right, title and interest of Mortgagor, if any, in and to all rights, royalties and profits in connection with all minerals, oil and gas and other hydrocarbon substances on or in the Property, development rights or credits, air rights, water, water rights (whether riparian, appropriative, or otherwise and whether or not appurtenant) and water stock (all of the foregoing estate, right, title and interest being hereinafter collectively called "Mineral and Related Rights"); and

TOGETHER WITH all reversion or reversions and remainder or remainders of the Property and Improvements and all estate, right, title and interest of Mortgagor as lessor or grantor in and to any and all present and future real property leases, licenses, occupancy agreements, concessions or other arrangements to use or access all or any portion of the Mortgage Estate, including, but not limited to, space leases, ground leases and lease of air rights (collectively, the "Landlord Leases" and together with the Tenant Leases, the "Leases"), and all rents, revenues, proceeds, issues, profits, royalties, income and other benefits now or hereafter derived from Mortgagor's interest in the Property, the Improvements and the Fixtures, subject to the right, power and authority hereinafter given to Mortgagor to collect and apply the same (all of the foregoing reversions, remainders, leases of space, rents, revenues, proceeds, issues, profits, royalties, income and other benefits being hereinafter collectively called "Rents"); and

TOGETHER WITH all estate, right, title and interest and other claim or demand that Mortgagor now has or may hereafter acquire with respect to any damage to the Property, the Improvements or the Fixtures and any and all proceeds of insurance in effect with respect to the Improvements or the Fixtures, including, without limitation, any title insurance, and any and all awards made for the taking by eminent domain, or by any proceeding or purchase in lieu thereof, of the Property, the Improvements or the Fixtures, including without limitation any awards resulting from a change of grade of streets or as the result of any other damage to the Property, the Improvements or the Fixtures for which compensation shall be given by any governmental authority (all of the foregoing estate, right, title and interest and other claims or demand, and any such proceeds or awards being hereinafter collectively called "Damage Rights"); and

TOGETHER WITH all estate, right, title, interest and other claim of Mortgagor, if any, with respect to any parking facilities located other than on the Property and used or intended to be used in connection with the operation, ownership or use of the Property, any and all replacements and substitutions for the same, and any other parking rights, easements, covenants

and other interests in parking facilities acquired by Mortgagor for the use of tenants or occupants of the Improvements (all of the foregoing estate, right, title, interest and other claim being hereinafter collectively called "Parking Rights"); and

TOGETHER WITH all estate, right, title and interest of Mortgagor in respect of any and all air rights, development rights, zoning rights or other similar rights or interests that benefit or are appurtenant to the Property or the Improvements (all of the foregoing estate, right, title and interest being hereinafter collectively called "Air and Development Rights");

All of the foregoing Corridor Agreements, Adjacent Rights, Improvements, Fixtures, Mineral and Related Rights, Rents, Damage Rights, Parking Rights and Air and Development Rights being sometimes hereinafter referred to collectively as the "Ancillary Rights and Properties", and the Leases and Owned Property and Ancillary Rights and Properties being sometimes hereinafter referred to collectively as the "Mortgage Estate"; provided the term "Mortgage Estate" shall not include any property or other asset of the Mortgagor that is an Excluded Asset (as defined under the Security Agreement); provided further that if at any time any property or other asset of the Mortgagor that constituted an Excluded Asset ceases to fall within the definition of "Excluded Asset" (as defined under the Security Agreement), such property or other asset shall automatically constitute part of the Mortgage Estate and the security interest of the Collateral Agent hereunder shall automatically attach thereto;

TO HAVE AND TO HOLD the Mortgage Estate with all privileges and appurtenances thereunto belonging, to Mortgagee and its successors and assigns, forever, upon the terms and conditions and for the uses hereinafter set forth;

PROVIDED ALWAYS, that if the Secured Obligations shall be paid in full, and Mortgagor shall abide by and comply with each and every covenant contained herein and in the Secured Obligation Documents, then this Mortgage and the lien and estate hereby granted shall cease, terminate and become void.

TO PROTECT THE SECURITY OF THIS MORTGAGE, MORTGAGOR HEREBY COVENANTS AND AGREES AS FOLLOWS:

ARTICLE 1

Particular Covenants and Agreements of Mortgagor

Section 1.01. Title, Etc. Except as would not reasonably be expected to have a Material Adverse Effect, Mortgagor represents and warrants that (a) it has good fee simple title in and to the Owned Property and good leasehold title in and to the Leasehold Property, and Mortgagor's interest therein is not subject to any mortgage, deed of trust, lien, pledge, charge, security interest or other encumbrance or adverse claim of any nature, except Permitted Security Interests; (b) it has good and valid interests in the Tenant Leases, and the Tenant Leases are in full force and effect and there are no defaults under any Tenant Leases that would reasonably be expected to result in termination of any Tenant Leases or Mortgagor's rights thereunder, and, in each case, Mortgagor's interest is not subject to any mortgage, deed of trust, lien, pledge, charge, security interest or other encumbrance or adverse claim of any nature, except Permitted Security Interests; and (c) it has good and valid interests in the Corridor Agreements, and the Corridor

Agreements are in full force and effect and there are no defaults under any Corridor Agreement that would reasonably be expected to result in termination of any Corridor Agreement or Mortgagor's rights thereunder, and, in each case, Mortgagor's interest in the Corridor Agreements is not subject to any mortgage, deed of trust, lien, pledge, charge, security interest or other encumbrance or adverse claim of any nature, except Permitted Security Interests; and (d) Mortgagor's interest in the Ancillary Rights and Properties, if any, is not subject to any mortgage, deed of trust, lien, pledge, charge, security interest or other encumbrance or adverse claim of any nature, except Permitted Security Interests.

Mortgagor represents and warrants that it has the full power and lawful authority to grant, bargain, sell, release, convey, warrant, assign, transfer, mortgage, pledge, set over and confirm unto Mortgagee the Mortgage Estate, subject to Permitted Security Interests, as hereinabove provided and warrants that it will forever defend the title to the Mortgage Estate and the validity and first priority of the lien or estate hereof against the claims and demands of all persons whomsoever.

Section 1.02. Further Assurances; Filing; Re-Filing; Etc.

(a) Further Instruments. Mortgagor shall execute, acknowledge and deliver, from time to time, such further instruments as necessary and as Mortgagee may require to accomplish the purposes of this Mortgage, including, without limitation, any document reasonably required to be executed by Mortgagor with respect to the Leases, Corridor Agreements or in connection with the exercise thereof, to the extent required by Section 6.09 of the Senior Loan Agreement or Section 13.01 of the Collateral Agency Agreement.

(b) Filing and Re-Filing. Mortgagor, immediately upon the execution and delivery of this Mortgage, and thereafter from time to time, shall cause this Mortgage, any security agreement or mortgage supplemental hereto and each instrument of further assurance to be filed, registered or recorded and re-filed, re-registered or re-recorded in such manner and in such places as may be required by any present or future law in order to publish notice of and perfect the Lien or estate of this Mortgage upon the Mortgage Estate pursuant to Section 6.11 of the Senior Loan Agreement.

(c) Fees and Expenses. Mortgagor shall pay all filing, registration and recording fees, all re-filing, re-registration and re-recording fees, and all expenses incident to the execution, filing, recording and acknowledgment of this Mortgage, any security agreement or mortgage supplemental hereto and any instrument of further assurance, and all federal, state, county and municipal stamp taxes and other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution, delivery, filing and recording of this Mortgage, any security agreement or mortgage supplemental hereto or any instruments of further assurance.

Section 1.03. [Intentionally Omitted].

Section 1.04. Impositions.

(a) Payment of Impositions. Mortgagor shall pay or cause to be paid all taxes, assessments, water and sewer rates, utility charges and all other governmental or non-

governmental charges or levies now or hereafter assessed or levied against any part of its Mortgage Estate or upon the lien or estate of Mortgagee therein or required to be paid by Mortgagee pursuant to the Leases (collectively, "Impositions") to the extent required by Section 6.13 of the Senior Loan Agreement.

(b) Right to Contest Impositions. Notwithstanding anything contained in Section 1.04(a) to the contrary, Mortgagor at its expense may contest the amount or validity or application, in whole or in part, of any Imposition or lien therefor or any claims of mechanics, materialmen, suppliers or vendors or lien thereof, and may withhold payment of the same pending such proceedings if permitted by law.

Section 1.05. [Intentionally Omitted].

Section 1.06. Actions to Protect Mortgage Estate. If Mortgagor shall fail (a) to effect the insurance required by the Leases and/or Section 6.04 of the Senior Loan Agreement, (b) to make the payments required by Section 1.04 hereof or (c) to perform or observe in any material respect any of its other material covenants or agreements hereunder, Mortgagee may, without obligation to do so, and upon prior written notice to Mortgagor (except in the event of an emergency) effect or pay the same; and Mortgagor agrees to reimburse Mortgagee to the extent of the amounts so advanced with interest thereon at a rate per year equal to the highest yield on any Outstanding Series 2019A Bonds, from the date of advance to the date of reimbursement. Any amounts so advanced by Mortgagee shall become an additional obligation of Mortgagor, shall be payable on demand, and shall be deemed a part of the Secured Obligations of Mortgagor.

Section 1.07. Corridor Agreements.

(a) Performance and Modifications. Mortgagor shall perform all of its obligations and enforce all of its rights under each Corridor Agreement, except to the extent that failure to perform such obligations or enforce such rights would not reasonably be expected to result in termination of such Corridor Agreement or otherwise have a Material Adverse Effect. Mortgagor shall not surrender, terminate or cancel any Corridor Agreement. Mortgagor shall not materially modify, change, supplement, alter, amend or waive any provision of any Corridor Agreement orally or in writing, without the consent of Mortgagee, which consent shall not be unreasonably withheld or delayed provided that such amendment, modification, supplement, alteration or waiver would not reasonably be expected to have a Material Adverse Effect and provided further that Mortgagee may withhold or condition its consent to the execution and delivery of amendments to, or supplements to, this Mortgage and/or other Financing Documents in order to preserve Mortgagee's interest in the Mortgage Estate. For the avoidance of doubt, an amendment and restatement of any Corridor Agreement which does not materially modify the terms of such Corridor Agreement shall not require the consent of the Mortgagee. Mortgagor shall provide the Collateral Agent with a fully executed copy of each agreement amending, supplementing or otherwise modifying a Corridor Agreement within thirty (30) days of such agreement's execution; provided, that the failure to provide a copy of each such agreement shall not result in a Secured Obligation Event of Default unless and until the Collateral Agent shall have delivered a written request for all amendments and Mortgagor shall fail to deliver such amendments within 10 (ten) Business Days of such written request.

(b) Release or Forbearance. No release or forbearance of any of Mortgagor's obligations under any Corridor Agreement, pursuant to the terms thereof or otherwise, shall release Mortgagor from any of its obligations under this Mortgage.

(c) No Merger of Interests. To the fullest extent permitted by applicable law, neither the fee title to the property demised by any Corridor Agreement nor the estate created by such Corridor Agreement shall merge, but shall always remain separate and distinct, notwithstanding the union of the aforesaid estates either in the grantor or Mortgagor under such Corridor Agreement or in a third party by purchase or otherwise, unless Mortgagee shall, at its option, execute and record a document evidencing its intent to merge such estates. If Mortgagor acquires the fee title or any other estate, title or interest in any Mortgage Estate covered by any Corridor Agreement, this Mortgage shall attach to, be a lien upon and spread to the fee title or such other estate so acquired, and such fee title or other estate shall, without further assignment, mortgage or conveyance, become and be subject to the lien of this Mortgage. Mortgagor shall notify Mortgagee in writing of any such acquisition by Mortgagor and shall cause to be executed and recorded all such other and further assurances or other instruments in writing as may be required to carry out the intent and meaning hereof provided, that the failure to provide a copy of each such agreement shall not result in a Secured Obligation Event of Default unless and until the Collateral Agent shall have delivered a written request for all amendments and Mortgagor shall fail to deliver such amendments within ten (10) Business Days of such written request.

1.08 Tenant Leases.

(a) Leasehold Interests Generally. The Mortgagor shall promptly perform and observe all of the material terms, covenants and conditions required to be performed and observed by the Mortgagor under the Tenant Leases, including the payment of all rent and other charges due thereunder, and do all things necessary to preserve and to keep unimpaired its rights thereunder.

(b) Right to Cure Defaults. If the Mortgagor shall fail promptly to perform or observe any of the material terms, covenants or conditions required to be performed by it under any Tenant Lease, including, without limitation, payment of all rent and other charges due thereunder, the Mortgagee may, without obligation to do so, and upon notice to the Mortgagor (except in an emergency), take such action as is appropriate to cause such terms, covenants or conditions to be promptly performed or observed on behalf of the Mortgagor but no such action by the Mortgagee shall release the Mortgagor from any of its obligations under this Mortgage. Upon receipt by the Mortgagee from the lessor/grantor under any Tenant Lease of any notice of default by the Mortgagor thereunder, the Mortgagee may conclusively rely thereon and take any action as aforesaid to cure such default even though the existence of such default or the nature thereof be questioned or denied by the Mortgagor or by any party on behalf of the Mortgagor.

(c) No Modification Without Consent. The Mortgagor shall not surrender its leasehold estate and interests under any Tenant Lease, nor terminate or cancel any Tenant Lease. The Mortgagor shall not materially modify, change, supplement, alter, amend or waive any provision of any Tenant Lease orally or in writing, without the consent of Mortgagee, which consent shall not be unreasonably withheld, conditioned or delayed provided that such amendment, modification, supplement, alteration or waiver would not reasonably be expected to

have a Material Adverse Effect; provided, further, that Mortgagee may condition or withhold its consent to the execution and delivery of amendments to, or supplements to, any Tenant Lease in order to preserve Mortgagee's interest in the Mortgage Estate. The Mortgagor shall provide the Collateral Agent with a fully executed copy of each agreement amending, supplementing or otherwise modifying a Tenant Lease within thirty (30) days of such agreement's execution.

(d) Release or Forbearance. No release or forbearance of any of the Mortgagor's obligations under any Tenant Lease, pursuant to the terms thereof or otherwise, shall release the Mortgagor from any of its obligations under this Mortgage.

(e) No Merger of Interests. Neither the fee title to the property demised by any Tenant Lease nor the leasehold estate created thereby shall merge, but shall always remain separate and distinct, notwithstanding the union of the aforesaid estates either in the lessor or the Mortgagor under such Tenant Lease or in a third party by purchase or otherwise, unless the Mortgagee shall, at its option, execute and record a document evidencing its intent to merge such estates. If the Mortgagor acquires the fee title or any other estate, title or interest in any leasehold estate covered by any Tenant Lease, this Mortgage shall attach to, be a Lien upon and spread to the fee title or such other estate so acquired, and such fee title or other estate shall, without further assignment, mortgage or conveyance, become and be subject to the Lien of this Mortgage.

(f) New Tenant Leases. If any Tenant Lease shall be terminated prior to the natural expiration of its term due to default by the Mortgagor or any lessor/grantor thereunder, and if, pursuant to the provisions of the Tenant Lease, the Mortgagee or its designee shall acquire from the lessor/grantor a new lease, the Mortgagor shall have no right, title or interest in or to such new lease or the leasehold estate created thereby, or renewal privileges therein contained.

(g) No Assignment. Notwithstanding anything to the contrary contained herein, this Mortgage shall not constitute an assignment of any Tenant Lease within the meaning of any provision thereof prohibiting assignment and the Mortgagee shall have no liability or obligation thereunder by reason of its acceptance of this Mortgage.

(h) Treatment of Tenant Lease In Bankruptcy.

(i) If any lessor/grantor under any Tenant Lease rejects or disaffirms, or seeks or purports to reject or disaffirm, such Tenant Lease pursuant to any Bankruptcy Law, then the Mortgagor shall not exercise the 365(h) Election and, to the extent permitted by law, the Mortgagor shall not suffer or permit the termination of the Tenant Lease without the Mortgagee's written consent. The Mortgagor acknowledges that because the Tenant Leases are a primary element of the Mortgagee's security, it is not anticipated that the Mortgagee would consent to termination of the Tenant Leases. If the Mortgagor makes any election under Section 365 of the Bankruptcy Code in violation of this Mortgage, then such 365(h) Election shall be void and of no force or effect.

(ii) The Mortgagor hereby assigns to the Mortgagee the 365(h) Election with respect to the Tenant Leases until the Secured Obligations have

been satisfied in full. The Mortgagor acknowledges and agrees that the foregoing assignment of the 365(h) Election and related rights is one of the rights that the Mortgagee may use at any time to protect and preserve the Mortgagee's other rights and interests under this Mortgage. The Mortgagor further acknowledges that exercise of any election under Section 365 of the Bankruptcy Code with the effect of terminating the Tenant Leases would constitute waste prohibited by this Mortgage. Mortgagor's assignment of the 365(h) Election shall not be deemed a waiver or assignment of Mortgagor's right under Section 365(h)(1)(A)(ii) of the Bankruptcy Code to retain possession of the premises under any rejected Tenant Lease if required pursuant to Section 1.08(i) hereof.

(iii) The Mortgagor acknowledges that if the 365(h) Election is exercised in favor of Mortgagor's remaining in possession under the Tenant Leases, then the Mortgagor's resulting occupancy rights, as adjusted by the effect of Section 365 of the Bankruptcy Code, shall then be part of the Mortgage Estate and shall be subject to the Lien of this Mortgage.

(i) Rejection of Tenant Lease by Lessor. If any lessor rejects or disaffirms any Tenant Lease or purports or seeks to reject or disaffirm such Tenant Lease pursuant to any Bankruptcy Law, then:

(i) The Mortgagor shall remain in possession of the Mortgage Estate demised under such Tenant Lease so rejected or disaffirmed and shall perform all acts necessary for the Mortgagor to remain in such possession for the unexpired term of such Tenant Lease, whether the then existing terms and provisions of such Tenant Lease require such acts or otherwise, provided that nothing in the foregoing shall require Mortgagor to incur any liability as a holdover tenant; and

(ii) All the terms and provisions of this Mortgage and the lien created by this Mortgage shall remain in full force and effect and shall extend automatically to all of the Mortgagor's rights and remedies arising at any time under, or pursuant to, Section 365(h) of the Bankruptcy Code, including all of the Mortgagor's rights to remain in possession of the leased Mortgage Estate.

(j) Assignment of Claims to Mortgagee. The Mortgagor, immediately upon learning that lessor/grantor has failed to perform the terms and provisions thereunder (including by reason of a rejection or disaffirmance or purported rejection or disaffirmance of such Tenant Lease pursuant to any Bankruptcy Law), shall notify the Mortgagee in writing of any such failure to perform. The Mortgagor unconditionally assigns, transfers and sets over to the Mortgagee any and all damage claims thereunder. This assignment constitutes a present, irrevocable and unconditional assignment of all damage claims under the Tenant Lease, and shall continue in effect until this Mortgage is no longer in effect. Notwithstanding the foregoing, the Mortgagee grants to the Mortgagor a revocable license to exercise any such Tenant Lease damage claims which license may only be revoked by the Mortgagee upon the occurrence and during the continuance of any Secured Obligation Event of Default.

ARTICLE 2

Assignment of Rents, Issues and Profits

Section 2.01. Assignment of Rents, Issues and Profits. Mortgagor hereby assigns and transfers to Mortgagee, FOR THE PURPOSE OF SECURING the Secured Obligations, all Rents, and hereby gives to and confers upon Mortgagee the right, power and authority to collect the same. Mortgagor irrevocably appoints Mortgagee its true and lawful attorney-in-fact, at its option at any time and from time to time following the occurrence and during the continuance of a Secured Obligation Event of Default, to demand, receive and enforce payment, to give receipts, releases and satisfactions, and to sue, in the name of Mortgagor or otherwise, for Rents and apply the same to the Secured Obligations as provided in paragraph (a) of Section 4.03; provided, however, Mortgagor shall have the right to collect its Rents at any time prior to the occurrence of a Secured Obligation Event of Default (but not more than one month in advance, except in the case of security deposits). The assignment of Rents contained in this Article 2 is intended to provide Mortgagee with all the rights and remedies of lenders pursuant to Section 697.07, Florida Statutes, as amended from time to time (hereinafter "Section 697.07"). However, in no event shall this reference diminish, alter, impair, or affect any other rights and remedies of Mortgagee, including but not limited to, the appointment of a receiver as provided herein, nor shall any provision in this Section 2.01 diminish, alter, impair or affect any rights or powers of the receiver in law or equity or as set forth herein. In addition, the assignment of leases and rents contained in this Mortgage shall be fully operative without regard to value of the Property or without regard to the adequacy of the Property to serve as security for the obligations owed by Borrower to Lender, and shall be in addition to any rights arising under Section 697.07. Further, except for the notices required hereunder or under the Senior Loan Agreement, if any, Borrower waives any notice of default or demand for turnover of rents by Lender, together with any rights under Section 697.07 to apply to a court to deposit the rents into the registry of the court or such other depository as the court may designate.

Section 2.02. Collection Upon Default. To the extent permitted by law, upon the occurrence of any Secured Obligation Event of Default, Mortgagee may, at any time without notice, either in person, by agent or by a receiver appointed by a court, and without regard to the adequacy of any security for the Secured Obligations or the solvency of Mortgagor, enter upon and take possession of the Property, the Improvements and the Fixtures or any part thereof, in its own name, sue for or otherwise collect Rents including those past due and unpaid, and, apply the same, less costs and expenses of operation and collection, including attorneys' fees and disbursements, to the payment of the Secured Obligations as provided in paragraph (a) of Section 4.03, and in such order as Mortgagee may determine. The collection of Rents or the entering upon and taking possession of the Property, the Improvements or the Fixtures or any part thereof, or the application thereof as aforesaid, shall not cure or waive any a Secured Obligation Event of Default or notice thereof or invalidate any act done in response to such Secured Obligation Event of Default or pursuant to notice thereof.

ARTICLE 3

Security Agreement

Section 3.01. Creation of Security Interest. Mortgagor hereby grants to Mortgagee a security interest in the Fixtures for the purpose of securing the Secured Obligations. Mortgagee shall have, in addition to all rights and remedies provided herein and in the other Security Obligation Documents, all the rights and remedies of a secured party under the Uniform Commercial Code of the State of Florida. A statement describing the portion of the Mortgage Estate comprising the Fixtures is set forth in the granting clauses of this Mortgage. Mortgagor represents and warrants to Mortgagee that it is the record owner of the Owned Property.

Section 3.02. Last Dollar. To the extent that this Mortgage secures only a portion of the indebtedness owing or that may be owing by Mortgagor to the Secured Parties, the parties agree that any payments or repayments of such indebtedness shall be and be deemed to be applied first to the portion of the indebtedness that is not secured hereby, it being the parties' intent that the portion of the indebtedness last remaining unpaid shall be secured hereby. If at any time this Mortgage shall secure less than all of the principal amount of the Secured Obligations, it is expressly agreed that any repayments of the principal amount of the Secured Obligations shall not reduce the amount of the lien of this Mortgage until the lien amount shall equal the principal amount of the Secured Obligations outstanding.

Section 3.03 Warranties, Representations and Covenants. Mortgagor hereby warrants, represents and covenants that: (a) all covenants and obligations of Mortgagor contained herein relating to the Mortgage Estate shall be deemed to apply to the Fixtures whether or not expressly referred to herein and (b) this Mortgage constitutes a security agreement and "fixture filing" as those terms are used in the applicable Uniform Commercial Code. Mortgagor is the "Debtor" and its name and mailing address are set forth on Page 1 hereof. Mortgagee is the "Secured Party" and its name and mailing address from which information relative to the security interest created hereby are also set forth on Page 1 hereof. The information provided in this Section 3.03 is provided so that this Mortgage shall comply with the requirements of the Uniform Commercial Code as in effect in the state in which the Mortgage Estate is located for a mortgage instrument to be filed as a financing statement.

ARTICLE 4

Defaults; Remedies

Section 4.01 Defaults. If any Secured Obligation Event of Default shall occur and be continuing and the principal of and accrued interest on the extensions of credit and all other Secured Obligations shall be declared, or become, due and payable in accordance with the Secured Obligation Documents, such amounts shall become due and payable without presentment, demand, protest or other formalities of any kind to the extent waived in the Secured Obligation Documents.

Section 4.02. Default Remedies.

(a) Remedies Generally. If a Secured Obligation Event of Default shall have occurred and be continuing, this Mortgage may, to the maximum extent permitted by law, be enforced, and Mortgagee may exercise any right, power or remedy permitted to it hereunder, under any Security Obligation Documents or by law, and, without limiting the generality of the foregoing, Mortgagee may, personally or by its agents, to the maximum extent permitted by law:

(i) enter into and take possession of the Mortgage Estate or any part thereof, exclude Mortgagor and all persons claiming under Mortgagor whose claims are junior to this Mortgage, wholly or partly therefrom, and use, operate, manage and control the same either in the name of Mortgagor or otherwise as Mortgagee shall deem best, and upon such entry, from time to time at the expense of Mortgagor and the Mortgage Estate, make all such repairs, replacements, alterations, additions or improvements to the Mortgage Estate or any part thereof as Mortgagee may deem proper and, whether or not Mortgagee has so entered and taken possession of the Mortgage Estate or any part thereof, collect and receive all Rents and apply the same to the payment of all expenses that Mortgagee may be authorized to make under this Mortgage, the remainder to be applied to the payment of the Secured Obligations until the same shall have been repaid in full; if Mortgagee demands or attempts to take possession of the Mortgage Estate or any portion thereof in the exercise of any rights hereunder, Mortgagor shall promptly turn over and deliver complete possession thereof to Mortgagee; and

(ii) personally or by agents, with or without entry, if Mortgagee shall deem it advisable:

(x) sell the Mortgage Estate at a sale or sales held at such place or places and time or times and upon such notice and otherwise in such manner as may be required by law, or, in the absence of any such requirement, as Mortgagee may deem appropriate, and from time to time adjourn any such sale by announcement at the time and place specified for such sale or for such adjourned sale without further notice, except such as may be required by law;

(y) proceed to protect and enforce its rights under this Mortgage, by suit for specific performance of any covenant contained herein or in the Security Obligation Documents or in aid of the execution of any power granted herein or in the Security Obligation Documents, or for the foreclosure of this Mortgage (as a mortgage or otherwise) and the sale of the Mortgage Estate under the judgment or decree of a court of competent jurisdiction, or for the enforcement of any other right as Mortgagee shall deem most effectual for such purpose, provided, that in the event of a sale, by foreclosure or otherwise, of less than all of the Mortgage Estate, this Mortgage shall continue as a lien on, and security interest in, the remaining portion of the Mortgage Estate; or

(z) exercise any or all of the remedies available to a secured party under the applicable Uniform Commercial Code, including, without limitation:

(1) with respect to Fixtures, either personally or by means of a court appointed receiver, take possession of all or any of the Fixtures and exclude therefrom Mortgagor and all persons claiming under Mortgagor, and thereafter hold, store, use, operate, manage, maintain and control, make repairs, replacements, alterations, additions and improvements to and exercise all rights and powers of Mortgagor in respect of the Fixtures or any part thereof; if Mortgagee demands or attempts to take possession of the Fixtures in the exercise of any rights hereunder, Mortgagor shall promptly turn over and deliver complete possession thereof to Mortgagee;

(2) with respect to Fixtures, without notice to or demand upon Mortgagor, make such payments and do such acts as Mortgagee may deem necessary to protect its security interest in the Fixtures, including, without limitation, paying, purchasing, contesting or compromising any encumbrance that is prior to or superior to the security interest granted hereunder, and in exercising any such powers or authority paying all expenses incurred in connection therewith;

(3) with respect to Fixtures, require Mortgagor to assemble the Fixtures or any portion thereof, at a place designated by Mortgagee and reasonably convenient to both parties, and promptly to deliver the Fixtures to Mortgagee, or an agent or representative designated by it; Mortgagee, and its agents and representatives, shall have the right to enter upon the premises and property of Mortgagor to exercise Mortgagee's rights hereunder; and

(4) with respect to the Fixtures, sell, lease or otherwise dispose of the Fixtures, with or without having the Fixtures at the place of sale, and upon such terms and in such manner as Mortgagee may determine (and Mortgagee or any Secured Party may be a purchaser at any such sale).

(iii) generally, sell, transfer, pledge and make any agreement with respect to or otherwise deal with any of the Mortgage Estate as fully and completely as though Mortgagee were the absolute owner thereof for all purposes (including, without limitation, exercise of any option or rights under any Lease, Corridor Agreement or otherwise relating to the Mortgage Estate), and do, at Mortgagee's option and Mortgagor's expense, at any time, or from time to time, all acts and things that Mortgagee deems necessary to protect, preserve or realize

upon the Mortgage Estate and Mortgagee's lien on and security interests therein and to effect the intent of this Mortgage, all as fully and effectively as Mortgagor might do.

(b) Appointment of Receiver. If a Secured Obligation Event of Default shall have occurred and be continuing, Mortgagee, to the maximum extent permitted by law, shall be entitled, as a matter of right, to the appointment of a receiver of the Mortgage Estate, without notice or demand, and without regard to the adequacy of the security for the Secured Obligations or the solvency of Mortgagor. Mortgagor hereby irrevocably consents to such appointment and waives notice of any application therefor. Any such receiver or receivers shall have all the usual powers and duties of receivers in like or similar cases and all the powers and duties of Mortgagee in case of entry and shall continue as such and exercise all such powers until the date of confirmation of sale of the Mortgage Estate, unless such receivership is sooner terminated.

(c) Rents. If a Secured Obligation Event of Default shall have occurred and be continuing, Mortgagor shall, to the maximum extent permitted by law, pay monthly in advance to Mortgagee, or to any receiver appointed at the request of Mortgagee to collect Rents, the fair and reasonable rental value for the use and occupancy of the Property, the Improvements and the Fixtures or of such part thereof as may be in the possession of Mortgagor. Upon default in the payment thereof, Mortgagor shall vacate and surrender possession of the Property, the Improvements and the Fixtures to Mortgagee or such receiver, and upon a failure so to do may be evicted by summary proceedings.

(d) Sale. In any sale under any provision of this Mortgage or pursuant to any judgment or decree of court, the Mortgage Estate, to the maximum extent permitted by law, may be sold in one or more parcels or as an entirety and in such order as Mortgagee may elect, without regard to the right of Mortgagor or any person claiming under Mortgagor to the marshalling of assets. The purchaser at any such sale shall take title to the Mortgage Estate or the part thereof so sold free and discharged of the estate of Mortgagor therein, the purchaser being hereby discharged from all liability to see to the application of the purchase money. Any person, including Mortgagee or any Secured Party, may purchase at any such sale. Upon the completion of any such sale by virtue of this Section 4.02 Mortgagee shall execute and deliver to the purchaser an appropriate instrument that shall effectively transfer all of Mortgagor's estate, right, title, interest, property, claim and demand in and to the Mortgage Estate or portion thereof so sold, but without any covenant or warranty, express or implied. Mortgagee is hereby irrevocably appointed the attorney-in-fact of Mortgagor in its name and stead to make all appropriate transfers and deliveries of the Mortgage Estate or any portions thereof so sold and, for that purpose, Mortgagee may execute all appropriate instruments of transfer, and may substitute one or more persons with like power, Mortgagor hereby ratifying and confirming all that said attorneys or such substitute or substitutes shall lawfully do by virtue hereof. Nevertheless, Mortgagor shall ratify and confirm, or cause to be ratified and confirmed, any such sale or sales by executing and delivering, or by causing to be executed and delivered, to Mortgagee or to such purchaser or purchasers all such instruments as may be advisable, in the judgment of Mortgagee, for such purpose, and as may be designated in such request. Any sale or sales made under or by virtue of this Mortgage, to the extent not prohibited by law, shall operate to divest all the estate, right, title, interest, property, claim and demand whatsoever, whether at law or in equity, of Mortgagor in, to and under the Mortgage Estate, or any portions thereof so

sold, and shall be a perpetual bar both at law and in equity against Mortgagor and against any and all persons claiming or who may claim the same, or any part thereof, by, through or under Mortgagor. The powers and agency herein granted are coupled with an interest and are irrevocable.

(e) Possession of Security Obligation Documents Not Necessary. All rights of action under the Security Obligation Documents and this Mortgage may be enforced by Mortgagee without the possession of the Security Obligation Documents and without the production thereof at any trial or other proceeding relative thereto.

Section 4.03. Application of Proceeds.

(a) Application of Proceeds Generally. All moneys collected by Mortgagee upon any sale or other disposition of the Mortgage Estate in connection with any exercise of remedies, together with all other moneys received by Mortgagee hereunder with respect thereto, shall be applied as follows:

(i) first, to Mortgagee pursuant to Section 9.08 of the Collateral Agency Agreement;

(ii) second, the balance, if any, to Mortgagor or such other persons entitled thereto.

(b) It is understood that Mortgagor shall remain liable to the extent of any deficiency between the amount of the proceeds of the Mortgage Estate and the aggregate amount of the Secured Obligations.

(c) Upon any sale of the Mortgage Estate by Mortgagee (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of Mortgagee or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Mortgage Estate so sold and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to Mortgagee or such officer or be answerable in any way for the misapplication thereof.

(d) Liability for Deficiencies. No sale or other disposition of all or any part of the Mortgage Estate pursuant to Section 4.02 shall be deemed to relieve Mortgagor of its obligations under the Security Obligation Documents except to the extent the proceeds thereof are applied to the payment of such obligations. Except as otherwise provided in the Security Obligation Documents, if the proceeds of sale, collection or other realization of or upon the Mortgage Estate are insufficient to cover the costs and expenses of such realization and the payment in full of the Secured Obligations and Mortgagee's fees, expenses, costs, losses, and liabilities, Mortgagor shall remain liable for any deficiency.

Section 4.04. Right to Sue. Mortgagee shall have the right from time to time to sue for any sums required to be paid by Mortgagor under the terms of this Mortgage as the same become due, without regard to whether or not the Secured Obligations shall be, or have become, due and without prejudice to the right of Mortgagee thereafter to bring any action or proceeding

of foreclosure or any other action upon the occurrence of any Secured Obligation Event of Default existing at the time such earlier action was commenced.

Section 4.05. Powers of Mortgagee. Mortgagee may at any time or from time to time renew or extend this Mortgage or (with the agreement of Mortgagor) alter or modify the same in any way, or waive any of the terms, covenants or conditions hereof or thereof, in whole or in part, and may release any portion of the Mortgage Estate or any other security, and grant such extensions and indulgences in relation to the Secured Obligations, or release any person liable therefor as Mortgagee may determine without the consent of any junior lien or encumbrance, without any obligation to give notice of any kind thereto, without in any manner affecting the first priority of the lien and estate of this Mortgage on or in any part of the Mortgage Estate, and without affecting the liability of any other person liable for any of the Secured Obligations.

Section 4.06. Remedies Cumulative.

(a) Remedies Cumulative. No right or remedy herein conferred upon or reserved to Mortgagee is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy under this Mortgage, or under applicable law, whether now or hereafter existing; the failure of Mortgagee to insist at any time upon the strict observance or performance of any of the provisions of this Mortgage or to exercise any right or remedy provided for herein or under applicable law, shall not impair any such right or remedy nor be construed as a waiver or relinquishment thereof.

(b) Other Security. Mortgagee shall be entitled to enforce payment and performance of any of the obligations of Mortgagor and to exercise all rights and powers under this Mortgage or under any Security Obligation Document or any laws now or hereafter in force, notwithstanding that some or all of the Secured Obligations may now or hereafter be otherwise secured, whether by mortgage, deed of trust, pledge, lien, assignment or otherwise; neither the acceptance of this Mortgage nor its enforcement, whether by court action or pursuant to the power of sale or other powers herein contained, shall prejudice or in any manner affect Mortgagee's right to realize upon or enforce any other security now or hereafter held by Mortgagee, it being stipulated that Mortgagee shall be entitled to enforce this Mortgage and any other security now or hereafter held by Mortgagee in such order and manner as Mortgagee, in its sole discretion, may determine; every power or remedy given by any of the Security Obligation Documents to Mortgagee, or to which Mortgagee is otherwise entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by Mortgagee, and Mortgagee may pursue inconsistent remedies.

Section 4.07. Waiver of Stay, Extension, Moratorium Laws; Equity of Redemption. To the maximum extent permitted by law, Mortgagor shall not at any time insist upon, or plead, or in any manner whatever claim or take any benefit or advantage of any applicable present or future stay, extension or moratorium law, that may affect observance or performance of the provisions of this Mortgage; nor claim, take or insist upon any benefit or advantage of any present or future law providing for the valuation or appraisal of the Mortgage Estate or any portion thereof prior to any sale or sales thereof that may be made under or by

virtue of Section 4.02; and Mortgagor, to the extent that it lawfully may, hereby waives all benefit or advantage of any such law or laws. Mortgagor for itself and all who may claim under it, hereby waives, to the maximum extent permitted by applicable law, any and all rights and equities of redemption from sale under the power of sale created hereunder or from sale under any order or decree of foreclosure of this Mortgage and (if a Secured Obligation Event of Default shall have occurred) all notice or notices of seizure, and all right to have the Mortgage Estate marshalled upon any foreclosure hereof. Except as set forth in the Secured Obligation Documents, Mortgagee shall not be obligated to pursue or exhaust its rights or remedies as against any other part of the Mortgage Estate and Mortgagor hereby waives any right or claim of right to have Mortgagee proceed in any particular order.

Section 4.08. Reasonable Care. Article IV of the Collateral Agency Agreement is incorporated herein with the same effect as if the same were fully set forth in this Mortgage.

Section 4.09 Collateral Agent. Notwithstanding anything herein to the contrary, the Collateral Agent shall be afforded all of the rights, powers, privileges, protections, benefits, immunities and indemnities of the Collateral Agent set forth in the Collateral Agency Agreement, as if such rights, powers, privileges, protections, benefits, immunities and indemnities were specifically set forth herein. The Company hereby acknowledges the appointment of the Collateral Agent pursuant to the Collateral Agency Agreement. The rights, privileges, protections, immunities and benefits given to the Collateral Agent, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Collateral Agent in each of its capacities hereunder, and to each agent, custodian and other Persons employed by the Collateral Agent in accordance herewith to act hereunder.

Section 4.10 Collateral Agency Agreement. Whenever reference is made in this Mortgage to any action by, consent, designation, specification, requirement or approval of, notice, request or other communication from, or other direction given or action to be undertaken or to be (or not to be) suffered or omitted by the Collateral Agent, or to any amendment, waiver or other modification of this Mortgage to be executed (or not to be executed) by the Collateral Agent, or to any election, decision, opinion, acceptance, use of judgment, expression of satisfaction or other exercise of discretion, rights or remedies to be made (or not to be made) by the Collateral Agent, it is understood that in all cases the Collateral Agent shall be acting, giving, withholding, suffering, omitting, making or otherwise undertaking and exercising the same (or shall not be undertaking and exercising the same) as directed in accordance with or otherwise permitted pursuant to the provisions of, the Collateral Agency Agreement. This provision is intended solely for the benefit of the Collateral Agent and its successors and permitted assigns and is not intended to and will not entitle the other parties hereto to any defense, claim or counterclaim under or in relation to any Transaction Document, or confer any rights or benefits on any party hereto.

Section 4.11 No Liability for Clean-up of Hazardous Materials. Section 2.17 of the Collateral Agency Agreement is incorporated herein with the same effect as if the same were fully set forth in this Mortgage.

ARTICLE 5

[INTENTIONALLY OMITTED]

ARTICLE 6

Miscellaneous

Section 6.01. Mortgage Modifications by Mortgagee.

(a) This Mortgage shall remain in full force and effect and be binding in accordance with and to the extent of its terms upon Mortgagor and the successors and assigns thereof and shall inure to the benefit of Mortgagee and the other Secured Parties and their respective successors, indorsees, transferees and assigns. Except as provided for in this Section 6.01, none of the terms or provisions of this Mortgage may be waived, amended, supplemented or otherwise modified except by a written instrument executed by Mortgagor and Mortgagee in accordance with this Mortgage. Notwithstanding anything to the contrary herein or in a Secured Obligation Document and in connection with the provisions of Section 12.01(b) of the Collateral Agency Agreement, Mortgagee shall execute and deliver such amendments, supplements, spreaders, releases, and subordinations or other modification (each a "Mortgage Modification") to this Mortgage without notice to or consent from any Secured Party, within twenty (20) days after the delivery by Mortgagor of a certificate signed by a Responsible Officer of the Mortgagor substantially in the form attached as Exhibit H to the Collateral Agency Agreement (each, a "Mortgage Modification Certificate"), which shall (i) describe the transaction relating to the Mortgage Modification, (ii) attach a copy of such Mortgage Modification and (iii) certify either that (x) such Mortgage Modification would not, as of the date of such certificate, cause material adverse effect on the value of the Collateral taken as a whole and would not materially adversely impair Mortgagor's ability to complete or operate the Project or (y) the subject of such Mortgage Modification is described in the Limited Offering Memorandum (as defined in the Indenture) or is a Permitted Easement, Permitted Indebtedness, Permitted Sales and Dispositions, Permitted Security Instrument or other transaction, security or grant that is otherwise not prohibited by the Senior Loan Agreement, and such Mortgage Modification Certificate shall be conclusive and binding on the Parties unless Mortgagee shall object to the Mortgage Modification by providing a notice of objection to Mortgagor within such twenty (20) day period ("Mortgage Modification Objection"). In the absence of a Mortgage Modification Objection as permitted herein, such Mortgage Modification shall be automatically and without further action in full force and effect as though Mortgagee had executed such Mortgage Modification, and in furtherance of this Section 6.01(a), Mortgagee hereby grants to Mortgagor a present appointment as Mortgagee's attorney-in-fact to endorse and record any such Mortgage Modification, which appointment is coupled with an interest.

(b) In connection with any Mortgage Modification pursuant to paragraph (a) of this Section 6.01 and in furtherance of the rights thereof, Mortgagee shall execute and deliver to Mortgagor, at Mortgagor's reasonable expense, all documents Mortgagor shall reasonably request to evidence such Modification. Any execution and delivery of documents pursuant to this Section 6.01(b) shall be without recourse to or warranty by Mortgagee.

Section 6.02. Notices. All notices, requests and demands pursuant hereto to Mortgagee or Mortgagor shall be made in accordance with Section 13.03 of the Collateral

Agency Agreement to the address set forth for such party in the preamble to this Mortgage. In the event notice of a Secured Obligation Event of Default is given to Mortgagor in accordance with Section 9.02 of the Collateral Agency Agreement, a copy of any such notice shall be contemporaneously delivered to the following in the same manner in which it is delivered to Mortgagor:

Central Florida Expressway Authority
4974 ORL Tower Road
Orlando, FL 32807
ATTN: Laura Kelley, Executive Director

State of Florida, Department of
Transportation
605 Suwannee Street
Tallahassee, FL 32399
ATTN: Secretary

With a copy to:

With a copy to:

Central Florida Expressway Authority
4974 ORL Tower Road
Orlando, FL 32807
ATTN: Joe Passiatore, Esq., General Counsel

State of Florida, Department of
Transportation
605 Suwannee Street, M.S. 58
Tallahassee, FL 32399
ATTN: General Counsel

Section 6.03. [Intentionally Omitted].

Section 6.04. Successors and Assigns. This Mortgage applies to, inures to the benefit of and binds Mortgagor and Mortgagee and their respective successors and assigns and shall run with the Property except that Mortgagor shall not assign, transfer or delegate any of its rights or obligations under this Mortgage except to the extent permitted by the Secured Obligation Documents.

Section 6.05. Captions. The captions or headings at the beginning of Articles, Sections and paragraphs hereof are for convenience of reference and are not a part of this Mortgage.

Section 6.06. Severability. If any term or provision of this Mortgage or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Mortgage, or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Mortgage shall be valid and enforceable to the maximum extent permitted by law. All obligations of Mortgagor hereunder, if more than one, are joint and several. Recourse for deficiency after sale hereunder may be had against the property of Mortgagor, without, however, creating a present or other lien or charge thereon.

Section 6.07. Repayment of Secured Amount. The secured amount under this Mortgage shall be reduced only by the last and final sums Mortgagor repays with respect to the Secured Obligations and shall not be reduced by any intervening repayments of the Secured Obligations by Mortgagor. So long as the balance of the Secured Obligations exceeds the secured amount under this Mortgage, any payments and repayments of the Secured Obligations by Mortgagor shall not be deemed to be applied against, or to reduce, the portion of the Secured Obligations secured by this Mortgage.

Section 6.08 Future Advances. This Mortgage is intended to secure payment of all "future advances" (as such term is defined and described in Section 697.04, Florida Statutes), and shall secure not only the existing Secured Obligations, but also such future advances, whether such advances are obligatory or are to be made at the option of Mortgagee or the holder hereof, or otherwise as are made within twenty (20) years from the date hereof, to the same extent as if such future advances were made on the date of the execution of this Mortgage. The total amount of debt that may be so secured by this Mortgage may be increased or decreased from time to time, but the total unpaid principal balance so secured at any one time shall not exceed \$2,500,000,000 plus interest thereon, and any disbursements made under this Mortgage for the payment of impositions, taxes, assessments, levies, insurance, or otherwise with interest on such disbursements at the rate set forth in any applicable instrument, or advanced by Mortgagee for the protection of the interest of Mortgagee in the Mortgage Estate, plus any increases in the principal balance as the result of negative amortization or deferred interest, if any. It is agreed that any additional sum or sums advanced by Mortgagee pursuant to the terms hereof shall be equally secured with and have the same priority as the original outstanding amount and shall be subject to all of the terms, provisions and conditions of this Mortgage, whether or not such additional loans or advances are evidenced by other promissory notes or other guaranties of Mortgagor and whether or not identified by a recital that it or they are secured by this Mortgage. It is further agreed that any additional promissory note or guaranty or promissory notes or guaranties executed and delivered pursuant to this paragraph and making reference to this Mortgage, shall automatically be deemed to be included in the term "Secured Obligations" wherever it appears in the context of this Mortgage. Without the prior written consent of Mortgagee, which Mortgagee may grant or withhold in its sole discretion, Mortgagor shall not file for record any notice limiting the maximum principal amount that may be secured by this Mortgage to a sum less than the maximum principal amount set forth in this paragraph. The filing of record by or on behalf of Mortgagor of such a notice without the prior written consent of Mortgagee will constitute an immediate Secured Obligation Event of Default without the need to provide any notice or opportunity to cure.

Section 6.09 GOVERNING LAW. THIS MORTGAGE WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE IN WHICH THE PROPERTY IS LOCATED, PROVIDED THAT TO THE EXTENT THAT ANY OF SUCH LAWS MAY NOW OR HEREAFTER BE PREEMPTED BY FEDERAL LAW, SUCH FEDERAL LAW SHALL SO GOVERN AND BE CONTROLLING, AND PROVIDED FURTHER THAT THE LAWS OF THE STATE IN WHICH THE PROPERTY IS LOCATED SHALL GOVERN AS TO THE CREATION, PRIORITY AND ENFORCEMENT OF LIENS AND SECURITY INTERESTS IN THE MORTGAGE ESTATE LOCATED IN SUCH STATE.

Section 6.10. Definitions.

(a) Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in Exhibit A to that certain Second Amended and Restated Collateral Agency, Intercreditor and Accounts Agreement (as it may be amended, modified or supplemented, the "Collateral Agency Agreement"), dated as of the Closing Date, among Mortgagor, as Borrower; Deutsche Bank National Trust Company, in its capacity as Trustee on behalf of the Owners of the Bonds; Deutsche Bank National Trust Company, in its capacity as

collateral agent on behalf of itself and the other Secured Parties; Deutsche Bank National Trust Company, in its capacity as securities intermediary and account bank; and each other Secured Party from time to time a party thereto.

(b) As used in this Mortgage, the singular shall include the plural as the context requires and the following words and phrases shall have the following meanings: (a) "hereof," "herein," "hereto" and "hereunder" and words of similar import when used in this Mortgage shall refer to this Mortgage as a whole and not to any particular provision of this Mortgage, and Section, subsection and Schedule references are to this Mortgage unless otherwise specified. (b) "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation"; (c) "provisions" shall mean "provisions, terms, covenants and/or conditions"; (d) "lien" shall mean "lien, charge, encumbrance, security interest, mortgage or deed of trust"; (e) "obligation" shall mean "obligation, duty, covenant and/or condition"; and (f) "any of the Mortgage Estate" shall mean "the Mortgage Estate or any part thereof or interest therein." Any act that Mortgagee is permitted to perform hereunder may be performed at any time and from time to time by Mortgagee or any person or entity designated by Mortgagee. Any act that is prohibited to Mortgagor hereunder is also prohibited to all lessees or grantees of any of the Mortgage Estate. The appointment of Mortgagee as attorney-in-fact for Mortgagor under the Mortgage is irrevocable, with power of substitution and coupled with an interest. Subject to the applicable provisions hereof, Mortgagee has the right to refuse to grant its consent, approval or acceptance or to indicate its satisfaction, in its sole discretion, whenever such consent, approval, acceptance or satisfaction is required hereunder.

Section 6.11. Counterparts. This Mortgage may be executed by one or more of the parties to this Mortgage on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

Section 6.12 WAIVER OF JURY TRIAL. MORTGAGOR AND MORTGAGEE HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS MORTGAGE OR FOR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 6.13 Conflicts. Except as otherwise expressly provided herein, the parties agree that in the event of any conflict between the provisions of this Mortgage (or any portion thereof) and the provisions of any other Secured Obligation Document or any other agreement now existing or hereafter entered into, the provisions of the Collateral Agency Agreement shall control with respect to the matters set forth therein.

[Signature page follows]

IN WITNESS WHEREOF, this Mortgage has been duly executed by Mortgagor as of the day and year first above written.

WITNESSES:

VIRGIN TRAINS USA FLORIDA LLC

Print Name: _____

By: _____

Name:

Title:

Print Name: _____

ACKNOWLEDGMENT

STATE OF _____)
) ss:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2019, by _____, as _____ of VIRGIN TRAINS USA FLORIDA LLC, a Delaware limited liability company, on behalf of said limited liability company. He/she is personally known to me or has produced _____ (type of identification) as identification.

NOTARY PUBLIC, STATE OF FLORIDA

Notary Signature
Print Name:
Notary Public, State and County Aforesaid
My commission expires:
Commission Number:

SCHEDULE 6.29

FORM OF ACKNOWLEDGMENT OF COLLATERAL ASSIGNMENT

[Contractor] acknowledges and agrees that the Borrower has collaterally assigned all of its right, title and interest in and to this [Contract] to Deutsche Bank National Trust Company, or its successors or assigns (the “Collateral Agent”), as collateral agent pursuant to a certain Amended and Restated Security Agreement, dated as of April 18, 2019 (as may be amended, amended and restated, supplemented or otherwise modified from time to time, the “Security Agreement”), between the Borrower and the Collateral Agent. [Contractor] shall, upon giving Borrower notice of any Borrower default hereunder, at the same time give a copy of such notice to the Collateral Agent, and no notice to the Borrower of any Borrower default hereunder shall be deemed to be duly given unless and until a copy thereof shall have been so given to the Collateral Agent. The Collateral Agent, or its designee, may (but shall not be obligated to) cure any such Borrower default within thirty (30) days after the date of such notice; or, if such Borrower default cannot reasonably be cured by the Collateral Agent within such 30-day period, within such longer period of time not to exceed ninety (90) days as is reasonably necessary to effect such cure (“Cure Period”), provided that Collateral Agent (a) notifies [Contractor] of its intent to cure such Borrower default and commences action to cure such Borrower default within such initial 30-day period and (b) thereafter proceeds to cure such Borrower default with reasonable diligence. In that event, [Contractor] shall accept such performance as if the same were done by the Borrower. This [Contract] shall not be terminated by [Contractor] during any period in which the Collateral Agent is entitled to attempt, and is attempting, to cure a default, in each case, during the Cure Period. Should the Collateral Agent or its designee succeed to Borrower’s rights hereunder, [Contractor] will thereafter tender performance of this [Contract] to the Collateral Agent or its designee, in which event, the Collateral Agent or such designee shall assume all of the obligations of the Borrower under this [Contract] arising from and after the date the Collateral Agent or its designee succeeds to the Borrower’s rights hereunder.

[Contractor] hereby consents to the collateral assignment under the Security Agreement of all of the Borrower’s right, title and interest in, to and under this [Contract], including, without limitation, all of the Borrower’s rights to receive payment and all payments due and to become due to the Borrower under or with respect to this [Contract] (collectively, the “Assigned Interests”) and acknowledges the right of the Collateral Agent, in the exercise of the Collateral Agent’s rights and remedies pursuant to the Security Agreement and the other Financing Documents, upon written notice to [Contractor], to make all demands, give all notices, take all actions and exercise all rights of the Borrower under this Contract (including, without limitation, subsequent assignments of this [Contract] or the Assigned Interests). [Contractor] shall pay all amounts (if any) payable by it under this [Contract] in the manner and as and when required by this [Contract] directly into the account specified by the Collateral Agent, or to such other person, entity or different account as shall be specified from time to time by the Collateral Agent to [Contractor] in writing. All payments required to be made by [Contractor] under this [Contract] shall be made without any offset, recoupment, abatement, withholding, reduction or defense whatsoever, other than those explicitly allowed by the terms of this [Contract]. In the event that this [Contract] is rejected or terminated as a result of any bankruptcy, insolvency,

reorganization or similar proceeding affecting the Borrower, [Contractor] shall, at the option of the Collateral Agent exercised within 60 days after the Collateral Agent's actual knowledge of such rejection or termination, enter into a new agreement with the Collateral Agent having identical terms as this [Contract] (subject to any conforming changes necessitated by the substitution of parties and other changes as the parties may mutually agree).

SCHEDULE 6.31

POST-CLOSING ACTIONS

1. Within the earlier to occur of (i) 180 days of the Closing Date and (ii) 30 days after the release of the same from escrow pursuant to the terms of the GOAA Agreement (as defined below), the Borrower shall deliver to the Collateral Agent a first-priority Mortgage, or a spread of the existing Mortgage, to encumber the Borrower's real property interests in (a) the vehicle maintenance facility located at the Orlando International Airport; (b) the real property interests granted pursuant to that certain Access Roadway License Agreement, executed by the Borrower as of December 10, 2018, and by GOAA as of December 12, 2018; and (c) the temporary construction license granted by GOAA pursuant to the terms of that certain Rail Line Easement Agreement dated January 22, 2014 (as amended, supplemented or otherwise modified from time to time, the "*GOAA Agreement*"), pursuant to which construction will be undertaken by the Borrower at or adjacent to the Orlando International Airport. The lien of such Mortgage over the real property interests described in clause (a) above shall be insured by a title insurance policy issued by First American Title Insurance Company (the "*Title Company*") or an endorsement to the existing title insurance policy issued by the Title Company, which title insurance policy or endorsement shall (i) increase the amount of title insurance to include the estimated fair market value as of the Closing Date of the real property subject to the Mortgage in the reasonable judgment of the Borrower pursuant to this paragraph if not already covered by the policy; (ii) name the Collateral Agent for the benefit of the Secured Parties as the insured thereunder; and (iii) contain no exceptions which would result in a Material Adverse Effect. In addition, within 180 days of the Closing Date, the Borrower shall deliver to the Collateral Agent surveys, certified to the Collateral Agent and Title Company, and/or obtain waivers from the Title Company sufficient to (A) delete or modify any general survey exception in the title insurance policy or endorsement insuring the lien of the Mortgage on the real property interests described in clause (a) above or (B) provide similar affirmative coverage as to such matters in such title insurance policy.

2. Within thirty days after the release of the same from escrow pursuant to the terms of the GOAA Agreement, the Borrower shall deliver to the Collateral Agent a first-priority Mortgage, or a spread of the existing Mortgage, to encumber the Borrower's real property interests in the Orlando Station. The lien of such Mortgage over the real property interests in the Orlando Station shall be insured by a title insurance policy issued by the Title Company or an endorsement to the existing title insurance policy issued by the Title Company, which title insurance policy or endorsement shall (i) increase the amount of title insurance to include the estimated fair market value as of the Closing Date of the real property subject to the Mortgage in the reasonable judgment of the Borrower pursuant to this paragraph if not already covered by the policy; (ii) name the Collateral Agent for the benefit of the Secured Parties as the insured thereunder; and (iii) contain no exceptions which would result in a Material Adverse Effect.

3. After completion of construction and within 30 days after recording of such easements in the appropriate filing offices, the Borrower shall deliver to the Collateral Agent a first-priority Mortgage, or a spread of the existing Mortgage, to encumber the Borrower's real property interests in (a) the rail line easement granted by GOAA pursuant to the terms of the GOAA Agreement, and (b) the rail line slope and drainage easement granted by GOAA pursuant to the terms of the GOAA Agreement. The lien of such Mortgage over the real property interests described in clauses (a) and (b) above shall be insured by a title insurance policy issued by the Title Company or an endorsement to the existing title insurance policy, which title insurance policy shall (i) increase the amount of title insurance to include the estimated fair market value as of the Closing Date of the real property subject to the Mortgage in the reasonable judgment of the Borrower pursuant to this paragraph if not already covered by the policy; (ii) name the Collateral Agent for the benefit of the Secured Parties as the insured thereunder; and (iii) contain no exceptions which would result in a Material Adverse Effect. In addition, the Borrower shall deliver to the Collateral Agent surveys, certified to the Collateral Agent and Title Company, and/or obtain waivers from the Title Company sufficient to (A) delete or modify any general survey exception in the title insurance policy or endorsement insuring the lien of the Mortgage on the real property interests described in clauses (a) and (b) above or (B) provide similar affirmative coverage as to such matters in such title insurance policy.
4. Within 15 Business Days after the date upon which the First Amendment to Lease Agreement between Borrower and the State of Florida, Department of Transportation (the "FDOT Amendment") is fully executed and effective (the "Amendment Date"), the Borrower shall deliver to the Collateral Agent a first-priority Mortgage or a spread of the existing Mortgage encumbering the Borrower's real property interests in the Additional Property (as defined in the FDOT Amendment). Within 90 days after the Amendment Date, the lien of such Mortgage (or the spreader) shall be insured by a title insurance policy issued by the Title Company or an endorsement to the existing title policy issued by the Title Company, which title insurance policy or endorsement shall (i) name the Collateral Agent for the benefit of the Secured Parties as the insured thereunder; and (ii) contain no exceptions which would result in a Material Adverse Effect.
5. Within 20 Business Days of the Closing Date, Borrower shall deliver to the Collateral Agent an endorsement to the existing title policy issued by the Title Company insuring the lien of the existing Mortgage with respect to that certain property described as "COCOA CURVE - TRACT 1" on Schedule I to the Mortgage, which endorsement shall (i) name the Collateral Agent for the benefit of the Secured Parties as the insured thereunder; and (ii) contain no exceptions which would result in a Material Adverse Effect.
6. The Borrower shall pay (i) the premium for all title policies and endorsements thereto that are required to be delivered hereunder, (ii) the cost of recording the Mortgages or spreaders thereto, and (iii) all documentary, transfer or recordation taxes, if any, due in connection with the recording of the Mortgages and/or spreaders.
7. Within 5 Business Days of the Closing Date, Borrower shall provide to the Collateral Agent evidence of the merger of East West Stations LLC with and into Borrower;

provided that, upon a final determination by an independent surveyor and/or engineer as to which parcels owned by East West Stations LLC prior to the Closing Date are necessary for the configuration of the rail track (including connection to the existing north-south rail corridor), the Collateral Agent agrees to release any of the remaining parcels previously owned by East West Stations LLC from the Mortgage. Should it be determined that the real property interests necessary to accommodate the configuration of the rail track at the connection of the east-west and north-south corridors are not subject to a Mortgage, the Borrower shall, within forty-five (45) days of such determination, or acquisition of such real property interests if not then owned, deliver to the Collateral Agent a first-priority Mortgage, or a spread of the existing Mortgage, to encumber such real property interests.

8. Within 120 days of the Borrower's receipt of a certificate of occupancy for the entirety of the Miami station, the Borrower shall deliver to the Collateral Agent an updated survey of the Miami station prepared by a licensed or registered land surveyor, certified to the Collateral Agent and Title Company, which survey shall be sufficient for the Title Company to (1) delete or modify any general survey exception in the title policy insuring the lien of the Mortgage on this Mortgaged Property or (2) provide similar affirmative coverage as to such matter in such title policy.
9. If not obtained on the Closing Date, then within 120 days of the Closing Date, the Borrower shall deliver to the Collateral Agent an updated survey of the Fort Lauderdale station prepared by a licensed or registered land surveyor, certified to the Collateral Agent and Title Company, which survey shall be sufficient for the Title Company to (1) delete or modify any general survey exception in the title policy insuring the lien of the Mortgage on this Mortgaged Property or (2) provide similar affirmative coverage as to such matter in such title policy.
10. If not obtained on the Closing Date, then within 120 days of the Closing Date, the Borrower shall deliver to the Collateral Agent an updated survey of the West Palm Beach station prepared by a licensed or registered land surveyor, certified to the Collateral Agent and Title Company, which survey shall be sufficient for the Title Company to (1) delete or modify any general survey exception in the title policy insuring the lien of the Mortgage on this Mortgaged Property or (2) provide similar affirmative coverage as to such matter in such title policy.
11. With respect to items (8), (9) and (10) above, the Borrower shall certify to the Collateral Agent upon delivery of the applicable items that (i) any matters shown on the applicable survey and (ii) any modification of a general survey exception (or inclusion of affirmative coverage) to the applicable title insurance policy would not, as of the date of delivery of the applicable item, cause a Material Adverse Effect. The Borrower shall pay the premium for all title policy endorsements thereto that are required to be delivered pursuant to items (8), (9) and (10) above.
12. Within 180 days of the Closing Date, Borrower shall deliver to the Collateral Agent the following:

- (a) Agreements executed by each of the Central Florida Expressway Authority, Florida Department of Transportation, Greater Orlando Aviation Authority (collectively, the “*ROW Owners*”) and the City of Orlando recognizing the rights of the Collateral Agent pursuant to Mortgages (including those to be delivered after the Closing Date) encumbering property interests granted by the ROW Owners to the Borrower, each substantially in the form approved by Underwriter’s Counsel as of the date of this Agreement or with such modifications thereto as may be reasonably requested by such ROW Owner or the City of Orlando, as applicable;
- (b) Estoppel certificates from each of the ROW Owners, each substantially in the form approved by Underwriter’s Counsel as of the date of this Agreement or with such modifications thereto as may be reasonably requested by such ROW Owner; and
- (c) In respect of each of the three parking garages leased by the Borrower and used in connection with the Miami, Fort Lauderdale and West Palm Beach stations, (i) a copy of a recorded Amended and Restated Memorandum of Lease, substantially in the form approved by Underwriter’s Counsel as of the date of this Agreement or with such reasonable modifications thereto as may be reasonably requested by the applicable lessor; (ii) a fully executed third amendment to such lease, substantially in the form approved by Underwriter’s Counsel as of the date of this Agreement or with such reasonable modifications thereto as may be reasonably requested by the applicable lessor; and (iii) a written agreement (and/or estoppel certificate) by the mortgagee of each garage (a) confirming, among other things, that the existing subordination and non-disturbance agreement remains in full force and effect, and (b) reaffirming its agreement to be bound by the terms of the first amendment (and consenting to or providing other evidence of the applicable mortgagee’s approval of the third amendment) to garage lease, substantially in the form approved by Underwriter’s Counsel as of the date of this Agreement or with such reasonable modifications thereto as may be reasonably requested by the applicable mortgagee.

APPENDIX C-2

FIRST SUPPLEMENTAL SENIOR LOAN AGREEMENT

(See attached)

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FIRST SUPPLEMENTAL SENIOR LOAN AGREEMENT

BETWEEN

FLORIDA DEVELOPMENT FINANCE CORPORATION, as Issuer

and

VIRGIN TRAINS USA FLORIDA LLC, as Borrower

Dated as of June 20, 2019

RELATING TO

\$950,000,000

**FLORIDA DEVELOPMENT FINANCE CORPORATION
SURFACE TRANSPORTATION FACILITY REVENUE BONDS
(VIRGIN TRAINS USA PASSENGER RAIL PROJECT), SERIES 2019B**

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FIRST SUPPLEMENTAL SENIOR LOAN AGREEMENT

THIS FIRST SUPPLEMENTAL SENIOR LOAN AGREEMENT (as amended, supplemented or otherwise modified from time to time, this “First Supplemental Senior Loan Agreement” or this “Supplement”), dated as of June 20, 2019, is being entered into by and between the FLORIDA DEVELOPMENT FINANCE CORPORATION, a public body corporate and politic, and a public instrumentality organized and existing under the laws of the State of Florida (the “Issuer”), and VIRGIN TRAINS USA FLORIDA LLC (f/k/a Brightline Trains LLC and, prior to that, known as All Aboard Florida – Operations LLC), a limited liability company organized under the laws of the State of Delaware and authorized to do business in the State (together with its successors and assigns, the “Borrower”), and amends and supplements the Amended and Restated Senior Loan Agreement, dated as of April 18, 2019 (the “Original Senior Loan Agreement”).

WITNESSETH:

WHEREAS, the Issuer is authorized and empowered by the laws of the State of Florida (the “State”), and in particular, Chapter 288, Part X, Florida Statutes, as amended (being the Florida Development Finance Corporation Act of 1993), and other applicable provisions of law (collectively, the “Act”) to issue its revenue bonds for the purpose of financing and refinancing capital projects that promote economic development within the State; and

WHEREAS, the Issuer previously issued its Surface Transportation Facility Revenue Bonds (Virgin Trains USA Passenger Rail Project), Series 2019A (the “Series 2019A Bonds”), pursuant to the Indenture of Trust, dated as of April 18, 2019 (the “Original Indenture”), between the Issuer and Deutsche Bank National Trust Company, as Trustee (the “Trustee”) and loaned the proceeds thereof to the Borrower pursuant to the Original Senior Loan Agreement to refund the Prior Bonds and finance or refinance the costs of the design, development, acquisition, construction, installation, equipping, ownership and operation of certain portions of a privately owned and operated intercity passenger rail system and related facilities, with stations located or to be located in Orlando, West Palm Beach, Fort Lauderdale and Miami, Florida, as more particularly described in the Bond Resolution, and with the proceeds of such Series 2019A Bonds to be spent only to finance or refinance Project Costs allocable to the portions of the Project located in the respective jurisdictions of Miami-Dade County, Florida, Broward County, Florida, Palm Beach County, Florida, Brevard County, Florida, and Orange County, Florida (collectively, the “Series 2019A Counties”); and

WHEREAS, in the event that conditions set forth in Article 12 of the Original Indenture are satisfied, the Issuer may issue Escrow Bonds, and such Escrow Bonds may, pursuant to and subject to the conditions set forth in Article 12 of the Original Indenture, subsequently be converted to Additional Parity Bonds upon the satisfaction of certain conditions; and

WHEREAS, the Borrower desires that the Issuer issue the Series 2019B Bonds (as hereinafter defined) pursuant to Article 12 of the Original Indenture and loan the proceeds

thereof to the Borrower to, upon satisfaction of the Escrow Release Conditions, finance certain costs of the Project; and

WHEREAS, the Issuer has determined that the Project will serve the public purposes expressed in the Act by promoting and advancing economic development within the State, and that the Issuer will be acting in furtherance of the public purposes intended to be served by the Act by assisting the Borrower in financing and refinancing all or a portion of the costs of completing the Project through the issuance of its \$950,000,000 aggregate principal amount of Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Virgin Trains USA Passenger Rail Project), Series 2019B (the “Series 2019B Bonds”), which Series 2019B Bonds are being issued initially as Escrow Bonds pursuant to Article 12 of the Original Indenture, secured solely by the Escrow Property; and

WHEREAS, upon the issuance of the Series 2019B Bonds, the Issuer will lend (the “Series 2019B Loan”) the proceeds thereof to the Borrower pursuant to this Supplement, to, upon satisfaction of the Escrow Release Conditions, pay or reimburse a portion of the costs of completing the Project within the Series 2019A Counties; and

WHEREAS, the Issuer has concurrently entered into the First Supplemental Indenture of Trust, dated as of the date hereof (the “Supplemental Indenture”), with the Trustee, amending and supplementing the Indenture of Trust, dated as of April 18, 2019 (the “Original Indenture” and together with the Supplemental Indenture and as the Original Indenture may be further amended, supplemented or otherwise modified from time to time, the “Indenture”), to provide for the issuance of the Series 2019B Bonds; and

WHEREAS, the Series 2019B Bonds are special and limited obligations of the Issuer, payable solely from and secured exclusively by, (a) with regard to Escrow Bonds, the Escrow Property, and (b) with regard to Released Bonds, the Trust Estate and the Collateral, and the Series 2019B Bonds do not constitute an indebtedness of the Issuer, the State, the Series 2019A Counties, or any other political subdivision of the State, within the meaning of any State constitutional provision or statutory limitation and shall not constitute or give rise to a pecuniary liability of the Issuer, the State, the Series 2019A Counties, or any other political subdivision of the State, and neither the full faith and credit of the Issuer nor the full faith and credit or the taxing power of the State, the Series 2019A Counties, or any other political subdivision of the State is pledged to the payment of the principal of or interest on the Series 2019B Bonds; and

WHEREAS, the execution and delivery of this Supplement has been duly authorized by the Bond Resolution adopted by the Issuer on August 5, 2015, as supplemented and amended by the Supplemental Bond Resolution adopted by the Issuer on October 27, 2017, the Supplemental Bond Resolution adopted by the Issuer on August 29, 2018, and the Supplemental Bond Resolution adopted by the Issuer on April 5, 2019 (collectively, the “Bond Resolution”);

NOW THEREFORE, in consideration of the premises and the mutual covenants herein made, and subject to the conditions herein set forth, the parties hereto agree as follows:

ARTICLE I DEFINITIONS

Section 1.01 Definitions.

All capitalized terms used herein (including in the preamble and recitals) but not otherwise defined herein shall have the respective meanings given to them in the Original Senior Loan Agreement, or if not defined in the Original Senior Loan Agreement, in the Supplemental Indenture, or if not defined in the Supplemental Indenture, in the Original Indenture, or if not defined in the Original Indenture, in Exhibit A to the Collateral Agency Agreement.

As used in this Supplement, the following capitalized terms shall have the following meanings:

“Bond Proceeds Collateral” shall have the meaning specified in Section 9.12 of this Supplement.

“Borrower” has the meaning specified in the preamble of this Supplement; provided that *“Borrower”* shall refer to a Successor Borrower upon consummation of any transaction described in Section 6.16 of the Original Senior Loan Agreement, including with respect to any determination of whether a Change of Control has occurred.

“Continuing Disclosure Agreement” means that certain Disclosure Dissemination Agent Agreement, dated as of the Closing Date, entered into between the Borrower and the Dissemination Agent pursuant to the Rule.

“Event of Default” has the meaning specified in Section 8.01 hereof.

“Financing Documents” means the Supplemental Indenture, the Series 2019B Bonds, this Supplement, the Federal Tax Certificate, the Continuing Disclosure Agreement, and the Remarketing Agreement.

“Florida UCC” means the Uniform Commercial Code as in effect from time to time in the State.

“Potential Event of Default” means an event which, with the giving of notice or lapse of time, would become an Event of Default under this Supplement.

“Proceeds” means “proceeds” as defined in Article 9 of the Florida UCC and, in any event, shall include with respect to the Borrower, any consideration received from the sale, exchange, license, lease or other disposition of any asset or property that constitutes Bond Proceeds Collateral, any value received as a consequence of the possession of any Bond Proceeds Collateral and any payment received from any insurer or other person or entity as a result of the destruction, loss, theft, damage or other involuntary conversion of whatever nature of any asset or property that constitutes Bond Proceeds Collateral, and shall include (a) all cash and negotiable instruments so received by or held on behalf of the Trustee and (b) any and all other amounts from time to time paid or payable under or in connection with any of the Bond Proceeds Collateral.

“*Series 2019A Counties*” has the meaning specified in the recitals to this Supplement.

“*Series 2019B Bonds*” has the meaning specified in the recitals to this Supplement.

“*Series 2019B Loan*” has the meaning specified in the recitals to this Supplement.

Section 1.02 Uses of Phrases.

Except as otherwise expressly provided, the rules of interpretation set forth in Section 1.02 of the Original Senior Loan Agreement shall apply to this Supplement.

**ARTICLE II
REPRESENTATIONS AND WARRANTIES**

Section 2.01 Representations and Warranties of the Issuer.

The Issuer hereby represents and warrants to the Borrower, as of the Closing Date, that:

(a) The Issuer is a public body corporate and politic, and a public instrumentality organized and existing under the laws of the State and pursuant to the Act has the power to (1) enter into this Supplement and the Supplemental Indenture, (2) assign its rights (other than the Reserved Rights) under this Supplement to the Trustee in accordance with the terms of the Supplemental Indenture, (3) issue the Series 2019B Bonds to finance Project Costs, (4) lend the proceeds of the issuance of the Series 2019B Bonds under the terms of this Supplement to the Borrower for the purpose of financing, refinancing or reimbursing a portion of the Project Costs and other costs in accordance with Section 3.03 hereof, and (5) carry out its other obligations in connection therewith pursuant to the Supplemental Indenture and this Supplement.

(b) Pursuant to the Bond Resolution, the Issuer has duly authorized the execution and delivery of the Supplemental Indenture, this Supplement, and the consummation of the transactions contemplated therein and herein, including without limitation, the assignment of its rights (other than the Reserved Rights) under this Supplement to the Trustee in accordance with the terms of the Supplemental Indenture, the performance of its obligations hereunder and thereunder, the issuance of the Series 2019B Bonds, the loan of the proceeds of the Series 2019B Bonds to the Borrower for the purpose of financing a portion of the Project Costs and other costs in accordance with Section 3.03 hereof and, simultaneously with the execution and delivery of this Supplement, has duly executed and delivered the Supplemental Indenture. The Bond Resolution has not been repealed, revoked, rescinded or amended and is in full force and effect.

(c) No further approval, consent or withholding of objection on the part of any regulatory body, federal, state or local, is required in connection with (1) the issuance and delivery of the Series 2019B Bonds by the Issuer, (2) the execution or delivery of or compliance by the Issuer with the terms and conditions of this Supplement, the Supplemental Indenture or the Series 2019B Bonds, or (3) the assignment and pledge by the Issuer pursuant to the Supplemental Indenture of its rights under this Supplement (except the Reserved Rights) and the payments thereon by the Borrower, as security for payment of the principal of, premium, if any, and interest on the Series 2019B Bonds. The consummation by the Issuer of the transactions set

forth in the manner and under the terms and conditions as provided in this Supplement, the Supplemental Indenture and the Series 2019B Bonds will comply with all applicable laws. Notwithstanding the preceding sentences, no representation is expressed as to any action required under federal or state securities or Blue Sky Laws in connection with the sale or distribution of the Series 2019B Bonds.

(d) The Issuer is not in breach of or default under this Supplement or the Series 2019B Bonds or in violation of any applicable constitutional provision, law or administrative regulation of the State or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or is otherwise subject, in each case which breach, default or violation would have a material adverse effect on the authorization, issuance, sale or delivery of the Series 2019B Bonds or the authorization, execution, delivery and performance of this Supplement, the Supplemental Indenture or the Series 2019B Bonds and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute such a breach, default or violation. The execution, delivery and performance of its obligations under the Supplemental Indenture, this Supplement and the Series 2019B Bonds, and the assignment of its rights (other than the Reserved Rights) under this Supplement do not and will not conflict with or result in a violation or a breach of any law or the terms, conditions or provisions of any restriction under any law, contract, agreement or instrument to which the Issuer is now a party or by which the Issuer is bound, or constitute a default under any of the foregoing.

(e) Except as may be described in the Official Statement, as the same may be amended and supplemented, there is no action, suit, proceeding or litigation pending against the Issuer or, to the knowledge of its members, officers or counsel, threatened, seeking to restrain or enjoin the issuance, sale, execution or delivery of the Series 2019B Bonds, or in any way contesting or affecting the validity of the Series 2019B Bonds or any proceedings of the Issuer taken with respect to the issuance or sale thereof, or the pledge or application of any monies or security provided for the payment of the Series 2019B Bonds, the use of the Series 2019B Bond proceeds or the existence or powers of the Issuer or its officers or members.

(f) Each of this Supplement and the Supplemental Indenture constitutes the valid and binding obligation of the Issuer, enforceable against the Issuer in accordance with the terms thereof, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or other similar laws or judicial action affecting the enforcement of creditors' rights generally and the application of general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law) subject to the valid exercise of the constitutional powers of the State and the United States of America. The execution and delivery of this Supplement and the Supplemental Indenture, the performance by the Issuer of its obligations hereunder and thereunder and the consummation of the transactions herein and therein contemplated do not and will not materially conflict with, or constitute a material breach or result in a material violation of the Act or bylaws of the Issuer, any agreement or other instrument to which the Issuer is a party or by which it is bound or any constitutional or statutory provision or order, rule, regulation, decree or ordinance of any court, government or governmental authority having jurisdiction over the Issuer or its property.

(g) Notwithstanding anything herein to the contrary, any obligation the Issuer may incur hereunder in connection with the issuance of the Series 2019B Bonds shall not be deemed to constitute a general obligation of the Issuer, but, as to the Issuer, shall be payable solely, with respect to Escrow Bonds, from the Escrow Property and, with respect to Released Bonds, from the payments received hereunder and from the Trust Estate and the Collateral as provided in the Supplemental Indenture. The Issuer has no taxing power.

The representations and warranties included in this Section 2.01 are made subject to the limitations set forth in Section 3.04 hereof.

Section 2.02 Representations and Warranties of the Borrower.

The representations and warranties of the Borrower set forth in the Original Senior Loan Agreement are incorporated by reference herein as if set forth in full herein. The Borrower hereby further represents and warrants to the Issuer, as of the Closing Date and each Escrow Release Date, that:

(a) All necessary actions on the part of the Borrower required to authorize the execution, delivery and performance of this Supplement has been duly taken.

(b) This Supplement has been duly authorized, executed and delivered by the Borrower and constitutes a valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or other similar laws or judicial action affecting the enforcement of creditors' rights generally and the application of general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law).

(c) The execution, delivery and performance by the Borrower of this Supplement does not (1) conflict with any contractual obligations binding on, or to the knowledge of the Borrower, affecting the Borrower, except where such conflict would not reasonably be expected to have a Material Adverse Effect, (2) violate any provision of any court decree or order binding on, or to the knowledge of the Borrower, affecting the Borrower, except where such violation would not reasonably be expected to have a Material Adverse Effect, (3) violate any provision of any law or governmental regulation binding on, or to the knowledge of the Borrower, affecting the Borrower, except where such violation would not reasonably be expected to have a Material Adverse Effect, or (4) result in, or require, the creation or imposition of any Security Interest on any of the properties or revenues of the Borrower, except for Permitted Security Interests.

(d) Except as may be described in the Official Statement, on the Closing Date, there is no pending or, to Borrower's knowledge, threatened litigation or proceeding against the Borrower or with respect to the transactions contemplated by this Supplement which has a material likelihood of success and if determined adversely to the Borrower or to such transactions, would reasonably be expected to have a Material Adverse Effect.

(e) The grant of a security interest set forth in Section 9.12 of this Supplement is effective to create a legally valid and enforceable Security Interest in respect of the Borrower's right, title and interest in the Bond Proceeds Collateral as set forth therein, and all necessary

recordings and filings will have been or will be recorded and filed on or promptly following the Closing Date, as and when required. On or promptly following the Closing Date, all necessary recordings and filings will have been or will be made such that the Security Interests created by the grant set forth in Section 9.12 hereof will constitute a valid and perfected first priority Security Interest on the Borrower's right, title and interest in the Bond Proceeds Collateral.

ARTICLE III ISSUANCE OF THE SERIES 2019B BONDS

Section 3.01 Agreement to Issue the Series 2019B Bonds; Loan of Proceeds.

The Issuer hereby agrees to issue, sell and deliver the Series 2019B Bonds in accordance with the terms of the Supplemental Indenture to provide for the financing of a portion of the costs of the Project. Upon the terms and conditions of this Supplement and the Supplemental Indenture, the Issuer hereby agrees to make the Series 2019B Loan to the Borrower on the Closing Date in an amount equal to the entire amount of the proceeds of the Series 2019B Bonds. The Issuer hereby agrees to instruct the Trustee to deposit the proceeds of the Series 2019B Bonds on the Closing Date into the Series 2019B Proceeds Subaccount of the Series 2019B Escrow Reserve Redemption Account within the Debt Service Fund established under the Indenture pursuant to the terms of the Supplemental Indenture and this Supplement. On each Escrow Release Date, the Borrower shall deliver notice to the Issuer and the Trustee certifying that the Escrow Release Conditions have been satisfied with respect to the Released Bonds being remarketed on such Escrow Release Date. Upon receipt of such a notice, the Trustee shall apply any moneys that remain on deposit in the Series 2019B Escrow Reserve Redemption Account not required to pay the Purchase Price of the Released Bonds tendered for purchase on such Escrow Release Date, in accordance with the provisions of Section 3.4(b) of the Supplemental Indenture.

Section 3.02 [Reserved].

Section 3.03 Loan to Finance Project Costs.

On the Closing Date, the Borrower shall cause the proceeds of the Series 2019B Loan to be deposited into the Series 2019B Proceeds Subaccount of the Series 2019B Escrow Reserve Redemption Account for use in accordance with the Supplemental Indenture and from and after the first Escrow Release Date, the Borrower shall use the proceeds of the Series 2019B Loan, to the extent then available for such purposes pursuant to Section 3.4(b) of the Supplemental Indenture, to (a) finance, pay or reimburse a portion of the Project Costs, (b) fund a capitalized interest account, and (c) pay or reimburse certain costs of issuance of the Series 2019B Bonds. No proceeds of the Series 2019B Loan shall be used outside of the respective jurisdictions of the Series 2019A Counties.

In the event that proceeds derived from the Series 2019B Loan, or any other available (or to be available) funds are not sufficient to finance the Project Costs as well as the funding of any required capitalized interest account or reserve fund on each Escrow Release Date, the Borrower shall not be entitled to any reimbursement from the Trustee for the payment of such excess costs

nor shall the Borrower be entitled to any abatement, diminution or postponement of its payments hereunder.

Section 3.04 Limitation of Issuer's Liability.

THE SERIES 2019B BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE STATE, THE SERIES 2019A COUNTIES OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE, WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE STATE, THE SERIES 2019A COUNTIES OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE, AND NEITHER THE FULL FAITH AND CREDIT OF THE ISSUER NOR THE FULL FAITH AND CREDIT OR THE TAXING POWER OF THE STATE, THE SERIES 2019A COUNTIES OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2019B BONDS. THE ISSUER HAS NO TAXING POWER.

No provision, covenant, or agreement contained in this Supplement, or any obligations herein imposed upon the Issuer, or the breach thereof, shall constitute an indebtedness or liability of the Issuer within the meaning of any State constitutional provision or statutory limitation or shall constitute or give rise to a pecuniary liability of the Issuer or any member, officer or agent of the Issuer or a charge against the Issuer's general credit. In making the agreements, provisions and covenants set forth in this Supplement, the Issuer has not obligated itself except with respect to the application of the payments, as hereinabove provided.

No recourse shall be had for the payment of principal of, or premium if any, or interest on any of the Series 2019B Bonds or for any claim based thereon or upon any obligation, covenant or agreement in this Supplement contained, against any past, present or future officer, director, member, trustee, employee or agent of the Issuer or any officer, director, member, trustee, employee or agent of any successor entity, as such, either directly or through the Issuer or any successor entity, under any rule of law or equity, statute or constitution or by enforcement by any assessment or penalty or otherwise. The members of the Issuer, the officers and employees of the Issuer, or any other agents of the Issuer are not subject to personal liability or accountability by reason of any action authorized by the Act, including without limitation, the issuance of the Series 2019B Bonds, the failure to issue the Series 2019B Bonds, or the execution and delivery of the Series 2019B Bonds.

The parties acknowledge that the Issuer will have no control over the application or use of the proceeds of the Series 2019B Loan or the Project. The Issuer does not by this Supplement or otherwise assume any obligation or affirmative duty to review, monitor, investigate, inspect or after the issuance of the Series 2019B Bonds, undertake any responsibility with respect to the Project, any change in the Borrower entity, the application of Series 2019B Loan proceeds by the Borrower, the funding of the Series 2019B Escrow Reserve Redemption Account, the satisfaction of the delivery requirements on any Escrow Release Date, or any responsibility with respect to changes in the sources of security or repayment for the Series 2019B Bonds.

Section 3.05 Compliance with Indenture.

The Borrower shall take all action required to be taken by the Borrower in the Supplemental Indenture as if the Borrower were a party to the Supplemental Indenture.

ARTICLE IV LOAN PROVISIONS

Section 4.01 Amounts Payable.

(a) (1) The Borrower hereby covenants and agrees to repay the Series 2019B Loan, as follows: on or before any Interest Payment Date for the Series 2019B Bonds or any other date that any payment of interest, principal, Purchase Price or Redemption Price on the Series 2019B Bonds is required to be made in respect of the Series 2019B Bonds pursuant to the Supplemental Indenture, until the payment of interest, principal, Purchase Price or Redemption Price on the Series 2019B Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the Supplemental Indenture, in immediately available funds, a sum which, together with any other moneys available for such payment in the applicable Account of the Debt Service Fund will enable the Trustee to pay to the Owners of the Series 2019B Bonds the amount due and payable on such date as interest, principal, Purchase Price or Redemption Price on the Series 2019B Bonds as provided in the Supplemental Indenture.

(2) The Issuer hereby directs the Borrower and, subject to the Supplemental Indenture, the Original Indenture or the Collateral Agency Agreement, as applicable, the Borrower hereby agrees to pay to the Trustee at the Designated Payment Office of the Trustee all payments payable by the Borrower in respect of the Series 2019B Loan pursuant to this subsection.

(b) The Borrower also shall pay to the Issuer the Issuer's reasonable administrative expenses in connection with the Series 2019B Bonds, and any other reasonable fees, costs and expenses incurred by the Issuer, its counsel or its financial advisor under the Supplemental Indenture or this Supplement as and when the same become due upon submission by the Issuer to the Borrower of a statement therefor. Without limiting the generality of the foregoing, the Borrower acknowledges that in the event of an examination, inquiry or related action by the Internal Revenue Service, the SEC or any other Governmental Authority (having jurisdiction with respect to the Series 2019B Bonds or the Project) with respect to the Series 2019B Bonds or the exclusion of interest thereon from the gross income of the holders thereof for federal income tax purposes, the Issuer may be treated as the responsible party, and the Borrower agrees to respond promptly and thoroughly to the reasonable satisfaction of the Issuer, its counsel and its financial advisor to such examination, inquiry or related action on behalf of the Issuer, and shall pay all costs and expenses of the Issuer, its counsel and its financial advisor associated with such examination, inquiry or action, including without limitation, any and all costs, fees and expenses of the Issuer and its counsel. The Borrower shall indemnify and hold harmless the Issuer, its counsel and its financial advisor against any and all costs, losses, claims, penalties, damages or liability of or resulting from such examination, inquiry or related action by the Internal Revenue Service.

(c) The Borrower also will pay the reasonable fees and expenses of the Trustee, including without limitation any fees or expenses incurred pursuant to Section 8.2(b) of the Supplemental Indenture, and all other amounts which may be payable to the Trustee under the terms of the Supplemental Indenture or in accordance with any contractual arrangement between the Borrower and the Trustee with respect thereto.

(d) The Borrower also shall pay to the Trustee for deposit to the Series 2019B Rebate Fund any amounts necessary to comply with Section 148 of the Code and the Treasury Regulations as provided in the Federal Tax Certificate. The Borrower agrees that this obligation of the Borrower shall survive the payment in full of the Series 2019B Bonds or the refunding and defeasance of the Series 2019B Bonds pursuant to the provisions of Article XI of the Supplemental Indenture or Article 11 of the Original Indenture, as applicable.

(e) In the event that the Borrower should fail to make any of the payments required in this Section, the amount so in default shall continue as an obligation of the Borrower until the amount in default shall have been fully paid, and the Borrower agrees to pay the same with interest thereon, to the extent provided under the Supplemental Indenture or under the fee agreement between the Borrower and the Trustee or as permitted by law, from the date when such payment was due, at a rate per year equal to the highest yield on any Outstanding Series 2019B Bonds.

(f) To the extent any moneys have been deposited by the Borrower, or on the Borrower's behalf, into any Account or subaccount of the Debt Service Fund for the purpose of paying interest on and principal of the Series 2019B Bonds when due, the Borrower's payment obligations pursuant this Section 4.01 with respect to the applicable Interest Payment, Principal Payment, mandatory tender or redemption of such Bonds will be deemed satisfied.

(g) The Borrower may satisfy the requirement to pay principal and interest pursuant to this Section while a Credit Facility is available for the Series 2019B Bonds by reimbursing the Credit Provider directly following a drawing on the Credit Facility to pay principal or redemption price of and interest on the Series 2019B Bonds.

Section 4.02 Obligations of Borrower Unconditional.

The obligations of the Borrower to make the payments required in Section 4.01 hereof and to perform and observe the other agreements contained herein shall be absolute and unconditional and shall not be subject to any defense or any right of setoff, counterclaim or recoupment arising out of (a) any breach by the Issuer or the Trustee of any obligation to the Borrower, whether hereunder or otherwise, or (b) any indebtedness or liability at any time owing to the Borrower by the Issuer or the Trustee, and, until such time as the principal of, premium, if any, and interest on the Series 2019B Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the Supplemental Indenture, the Borrower (1) will not suspend or discontinue any payments provided for in Section 4.01 hereof, (2) will perform and observe all other agreements contained in this Supplement and (3) except as otherwise provided herein, will not terminate this Supplement for any cause, or any failure of the Issuer or the Trustee to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Supplement. Nothing contained

in this Section shall be construed to release the Issuer from the performance of any of the agreements on its part herein contained, and in the event the Issuer should fail to perform any such agreement on its part, the Borrower may institute such action against the Issuer as the Borrower may deem necessary to compel performance so long as such action does not abrogate the obligations of the Borrower contained in the first sentence of this Section.

**ARTICLE V
PREPAYMENT, REDEMPTION AND CONVERSION**

Section 5.01 Prepayment and Redemption.

The Borrower shall have the option to prepay its obligations hereunder at the times and in the amounts as necessary to cause the Issuer to redeem the Series 2019B Bonds in accordance with the terms of the Supplemental Indenture and the Series 2019B Bonds. The Issuer, at the request of the Borrower, if applicable, shall forthwith take all steps (other than the payment of funds necessary to effect such redemption) necessary under the applicable redemption provisions of the Supplemental Indenture to effect redemption of all or part of the Outstanding Series 2019B Bonds, as may be specified by the Borrower and required by the Supplemental Indenture, on the date established for such redemption. Upon any such redemption in full and payment of all amounts required by Article XI of the Supplemental Indenture or Article 11 of the Original Indenture, as applicable, this Supplement shall terminate as provided in Section 9.01 hereof.

Section 5.02 Conversion.

While the Series 2019B Bonds are in a Variable Rate Mode, subject to the provisions of the Supplemental Indenture, the Borrower shall have the option to change the Mode in effect with respect to all or a portion of the Series 2019B Bonds in accordance with the terms of the Supplemental Indenture and the Series 2019B Bonds. The Issuer, at the request of the Borrower, if applicable, shall forthwith take all steps necessary under the applicable provisions of the Supplemental Indenture to effect a change in Mode of all or part of the Outstanding Series 2019B Bonds, as may be specified by the Borrower and required by the Supplemental Indenture, on the date established for such change in Mode. Notwithstanding anything herein or in the Supplemental Indenture to the contrary, the Series 2019B Bonds that are Escrow Bonds shall not be changed from the Flexible Mode to any other Mode prior to the Escrow Release Date for such Series 2019B Bonds.

**ARTICLE VI
SPECIAL COVENANTS**

Section 6.01 Senior Loan Agreement Affirmed.

Except as otherwise expressly amended by this Supplement, the provisions of the Original Senior Loan Agreement shall remain unchanged, binding, and in full force and effect.

Section 6.02 Use of Proceeds; Tax Covenant.

(a) Use of Proceeds. The Borrower shall use the proceeds of the Series 2019B Loan (x) prior to the occurrence of an Escrow Release Date pertaining to such proceeds, to fund the

Series 2019B Proceeds Subaccount of the Series 2019B Escrow Reserve Redemption Account and (y) from and after the Escrow Release Date pertaining to all or a portion of such proceeds, to apply all or such portion of the proceeds, as the case may be, to (a) finance, pay or reimburse a portion of the Project Costs, (b) fund a capitalized interest account, and (c) pay or reimburse certain costs of issuance of the Series 2019B Bonds. No proceeds of the Series 2019B Loan shall be used outside of the respective jurisdictions of the Series 2019A Counties.

(b) Tax Covenant. The Borrower covenants for the benefit of the Issuer and the Owners of the Series 2019B Bonds that it will not take any action or omit to take any action with respect to the Series 2019B Bonds, the proceeds thereof, any other funds of the Borrower or any of the facilities financed with the proceeds of the Series 2019B Bonds if such action or omission would cause the interest on the Series 2019B Bonds to lose its excludability from gross income for federal income tax purposes under Section 103 of the Code.

(c) The Borrower further covenants, represents and warrants that the procedures set forth in the Federal Tax Certificate implementing the covenant in paragraph (a) shall be complied with to the extent necessary to comply with the covenant in paragraph (b).

(d) From and after the Escrow Release Date pertaining to all or a portion of the proceeds of the Series 2019B Loan, the Borrower will apply all or such portion of the proceeds of the Series 2019B Bonds, as the case may be, to pay Project Costs in accordance with the Transaction Documents, but acknowledges and agrees that such proceeds shall only be used for such portions of the Project which are situated in the Series 2019A Counties. The Borrower may (i) only expend proceeds of the Series 2019B Bonds on portions of the Project that are located within the jurisdictional limits of the Series 2019A Counties; and (ii) not expend proceeds of the Series 2019B Bonds to acquire any building or facility that will be, during the term of the Series 2019B Bonds, used by, occupied by, leased to or paid for by any state, county or municipal agency or entity.

(e) Neither the Borrower nor its owners shall take any action to cause the Borrower to become treated as an association (or publicly traded partnership) taxable as a corporation for U.S. federal, state or local income tax purposes.

Section 6.03 Further Assurances and Corrective Instruments.

The Issuer and the Borrower agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the expressed intentions of this Supplement and the Supplemental Indenture, including as may be reasonably necessary or desirable for establishing, maintaining, assuring, conveying, granting, assigning, securing, perfecting and confirming the pledge granted by or on behalf of the Borrower, (a) with respect to Escrow Bonds, of the Borrower's right, title and interest in the Bond Proceeds Collateral, and (b) with respect to Released Bonds, of the Collateral.

Section 6.04 Issuer and Borrower Representatives.

Whenever under the provisions of this Supplement the approval of the Issuer or the Borrower is required or the Issuer or the Borrower is required to take some action at the request

of the other, such approval or such request shall be given for the Issuer by an Issuer Representative and for the Borrower by a Responsible Officer of the Borrower and the Trustee and the Collateral Agent, as applicable, shall be permitted to rely on, and shall be protected in acting upon, such approval.

Section 6.05 Recording and Filing; Other Instruments.

The Borrower shall file and refile and record and re-record or shall cause to be filed and re-filed and recorded and re-recorded all instruments required to be filed and re-filed and recorded or re-recorded and shall continue and perfect or cause to be continued and perfected (i) the Security Interests created by the Supplemental Indenture and pursuant to Section 9.12 of this Supplement of such instruments with respect to the Escrow Bonds, and (ii) the Security Interests created by the Original Indenture and any Security Documents of such instruments with respect to the Released Bonds. The Issuer shall, upon the prior written request of the Borrower, execute and deliver all instruments and shall furnish all information and evidence deemed necessary or advisable in order to enable the Borrower to fulfill its obligations as provided in this Section 6.05 and, on and after the first Escrow Release Date, the Security Documents.

ARTICLE VII ASSIGNMENT; INDEMNIFICATION

Section 7.01 Assignment.

Except as expressly contemplated herein and in the Supplemental Indenture, the Original Indenture and the Security Documents, neither the Borrower nor the Issuer may assign its interest in this Supplement. In the event of any permitted assignment of its interest in this Supplement by the Issuer, the Issuer (solely for this purpose as a non-fiduciary agent on behalf of the Borrower) shall maintain or cause to be maintained a register for interests in this Supplement in which it shall register the issuance and transfer of such interests. All transfers of such interests shall be recorded on the register maintained by the Issuer or its agent, the register shall be conclusive absent manifest error, and the parties hereto shall regard the registered holder of such interests as the actual owner thereof for all purposes. To the extent that a particular permitted assignment by the Issuer is expressly identified in this Supplement or the Supplemental Indenture, as the same may be amended, respectively, this Supplement or the Supplemental Indenture may constitute a register for the purposes of this Section 7.01.

Section 7.02 Release and Indemnification Covenants.

(a) The Borrower shall and hereby agrees to indemnify, defend, hold harmless and save the Issuer, the Trustee, and the members, servants, officers, counsel to the Issuer, employees, advisors and other agents, now or hereafter, of the Issuer or the Trustee (each an “indemnified party”) harmless against and from all claims, demands, suits, actions or proceedings whatsoever by or on behalf of any Person arising from or purporting to arise from this Supplement, the Supplemental Indenture, the Series 2019B Bonds or the transactions contemplated thereby, including without limitation, (1) any condition of the Project or the Borrower’s operation of the Project, (2) any breach or default on the part of the Borrower in the performance of any of its obligations under this Supplement, including, without limitation, the

Borrower's payment obligations with respect to the Series 2019B Loan as set forth in Section 4.01 hereof, (3) any act or negligence of the Borrower or of any of its agents, contractors, servants, employees or licensees, (4) any act or negligence of any assignee or lessee of the Borrower, or of any agents, contractors, servants, employees or licensees of any assignee or lessee of the Borrower, or (5) the Issuer's authorization, approval or execution of the Series 2019B Bonds, the Financing Documents or any other documents, opinions, certificates or agreements executed in connection with the transactions contemplated by this Supplement, the Supplemental Indenture, the Series 2019B Bonds or the transactions contemplated thereby. The Borrower shall indemnify and save the Issuer, the Trustee, and the members, servants, officers, counsel to the Issuer, employees, advisors and other agents, now or hereafter, of the Issuer or the Trustee harmless from any such claim, demand, suit, action or other proceeding whatsoever arising as aforesaid and upon notice from the Issuer or the Trustee, the Borrower shall defend such parties, as applicable, in any such action or proceeding.

(b) The Issuer and the Trustee, each separately agree that, upon the receipt of notice of the commencement of any action against the Issuer or the Trustee or their respective members, servants, officers, counsel to the Issuer, employees, advisors and other agents, now or hereafter, as applicable, or any Person controlling it as aforesaid, in respect of which indemnity, costs, expenses or defense may be sought on account of any agreement contained herein, the Issuer or the Trustee, as applicable, will promptly give written notice of the commencement thereof to the Borrower, but the failure so to notify the Borrower of any such action shall not relieve the Borrower from any liability hereunder to the extent it is not materially prejudiced as a result of such failure to notify and in any event shall not relieve it from any liability which it may have to the indemnified party otherwise than on account of such indemnity agreement. In case such notice of any such action shall be so given, the Borrower shall be entitled to participate at its own expense in the defense or, if it so elects, to assume the defense of such action, in which event such defense shall be conducted by counsel chosen by the Borrower and reasonably satisfactory to the indemnified party or parties who shall be defendant or defendants in such action, and such defendant or defendants shall bear the fees and expenses of any additional counsel retained by them; but if the Borrower shall elect not to assume the defense of such action, the Borrower will reimburse such indemnified party or parties for the reasonable fees and expenses of any counsel retained by them; provided, however, if the defendants in any such action (including impleaded parties) include both the indemnified party and the Borrower and counsel for the Borrower shall have reasonably concluded that there may be a conflict of interest involved in the representation by a single counsel of both the Borrower and the indemnified parties, the indemnified party or parties shall have the right to select separate counsel, at the Borrower's expense and satisfactory to the Borrower, to participate in the defense of such action on behalf of such indemnified party or parties (it being understood, however, that the Borrower shall not be liable for the expenses of more than one separate counsel (in addition to local counsel) representing the indemnified parties who are parties to such action).

(c) Without the consent of the Borrower, neither the Trustee nor the Issuer shall settle, compromise or consent to the entry of any judgment in any claim in respect of which indemnification may be sought under the indemnification provision of this Supplement, unless such settlement, compromise or consent (1) includes an unconditional release of such other applicable party from all liability arising out of such claim and (2) does not include a statement

as to or an admission of fault, culpability or a failure to act by or on behalf of such other applicable party.

(d) Notwithstanding anything to the contrary contained herein, the Borrower shall have no liability to indemnify the Trustee against claims or damages resulting from such parties' own gross negligence or willful misconduct, or the Issuer against claims or damages resulting from such parties' own willful misconduct.

(e) The indemnification obligation of the Borrower under this Section 7.02 shall survive the termination of this Supplement.

ARTICLE VIII EVENTS OF DEFAULTS AND REMEDIES

Section 8.01 Events of Default Defined.

(a) Any one or more of the following events shall constitute "Events of Default" under this Supplement with respect to the Escrow Bonds:

(1) Failure by the Borrower to pay any amount required to be paid under Section 4.01(a) hereof with respect to the Escrow Bonds and, solely in the case of any such failure to pay interest, such failure is not remedied within ten (10) Business Days after the applicable due date; or failure by the Borrower to pay any other amount required to be paid hereunder with respect to the Escrow Bonds, which failure is not remedied within ten (10) days after notice in writing thereof is given by the Issuer or the Trustee to the Borrower;

(2) Failure by the Borrower to observe and perform in any material respect any covenant, condition or agreement on its part to be observed or performed under this Supplement or the Supplemental Indenture with respect to the Escrow Bonds, other than as covered by another provision of this Section 8.01(a) and other than failure to observe or perform the covenants set forth in the Continuing Disclosure Agreement, and such non-compliance shall remain unremedied for a period of sixty (60) days after the earlier of (1) written notice specifying such failure shall have been given to the Trustee by the Borrower, or (2) written notice specifying such failure and requesting that it be remedied shall have been given to the Borrower by the Trustee or the Issuer, or such longer period as is reasonably necessary under the circumstances to remedy such failure, such extension not to exceed one hundred twenty (120) days without prior written approval by the Trustee acting at the direction of the Majority Escrow Bondholders or the Majority Holders, as applicable, delivered by the Trustee pursuant to Section 10.3 of the Supplemental Indenture or Section 10.3 of the Original Indenture, as applicable;

(3) Any of the representations, warranties or certifications of the Borrower made in or delivered pursuant to this Supplement with respect to the Escrow Bonds, shall prove to have been incorrect when made and a Material Adverse Effect would reasonably be expected to result therefrom, unless such misrepresentation is capable of being cured and is cured within thirty (30) days after the Borrower's receipt of written notice from the Trustee of such misrepresentation;

(4) An “Event of Default” occurs under Section 7.1(a) or 7.1(b) of the Supplemental Indenture with respect to the Escrow Bonds;

(5) An “Event of Default” occurs under Section 7.1 of the Supplemental Indenture with respect to the Escrow Bonds other than as described in clause (4) above, beyond the grace period, if any, provided, but only where such Event of Default under Section 7.1 of the Supplemental Indenture results in an acceleration of the Escrow Bonds then Outstanding under the Supplemental Indenture; or

(6) The grant in Section 9.12 hereof ceases, except in accordance with its terms or as expressly permitted hereunder or under the Supplemental Indenture, to be effective to grant a perfected Security Interest on any portion of the Bond Proceeds Collateral, other than as a result of actions or failure to act by the Trustee or any other Secured Party.

(b) Any one or more of the following events shall constitute “Events of Default” under this Supplement with respect to the Released Bonds:

(1) Failure by the Borrower to pay any amount required to be paid under Section 4.01(a) hereof with respect to the Released Bonds and, solely in the case of any such failure to pay interest, such failure is not remedied within ten (10) Business Days after the applicable due date; or failure by the Borrower to pay any other amount required to be paid hereunder with respect to the Released Bonds, which failure is not remedied within ten (10) days after notice in writing thereof is given by the Issuer or the Trustee to the Borrower;

(2) Failure by the Borrower to observe and perform in any material respect any covenant, condition or agreement on its part to be observed or performed under this Supplement or the Supplemental Indenture with respect to the Released Bonds, other than as covered by another provision of this Section 8.01(b) and other than failure to observe or perform the covenants set forth in Section 6.24 of the Original Senior Loan Agreement and the Continuing Disclosure Agreement, and such non-compliance shall remain unremedied for a period of sixty (60) days after the earlier of (1) written notice specifying such failure shall have been given to the Trustee by the Borrower, or (2) written notice specifying such failure and requesting that it be remedied shall have been given to the Borrower by the Trustee or the Issuer, or such longer period as is reasonably necessary under the circumstances to remedy such failure, such extension not to exceed one hundred twenty (120) days without prior written approval by the Trustee acting at the direction of the Majority Escrow Bondholders or the Majority Holders, as applicable, delivered by the Trustee pursuant to Section 10.3 of the Supplemental Indenture or Section 10.3 of the Original Indenture, as applicable;

(3) The occurrence of a Bankruptcy Event with respect to the Borrower;

(4) Any of the representations, warranties or certifications of the Borrower made in or delivered pursuant to this Supplement with respect to the Released Bonds, shall prove to have been incorrect when made and a Material Adverse Effect would

reasonably be expected to result therefrom, unless such misrepresentation is capable of being cured and is cured within thirty (30) days after the Borrower's receipt of written notice from the Trustee of such misrepresentation;

(5) An "Event of Default" occurs under Section 7.1(a) or 7.1(b) of the Original Indenture or any payment default occurs under any agreement or instrument involving any other Senior Indebtedness having a principal amount in excess of \$60,000,000 (such amount to be adjusted annually by an increase in the Consumer Price Index) (after giving effect to any applicable grace periods and any extensions thereof);

(6) An "Event of Default" occurs under Section 7.1 of the Original Indenture or an event of default occurs under any agreement or instrument governing any other Senior Indebtedness with a principal amount in excess of \$60,000,000 (such amount to be adjusted annually by the increase in the Consumer Price Index from the prior year), in each case other than as described in clause (f) above, beyond the grace period, if any, provided, but only where such Event of Default under Section 7.1 of the Original Indenture results in an acceleration of the Bonds then Outstanding under the Original Indenture or such event of default in respect of other Senior Indebtedness results in the holder or holders of such other Senior Indebtedness causing such Senior Indebtedness to become due prior to its stated maturity;

(7) A non-appealable final judgment (to the extent such judgment is not paid or covered by insurance), which judgment in combination with all other such judgments is for an amount in excess of \$60,000,000 (such amount to be adjusted annually by the increase in the Consumer Price Index from the prior year), shall have been entered against the Borrower and, in the event such judgment is not covered by insurance, the same shall remain unsatisfied without any procurement of a stay of execution for a period of sixty (60) consecutive days after such judgment has become final;

(8) The Borrower fails to comply with its obligations under Section 6.01 of the Original Senior Loan Agreement;

(9) Any Security Document, ceases, except in accordance with its terms or as expressly permitted under the Transaction Documents, to be effective to grant a perfected Security Interest on any portion of the Collateral exceeding \$50,000,000 in fair market value, other than as a result of actions or failure to act by the Trustee, the Collateral Agent or any other Secured Party;

(10) Any Insurance required under Section 6.04 of the Original Senior Loan Agreement and the other Transaction Documents is not, or ceases to be, in full force and effect at any time when it is required to be in effect and such failure continues for a period of ten (10) Business Days, unless such insurance is (prior to its cessation) replaced by insurance on substantially similar terms and as evidenced by a certificate from a nationally recognized insurance broker confirming the same, which shall be sent to the Issuer and the Trustee;

(11) An ERISA Event has occurred which, when taken together with all other such ERISA Events for which liability is reasonably expected to occur, would reasonably be expected to result in a Material Adverse Effect; or

(12) Any event that constitutes a Change of Control has occurred.

Notwithstanding the foregoing or any provision contained herein or in the Supplemental Indenture to the contrary, the occurrence of any Event of Default solely with respect to the Borrower's obligations with respect to the Escrow Bonds shall not, in and of itself, constitute an Event of Default with respect to the Released Bonds, and the occurrence of any Event of Default with respect to the Borrower's obligations with respect to the Released Bonds shall not, in and of itself, constitute an Event of Default with respect to the Escrow Bonds.

Section 8.02 Remedies on Event of Default.

Whenever any Event of Default hereunder with respect to the Escrow Bonds or the Released Bonds shall have occurred and be continuing, the Trustee shall have the right to, in conjunction with its available remedies, with respect to Escrow Bonds, under the Supplemental Indenture and, with respect to Released Bonds, under the Original Indenture, as applicable, take one or any combination of the following remedial steps, by notice to the Borrower, provided that remedies with respect to the Escrow Bonds shall only be available upon an Event of Default with respect to the Escrow Bonds and remedies with respect to the Released Bonds shall only be available upon an Event of Default with respect to the Released Bonds:

(a) Declare that all or any part of any amount outstanding with respect to the Escrow Bonds or the Released Bonds, as applicable, under this Supplement is (1) immediately due and payable, and/or (2) payable on demand by the Trustee, and any such notice shall take effect in accordance with its terms but only if all amounts payable with respect to the applicable Outstanding Series 2019B Bonds are being accelerated pursuant to Section 7.2(c) of the Supplemental Indenture or Section 7.2(c) of the Original Indenture, as applicable, or if all of the Outstanding Series 2019B Bonds are being defeased pursuant to Article XI of the Supplemental Indenture or Article 11 of the Original Indenture, as applicable, or otherwise paid in full; provided that, upon the occurrence of an Event of Default under Section 8.01(b)(3), all principal of, and accrued interest on the Series 2019B Loan shall be immediately due and payable without any presentment, demand or notice from any Person;

(b) Take or cause to be taken any and all actions necessary to implement any available remedies with respect to the Bond Proceeds Collateral (but solely with respect to the Escrow Bonds);

(c) Pursuant to the terms of any Security Document, direct the Collateral Agent or other applicable Secured Party to take or cause to be taken any and all actions necessary to implement any available remedies with respect to the Collateral under any of the Security Documents (but solely with respect to the Released Bonds);

(d) Have reasonable access to and inspect, examine and make copies of the books and records and any and all accounts, data and income tax and other tax returns of the Borrower during regular business hours of the Borrower and following prior reasonable notice; or

(e) Take on behalf of the Owners whatever other action at law or in equity as may appear necessary or desirable to collect the amounts then due and thereafter to become due, or to enforce performance and observance of any obligations, agreement or covenant of the Borrower under this Supplement or the rights of the Owners.

Any amounts collected with respect to the Escrow Bonds pursuant to action taken under this Section paid to the Trustee shall be applied in accordance with Section 7.3 of the Supplemental Indenture.

Any amounts collected with respect to the Released Bonds pursuant to action taken under this Section and the Security Documents paid to the Trustee shall be applied in accordance with Section 7.3 of the Original Indenture.

Any rights and remedies as are given to the Issuer under this Supplement will also extend to the Owners of the Series 2019B Bonds, and the Trustee, subject to the provisions of the Supplemental Indenture or the Original Indenture, as applicable, will be entitled to the benefit of all covenants and agreements contained in this Supplement, subject to the terms of the Security Documents.

In case proceedings shall be pending for the bankruptcy or for the reorganization of the Borrower under the federal bankruptcy laws or any other applicable law, or in case a receiver or trustee shall have been appointed for the property of the Borrower or in the case of any other similar judicial proceedings relative to the Borrower, or the creditors or property of the Borrower, then the Trustee shall be entitled and empowered, by intervention in such proceedings or otherwise, to file and prove a claim or claims for the whole amount owing and unpaid pursuant to this Supplement and, in case of any judicial proceedings, to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee allowed in such judicial proceedings relative to the Borrower, its creditors or its property, and to collect and receive any moneys or other property payable or deliverable on any such claims, and to distribute such amounts as provided in the Supplemental Indenture or the Original Indenture, as applicable after the deduction of its reasonable charges and expenses to the extent permitted by the Supplemental Indenture or the Original Indenture, as applicable. Any receiver, assignee or trustee in bankruptcy or reorganization is hereby authorized to make such payments to the Trustee, and to pay to the Trustee any amount due it for reasonable compensation and expenses, including reasonable expenses and fees of counsel incurred by it up to the date of such distribution.

Section 8.03 Rescission and Waiver

(a) The Trustee shall rescind any acceleration with respect to the Borrower's obligations with respect to the Escrow Bonds and its consequences immediately after the acceleration of the Escrow Bonds has been rescinded in accordance with the Supplemental Indenture. The Trustee shall rescind any acceleration with respect to the Borrower's obligations with respect to the Released Bonds and its consequences immediately after the acceleration of the Released Bonds has been rescinded in accordance with the Original Indenture.

(b) The Trustee shall waive any Event of Default relating to the Escrow Bonds immediately after any such Event of Default has been waived in accordance with the Supplemental Indenture. The Trustee shall waive any Event of Default relating to the Released Bonds immediately after any such Event of Default has been waived in accordance with the or the Original Indenture.

(c) The Trustee shall have the right to, but shall be under no obligation to (except with respect to clauses (a) and (b) of this Section 8.03), waive any other Event of Default at any time.

(d) In case of any such waiver or rescission, then and in every such case the Issuer, the Trustee and the Borrower shall be restored to their former positions and rights, but no such waiver shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

Section 8.04 No Remedy Exclusive.

Subject to Section 7.2 of the Supplemental Indenture or the Original Indenture, as applicable, no remedy hereunder is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Supplement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer or the Trustee to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be required by law or in this Article. Any such rights and remedies as are given to the Issuer hereunder shall also extend to the Owners of the Series 2019B Bonds, and the Trustee, subject to the provisions of the Supplemental Indenture or the Original Indenture, as applicable, shall be entitled to the benefit of all covenants and agreements herein contained, subject to the terms of the Security Documents.

Section 8.05 Agreement to Pay Attorneys' Fees and Expenses.

Following the occurrence and during the continuance of an Event of Default, if the Issuer shall employ attorneys or financial advisors or incur other expenses for the collection of payments required hereunder or the enforcement of performance or observance of any obligation or agreement on the part of the Borrower herein contained, the Borrower agrees that it will within thirty (30) days of request therefor pay to the Issuer the reasonable fees of such attorneys and such other reasonable and documented expenses so incurred by the Issuer in connection with the same. This Section shall continue in full force and effect, notwithstanding the full payment of all obligations under this Supplement or the termination of this Supplement for any reason.

Following the occurrence and during the continuance of an Event of Default, the Trustee may, at the Borrower's reasonable and documented costs and expense, employ or retain such counsel, accountants, appraisers or other experts or advisers as it may reasonably require for the purpose of determining and discharging its rights and duties hereunder and, in the absence of the Trustee's gross negligence, bad faith or willful misconduct in employing or retaining any such

counsel, accountants, appraisers, experts or advisors, may act and rely and shall be protected in acting and relying in good faith on the opinion or advice of or information obtained from any counsel, accountant, appraiser or other expert or advisor, whether retained or employed by the Borrower or by the Trustee, in relation to any matter arising in the administration hereof, and shall not be responsible for any act or omission on the part of any of them. In addition, the Trustee shall not be liable for any acts or omissions of its nominees, correspondents, designees, agents, subagents or subcustodians appointed with due care.

Section 8.06 No Additional Waiver Implied by One Waiver.

In the event any agreement contained in this Supplement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

**ARTICLE IX
MISCELLANEOUS**

Section 9.01 Term of Agreement.

Except to the extent otherwise provided herein, this Supplement shall be effective upon its execution and delivery and shall expire at such time as all of the Series 2019B Bonds and the fees and expenses of the Issuer and the Trustee shall have been fully paid or provision made for such payments, whichever is later; provided, however, that this Supplement may be terminated prior to such date pursuant to Article V of this Supplement and Article XI of the Supplemental Indenture or Article 11 of the Original Indenture, as applicable, but in no event before all of the obligations and duties of the Borrower hereunder have been fully performed, including, without limitation, the payments of all costs and fees mandated hereunder or under any other Financing Document to which the Borrower is a party; provided further, however, that the indemnity obligation of the Borrower under Section 7.02 and the payment obligations of the Borrower under Section 4.01(b), (c) or (d) hereof shall survive the termination of this Supplement.

Section 9.02 Notices.

All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid, addressed as follows:

Issuer: Florida Development Finance Corporation
156 Tuskawilla Road, Suite 2340
Winter Springs, Florida 32708
Attention: William F. Spivey, Jr.
Telephone: 407-712-6355
Facsimile: 407-369-4260
E-mail: bspivey@fdcbonds.com

Copy to: Nelson Mullins Riley & Scarborough LLP
390 N. Orange Avenue
Suite 1400

Orlando, Florida 32801
Attention: Joseph B. Stanton
Telephone: 407-839-4210
Facsimile: 407-425-8377
E-Mail: joseph.stanton@nelsonmullins.com

Trustee/Collateral
Agent:

Deutsche Bank National Trust Company
c/o Deutsche Bank Trust Company Americas
Trust and Agency Services
60 Wall Street, 16th Floor
Mail Stop: NYC60-1630
New York, New York 10005
Attention: Corporates Team, Virgin Trains
Facsimile: 732-578-4635

Borrower:

Virgin Trains USA Florida LLC
161 NW 6th Street, Suite 900
Miami, Florida 33136
Attention: Myles Tobin, General Counsel
Telephone: 305-521-4875
E-mail: Myles.Tobin@gobrightline.com

With a copy to:

Virgin Trains USA Florida LLC
161 NW 6th Street, Suite 900
Miami, Florida 33136
Attention: Patrick Goddard, President
Telephone: 305-521-4848
E-mail: Patrick.Goddard@gobrightline.com

A duplicate copy of each notice, certificate or other communication given hereunder by the Issuer or the Borrower shall also be given to the Trustee. The Issuer, the Borrower and the Trustee may, by written notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall each be sent.

Section 9.03 Binding Effect.

This Supplement shall inure to the benefit of and shall be binding upon the Issuer, the Borrower, the Trustee and the Owners of Series 2019B Bonds, and their respective successors and assigns, subject, however, to the limitations contained herein.

Section 9.04 Severability.

In the event any provision of this Supplement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 9.05 Amendments, Changes and Modifications.

Subsequent to the issuance of Series 2019B Bonds and prior to their payment in full (or provision for the payment thereof having been made in accordance with the provisions of the Indenture), and except as otherwise herein expressly provided, this Supplement may not be effectively amended, changed, modified, altered or terminated except in accordance with the provisions of the Supplemental Indenture or the Original Indenture.

Section 9.06 Execution in Counterparts.

This Supplement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.07 No Pecuniary Liability of the Issuer.

No provision, covenant or agreement contained in this Supplement, or any obligations herein imposed upon the Issuer, or the breach thereof, shall constitute an indebtedness or liability of the Issuer within the meaning of any State constitutional provision or statutory limitation or shall constitute or give rise to a pecuniary liability of the Issuer or any member, officer, director, employee or agent of the Issuer or a charge against the Issuer's general credit. In making the Series 2019B Loan, the Issuer has not obligated itself except and solely to the extent provided in the Supplemental Indenture.

Section 9.08 Applicable Law.

This Supplement shall be governed by and construed in accordance with the applicable laws of the State. To the extent allowed by law, the Borrower hereby submits itself to jurisdiction in the State for any action or cause of action arising out of or in connection with the Financing Documents, agrees that venue for any such action shall be in Orange County, Florida, and waives any and all rights under the laws of any state to object to jurisdiction or venue within Orange County, Florida.

Section 9.09 Captions.

The captions and headings in this Supplement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this Supplement.

Section 9.10 Limitation of Liability.

(a) No covenant, agreement or obligation contained herein shall be deemed to be a covenant, agreement or obligation of any present or future director, officer, employee, member or agent of the Issuer or the Borrower in his or her individual capacity, and no such director, officer, employee, member or agent thereof shall be subject to any liability under this Supplement or with respect to any other action taken by such person.

(b) Except as otherwise expressly set forth herein and in the Transaction Documents, the Secured Parties will have full recourse to the Borrower and all of its assets and properties for the liabilities and obligations of the Borrower under the Transaction Documents, but in no event

will any Affiliates of the Borrower, or any officer, director, member or holder of any interest in the Borrower or any Affiliates of the Borrower, be liable or obligated for such liabilities and obligations of the Borrower other than to the extent arising directly as a result of any pledge of an ownership interest in the Borrower by any owner of such interest.

(c) Notwithstanding anything in subsection (b) of this Section, nothing in said subsection (b) shall limit or affect or be construed to limit or affect the obligations and liabilities of any Affiliate of the Borrower (1) arising under any Transaction Document to which such Affiliate of the Borrower is a party, or (2) arising from any liability pursuant to any applicable law for such Affiliate of the Borrower's fraudulent actions, bad faith or willful misconduct.

(d) Except for such claims or actions arising directly from the gross negligence, bad faith or willful misconduct of the Issuer, the Issuer shall not be liable to any Person for any environmental claims or contribution actions under any federal, state or local law, rule or regulation by reason of the Issuer's actions and conduct as authorized, empowered and directed hereunder or relating to the discharge, release or threatened release of hazardous materials into the environment.

Section 9.11 Parties Interested Herein.

Except as otherwise expressly provided in this Supplement, this Supplement shall be for the sole and exclusive benefit of the Issuer and the Borrower, and their respective successors and assigns. Nothing in this Supplement expressed or implied is intended or shall be construed to confer upon, or to give to, any Person other than the Issuer and the Borrower, any right, remedy or claim, legal or equitable, under or by reason of this Supplement or any terms hereof. To the extent that this Supplement or the Supplemental Indenture confers upon or gives or grants to the Trustee or the Owners any right, remedy or claim under or by reason of this Supplement or the Supplemental Indenture, the Trustee and the Owners are hereby explicitly recognized as being third-party beneficiaries hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder or under the Supplemental Indenture.

Section 9.12 Grant.

(a) To secure the payment of the Series 2019B Bonds and to secure the performance and observance of all the covenants and conditions set forth in the Series 2019B Bonds and the Supplemental Indenture, the Borrower does hereby grant and pledge to the Trustee, for the benefit of the Owners of the Series 2019B Bonds, a continuing first-priority security interest in all the Borrower's estate, right, title and interest in, to and under all of the following, whether now owned or hereafter existing or acquired (all of the property described in this Section 9.12 being collectively referred to herein as "Bond Proceeds Collateral"):

(1) the Series 2019B Escrow Reserve Redemption Account, all proceeds of the Series 2019B Loan deposited therein, and all monies, funds, instruments, securities, Financial Assets (as used within the meaning of the Florida UCC), Permitted Investments and all other property from time to time credited to the Series 2019B Escrow Reserve Redemption Account;

(2) all dividends, distributions, return of capital, interest, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of the foregoing; and

(3) all proceeds, including Proceeds of the foregoing, all substitutions and replacements for, any of the foregoing, and all offspring, rents, profits and products of any of the foregoing, and, to the extent related to any of the foregoing, all books, correspondence, credit files, records, invoices and other papers (including all tapes, cards, computer runs and other papers and documents in the possession or under the control of the Borrower or any computer bureau or service company from time to time acting for the Borrower).

(b) The Borrower authorizes the Trustee to file (at the Borrower's expense) one or more Uniform Commercial Code financing statements (and, if applicable amendments and continuation statements) in any filing office in any jurisdiction describing the Bond Proceeds Collateral. The Borrower agrees that such financing statements may describe the Bond Proceeds Collateral in the same manner as described in this Supplement.

(c) Upon any Series 2019B Bond becoming a Released Bond, such Released Bond shall no longer be secured by the Bond Proceeds Collateral and shall be secured solely by the Trust Estate and the Collateral.

(d) Upon transfer by the Trustee of the funds held in the Series 2019B Escrow Reserve Redemption Account pursuant to Section 3.4(b) of the Supplemental Indenture after satisfaction of the Escrow Release Conditions on the Final Escrow Release Date, the Security Interest under this Section 9.12 in the Bond Proceeds Collateral shall be automatically released.

(e) For purposes of this Section 9.12, the following terms have the meanings as defined in Article 9 of the Florida UCC (including by reference to other articles of the Florida UCC): "Documents" and "Instruments".

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IN WITNESS WHEREOF, the parties hereto have caused this Supplement to be executed in their respective corporate names all as of the date first above written.

FLORIDA DEVELOPMENT FINANCE CORPORATION

By: 
Executive Director



ATTEST:


Assistant Secretary

VIRGIN TRAINS USA FLORIDA LLC

By: _____
Name: Jeff Swiatek
Title: Vice President and Chief Financial Officer

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IN WITNESS WHEREOF, the parties hereto have caused this Supplement to be executed in their respective corporate names all as of the date first above written.

FLORIDA DEVELOPMENT FINANCE CORPORATION

By: _____
Executive Director

[SEAL]

ATTEST:

Assistant Secretary

VIRGIN TRAINS USA FLORIDA LLC

By:  _____
Name: Jeff Swiatek
Title: Vice President and Chief Financial Officer

APPENDIX C-3

FORM OF SECOND SUPPLEMENTAL SENIOR LOAN AGREEMENT

(See attached)

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SECOND SUPPLEMENTAL SENIOR LOAN AGREEMENT

BETWEEN

FLORIDA DEVELOPMENT FINANCE CORPORATION, as Issuer

and

BRIGHTLINE TRAINS FLORIDA LLC, as Borrower

Dated as of December 23, 2020

RELATING TO

\$950,000,000

**FLORIDA DEVELOPMENT FINANCE CORPORATION
SURFACE TRANSPORTATION FACILITY REVENUE BONDS
(BRIGHTLINE FLORIDA PASSENGER RAIL PROJECT), SERIES 2019B**

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SECOND SUPPLEMENTAL SENIOR LOAN AGREEMENT

THIS SECOND SUPPLEMENTAL SENIOR LOAN AGREEMENT (as amended, supplemented or otherwise modified from time to time, this “Second Supplemental Senior Loan Agreement” or this “Supplement”), dated as of December 23, 2020, is being entered into by and between the FLORIDA DEVELOPMENT FINANCE CORPORATION, a public body corporate and politic, and a public instrumentality organized and existing under the laws of the State of Florida (the “Issuer”), and BRIGHTLINE TRAINS FLORIDA LLC (f/k/a Virgin Trains USA Florida LLC), a limited liability company organized under the laws of the State of Delaware and authorized to do business in the State (together with its successors and assigns, the “Borrower”), and amends and supplements the Amended and Restated Senior Loan Agreement, dated as of April 18, 2019 (the “Original Senior Loan Agreement”), as previously supplemented and amended by that certain First Supplemental Senior Loan Agreement, dated as of June 20, 2019 (the “First Supplemental Senior Loan Agreement,” and together with the Original Senior Loan Agreement, the “Prior Senior Loan Agreement”).

WITNESSETH:

WHEREAS, the Issuer is authorized and empowered by the laws of the State of Florida (the “State”), and in particular, Chapter 288, Part X, Florida Statutes, as amended (being the Florida Development Finance Corporation Act of 1993), and other applicable provisions of law (collectively, the “Act”) to issue its revenue bonds for the purpose of financing and refinancing capital projects that promote economic development within the State; and

WHEREAS, the Issuer previously issued its Surface Transportation Facility Revenue Bonds (Brightline Florida Passenger Rail Project), Series 2019A (the “Series 2019A Bonds”), pursuant to the Indenture of Trust, dated as of April 18, 2019, as amended by a First Amendment to Indenture of Trust, dated as of October 20, 2020 (the “Original Indenture”), between the Issuer and Deutsche Bank National Trust Company, as Trustee (the “Trustee”) to finance and refinance a portion of the costs of the Project within the Series 2019A Counties; and

WHEREAS, the Issuer previously issued its Surface Transportation Facility Revenue Bonds (Virgin Trains USA Passenger Rail Project), Series 2019B (the “Series 2019B Bonds”), pursuant to the First Supplemental Indenture of Trust, dated as of June 20, 2019, as amended by the First Amendment to First Supplemental Indenture of Trust, dated as of June 18, 2020 (as amended, the “First Supplemental Indenture,” and together with the Original Indenture, the “Prior Indenture”), between the Issuer and the Trustee, as Escrow Bonds (as defined in the First Supplemental Indenture) and loaned the proceeds thereof to the Borrower to, upon satisfaction of the Escrow Release Conditions (as defined in the First Supplemental Indenture), finance and refinance a portion of the costs of completing the Project within the Series 2019A Counties; and

WHEREAS, in the event that conditions set forth in Article 12 of the Original Indenture are satisfied and upon satisfaction of the other Escrow Release Conditions, the Borrower may elect to remarket all or a portion of the Series 2019B Bonds as Released Bonds (as defined in the

Supplemental Indenture), which will constitute Additional Parity Bonds under the Original Indenture; and

WHEREAS, the Borrower desires to remarket all of the Series 2019B Bonds as Released Bonds and release the Escrow Securities on deposit in the Series 2019B Escrow Reserve Redemption Account established pursuant to the First Supplemental Indenture in order to use the net proceeds of such released Escrow Securities to finance and refinance the costs of completing the Project within the Series 2019A Counties; and

WHEREAS, upon remarketing, the Series 2019B Bonds subject to mandatory tender and remarketing shall constitute Released Bonds (as defined in the First Supplemental Indenture) and shall be redesignated as “Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Florida Passenger Rail Project), Series 2019B”; and

WHEREAS, the Issuer has concurrently entered into the Second Supplemental Indenture of Trust, dated as of the date hereof (the “Supplemental Indenture”), with the Trustee, supplementing the Prior Indenture (as supplemented by the Supplemental Indenture and as the Prior Indenture may be further amended, supplemented or otherwise modified from time to time, the “Indenture”), to provide for the remarketing of the Series 2019B Bonds as Released Bonds; and

WHEREAS, the Borrower desires, and the Issuer and the Trustee have agreed, to amend the Original Senior Loan Agreement as set forth in **Exhibit A** hereto (the “Senior Loan Agreement Amendments”) upon satisfaction of the conditions precedent to the amendment of the Original Senior Loan Agreement set forth in Article 10 of the Original Indenture; and

WHEREAS, upon the remarketing of the Series 2019B Bonds, the conditions precedent to the effectiveness of the Senior Loan Agreement Amendments with respect to the Series 2019B Bonds will be satisfied; and

WHEREAS, the Series 2019B Bonds are special and limited obligations of the Issuer, and upon being remarketed as Released Bonds, the Series 2019B Bonds shall be payable solely from and secured exclusively by the Trust Estate and the Collateral, and the Series 2019B Bonds do not constitute an indebtedness of the Issuer, the State, the Series 2019A Counties, or any other political subdivision of the State, within the meaning of any State constitutional provision or statutory limitation and shall not constitute or give rise to a pecuniary liability of the Issuer, the State, the Series 2019A Counties, or any other political subdivision of the State, and neither the full faith and credit of the Issuer nor the full faith and credit or the taxing power of the State, the Series 2019A Counties, or any other political subdivision of the State is pledged to the payment of the principal of or interest on the Series 2019B Bonds; and

WHEREAS, the execution and delivery of this Supplement by the Issuer has been duly authorized by the Bond Resolution adopted by the Issuer on August 5, 2015, as supplemented and amended by the Supplemental Bond Resolution adopted by the Issuer on October 27, 2017, the Supplemental Bond Resolution adopted by the Issuer on August 29, 2018, and the Supplemental Bond Resolution adopted by the Issuer on April 5, 2019 (collectively, the “Bond Resolution”);

NOW THEREFORE, in consideration of the premises and the mutual covenants herein made, and subject to the conditions herein set forth, the parties hereto agree as follows:

ARTICLE I DEFINITIONS

Section 1.01 Definitions.

All capitalized terms used herein (including in the preamble and recitals) but not otherwise defined herein shall have the respective meanings given to them in the Supplemental Indenture, or if not defined in the Supplemental Indenture, in the Prior Senior Loan Agreement, or if not defined in the Prior Senior Loan Agreement, in the Prior Indenture, or if not defined in the Prior Indenture, in Exhibit A to the Collateral Agency Agreement.

As used in this Supplement, the following capitalized terms shall have the following meanings:

“Borrower” has the meaning specified in the preamble of this Supplement; provided that *“Borrower”* shall refer to a Successor Borrower upon consummation of any transaction described in Section 6.16 of the Original Senior Loan Agreement, including with respect to any determination of whether a Change of Control has occurred.

“Continuing Disclosure Agreement” means that certain Amended and Restated Disclosure Dissemination Agent Agreement, dated as of the Remarketing Date, entered into between the Borrower and the Dissemination Agent pursuant to the Rule.

“Financing Documents” means the Indenture, the Series 2019B Bonds, the Senior Loan Agreement, the Federal Tax Certificate, the Continuing Disclosure Agreement, and the Remarketing Agreement.

“Remarketing Memorandum” means the Limited Remarketing Memorandum of the Issuer, dated December 11, 2020, with respect to the remarketing of the Series 2019B Bonds.

Section 1.02 Uses of Phrases.

Except as otherwise expressly provided, the rules of interpretation set forth in Section 1.02 of the Original Senior Loan Agreement shall apply to this Supplement.

ARTICLE II REPRESENTATIONS AND WARRANTIES

Section 2.01 Representations and Warranties of the Issuer.

The representations and warranties of the Issuer set forth in the First Supplemental Senior Loan Agreement are incorporated by reference herein as if set forth in full herein. The Issuer hereby further represents and warrants to the Borrower, as of the Remarketing Date, that:

(a) The Issuer is a public body corporate and politic, and a public instrumentality organized and existing under the laws of the State and pursuant to the Act has the power to enter into this Supplement and the Supplemental Indenture and carry out its obligations in connection therewith pursuant to the Supplemental Indenture and this Supplement.

(b) Pursuant to the Bond Resolution, the Issuer has duly authorized the execution and delivery of the Supplemental Indenture and this Supplement, and the consummation of the transactions contemplated therein and herein and, simultaneously with the execution and delivery of this Supplement, has duly executed and delivered the Supplemental Indenture. The Bond Resolution has not been repealed, revoked, rescinded or amended and is in full force and effect.

(c) No further approval, consent or withholding of objection on the part of any regulatory body, federal, state or local, is required in connection with the execution or delivery of or compliance by the Issuer with the terms and conditions of this Supplement, the Supplemental Indenture or the Series 2019B Bonds. The consummation by the Issuer of the transactions set forth in the manner and under the terms and conditions as provided in this Supplement, the Supplemental Indenture and the Series 2019B Bonds will comply with all applicable laws. Notwithstanding the preceding sentences, no representation is expressed as to any action required under federal or state securities or Blue Sky Laws in connection with the remarketing or distribution of the Series 2019B Bonds.

(d) The Issuer is not in breach of or default under this Supplement or the Series 2019B Bonds or in violation of any applicable constitutional provision, law or administrative regulation of the State or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or is otherwise subject, in each case which breach, default or violation would have a material adverse effect on the remarketing or delivery of the Series 2019B Bonds or the authorization, execution, delivery and performance of this Supplement, the Supplemental Indenture or the Series 2019B Bonds and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute such a breach, default or violation. The execution, delivery and performance of its obligations under the Supplemental Indenture, this Supplement and the Series 2019B Bonds do not and will not conflict with or result in a violation or a breach of any law or the terms, conditions or provisions of any restriction under any law, contract, agreement or instrument to which the Issuer is now a party or by which the Issuer is bound, or constitute a default under any of the foregoing.

(e) There is no action, suit, proceeding or litigation pending against the Issuer or, to the knowledge of its members, officers or counsel, threatened, seeking to restrain or enjoin the remarketing or delivery of the Series 2019B Bonds, or in any way contesting or affecting the validity of the Series 2019B Bonds or any proceedings of the Issuer taken with respect to the issuance or remarketing thereof, or the pledge or application of any monies or security provided for the payment of the Series 2019B Bonds, the use of the Series 2019B Bond proceeds or the existence or powers of the Issuer or its officers or members.

(f) Each of this Supplement and the Supplemental Indenture constitutes the valid and binding obligation of the Issuer, enforceable against the Issuer in accordance with the terms thereof, except as may be limited by applicable bankruptcy, insolvency, reorganization,

moratorium, fraudulent transfer or other similar laws or judicial action affecting the enforcement of creditors' rights generally and the application of general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law) subject to the valid exercise of the constitutional powers of the State and the United States of America. The execution and delivery of this Supplement and the Supplemental Indenture, the performance by the Issuer of its obligations hereunder and thereunder and the consummation of the transactions herein and therein contemplated do not and will not materially conflict with, or constitute a material breach or result in a material violation of the Act or bylaws of the Issuer, any agreement or other instrument to which the Issuer is a party or by which it is bound or any constitutional or statutory provision or order, rule, regulation, decree or ordinance of any court, government or governmental authority having jurisdiction over the Issuer or its property.

(g) Notwithstanding anything herein to the contrary, any obligation the Issuer may incur hereunder in connection with the remarketing of the Series 2019B Bonds shall not be deemed to constitute a general obligation of the Issuer, but, as to the Issuer, shall be payable solely from the payments received hereunder and from the Trust Estate and the Collateral as provided in the Supplemental Indenture. The Issuer has no taxing power.

The representations and warranties included in this Section 2.01 are made subject to the limitations set forth in Section 3.04 hereof.

Section 2.02 Representations and Warranties of the Borrower.

The representations and warranties of the Borrower set forth in the Original Senior Loan Agreement and the First Supplemental Senior Loan Agreement are incorporated by reference herein as if set forth in full herein. The Borrower hereby further represents and warrants to the Issuer, as of the Remarketing Date, that:

(a) All necessary actions on the part of the Borrower required to authorize the execution, delivery and performance of this Supplement has been duly taken.

(b) This Supplement has been duly authorized, executed and delivered by the Borrower and constitutes a valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or other similar laws or judicial action affecting the enforcement of creditors' rights generally and the application of general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law).

(c) The execution, delivery and performance by the Borrower of this Supplement does not (1) conflict with any contractual obligations binding on, or to the knowledge of the Borrower, affecting the Borrower, except where such conflict would not reasonably be expected to have a Material Adverse Effect, (2) violate any provision of any court decree or order binding on, or to the knowledge of the Borrower, affecting the Borrower, except where such violation would not reasonably be expected to have a Material Adverse Effect, (3) violate any provision of any law or governmental regulation binding on, or to the knowledge of the Borrower, affecting the Borrower, except where such violation would not reasonably be expected to have a Material

Adverse Effect, or (4) result in, or require, the creation or imposition of any Security Interest on any of the properties or revenues of the Borrower, except for Permitted Security Interests.

(d) Except as may be described in the Remarketing Memorandum, on the Remarketing Date, there is no pending or, to Borrower's knowledge, threatened litigation or proceeding against the Borrower or with respect to the transactions contemplated by this Supplement which has a material likelihood of success and if determined adversely to the Borrower or to such transactions, would reasonably be expected to have a Material Adverse Effect.

ARTICLE III REMARKETING OF THE SERIES 2019B BONDS

Section 3.01 Agreement to Remarket the Series 2019B Bonds; Loan of Proceeds.

The Issuer hereby agrees to cooperate with the Borrower in connection with the remarketing, sale and delivery of the Series 2019B Bonds in accordance with the terms of the Supplemental Indenture to provide for the financing of a portion of the costs of the Project. The Issuer hereby directs the Trustee to apply any moneys that remain on deposit in the Series 2019B Escrow Reserve Redemption Account not required to pay the Purchase Price of the Released Bonds tendered for purchase on the Remarketing Date, in accordance with the provisions of Section 3.4 of the Supplemental Indenture.

Section 3.02 [Reserved].

Section 3.03 Loan to Finance Project Costs.

On the Remarketing Date, the Borrower shall use the proceeds of the Series 2019B Loan released from the Series 2019B Escrow Reserve Redemption Account (the "Series 2019B Loan"), to the extent then available for such purposes pursuant to Section 3.4 of the Supplemental Indenture, to (a) pay the portion of the Purchase Price of the Series 2019B Bonds not paid from the proceeds of the remarketing of the Series 2019B Bonds, (b) finance, pay or reimburse a portion of the Project Costs, (c) fund a capitalized interest account, and (d) pay or reimburse certain costs of issuance of the Series 2019B Bonds. No proceeds of the Series 2019B Loan shall be used outside of the respective jurisdictions of the Series 2019A Counties.

In the event that proceeds derived from the Series 2019B Loan, or any other available (or to be available) funds, are not sufficient to finance the Project Costs as well as the funding of any required capitalized interest account or reserve fund on the Remarketing Date, the Borrower shall not be entitled to any reimbursement from the Trustee for the payment of such excess costs nor shall the Borrower be entitled to any abatement, diminution or postponement of its payments hereunder.

Section 3.04 Limitation of Issuer's Liability.

THE SERIES 2019B BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE STATE, THE SERIES 2019A COUNTIES OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE, WITHIN THE MEANING OF ANY STATE

CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE STATE, THE SERIES 2019A COUNTIES OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE, AND NEITHER THE FULL FAITH AND CREDIT OF THE ISSUER NOR THE FULL FAITH AND CREDIT OR THE TAXING POWER OF THE STATE, THE SERIES 2019A COUNTIES OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2019B BONDS. THE ISSUER HAS NO TAXING POWER.

No provision, covenant, or agreement contained in this Supplement, or any obligations herein imposed upon the Issuer, or the breach thereof, shall constitute an indebtedness or liability of the Issuer within the meaning of any State constitutional provision or statutory limitation or shall constitute or give rise to a pecuniary liability of the Issuer or any member, officer or agent of the Issuer or a charge against the Issuer's general credit. In making the agreements, provisions and covenants set forth in this Supplement, the Issuer has not obligated itself except with respect to the application of the payments, as hereinabove provided.

No recourse shall be had for the payment of principal of, or premium if any, or interest on any of the Series 2019B Bonds or for any claim based thereon or upon any obligation, covenant or agreement in this Supplement contained, against any past, present or future officer, director, member, trustee, employee or agent of the Issuer or any officer, director, member, trustee, employee or agent of any successor entity, as such, either directly or through the Issuer or any successor entity, under any rule of law or equity, statute or constitution or by enforcement by any assessment or penalty or otherwise. The members of the Issuer, the officers and employees of the Issuer, or any other agents of the Issuer are not subject to personal liability or accountability by reason of any action authorized by the Act, including without limitation, the issuance of the Series 2019B Bonds, the failure to issue the Series 2019B Bonds, or the execution and delivery of the Series 2019B Bonds.

The parties acknowledge that the Issuer will have no control over the application or use of the proceeds of the Series 2019B Loan or the Project. The Issuer does not by this Supplement or otherwise assume any obligation or affirmative duty to review, monitor, investigate, inspect or after the issuance of the Series 2019B Bonds, undertake any responsibility with respect to the Project, any change in the Borrower entity, or the application of Series 2019B Loan proceeds by the Borrower.

Section 3.05 Compliance with Indenture.

The Borrower shall take all action required to be taken by the Borrower in the Supplemental Indenture as if the Borrower were a party to the Supplemental Indenture.

**ARTICLE IV
[RESERVED]**

**ARTICLE V
AMENDMENTS**

Section 5.01 Amendments to Senior Loan Agreement.

Upon satisfaction of the conditions precedent to the amendment of the Original Senior Loan Agreement set forth in Article 10 of the Original Indenture, the Original Senior Loan Agreement shall be amended as set forth in **Exhibit A** hereto.

The Borrower and the Issuer hereby consent to the Senior Loan Agreement Amendments and the Indenture Amendments (as defined in the Supplemental Indenture).

**ARTICLE VI
LOAN PROVISIONS AND COVENANTS**

Section 6.01 Senior Loan Agreement Affirmed.

Except as otherwise expressly amended by this Supplement, the provisions of the First Supplemental Senior Loan Agreement and the Original Senior Loan Agreement shall remain unchanged, binding, and in full force and effect.

Section 6.02 Use of Proceeds; Tax Covenant.

(a) **Use of Proceeds.** The Borrower shall use the proceeds of the Series 2019B Loan from and after the Remarketing Date, to apply all or such portion of the proceeds, as the case may be, to (a) pay the portion of the Purchase Price of the Series 2019B Bonds not paid from the proceeds of the remarketing of the Series 2019B Bonds, (b) finance, pay or reimburse a portion of the Project Costs, (c) fund a capitalized interest account, and (d) pay or reimburse certain costs of issuance of the Series 2019B Bonds. No proceeds of the Series 2019B Loan shall be used outside of the respective jurisdictions of the Series 2019A Counties.

(b) **Tax Covenant.** The Borrower covenants for the benefit of the Issuer and the Owners of the Series 2019B Bonds that it will not take any action or omit to take any action with respect to the Series 2019B Bonds, the proceeds thereof, any other funds of the Borrower or any of the facilities financed with the proceeds of the Series 2019B Bonds if such action or omission would cause the interest on the Series 2019B Bonds to lose its excludability from gross income for federal income tax purposes under Section 103 of the Code.

(c) The Borrower further covenants, represents and warrants that the procedures set forth in the Federal Tax Certificate implementing the covenant in paragraph (a) shall be complied with to the extent necessary to comply with the covenant in paragraph (b).

(d) From and after the Remarketing Date, the Borrower will apply all or such portion of the proceeds of the Series 2019B Bonds, as the case may be, to pay Project Costs in accordance with the Transaction Documents, but acknowledges and agrees that such proceeds

shall only be used for such portions of the Project which are situated in the Series 2019A Counties. The Borrower may (i) only expend proceeds of the Series 2019B Bonds on portions of the Project that are located within the jurisdictional limits of the Series 2019A Counties; and (ii) not expend proceeds of the Series 2019B Bonds to acquire any building or facility that will be, during the term of the Series 2019B Bonds, used by, occupied by, leased to or paid for by any state, county or municipal agency or entity.

(e) Neither the Borrower nor its owners shall take any action to cause the Borrower to become treated as an association (or publicly traded partnership) taxable as a corporation for U.S. federal, state or local income tax purposes.

Section 6.03 Debt Service Reserve Fund.

On or before the Phase 2 Revenue Service Commencement Date, the Borrower shall cause to be deposited in the Initial Debt Service Reserve Account established under the Collateral Agency Agreement an amount equal to six months' interest payments on the Series 2019A Bonds and the Series 2019B Bonds.

Section 6.04 Further Assurances and Corrective Instruments.

The Issuer and the Borrower agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the expressed intentions of this Supplement and the Supplemental Indenture, including as may be reasonably necessary or desirable for establishing, maintaining, assuring, conveying, granting, assigning, securing, perfecting and confirming the pledge granted by or on behalf of the Borrower of the Collateral.

Section 6.05 Issuer and Borrower Representatives.

Whenever under the provisions of this Supplement the approval of the Issuer or the Borrower is required or the Issuer or the Borrower is required to take some action at the request of the other, such approval or such request shall be given for the Issuer by an Issuer Representative and for the Borrower by a Responsible Officer of the Borrower and the Trustee and the Collateral Agent, as applicable, shall be permitted to rely on, and shall be protected in acting upon, such approval.

Section 6.06 Recording and Filing; Other Instruments.

The Borrower shall file and refile and record and re-record or shall cause to be filed and re-filed and recorded and re-recorded all instruments required to be filed and re-filed and recorded or re-recorded and shall continue and perfect or cause to be continued and perfected the Security Interests created by the Original Indenture and any Security Documents of such instruments for as long as any of the Series 2019B Bonds shall be Outstanding. The Issuer shall, upon the prior written request of the Borrower, execute and deliver all instruments and shall furnish all information and evidence deemed necessary or advisable in order to enable the Borrower to fulfill its obligations as provided in this Section 6.05 and the Security Documents.

**ARTICLE VII
ASSIGNMENT; INDEMNIFICATION**

Section 7.01 Assignment.

Except as expressly contemplated herein and in the Supplemental Indenture, the Prior Indenture and the Security Documents, neither the Borrower nor the Issuer may assign its interest in this Supplement. In the event of any permitted assignment of its interest in this Supplement by the Issuer, the Issuer (solely for this purpose as a non-fiduciary agent on behalf of the Borrower) shall maintain or cause to be maintained a register for interests in this Supplement in which it shall register the issuance and transfer of such interests. All transfers of such interests shall be recorded on the register maintained by the Issuer or its agent, the register shall be conclusive absent manifest error, and the parties hereto shall regard the registered holder of such interests as the actual owner thereof for all purposes. To the extent that a particular permitted assignment by the Issuer is expressly identified in this Supplement or the Supplemental Indenture, as the same may be amended, respectively, this Supplement or the Supplemental Indenture may constitute a register for the purposes of this Section 7.01.

Section 7.02 Release and Indemnification Covenants.

(a) The Borrower shall and hereby agrees to indemnify, defend, hold harmless and save the Issuer, the Trustee, and the members, servants, officers, counsel to the Issuer, employees, advisors and other agents, now or hereafter, of the Issuer or the Trustee (each an “indemnified party”) harmless against and from all claims, demands, suits, actions or proceedings whatsoever by or on behalf of any Person arising from or purporting to arise from this Supplement, the Supplemental Indenture, the Series 2019B Bonds or the transactions contemplated thereby, including without limitation, (1) any condition of the Project or the Borrower’s operation of the Project, (2) any breach or default on the part of the Borrower in the performance of any of its obligations under this Supplement, including, without limitation, the Borrower’s payment obligations with respect to the Series 2019B Loan as set forth in Section 4.01 of the First Supplemental Senior Loan Agreement, (3) any act or negligence of the Borrower or of any of its agents, contractors, servants, employees or licensees, (4) any act or negligence of any assignee or lessee of the Borrower, or of any agents, contractors, servants, employees or licensees of any assignee or lessee of the Borrower, or (5) the Issuer’s authorization, approval or execution of the Series 2019B Bonds, the Financing Documents or any other documents, opinions, certificates or agreements executed in connection with the transactions contemplated by this Supplement, the Supplemental Indenture, the Series 2019B Bonds or the transactions contemplated thereby. The Borrower shall indemnify and save the Issuer, the Trustee, and the members, servants, officers, counsel to the Issuer, employees, advisors and other agents, now or hereafter, of the Issuer or the Trustee harmless from any such claim, demand, suit, action or other proceeding whatsoever arising as aforesaid and upon notice from the Issuer or the Trustee, the Borrower shall defend such parties, as applicable, in any such action or proceeding.

(b) The Issuer and the Trustee, each separately agree that, upon the receipt of notice of the commencement of any action against the Issuer or the Trustee or their respective members, servants, officers, counsel to the Issuer, employees, advisors and other agents, now or hereafter,

as applicable, or any Person controlling it as aforesaid, in respect of which indemnity, costs, expenses or defense may be sought on account of any agreement contained herein, the Issuer or the Trustee, as applicable, will promptly give written notice of the commencement thereof to the Borrower, but the failure so to notify the Borrower of any such action shall not relieve the Borrower from any liability hereunder to the extent it is not materially prejudiced as a result of such failure to notify and in any event shall not relieve it from any liability which it may have to the indemnified party otherwise than on account of such indemnity agreement. In case such notice of any such action shall be so given, the Borrower shall be entitled to participate at its own expense in the defense or, if it so elects, to assume the defense of such action, in which event such defense shall be conducted by counsel chosen by the Borrower and reasonably satisfactory to the indemnified party or parties who shall be defendant or defendants in such action, and such defendant or defendants shall bear the fees and expenses of any additional counsel retained by them; but if the Borrower shall elect not to assume the defense of such action, the Borrower will reimburse such indemnified party or parties for the reasonable fees and expenses of any counsel retained by them; provided, however, if the defendants in any such action (including impleaded parties) include both the indemnified party and the Borrower and counsel for the Borrower shall have reasonably concluded that there may be a conflict of interest involved in the representation by a single counsel of both the Borrower and the indemnified parties, the indemnified party or parties shall have the right to select separate counsel, at the Borrower's expense and satisfactory to the Borrower, to participate in the defense of such action on behalf of such indemnified party or parties (it being understood, however, that the Borrower shall not be liable for the expenses of more than one separate counsel (in addition to local counsel) representing the indemnified parties who are parties to such action).

(c) Without the consent of the Borrower, neither the Trustee nor the Issuer shall settle, compromise or consent to the entry of any judgment in any claim in respect of which indemnification may be sought under the indemnification provision of this Supplement, unless such settlement, compromise or consent (1) includes an unconditional release of such other applicable party from all liability arising out of such claim and (2) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of such other applicable party.

(d) Notwithstanding anything to the contrary contained herein, the Borrower shall have no liability to indemnify the Trustee against claims or damages resulting from such parties' own gross negligence or willful misconduct, or the Issuer against claims or damages resulting from such parties' own willful misconduct.

(e) The indemnification obligation of the Borrower under this Section 7.02 shall survive the termination of this Supplement.

**ARTICLE VIII
EVENTS OF DEFAULT AND REMEDIES**

Section 8.01 Events of Default Defined.

Following the remarketing of the Series 2019B Bonds as Released Bonds, the Events of Default with respect to the Series 2019B Bonds shall be as set forth in Section 8.01(b) of the First Supplemental Senior Loan Agreement.

Section 8.02 Remedies on Event of Default.

Following the remarketing of the Series 2019B Bonds as Released Bonds, the rights and remedies available to the Trustee and the Owners of the Series 2019B Bonds following and during the continuance of an Event of Default with respect to the Series 2019B Bonds shall be those rights and remedies with respect to the Released Bonds as set forth in Section 8.02 of the First Supplemental Senior Loan Agreement.

**ARTICLE IX
MISCELLANEOUS**

Section 9.01 Term of Agreement.

Except to the extent otherwise provided herein, this Supplement shall be effective upon its execution and delivery and shall expire at such time as all of the Series 2019B Bonds and the fees and expenses of the Issuer and the Trustee shall have been fully paid or provision made for such payments, whichever is later; provided, however, that this Supplement may be terminated prior to such date pursuant to Article V of this Supplement and Article XI of the Supplemental Indenture or Article 11 of the Original Indenture, as applicable, but in no event before all of the obligations and duties of the Borrower hereunder have been fully performed, including, without limitation, the payments of all costs and fees mandated hereunder or under any other Financing Document to which the Borrower is a party; provided further, however, that the indemnity obligation of the Borrower under Section 7.02 and the payment obligations of the Borrower under Section 4.01(b), (c) or (d) of the First Supplemental Senior Loan Agreement shall survive the termination of this Supplement.

Section 9.02 Notices.

All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid, addressed as follows:

Issuer:	Florida Development Finance Corporation 156 Tuskawilla Road, Suite 2340 Winter Springs, Florida 32708 Attention: William F. Spivey, Jr. Telephone: 407-712-6355 Facsimile: 407-369-4260 E-mail: bspivey@fdcbonds.com
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Copy to: Nelson Mullins Riley & Scarborough LLP
390 N. Orange Avenue
Suite 1400
Orlando, Florida 32801
Attention: Joseph B. Stanton
Telephone: 407-839-4210
Facsimile: 407-425-8377
E-Mail: joseph.stanton@nelsonmullins.com

Trustee/Collateral
Agent: Deutsche Bank National Trust Company
60 Wall Street, 24th Floor
Mail Stop: NYC60-2405
New York, New York 10005
Attention: Corporates Team, Brightline Trains
Facsimile: 732-578-4635

Borrower: Brightline Trains Florida LLC
161 NW 6th Street, Suite 900
Miami, Florida 33136
Attention: Cynthia Bergmann, General Counsel
Telephone: 305-521-4875
E-mail: Cynthia.Bergmann@gobrightline.com

With a copy to: Brightline Trains Florida LLC
161 NW 6th Street, Suite 900
Miami, Florida 33136
Attention: Patrick Goddard, President
Telephone: 305-521-4848
E-mail: Patrick.Goddard@gobrightline.com

A duplicate copy of each notice, certificate or other communication given hereunder by the Issuer or the Borrower shall also be given to the Trustee. The Issuer, the Borrower and the Trustee may, by written notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall each be sent.

Section 9.03 Binding Effect.

This Supplement shall inure to the benefit of and shall be binding upon the Issuer, the Borrower, the Trustee and the Owners of Series 2019B Bonds, and their respective successors and assigns, subject, however, to the limitations contained herein.

Section 9.04 Severability.

In the event any provision of this Supplement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 9.05 Amendments, Changes and Modifications.

Subsequent to the issuance of Series 2019B Bonds and prior to their payment in full (or provision for the payment thereof having been made in accordance with the provisions of the Indenture), and except as otherwise herein expressly provided, this Supplement may not be effectively amended, changed, modified, altered or terminated except in accordance with the provisions of the Supplemental Indenture or the Prior Indenture.

Section 9.06 Execution in Counterparts.

This Supplement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.07 No Pecuniary Liability of the Issuer.

No provision, covenant or agreement contained in this Supplement, or any obligations herein imposed upon the Issuer, or the breach thereof, shall constitute an indebtedness or liability of the Issuer within the meaning of any State constitutional provision or statutory limitation or shall constitute or give rise to a pecuniary liability of the Issuer or any member, officer, director, employee or agent of the Issuer or a charge against the Issuer's general credit. In making the Series 2019B Loan, the Issuer has not obligated itself except and solely to the extent provided in the Supplemental Indenture and the Prior Indenture.

Section 9.08 Applicable Law.

This Supplement shall be governed by and construed in accordance with the applicable laws of the State. To the extent allowed by law, the Borrower hereby submits itself to jurisdiction in the State for any action or cause of action arising out of or in connection with the Financing Documents, agrees that venue for any such action shall be in Orange County, Florida, and waives any and all rights under the laws of any state to object to jurisdiction or venue within Orange County, Florida.

Section 9.09 Captions.

The captions and headings in this Supplement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this Supplement.

Section 9.10 Limitation of Liability.

(a) No covenant, agreement or obligation contained herein shall be deemed to be a covenant, agreement or obligation of any present or future director, officer, employee, member or agent of the Issuer or the Borrower in his or her individual capacity, and no such director, officer, employee, member or agent thereof shall be subject to any liability under this Supplement or with respect to any other action taken by such person.

(b) Except as otherwise expressly set forth herein and in the Transaction Documents, the Secured Parties will have full recourse to the Borrower and all of its assets and properties for the liabilities and obligations of the Borrower under the Transaction Documents, but in no event

will any Affiliates of the Borrower, or any officer, director, member or holder of any interest in the Borrower or any Affiliates of the Borrower, be liable or obligated for such liabilities and obligations of the Borrower other than to the extent arising directly as a result of any pledge of an ownership interest in the Borrower by any owner of such interest.

(c) Notwithstanding anything in subsection (b) of this Section, nothing in said subsection (b) shall limit or affect or be construed to limit or affect the obligations and liabilities of any Affiliate of the Borrower (1) arising under any Transaction Document to which such Affiliate of the Borrower is a party, or (2) arising from any liability pursuant to any applicable law for such Affiliate of the Borrower's fraudulent actions, bad faith or willful misconduct.

(d) Except for such claims or actions arising directly from the gross negligence, bad faith or willful misconduct of the Issuer, the Issuer shall not be liable to any Person for any environmental claims or contribution actions under any federal, state or local law, rule or regulation by reason of the Issuer's actions and conduct as authorized, empowered and directed hereunder or relating to the discharge, release or threatened release of hazardous materials into the environment.

Section 9.11 Parties Interested Herein.

Except as otherwise expressly provided in this Supplement, this Supplement shall be for the sole and exclusive benefit of the Issuer and the Borrower, and their respective successors and assigns. Nothing in this Supplement expressed or implied is intended or shall be construed to confer upon, or to give to, any Person other than the Issuer and the Borrower, any right, remedy or claim, legal or equitable, under or by reason of this Supplement or any terms hereof. To the extent that this Supplement or the Supplemental Indenture confers upon or gives or grants to the Trustee or the Owners any right, remedy or claim under or by reason of this Supplement or the Supplemental Indenture, the Trustee and the Owners are hereby explicitly recognized as being third-party beneficiaries hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder or under the Supplemental Indenture.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Supplement to be executed in their respective corporate names all as of the date first above written.

FLORIDA DEVELOPMENT FINANCE CORPORATION

By: _____
Executive Director

[SEAL]

ATTEST:

Assistant Secretary

BRIGHTLINE TRAINS FLORIDA LLC

By: _____
Name: Jeff Swiatek
Title: Vice President and Chief Financial Officer

EXHIBIT A

Amendments to Senior Loan Agreement

1. Section 6.31 of the Original Senior Loan Agreement shall be amended by deleting it in its entirety and replacing is with the following:

“Section 6.31 Post-Closing Requirement.

The Borrower shall take the actions set forth on Schedule 6.31 (the “Post-Closing Actions”) within the time periods specified therein; provided that the failure to complete any Post-Closing Action described in items (1), (2), (3), (4)(b), (5) and (7) of Schedule 6.31 by the applicable date specified therein shall not constitute an Event of Default or a Potential Event of Default under this Senior Loan Agreement so long as the Borrower is diligently pursuing the completion of such Post-Closing Action; provided, however, that despite the Borrower’s diligent pursuit of the completion of items (1), (2), (4)(b) and (5)(f) of the list of Post-Closing Actions, the failure of the Borrower to complete any of items (1), (2), (4)(b) and (5)(f) of the list of Post-Closing Actions by the Phase 2 Revenue Service Commencement Deadline shall constitute an Event of Default under this Senior Loan Agreement. The failure of Borrower to deliver any item that Borrower is required to use commercially reasonable efforts to deliver within a time period specified on Schedule 6.31 shall not relieve Borrower of the continuing obligation to use commercially reasonable efforts to deliver such item as soon as possible thereafter.”

2. Schedule 6.31 to the Original Senior Loan Agreement shall be amended by deleting it in its entirety and replacing it with Schedule 6.31 attached hereto.

SCHEDULE 6.31

POST-CLOSING ACTIONS

1. Within 60 days of the date of the Second Supplemental Senior Loan Agreement, the Borrower shall deliver to the Collateral Agent (a) a first-priority Mortgage, or a spread of the existing Mortgage, to encumber the Borrower's real property interests in the station at the Orlando International Airport and (b) a mortgage modification agreement with respect to the existing Mortgage encumbering the Borrower's real property interests in the vehicle maintenance facility located at the Orlando International Airport. The lien of such Mortgage over the real property interests described in clauses (a) and (b) above shall be insured by a title insurance policy issued by First American Title Insurance Company (the "*Title Company*") or an endorsement to an existing title insurance policy issued by the Title Company, which title insurance policy or endorsement shall (i) increase the amount of title insurance to include the estimated fair market value as of the date of the Second Supplemental Senior Loan Agreement of the real property subject to the Mortgage in the reasonable judgment of the Borrower pursuant to this paragraph if not already covered by the policy; (ii) name the Collateral Agent for the benefit of the Secured Parties as the insured thereunder; and (iii) contain no exceptions which would result in a Material Adverse Effect. In addition, within 60 days of the date of the Second Supplemental Senior Loan Agreement, the Borrower shall deliver to the Collateral Agent surveys, certified to the Collateral Agent and Title Company, and/or obtain waivers from the Title Company sufficient to (A) delete or modify any general survey exception in the title insurance policy or endorsement insuring the lien of the Mortgage on the real property interests described in clauses (a) and (b) above or (B) provide similar affirmative coverage as to such matters in such title insurance policy.

2. After completion of construction and within 30 days after recording of such easements in the appropriate filing offices (such date when the construction is completed and such easements are recorded, the "*Completion Date*"), the Borrower shall deliver to the Collateral Agent a first-priority Mortgage, or a spread of the existing Mortgage, to encumber the Borrower's real property interests in (a) the rail line easement granted by the Greater Orlando Aviation Authority ("*GOAA*") pursuant to the terms of that certain Rail Line Easement Agreement dated January 22, 2014 (as amended, supplemented or otherwise modified from time to time, the "*GOAA Agreement*"), and (b) the rail line slope and drainage easement granted by GOAA pursuant to the terms of the GOAA Agreement. The lien of such Mortgage over the real property interests described in clauses (a) and (b) above shall be insured by a title insurance policy issued by the Title Company or an endorsement to the existing title insurance policy, which title insurance policy or endorsement shall (i) increase the amount of title insurance or provide for the endorsement to include the estimated fair market value as of the date of recording of such easements subject to the Mortgage in the reasonable judgment of the Borrower pursuant to this paragraph if not already covered by the policy; (ii) name the Collateral Agent for the benefit of the Secured Parties as the insured thereunder; and (iii) contain no exceptions which would result in a Material Adverse Effect. In addition, the Borrower shall deliver to the Collateral Agent surveys, certified to the Collateral Agent and Title Company, and/or obtain waivers from the Title Company sufficient to (A) delete or

modify any general survey exception in the title insurance policy or endorsement insuring the lien of the Mortgage on the real property interests described in clauses (a) and (b) above or (B) provide similar affirmative coverage as to such matters in such title insurance policy.

3. In the event the Declaration of Covenants, Restrictions and Easements for MiamiCentral Station dated as of April 29, 2016 and recorded at Book 30057, Page 1740, official records of Miami-Dade County, Florida (as amended, the "*MiamiCentral Declaration*"), is amended to redefine the boundaries of any Element (as such term is defined in the MiamiCentral Declaration) subject to the Mortgage specifically to reflect the actual "as-built" measurements and dimensions of such Element(s) and certain non-material reconfigurations of shared common elements, Borrower shall, prior to execution of such amendment to the MiamiCentral Declaration (the "*Declaration Amendment*") by Borrower and any of its affiliates, as applicable, (i) enter into a mortgage modification agreement with the Collateral Agent conforming the legal description of the property subject to the Mortgage to the Element boundaries as redefined by the Declaration Amendment, which mortgage modification agreement shall be in substance acceptable to the Collateral Agent in its reasonable discretion; (ii) obtain pro forma mortgage modification endorsements to the title policies insuring the Mortgage indicating that the recording of such mortgage modification agreement will not cause a Material Adverse Effect with respect to the coverage provided thereby and that the Title Company is prepared to issue endorsements in the form of the same; and (iii) certify to the Collateral Agent that redefinition of the Element boundaries and non-material reconfiguration of shared common elements through the Declaration Amendment will not cause a Material Adverse Effect.
4. (a) Within 30 days of the date of the Second Supplemental Senior Loan Agreement, Borrower shall deliver to the Collateral Agent an estimate of the fair market value, as of the date of the Second Supplemental Senior Loan Agreement, of the Property (as such term is defined in the Mortgage) subject to the Mortgage and covered by a title insurance policy as of such date (the "*Title-Insured Property*"), as reasonably calculated by Borrower, which estimate shall in any event be sufficient to support issuance by the Title Company of title insurance in an amount equal to such estimated fair market value of the Title-Insured Property. By not later than March 31, 2021, Borrower shall obtain endorsements to the existing title policies insuring the Mortgage (i) increasing the aggregate amount of coverage provided thereby to an amount equal to such estimated fair market value of the Title-Insured Property and (ii) containing no exceptions which would result in a Material Adverse Effect.

(b) Within 30 days of the Completion Date, Borrower shall deliver to the Collateral Agent an estimate of the fair market value, as of the Completion Date, of all Property subject to the Mortgage and covered by a title insurance policy as of the Completion Date (or required pursuant to item (2) to become subject to the Mortgage and covered by a title insurance policy) (the "*Updated Title-Insured Property*"), which Updated Title-Insured Property shall include, without limitation but only to the extent subject to the Mortgage as of the Completion Date, (x) the Title-Insured Property and (y) the real property interests described in items (1) and (2) above, if not separately covered. Such estimate

shall be reasonably calculated by Borrower but in any event sufficient to support issuance by the Title Company of title insurance in an amount equal to the estimate. Within 90 days of the Completion Date, Borrower shall obtain endorsements to the title policies securing the Mortgage then in-force (i) increasing the aggregate amount of coverage provided thereby to an amount equal to such estimated fair market value of the Updated Title-Insured Property and (ii) containing no exceptions which would result in a Material Adverse Effect. In no event shall Borrower be obligated to obtain additional title insurance coverage (i.e., title insurance coverage that is in addition to the title insurance insuring the Mortgages immediately prior to the date hereof) pursuant to this item (4) in an aggregate amount exceeding the aggregate principal amount of the Series 2019B Bonds, which obligation may be fully or partially satisfied through delivery of the policy endorsements to be obtained pursuant to item (2) or item (4)(a) above (i.e., the provision of additional title coverage through such endorsements in an amount equal to the aggregate principal amount of the Series 2019B Bonds will relieve Borrower of further obligation to obtain additional title insurance coverage pursuant to this item (4), including on the Completion Date).

5. (a) Within 30 days of the date of the Second Supplemental Senior Loan Agreement, Borrower shall collaterally assign to the Collateral Agent Borrower's interest in the following agreements between Miami-Dade County and Borrower, to the extent allowed by the terms thereof: (i) the Land Acquisition and Development Agreement dated October 31, 2019 (the "*Aventura Development Agreement*"), (ii) the Parking License Agreement dated October 31, 2019 and (iii) the Lease Agreement dated October 31, 2019. Borrower shall, promptly after making the collateral assignment contemplated by this item 5(a), request from Miami-Dade County an agreement executed by Miami-Dade County acknowledging (to the extent Miami-Dade County agrees) that certain customary mortgagee notice and cure rights shall be available to the Collateral Agent notwithstanding that the Collateral Agent does not hold a recorded lien against the interests of Borrower under any of the agreements described in this item 5(a). The rail stations contemplated in the Aventura Development Agreement, that certain Ground Lease Agreement dated December 10, 2019, by and between the City of Boca Raton and Borrower (the "*Boca Raton Station Lease*"), and that certain memorandum of understanding dated October 29, 2019, by and between Miami-Dade County and Borrower (the "*PortMiami MOU*"), are sometimes referred to in this Schedule as the "*New In-line Stations*", and the City of Boca Raton and Miami-Dade County are sometimes referred to in this Schedule as "*In-line Station Lessors*".
- (b) Within 30 days after the execution and delivery of a definitive lease, easement, development agreement and/or similar agreement in respect of the development and use of a rail station at PortMiami (the "*PortMiami Station*") between Miami-Dade County and Borrower (each, and collectively, the "*PortMiami Station Agreement*"), as contemplated in the PortMiami MOU, Borrower shall, to the extent permitted by the PortMiami Station Agreement, (i) deliver to the Collateral Agent a first-priority Mortgage, or a spread of the existing Mortgage, to encumber Borrower's real property interest under the PortMiami Station Agreement, and (ii) otherwise collaterally assign, pledge and grant a first-priority security interest in, the PortMiami Station Agreement in favor of the Collateral Agent.

(c) Borrower shall use commercially reasonable efforts to deliver to the Collateral Agent, (i) within 90 days of the recording of any Mortgage or Mortgage spreader consistent with item (5)(b), a recognition agreement executed by Miami-Dade County with respect to Borrower's interest in the PortMiami Station recognizing the rights of the Collateral Agent pursuant to such Mortgage or Mortgage spreader. Such recognition agreement shall be in form reasonably acceptable to the Collateral Agent and Miami-Dade County, or in the form otherwise prescribed by an agreement between Borrower and Miami-Dade County with respect to Borrower's interest in the PortMiami Station.

(d) Borrower shall use commercially reasonable efforts to deliver to the Collateral Agent, (i) within 90 days of the date of the Second Supplemental Senior Loan Agreement, an agreement executed by the City of Boca Raton acknowledging (to the extent the City of Boca Raton agrees) that those lender protections set forth in Exhibit C to the Boca Raton Station Lease shall be available to the Collateral Agent notwithstanding that the Collateral Agent does not hold a recorded lien against the interests of Borrower under the Boca Raton Station Lease.

(e) Notwithstanding anything in this item (5) to the contrary, (i) Borrower shall have no obligation to mortgage its interest in a given New In-line Station if, at the time such Mortgage is otherwise required to be recorded pursuant to this item (5), the terms of (1) any grant agreement with the Federal Railroad Administration or other federal Governmental Authority pursuant to which funds have been provided to Borrower or the applicable In-line Station Lessor for the development of a New In-line Station (a "*Grant Agreement*"), it being agreed by Borrower that Borrower shall enter into Grant Agreements only to the extent permitted by the terms of the Financing Documents, or (2) the PortMiami Station Agreement, as applicable, prohibit the mortgaging of Borrower's interest in the related New In-line Station or would render any of Borrower's interests therein invalid, abandoned, void, voidable, terminable, revocable or unenforceable by reason of the creation of a mortgage lien thereon (Borrower hereby agreeing to use commercially reasonable efforts to avoid any such limitation in the PortMiami Station Agreement or any Grant Agreement); and (ii) if an In-line Station Lessor enters into a Grant Agreement subsequent to the delivery to the Collateral Agent of a Mortgage, or a spread of the existing Mortgage, over Borrower's interest in the New In-line Station benefitted by the Grant Agreement, and the terms of the Grant Agreement prohibit the mortgaging of such interest, the Collateral Agent shall, upon receipt of a Mortgage Modification Certificate from Borrower, execute a Modification to release the interest from the applicable Mortgage.

(f) With respect to any Mortgage required to be delivered and recorded pursuant to this item (5) that has been recorded and has not, as of the Completion Date, been released as a result of a Grant Agreement, Borrower shall, within 30 days after the Completion Date: (i) deliver to the Collateral Agent a title insurance policy issued by the Title Company or an endorsement to an existing title insurance policy issued by the Title Company insuring the lien of such Mortgage against Borrower's interest in the New In-line Stations to the extent they are subject to such Mortgage, which title insurance policy or endorsement shall (1) increase the amount of title insurance to include the lesser of (i) the estimated fair market value, as of the Completion Date, of the interests in the New In-

line Stations subject to the Mortgage and (ii) the amount of the proceeds of the Series 2019A and Series 2019B Bonds used or to be used by Borrower to construct or improve the New In-line Stations; (2) name the Collateral Agent for the benefit of the Secured Parties as the insured thereunder; and (3) contain no exceptions which would result in a Material Adverse Effect and (ii) deliver to the Collateral Agent surveys, certified to the Collateral Agent and Title Company, and/or obtain waivers from the Title Company sufficient to (1) delete or modify any general survey exception in the title insurance policy or endorsement insuring the lien of the Mortgage on the Borrower's real property interests in the New In-line Stations or (2) provide similar affirmative coverage as to such matters in such title insurance policy.

6. The Borrower shall pay (a) the premium for all title policies and endorsements thereto that are required to be delivered hereunder, (b) the cost of recording the Mortgages and/or spreaders and modifications thereto, and (c) all documentary, transfer or recordation taxes, if any, due in connection with the recording of the Mortgages and/or spreaders and modifications.
7. Borrower shall use commercially reasonable efforts to deliver to the Collateral Agent estoppel certificates, each substantially in the form approved by Underwriter's Counsel as of the date of the Second Supplemental Senior Loan Agreement or with such modifications thereto as may be reasonably requested by the counterparty executing and delivering such estoppel certificate, (a) from each of the Central Florida Expressway Authority, Florida Department of Transportation, Greater Orlando Aviation Authority, City of Orlando and City of Boca Raton within 60 days of the date of the Second Supplemental Senior Loan Agreement, (b) from Miami-Dade County in respect of the New In-line Station at Aventura within 90 days of the date of the Second Supplemental Senior Loan Agreement and (c) from Miami-Dade County in respect of the New In-line Station at PortMiami within 60 days after execution of a PortMiami Station Agreement.

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APPENDIX D-1

**SECOND AMENDED AND RESTATED COLLATERAL AGENCY, INTERCREDITOR AND
ACCOUNTS AGREEMENT**

(See attached)

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**SECOND AMENDED AND RESTATED
COLLATERAL AGENCY, INTERCREDITOR AND ACCOUNTS AGREEMENT**

Dated as of April 18, 2019

by and among

**VIRGIN TRAINS USA FLORIDA LLC (F/K/A BRIGHTLINE TRAINS LLC AND F/K/A
ALL ABOARD FLORIDA – OPERATIONS LLC),**
as the Borrower,

DEUTSCHE BANK NATIONAL TRUST COMPANY,
as the Trustee,

DEUTSCHE BANK NATIONAL TRUST COMPANY,
as the Collateral Agent

Each Other SECURED PARTY (as defined herein) From Time to Time Party Hereto,

and

DEUTSCHE BANK NATIONAL TRUST COMPANY,
as the Account Bank

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**SECOND AMENDED AND RESTATED
COLLATERAL AGENCY, INTERCREDITOR AND ACCOUNTS AGREEMENT**

This SECOND AMENDED AND RESTATED COLLATERAL AGENCY, INTERCREDITOR AND ACCOUNTS AGREEMENT (as amended, supplemented or otherwise modified from time to time, this “Agreement” or the “Collateral Agency Agreement”), dated as of April 18, 2019, is made by and among Virgin Trains USA Florida LLC (f/k/a Brightline Trains LLC and, prior to that, known as All Aboard Florida – Operations LLC), a Delaware limited liability company (the “Borrower”); Deutsche Bank National Trust Company, in its capacity as Trustee on behalf of the Owners of the Bonds (as defined herein) (in such capacity, together with any permitted successors and assigns, the “Trustee”); Deutsche Bank National Trust Company, in its capacity as collateral agent on behalf of itself and the other Secured Parties (in such capacity, together with any permitted successors and assigns, the “Collateral Agent”), Deutsche Bank National Trust Company, in its capacity as securities intermediary and account bank (in such capacities, together with any permitted successors and assigns, the “Account Bank”) and each other Secured Party (as defined herein) that becomes a party hereto. All capitalized terms used herein but not otherwise defined herein shall have the respective meanings given to such terms in Exhibit A hereto or in the Indenture. The rules of interpretation set forth in Exhibit A hereto shall apply to this Agreement.

RECITALS

WHEREAS, pursuant to that certain Indenture of Trust, dated as of April 18, 2019 (as amended, supplemented and/or otherwise modified from time to time, the “Indenture”), the Florida Development Finance Corporation, a public body corporate and politic and a public instrumentality organized and existing under the laws of the State of Florida, as Issuer (the “Issuer”), is issuing on this date its \$1,750,000,000 aggregate principal amount of Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Virgin Trains USA Passenger Rail Project), Series 2019A (the “Series 2019A Bonds”), the proceeds from the sale of which are being loaned to the Borrower pursuant to the terms of an Amended and Restated Senior Loan Agreement (as amended, supplemented and/or otherwise modified from time to time, the “Senior Loan Agreement”), dated as of April 18, 2019, between the Issuer and the Borrower, to be used to, *inter alia*, refund the Prior Bonds, finance, pay or reimburse all or a portion of the costs of the Project within the Series 2019A Counties, and pay certain costs of issuance of the Series 2019A Bonds; and

WHEREAS, pursuant to that certain Amended and Restated Security Agreement, dated as of April 18, 2019 (as amended, supplemented, restated and/or otherwise modified and in effect from time to time, the “Security Agreement”), between the Borrower and the Collateral Agent and certain other Security Documents, the Borrower has granted or reaffirmed its prior grant of, as the case may be, a first-priority security interest in, to and under the Collateral (subject to Permitted Security Interests) as security for the payment and performance of all Secured Obligations, including the Series 2019A Bonds, in accordance with such Security Documents; and

WHEREAS, the Borrower may from time to time incur other Secured Obligations pursuant to and under the Secured Obligation Documents (as defined herein) and, subject to the

terms and conditions set forth in Section 7.06, the Secured Parties under such Secured Obligation Documents may accede to and have the benefits and obligations of this Agreement and the other Security Documents; and

WHEREAS, the Parties hereto entered into that certain Collateral, Agency, Intercreditor and Accounts Agreement, dated as of December 1, 2017 (as amended and restated as of July 6, 2018, and as further amended, supplemented and/or modified from time to time prior to the date hereof, the “Series 2017 Collateral Agency Agreement”), whereby the Parties appointed Deutsche Bank National Trust Company, as Collateral Agent and Account Bank under the Series 2017 Collateral Agency Agreement, and as Collateral Agent under that certain Security Agreement, dated as of December 1, 2017 (as, supplemented and/or modified from time to time prior to the date hereof, the “Series 2017 Security Agreement”), and the other Security Documents (as defined in the Series 2017 Collateral Agency Agreement), and Deutsche Bank National Trust Company accepted such appointment, in each case, on the terms and with the duties to be performed on behalf of the Secured Parties as provided therein and in the other Security Documents; and

WHEREAS, the Parties hereto desire to (i) amend and restate the Series 2017 Collateral Agency Agreement as of the date hereof in accordance with the terms hereof, (ii) reaffirm the appointment of Deutsche Bank National Trust Company, as Collateral Agent and Account Bank under this Agreement, and as Collateral Agent under the Security Agreement and the other Security Documents, and Deutsche Bank National Trust Company desires to accept such appointment, in each case, on the terms and with the duties to be performed on behalf of the Secured Parties as provided herein and in the other Security Documents and (iii) set forth in this Agreement, among other things, certain provisions with respect to Accounts, as well as intercreditor provisions with respect to the obligations of the Borrower to the Secured Parties;

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereby agree as follows:

ARTICLE I
AMENDMENT AND RESTATEMENT; DELIVERY OF FINANCING DOCUMENTS

Section 1.01 Amendment and Restatement. The Parties hereto acknowledge and agree that (a) this Agreement amends and restates and supersedes and replaces the Series 2017 Collateral Agency Agreement; (b) the execution and effectiveness of this Agreement does not constitute a novation, payment and reborrowing, or termination of any obligations under the Financing Documents as in effect prior to the date hereof; (c) such obligations are in all respects continuing (as amended and restated and superseded and replaced hereby) with only the terms being modified as provided in this Agreement and in the other Financing Documents; (d) the Security Documents as in effect prior to the date hereof, and the grants of security interests thereunder, remain in full force and effect and are hereby ratified and confirmed; and (e) any Security Interests as in effect prior to the date hereof in all respects are continuing and in full force and effect and secure the payment of such respective continuing obligations hereunder, and any obligations incurred under the Financing Documents on or after the date hereof.

Section 1.02 Delivery of Financing Documents. True and correct copies of the Financing Documents required to be delivered on the Closing Date have been furnished to the Collateral Agent by the Borrower.

ARTICLE II THE COLLATERAL AGENT

Section 2.01 Appointment.

(a) The Parties hereto hereby reaffirm the appointment by the Secured Debt Representatives (on behalf of the Secured Parties) of Deutsche Bank National Trust Company as collateral agent for the benefit of the Secured Parties with respect to the Security Interests on the Collateral and the rights and remedies granted pursuant to the Security Documents. The Secured Parties authorize and direct the Collateral Agent to enter into the Financing Documents to which the Collateral Agent is a party.

(b) Deutsche Bank National Trust Company accepts such appointment and agrees to act as Collateral Agent in accordance herewith.

(c) The Secured Debt Representatives hereby authorize and direct the Collateral Agent to act in accordance with the terms of this Agreement notwithstanding any contrary provision in the other Security Documents or the other Secured Obligation Documents with respect to Enforcement Actions, the application of any Collateral or proceeds thereof and matters set forth in Section 2.04 below.

(d) The Collateral Agent hereby accepts and agrees to, and the Borrower hereby acknowledges and consents to, the foregoing authorization and direction of the Secured Debt Representatives, on behalf of the Secured Parties.

Section 2.02 Duties and Responsibilities.

(a) The Collateral Agent agrees to administer and enforce this Agreement and the other Security Documents to which it is a party as Collateral Agent, to act as the disbursing and collecting agent for the Secured Parties with respect to all payments and collections arising in connection with the Financing Documents, and, among other remedies, to foreclose upon, collect and dispose of the Collateral and to apply the proceeds therefrom, for the benefit of the Secured Parties, as provided herein, and otherwise to perform its duties and obligations as the Collateral Agent hereunder in accordance with the terms hereof. The Collateral Agent shall have no duties or responsibilities except those expressly set forth herein or in the other Security Documents to which it is a party as the Collateral Agent, and no duties or responsibilities shall be inferred or implied against the Collateral Agent and no implied covenants or obligations shall be read into this Agreement or any such other Security Documents against the Collateral Agent.

(b) The Collateral Agent shall not be required to exercise any discretion or take any action (except as expressly provided in any Secured Obligation Document), but shall only be required to act or refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the written instructions of the Required Secured Creditors (or, where expressly required by the terms of the Secured Obligation Documents, such other proportion of the holders

of Secured Obligations), and such instructions shall be binding upon the Collateral Agent and each of the Secured Parties; provided, however, that the Collateral Agent shall not be required to take any action which is contrary to any provision hereof, any provision of the other Security Documents or applicable Law.

(c) Notwithstanding any other provision of the Security Documents, in no event shall the Collateral Agent be required to foreclose on, or take possession of, the Collateral, if, in the reasonable judgment of the Collateral Agent, such action would be in violation of any applicable Law, rule or regulation pertaining thereto, or if the Collateral Agent reasonably believes that such action would result in the incurrence of liability by the Collateral Agent for which it is not fully indemnified by the Borrower, including pursuant to Sections 2.10 and 10.02 of this Agreement, by application of the Collateral pursuant to this Agreement, or by the Secured Parties.

(d) The Collateral Agent shall not be responsible to the other Secured Parties for (i) any recitals, statements, representations or warranties by the Borrower or any of the Secured Parties (other than its own) contained in this Agreement or the other Secured Obligation Documents, or any certificate or other document delivered by the Borrower or any of the other Secured Parties thereunder, (ii) the value, validity, effectiveness, genuineness, enforceability (other than as to the Collateral Agent with respect to such documents to which the Collateral Agent is a party) or, except as may otherwise be required by law, sufficiency of this Agreement or any other document referred to or provided for herein or therein or of the Collateral held by the Collateral Agent hereunder, (iii) the performance or observance by the Borrower or any of the Secured Parties (other than as to itself) of any of their respective agreements contained herein or therein, nor shall the Collateral Agent be liable because of the invalidity or unenforceability of any provisions of this Agreement (other than as to itself) or (iv) the validity, perfection, priority or enforceability of the Security Interests on any of the Collateral, whether impaired by operation of law or by reason of any action or omission to act on its part hereunder (except to the extent such action or omission constitutes gross negligence, bad faith or willful misconduct (but only ordinary negligence in connection with the handling of funds) on the part of the Collateral Agent), the validity of the title of the Borrower to the Collateral, insuring the Collateral or the payment of Taxes, charges, assessments or Security Interests on the Collateral or otherwise as to the maintenance of the Collateral.

(e) The Collateral Agent may at any time request instructions from the Required Secured Creditors as to a course of action to be taken by it hereunder and under any of the Security Documents or in connection herewith and therewith or any other matters relating hereto and thereto, and the Secured Debt Representatives on behalf of the Required Secured Creditors shall promptly reply to any such request and the Collateral Agent shall be fully justified in failing or refusing to take any such action (unless such action is expressly provided for under the Security Documents) if it shall not have received such written instruction. This provision is intended solely for the benefit of the Collateral Agent and its successors and permitted assigns and is not intended to and will not entitle the other parties hereto to any defense, claim or counterclaim or confer any rights on any other party hereto.

(f) Neither the Collateral Agent, the Account Bank nor any of their directors, officers, employees or agents shall be liable or responsible for any action taken or omitted to be

taken by it or them hereunder or in connection herewith, except for its or their own gross negligence, bad faith or willful misconduct (but only ordinary negligence in connection with the handling of funds).

(g) The Collateral Agent shall not be responsible for and makes no representation as to the validity, legality, enforceability, sufficiency or adequacy of the Indenture, the Series 2019A Bonds or the Security Documents or the Collateral covered thereby, and it shall not be accountable for the Borrower's use of the Series 2019A Bonds, the proceeds from the Series 2019A Bonds or any money paid to the Borrower pursuant to the provisions hereof, and it shall not be responsible for any statement of the Borrower's in the Indenture, the Security Documents or any document issued in connection with the sale of the Series 2019A Bonds or any statement in the Series 2019A Bonds, other than, with respect to the Trustee, the Trustee's certificate of authentication. Each of the Trustee and the Collateral Agent makes no representations with respect to the effectiveness or adequacy of this Agreement.

Section 2.03 Authorization. The Secured Debt Representatives (on behalf of the Secured Parties), hereby authorize the Collateral Agent to (a) execute, deliver and perform in such capacity under this Agreement and each other Secured Obligation Document to which the Collateral Agent is or is intended to be a party, (b) exercise and enforce any and all rights, powers and remedies provided to the Collateral Agent or to any of the Secured Parties by this Agreement, any other Secured Obligation Document, any applicable Law, or any other document, instrument, or agreement, and (c) take any other action authorized under this Agreement and any other Secured Obligation Document to which the Collateral Agent is a party.

Section 2.04 Administrative Actions. The Collateral Agent may, but shall not be obligated (unless directed in accordance with this Agreement or any other Secured Obligation Document to take a specific action) to, take such action as it deems necessary to perfect or continue the perfection of the Security Interests on the Collateral held for the benefit of the other Secured Parties. The Collateral Agent shall not release, share or subordinate any of the Collateral held for the benefit of the Secured Parties, or any Security Interests in the Collateral held for the benefit of the Secured Parties, except: (a) upon written direction of all of the Secured Debt Representatives (acting on behalf of the Secured Parties in accordance with the terms of the Secured Obligation Documents); (b) upon Payment in Full, as certified to the Collateral Agent by all of the Secured Debt Representatives (acting in accordance with the terms of the Secured Obligation Documents); (c) for Collateral consisting of a debt instrument if the indebtedness evidenced thereby has been paid in full, as certified to the Collateral Agent by the applicable Secured Debt Representative (acting in accordance with the Secured Obligation Documents); (d) where such release, sharing or subordination is expressly permitted under the Secured Obligation Documents or (e) in the event such Collateral becomes an Excluded Asset (as defined in the Security Agreement). Upon the written request by the Collateral Agent or the Borrower at any time, the Secured Debt Representatives will confirm in writing the Collateral Agent's authority to release, share or subordinate particular types or items of Collateral pursuant to this Section and the Secured Debt Representatives hereby agree to provide such confirmations promptly; provided that the failure to receive such confirmation from any Secured Debt Representative shall not relieve the Collateral Agent of its obligation to take any specific action or execute any document required to be taken or executed as expressly provided under any Secured Obligation Document. The Collateral Agent shall execute and deliver such documents and instruments as

the Borrower may request to evidence such release, sharing or subordination permitted above, including any subordination and non-disturbance agreements and reciprocal easement agreements.

Section 2.05 Determination of Amounts and Secured Obligations. Upon the written request of the Collateral Agent or the Borrower, the Secured Debt Representatives (on behalf of the Secured Parties) and any Additional Senior Unsecured Indebtedness Holders (or their designated agent) shall promptly deliver to the Collateral Agent (with a copy to each Secured Party and Additional Senior Unsecured Indebtedness Holders, if any) a certificate, dated the date of delivery thereof and signed by such party, as to (a) the identity and address of each Secured Party and Additional Senior Unsecured Indebtedness Holders (if any), (b) the principal amount of the Financing Obligations then outstanding held by such Secured Party or any Additional Senior Unsecured Indebtedness Holders (if any), (c) in the case of any such certificate being delivered in contemplation of the application of amounts received by the Collateral Agent in respect of the Collateral pursuant to Article IX hereof, the amount of interest on the Financing Obligations owing and any other amounts in respect of the Financing Obligations owing to such Secured Party or Additional Senior Unsecured Indebtedness Holders (if any), as the case may be (in the case of any such other amounts, accompanied by appropriate evidence thereof), or (d) in the event any of the Financing Obligations shall have become or been declared to be due and payable, the principal amount of such Financing Obligations then due and payable to such Secured Party or Additional Senior Unsecured Indebtedness Holders (if any), as the case may be (to the extent that such information is different from that provided in clause (b) above); *provided* that such Secured Party and Additional Senior Unsecured Indebtedness Holders (if any) shall have not less than two (2) Business Days to review any such certificate and provide any objections with respect thereto to the Collateral Agent. Absent receipt of notice of such objections from such Secured Party or Additional Senior Unsecured Indebtedness Holders (if any), the Collateral Agent shall be entitled to rely on certifications received by it from any Secured Debt Representative for the purposes of determining the amount of the Secured Obligations then outstanding held by such Secured Party in accordance with the preceding sentence and from any agent designated as such by any Additional Senior Unsecured Indebtedness Holders (if any) for purposes of determining the then outstanding amount of Additional Senior Unsecured Indebtedness (in each case, which certificates shall be given substantially contemporaneously with the action being taken); *provided* that in the absence of the Collateral Agent's receipt of any certification requested by it pursuant to this sentence, the Collateral Agent shall be entitled (but not obligated) to take such action if the Collateral Agent shall have sufficient knowledge to make any determination required to be made in connection with such action.

Section 2.06 Employment of Agents. The Collateral Agent may, at the Borrower's reasonable costs and expense, employ or retain such agents, counsel, accountants, appraisers or other experts or advisers as it may reasonably require for the purpose of determining and discharging its rights and duties hereunder and under the other Security Documents, in the absence of the Collateral Agent's gross negligence, bad faith or willful misconduct in employing or retaining any such counsel, accountants, appraisers, experts or advisers, may act and rely, and shall be protected in acting and relying in good faith, on the opinion or advice of or information obtained from any counsel, accountant, appraiser or other expert or advisor, whether retained or employed by the Borrower or by the Collateral Agent, in

relation to any matter arising in the administration hereof or in the determination or discharging of its rights and duties hereunder, and shall not be responsible for any act or omission on the part of any of them or for acting or relying in good faith on the opinion or advice or information obtained from such expert or advisor. In addition, the Collateral Agent shall not be liable for any acts or omissions of its nominees, correspondents, designees, agents, subagents or subcustodians except to the extent of its gross negligence, bad faith or willful misconduct in nominating or appointing such persons.

Section 2.07 Reliance of Collateral Agent. In connection with the performance of its duties hereunder, the Collateral Agent shall be entitled to rely conclusively upon, and shall be fully protected in acting or refraining from acting in accordance with, any written certification, notice, instrument, opinion, request, consent, order, approval, direction or other written communication (including any thereof by facsimile or electronic communication) of a Secured Debt Representative (including, but not limited to, instructions under Section 2.02(e) hereof) or of any other Secured Party, that the Collateral Agent in good faith reasonably believes to be genuine and to have been signed or sent by or on behalf of the proper Person or Persons, and it shall be entitled to rely conclusively upon the due execution, validity and effectiveness, and the truth, correctness and acceptability of, any provisions contained therein. The Collateral Agent shall not have any responsibility to make any investigation into the facts or matters stated in any notice, certificate, instrument, demand, request, direction, instruction, or other communication furnished to it. Whenever this Agreement specifies that any instruction or consent by the Secured Debt Representative is to be given in accordance with the terms of the applicable Secured Obligation Documents, the Collateral Agent shall be entitled to rely upon any such instruction or consent by the Secured Debt Representative (which instruction or consent need not state that it is given in accordance with the terms of the applicable Secured Obligation Documents), and the Collateral Agent may presume without investigation that any such instruction or consent by the Secured Debt Representative has been given in accordance with the terms of the applicable Secured Obligation Documents.

Section 2.08 Non-Reliance on Collateral Agent. Each of the Borrower and each of the Secured Debt Representatives hereby expressly acknowledge that neither the Collateral Agent nor any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates has made any representations or warranties to it and that no act by the Collateral Agent hereafter taken shall be deemed to constitute any representation or warranty by the Collateral Agent to any other Secured Party or the Borrower. Except for any notices, reports and other documents expressly required to be furnished to the other Secured Parties by the Collateral Agent hereunder, the Collateral Agent shall not have any duty or responsibility to provide any other Secured Party with any credit or other information concerning the business, operations, property, condition (financial or other), prospects or creditworthiness of the Borrower, or any other Person that may come into the possession of the Collateral Agent or any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates. Deutsche Bank National Trust Company is entering into this Agreement and the other Security Documents solely in its capacity as Collateral Agent and as Account Bank and in its capacity as Trustee for the benefit of the Owners of the Bonds and not in its individual capacity and in no case shall Deutsche Bank National Trust Company (or any Person acting as successor Collateral Agent under this Agreement) be personally liable for or on account of any of the statements, representations, warranties, covenants or obligations of the Borrower hereunder or thereunder, all such liability, if

any, being expressly waived by the Parties hereto and any person claiming by, through or under such party. This Section shall survive the payment of all Secured Obligations payable to the Secured Parties. Except when the Collateral Agent has been directed to do so in writing by the Required Secured Creditors (or, where expressly required by the terms of the Secured Obligation Documents, such other proportion of the holders of Secured Obligations), nothing herein shall require the Collateral Agent to file financing statements and the Collateral Agent shall incur no obligation for its failure to monitor or verify the filing of financing statements (or amendments thereto) and the information contained therein.

Section 2.09 Collateral Agent in Individual Capacity. The Agent Bank and its Affiliates may make loans to, issue letters of credit in favor of, accept deposits from and generally engage in any kind of business with the Borrower and its Affiliates as though the Agent Bank were not the Collateral Agent hereunder and under the Security Documents. With respect to Secured Obligations made or renewed by it in its individual capacity, if any, the Agent Bank in its individual capacity shall have the same rights and powers under this Agreement and the Secured Obligation Documents as any other Secured Party and may exercise the same as though it were not the Collateral Agent, and the term “Secured Party” shall include the Agent Bank in its individual capacity.

Section 2.10 Collateral Agent Under No Obligation. None of the provisions of the Security Documents shall be construed to require the Collateral Agent to expend or risk its own funds or otherwise to incur any personal liability, financial or otherwise, in the performance of any of its duties hereunder or thereunder. The Collateral Agent shall be under no obligation to perform any duty or exercise any of the rights or powers vested in it by the Secured Obligation Documents unless the Collateral Agent shall have been offered security or indemnity from the Borrower or the other Secured Parties reasonably satisfactory to it against the costs, expenses and liabilities that might be incurred by it in performing such duty or exercising such rights or powers (including interest thereon from the time incurred until reimbursed).

Section 2.11 Resignation and Removal; Successor Collateral Agent; Individual Collateral Agent.

(a) The Collateral Agent may resign at any time by giving at least sixty (60) days’ prior written notice thereof to the other Secured Debt Representatives and the Borrower, and the Collateral Agent may be removed at any time with or without cause by the Required Secured Creditors upon thirty (30) days’ written notice thereof to the Collateral Agent, the Secured Debt Representatives and the Borrower, in any case such resignation or removal to be effective only upon the appointment and acceptance of a successor Collateral Agent as provided below. In connection with any such resignation or removal, the Required Secured Creditors shall have the right to appoint a successor collateral agent that, so long as no Secured Obligation Event of Default has occurred and is continuing, shall be reasonably acceptable to the Borrower. If no successor Collateral Agent shall have been so appointed by the Required Secured Creditors prior to the effective date of the resignation or removal of the Collateral Agent, then the Collateral Agent may, on behalf of the Secured Parties, apply to a court of competent jurisdiction (with notice to the Secured Debt Representatives and the Borrower) for the appointment of a successor Collateral Agent. In all such cases, the successor Collateral Agent shall be a bank organized under the laws of the United States of America or any state thereof that has an office in the State

of New York or New Jersey and which agrees to administer the Collateral in accordance with the terms hereof and of the other Security Documents and at the time of appointment and acceptance shall have a total capital stock and unimpaired surplus of not less than \$500,000,000 and, so long as no Secured Obligation Event of Default has occurred and is continuing, shall be reasonably acceptable to the Borrower. Deutsche Bank National Trust Company hereby represents and confirms that it meets the qualifications provided in the preceding sentence. Upon the acceptance of any appointment as Collateral Agent hereunder by a successor Collateral Agent, such successor Collateral Agent shall thereupon succeed to and become vested with all the rights, powers, privileges, obligations and duties of the retiring or removed Collateral Agent, and the retiring or removed Collateral Agent shall be discharged from its duties and responsibilities hereunder. After any retiring or removed Collateral Agent's resignation or removal hereunder as Collateral Agent, the provisions of this Agreement (including Sections 2.14, 10.01 and 10.02) shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as the Collateral Agent hereunder.

(b) If at any time the Collateral Agent shall determine that it shall be necessary or appropriate under applicable law or in order to permit action to be taken hereunder, the Collateral Agent and the Borrower (with written notice to the Secured Debt Representatives) shall execute and deliver all instruments necessary to appoint any Person as a Co-Collateral Agent ("Co-Collateral Agent") or, if such Person meets the requirements set forth in Section 2.11(a) above, as substitute Collateral Agent, with respect to all or any portion of the Collateral, in any case with such powers, rights, duties, obligations and immunities conferred upon the Collateral Agent hereunder as may be specified therein. If the Borrower shall nevertheless refuse to join in the execution of any such instrument within ten (10) Business Days of any written request therefor by the Collateral Agent or if any Secured Obligation Event of Default shall have occurred and is continuing, the Collateral Agent may act under the foregoing provisions without the concurrence of the Borrower; and the Borrower hereby irrevocably makes, constitutes and appoints the Collateral Agent as the agent and attorney-in-fact for the Borrower to act for it under the provisions of (and in accordance with) this paragraph (such power being coupled with an interest and irrevocable).

Every Co-Collateral Agent shall, to the extent permitted by law, be appointed and act subject to the following provisions and conditions:

(i) all rights and powers, conferred or imposed upon the Collateral Agent may be conferred or imposed upon and may be exercised or performed by such Co-Collateral Agent as specified in the instrument appointing such Co-Collateral Agent; and

(ii) no Collateral Agent shall be personally liable by reason of any act or omission of any other Collateral Agent or Co-Collateral Agent hereunder.

A Co-Collateral Agent shall not be required to meet the conditions of eligibility under Section 2.11(a) if such Co-Collateral Agent holds only an insubstantial amount of the Collateral, as determined by the Required Secured Creditors.

Section 2.12 Books and Records; Reports.

(a) The Collateral Agent shall at all times keep, or cause to be kept, proper books of record and account in which complete and accurate entries shall be made of all transactions relating to the Financing Obligations, Project Revenues and all Project Accounts (other than any Operating Account, the Equity Funded Account and any Collection Account) established pursuant to this Agreement. Such books of record and accounts shall be available for inspection (or the receipt of copies of such books or excerpts thereof) by the Secured Parties, or their agents or representatives duly authorized in writing, at reasonable hours and under reasonable circumstances and upon reasonable prior written request. Any costs, fees or expenses of such inspections or copies shall be paid to the Collateral Agent, Dissemination Agent, Trustee and Issuer (as applicable) by the Borrower. The Collateral Agent shall provide the Borrower with written notice of any such inspection or copy request.

(b) Within fifteen (15) days after the end of each month, the Collateral Agent shall furnish to the Secured Debt Representatives and the Borrower, a report that shall set forth in reasonable detail the account balances, receipts, disbursements, transfers, investment transactions, and accruals for each of the Project Accounts (other than any Operating Account, the Equity Funded Account and any Collection Account) during such month.

(c) The Collateral Agent shall maintain records of all receipts, disbursements, and investments of funds with respect to the Project Accounts (other than any Operating Account, the Equity Funded Account and any Collection Account) until the fifth anniversary of the date on which all of the Secured Obligations shall have been Paid in Full.

Section 2.13 Authorization of Collateral Agent to Recover Compensation, Fees and Expenses. To the extent that the Borrower fails to pay any amount required to be paid by it to the Collateral Agent pursuant to Sections 10.01 and 10.02 hereof (and the Collateral Agent has not otherwise been paid such amount either in accordance with the terms hereof or otherwise), the Collateral Agent is hereby authorized to transfer funds to reimburse itself for such amounts out of the following accounts in the following order of priority: (i) the Equity Lock-Up Account, (ii) the Revenue Account and (iii) to the extent permitted by the Secured Obligation Documents and applicable Law (including the Code), the Construction Account. The provisions of this Section shall survive the termination of the Secured Obligation Documents and the resignation or removal of the Collateral Agent.

Section 2.14 No Consequential Damages. In no event shall the Collateral Agent or the Account Bank be liable under or in connection with the Secured Obligation Documents or the other Transaction Documents for indirect, special, incidental, punitive or consequential losses or damages of any kind whatsoever, including but not limited to lost profits, whether or not foreseeable, even if the Collateral Agent or Account Bank has been advised of the possibility thereof and regardless of the form of action in which such damages are sought.

Section 2.15 Force Majeure. In no event shall the Collateral Agent be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military

disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services not within the Collateral Agent's control, the unavailability of the Federal Reserve Bank wire or facsimile or other wire or communication facility; it being understood that the Collateral Agent shall use reasonable efforts that are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

Section 2.16 Additional Protections. The rights, privileges, protections and benefits given to the Collateral Agent or the Account Bank, as the case may be, including, without limitation, its rights to be indemnified, are extended to, and shall be enforceable by, each agent, custodian and other Person employed to act hereunder by the Collateral Agent or the Account Bank, as the case may be, including any Co-Collateral Agent.

Section 2.17 No Liability for Clean-up of Hazardous Materials. In the event that the Collateral Agent is required to acquire title to an asset for any reason, or take any managerial action of any kind in regard thereto, in order to carry out any fiduciary or trust obligation for the benefit of another, which in the Collateral Agent's sole discretion may cause the Collateral Agent to be considered an "owner or operator" under the provisions of the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. §9601, *et seq.*, or otherwise cause the Collateral Agent to incur liability under CERCLA or any other federal, state or local law, the Collateral Agent reserves the right, instead of taking such action, to either resign as the Collateral Agent or arrange for the transfer of the title or control of the asset to a court-appointed receiver. Except for such claims or actions arising directly from the gross negligence, bad faith or willful misconduct of the Collateral Agent, the Collateral Agent shall not be liable to any Person for any environmental claims or contribution actions under any federal, state or local law, rule or regulation by reason of the Collateral Agent's actions and conduct as authorized, empowered and directed hereunder or relating to the discharge, release or threatened release of hazardous materials into the environment. If at any time after any foreclosure on the Collateral (or a transfer in lieu of foreclosure) upon the exercise of remedies in accordance with the Security Documents it is necessary or advisable for the Project to be possessed, owned, operated or managed by any Person (including the Collateral Agent) other than the Borrower, the Required Secured Creditors shall appoint an appropriately qualified Person (excluding the Collateral Agent) to possess, own, operate or manage, as the case may be, the Project.

Section 2.18 Merger of the Collateral Agent. Any corporation or company into which the Collateral Agent shall be merged, or with which it shall be consolidated, or any corporation or company resulting from any merger or consolidation to which the Collateral Agent shall be a party, shall be the Collateral Agent under this Agreement, without the execution or filing of any paper or any further act on the part of the parties hereto, *provided* that such resulting corporation or company shall meet the requirements of Section 2.11(a). Upon the occurrence of any such event the Collateral Agent shall promptly provide written notice thereof to the Borrower and the Secured Debt Representatives.

Section 2.19 Transfer to an Affiliate. In addition to any rights it may have under Section 2.18 hereof or under any other provision of this Agreement or any other Secured Obligation Documents, each of the Collateral Agent and the Account Bank may assign or

transfer its rights under this Agreement and the other Security Documents to any Affiliate that meets the requirements of Section 2.11(a), subject to the prior written consent of the Borrower and Required Secured Creditors.

Section 2.20 Subordination of Lien; Waiver of Set-Off. In the event that the Agent Bank in its individual capacity has or subsequently obtains by agreement, operation of law or otherwise a Security Interest in any Project Account, the Agent Bank agrees that such Security Interest shall (except to the extent provided in the last sentence of this Section 2.20) be subordinate in all respects to the Security Interests for the benefit of the Secured Parties. The financial assets standing to the credit of the Project Accounts will not be subject to deduction, set-off, banker's lien, or any other right in favor of any Person other than (i) in accordance with judicial or arbitral order or (ii) for the benefit of the Secured Parties to secure Secured Obligations (except to the extent of returned items and chargebacks either for uncollected checks or other items of payment and transfers previously credited to one or more of the Project Accounts, and the Borrower hereby authorizes the Agent Bank to debit the applicable Project Account for such amounts).

Section 2.21 Additional Project Accounts and Other Bank and Securities Accounts. Upon (i) the establishment of any Operating Account, the Equity Funded Account and any Collection Account, and (ii) any changes in the account number or other identifying attributes of any Project Account or such other bank or securities account, and at any other time and from time to time when requested by the Collateral Agent or any of the Secured Debt Representatives (on behalf of and for the benefit of the Secured Parties), the Borrower shall execute and deliver to the Collateral Agent, for the benefit and on behalf of the Secured Parties, as security for the Secured Obligations, such amendments or supplements to this Agreement and any securities account control agreements or other documents as are necessary or reasonably appropriate, or as are so reasonably requested by the Collateral Agent (on behalf of and for the benefit of the Secured Parties), as applicable, to create and perfect by control a first-priority perfected security interest (subject only to Permitted Security Interests) in favor of the Collateral Agent over the Borrower's right, title and interest in and to such Project Account, such Operating Account, the Equity Funded Account or such Collection Account, as the case may be, from time to time for the benefit and on behalf of the Secured Parties as security for the Secured Obligations; provided, that no such amendments, supplements or other documents shall restrict the full access and signing authority of the Borrower with respect to any Operating Account, the Equity Funded Account and any Collection Account, except during the period that a Secured Obligation Event of Default has occurred and is continuing.

Section 2.22 No Other Agreements. Neither the Collateral Agent nor the Borrower has entered or will enter into any agreement with respect to any Project Account or any other Collateral, other than the agreement establishing such account, this Agreement and the other Financing Obligation Documents. The Collateral Agent shall not grant any Security Interest in any Collateral except as provided in the Secured Obligation Documents.

Section 2.23 Notice of Adverse Claims. The Collateral Agent hereby represents (as to itself only) that, except for the claims and interests of the Secured Parties and the Borrower in each of the Project Accounts, the Collateral Agent (a) as of the Closing Date, has no actual knowledge of, and has received no written notice of, and (b) as of each date on

which any Project Account is established pursuant to this Agreement, has no actual knowledge of, and has received no notice of, any claim to, or interest in, any Project Account. If any Person asserts any Security Interest (including any writ, garnishment, judgment, warrant of attachment, execution or similar process) against any Project Account, the Collateral Agent, upon obtaining written notice thereof, will notify the Secured Debt Representatives and the Borrower within two (2) Business Days of such notice thereof.

ARTICLE III BORROWER REMAINS LIABLE

Anything herein to the contrary notwithstanding, (a) the Borrower shall remain liable under its contracts and agreements (including the Financing Obligation Documents) to the extent set forth therein to perform all of its duties and obligations thereunder to the same extent as if this Agreement had not been executed, (b) the exercise by the Collateral Agent of any of the rights hereunder shall not release the Borrower from any of its duties or obligations under its contracts and agreements, and (c) neither the Collateral Agent nor any of the other Secured Parties shall have any obligation or liability under the contracts and agreements of the Borrower by reason of this Agreement, nor shall the Collateral Agent be obligated to perform any of the obligations or duties of the Borrower thereunder or to take any action to collect or enforce any claim for payment assigned thereunder. Notwithstanding the foregoing, if the Borrower fails to perform any agreement, obligation or duty of the Borrower contained herein relating to the perfection or preservation of the Collateral, the Collateral Agent may (but shall not be obligated to) itself perform, or cause performance of, such agreement, and the expenses of the Collateral Agent incurred in connection therewith shall be payable by the Borrower under Article VII hereof.

ARTICLE IV REASONABLE CARE

The powers conferred on the Collateral Agent hereunder are solely to protect its interest in the Collateral for the benefit of the Secured Parties and shall not impose any duty upon it to exercise any such powers unless otherwise expressly provided. Except for the safe custody and preservation of the Collateral in its possession and the accounting for monies actually received, invested and disbursed by it hereunder, the Collateral Agent shall have no other duty as to the Collateral, whether or not the Collateral Agent or any of the other Secured Parties has or is deemed to have knowledge of any matters, or as to the taking of any necessary steps to preserve rights against any parties or any other rights pertaining to the Collateral. The Collateral Agent hereby agrees to exercise reasonable care in respect of the custody and preservation of the Collateral. The Collateral Agent shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral in its possession if such Collateral is accorded treatment substantially equal to that which the Collateral Agent accords its own property.

ARTICLE V
THE PROJECT ACCOUNTS

Section 5.01 Establishment of Project Accounts.

(a) The following Project Accounts (inclusive of any sub-account (which may include a separate internal ledger) thereof) are hereby established and created at the Account Bank (the Project Accounts set forth in clauses (i) through (x) collectively, the “Securities Accounts”):

(i) an account entitled “VTUSA FL Revenue” as further described on Exhibit C hereto (the “Revenue Account”) and within the Revenue Account:

(A) a sub-account entitled “VTUSA FL Revenue – Interest” as further described on Exhibit C hereto (the “Series 2019A Interest Sub-Account”); and

(B) a sub-account entitled “VTUSA FL Revenue – Principal” as further described on Exhibit C hereto (the “Series 2019A Principal Sub-Account”);

(ii) an account entitled “VTUSA FL Loss Proceeds” as further described on Exhibit C hereto (the “Loss Proceeds Account”);

(iii) an account entitled “VTUSA FL Construction” as further described on Exhibit C hereto (the “Construction Account”), and within the Construction Account:

(A) a sub-account entitled “VTUSA FL PABs Proceeds Sub-Account” as further described on Exhibit C hereto (the “PABs Proceeds Sub-Account”);

(B) a sub-account entitled “VTUSA FL PABs Counties Equity Contribution Sub-Account” as further described on Exhibit C hereto (the “PABs Counties Equity Contribution Sub-Account”);

(C) a sub-account entitled “VTUSA FL Non-PABs Counties Equity Contribution Sub-Account” as further described on Exhibit C hereto (the “Non-PABs Counties Equity Contribution Sub-Account”); and

(D) a sub-account entitled “VTUSA FL Other Proceeds Sub-Account” as further described on Exhibit C hereto (the “Other Proceeds Sub-Account”);

(iv) an account entitled “VTUSA FL Debt Service Reserve” as further described on Exhibit C hereto (the “Series 2019 Debt Service Reserve Account”);

(v) an account entitled “VTUSA FL Major Maintenance Reserve” as further described on Exhibit C hereto (the “Series 2019A Major Maintenance Reserve Account”), and within the Major Maintenance Reserve Account, a sub-account entitled “VTUSA FL MMR Non-Completed Work” as further described on Exhibit C hereto (the “Non-Completed Work Sub-Account”);

(vi) an account entitled “VTUSA FL O&M Reserve” as further described on Exhibit C hereto (the “Series 2019A O&M Reserve Account”);

(vii) an account entitled “VTUSA FL Ramp-Up Reserve” as further described on Exhibit C hereto (the “Ramp-Up Reserve Account”);

(viii) an account entitled “VTUSA FL Mandatory Prepayment” as further described on Exhibit C hereto (the “Mandatory Prepayment Account”), and within the Mandatory Prepayment Account:

(A) a sub-account entitled “VTUSA FL PABs Mandatory Prepayment” as further described on Exhibit C hereto (the “Series 2019A PABs Mandatory Prepayment Sub-Account”);

(ix) an account entitled “VTUSA FL Capital Projects” as further described on Exhibit C hereto (the “Capital Projects Account”); and

(x) an account entitled “VTUSA FL Equity Lock-Up” as further described on Exhibit C hereto (the “Equity Lock-Up Account”).

Each such Project Account shall be identified in the manner set forth in Exhibit C attached hereto. To the extent that the Borrower requests the deposit of funds therein, the Revenue Account shall include the sub-accounts (each of which shall be a separately identified account with a separate and distinct name and account number) described in Section 5.02(c). Notwithstanding anything herein to the contrary and except upon and during the continuance of a Secured Obligation Event of Default, upon the written instruction of the Borrower, the Collateral Agent may from time to time hereafter establish and maintain sub-accounts within the Project Accounts for the purposes and the term specified in any such request and providing for deposits and withdrawals in those circumstances expressly provided for in any such instruction; provided, however that the Borrower shall not be permitted to create any such sub-account in contravention of the purposes for which the Project Accounts were established. Furthermore, in accordance with this Agreement and except upon and during the continuance of a Secured Obligation Event of Default, upon the written instruction of the Borrower in accordance with the applicable Additional Senior Secured Indebtedness Documents, the Collateral Agent may from time to time hereafter establish and maintain Additional Major Maintenance Reserve Accounts, Additional Debt Service Reserve Accounts, Additional O&M Reserve Accounts and additional sub-accounts within the Construction Account for Additional Projects, and each such account shall be considered a Project Account for the purposes and the term specified in any such request and providing for deposits and withdrawals in those circumstances expressly provided for in any such instruction.

(b) The Borrower hereby confirms that, on or prior to the Closing Date, the Main Operating Account and the Equity Funded Account have been established with Bank of America, N.A., in its capacity as the Deposit Account Bank, and each such account shall be maintained in the name of the Borrower and shall be subject to an Account Control Agreement. The Borrower may from time to time establish additional Operating Accounts for the purposes set forth in

Section 5.13(a). Even though established at the Deposit Account Bank, each Operating Account, the Equity Funded Account and each Collection Account shall also constitute a Project Account.

(c) All of the Project Accounts shall be under the control of the Collateral Agent (in the case of any Operating Account, the Equity Funded Account and any Collection Account, at the Deposit Account Bank subject to the control of the Collateral Agent pursuant to the Account Control Agreements) and, except as expressly provided herein (including in Section 5.13) (and in the case of any Operating Account, the Equity Funded Account and any Collection Account, to direct the Deposit Account Bank in accordance with the terms of the Account Control Agreements), the Borrower shall not have any right to withdraw funds from any Project Account. The Borrower hereby irrevocably authorizes the Collateral Agent to credit funds to or deposit funds in, and to withdraw and transfer funds from, each Project Account in accordance with the terms of this Agreement and the Collateral Agent hereby agrees to credit funds to or deposit funds in, and to withdraw and transfer funds from each Project Account in accordance with the terms of this Agreement (and in the case of any Operating Account, the Equity Funded Account and any Collection Account, in accordance with the terms of the Account Control Agreements). The Project Accounts shall be maintained at all times in New York, New York or Jersey City, New Jersey with the Account Bank or, in the case of any Operating Account, the Equity Funded Account and any Collection Account, at the Deposit Account Bank.

(d) The Borrower may establish a distribution account (the “Distribution Account”) with Bank of America, N.A., in its capacity as the Deposit Account Bank, and such account shall be maintained in the name of the Borrower. The Distribution Account shall not constitute a Project Account and shall not constitute Collateral.

Section 5.02 Revenue Account.

(a) Except for amounts to be deposited in other Project Accounts in accordance with this Agreement, all Project Revenues will be deposited into the Revenue Account. To facilitate the collection of Project Revenues, the Borrower may establish one or more Collection Accounts at the Deposit Account Bank that are subject to an Account Control Agreement and into which Project Revenues are received by the Borrower and promptly deposited into the Revenue Account. Additionally, the Borrower will promptly deposit or cause to be deposited into the Revenue Account all other amounts received by the Borrower from any source whatsoever, the application of which is not otherwise specified in this Agreement. Pending such deposit, the Borrower will hold all such amounts coming into its possession in trust for the benefit of the Secured Parties.

(b) Subject to Section 5.16 hereof, including the delivery of a Funds Transfer Certificate by the Borrower (to the extent required by such Section 5.16) and subject to Section 9.08 hereof, the Collateral Agent shall make the following withdrawals, transfers and payments from the Revenue Account and the sub-accounts therein in the amounts, at the times and only for the purposes specified below at the request of the Borrower as set forth in a Funds Transfer Certificate (substantially in the form attached hereto as Exhibit B) in the following order of priority (it being agreed that no amount shall be withdrawn on any date pursuant to any clause below until amounts sufficient as of that date (to the extent applicable) for all the purposes specified under the prior clauses shall have been withdrawn or set aside):

First, on each Transfer Date, to the Agents, the Issuer (only to the extent of its Reserved Rights) and any Nationally Recognized Rating Agency then rating any of the Secured Obligations, as applicable, the fees, administrative costs and other expenses of such parties then due and payable;

Second, on each Transfer Date, to the applicable Operating Account(s) designated by the Borrower in the Funds Transfer Certificate, an amount equal to, together with amounts then on deposit in the Operating Accounts, the projected O&M Expenditures for the period ending on the immediately succeeding Transfer Date as set forth in the Funds Transfer Certificate; *provided* that O&M Expenditures for Major Maintenance will be included in such amount solely to the extent that (i) any such costs are currently due or are projected to become due prior to the next Transfer Date and (ii) amounts on deposit in the Major Maintenance Reserve Account are insufficient to pay such costs;

Third, on each Transfer Date, after application of any remaining available funds in the Construction Account (or other amounts available therefor), to the applicable Operating Account(s) designated by the Borrower in the Funds Transfer Certificate for the payment of Project Costs due and payable on such Transfer Date;

Fourth, on each Transfer Date, *pro rata* to any payments then due and payable by the Borrower to the Series 2019A Rebate Fund established under the Indenture or any similar rebate fund established with respect to any future tax-exempt borrowings comprising Additional Parity Bonds;

Fifth, on each Transfer Date, *pro rata*, for the payment of interest on the Senior Indebtedness and any Purchase Money Debt as follows: (i) to the Series 2019A Interest Sub-Account, an amount equal to one-sixth (1/6) of the amount of interest payable on the Series 2019A Bonds on the next Interest Payment Date; *provided* that, no such transfers shall be required to be made until the amounts in the Series 2019A Funded Interest Account have been depleted, (ii) to the applicable interest account established hereunder for Additional Senior Indebtedness and Purchase Money Debt, if any, an amount equal to the amount of interest and any Ordinary Course Settlement Payments related to such Senior Indebtedness or Purchase Money Debt due on the next Interest Payment Date divided by the total number of months between Interest Payment Dates for such Additional Senior Indebtedness or Purchase Money Debt as set forth in the applicable Additional Senior Indebtedness Documents or, for Purchase Money Debt, the related financing documents, and (iii) to the applicable Swap Bank, if any, an amount equal to the amount of any Ordinary Course Settlement Payments related to any Permitted Senior Commodity Swap due on or before the Transfer Date pursuant to the applicable Permitted Swap Agreement; plus, in each case any deficiency from a prior Transfer Date; *provided* that the deposit on the Transfer Date occurring immediately before each Interest Payment Date will equal the amount required (taking into account the amounts then on deposit in the applicable interest payment account established hereunder and any applicable interest payment account established under the other Additional Senior Indebtedness Documents or, for Purchase Money Debt, the related financing documents) to pay the interest and any Ordinary Course Settlement Payments related to such Senior Indebtedness or Purchase Money Debt due on such Interest Payment Date; *provided*,

further that on the Transfer Date immediately preceding each Interest Payment Date (after giving effect to the transfers contemplated above in this clause Fifth), amounts on deposit in the Series 2019A Interest-Sub Account shall be transferred to the Interest Account and amounts on deposit in any other interest account for Additional Senior Indebtedness and any Purchase Money Debt established hereunder shall be transferred in accordance with the applicable Additional Senior Indebtedness Documents or, for Purchase Money Debt, the related financing documents, in each case, for the payment of interest and any Ordinary Course Settlement Payments related to such Senior Indebtedness or Purchase Money Debt due on the applicable Senior Indebtedness or Purchase Money Debt on the next Interest Payment Date;

Sixth, on each Transfer Date, *pro rata*, for the payment of principal on the Senior Indebtedness and any Purchase Money Debt as follows: (i) with respect to the Series 2019A Bonds, (A) so long as such Bonds are in the Term Rate Mode, deposits shall be made to the Series 2019A Principal Sub-Account under this clause Sixth on each Transfer Date occurring within 12 months of any Principal Payment Date in an amount equal to one twelfth (1/12) of the amount of principal due on such Principal Payment Date (including, with respect to any Principal Payment Date that constitutes a Mandatory Tender Date for the Series 2019A Bonds, the principal amount of any mandatory sinking fund redemption due on such Mandatory Tender Date, but excluding the Purchase Price of the Series 2019A Bonds due on such Mandatory Tender Date), and (B) upon conversion to the Fixed Rate Mode, deposits shall be made to the Series 2019A Principal Sub-Account under this clause Sixth on each Transfer Date occurring within twelve (12) months prior to any Principal Payment Date in an amount equal to one-twelfth (1/12) of the amount of principal due on such Principal Payment Date, and (ii) to any other principal payment account established hereunder for Additional Senior Indebtedness and Purchase Money Debt, if any, the amount of principal required to be deposited into such principal payment account for such Additional Senior Indebtedness or Purchase Money Debt as set forth in the applicable Additional Senior Indebtedness Documents or, for Purchase Money Debt, the related financing documents; plus, in each case, any deficiency from a prior Transfer Date; *provided*, that (w) with respect to the Series 2019A Bonds in the Term Rate Mode, the deposit on the Transfer Date occurring immediately before each Principal Payment Date will equal the amount required to pay the principal payment due on such Principal Payment Date for the Series 2019A Bonds, including, with respect to any Principal Payment Date that constitutes a Mandatory Tender Date for the Series 2019A Bonds, the amount of any mandatory sinking fund redemption due on such Mandatory Tender Date, but excluding the Purchase Price of the Series 2019A Bonds due on such Mandatory Tender Date (taking into account the amount then on deposit in the Series 2019A Principal Sub-Account and the Principal Account), (x) with respect to the Series 2019A Bonds in the Fixed Rate Mode, the deposit on the Transfer Date occurring immediately before each Principal Payment Date will equal the amount required to pay the principal payment due on such Principal Payment Date for the Series 2019A Bonds (taking into account the amount then on deposit in the Series 2019A Principal Sub-Account and the Principal Account), (y), if applicable, with respect to any Additional Senior Indebtedness and any Purchase Money Debt, the deposit on the Transfer Date occurring immediately before each Principal Payment Date will equal the amount required to pay the principal payment due on such

Principal Payment Date for the applicable Additional Senior Indebtedness or Purchase Money Debt, including in the case of any Permitted Swap Agreement related to such Senior Indebtedness or Purchase Money Debt, Swap Termination Payments (taking into account the amounts then on deposit in any principal payment sub-account established hereunder or under the applicable Additional Senior Indebtedness Documents or, for Purchase Money Debt, the related financing documents for the payment of principal on such Additional Senior Indebtedness or Purchase Money Debt) and (z), if applicable, with respect to any Permitted Senior Commodity Swap, on the Transfer Date occurring immediately before a Swap Termination Payment due date under the applicable Permitted Swap Agreement, to the applicable Swap Bank, an amount equal to the amount required to pay such Swap Termination Payment due on such due date pursuant to the applicable Permitted Swap Agreement; *provided, further* that on each Transfer Date immediately preceding a Principal Payment Date (after giving effect to the transfers contemplated above in this clause Sixth), amounts on deposit in the Series 2019A Principal Sub-Account (if any) shall be transferred to the Principal Account and amounts on deposit in any other principal account for Additional Senior Indebtedness and any Purchase Money Debt established hereunder shall be transferred in accordance with the applicable Additional Senior Indebtedness Documents or, for Purchase Money Debt, the related financing documents, in each case, for the payment of principal due on the applicable Senior Indebtedness or Purchase Money Debt on the next Principal Payment Date, including in the case of any Permitted Swap Agreement related to such Senior Indebtedness or Purchase Money Debt, Swap Termination Payments;

Seventh, (A) on each Transfer Date on and after the Phase 2 Revenue Service Commencement Date, *pro rata*, to the Series 2019 Debt Service Reserve Account and any other Debt Service Reserve Account then already in existence in an amount to the extent necessary to fund such account so that the balance therein (taking into account the amount available for drawing under any Qualified Reserve Account Credit Instrument provided with respect thereto) equals the applicable Debt Service Reserve Requirement for the immediately preceding Calculation Date, and (B) on any date on which an Additional Debt Service Reserve Account is created and established in connection with the issuance or incurrence by the Borrower of Additional Senior Secured Indebtedness, to transfer to the applicable Additional Debt Service Reserve Account an amount to the extent necessary to fund such account so that the balance therein (taking into account the amount available for drawing under any Qualified Reserve Account Credit Instrument provided with respect thereto) equals the applicable Additional Debt Service Reserve Requirement;

Eighth, (A) on each Transfer Date beginning after December 31, 2020, *pro rata*, to the Series 2019A Major Maintenance Reserve Account and to any other Major Maintenance Reserve Account then already in existence in an amount to the extent necessary to fund such account so that the balance therein equals the applicable Major Maintenance Reserve Required Balance, and (B) on any date on which an Additional Major Maintenance Reserve Account is created and established in connection with the issuance or incurrence by the Borrower of Additional Senior Secured Indebtedness, to transfer to the applicable Additional Major Maintenance Reserve Account an amount to the extent

necessary to fund such account so that the balance therein equals the applicable Major Maintenance Reserve Required Balance on such date;

Ninth, (A) on each Transfer Date, *pro rata*, to the Series 2019A O&M Reserve Account and to any other O&M Reserve Account then already in existence in an amount to the extent necessary to fund such account so that the balance therein equals the applicable O&M Reserve Requirement, and (B) on any date on which an Additional O&M Reserve Account is created and established in connection with the issuance or incurrence by the Borrower of Additional Senior Secured Indebtedness, to transfer to the applicable Additional O&M Reserve Account an amount to the extent necessary to fund such account so that the balance therein equals the applicable O&M Reserve Requirement on such date;

Tenth, on each Transfer Date, to pay debt service due or becoming due prior to the next Transfer Date on any Indebtedness or under any Permitted Swap Agreements permitted under the Secured Obligation Documents (other than the Indebtedness or Permitted Swap Agreements serviced pursuant to another clause of this Flow of Funds), in each case comprised of interest, fees, principal and premium, if any, in respect of such Indebtedness or Ordinary Course Settlement Payments or Swap Termination Payments, as applicable, in respect of such Permitted Swap Agreements;

Eleventh, within the 15-day period commencing on each Distribution Date, to pay any interest on any Permitted Subordinated Debt, so long as the Restricted Payment Conditions are satisfied as of the applicable Distribution Date, as confirmed in a Distribution Release Certificate (substantially in the form attached hereto as Exhibit E) signed by a Responsible Officer of the Borrower and delivered to the Collateral Agent;

Twelfth, within the 15-day period commencing on each Distribution Date, to pay any scheduled principal on any Permitted Subordinated Debt, so long as the Restricted Payment Conditions are satisfied as of the applicable Distribution Date, as confirmed in a Distribution Release Certificate signed by a Responsible Officer of the Borrower and delivered to the Collateral Agent;

Thirteenth, on each Transfer Date, at the Borrower's option, (A) for repayment of the Series 2019A Bonds, such amounts as the Borrower will deem appropriate to optionally prepay such then Outstanding Series 2019A Bonds in whole or in part in accordance with the Indenture, or (B) to make any other optional prepayments or optional redemptions, as the case may be, as permitted under any Secured Obligation Documents, together with any interest or premium payable in connection with such prepayment or redemption and any related Swap Termination Payments in connection with such prepayment or redemption; and

Fourteenth, within the 15-day period commencing on each Distribution Date, so long as the Restricted Payment Conditions are satisfied as of the applicable Distribution Date, as confirmed in a Distribution Release Certificate signed by a Responsible Officer of the Borrower and delivered to the Collateral Agent, to the Distribution Account, or if such Restricted Payment Conditions are not satisfied as of such Distribution Date, then such

funds shall be transferred to the Equity Lock-Up Account during such 15-day period (in either case, in an amount not to exceed the amounts on deposit in the Revenue Account as of the immediately preceding Transfer Date). Funds shall not be transferred from the Revenue Account to the Distribution Account or the Equity Lock-Up Account at any time other than in accordance with this clause Fourteenth.

(c) If the Borrower receives a payment in respect of the actual or estimated loss of the Borrower's future Project Revenues such amount will be deposited into a sub-account of the Revenue Account to be established upon written instruction to the Collateral Agent for such purpose; *provided*, that prior to such deposit, the Borrower will provide to the Collateral Agent (for subsequent dissemination to the Secured Parties) a calculation in reasonable detail showing the future years for which such amount was paid as compensation in respect of the loss of Project Revenues. In the event that such amount is deposited into such sub-account, as of the commencement of each year for which such compensation was paid, at the Borrower's written request, the portion thereof constituting a payment for the loss of Project Revenues for each Fiscal Quarter during such year, together with interest or other earnings accrued thereon from the date of deposit, will be transferred from such sub-account to the Revenue Account and applied in accordance with clause (b) above during such Fiscal Quarter, and any such amounts shall be considered Project Revenues for purposes of clause (b) above and calculation of the Total DSCR. Except as set forth in the preceding sentence, the amounts deposited in such sub-account shall not be deemed to be on deposit in the Revenue Account until so transferred from such sub-account.

(d) To the extent that (i) on any Calculation Date amounts on deposit in any Debt Service Reserve Account are in excess of the applicable Debt Service Reserve Requirement or (ii) on any Transfer Date amounts on deposit in any Major Maintenance Reserve Account or any O&M Reserve Account are in excess of the applicable Major Maintenance Reserve Required Balance or the applicable O&M Reserve Requirement, as the case may be, upon direction by the Borrower, such excess amounts are to be deposited into the Revenue Account.

(e) (i) In accordance with Section 5.11(d), to the extent there are insufficient amounts in the Revenue Account to make the transfers required by any or all of clauses First through Ninth of Section 5.02(b) on any Transfer Date, amounts shall be transferred by the Collateral Agent (without the requirement of a Funds Transfer Certificate and without any further direction of the Borrower) from the Equity Lock-Up Account in an amount up to the amount of such shortfall and applied in the priority set forth in Section 5.02(b); and

(ii) In accordance with Sections 5.06(f), 5.07(d) and 5.08(b), to the extent, after application of the funds available pursuant to clause (i) of this Section 5.02(e), there are insufficient amounts in the Revenue Account to make the transfers required by clauses Fifth or Sixth of Section 5.02(b) on any Transfer Date, amounts shall be transferred by the Collateral Agent (without the requirement of a Funds Transfer Certificate and without any further direction of the Borrower) from the following accounts in the following priority to the Revenue Account in an amount up to the amount of such shortfall and applied in the priority set forth in Section 5.02(b): first, the Ramp-Up Reserve Account; second, any O&M Reserve Account; and third, any Major Maintenance Reserve Account.

Section 5.03 Loss Proceeds Account.

(a) All Loss Proceeds received by the Borrower or to its order are to be paid directly into the Loss Proceeds Account. Except as provided by Sections 5.16(d) and 9.08, if a Loss Event occurs, amounts on deposit in the Loss Proceeds Account will be withdrawn and paid to the Borrower to be applied to Restore the Project or any portion thereof, except that, to the extent that (A) such proceeds exceed the amount required to Restore the Project or any portion thereof to the condition existing prior to the Loss Event or (B) the affected property cannot be Restored to permit operation of the Project on a Commercially Feasible Basis and upon delivery to the Collateral Agent of a certificate signed by a Responsible Officer of the Borrower certifying to the foregoing, such proceeds will be applied *pro rata* to the applicable sub-account of the Mandatory Prepayment Account in accordance with the Financing Obligation Documents to cause the extraordinary mandatory redemption of the Senior Indebtedness, and, in the case of any remaining moneys thereafter, to the prepayment of any other Secured Obligations in accordance with the applicable Secured Obligation Documents, and thereafter, to the Revenue Account.

(b) If an amount of any insurance claim on deposit in or credited to the Loss Proceeds Account has been paid out of moneys withdrawn from the Revenue Account in accordance with Section 5.02, then the Borrower may cause the transfer of moneys representing the proceeds of the claim to the Revenue Account.

Section 5.04 Construction Account.

(a) The Collateral Agent acting at the written direction of the Borrower shall transfer (and the Borrower shall cause to be deposited) into the PABs Proceeds Sub-Account of the Construction Account all net proceeds of the Series 2019A Bonds (in respect of the Series 2019A Loan) other than as set forth in clause (c) below. Net proceeds of Required Equity Contributions, Additional Equity Contributions, Additional Senior Indebtedness and Permitted Subordinated Debt, in each case issued to finance a portion of Project Costs prior to the Phase 2 Revenue Service Commencement Date, may be deposited into the Other Proceeds Sub-Account or into a separate sub-account of the Construction Account (as confirmed by the Borrower) in accordance with the Financing Obligation Documents and, subject to Sections 5.16(d) and 9.08 herein, shall be disbursed in accordance with Section 5.04(f) herein.

(b) The Borrower will be entitled to instruct the Collateral Agent to open new sub-accounts of the Construction Account by providing to the Collateral Agent instructions in respect of the same for the purpose of depositing the proceeds of any Additional Senior Indebtedness issued to finance a portion of the Project Costs and permitted to be incurred by the Financing Obligation Documents as set forth in Section 5.04(a), including any proceeds from the Additional Parity Bonds issued in respect of Additional Project Completion Indebtedness, Theme Park Indebtedness or Additional Station Indebtedness from time to time in accordance with the Indenture.

(c) The proceeds of the Series 2019A Bonds, net of amounts used to refinance the Series 2017 Bonds, pay certain costs of issuance and fund certain deposits on the Closing Date required hereunder and under the Indenture and after application in accordance with Section 3.3(b) of the Indenture, will be deposited on the date of issuance of the Series 2019A Bonds into

the PABs Proceeds Sub-Account in accordance with Section 5.04(a). Funds on deposit in the PABs Proceeds Sub-Account will be used to pay, or reimburse for a prior payment of, Project Costs as permitted by Law, including the Code; *provided, however*, that such funds may be used to pay interest on the Series 2019A Bonds solely after all funds available for such payments in the Series 2019A Funded Interest Account have been used; and *provided, further, however* that such funds may not be used to pay Project Costs that are not Qualified Costs unless the Borrower shall have provided to the Collateral Agent and the Trustee an opinion of Bond Counsel to the effect that use of such funds to pay Project Costs that are not Qualified Costs will not adversely affect the exclusion of interest on any Bonds (other than Taxable Bonds) from gross income of the Owners thereof.

(d) Any Required Equity Contribution received by the Borrower in accordance with the Equity Contribution Agreement shall be deposited by the Borrower (or on its behalf) to the PABs Counties Equity Contribution Sub-Account, the Non-PABs Counties Equity Contribution Sub-Account and the Other Proceeds Sub-Account as directed by the Borrower in writing.

(i) Amounts deposited in the PABs Counties Equity Contribution Sub-Account will be held in such sub-account and, subject to the conditions of this Agreement, applied in accordance with Section 5.04(f) from time to time to the payment of Project Costs solely for those portions of the Project located in the Series 2019A Counties, to pay only Project Costs (other than Qualified Costs) until amounts on deposit in the PABs Proceeds Sub-Account have been fully expended and then to pay any remaining Project Costs; *provided, however*, that such amounts shall be used to pay interest on the Series 2019A Bonds solely after all funds available for such payments in the Series 2019A Funded Interest Account have been used.

(ii) Amounts deposited in the Non-PABs Counties Equity Contribution Sub-Account will be held in such sub-account and, subject to the conditions of this Agreement, applied in accordance with Section 5.04(f) from time to time to the payment of Project Costs solely for those portions of the Project located outside of the Series 2019A Counties; *provided, however*, that such funds shall be used to pay interest on the Series 2019A Bonds solely after all funds available for such payments in the Series 2019A Funded Interest Account have been used.

(e) Notwithstanding anything herein to the contrary, the Borrower will be entitled to (i) direct the Collateral Agent pursuant to an Equity Transfer Certificate (substantially in the form attached hereto as Exhibit K) from time to time to transfer funds between and among the PABs Counties Equity Contribution Sub-Account, the Non-PABs Counties Equity Contribution Sub-Account and the Other Proceeds Sub-Account, solely to the extent (A) such funds constitute proceeds of a Required Equity Contribution or an Additional Equity Contribution or proceeds of Permitted Additional Senior Indebtedness or Permitted Subordinated Debt and (B) such transfers are otherwise in compliance with any applicable Financing Obligation Documents, as certified by the Borrower in the Equity Transfer Certificate, and (ii) make allocations of Required Equity Contributions, solely for federal income tax purposes, that, if implemented through actual fund transfers, would be inconsistent with the restrictions set forth in subsection (d) above.

(f) Subject to Sections 5.16(d) and 9.08 hereof, the Borrower will request pursuant to a Construction Account Withdrawal Certificate disbursements of moneys on deposit in the Construction Account, including the PABs Proceeds Sub-Account, the PABs Counties Equity Contribution Sub-Account, the Non-PABs Counties Equity Contribution Sub-Account and the Other Proceeds Sub-Account as set forth in this paragraph (f); *provided, however*, that, if the funds on deposit in the Construction Account are the proceeds of Additional Senior Indebtedness (other than Additional Project Completion Indebtedness), the Borrower shall not be required to satisfy the conditions in subclauses (ii), (iii) or (ix) of this paragraph (f) for disbursement of such funds. Amounts in the Construction Account will be transferred by the Collateral Agent as directed in the applicable Construction Account Withdrawal Certificate to pay Project Costs upon receipt of the following documents and satisfaction of the following conditions, as applicable, not later than the second (2nd) Business Day prior to the proposed date of disbursement (or such shorter period prior to the Closing Date as is acceptable to the Collateral Agent with respect to disbursements on the Closing Date):

(i) Delivery to the Collateral Agent of a duly executed Construction Account Withdrawal Certificate from the Borrower setting forth the amount requested and all other required information set forth therein including certification by the Borrower as to satisfaction of the applicable requirements set forth in subclauses (ii) through (xii) below;

(ii) Delivery to the Collateral Agent of a duly executed certificate from the Borrower, stating that (A) for any amount requested pursuant to such Construction Account Withdrawal Certificate, the work on the Project performed as of the date of such Construction Account Withdrawal Certificate has been performed generally consistent with the terms of the Transaction Documents and such amount does not exceed the amount of Project Costs then due and payable or which are due and payable within 30 days of the requested disbursement date, and (B) the Phase 2 Revenue Service Commencement Date is reasonably expected to be achieved on or prior to the Phase 2 Revenue Service Commencement Deadline; *provided however*, that upon a determination that the Phase 2 Revenue Service Commencement Date will not occur on or before the Phase 2 Revenue Service Commencement Deadline, a draw from the Construction Account will be allowed so long as the Technical Advisor is satisfied that the Borrower's remediation plan demonstrates that the Phase 2 Revenue Service Commencement Date can be achieved on or before January 5, 2024 which satisfaction must be evidenced by certification thereof in the Technical Advisor Certificate; and, *provided further, however*, that none of the foregoing requirements of this clause (ii) will apply to Project Costs constituting the payment of interest on the Series 2019A Bonds or any Additional Senior Indebtedness or the Costs of Issuance of the Series 2019A Bonds or any Additional Senior Indebtedness that are otherwise being paid in accordance with the Financing Obligation Documents;

(iii) The amounts requested pursuant to the Construction Account Withdrawal Certificate for the payment or reimbursement of Project Costs have been incurred in connection with the planning, design, developing, equipping, renovating, financing and construction and placing into service of the Project, shall be applied to pay or reimburse Project Costs, are a proper charge against the applicable sub-account

from which such amounts are being drawn and have not been the basis for a prior requisition that has been paid;

(iv) All amounts previously drawn for the payment or reimbursement of Project Costs through the procedures set forth in Section 5.04 of this Agreement have been fully applied and have been applied solely to pay or reimburse Project Costs;

(v) No Potential Secured Obligation Event of Default or Secured Obligation Event of Default has occurred and is continuing (unless such disbursement will cure such Potential Secured Obligation Event of Default or Secured Obligation Event of Default) or will occur as a result of the disbursement;

(vi) The representations and warranties given by the Borrower under the Financing Obligation Documents will be true and correct in all material respects on and as of the applicable draw date, except to the extent such representations or warranties specifically refer to an earlier date, in which case it shall be true and correct in all material respects as of such date;

(vii) As of the date of the applicable drawing request, (A) if such date is on or prior to the date that is 60 days after the Closing Date, then either (1) all Required Equity Contributions have been deposited in full in accordance with the Equity Contribution Agreement and on the dates and in the manner described in Section 5.04 and Section 5.08 of this Agreement (or will be deposited concurrently with the disbursement of funds requested by the applicable draw request) or (2) the amounts requested pursuant to the Construction Account Withdrawal Certificate are solely for the payment or reimbursement of Project Costs incurred prior to the Closing Date that are then due and payable or have been previously paid, or (B) if such date is after the date that is 60 days after the Closing Date, then all Required Equity Contributions have been deposited in full in accordance with the Equity Contribution Agreement and on the dates and in the manner described in Section 5.04 and Section 5.08 of this Agreement (or will be deposited concurrently with the disbursement of funds requested by the applicable draw request);

(viii) No Bankruptcy Event with respect to the Borrower has occurred and is continuing;

(ix) Amounts to be disbursed from the PABs Proceeds Sub-Account or the PABs Counties Equity Contribution Sub-Account (1) will be used solely to pay or reimburse for Project Costs incurred in the jurisdictional limits of the Series 2019A Counties and (2) will not be used to acquire any building or facility that will be, during the term of the Series 2019A Bonds, used by, occupied by, leased to or paid for by any state, county or municipal agency or entity;

(x) The funds being requisitioned will be used as represented and warranted in the Senior Loan Agreement or any other applicable Financing Obligation Document and to the extent applicable as stated in the Federal Tax Certificate;

(xi) Delivery to the Collateral Agent of all unconditional lien releases and waivers for all past Construction Account Withdrawal Certificates, in each case, from each Contractor that has timely filed a notice to owner sufficient to perfect such Contractor's right to a lien in compliance with all laws and have not previously been delivered to the Collateral Agent, other than with respect to Permitted Security Interests;

(xii) All Governmental Approvals necessary to perform the work for which Project Costs are being requested shall have been obtained and maintained as and when required under applicable law and under the Transaction Documents, except where failure to obtain or maintain such Governmental Approval would not reasonably be expected to have a Material Adverse Effect; and

(xiii) With respect to any Additional Projects, the satisfaction of the applicable conditions under the applicable Financing Obligation Documents.

(g) Notwithstanding anything herein to the contrary, if on the Business Day immediately preceding an Interest Payment Date for the Series 2019A Bonds prior to the Phase 2 Revenue Service Commencement Date, after giving effect to all transfers required to be made under Sections 5.02(b) and 5.02(e), there are insufficient moneys on deposit in the applicable sub-account of the Debt Service Fund (including the Series 2019A Funded Interest Account) under the Indenture to pay interest on the Series 2019A Bonds on the next Interest Payment Date, the Trustee will notify the Collateral Agent in writing of such deficiency and the Collateral Agent shall (without the need of a Construction Account Withdrawal Certificate and without further direction by the Borrower) transfer moneys on deposit in the sub-accounts of the Construction Account, to the extent any such moneys are available, to the Interest Account in the amount necessary (taking into account the amounts then on deposit in the Interest Account and in the Series 2019A Funded Interest Account) to make the Interest Payment due on the Series 2019A Bonds on such Interest Payment Date. Unless otherwise directed by a Responsible Officer of the Borrower to apply moneys in the PABs Counties Equity Contribution Sub-Account, the Non-PABs Counties Equity Contribution Sub-Account, the PABs Proceeds Sub-Account and the Other Proceeds Sub-Account of the Construction Account for use in accordance with this paragraph (g) in a different proportion, such amounts shall be transferred *pro rata* from such Sub-Accounts.

(h) The Collateral Agent shall comply with any Construction Account Withdrawal Certificate received pursuant to this Section 5.04; *provided*, that if any payment, withdrawal or transfer of funds requested therein is not in compliance with this Agreement or the other Financing Obligation Documents, so long as the Collateral Agent has received notice thereof from any of the other Secured Parties, the Collateral Agent will notify the Borrower in writing of such non-compliance and the Borrower shall not be entitled to cause such proposed payment, withdrawal or transfer until such time as it has submitted a revised requisition that complies with the terms hereof or thereof; and *provided, further*, that the failure to give any such notice shall not be deemed to be an approval of the proposed payment, withdrawal or transfer or a waiver of any rights of the Secured Parties with respect thereto. Except as contemplated in the immediately preceding sentence, the Borrower shall, in the absence of a Secured Obligation Event of Default having occurred and being continuing, be entitled to withdraw funds from all of the accounts

contemplated herein for the purposes (and in accordance with the terms) set forth herein. Upon receipt of a notice of a Secured Obligation Event of Default and solely during the continuance thereof, the Collateral Agent shall comply with the requirements of Section 5.16(d) hereof. For the avoidance of doubt, any Secured Party shall at all times have the right to give the notice contemplated by the first sentence of this paragraph if the relevant requisition does not comply with the terms of this Agreement.

(i) Except as otherwise required by any applicable Law, to the extent that on the Phase 2 Revenue Service Commencement Date, there shall be any funds remaining on deposit in the Construction Account or any sub-account thereof and such funds are not designated pursuant to the applicable Financing Obligation Documents for the financing of any Additional Projects, such amounts will be applied as follows:

First, amounts will be retained in the Construction Account in the amount necessary for the payment of any remaining Project Costs needed to achieve the Phase 2 Completion Date as determined by the Borrower and certified by the Technical Advisor;

Second, from any excess unspent Series 2019A Bond proceeds that remain in the PABs Proceeds Sub-Account, upon election and direction by the Borrower, for the optional redemption in whole or in part of the Series 2019A Bonds by the Issuer (acting upon the written request and direction of the Borrower) at a redemption price of 100% of the principal amount thereof plus interest accrued to the date fixed for redemption in accordance with the Indenture; and

Third, after the transfer (if any) pursuant to the preceding clause Second is complete, to the Revenue Account, except to the extent excess proceeds of the Series 2019A Bonds are required pursuant to the Code to be used to redeem or defease the Series 2019A Bonds or for other permitted purposes.

Section 5.05 Debt Service Reserve Account.

(a) The Series 2019 Debt Service Reserve Account will be established solely for the benefit of the Owners of the Series 2019A Bonds and the Owners of Additional Parity Bonds outstanding pursuant to the Indenture and will be held by the Collateral Agent, and the Security Interest thereon maintained, for the exclusive benefit of only such Owners and shall not be available to the Owners of any Escrow Bonds prior to conversion to Additional Parity Bonds, any other Additional Senior Indebtedness Holders, any other Secured Party or any other Person.

(b) The Series 2019 Debt Service Reserve Account will be funded on the Phase 2 Revenue Service Commencement Date in an amount equal to the Debt Service Reserve Requirement for the Series 2019A Bonds. In addition, on each Transfer Date, the Collateral Agent will cause amounts in the Revenue Account, to the extent available, to be deposited in accordance with Section 5.02(b) hereof into the Series 2019 Debt Service Reserve Account. Upon the issuance of any Additional Parity Bonds issued to finance Additional Project Completion Indebtedness, Rolling Stock Indebtedness, Theme Park Indebtedness or Additional Station Indebtedness from time to time pursuant to the Indenture (but subject to Section 5.05(d)), the Series 2019 Debt Service Reserve Account will be funded in accordance with and at the

times set forth in Section 12.2 of the Indenture in an amount equal to the Debt Service Reserve Requirement for Additional Parity Bonds.

(c) Except as provided in paragraph (f) below, moneys on deposit in the Series 2019 Debt Service Reserve Account shall be used by the Collateral Agent (without the requirement of a Funds Transfer Certificate and without any further direction of the Borrower) as follows:

(i) If on any Transfer Date immediately preceding an Interest Payment Date or Principal Payment Date, as applicable, with respect to the Series 2019A Bonds, the funds on deposit in the Series 2019A Interest Sub-Account or the Series 2019A Principal Sub-Account (as applicable) together with funds in the Series 2019A Funded Interest Account, the Interest Account or the Principal Account of the Debt Service Fund under the Indenture (as applicable) (after giving effect to the transfers contemplated in Fifth and Sixth in Section 5.02(b) hereof solely with respect to the Series 2019A Bonds and the transfers contemplated in Section 5.02(e)) are insufficient to pay the principal, redemption price or interest on the Series 2019A Bonds on the applicable Interest Payment Date or Principal Payment Date, funds on deposit in the Series 2019 Debt Service Reserve Account will be transferred to the Interest Account or the Principal Account, as applicable, for payment of interest or principal due and payable on the Series 2019A Bonds on the next Interest Payment Date or Principal Payment Date as applicable.

(ii) Following the taking of an Enforcement Action, moneys in the Series 2019 Debt Service Reserve Account shall be applied in the manner set forth in Section 9.08.

(d) The Borrower may from time to time request that any Additional Debt Service Reserve Account be established in accordance with the requirements of any Additional Senior Secured Indebtedness Documents, which Account would be established solely for the benefit of the specific Additional Senior Secured Indebtedness Holders under the applicable Additional Senior Secured Indebtedness Documents, and held by the Collateral Agent, and the Security Interest thereon maintained, for the exclusive benefit of only such Additional Senior Secured Indebtedness Holders and shall not be available to the Owners of the Series 2019A Bonds, any Owners of any Additional Parity Bonds, any other Additional Senior Indebtedness Holders, any other Secured Party or any other Person. Amounts in the Revenue Account shall be transferred to each Additional Debt Service Reserve Account in accordance with the priority set forth in Section 5.02(b) as shall be necessary to maintain the applicable Additional Debt Service Reserve Requirement; *provided* that such transfer of amounts from the Revenue Account shall be made no more frequently than on each Transfer Date. Except as provided in paragraph (f) below, moneys on deposit in any Debt Service Reserve Account shall be used by the Collateral Agent (without the requirement of a Funds Transfer Certificate and without any further direction of the Borrower) as follows:

(i) In the event funds on deposit in the Revenue Account are insufficient to fund the transfers contemplated in Fifth and Sixth in Section 5.02(b) hereof for the payment of debt service on any Additional Senior Secured Indebtedness at the times required thereby, after application of the transfers contemplated in Section 5.02(e),

funds on deposit in the applicable Debt Service Reserve Account shall be transferred and applied to pay such debt service when due.

(ii) Following an Enforcement Action, monies in any Additional Debt Service Reserve Account shall be applied in the manner described in Section 9.08.

(e) Except as provided in paragraph (f) below, any amounts on deposit in any Debt Service Reserve Account (including the Series 2019 Debt Service Reserve Account) in excess of the applicable Debt Service Reserve Requirement shall be applied in accordance with the requirements of Section 5.02(d) hereof.

(f) Notwithstanding any other provision of this Agreement, the Borrower may substitute for all or any portion of the cash or Permitted Investments on deposit in any Debt Service Reserve Account, a Qualified Reserve Account Credit Instrument in favor of the Collateral Agent; *provided*, however, with respect to the Series 2019A Bonds and any other Additional Senior Secured Indebtedness the interest on which is tax-exempt, the Borrower shall be required to deliver to the Trustee a written opinion of Bond Counsel to the effect that such actions will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the applicable Secured Obligations. In the event the Borrower replaces cash or Permitted Investments on deposit in any Debt Service Reserve Account with such Qualified Reserve Account Credit Instrument and delivers any such Qualified Reserve Account Credit Instrument to the Collateral Agent, the cash or Permitted Investments so replaced will be transferred to the Revenue Account.

(g) The Collateral Agent shall (without further direction from the Borrower) draw on any Qualified Reserve Account Credit Instrument provided in accordance with the preceding paragraph (f) if: (i) such Qualified Reserve Account Credit Instrument is not replaced 30 days prior to expiry thereof, (ii) upon being notified by the Borrower that there has been a downgrade of the issuer of such Qualified Reserve Account Credit Instrument such that it is no longer an Acceptable Bank or Acceptable Surety, as applicable, or (iii) at any time funds are payable out of the applicable Debt Service Reserve Account.

Section 5.06 Major Maintenance Reserve Account.

(a) The Series 2019A Major Maintenance Reserve Account will be initially funded by the Borrower commencing on the first Transfer Date immediately following December 31, 2020 from funds in the Revenue Account in accordance with Section 5.02(b) hereof so that the amounts on deposit in such account are equal to the Major Maintenance Reserve Required Balance. The Borrower will have the right to draw from the Major Maintenance Reserve Account for the purpose of paying Major Maintenance Costs in accordance with the Major Maintenance Plan.

(b) On each Transfer Date on which Major Maintenance Costs are due and payable or reasonably expected to become due and payable prior to the next succeeding Transfer Date in accordance with Section 5.06(a), monies on deposit in the Series 2019A Major Maintenance Reserve Account (up to the aggregate amount of such costs) will be transferred to the applicable Operating Account designated by the Borrower in accordance with Section 5.13 hereof and used

by the Borrower to pay such Major Maintenance Costs as and when requested in writing by the Borrower.

(c) Funds held in the Series 2019A Major Maintenance Reserve Account that are not spent on Major Maintenance Costs during the fiscal year for which such funds were reserved due to deferral of Major Maintenance during any such fiscal year (the “Non-Completed Work”) will be retained in the Non-Completed Work Sub-Account and applied to the costs of completing the Non-Completed Work; *provided*, that (x) any such funds retained in the Non-Completed Work Sub-Account for application to Non-Completed Work will be deemed not on deposit in the Series 2019A Major Maintenance Reserve Account for purposes of calculating whether the amounts on deposit therein are sufficient to meet the applicable Major Maintenance Reserve Required Balance; *provided further* that the Non-Completed Work will not be considered in the calculation of the Major Maintenance Reserve Required Balance and (y) any funds remaining on deposit in the Non-Completed Work Sub-Account after completion of the applicable Non-Completed Work will be transferred to the Revenue Account and distributed in accordance with Section 5.02(b) hereof.

(d) The Borrower may from time to time request that any Additional Major Maintenance Reserve Account be established in accordance with the requirements of any Additional Senior Secured Indebtedness Documents. Any Major Maintenance Reserve Account may be funded, from time to time, by one or more of the following: (i) transfers of funds from the Revenue Account in accordance with Section 5.02(b), (ii) the proceeds of any Additional Senior Secured Indebtedness to which the Major Maintenance Reserve Account relates, and (iii) Additional Equity Contributions that are deposited, pursuant to a written request by the Borrower to the Collateral Agent, directly into the applicable Major Maintenance Reserve Account. Amounts on deposit in any Additional Major Maintenance Reserve Account shall be used by the Collateral Agent in accordance with the applicable Additional Senior Secured Indebtedness Documents.

(e) Any amounts on deposit in any Major Maintenance Reserve Account (including the Series 2019A Major Maintenance Reserve Account) in excess of the applicable Major Maintenance Reserve Required Balance shall be applied in accordance with the requirements of Section 5.02(d) hereof.

(f) Moneys in any Major Maintenance Reserve Account (including the Series 2019A Major Maintenance Reserve Account) will be used by the Collateral Agent to pay debt service (without the requirement of a Funds Transfer Certificate and without any further direction by the Borrower) in accordance with Section 5.02(e)(ii) hereof.

(g) Following an Enforcement Action, monies in any Major Maintenance Service Reserve Account (including the Series 2019A Major Maintenance Reserve Account) shall be applied in the manner described in Section 9.08.

Section 5.07 O&M Reserve Account

(a) The Series 2019A O&M Reserve Account will be funded (a) while the Ramp-Up Reserve Account is open, to the extent required, by way of transfer from the Ramp-Up Reserve

Account in accordance with Section 5.08(c) up to an amount equal to one-twelfth (1/12) of the O&M Expenditures projected as certified by a Responsible Officer of the Borrower for the current Fiscal Year (the “O&M Reserve Requirement”) applicable at the time of such transfer; and (b) otherwise, on each Transfer Date, to the extent moneys are available therefor from the Revenue Account up to an amount equal to the applicable O&M Reserve Requirement in accordance with Section 5.02(b). Available moneys in the Series 2019A O&M Reserve Account will be used to pay O&M Expenditures in the event other moneys are not available therefor in the Operating Accounts, the Revenue Account, the Major Maintenance Reserve Account or the Equity Lock-Up Account in accordance with this Agreement and to pay debt service in accordance with paragraph (d).

(b) The Borrower may from time to time request that any Additional O&M Reserve Account be established in accordance with the requirements of any Additional Senior Secured Indebtedness Documents. Any Additional O&M Reserve Account may be funded, from time to time, by one or more of the following: (i) transfers of funds from the Revenue Account in accordance with Section 5.02(b), (ii) the proceeds of any Additional Senior Secured Indebtedness to which the O&M Reserve Account relates, (iii) the proceeds of any Permitted Subordinated Debt, and (iv) any Additional Equity Contributions that are deposited, pursuant to a written request by the Borrower to the Collateral Agent, directly into the applicable Additional O&M Reserve Account. Amounts on deposit in any Additional O&M Reserve Account shall be used by the Collateral Agent in accordance with the applicable Additional Senior Secured Indebtedness Documents.

(c) Any amounts on deposit in any O&M Reserve Account (including the Series 2019A O&M Reserve Account) in excess of the applicable O&M Reserve Requirement shall be applied in accordance with the requirements of Section 5.02(d) hereof.

(d) Moneys in any O&M Reserve Account (including the Series 2019A O&M Reserve Account) will be used by the Collateral Agent to pay debt service (without the requirement of a Funds Transfer Certificate and without any further direction by the Borrower) in accordance with Section 5.02(e)(ii) hereof.

(e) Following an Enforcement Action, monies in any O&M Reserve Account (including the Series 2019A O&M Reserve Account) shall be applied in the manner described in Section 9.08.

Section 5.08 Ramp-Up Reserve Account

(a) The Ramp-Up Reserve Account has been funded in an amount equal to \$18,900,000.

(b) Moneys in the Ramp-Up Reserve Account will be transferred from time to time (A) by the Collateral Agent (without the requirement of a Funds Transfer Certificate and without any further direction by the Borrower) to the Series 2019A Interest Sub-Account or the Series 2019A Principal Sub-Account in such amounts as are required to enable the payment of any debt service on the Series 2019A Bonds then due and payable or to make the transfers required by clauses Fifth and Sixth of Section 5.02(b) to the extent there are insufficient funds for the

payment thereof in the Revenue Account or other accounts available therefor in accordance with this Agreement and the Indenture and (B) as directed by the Borrower pursuant to a Funds Transfer Certificate, to the applicable Operating Account(s) designated by the Borrower in such Funds Transfer Certificate in such amounts as are required to pay O&M Expenditures then due and payable to the extent there are insufficient funds for the payment thereof in the Operating Accounts, the Revenue Account or other accounts available therefor in accordance with this Agreement.

(c) Following the first Calculation Date to occur after the second (2nd) anniversary of the Phase 2 Revenue Service Commencement Date as of which the Total DSCR is not less than 1.50:1.00, if the Borrower delivers to the Collateral Agent a certificate of a Responsible Officer of the Borrower confirming such Total DSCR calculation as of the immediately preceding Calculation Date, the Collateral Agent shall transfer all remaining funds on deposit in the Ramp-Up Reserve Account first, to the Series 2019A O&M Reserve Account in an amount equal to the O&M Reserve Requirement applicable on such date, and second, all remaining funds to the Revenue Account, and thereafter the Ramp-Up Reserve Account shall be closed.

(d) Following an Enforcement Action, monies in the Ramp-Up Reserve Account shall be applied in the manner described in Section 9.08.

Section 5.09 Mandatory Prepayment Account

(a) Funds will be deposited into the Series 2019A PABs Mandatory Prepayment Sub-Account to repay the Series 2019A Bonds in accordance with the Indenture and to any other applicable sub-account created under the Mandatory Prepayment Account for the prepayment of any Additional Senior Secured Indebtedness to repay such Additional Senior Secured Indebtedness in accordance with the Additional Senior Secured Indebtedness Documents. The following amounts, when received by the Borrower, will be deposited into the Series 2019A PABs Mandatory Prepayment Sub-Account for the prepayment of the Series 2019A Bonds and into any other applicable sub-account created under the Mandatory Prepayment Account for the prepayment of any Additional Senior Secured Indebtedness to repay such Additional Senior Secured Indebtedness on a *pro rata* basis in relation to the outstanding principal amount of the Secured Obligations (as applicable), except as otherwise provided in clause (ii) below, and transferred, in the case of the Series 2019A PABs Mandatory Prepayment Sub-Account to the Trustee for prepayment of the Series 2019A Bonds and, in the case of any other sub-account created under the Mandatory Prepayment Account for the prepayment of any Additional Senior Secured Indebtedness, to the applicable Secured Debt Representative to repay such Additional Senior Secured Indebtedness in accordance with the applicable Additional Senior Secured Indebtedness Documents:

(i) from net amounts of Loss Proceeds, received by the Borrower in accordance with Section 5.03.

(ii) solely for the Series 2019A Bonds, on the date that is no earlier than the date that is five years and thirty (30) days after the date of issuance of any Series 2019A Bonds and no later than the date that is five years and ninety (90) days after the date of issuance of such Series 2019A Bonds in the principal amount equal to the

remaining unspent proceeds of the Series 2019A Bonds (rounded up to a multiple of \$5,000) from any remaining unspent Series 2019A Bonds proceeds on deposit in the PABs Proceeds Sub-Account on such date; *provided* that no such redemption will be required if the Borrower has obtained an opinion of Bond Counsel stating that the failure to redeem any such Series 2019A Bonds will not adversely affect the exclusion of interest on such Series 2019A Bonds from gross income for federal income tax purposes and that such redemption is not required by State law.

(iii) with respect to any Additional Senior Secured Indebtedness, otherwise in accordance with the applicable Secured Obligation Documents.

(b) Notwithstanding anything to the contrary herein, the Series 2019A PABs Mandatory Prepayment Sub-Account shall be pledged solely as collateral to secure the Series 2019A Bonds and shall be established solely for the benefit of the Owners of the Series 2019A Bonds, and will be held by the Collateral Agent, and the Security Interest thereon maintained, for the exclusive benefit of only such Owners (and none of the other Secured Parties or any other Person shall have any security interest in the Series 2019A PABs Mandatory Prepayment Sub-Account), and any sub-account created under the Mandatory Prepayment Account for the prepayment of any Additional Senior Secured Indebtedness shall be pledged solely as collateral to secure such Additional Senior Secured Indebtedness in accordance with the applicable Additional Senior Secured Indebtedness Documents and shall be established solely for the benefit of the applicable Additional Senior Secured Indebtedness Holders and will be held by the Collateral Agent, and the Security Interest thereon maintained, for the exclusive benefit of only such Additional Senior Secured Indebtedness Holders (and none of the other Secured Parties nor any other Person shall have any Security Interest in such sub-accounts).

(c) Following an Enforcement Action, monies in the Mandatory Prepayment Account and all sub-accounts thereof shall be applied in the manner described in Section 9.08.

Section 5.10 Distribution Account.

(a) The Distribution Account shall be funded in accordance with and subject to Section 5.02(b) of this Agreement, solely to the extent that the applicable Restricted Payment Conditions are satisfied on the date of any such transfer.

(b) The Borrower will have the exclusive right to withdraw or otherwise dispose of funds on deposit in the Distribution Account to any other account or to such other Person as directed by the Borrower in its sole discretion, and the Distribution Account (and any amounts on deposit therein) will not constitute Collateral.

(c) Any amounts payable to the Distribution Account pursuant to clause Fourteenth as set forth in Section 5.02(b) hereof will be paid to the Distribution Account within fifteen (15) days after any Distribution Date upon certification by the Borrower that the applicable Restricted Payment Conditions are satisfied in full on such Distribution Date, such certification to be made by delivery to the Collateral Agent of a Distribution Release Certificate signed by a Responsible Officer of the Borrower.

Section 5.11 Equity Lock-Up Account

(a) Any funds that would have been payable to the Distribution Account but for the failure of a Restricted Payment Condition to be satisfied under clause Fourteenth as set forth in Section 5.02(b) hereof will be transferred to the Equity Lock-Up Account.

(b) Funds on deposit in the Equity Lock-Up Account may be transferred to the Distribution Account within fifteen (15) days after any Distribution Date following the Phase 2 Revenue Service Commencement Date; *provided*, that (1) all of the Restricted Payment Conditions are satisfied on the Distribution Date commencing such 15-day period in accordance with the applicable Financing Obligation Documents and (2) the Borrower delivers a Distribution Release Certificate signed by a Responsible Officer of the Borrower to the Collateral Agent; *provided further*, that the amount of funds available to be paid to the Distribution Account from the Equity Lock-Up Account in respect of any Distribution Date will be not greater than the amount of funds in the Equity Lock-Up Account on the Distribution Date.

(c) The funds held in the Equity Lock-Up Account may be required to be applied to make mandatory prepayment or redemption of, or for a mandatory offer to pay or redeem, Secured Obligations and, to the extent to be applied to make such prepayment or redemption, shall be transferred at the direction of the Borrower to the applicable Secured Debt Representatives and applied to the prepayment or redemption of the Secured Obligations upon failure to satisfy the Restricted Payment Conditions in accordance with the terms of the applicable Secured Obligation Documents.

(d) Funds held in the Equity Lock-Up Account shall be used by the Collateral Agent, without the requirement of a Funds Transfer Certificate and without further direction by the Borrower, to fund a shortfall in items First through Ninth set forth in Section 5.02(b) hereof. In addition, the Borrower may, at its option, direct the Collateral Agent in any Funds Transfer Certificate (after giving effect to any transfer made by the Collateral Agent pursuant to the previous sentence) to transfer funds out of the Equity Lock-Up Account for the purpose of making any payments referred to in clause Thirteenth set forth in Section 5.02(b) hereof.

(e) Following an Enforcement Action, monies in the Equity Lock-Up Account shall be applied in the manner described in Section 9.08.

Section 5.12 Capital Projects Account. Funds may be deposited into the Capital Projects Account at the direction of the Borrower from Additional Equity Contributions, the proceeds of Permitted Subordinated Debt or the proceeds of other Permitted Indebtedness (as such term is defined in the Senior Loan Agreement) to be used to pay the costs of Capital Projects in accordance with the requirements set forth in Section 6.02 of the Senior Loan Agreement. The Collateral Agent shall transfer funds from the Capital Projects Account upon request by the Borrower, together with a certificate from a Responsible Officer of the Borrower to the effect that such Capital Project is permitted pursuant to Section 6.02 of the Senior Loan Agreement, except that following an Enforcement Action, monies in the Capital Projects Account shall be applied in the manner described in Section 9.08.

Section 5.13 Operating Accounts and Equity Funded Account.

(a) From and following the Closing Date, Project Revenues received by the Borrower will be transferred into the applicable Operating Account(s) designated by the Borrower from time to time in accordance with the provisions set forth in item Second of Section 5.02(b) hereof. Funds may also be deposited into the applicable Operating Account(s) designated by the Borrower from time to time from the proceeds of the incurrence of Permitted Indebtedness to the extent such funds are not otherwise required to be deposited in the Construction Account or any other Project Account. Except when a Secured Obligation Event of Default has occurred and is continuing, the Borrower may make withdrawals from, and write checks against, any Operating Account without having to comply with any conditions, other than that such amounts must be applied towards Project Costs, in the case of amounts transferred therein from the Construction Account or as otherwise required herein, and O&M Expenditures or Project Costs in the case of other such amounts.

(b) Funds may be deposited into the Equity Funded Account from the proceeds of Permitted Subordinated Debt or Additional Equity Contributions to be used by the Borrower for any purpose other than funding Project Costs that do not constitute O&M Expenditures. Except when a Secured Obligation Event of Default has occurred and is continuing, the Borrower may make withdrawals from, and write checks against, the Equity Funded Account without having to comply with any conditions.

Section 5.14 Funds as Collateral.

Any deposit made into the Project Accounts hereunder (except through clerical or other manifest error or in a manner that is otherwise inconsistent with this Agreement) shall be irrevocable and all cash, cash equivalents, instruments, investments and other securities on deposit in or credited to the Project Accounts shall be subject to the Security Interest of the Security Agreement and shall constitute Collateral for the benefit of the Secured Parties as provided herein, including, but not by way of limitation, Section 5.04 and Section 5.05 hereof, *provided* that amounts on deposit in the Series 2019 Debt Service Reserve Account and the Series 2019A Mandatory Prepayment Sub-Account shall only be held as Collateral for the exclusive benefit of the Owners of the Series 2019A Bonds and, with respect to the 2019 Debt Service Reserve Account only, the Owners of Additional Parity Bonds issued to finance Additional Project Completion Indebtedness from time to time pursuant to the Indenture and none of the other Secured Parties (including any Owners of Additional Parity Bonds issued for other purposes) nor any other Person (including any Additional Senior Indebtedness Holder) shall have any Security Interest in the Series 2019 Debt Service Reserve Account or the Series 2019A Mandatory Prepayment Sub-Account.

Section 5.15 Investment.

(a) Funds in the Project Accounts may be invested and reinvested only in Permitted Investments (at the risk and expense of the Borrower) in accordance with written instructions given to the Collateral Agent by the Borrower (prior to the occurrence of a Secured Obligation Event of Default and, thereafter (so long as such Secured Obligation Event of Default shall be continuing), as directed in writing by the Secured Debt Representative representing the Required

Secured Creditors) and, unless a Secured Obligation Event of Default has occurred and is continuing, the Borrower is entitled to instruct the Collateral Agent to liquidate Permitted Investments for purposes of effecting any such investment or reinvestment or for any other purpose permitted hereunder. The Collateral Agent shall not be required to take any action with respect to investing the funds in any Project Account in the absence of written instructions by the Borrower or the Required Secured Creditors (to the extent provided in accordance with the terms hereof). The Collateral Agent shall not be liable for any loss resulting from any Permitted Investment or the sale or redemption thereof made in accordance with the terms hereof. If and when cash is required for disbursement in accordance with this Article V or Section 9.08 hereof, the Collateral Agent is authorized, without instructions from the Borrower, to the extent necessary to make payments or transfers required pursuant to this Article V or Section 9.08 hereof, in the event the Borrower fails to direct the Collateral Agent to do so in a timely manner, to cause Permitted Investments to be sold or otherwise liquidated into cash (without regard to maturity) in such manner as the Collateral Agent shall deem reasonable and prudent under the circumstances. All funds in the Project Accounts and all Permitted Investments made in respect thereof shall constitute part of the Collateral.

(b) The Collateral Agent shall have no obligation to invest or reinvest the funds if all or a portion of the funds is deposited with (or instructions with respect to the same are given to) the Collateral Agent after 11 a.m. (E.S.T. or E.D.T., as applicable) on the day of deposit. Instructions to invest or reinvest that are received after 11 a.m. (E.S.T. or E.D.T., as applicable) will be treated as if received on the following Business Day.

(c) In the event the Collateral Agent does not receive investment instructions, the amounts held by the Collateral Agent pursuant to the provisions of this Agreement shall not be invested and the Collateral Agent shall not incur any liability for interest or income thereon.

(d) The parties hereto each acknowledge that non-deposit investment products are not obligations of, or guaranteed, by Deutsche Bank National Trust Company nor any of its affiliates; are not FDIC insured; and are subject to investment risks, including the possible loss of principal amount invested in one of the money market funds made available by the Collateral Agent and initially selected by the Borrower or the Secured Debt Representative representing the Required Secured Creditors (as the case may be).

(e) Any investment direction contained herein may be executed through an affiliated broker or dealer of the Collateral Agent and any such affiliated broker or dealer shall be entitled to such broker's or dealer's usual and customary fees for such execution as agreed to by the Borrower or the Secured Debt Representative representing the Required Secured Creditors (as the case may be). It is agreed and understood that the Collateral Agent may earn fees associated with the investments outlined above to the extent previously agreed with the Borrower. Neither the Collateral Agent nor its Affiliates shall have a duty to monitor the investment ratings of any Permitted Investments.

(f) Investments may be held by the Collateral Agent directly or through any clearing agency or depository (collectively, the "Clearing Agency") including, without limitation, the federal reserve/treasury book-entry system for United States and federal agency securities, and

The Depository Trust Company. The Collateral Agent shall not have any responsibility or liability for the actions or omissions to act on the part of any Clearing Agency.

Section 5.16 Withdrawal and Application of Funds; Priority of Transfers from Project Accounts; Secured Obligation Event of Default.

(a) Except as provided in Sections 5.02(e), 5.04, 5.05, 5.06(f), 5.07(d), 5.08(b) and 5.11(d) of this Agreement and paragraph (d) below, each withdrawal or transfer of funds from the Project Accounts (other than from any Operating Account, the Equity Funded Account and any Collection Account) by the Collateral Agent on behalf of the Borrower will be made pursuant to an executed Funds Transfer Certificate, which certificate will be provided and prepared by the Borrower and will contain a certification by a Responsible Officer of the Borrower that such withdrawal or transfer complies with the requirements of this Agreement.

(b) Unless a shorter period is acceptable to the Collateral Agent, such Funds Transfer Certificate relating to each applicable Project Account (other than any Operating Account, the Equity Funded Account and any Collection Account) will be delivered to the Collateral Agent no later than two (2) Business Days prior to each date on which funds are proposed to be withdrawn or transferred. In the event that a certificate does not comply with the requirements of this Agreement and the other Financing Obligation Documents, the Collateral Agent has the right to reject such certificate and the Borrower will not be entitled to cause the proposed withdrawal or transfer until it has submitted a revised and compliant certificate.

(c) For the avoidance of doubt, subject to the following paragraph, the Borrower will have the right to withdraw or cause to be transferred funds from any Operating Account (solely for the purpose of payment of O&M Expenditures and Project Costs, as applicable), any Collection Account (solely for the purpose of depositing such funds into the Revenue Account) or the Equity Funded Account, at any time without approval or consent of the Collateral Agent, any Secured Debt Representative or any other person, so long as such withdrawal is effected in accordance with the terms of this Agreement.

(d) Notwithstanding anything to the contrary contained in this Agreement, upon receipt of a notice of a Secured Obligation Event of Default and during the continuance of the related Secured Obligation Event of Default, the Secured Debt Representative representing the Required Secured Creditors may, following the taking of an Enforcement Action, without consent of the Borrower, instruct the Collateral Agent in writing (A) not to release, withdraw, distribute, transfer or otherwise make available any funds in or from any of the Project Accounts and to take such action or refrain from taking such action with respect to such funds and Project Accounts as the Secured Debt Representatives (acting in accordance with the direction of Required Secured Creditors) shall so instruct or (B) to apply proceeds of the Project Accounts to the payment of Secured Obligations, in accordance with the terms of this Agreement and in the order set forth in Section 9.08, so long as such payments are on account of amounts due under the Secured Obligation Documents, in each case until the Collateral Agent has received written notice that such Secured Obligation Event of Default no longer exists due to it having been waived, cured or no longer existing, or having been deemed waived, in accordance with the terms of the relevant Secured Obligation Documents and such Enforcement Action has been cancelled; *provided* that at any time prior to the taking of an Enforcement Action, proceeds of

the Project Accounts will be applied in the order and the manner set forth in Sections 5.02 and 5.04 (as applicable).

(e) Notwithstanding any other provision of this Agreement, the Collateral Agent will not be obligated to monitor or verify (A) the accuracy of any Funds Transfer Certificate, Construction Account Withdrawal Certificate or other written instructions provided to the Collateral Agent for the transfer or deposit of funds with respect to any Project Account, or (B) the use of amounts withdrawn from the Project Accounts pursuant to written instructions given by the Borrower.

Section 5.17 Termination of Project Accounts. Upon the Payment in Full of the Secured Obligations as confirmed in writing by the Secured Debt Representatives, this Agreement will terminate, and the Collateral Agent will, within thirty (30) days of receipt of a request from the Borrower and at the expense of the Borrower, close the Project Accounts (other than any Operating Account, the Equity Funded Account and any Collection Account, which will remain at the full discretion of the Borrower) and/or liquidate any investments credited thereto and/or transfer the funds deposited therein or credited thereto, as directed by the Borrower. Thereafter, the Account Bank will be released from any further obligation to comply with entitlement orders or instructions directing the disposition of funds originated by the Collateral Agent and the Collateral Agent and the Account Bank will be released from any further obligation to comply with any obligation under any Secured Obligation Document except as specifically provided therein. Nothing contained in this paragraph will be construed to modify or otherwise affect the Collateral Agent's Security Interest in the Project Accounts and the funds therein, prior to such transfer or Payment in Full of the Secured Obligations.

Section 5.18 Securities Intermediary. (a) The Securities Accounts shall be established and maintained as securities accounts with a securities intermediary. Each of the parties to this Agreement, including the Account Bank, hereby agrees that the Account Bank (or any successor thereto) shall act as the "securities intermediary" as defined in Section 8-102(a)(14) of the UCC and any applicable Federal Book Entry Regulations, to the extent applicable under and for the purposes of this Agreement and for so long as Deutsche Bank National Trust Company (or any successor thereto) is the Collateral Agent.

(b) The Account Bank hereby accepts and agrees to act as such under this Agreement and represents and warrants that it is as of the date hereof, and shall be for so long as it is the Account Bank hereunder, a banking corporation or a national bank that in the ordinary course of its business maintains securities accounts for others, meets the requirements and qualifications set forth in the first sentence of Section 5.18(e) of this Agreement and is acting in that capacity hereunder. The Account Bank agrees with the parties hereto that each of the Securities Accounts shall be an account to which "financial assets" (as defined in Section 8-102(a)(9) of the UCC) may be credited and the Account Bank undertakes to treat the Collateral Agent as entitled to exercise the rights that comprise such financial assets. The Account Bank agrees with the parties hereto that each item of property (including any cash, security, instrument or obligation, share, participation, interest or other property whatsoever) credited to each Securities Account shall be treated as a "financial asset" within the meaning of Section 8-102(a)(9) of the UCC. Each of the Collateral Agent and the Account Bank represents and warrants that it has not entered into any agreement or taken any other action that gives any Person other than the Collateral Agent control

over any of the Securities Accounts or that is otherwise inconsistent with this Agreement. Each of the Collateral Agent and the Account Bank agrees that it shall not become a party to any agreement or take any action that gives any Person other than the Collateral Agent control over any of the Securities Accounts or that is otherwise inconsistent with this Agreement. The Account Bank agrees that any financial assets credited to such Securities Accounts, or any “security entitlement” (as defined in Section 8-102(a)(17) of the UCC or, with respect to book-entry securities, in the applicable Federal Book-Entry Regulations) with respect thereto, shall not be subject to any Security Interest, encumbrance, or right of setoff in favor of the Account Bank or anyone claiming through the Account Bank (other than the Collateral Agent).

(c) It is the intent of the Parties hereto (including the Collateral Agent and the Borrower) that the Collateral Agent (for the benefit of the Secured Parties) be, and the Collateral Agent (for the benefit of the Secured Parties) shall be, the “entitlement holder” (as defined in Section 8-102(a)(7) of the UCC) with respect to the Securities Accounts. In any event, notwithstanding any other provision of this Agreement, the Account Bank hereby agrees that it will comply with any “entitlement order” (as defined in Section 8-102(a)(8) of the UCC) with respect to the Securities Accounts originated by the Collateral Agent without further consent by the Borrower or any other Person. The Account Bank covenants that it will not agree with any Person other than the Collateral Agent to comply with any “entitlement orders” with respect to the Securities Accounts originated by any Person or entity other than the Collateral Agent.

(d) The Account Bank shall not change the name or account number of any Securities Account without the prior written consent of the Collateral Agent and at least five (5) Business Days’ prior notice to the Secured Debt Representatives and the Borrower, and shall not change the “entitlement holder”. The Account Bank shall at all times act as a “securities intermediary” (within the meaning of Section 8-102(a)(14) of the UCC or, with respect to book-entry securities, in the applicable Federal Book-Entry Regulations) in maintaining the Securities Accounts and shall credit to each Securities Account each financial asset to be held in or credited to each Securities Account pursuant to this Agreement. To the extent, if any, that the Collateral Agent is deemed to hold directly, as opposed to having a security entitlement in, any financial asset held by the Account Bank for the Collateral Agent, the Account Bank hereby agrees that it is holding such financial asset as the agent of the Collateral Agent and hereby expressly acknowledges and agrees that it has received notification of the Collateral Agent’s security interest in such financial asset and that it is holding possession of such financial asset for the benefit of the Collateral Agent.

(e) Each Securities Account shall remain at all times with a “securities intermediary” (within the meaning of Section 8-102(a)(14) of the UCC or, with respect to book-entry securities, in the applicable Federal Book-Entry Regulations) that is a bank or other financial institution organized under the laws of the United States of America or any state thereof that has offices in the State of New York or New Jersey that has a total capital stock and unimpaired surplus of not less than \$500,000,000.

(f) Any income received by the Collateral Agent with respect to the balance from time to time on deposit in each Securities Account or other account established hereunder, including any interest or capital gains on investments in overnight securities made with amounts on deposit in each such account, shall be credited to the applicable account. All right, title and

interest in and to the cash amounts on deposit from time to time in each Securities Account together with any investments in overnight securities from time to time made pursuant to this Section shall constitute part of the Collateral for the Secured Obligations and shall be held for the benefit of the Secured Parties and the Borrower as their interests shall appear hereunder and shall not constitute payment of the Secured Obligations (or any other obligations to which such funds are provided hereunder to be applied) until applied thereto as provided in this Agreement.

(g) In the event that, notwithstanding the last sentence of subsection (b) above, the Account Bank has or subsequently obtains by agreement, operation of law or otherwise a security interest in any of the Securities Accounts, or any financial asset credited thereto, or any “security entitlement” (as defined in Section 8-102(a)(17) of the UCC or, with respect to book-entry securities, in the applicable Federal Book-Entry Regulations) with respect thereto, the Account Bank hereby agrees that such security interest shall be subject and subordinate to the security interest of the Collateral Agent.

(h) The “securities intermediary’s jurisdiction” of the Account Bank for purposes of the UCC (or the Uniform Commercial Code of any other jurisdiction to the extent applicable) is the State of New York. In addition, to the extent that any agreements between the Account Bank and the Borrower governing any Securities Account (collectively, the “Account Agreements”) do not provide that the laws of the State of New York shall govern all of the issues specified in Article 2(1) of the Hague Securities Convention, each Account Agreement is hereby amended to provide that the law applicable to all of the issues specified in Article 2(1) of the Hague Securities Convention shall be the laws of the State of New York. The “Hague Securities Convention” means the Convention on the Law Applicable to Certain Rights in Respect of Securities Held with an Intermediary, July 5, 2006, 17 U.S.T. 401, 46 I.L.M. 649.

(i) Terms used in this Section that are defined in the UCC shall have the meaning set forth in the UCC. Without limiting the foregoing, the term “securities intermediary” shall, with respect to book-entry securities, have the meaning given to it under the applicable Federal Book-Entry Regulations.

(j) To the extent that the Securities Accounts are not considered “securities accounts” (within the meaning of Section 8-501(a) of the UCC), the Securities Accounts shall be deemed to be “deposit accounts” (as defined in Section 9-102(a)(29) of the UCC), which the Collateral Agent shall maintain with the Account Bank acting not as a securities intermediary but as a “bank” (within the meaning of Section 9-102(a)(8) of the UCC). The Account Bank hereby agrees to comply with any and all instructions originated by the Collateral Agent directing disposition of funds in the Securities Accounts without any further consent of the Borrower.

Section 5.19 Account Bank

Each of the parties to this Agreement hereby agrees that Deutsche Bank National Trust Company (or any successor thereto in its capacity as Collateral Agent) shall act as the Account Bank under and for the purposes of this Agreement.

Section 5.20 Change of Deposit Account Bank.

(a) Upon 10 Business Days written notice to the Secured Debt Representatives and the Collateral Agent, the Deposit Account Bank may be changed to another bank by the Borrower; *provided* that such bank shall be organized under the laws of the United States of America or any state thereof with a branch office in the State of Florida having a combined capital and surplus of not less than \$500,000,000. If the Deposit Account Bank at any time gives notice that it no longer wishes to act as a Deposit Account Bank or that it will no longer be subject to the terms of an Account Control Agreement, or that it will no longer act upon the instructions of the Borrower or the Collateral Agent in accordance with the applicable Account Control Agreement as a result of its determination that such action would result in the violation of any applicable law, rule or regulation (a “Termination Notice”), the Borrower shall promptly (and, to the extent possible, prior to the effective date of such Termination Notice) appoint a replacement Deposit Account Bank; *provided* that the Borrower delivers a legal opinion reasonably acceptable to the Collateral Agent to the effect that after the appointment of such replacement Deposit Account Bank, the security interest of the Collateral Agent in the replacement deposit accounts will be perfected. Each Operating Account and the Equity Funded Account shall at all times be maintained with a single Deposit Account Bank. The Borrower shall notify the Collateral Agent and the Trustee of a Termination Notice promptly upon receipt thereof by the Borrower.

(b) The new Deposit Account Bank shall be required, prior to becoming the Deposit Account Bank, to (i) enter into one or more Account Control Agreements, in such form as may be approved by the Required Secured Creditors and the Collateral Agent (such approval not to be unreasonably withheld, delayed or conditioned), with the Borrower and the Collateral Agent, and to carry out such further acts as the Required Secured Creditors may reasonably request in order to perfect the security interest of the Collateral Agent in any Operating Account, the Equity Funded Account, any Collection Account and any other relevant Project Accounts and (ii) agree to provide the reports similar to the reports required to be provided pursuant to Section 2.12(b) of this Agreement.

Section 5.21 Inadequately Identified Amounts. In the event that the Collateral Agent receives any amount which is inadequately or incorrectly identified as to the Project Account into which such amount is to be credited, the Collateral Agent shall notify the Secured Debt Representatives and the Borrower of such event and shall request instructions from the Borrower, or if a Secured Obligation Event of Default has occurred and is continuing, from the Secured Debt Representative, as to the Project Account into which such amount should be credited. The Collateral Agent shall credit such amount to the Revenue Account until such time as the Collateral Agent receives instructions from the Borrower in accordance herewith stating that such amount should be credited to another Project Account in accordance with the Financing Obligation Documents, in which case the Collateral Agent shall credit such amount to the Project Account designated by the Borrower.

Section 5.22 Tax Reporting. All interest or other earnings, if any, relating to the Project Accounts shall be reported to the Internal Revenue Service and, to the extent applicable, all state and local taxing authorities under the name and taxpayer identification number of the Borrower. The Borrower shall prepare or cause to be prepared any tax returns or other forms or information required to be filed in connection with any such earnings. The Collateral Agent does not have any interest in the Collateral deposited hereunder but is serving

as collateral agent only. The Borrower shall pay or reimburse the Collateral Agent upon request for any transfer taxes or other taxes relating to the Collateral incurred in connection herewith and shall indemnify and hold harmless the Collateral Agent from any amounts that it is obligated to pay in the way of such taxes to the extent paid by the Collateral Agent in respect of the Collateral. The Borrower will provide the Collateral Agent with appropriate W-9 forms for taxpayer identification numbers, number certifications, or W-8 forms for non-resident alien certifications. This paragraph shall survive notwithstanding any termination of this Agreement or the resignation or removal of the Collateral Agent.

ARTICLE VI RELATIVE PRIORITIES

Notwithstanding the date, manner or order of grant, attachment or perfection of any Security Interests securing the Secured Obligations granted on the Collateral and notwithstanding any provision of the UCC or any applicable Law or the Security Documents, each Secured Party (or its Secured Debt Representative on its behalf) hereby agrees that as among the Secured Parties, the Security Interest of the Collateral Agent shall be for the ratable benefit of the Secured Parties with respect to all Collateral and each Secured Party ranks and will rank equally in priority with the other Secured Parties in the Security Interest granted to the Collateral Agent (except to the extent otherwise provided in Section 5.05, 5.09 and Section 9.08).

ARTICLE VII SHARING; ADDITIONAL SECURED PARTIES; PROVISIONS RELATED TO PERMITTED SWAP AGREEMENTS

Section 7.01 Basic Agreement. Subject to the provisions of Article V, Sections 9.08 and 7.03, all amounts paid to or received by the Collateral Agent for redistribution to the Secured Parties (other than to the Secured Debt Representatives in their capacity as Agents) and representing the proceeds of the Collateral and the proceeds of any action taken pursuant to a Direction Notice shall be paid promptly to the Secured Parties ratably (without priority of any one over any other, except as otherwise provided in Article V and Section 9.08) in the order specified in Section 9.08 based on the amounts owing to each Secured Party on each level of priority specified therein as determined in accordance with Section 8.05.

Section 7.02 Payments Received by Certain Secured Parties.

Except as excluded in Section 7.03 and except for amounts obtained from or through the Collateral Agent pursuant to this Agreement, if any Secured Party (other than the Collateral Agent) shall obtain any amount whether (a) by way of voluntary or involuntary payment, (b) by virtue of an exercise of any right of set-off (except in accordance with the netting provisions under the Permitted Swap Agreements), banker's lien or counterclaim, (c) as proceeds of any insurance policy covering any properties or assets of the Borrower, (d) from proceeds of liquidation or dissolution of the Borrower or distribution of its assets among its creditors (however such liquidation, dissolution or distribution may occur), (e) as payment following the acceleration of any Secured Obligation, (f) from any realization on Collateral, (g) by virtue of the application of any provision of any of the Secured Obligation Documents (other than this

Agreement) or (h) in any other manner in respect of any Secured Obligations owed to such Secured Party under any Secured Obligation Document (other than any amount distributed pursuant to and in accordance with the express terms of this Agreement), such Secured Party shall forthwith notify in writing the Collateral Agent, the Borrower and each Secured Debt Representative thereof and shall promptly, and in any event within ten (10) Business Days of its so obtaining the same, pay such amount (less any reasonable costs and expenses incurred by such Secured Party in obtaining such amount) to the Collateral Agent for the account of the Secured Parties, to be shared in accordance with Sections 9.08 and 7.01.

Section 7.03 Amounts Not Subject to Sharing.

Notwithstanding any other provision of this Agreement or any other Secured Obligation Document to the contrary, no Secured Party shall have any obligation to share:

- (a) any payment made by any Person to such Secured Party pursuant to a contract of participation or assignment or any other arrangement by which a direct or indirect interest of such Secured Party under the Secured Obligation Document is transferred (other than any such contract or other arrangement entered into with the Borrower or any Affiliate thereof); and
- (b) any payment permitted to be made pursuant to and in accordance with the express terms of this Agreement.

Section 7.04 Presumption Regarding Payments.

For purposes hereof, any payment received by a Secured Party under or pursuant to a Secured Obligation Document or a Transaction Document that is subject to the provisions of this Article VII may be presumed by such Secured Party to have been properly received by such Secured Party in accordance with this Article VII unless (a) such Secured Party receives written notice from any other Secured Party or the Borrower that such payment was not made in accordance herewith or (b) such Secured Party otherwise has actual knowledge that such payment was not made in accordance herewith. If any payment initially received by a Secured Party is rescinded or must otherwise be restored by the Secured Party that first obtained it, each other Secured Party that shares the benefit of such payment shall return to such Secured Party its portion of the payment so rescinded or required to be restored in each case in accordance with Section 7.02.

Section 7.05 No Separate Security.

Each Secured Party that is a party to this Agreement: (a) agrees that, except as otherwise provided in Section 7.01 and Section 7.03, all Collateral is for the joint benefit of all the Secured Parties; and (b) represents and warrants to each other Secured Party that, in respect of any Secured Obligations now or hereafter owing to such Secured Party, it has received no security or guarantees from the Borrower or any Affiliate thereof, other than (i) its interest in the Collateral as provided in the Security Documents, if any, or (ii) as otherwise provided pursuant to the Secured Obligation Documents in accordance with Section 7.02. In furtherance of the foregoing, if any Secured Party shall receive or be entitled to demand or otherwise call upon any guaranty, security or other assurance of payment which is not described in clause (i) or (ii) of the

preceding sentence in respect of the Secured Obligations owed to such Secured Party, such Secured Party shall receive any proceeds thereof in trust for all the Secured Parties (to be shared promptly and ratably with the other Secured Parties) and shall exercise its rights to demand or call upon such guaranty, security or other assurance of payment as directed by the Required Secured Creditors (determined without regard to the Voting Party Percentage of such Secured Party).

Section 7.06 Additional Secured Parties.

(a) The Collateral Agent will, as agent for the Secured Parties hereunder, perform its undertakings set forth herein with respect to each Secured Party that holds Secured Obligations that are, in each case, incurred on or after the date hereof, and any Person that holds Secured Obligations that are, in each case, incurred on or after the date hereof shall be a “Secured Party” hereunder and shall be beneficiary of the provisions hereof intended to benefit the Secured Parties, so long as such Secured Party signs and delivers to the Collateral Agent, directly or through its designated Secured Debt Representative, an Accession Agreement and a Reaffirmation Agreement. Upon receipt of an executed Accession Agreement and a Reaffirmation Agreement, the Collateral Agent shall promptly countersign (without direction from any Secured Party) such Accession Agreement and Reaffirmation Agreement and deliver copies thereof to the Secured Party named therein.

(b) In furtherance of the foregoing Section 7.06(a), the Borrower shall deliver to the Collateral Agent, and the Collateral Agent in turn shall promptly provide to each Secured Debt Representative, each of the following documents:

(i) a certificate from a Responsible Officer of the Borrower certifying that the Secured Obligations have been incurred in accordance with the requirements of the Secured Obligation Documents;

(ii) a copy of the executed Accession Agreement referred to in Section 7.06(a); and

(iii) a copy of the executed Reaffirmation Agreement referred to in Section 7.06(a).

(c) Any Secured Party may assign or transfer all or part of its interest in the Secured Obligations in accordance with and subject to the terms and conditions set forth in the Secured Obligation Documents to which it is a party. Any such assignee or transferee of such interest in the Secured Obligations shall sign and deliver to the Collateral Agent, directly or through its designated Secured Debt Representative, an Accession Agreement. Upon receipt of an executed Accession Agreement pursuant to any assignment or transfer of Secured Obligations, the Collateral Agent shall promptly countersign (without direction from any Secured Party) such Accession Agreement and deliver a copy thereof to the Secured Party named therein.

Upon the execution and delivery of the Accession Agreement and the Reaffirmation Agreement referred to in this Section 7.06 by the relevant Person (other than the Borrower and the Pledgor), such Person shall become a “Secured Party” for all purposes herein and in

the other Security Documents and the Borrower's obligations to such Person under the Secured Obligation Documents to which such Person is a Party shall become "Secured Obligations" for all purposes herein and under the Security Documents.

Section 7.07 Secured Party Lists.

The Borrower shall furnish to the Collateral Agent at such times as the Collateral Agent may request in writing a list of the names and addresses of each Secured Party and the aggregate principal amount of the Secured Obligations held by each such Secured Party, and, if a Secured Debt Representative has been appointed for any of the Secured Obligations, the name and contact information for such Secured Debt Representative, in each case in such form and as of such date as the Collateral Agent may reasonably require. The Collateral Agent shall keep at its designated corporate trust office a register for the registration and registration of transfers of the Secured Obligations. The name and address of each Secured Party, each transfer thereof and the name and address of each transferee of Secured Obligations shall be registered in such register together with the amount of principal and interest outstanding or due with respect to such Secured Obligations. Prior to due presentment for registration of transfer, the Person in whose name any Secured Obligation shall be registered shall be deemed and treated as the owner thereof for all purposes hereof, and the Collateral Agent shall not be affected by any notice or knowledge to the contrary. The Collateral Agent shall give to the Borrower and any Secured Party promptly upon written request therefor, a complete and correct copy of the names and addresses of all registered Secured Parties. The Collateral Agent shall provide the Borrower access (during its business hours) to review and inspect the register in respect of the Secured Obligations. The Collateral Agent may conclusively rely upon the information provided to it by the Borrower pursuant to this Section 7.07.

Section 7.08 Mortgage Amendments.

If the Borrower shall at any time incur Secured Obligations in an aggregate principal amount that shall exceed the maximum secured amount under the Mortgage, the Borrower shall, concurrently with the incurrence of such Secured Obligations, cause the Mortgage to be amended such that the maximum secured amount under the Mortgage shall equal or exceed the aggregate principal amount of Secured Obligations outstanding. If the Borrower shall at any time incur Secured Obligations with a maturity date beyond the maturity date of the Secured Obligations then set forth in the Mortgage, the Borrower shall, concurrently with the incurrence of such Secured Obligations, cause the Mortgage to be amended such that the maturity date of the Secured Obligations as set forth in the Mortgage shall be the same date or later as the maturity date of such Secured Obligations then being incurred. Upon presentation of such amendment entered into pursuant to this Section 7.08, the Collateral Agent shall promptly countersign (without direction from any Owner) such amendment and deliver a copy thereof to the Borrower.

Section 7.09 Additional Provisions Related to Permitted Swap Agreements.

(a) No Swap Bank may terminate or close out all or any part of any Secured Swap Transaction under a Permitted Swap Agreement prior to its maturity date unless:

(i) An event of default under the Permitted Swap Agreement has occurred and is continuing;

(ii) The Swap Bank (or its Affiliate) ceases to be a lender (or other debt holder, as applicable) under the applicable Additional Senior Indebtedness Document (other than as a result of a voluntary assignment or transfer by such Swap Bank (or its Affiliate));

(iii) the credit extension with respect to which such Secured Swap Transaction relates are refinanced, paid or prepaid, in each case in full, or to the extent relating to the issuance or incurrence of indebtedness accruing interest at a variable rate, the applicable Additional Senior Indebtedness Document, is terminated or cancelled, in each case in full;

(iv) the Borrower's obligations (other than Excluded Swap Obligations) to the Swap Bank under the relevant Permitted Swap Agreement cease to be secured on a *pari passu* basis with the other Secured Creditors pursuant to the Security Documents;

(v) any Secured Obligation Document is amended without the prior written consent of the Swap Bank in a manner that would materially and adversely impact the rights or obligations of the Swap Bank;

(vi) all or substantially all of the Collateral is released without the consent of the Swap Bank; or

(vii) such termination or close out is required to ensure that the aggregate notional principal amount under all Secured Swap Transactions plus the then outstanding principal amount of the Series 2019A Bonds and any Additional Senior Indebtedness accruing interest at a fixed rate shall, in the aggregate, not exceed 105% of all Secured Obligations (other than indebtedness under the Permitted Swap Agreements) then outstanding or expected to be outstanding, and such termination or close out is made *pro rata*, based on the notional amount of each Secured Swap Transaction, to such excess;

provided that following such termination or close-out, the Borrower remains in compliance with applicable hedging requirements and related provisions set forth in the Secured Obligation Documents. In each of the above cases, the relevant Swap Bank may only terminate or close out all or any part of the relevant Secured Swap Transaction if (i) it has notified the Collateral Agent in writing of its intention to do so and (ii) it is entitled to do so under the terms of the relevant Permitted Swap Agreement.

(b) Following the delivery of any Direction Notice by the Required Secured Creditors, each Swap Bank shall, if the Collateral Agent requests (at the direction of the Required Secured Creditors), (a) exercise all rights, if any, it may have to terminate each Permitted Swap Agreement to which it is a party; and (b) pay any amount owed by it to the Borrower, if applicable, to the relevant Agent for application in accordance with this Agreement.

(c) In the event that any Swap Bank shall allow any amount owed by it to the Borrower to be discharged, by set-off or otherwise, in connection with the termination of any of its Secured Swap Transactions or otherwise (other than pursuant to set-off and ordinary course payment or close-out netting arrangements in respect of amounts owed under one or more Secured Swap Transactions entered into under any Permitted Swap Agreement, in each case as expressly permitted by the terms thereof), the amount so discharged shall be subject to sharing among the Secured Parties in accordance with the provisions in this Article VII.

(d) No Swap Bank shall be entitled to give any Direction Notice. A Swap Bank shall be entitled to join in any Direction Notice taken at the instructions of the Required Secured Creditors in accordance with Article VIII, but shall have no right to vote in connection with the implementation of any other aspect of such Direction Notice. If such Swap Bank shall give any Direction Notice, then the Required Secured Creditors, or any Secured Party as the case may be, may instruct the Collateral Agent to intervene and interpose a defense or plea to the provisions set forth herein.

ARTICLE VIII DECISION MAKING; VOTING; NOTICE AND PROCEDURES

Section 8.01 Decision Making.

(a) Where, in accordance with this Agreement or any other Secured Obligation Document, the Modification, approval or other direction or instruction of the Required Secured Creditors is required, the determination of whether such Modification, approval, direction or instruction will be granted or withheld shall be determined by an Intercreditor Vote conducted in accordance with the procedures set forth in this Agreement among the Secured Creditors entitled to vote with respect to the particular decision at issue.

(b) Each decision made in accordance with the terms of this Agreement shall be binding upon each of the Secured Parties.

(c) The respective votes of the Secured Parties that are represented by a Secured Debt Representative under a Secured Obligation Document shall be determined by such Secured Debt Representative and notified by such Secured Debt Representative to the Collateral Agent in writing.

Section 8.02 Intercreditor Votes: Each Party's Entitlement to Vote.(a) Except as otherwise expressly provided in this Agreement, each Secured Creditor shall be entitled to vote in each Intercreditor Vote conducted under this Agreement.

(b) (i) None of (A) any Affiliate of the Borrower that from time to time holds, directly or indirectly, any Commitments or any Secured Obligations or for whom any Commitment or Secured Obligations are held for the account of any of the foregoing or (B) any Secured Party that has agreed, directly or indirectly, to vote or otherwise act at the direction or subject to the approval or disapproval of any Person identified in the foregoing item (A), shall be entitled to participate in any Intercreditor Vote or any vote under any Secured Obligation Document in which it is a Secured Party (it being understood that, until the Collateral Agent receives notice to such effect from a Secured Debt Representative, it shall not deem any such

Secured Party to be a Non-Voting Creditor), and (ii) other than any Intercreditor Vote requiring the consent of the Unanimous Voting Parties pursuant to Section 12.02, unless and until a Swap Bank shall have delivered to each Agent a Swap Termination Certificate, such Swap Bank shall not have (A) any voting rights with respect to any Secured Obligations arising under any Permitted Swap Agreement to which it is a party or (B) any rights to participate in any Intercreditor Vote in its capacity as a Swap Bank (each of the parties referred to in clauses (i) and (ii), a “Non-Voting Creditor”) and each Agent, in determining the percentage of votes cast (and instructions of the Required Secured Creditors), shall disregard the principal amount of Secured Obligations held by Non-Voting Creditors in both the Numerator and Denominator of the calculation in determining the outcome of such vote. Prior to the taking of any Intercreditor Vote, the Borrower shall provide prompt written notice to the Collateral Agent of the identity of each Non-Voting Creditor and the principal amount of Secured Obligations held thereby. For the avoidance of doubt, no Additional Senior Unsecured Indebtedness Holder shall be entitled to participate in any Intercreditor Vote hereunder.

Section 8.03 Intercreditor Votes: Votes Allocated to Each Party.

(a) Except as otherwise provided in Section 8.02, each Secured Creditor will have a number of votes in any Intercreditor Vote equal to its portion (in Dollar amounts in relation to the aggregate Dollar amount of the Combined Exposure) of the Combined Exposure under the Secured Obligation Documents to which it is a Party.

(b) In calculating the Voting Party Percentage consenting to, approving, waiving or otherwise providing direction with respect to a decision, the number of votes cast by all Secured Creditors in favor of the proposed consent, approval, Modification, direction or other action (the “Numerator”) shall be divided by the total number of votes entitled to be cast with respect to such matter (the “Denominator”).

Section 8.04 Notification of Matters.

If at any time (a) the Collateral Agent is to exercise any discretion conferred on it under any Secured Obligation Document or is required to make any determination or calculation or perform any action hereunder or under any other Secured Obligation Document with respect to which determination, calculation or action the Collateral Agent does not then have sufficient information, (b) any other Secured Party, in accordance with this Agreement, notifies the Collateral Agent of a matter with respect to which it believes the Collateral Agent should exercise its discretion or (c) the Collateral Agent receives written notification from any other Secured Party or from the Borrower of any matter requiring a determination or vote by the Secured Creditors under this Agreement, then the Collateral Agent shall promptly notify in accordance with Section 13.03, the other Secured Debt Representatives of the matter in question, seeking instructions of the Required Secured Creditors and specifying:

- (i) if applicable, the manner in which the Collateral Agent proposes to exercise its discretion;
- (ii) the Required Secured Creditors (if any) required for such determination or vote;

(iii) if applicable, the time period determined by the Collateral Agent within which each Secured Party must provide it with instructions in relation to such matter; and

(iv) if required, that each Secured Debt Representative provide a certificate specifying its Combined Exposure at the time such act is proposed to be taken, or discretion exercised.

Section 8.05 Notice of Amounts Owed.

If the Required Secured Creditors pursuant to a Direction Notice instruct the Collateral Agent or any other Person holding any Collateral on behalf of the Secured Parties to proceed to foreclose upon, collect, sell or otherwise dispose of or take any other action with respect to any or all of the Collateral or to enforce any remedy under any other Secured Obligation Document or in the circumstances described in Section 8.04, then upon the request of the Collateral Agent, each Secured Party shall promptly notify the Collateral Agent in writing, as of any time that the Collateral Agent may reasonably specify in such request, of (a) the aggregate amount of the respective Secured Obligations owing to the Secured Party and (b) such other information as the Collateral Agent may reasonably request; *provided* that, the Collateral Agent shall have no obligation to act until it has received such requested information in accordance with the foregoing Direction Notice.

ARTICLE IX COLLATERAL AND REMEDIES

Section 9.01 Administration of Collateral. The Project Accounts (except for any Operating Account, the Equity Funded Account and any Collection Account) shall be held by the Collateral Agent for the benefit of the Secured Parties pursuant to the terms hereof and shall be administered by the Collateral Agent in the manner contemplated hereby and by the other Security Documents.

Section 9.02 Notice of Secured Obligation Event of Default.

(a) Promptly after any Secured Party obtains knowledge of the occurrence of any Secured Obligation Event of Default, such Secured Party shall notify its Secured Debt Representative, if applicable, and the Collateral Agent and the Account Bank in writing thereof (a "Notice of Default"). Each such Notice of Default shall specifically refer to this Section 9.02(a) and shall describe such Secured Obligation Event of Default in reasonable detail (including the date of occurrence). Upon receipt by the Collateral Agent of any such notice, the Collateral Agent shall promptly send copies thereof to each Secured Debt Representative and the Borrower.

(b) Notwithstanding anything to the contrary contained in this Agreement or any document executed in connection with any of the Secured Obligations, the Collateral Agent, unless a Responsible Officer of the Collateral Agent shall have actual knowledge thereof, shall not be deemed to have any knowledge of any Secured Obligation Event of Default unless and until it shall have received written notice from the Borrower, any Secured Debt Representative or any other Secured Party describing such Secured Obligation Event of Default in reasonable

detail. If the Collateral Agent receives any such notice, the Collateral Agent shall deliver a copy thereof to the Secured Debt Representatives.

Section 9.03 Enforcement of Remedies.

(a) If a Secured Obligation Event of Default shall have occurred and be continuing, the Required Secured Creditors (on behalf of the Secured Parties), shall be permitted and authorized to direct the Collateral Agent to take such actions under the Security Documents as are specified by such Required Secured Creditors, including any and all actions (and the exercise of any and all rights, remedies and options) which any Secured Party or any Secured Debt Representative may have under the Secured Obligation Documents or under applicable Law, including the ability to cure any Secured Obligation Event of Default that has occurred and is continuing, or, so long as some or all of the Secured Obligations are then due and payable, to foreclose on the Security Interests granted under the Security Documents and exercise the right of the Collateral Agent to sell the Collateral or any part thereof (or accept a deed in lieu of foreclosure) and sell, lease or otherwise realize upon the other property mortgaged, pledged and assigned to the Collateral Agent under the Security Documents (any such request from the Required Secured Creditors, a “Direction Notice”); *provided* that, as set forth in Section 7.09(d), no Swap Bank shall be entitled to initiate a Direction Notice and shall participate in such Direction Notice only in accordance with Section 7.09(d). No Secured Party shall have any right to direct a Secured Debt Representative or the Collateral Agent to take any action in respect of the Collateral or initiate or pursue any insolvency or other proceeding resulting in the bankruptcy of the Borrower other than in accordance with the terms hereof. The Security Interest in the Collateral is vested in and held by the Collateral Agent (for the benefit of the Secured Parties) and only the Collateral Agent, acting on the instructions of the Required Secured Creditors, has the right to take actions (and exercise rights, remedies and options) with respect to the Collateral.

If the Collateral Agent receives a Direction Notice directing the Collateral Agent to commence an Enforcement Action or take any other action, the Collateral Agent shall notify each other Secured Party and the Account Bank of such Direction Notice prior to taking such Enforcement Action or other action.

(b) Any action (including any Enforcement Action) which has been requested pursuant to a Direction Notice may be modified, supplemented, terminated and/or countermanded if the Collateral Agent shall have received either (i) a revocation notice from the Required Secured Creditors or (ii) a notice from the Required Secured Creditors that contains different or supplemental directions with respect to such action.

(c) At the direction of the Required Secured Creditors pursuant to a Direction Notice, the Collateral Agent shall seek to enforce the Security Documents and to realize upon the Collateral or, in the case of a Bankruptcy Event with respect to the Borrower, to seek to enforce the claims of the Secured Parties under the Secured Obligation Documents in respect thereof; *provided, however*, that the Collateral Agent shall not be obligated to follow any Direction Notice as to which the Collateral Agent (as applicable) has received a written opinion of counsel to the effect that such Direction Notice is in conflict with any provisions of applicable Law, this Agreement or any other Secured Obligation Document or any order of any court or Governmental Authority.

(d) If the Secured Obligations are accelerated in accordance with the relevant Secured Obligation Document, or any Swap Bank determines to declare (or take other action resulting in) an early termination of its Permitted Swap Agreement constituting a Secured Obligation Document as a result of the occurrence and continuation of a Secured Obligation Event of Default under such Permitted Swap Agreement, then such Secured Party shall deliver to the Collateral Agent (for further delivery to all other Secured Parties) and the Borrower within two (2) Business Days of such acceleration or determination, as the case may be, a written notice to that effect in order to permit, if applicable, the Secured Parties to coordinate the timing of the acceleration and early termination of their respective Secured Obligations. Notwithstanding any provision to the contrary in this Agreement, the requisite number of Secured Parties specified in any Secured Obligation Document may at any time after the occurrence and during the continuance of a Secured Obligation Event of Default accelerate the Secured Obligations thereunder or cause the early termination of the relevant Permitted Swap Agreement in accordance with the terms of the relevant Secured Obligation Document. No Direction Notice or instruction by the Required Secured Creditors will be required to be taken or delivered in respect of such Secured Obligation Event of Default prior to such requisite number of Secured Parties taking such action as described in the immediately preceding sentence.

Section 9.04 Reserved.

Section 9.05 Allocation of Collateral Proceeds.

Following the acceleration of the Secured Obligations, the proceeds of any collection, recovery, receipt, appropriation, realization or sale of any or all of the Collateral or the enforcement of any Security Document shall be applied in accordance with Section 9.08.

Section 9.06 Remedies of the Secured Parties. Unless otherwise consented to in writing by the Secured Debt Representatives (acting in accordance with the terms of the Secured Obligation Documents), no Secured Party, individually or together with any other Secured Parties, shall have the right, nor shall it, exercise or enforce any of the rights, powers or remedies that the Collateral Agent is authorized to exercise or enforce under this Agreement or any of the other Security Documents.

Section 9.07 Secured Party Information. In the event that the Collateral Agent acting at the direction of the Secured Debt Representatives proceeds to foreclose upon, collect, sell or otherwise dispose of or take any other action with respect to any or all of the Collateral or to enforce any provisions of the Security Documents or takes any other action pursuant to this Agreement or any provision of the Security Documents or requests directions from the Secured Debt Representatives as provided herein, upon the request of the Collateral Agent, each of the Secured Debt Representatives (on behalf of the Secured Parties) and the Issuer (or any agent of or representative for such Secured Party) shall promptly deliver a written notice to the Collateral Agent and each of the other Secured Parties setting forth (a) the aggregate amount of Secured Obligations owing to such Secured Party under the applicable Secured Obligation Document as of the date specified by the Collateral Agent in such request and (b) such other information as the Collateral Agent may reasonably request.

Section 9.08 Application of Proceeds.

(a) Following delivery of a Direction Notice upon the occurrence and during the continuance of a Secured Obligation Event of Default, the Collateral Agent shall transfer all amounts and proceeds attributable to any Debt Service Reserve Account to the appropriate Secured Debt Representative or Secured Debt Representatives with respect to the Secured Obligations to which such Debt Service Reserve Account relates, to be applied, first for the pro rata payment of fees, administrative costs, expenses and indemnification payments due to the Agents under the Secured Obligation Documents and to the payments then due and payable by the Borrower to the Series 2019A Rebate Fund (or any similar rebate fund established in accordance with Additional Parity Bonds), second for the pro rata payment of all accrued and unpaid interest (including default interest, if any) on the relevant Secured Obligations, and third, if any unpaid principal or premium (if applicable) of such Secured Obligations has become due (by acceleration or otherwise), to the payment of such unpaid principal and premium, and thereafter, any remainder shall be applied in accordance with the priority set forth in Section 9.08(c).

(b) Following delivery of a Direction Notice upon the occurrence and during the continuance of a Secured Obligation Event of Default, the Collateral Agent shall transfer all amounts and proceeds attributable to any sub-account of the Mandatory Prepayment Account to the appropriate Secured Debt Representative or Secured Debt Representatives with respect to the Secured Obligations to which such sub-account of the Mandatory Prepayment Account relates, to be applied, first for the pro rata payment of fees, administrative costs, expenses and indemnification payments due to the Agents under the Secured Obligation Documents and to the payments then due and payable by the Borrower to the Series 2019A Rebate Fund (or any similar rebate fund established in accordance with Additional Parity Bonds), second for the pro rata payment of all accrued and unpaid interest (including default interest, if any) on the relevant Secured Obligations, and third, if any unpaid principal or premium (if applicable) of such Secured Obligations has become due (by acceleration or otherwise), to the payment of such unpaid principal and premium, and thereafter, any remainder shall be applied in accordance with the priority set forth in Section 9.08(c).

(c) All proceeds remaining in any Debt Service Reserve Account and the Mandatory Prepayment Account after application thereof in accordance with Sections 9.08(a) and (b) and all other proceeds received by the Collateral Agent pursuant to the exercise of any rights or remedies accorded to the Collateral Agent pursuant to, or by the operation of any of the terms of, any of the Security Documents following the occurrence and during the continuance of a Secured Obligation Event of Default, including proceeds from the sale or disposition of Collateral or other Enforcement Action, shall first be applied to reimburse the Collateral Agent for payment of the reasonable costs and necessary expenses of the Enforcement Action, including fees and expenses of counsel, all reasonable expenses, liabilities, and advances made or incurred by the Collateral Agent in connection therewith, and all other amounts due to the Collateral Agent in its capacity as such, and thereafter, the remaining proceeds shall be applied promptly by the Collateral Agent toward repayment of the Senior Indebtedness in the following order of priority:

first, ratably, to the payment of any other fees, administrative costs, expenses and indemnification payments due to the Agents under the Secured Obligation Documents and to the payments then due and payable by the Borrower to the Series 2019A Rebate

Fund (or any similar rebate fund established in accordance with Additional Parity Bonds);

second, ratably, to the respective outstanding fees, costs, charges and expenses then due and payable to the Secured Parties under any Secured Obligation Documents based on such respective amounts then due to such Persons (other than the fees and payments due to the Secured Parties under third, fourth and fifth below);

third, ratably, to any accrued but unpaid interest and commitment fees owed to the Secured Creditors on the applicable Secured Obligations and any Ordinary Course Settlement Payments based on such respective amounts then due to such Secured Creditors;

fourth, ratably, to the unpaid principal and premium (if applicable) owed to the Secured Creditors under the applicable Secured Obligation Documents (by acceleration or otherwise) and any Swap Termination Payments then due and payable to the to the Swap Banks under the Permitted Swap Agreements, based on such respective amounts then due to such Secured Creditors;

fifth, ratably, to any remaining unpaid Secured Obligations then due and payable to the relevant Secured Parties (including any obligation to provide cash collateral in respect thereof pursuant to the terms of the Secured Obligation Documents), based on such respective amounts then due to such Secured Parties;

sixth, after final Payment in Full of all Secured Obligations, ratably, to any remaining unpaid Additional Senior Unsecured Indebtedness then due and payable to the relevant holders of such Additional Senior Unsecured Indebtedness (including any obligation to provide cash collateral in respect thereof pursuant to the terms of the applicable Additional Senior Unsecured Indebtedness Documents), based on such respective amounts then due to such holders; and

seventh, after final Payment in Full of all Secured Obligations and payment in full of all Additional Senior Unsecured Indebtedness, and upon the Termination Date, to pay to the Borrower, or as may be directed by the Borrower or as a court of competent jurisdiction may direct, any remaining proceeds.

(d) It is understood that the Borrower shall remain liable to the extent of any deficiency between the amount of proceeds of the Project Accounts and any other Collateral and the aggregate of the sums referred to in priorities first through sixth in Section 9.08(c) above.

(e) If at any time any Secured Party will for any reason obtain any payment or distribution upon or with respect to the Secured Obligations (as the case may be) contrary to the terms of the Collateral Agency Agreement, whether as a result of the Collateral Agent's exercise of any Enforcement Action in respect of the Collateral or otherwise, such Secured Party agrees that it will have received such amounts in trust, and will promptly remit such amount so received in error to the Collateral Agent to be applied in accordance with the terms of the Collateral Agency Agreement. If at any time the Collateral Agent or any other Secured Party will for any reason obtain any identifiable cash proceeds of any assets securing any Purchase Money Debt

and in which assets the holder or representative of the holders of such Purchase Money Debt has or had a Security Interest having priority over any interest of the Collateral Agent or any other Secured Party in such assets, whether as a result of the Collateral Agent's exercise of any Enforcement Action in respect of the Collateral or otherwise, the Collateral Agent or such other Secured Party agrees that it will have received such amounts in trust, and will promptly remit such amount so received in error to the holder or representative of the holders of such Purchase Money Debt.

(f) By accepting amounts applied in accordance with clauses Fifth and Sixth of Section 5.02(b), each Additional Senior Unsecured Indebtedness Holder hereby agrees that if at any time any Additional Senior Unsecured Indebtedness Holder will for any reason obtain any payment or distribution upon or with respect to the Additional Senior Unsecured Indebtedness contrary to the terms of the Collateral Agency Agreement, whether as a result of the Collateral Agent's exercise of any Enforcement Action in respect of the Collateral or otherwise, such Additional Senior Unsecured Indebtedness Holder will have received such amounts in trust, and will promptly remit such amount so received in error to the Collateral Agent to be applied in accordance with the terms of the Collateral Agency Agreement.

Section 9.09 Reliance on Information. For purposes of applying payments received in accordance with this Article, the Collateral Agent shall be entitled to rely upon the information received by, and upon the request of, the Collateral Agent for such purpose, pursuant to Sections 2.05 and 8.05 of this Agreement, with respect to the amounts of the outstanding Secured Obligations owed to the Secured Parties, the amounts of any outstanding Additional Senior Unsecured Indebtedness owed to the Additional Senior Unsecured Indebtedness Holders (if any) and the amount of any proceeds distributed from the Project Accounts. In the event that the Collateral Agent, in its sole discretion, determines that it is unable to determine the amount or order of payments that should be made hereunder, the parties hereto agree that the Collateral Agent shall have the right, at its option, to deposit with, or commence an interpleader proceeding in respect of, such funds in a court of competent jurisdiction for a determination by such court as to the correct application of such funds hereunder.

ARTICLE X COMPENSATION, INDEMNITY AND EXPENSES

Section 10.01 Compensation; Fees and Expenses. The Borrower hereby agrees to pay to the Collateral Agent for its own account compensation in such amount as separately agreed upon in writing between the Borrower and the Collateral Agent. In addition, the Borrower shall pay on the next Transfer Date falling at least ten (10) Business Days after written demand from the Collateral Agent the amount of any and all other reasonable out-of-pocket expenses incurred by the Collateral Agent, including the reasonable and customary fees, charges and disbursements of any counsel for the Collateral Agent, in connection with (a) the preparation of amendments and waivers hereunder and under the other Security Documents; (b) the enforcement of the rights or remedies of the Collateral Agent under this Agreement or any other Security Document, including all reasonable out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of the Secured Obligations; (c) the sale of, collection from or other realization upon, the Collateral; and (d) lien and security interest searches and filings in connection with this Agreement or any other Security Document. If any

amounts required to be paid by the Borrower to the Collateral Agent under this Agreement or any other Security Document remain unpaid after such amounts are due, the Borrower shall pay interest on the aggregate, outstanding balance of such amounts from the date due until those amounts are paid in full at a per annum rate equal to the highest interest rate then applicable to any outstanding Secured Obligation under the Secured Obligation Documents, such rate to change from time to time as interest rates on Secured Obligations may change. Interest shall be calculated on the basis of a year of 360 days for actual days elapsed.

Section 10.02 Borrower Indemnification. The Borrower shall indemnify each of the Collateral Agent, the Account Bank and any Co-Collateral Agent, and each of their respective officers, directors, employees, agents and attorneys-in-fact (each such Person being called an “Indemnitee”) against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses, including the reasonable fees, charges and disbursements of any counsel for any Indemnitee, incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of (i) the execution or delivery of any Security Document or any agreement or instrument contemplated thereby, the performance by the parties hereto of their respective obligations hereunder or the consummation of the transactions contemplated thereby (including the performance by the parties hereto of their respective obligations under the Security Documents), (ii) any actual or alleged presence or Release of Hazardous Materials by the Borrower on or from the Project or any property owned or operated by the Borrower, or (iii) any actual claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory and regardless of whether any Indemnitee is a party thereto; *provided* that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence, bad faith or willful misconduct of such Indemnitee. The obligations of the Borrower under this Section shall survive the payment in full of the Secured Obligations, any resignation or removal of the Collateral Agent and the Account Bank pursuant to Section 2.11 of this Agreement, and the termination of this Agreement pursuant to Article XI.

ARTICLE XI TERMINATION

Upon termination of this Agreement pursuant to Section 5.17 of this Agreement, all rights to the Collateral as shall not have been sold or otherwise applied, in each case, pursuant to the terms hereof shall revert to the Borrower, its successors or assigns, or otherwise as a court of competent jurisdiction may direct. Upon any such termination, the Collateral Agent will, at the Borrower’s direction and expense, execute and deliver to the Borrower such documents as the Borrower shall reasonably request to evidence such termination.

ARTICLE XII AMENDMENTS; WAIVERS; INSTRUCTIONS

Section 12.01 Modifications Generally. Subject to Sections 12.02, 12.03 and 12.04:

(a) Modifications with respect to the provisions of any Financing Obligation Document (other than the Security Documents), including with respect to the Restricted Payment Conditions defined herein by reference to such documents, or the release of any Person liable in any manner under or in respect of the Financing Obligations owing under such Financing Obligation Document, shall be made in accordance with the requirements of such Financing Obligation Document.

(b) Modifications with respect to the provisions of the Security Documents may be made only with the consent of the Collateral Agent (acting at the direction of the Required Secured Creditors) and otherwise in accordance with the requirements of such Security Document (and as to such Security Documents providing for Modifications without the consent of any party (including Section 6.01 of a Mortgage), the Collateral Agent is hereby authorized and directed to enter into any such Modification in accordance with the terms thereof). In addition, without the consent of, or notice to, any Secured Party, the Collateral Agent may, upon the receipt of the written consent of the Borrower, consent to any Modification with respect to the provisions of the Security Documents for any one or more or all of the following purposes (and the Collateral Agent is hereby authorized and directed to enter into any such Modification in accordance with the terms thereof):

- (i) to add additional covenants to the covenants and agreements of the Borrower set forth therein;
- (ii) to cure any ambiguity, or to cure, correct or supplement any defect, mistake, error, omission or inconsistent provision contained therein;
- (iii) to add a new guarantor or to add additional assets as Collateral;
- (iv) to release Collateral in accordance with the terms of the Security Documents;
- (v) to provide for the issuance of Additional Parity Bonds issued from time to time in accordance with the Indenture or the incurrence of Additional Senior Secured Indebtedness permitted by the Financing Obligation Documents;
- (vi) to amend any existing provision thereof or to add additional provisions which, in the opinion of Bond Counsel, are necessary or advisable (i) to qualify, or to preserve the qualification of, the interest on any Bonds for exclusion from gross income for federal income tax purposes or (ii) to qualify, or preserve the qualification of, any Bonds for an exemption from registration or other limitations under the laws of any state or territory of the United States;
- (vii) to facilitate the receipt of moneys;
- (viii) to establish additional funds, accounts or subaccounts in accordance with this Agreement;
- (ix) to evidence and provide for the acceptance and appointment of a successor Collateral Agent;

- (x) to facilitate the movement or relocation of any Operating Account, the Equity Funded Account or any Collection Account to a replacement Deposit Account Bank or the movement or relocation of the Project Accounts to a successor Collateral Agent;
- (xi) in connection with any other change which, in the judgment of the Collateral Agent (who may for such purposes rely entirely upon a legal opinion with respect thereto of counsel selected by, or reasonably satisfactory to, the Collateral Agent, which legal counsel may rely on a rating confirmation by any Nationally Recognized Rating Agency or a certificate of an investment banker or financial advisor with respect to financial matters and on a certificate from a Responsible Officer of the Borrower as to factual matters), does not materially adversely affect the rights of the Secured Parties, including, without limitation, conforming any Security Document to the terms and provisions of any other Secured Obligation Document; or
- (xii) as provided by the other Security Documents with respect to any Modification.

With respect to a Modification to a Mortgage meeting the requirements of any of (i) through (ix) above or as permitted pursuant to Section 6.01 of a Mortgage, Borrower shall provide a Mortgage Modification Certificate (substantially in the form attached hereto as Exhibit H) for any Modification in connection with such Mortgage.

Section 12.02 Modifications Requiring All Secured Parties.

The written consent of the Unanimous Voting Parties shall be required for:

- (a) any Modification to the definitions of the terms “Secured Parties”, “Secured Creditors”, “Required Secured Creditors” or “Unanimous Voting Parties” or to this Section 12.02.
- (b) any Modification of any provision of this Agreement or any other Security Document that has the effect of:
 - (i) permitting the Borrower to assign its rights or delegate its duties under this Agreement or any Security Document;
 - (ii) releasing or subordinating all or substantially all of the Collateral from the Security Interest securing the Secured Obligations;
 - (iii) releasing or subordinating the Project Revenues or the Project Accounts from the Security Interest of the Security Agreement; and
 - (iv) altering the relative priority of payments or application of proceeds as among the Secured Parties.

Further, any Modification of any provision of this Agreement or any other Security Document that would have a material and adverse effect on the rights of any Swap Bank shall require the

written consent of such Swap Bank. Except as set forth in Section 12.01(b), this Section 12.02 or Section 12.03, all other Modifications under the Security Documents shall only require the consent of the Required Secured Creditors.

Section 12.03 Additional Modifications Allowed Without Consent.

Without the consent of any Secured Party or any other Person, the Collateral Agent and any other Secured Debt Representative party thereto may with the Borrower's consent (not to be unreasonably withheld), but shall not be obligated to, at any time and from time to time, enter into one or more Modifications of the Security Documents, as applicable, to cure any immaterial ambiguity, or to provide for any other ministerial actions with respect to matters arising under the Security Documents; *provided* that, such actions pursuant to this clause do not materially adversely affect the interests of the Secured Parties; and *provided further* that by executing or acceding to this Agreement, each Secured Party consents to any Modification which is made in compliance with this Section 12.03.

Section 12.04 Effect of Amendment on the Agents.

No party hereto shall amend any provision of any Secured Obligation Document that adversely affects any Agent party thereto without the written consent of such Agent.

Section 12.05 Amendments; Waivers.

(a) Except to the extent specified in Sections 12.01, 12.02, 12.03 and 12.04 above, any term, covenant, agreement or condition of this Agreement or any of the other Security Documents may be amended or waived only by an instrument in writing signed by each of the Collateral Agent (acting upon the instruction of the Required Secured Creditors), the Borrower and the Account Bank; *provided* that:

(i) only the Trustee may waive any rights of the Trustee under any provision of this Agreement; no consent to any departure by the Borrower from this Agreement (or the Security Documents) shall be effective unless in writing signed by the applicable parties specified herein, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; and

(ii) the consent of the Account Bank shall be required for any amendment to Section 5.18 of this Agreement or any other amendment that would modify the rights or obligations of the Account Bank.

(b) The waiver (whether express or implied) by the Collateral Agent of any breach of the terms or conditions of this Agreement, and the consent (whether express or implied) of any Secured Party shall not prejudice any remedy of the Collateral Agent or any Secured Party in respect of any continuing or other breach of the terms and conditions hereof, and shall not be construed as a bar to any right or remedy which the Collateral Agent or any other Secured Party would otherwise have on any future occasion under this Agreement.

(c) No failure to exercise nor any delay in exercising, on the part of the Collateral Agent or any other Secured Party, of any right, power or privilege under this Agreement shall

operate as a waiver thereof; further, no single or partial exercise of any right, power or privilege under this Agreement shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege available to it. All remedies hereunder and under the other Security Documents are cumulative and are not exclusive of any other remedies that may be available to the Collateral Agent, whether at law, in equity or otherwise.

ARTICLE XIII MISCELLANEOUS PROVISIONS

Section 13.01 Further Assurances. The Borrower agrees that from time to time, at its expense, it will promptly execute and deliver all further instruments and documents, and take all further action as is necessary or as the Collateral Agent shall otherwise reasonably request to perfect and maintain perfected the Security Interests granted hereunder and under the other Secured Obligation Documents and to enable the Collateral Agent and the Secured Parties to exercise and enforce their rights and remedies hereunder.

Section 13.02 Successors and Assigns.

(a) This Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective successors and assigns of the parties hereto; provided, however, that the Borrower may not assign or transfer any of its rights or obligations hereunder without the prior written consent of each Secured Party other than in accordance with the terms of the Financing Obligation Documents, and any assignment or transfer in violation of this provision shall be null and void.

(b) Nothing contained in this Agreement or any other Security Document is intended to limit the right of any Secured Party to assign, transfer or grant participations in its rights in its respective Secured Obligations and Secured Obligation Documents.

Section 13.03 Notices. Unless otherwise expressly provided herein, all notices, instructions, consents, requests, directions and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy or email, as follows:

(i) if to the Borrower:

Virgin Trains USA Florida LLC
161 NW 6th Street, Suite 900
Miami, FL 33136
Attention: Myles Tobin, General Counsel
Telephone: (305) 521-4875
E-mail: Myles.Tobin@gobrightline.com

With a copy to:

Virgin Trains USA Florida LLC
161 NW 6th Street, Suite 900
Miami, FL 33136

Attention: Patrick Goddard, President
Telephone: (305) 521-4848
E-mail: Patrick.Goddard@gobrightline.com

- (ii) if to the Trustee, the Collateral Agent or the Account Bank:

Deutsche Bank National Trust Company
c/o Deutsche Bank Trust Company Americas
Trust and Agency Services
60 Wall Street, 16th Floor
Mail Stop: NYC60-1630
New York, New York 10005
Attention: Corporates Team, Virgin Trains
Facsimile: (732) 578-4635

- (iii) if to the Issuer:

Florida Development Finance Corporation
156 Tuskawilla Road, Suite 2340
Winter Springs, Florida 32708
Attention: William F. Spivey, Jr.
Telephone: (407) 712-6355
Facsimile: (407) 369-4260
E-mail: bspivey@fdcbonds.com

With a copy to:

Nelson Mullins Riley & Scarborough LLP
390 North Orange Avenue
Suite 1400
Orlando, FL 32801
Attention: Joseph B. Stanton
Telephone: (407) 839-4210
Facsimile: (407) 425-8377
E-mail: joseph.stanton@nelsonmullins.com

Notwithstanding anything to the contrary contained herein, each such notice, instruction, direction, request or other communication so given to the Collateral Agent shall be effective only upon actual receipt. The Collateral Agent shall provide written confirmation of its receipt of all such notices. All instructions required under this Agreement will be delivered to the Collateral Agent in writing, in either original or facsimile form, executed by a Responsible Officer. The identity of such Responsible Officers, as well as their specimen signatures, will be delivered to the Collateral Agent in the form of an Incumbency Certificate substantially in the form of Exhibit D and will remain in effect until such party notifies the Collateral Agent of any change. In its capacity as Collateral Agent, the Collateral Agent will accept all instructions and documents complying with the above under the indemnities provided in this Agreement, and reserves the right to refuse to accept any instructions or documents which fail, or appear to fail,

to comply with the terms hereof; *provided* that in the event of any such refusal by the Collateral Agent, the Collateral Agent shall promptly notify the relevant Responsible Officer executing the instructions or delivering the documents of such non-compliance and provide a reasonable time period for the correction thereof. Further to this procedure, the Collateral Agent reserves the right to telephone a Responsible Officer of the Trustee or the Borrower to confirm the details of such instructions or documents if they are not already on file with it as standing instructions, and the Collateral Agent agrees that it will promptly telephone a Responsible Officer of the Trustee or the Borrower, as applicable, if the Collateral Agent has determined that it will refuse to accept any instructions or documents which fail, or appear to fail, to comply. The Collateral Agent and the parties hereto agree that the above constitutes a commercially reasonable security procedure.

Any party hereto may change its address or telecopy number for notices and other communications hereunder by notice to the Borrower, the Agents and the Secured Debt Representatives. All notices or other communications required or permitted to be given pursuant to this Agreement shall be in writing and, if given in accordance with this Section, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when delivered by hand or, in the case of notice given by mail, private courier, overnight delivery service, international shipping service or facsimile.

Section 13.04 Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Agreement by signing any such counterpart.

Section 13.05 Governing Law; Consent to Jurisdiction; WAIVER OF JURY TRIAL; Waiver of Venue; Service of Process. (a) This Agreement shall be governed by and construed in accordance with the substantive laws of the State of New York. Each of the parties hereto hereby irrevocably (a) consents and submits to the non-exclusive jurisdiction of any New York state court sitting in New York County, New York or any federal court of the United States sitting in the Southern District of New York, as any party may elect, in any suit, action or proceeding arising out of or relating to this Agreement or any other Security Document and (b) WAIVES THE RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY ACTION IN WHICH ANY OF THE PARTIES HERETO ARE PARTIES RELATING TO OR ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER SECURITY DOCUMENT. For the avoidance of all doubt, nothing herein shall be construed as requiring any obligations, rights and duties of the Issuer to be subject to the laws of any jurisdiction other than the State of Florida or as requiring the Issuer to submit to jurisdiction in any state or federal court not located within the State of Florida.

(b) The parties hereto hereby irrevocably and unconditionally waive, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in paragraph (a) of this Section 13.05. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(c) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 13.03. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

Section 13.06 Captions. The headings of the several articles and sections and subsections of this Agreement are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Agreement.

Section 13.07 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Agreement.

Section 13.08 Third Party Beneficiaries. This Agreement and the covenants contained herein are made solely for the benefit of the parties hereto and the other Secured Parties from time to time bound hereby, and their successors and assigns, and shall not be construed as having been intended to benefit any other third-party not a party to this Agreement; provided, to the extent that this Agreement provides for the payment of amounts owed to Additional Senior Unsecured Indebtedness Holders (if any), pursuant to Fifth and Sixth of the Flow of Funds set forth in Section 5.02(b) and payments upon collection of proceeds pursuant to Sixth in Section 9.08(c), such Additional Senior Unsecured Indebtedness Holders are hereby explicitly recognized as being third-party beneficiaries hereunder and may enforce any such rights conferred, given or granted hereunder.

Section 13.09 Entire Agreement. This Agreement, the other Secured Obligation Documents and the fee related letters, including the documents referred to herein and therein, constitute the entire agreement and understanding of the parties hereto, and supersede any and all prior agreements and understandings, written or oral, of the parties hereto relating to the subject matter hereof.

Section 13.10 Conflict with Other Agreements. Except as otherwise expressly provided herein, the parties agree that in the event of any conflict between the provisions of this Agreement (or any portion thereof) and the provisions of any other Secured Obligation Document or any other agreement now existing or hereafter entered into, the provisions of this Agreement shall control with respect to the matters set forth in this Agreement. In the event that in connection with the establishment of any of the Accounts or the Distribution Account with the Deposit Account Bank, the Borrower shall enter into any agreement, instrument or other document with the Deposit Account Bank which has terms that are in conflict with or inconsistent with the terms of this Agreement, the terms of this Agreement shall control.

Section 13.11 Reinstatement. If at any time for any reason (including bankruptcy, insolvency, receivership, reorganization, dissolution or liquidation of the Borrower or the appointment of any receiver, intervenor or conservator of, or agent or similar official for, the Borrower or any of its properties) payment and performance of the Borrower's obligations

hereunder, or any part thereof, is rescinded or voided or reduced in amount, or must otherwise be restored or returned by the Collateral Agent or any other Secured Party, that payment will not be considered to have been made and this Agreement and the obligations of the Borrower hereunder will be effective or be automatically reinstated, if necessary, as if that payment had not been made and the Termination Date shall be extended accordingly.

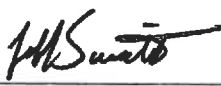
Section 13.12 Collateral Agent's Rights. (a) If at any time the Collateral Agent is served with any judicial or administrative order, judgment, decree, writ or other form of judicial or administrative process which in any way affects the Collateral (including but not limited to orders of attachment or garnishment or other forms of levies or injunctions or stays relating to the transfer of such property), the Collateral Agent is authorized to comply therewith in any manner it or legal counsel of its own choosing reasonably deems appropriate; and if the Collateral Agent complies with any such judicial or administrative order, judgment, decree, writ or other form of judicial or administrative process, the Collateral Agent shall not be liable to any of the parties hereto or to any other person or entity even though such order, judgment, decree, writ or process may be subsequently modified or vacated or otherwise determined to have been without legal force or effect.

(b) To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account and from time to time update such information as reasonably requested by the Collateral Agent. When any account or sub-account is opened, the Collateral Agent shall be entitled to such information that will allow it to identify the individual or entity who is establishing the relationship or opening the account and may also ask for formation documents such as articles of incorporation or other identifying documents to be provided and such other information as the Collateral Agent may reasonably request from time to time to comply with applicable Law.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first written above.


VIRGIN TRAINS USA FLORIDA LLC,
as the Borrower

By: 

Name: Jeff Swiatek

Title: Vice President and Chief Financial Officer

**DEUTSCHE BANK NATIONAL TRUST
COMPANY, as the Trustee**

By: 
Name: **Debra A. Schwalb**
Title: **Vice President**

By: 
Name: **Annie Jaghatspanyan**
Title: **Vice President**

**DEUTSCHE BANK NATIONAL TRUST
COMPANY, as the Collateral Agent and the
Account Bank**

By: 
Name: **Debra A. Schwalb**
Title: **Vice President**

By: 
Name: **Annie Jaghatspanyan**
Title: **Vice President**

COMMON DEFINITIONS

Unless otherwise specified, capitalized terms used in the Collateral Agency Agreement and other Security Documents will have the meanings set forth below:

“*Acceptable Bank*” means a bank or other financial institution with a rating of at least “A-” (or the equivalent) by two Nationally Recognized Rating Agencies, or the equivalent, as of the date of issuance of the applicable letter of credit and on the date of any rating change applied to such entity.

“*Acceptable Letter of Credit*” means any irrevocable letter of credit (a) issued by an Acceptable Bank, (b) the reimbursement obligations with respect to which shall not be recourse to the Borrower, (c) the term of which is at least one year from the date of issue (except where such letter of credit is issued to satisfy a requirement under the Secured Obligation Documents that expires less than one year after issuance, then the term shall be for such shorter period) and (d) which allows drawing (i) during the 30 day period prior to expiry (unless replaced or extended), (ii) upon downgrade of the issuer such that it is no longer an Acceptable Bank and, (iii) if such letter of credit is used to fund any reserve account established under the Collateral Agency Agreement, when funds would otherwise be drawn from such reserve account.

“*Acceptable Surety*” means a bank, insurance company or other financial institution with a rating of at least “A-” (or the equivalent) by two Nationally Recognized Rating Agencies, or the equivalent as of the date of issuance of the applicable surety bond or non-cancelable insurance policy and on the date of any rating change applied to such entity.

“*Accession Agreement*” means an accession agreement substantially in the form attached as Exhibit F to the Collateral Agency Agreement.

“*Account Bank*” means Deutsche Bank National Trust Company in its capacity as the securities intermediary with respect to any Project Account that is a securities account or as the bank with respect to any Project Account that is a deposit account.

“*Account Control Agreement*” means one or more Account Control Agreements entered into or to be entered into among the Borrower, the Collateral Agent and the Deposit Account Bank in respect of each Operating Account, the Equity Funded Account and any Collection Account.

“*Accounts*” means any account or sub-account created in any Fund under the Indenture (or any Supplemental Indenture) or any account or sub-account under the Collateral Agency Agreement.

“*Additional Debt Service Reserve Account*” means any debt service reserve account established from time to time under the Collateral Agency Agreement, at the request of the Borrower in accordance with the terms of the Collateral Agency Agreement, as required by the terms of any Additional Senior Indebtedness Documents.

“Additional Debt Service Reserve Requirement” means, with respect to an Additional Debt Service Reserve Account and calculated on any applicable Calculation Date, the amount required by the applicable Additional Senior Indebtedness Documents to be deposited into such Additional Debt Service Reserve Account and which is not in contravention of the terms of any Financing Obligation Documents in effect at such time.

“Additional Equity Contribution” means any equity contribution (excluding any Required Equity Contribution) that is delivered, directly or indirectly, on or after the Closing Date and deposited to the PABs Counties Equity Contribution Sub-Account, the Non-PABs Counties Equity Contribution Sub-Account or the Other Proceeds Sub-Account of the Construction Account, the Capital Projects Account, any Major Maintenance Reserve Account, any O&M Reserve Account, the Equity Funded Account or the Revenue Account in accordance with this Agreement and the other applicable Financing Obligation Documents, including any Cure Amount.

“Additional Major Maintenance Reserve Account” means any major maintenance reserve account established from time to time under the Collateral Agency Agreement, at the request of the Borrower in accordance with the terms of the Collateral Agency Agreement, as required by the terms of any Additional Senior Indebtedness Documents.

“Additional O&M Reserve Account” means any operations and maintenance reserve account established from time to time under the Collateral Agency Agreement, at the request of the Borrower in accordance with the terms of the Collateral Agency Agreement, as required by the terms of any Additional Senior Indebtedness Documents.

“Additional Parity Bonds” means any Additional Parity Bonds issued pursuant to the Indenture.

“Additional Parity Bonds Loan” means the loan to the Borrower by the Issuer pursuant to the Additional Parity Bonds Loan Agreement of the entire amount of the proceeds from any Additional Parity Bonds issued pursuant to the Indenture.

“Additional Parity Bonds Loan Agreement” means, for each series of Additional Parity Bonds, the loan agreement or supplemental loan agreement to be executed by the Issuer and the Borrower in connection with the issuance of such Additional Parity Bonds pursuant to the Indenture, substantially in the form of the Senior Loan Agreement (as determined in good faith by the Borrower).

“Additional Project” means the design, development, acquisition, construction, installation, equipping, ownership and operation, maintenance and administration of an expansion of, or improvement to the Project or any previously completed Additional Project, including without limitation, the Theme Park Extension and any Additional Station.

“Additional Project Completion Indebtedness” has the meaning assigned thereto in the Indenture.

“Additional Senior Indebtedness” means all Additional Senior Secured Indebtedness and Additional Senior Unsecured Indebtedness outstanding as of such date.

“*Additional Senior Indebtedness Documents*” means all Additional Senior Secured Indebtedness Documents and Additional Senior Unsecured Indebtedness Documents then in effect.

“*Additional Senior Indebtedness Holders*” means, collectively, Additional Senior Secured Indebtedness Holders and Additional Senior Unsecured Indebtedness Holders.

“*Additional Senior Secured Indebtedness*” means indebtedness incurred by the Borrower other than the indebtedness constituting the Series 2019A Loan under the Senior Loan Agreement that is *pari passu* to the indebtedness constituting Series 2019A Bonds and the Series 2019A Loan under the Senior Loan Agreement (except to the extent that certain accounts may be held solely for the benefit of certain Creditors as set forth herein or in the Secured Obligation Documents or other Additional Senior Indebtedness Documents) and permitted to be incurred by the Borrower under the terms of the Financing Obligation Documents as in effect at such time.

“*Additional Senior Secured Indebtedness Documents*” means any credit agreement, purchase agreement, indenture or similar contract or instrument providing for the issuance or incurrence of, or evidencing, any Additional Senior Secured Indebtedness, including any Additional Parity Bonds and Additional Parity Bonds Loan Agreement, then in effect.

“*Additional Senior Secured Indebtedness Holder*” means any Person that enters into an Additional Senior Secured Indebtedness Document with the Borrower (including any holders of bonds or other securities that are represented by a Secured Debt Representative) and any Owner of Additional Parity Bonds (it being understood that Owners of Escrow Bonds prior to conversion to Additional Parity Bonds are not considered Owners of Additional Parity Bonds).

“*Additional Senior Unsecured Indebtedness*” means indebtedness that is not secured by the Collateral, but is payable under Section 5.02(b) of the Collateral Agency Agreement on the same basis as the indebtedness constituting the Series 2019A Bonds and the Series 2019A Loan under the Senior Loan Agreement and permitted to be incurred by the Borrower under the terms of the Financing Obligation Documents as in effect at such time.

“*Additional Senior Unsecured Indebtedness Documents*” means any credit agreement, purchase agreement, indenture or similar contract or instrument providing for the issuance or incurrence of, or evidencing, any Additional Senior Unsecured Indebtedness then in effect.

“*Additional Senior Unsecured Indebtedness Holder*” means any Person that enters into an Additional Senior Unsecured Indebtedness Document with the Borrower.

“*Additional Station*” has the meaning assigned thereto in the Indenture.

“*Additional Station Indebtedness*” has the meaning assigned thereto in the Indenture.

“*Affiliate*” of any Person means any Person that directly, or indirectly through one or more intermediaries, Controls, is Controlled by or is under common Control with that Person.

“*Agent*” means the Account Bank, the Collateral Agent and each Secured Debt Representative party to the Collateral Agency Agreement.

“*Agent Bank*” means the Collateral Agent in its individual capacity.

“*Bankruptcy Event*” means:

(a) An involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of the Borrower or of a substantial part of the assets of the Borrower under any insolvency law or (ii) the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official for the Borrower or a substantial part of the Borrower’s assets and, in any case referred to in the foregoing subclauses (i) and (ii), such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered; or

(b) The Borrower shall (i) apply for or consent to the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official for the Borrower or for a substantial part of the Borrower’s assets, or (ii) generally not be paying its debts as they become due unless such debts are the subject of a bona fide dispute, or (iii) make a general assignment for the benefit of creditors, or (iv) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition with respect to it described in clause (a) of this definition, or (v) commence a voluntary proceeding under any insolvency law, or file a voluntary petition seeking liquidation, reorganization, an arrangement with creditors or an order for relief under any insolvency law, or (vi) file an answer admitting the material allegations of a petition filed against it in any proceeding referred to in the foregoing subclauses (i) through (v), inclusive, of this clause (b), and, in any case referred to in the foregoing subclauses (i) through (v), such action has not been cured within twenty (20) days thereafter.

“*Bond Counsel*” means Greenberg Traurig, P.A., or other attorneys selected by the Borrower, with the consent of the Issuer, which consent shall not be unreasonably withheld, who have nationally recognized expertise in the issuance of municipal securities, the interest on which is excluded from gross income for federal income tax purposes.

“*Bond Resolution*” means Resolution No. 15-04 adopted by the board of directors of the Issuer on August 5, 2015, as supplemented and amended by Resolution No. 17-09 adopted by the board of directors of the Issuer on October 27, 2017, authorizing the issuance of the Prior Bonds, and Resolution No. 18-05 adopted by the board of directors of the Issuer on August 29, 2018, authorizing the issuance of the Series 2019A Bonds.

“*Bonds*” means the Series 2019A Bonds together with the Additional Parity Bonds (excluding any Escrow Bonds that have not been converted to Additional Parity Bonds) issued from time to time pursuant to the Indenture, if any.

“*Borrower*” means Virgin Trains USA Florida LLC (f/k/a Brightline Trains LLC and, prior to that, known as All Aboard Florida – Operations LLC), a Delaware limited liability company.

“*Business Day*” means any day other than a Saturday, a Sunday or a day on which offices of the United States government or the State are authorized to be closed or on which commercial banks in New York, New York, Washington, D.C., or the city and state in which the Trustee, the Collateral Agent, the Account Bank or the Deposit Account Bank, as applicable, is located are authorized or required by law, regulation or executive order to be closed (unless otherwise provided in a Supplemental Indenture).

“*Calculation Date*” means for Financing Obligations bearing interest semi-annually, each, January 1 and July 1, and for Financing Obligations bearing interest quarterly, each January 1, April 1, July 1 and October 1.

“*Capital Projects*” has the meaning assigned thereto in the Senior Loan Agreement.

“*Capital Projects Account*” means the Capital Projects Account created and designated as such by Section 5.01 of the Collateral Agency Agreement.

“*Capitalized Lease Obligations*” has the meaning assigned thereto in the Senior Loan Agreement.

“*Casualty Event*” shall mean an event that causes all or a portion of the Project to be damaged, destroyed or rendered unfit for normal use for any reason whatsoever, other than an Expropriation Event.

“*Casualty Proceeds*” means, with respect to any Casualty Event, all proceeds of insurance (other than proceeds of business interruption insurance and loss of advance profits insurance, which shall constitute “Project Revenues”) payable to or received by the Borrower (whether by way of claims, return of premiums, ex gratia settlements or otherwise) in connection with such Casualty Event.

“*Closing Date*” means the date the Series 2019A Bonds are issued, authenticated and delivered in accordance with the Indenture.

“*Code*” means the Internal Revenue Code of 1986, as amended from time to time, and any successor statute.

“*Collateral*” means all real and personal property of the Borrower and the Pledgor that is intended to be subject to the Security Interests granted to the Collateral Agent under the Security Documents to secure the Borrower’s payment and performance of the Secured Obligations, including the Grantor Collateral and the Pledged Collateral.

“*Collateral Agency Agreement*” means that certain Second Amended and Restated Collateral Agency, Intercreditor and Accounts Agreement among the Borrower, the Trustee, the Account Bank, the Collateral Agent and each Secured Party from time to time a party thereto, as it may be amended, modified or supplemented.

“*Collateral Agent*” means Deutsche Bank National Trust Company and its successors and assigns, as Collateral Agent, pursuant to the Collateral Agency Agreement.

“*Collection Account*” means a collection account subject to the security interest of Deutsche Bank National Trust Company, as Collateral Agent, established with the Deposit Account Bank in accordance with Section 5.02(a) of the Collateral Agency Agreement and subject to an Account Control Agreement.

“*Combined Exposure*” means, as of any date of calculation, the sum (calculated without duplication) of the following, to the extent the same is held by a Secured Creditor: (a) the outstanding principal amount of all Secured Obligations outstanding under the relevant Secured Obligation Documents, (b) provided that no Secured Obligation Event of Default is in existence at such time, any outstanding Commitments under the relevant Secured Obligation Documents and (c) subject to Section 8.02 of the Collateral Agency Agreement, any Swap Termination Payments owed to a Swap Bank by the Borrower.

“*Commercially Feasible Basis*” shall mean that, following a Casualty Event, (i) the Loss Proceeds, together with any other amounts available to the Borrower, will be sufficient to permit the Restoration of the Project, (ii) sufficient funds are or will be available to the Borrower to pay all total debt service on any outstanding Financing Obligations during the estimated period of Restoration, (iii) the Project upon being Restored can be reasonably expected to produce Project Revenues adequate to maintain a projected Total DSCR, for each complete Fiscal Year commencing with the Fiscal Year beginning on or most recently after the projected date of Restoration, equal to or greater than 1.10 to 1.

“*Commitment*” means any commitment by a Secured Party to extend Indebtedness to the Borrower under the relevant Secured Obligation Document.

“*Commodity Exchange Act*” means the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

“*Construction Account*” means the Construction Account created by and designated as such by Section 5.01 of the Collateral Agency Agreement.

“*Construction Account Withdrawal Certificate*” means the certificate substantially in the form attached as Exhibit I to the Collateral Agency Agreement.

“*Contractor*” means any architects, consultants, engineers, contractors, sub-contractors, suppliers or other Persons engaged by or on behalf of the Borrower in connection with the design, engineering, installation and construction of the Project.

“*Control*” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise, and “*Controlling*” and “*Controlled by*” have meanings correlative thereto.

“*Costs of Issuance*” include the following:

(a) Expenses necessary or incident to determining the feasibility or practicability of the issuance and sale of the Financing Obligations, as applicable, the fees and expenses of management consultants for making studies, surveys and estimates of costs and revenues and

other estimates necessary to the issuance of the Financing Obligations (as opposed to such studies, surveys or estimates related to completion of the Project, but not to the issuance of the Financing Obligations);

(b) Expenses of administration, supervision and inspection properly chargeable to the issuance and sale of the Financing Obligations, legal expenses and fees of the Issuer or the Borrower (as applicable) in connection with the issuance and sale of the Financing Obligations, legal expenses and fees and expenses of the Trustee, fees and expenses of the Underwriter, financial advisors or brokers in arranging for the sale or placement of the Financing Obligations, financing charges, remarketing fees, cost of audits, cost of preparing, issuing and selling the Financing Obligations, abstracts and reports on titles to real estate, title insurance premiums, recording fees and taxes and all other items of expense, including those of the Issuer or the Borrower (as applicable) not elsewhere specified herein incident to the issuance and sale of the Financing Obligations;

(c) Any other cost relating to the issuance and sale of the Financing Obligations; and

(d) Reimbursement to the Borrower for any costs described above paid by it, whether before or after the execution of any Financing Obligation Document.

“*Cure Amount*” has the meaning assigned thereto in the Senior Loan Agreement.

“*Debt Service Fund*” means the Debt Service Fund created by and designated as such by the Indenture.

“*Debt Service Reserve Account*” means the Series 2019 Debt Service Reserve Account and each Additional Debt Service Reserve Account.

“*Debt Service Reserve Requirement*” means, (i) with respect to the Series 2019A Bonds, an amount equal to six months of interest payable on the next Payment Date, (ii) with respect to any Additional Parity Bonds issued to finance Additional Project Completion Indebtedness from time to time pursuant to the Indenture, an amount equal to six months of interest payable on the next Payment Date, and (iii) with respect to any Additional Senior Indebtedness, the corresponding Additional Debt Service Reserve Requirement (if any).

“*Denominator*” has the meaning assigned to such term in Section 8.03(b) of the Collateral Agency Agreement.

“*Deposit Account Bank*” means Bank of America N.A. and any replacement thereof.

“*Direct Agreements*” means the consents to collateral assignment entered into by the Borrower and the applicable counterparties with respect to each of the Material Construction Contracts.

“*Direction Notice*” has the meaning assigned thereto in Section 9.03(a) of the Collateral Agency Agreement.

“*DispatchCo*” has the meaning assigned thereto in the Senior Loan Agreement.

“*Disputed Amounts*” means payments for work, services or materials, fixtures or equipment which are not overdue or if overdue (x) have been bonded around pursuant to Section 713.24, Florida Statutes, inclusive, or (y) that are being contested in good faith by the Borrower through appropriate proceedings; *provided*, that if being contested (i) adequate reserves with respect to such obligations contested in good faith are maintained on the books of the Borrower, to the extent required by GAAP and (ii) at any time prior to the Phase 2 Completion Date, the amount of the Borrower’s likely liability under any Security Interest associated with such payments (as determined by the Borrower in good faith) is reserved.

“*Dissemination Agent*” means Digital Assurance Certification, L.L.C.

“*Distribution Account*” means the Distribution Account created by the Borrower.

“*Distribution Date*” means each semi-annual Calculation Date beginning after the Phase 2 Revenue Service Commencement Date.

“*Distribution Release Certificate*” means the certificate substantially in the form attached as Exhibit E to the Collateral Agency Agreement.

“*Dollar*” means lawful money of the United States of America.

“*Enforcement Action*” means any action, whether by judicial proceedings or otherwise, to enforce any of the rights and remedies granted pursuant to the Security Documents against the Collateral or the Borrower upon the occurrence and during the continuance of a Secured Obligation Event of Default.

“*Environmental Law*” means any federal, state or local statute, ordinance, rule or regulation, any judicial or administrative order (whether or not on consent), request or judgment, or any other binding determination of any Governmental Authority relating to protection of the environment or health or safety relating to the release of or exposure to hazardous or toxic substances, materials or wastes. Environmental Laws include, without limitation, regulations and requirements imposed pursuant to the Clean Air Act, 42 U.S.C. § 7401, et seq., the Clean Water Act, 33 U.S.C. § 1251, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, et seq., the Toxic Substances Control Act, 15 U.S.C. § 2601, et seq., the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601, et seq., and any and all state law or local law counterparts, all as amended.

“*Equity Contribution*” means any Required Equity Contribution and any Additional Equity Contribution.

“*Equity Contribution Agreement*” means the Equity Contribution Agreement, dated the Closing Date, and entered into by and among the Borrower, the Collateral Agent and the Equity Participant.

“*Equity Funded Account*” means the Equity Funded Account subject to the security interest of Deutsche Bank National Trust Company, as Collateral Agent (account number 898078562054) established with the Deposit Account Bank in accordance with Section 5.01(b) of the Collateral Agency Agreement and subject to an Account Control Agreement.

“*Equity Lock-Up Account*” means the Equity Lock-Up Account created by and designated as such by Section 5.01 of the Collateral Agency Agreement.

“*Equity Participant*” means Virgin Trains USA LLC, a Delaware limited liability company.

“*Equity Transfer Certificate*” means a certificate delivered by the Borrower in accordance with the Collateral Agency Agreement substantially in the form attached as Exhibit K to the Collateral Agency Agreement.

“*Excluded Swap Obligation*” means, with respect to any Person, any Swap Obligation if, and to the extent that, all or a portion of the guarantee by such Person of, or grant of a security interest by such Person to secure, such Swap Obligation is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of the failure of such Person for any reason to constitute an “eligible contract participant” as defined in the Commodity Exchange Act at the time the guarantee or grant of security interest by such Person becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such security interest is or becomes excluded in accordance with the first sentence of this definition.

“*Expropriation Event*” means any action (or series of related actions) by any Governmental Authority (i) by which such Governmental Authority appropriates, confiscates, condemns, expropriates, nationalizes, seizes or otherwise takes all or any portion of the Collateral or the Project or (ii) by which such Governmental Authority assumes custody or control of all or any portion of the Project, in each case that is reasonably anticipated to last for more than one hundred twenty (120) consecutive days.

“*Expropriation Proceeds*” means, with respect to any Expropriation Event, all proceeds received by the Borrower from the applicable Governmental Authority in connection with such Expropriation Event.

“*Federal Book-Entry Regulations*” means (i) the United States Department of the Treasury’s regulations governing “Securities” (as defined in 31 C.F.R. § 357.2) issued by the United States Treasury and maintained in the form of entries in the federal reserve banks’ book-entry system known as the Treasury/Reserve Automated Debt Entry System (TRADES), as such regulations are set forth in 31 C.F.R. Part 357 and (ii) regulations analogous and substantially similar to the regulations described in clause (i) above governing any other automated book-entry system operated by the United States federal reserve banks in which securities issued by government sponsored enterprises are issued, recorded, transferred and maintained in book-entry form.

“*Financing Documents*” has the meaning set forth in the Senior Loan Agreement.

“*Financing Obligation Documents*” means, collectively and without duplication, the Secured Obligation Documents and the Additional Senior Unsecured Indebtedness Documents and related notes (if any).

“*Financing Obligations*” means, collectively, without duplication, all of the Secured Obligations and the Borrower’s obligations under any Additional Senior Unsecured Indebtedness Documents.

“*Fiscal Quarter*” means the three month period commencing on the first day of the first, fourth, seventh and tenth month of each Fiscal Year and ending on the last day of the third, sixth, ninth and twelfth month, respectively, of such Fiscal Year.

“*Fiscal Year*” means with respect to the Borrower the twelve months commencing on January 1 of any calendar year and ending on December 31 of such calendar year, or any other 12-month period which the Borrower designates as its fiscal year.

“*Fitch*” means Fitch Ratings, Inc. and any successor to its rating agency business.

“*Flow of Funds*” means the withdrawals, transfers and payments from the Revenue Account in the amounts, at the times, for the purposes and in the order of priority set forth in Section 5.02(b) of the Collateral Agency Agreement.

“*Free Cash Flow*” means, with respect of any period:

(a) all Project Revenues received by the Borrower and deposited to the Revenue Account during such period (excluding any Equity Contributions and any proceeds of Indebtedness); PLUS

(b) interest income earned on any Permitted Investments made with funds on deposit in the Project Accounts; PLUS

(c) releases from any Debt Service Reserve Account, any Major Maintenance Reserve Account and any O&M Reserve Account used to pay O&M Expenditures or Major Maintenance Costs during such period; LESS

(d) all O&M Expenditures and Major Maintenance Costs to the extent paid during such period (excluding any amounts for Major Maintenance Costs paid out of the Capital Projects Account); LESS

(e) deposits to any Debt Service Reserve Account (excluding the initial funding of the Series 2019 Debt Service Reserve Account or any other Debt Service Reserve Account), any Major Maintenance Reserve Account and any O&M Reserve Account during such period.

“*Funds*” means any of the funds created under the Indenture.

“*Funds Transfer Certificate*” means a certificate delivered by the Borrower in accordance with the Collateral Agency Agreement substantially in the form attached as Exhibit B to the Collateral Agency Agreement.

“*GAAP*” means such accepted accounting practice as conforms at the time to applicable generally accepted accounting principles in the United States of America, consistently applied.

“*Governmental Approval*” means any registration, permit, license, consent, concession, grant, franchise, authorization, waiver, variance or other approval, guidance, protocol, mitigation agreement, or memoranda of agreement/understanding, and any amendment or modification of any of them provided or issued by Governmental Authority including State, local, or federal regulatory agencies, agents, or employees, which authorize or pertain to the Project.

“*Governmental Authority*” means any nation, state, sovereign or government, any federal, regional, state or local government or political subdivision thereof or other entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and having jurisdiction over the Person or matters in question.

“*Grantor Collateral*” has the meaning assigned thereto in the Security Agreement.

“*Hazardous Materials*” means any material, substance or waste that is listed, defined, designated or classified as, or otherwise determined to be, hazardous, radioactive or toxic or a pollutant or a contaminant under or pursuant to or for which liability may be imposed under any Environmental Law, including any mixture or solution thereof, and specifically including petroleum and all derivatives thereof or synthetic substitutes therefor, asbestos or asbestos-containing materials and polychlorinated biphenyls.

“*Indebtedness*” has the meaning assigned thereto in the Senior Loan Agreement.

“*Indenture*” means the Indenture of Trust, dated as of April 18, 2019 between the Issuer and the Trustee, and any amendment or supplement thereto permitted thereby.

“*Insurance*” means the contracts and policies of insurance taken out by or on behalf of the Borrower in connection with the Project or any Transaction Documents in which the Borrower has an interest, other than any municipal bond or financial guaranty insurance policy issued to guarantee the scheduled payment when due of any secured obligations or any bonds related thereto.

“*Intercreditor Vote*” means a vote conducted in accordance with the procedures set forth in Article VIII among the Secured Creditors.

“*Interest Account*” means the Interest Account created and designated as such by the Indenture.

“*Interest Payment Date*” means, (i) with respect any Financing Obligations bearing interest semi-annually, each January 1 and July 1, (ii) with respect to any Financing Obligations bearing interest quarterly, each January 1, April 1, July 1 and October 1, and (iii) with respect to any other Financing Obligations, each other date interest payments are required to be made under the related Financing Obligation Documents, and in each case continuing for so long as the Financing Obligations are outstanding.

“*Interest Payments*” means, with respect to a payment date for the Financing Obligations, the interest (including the interest component of the redemption price due in connection with any mandatory redemption payment on any Financing Obligation) due on such date on the Financing Obligations.

“*Issuer*” means the Florida Development Finance Corporation in its capacity as “conduit issuer” in the issuance of the Series 2019A Bonds, which are special, limited obligations of the Issuer.

“*Issuer Representative*” means the Chairman, Vice Chairman or Executive Director of the Issuer, or any other officer or employee of the Issuer designated in writing to the Trustee by the Chairman as an authorized representative of the Issuer for purposes of the Senior Loan Agreement and the Indenture.

“*Joint Use Agreement*” means, collectively, that certain Joint Use and Operating Agreement dated as of December 20, 2007 as amended and restated by that certain Amended and Restated Joint Use and Operating Agreement dated June 13, 2014, among Florida East Coast Railway, L.L.C., the Borrower, and FDG Flagler Station II LLC, containing the terms and conditions of the joint use of the rail corridor between the parties, as amended, supplemented or modified from time to time and that certain Joint Use Agreement (Shared Infrastructure), dated February 28, 2014 as amended and restated by that certain Amended and Restated Joint-Use Agreement (Shared Infrastructure) dated June 13, 2014 as amended, restated and replaced by that certain Second Amended and Restated Joint Use Agreement (Shared Infrastructure) dated December 27, 2016 as amended by that certain First Amendment to Second Amended and Restated Joint Use Agreement (Shared Infrastructure) dated June 30, 2017, between Florida East Coast Railway, L.L.C., a Florida limited liability company, and the Borrower, as amended, supplemented or modified from time to time and as summarized in the Memorandum of Joint Use Agreement (Shared Infrastructure) dated June 30, 2017.

“*Law*” means any federal, state, local and municipal laws, rules and regulations, orders, codes, directives, permits, approvals, decisions, decrees, ordinances or by-laws having the force of law and any common or civil law, including binding court and judicial decisions having the force of law, and includes any amendment, extension or re-enactment of any of the same in force from time to time and all other instruments, orders and regulations made pursuant to statute.

“*Loss Event*” shall mean a Casualty Event or an Expropriation Event.

“*Loss Proceeds*” shall mean Casualty Proceeds and Expropriation Proceeds.

“*Loss Proceeds Account*” means the Loss Proceeds Account created and designated as such by Section 5.01 of the Collateral Agency Agreement.

“*Main Operating Account*” means the Operating Account subject to the security interest of Deutsche Bank National Trust Company, as Collateral Agent (account number 898078562041) established with the Deposit Account Bank in accordance with Section 5.01(b) of the Collateral Agency Agreement.

“*Major Maintenance*” means any lifecycle maintenance, repair, renewal, reconstruction or replacement work of any portion or component of the Project, as applicable, of a type which is not normally included as an annually recurring cost in passenger rail maintenance and repair budgets.

“*Major Maintenance Costs*” means the estimated costs for Major Maintenance set forth in the Major Maintenance Plan provided by the Borrower to, and approved, by the Technical Advisor.

“*Major Maintenance Plan*” means the budget and schedule delivered by the Borrower to, and approved by, the Technical Advisor for Major Maintenance Costs.

“*Major Maintenance Reserve Account*” means the Series 2019A Major Maintenance Reserve Account and any Additional Major Maintenance Reserve Account.

“*Major Maintenance Reserve Required Balance*” means (i) with respect to the Series 2019A Major Maintenance Reserve Account, the amount equal to the Major Maintenance Costs estimated to be due, on a rolling two year forward looking basis for any year “n” as follows: (A) 100% of Year n Major Maintenance Costs, *plus* (B) 50% of Year n+1 Major Maintenance Costs, where “n” is a forward looking rolling period of four Fiscal Quarters starting at and including the Fiscal Quarter considered for the calculation; and (ii) with respect to any Additional Major Maintenance Reserve Account and calculated on any applicable Transfer Date, an amount pertaining to Major Maintenance Costs as reasonably projected by the Borrower which under the terms of the applicable Additional Senior Indebtedness Documents is required by such documents to be deposited into such Additional Major Maintenance Reserve Account.

“*Mandatory Prepayment Account*” means the Mandatory Prepayment Account created and designated as such by Section 5.01 of the Collateral Agency Agreement.

“*Mandatory Tender Date*” has the meaning assigned thereto in the Indenture.

“*Material Adverse Effect*” has the meaning assigned thereto in the Senior Loan Agreement.

“*Material Construction Contracts*” means (a) the contract to be entered into between the Borrower and Wharton-Smith, Inc. for the design and construction of the vehicle maintenance facility located at the Orlando International Airport, (b) the contract to be entered into between the Borrower and Middlesex Corporation for the construction of the civil and rail infrastructure at the Orlando International Airport, (c) the contract to be entered into between the Borrower and Granite Construction Company for the construction of the civil and rail infrastructure between the Orlando International Airport and Cocoa Beach and (d) the contract to be entered into between the Borrower and a joint venture of Herzog Contracting Corp., Stacy and Witbeck, Inc. and Railworks Track Systems, Inc. d/b/a HSR Constructors for the construction of the civil and rail infrastructure between Cocoa Beach and West Palm Beach.

“*Material Project Contracts*” means: (a) the Joint Use Agreement; (b) the Premises Lease and Use Agreement for Orlando International Airport, between the Greater Orlando Aviation Authority and the Borrower, dated January 22, 2014; (c) the General Operations, Management and Administrative Services Agreement dated as of December 19, 2017, by and among the Borrower and Brightline Management LLC (f/k/a All Aboard Florida Operations Management LLC); and (d) the Material Construction Contracts.

“*Modification*”, “*Modify*” and “*Modified*” mean, with respect to any Secured Obligation Document (other than a Mortgage), any amendment, supplement, waiver or other modification of the terms and provisions thereof and with respect to any Mortgage, any amendments, supplements, spreaders, releases, subordinations or other modification.

“*Moody’s*” means Moody’s Investor Services and any successor to its rating agency business.

“*Mortgage*” has the meaning assigned thereto in the Senior Loan Agreement.

“*Mortgaged Property*” means the real property as to which the Collateral Agent for the benefit of the Secured Parties shall be granted Security Interests pursuant to the Mortgages.

“*Nationally Recognized Rating Agency*” means S&P, Moody’s or Fitch, or any other nationally-recognized securities rating agency that is then providing a rating on any of the Secured Obligations at the request of the Borrower.

“*Non-Completed Work*” means Major Maintenance that is not completed in the year in which it was scheduled in the Major Maintenance Schedule.

“*Non-Completed Work Sub-Account*” means the Non-Completed Work Sub-Account established within the Series 2019A Major Maintenance Reserve Sub-Account created and designated as such by Section 5.01 of the Collateral Agency Agreement.

“*Non-PABs Counties Equity Contribution Sub-Account*” means the Non-PABs Counties Equity Contribution Sub-Account established within the Construction Account created and designated as such by Section 5.01 of the Collateral Agency Agreement.

“*Non-Voting Creditor*” has the meaning assigned to such term in Section 8.02(b) of the Collateral Agency Agreement.

“*Notice of Default*” has the meaning assigned to such term in Section 9.02(b) of the Collateral Agency Agreement.

“*Numerator*” has the meaning assigned to such term in Section 8.03(b) of the Collateral Agency Agreement.

“*O&M Expenditures*” has the meaning assigned to such term in the Senior Loan Agreement.

“*O&M Reserve Account*” means the Series 2019A O&M Reserve Account and any Additional O&M Reserve Account.

“*O&M Reserve Requirement*” with respect to (i) the Series 2019A O&M Reserve Account, has the meaning set forth in Section 5.07 of the Collateral Agency Agreement and (ii) any Additional O&M Reserve Account, calculated on any Transfer Date, an amount pertaining to O&M Expenditures as reasonably projected by the Borrower which under the terms of the

applicable Additional Senior Indebtedness Documents is required by such documents to be deposited in to such O&M Reserve Account.

“*Operating Account*” means the Main Operating Account and each additional Operating Account subject to the security interest of Deutsche Bank National Trust Company, as Collateral Agent, established with the Deposit Account Bank in accordance with Section 5.01(b) of the Collateral Agency Agreement and subject to an Account Control Agreement.

“*Ordinary Course Settlement Payments*” means all regularly scheduled payments due under any Permitted Swap Agreement with a Swap Bank from time to time, calculated in accordance with the terms of such Permitted Swap Agreement, but excluding, for the avoidance of doubt, any Swap Termination Payments due and payable under such Permitted Swap Agreement.

“*Orlando Station*” means those certain improvements constituting the passenger railway station located in Orlando, Florida described in the Plans and Specifications and the leasehold interest in the real property upon which such improvements are constructed, but specifically excluding any one or more real estate interests (including, without limitation, any ground lease interest of any tenant, any air rights parcels or any other vertical subdivision) in any such real property along the railway or at, adjacent to, above, below or near such station, in all cases, other than the leasehold interest.

“*Other Proceeds Sub-Account*” means the Other Proceeds Sub-Account established within the Construction Account created and designated as such by Section 5.01 of the Collateral Agency Agreement.

“*Outstanding*” with respect to the Bonds has the meaning assigned thereto in the Indenture.

“*Owner*” of a Bond means the registered owner of such Bond as shown in the registration records of the Trustee.

“*PABs Counties Equity Contribution Sub-Account*” means the PABs Counties Equity Contribution Sub-Account established within the Construction Account created and designated as such by Section 5.01 of the Collateral Agency Agreement.

“*PABs Proceeds Sub-Account*” means the PABs Proceeds Sub-Account established within the Construction Account created and designated as such by Section 5.01 of the Collateral Agency Agreement.

“*Payment Date*” means an Interest Payment Date or a Principal Payment Date.

“*Payment in Full*” or “*Paid in Full*” means the payment in full in cash and performance in full of all Secured Obligations (other than contingent indemnification obligations for which no claim shall have been asserted) and termination or expiration of all Commitments.

“*Permitted Amounts*” means, without duplication, (a) amounts payable for uncompleted Punchlist Items, (b) Retainage Amounts and (c) Disputed Amounts.

“*Permitted Investments*” means to the extent permitted by State law:

(a) Cash or direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States of America);

(b) Investments in commercial paper maturing within 365 days from the date of acquisition thereof and having, at such date of acquisition, the highest short term credit rating obtainable from S&P or Moody’s;

(c) Obligations, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following: Federal Home Loan Bank System, Government National Mortgage Association, Farmer’s Home Administration, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Federal Farm Credit Bank or Federal Housing Administration;

(d) Direct and general obligations of any state of the United States of America or any municipality or political subdivision of such state, or obligations of any municipal corporation, if such obligations are rated at the time of investment in one of the three highest rating categories (without regard to gradation) by S&P, Moody’s or other similar nationally recognized rating agency;

(e) Any security that matures or that may be tendered for purchase at the option of the holder within not more than five years of the date on which it is acquired, if that security has a rating that is in one of the two highest long-term rating categories or highest short-term rating category (without regard to any refinements or gradations of rating category by numerical modifier or otherwise) assigned by S&P, Moody’s or other similar nationally recognized rating agency or if that security is senior to, or on a parity with, a security of the same issuer that has such a rating;

(f) Investments in certificates of deposit, banker’s acceptances and time deposits maturing within 180 days from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the United States of America or any State thereof which has a combined capital and surplus and undivided profits of not less than \$500,000,000 and having short-term unsecured debt securities rated not lower than “A-1” by S&P and “P-1” by Moody’s;

(g) Investment agreements, including guaranteed investment contracts, repurchase agreements, deposit agreements and forward delivery agreements, that are obligations of an entity whose senior long-term debt obligations, deposit rating or claims-paying ability are rated, or guaranteed by an entity whose obligations have a rating (at the time the investment is entered into) of either not lower than “A-” by S&P or not lower than “A3” by Moody’s, including the Trustee and the Collateral Agent or any of their respective Affiliates, provided that, in connection with any repurchase agreement entered into in connection with the investment of funds held under the Indenture, the Issuer, the Trustee and the Collateral Agent shall have received an opinion of counsel to the provider (which opinion shall be addressed to the Issuer,

the Trustee and the Collateral Agent) that any such repurchase agreement complies with the terms of this definition and is legal, valid, binding and enforceable upon the provider in accordance with its terms;

(h) Fully collateralized repurchase agreements with any financial institution which is rated by S&P, Moody's or other similar nationally recognized rating agency in a rating category at least equal to the higher of "A" (or equivalent) or such rating agency's then current rating on the Bonds, if any, that is fully secured by collateral security described in clauses (a), (b), (c), (d) or (e). For the purpose of this definition, the term collateral shall mean purchased securities under the terms of the PSA Bond Market Trade Association Master Repurchase Agreement. The purchased securities shall have a minimum market value including accrued interest of 102% of the dollar value of the transaction. Collateral shall be held in the Collateral Agent's third-party custodian bank as safekeeping agent, and the market value of the collateral securities shall be marked-to-market daily, with a term of not more than 30 days for securities described in clause (a) above and entered into with a financial institution satisfying the criteria described in clause (f) above; and

(i) Money market funds that (i) comply with the criteria set forth in Securities and Exchange Commission Rule 2a-7 under the Investment Company Act of 1940, (ii) are rated "AAA" by S&P and "Aaa" by Moody's and (iii) have portfolio assets of at least \$5,000,000,000.

"Permitted Security Interest" means, the Security Interests permitted in accordance with the applicable Secured Obligation Documents, and so long as the Series 2019A Bonds are Outstanding, shall have the meaning set forth in the Senior Loan Agreement.

"Permitted Senior Commodity Swap" means any Swap Obligation under a Permitted Swap Agreement related to hedging of fluctuations of prices for oil and fuel permitted to be paid *pari passu* with Senior Indebtedness in the Flow of Funds in accordance with the Financing Obligation Documents.

"Permitted Subordinated Debt" has the meaning assigned to such term in the Senior Loan Agreement.

"Permitted Swap Agreement" means any Swap Agreement, foreign currency trading transaction or other similar transaction or agreement entered into by the Borrower in the ordinary course of its business in connection with interest rate, foreign exchange or inflation risks to its business, or commodity risks for fuel and oil prices, and not for speculative purposes.

"Permitted Swap Counterparty" means any bank, trust company or financial institution which has (or whose parent company has) outstanding unguaranteed and unsecured long-term Indebtedness that is rated or which itself is rated "A-" or better by S&P or "A3" or better by Moody's or the equivalent by another Nationally Recognized Rating Agency, or any other counterparty permitted under the applicable Secured Obligation Documents or otherwise approved by the Collateral Agent (acting at the direction of the Required Secured Creditors).

"Person" means an individual, partnership, corporation, limited liability company, association, trust, unincorporated organization, business entity, municipality, county, or any other person having separate legal personality.

“Phase 1a” means the portion of the Project from West Palm Beach to Fort Lauderdale, including the West Palm Beach and Fort Lauderdale stations and all related railway and ancillary facilities.

“Phase 1a Revenue Service Commencement Date” means January 13, 2018.

“Phase 1b” means the portion of the Project from Fort Lauderdale to Miami, including the Miami station and all related railway and ancillary facilities.

“Phase 1b Revenue Service Commencement Date” means May 19, 2018.

“Phase 2” means the portion of the Project from West Palm Beach to Orlando, including the Orlando Station and all related railway and ancillary facilities.

“Phase 2 Completion Date” means the first date on which each of the following conditions has been satisfied as certified by the Technical Advisor:

- (a) the Phase 2 Revenue Service Commencement Date shall have occurred;
- (b) all Punchlist Items shall have been carried out;
- (c) all demobilization from the applicable Project sites of Phase 2 is complete;
- (d) the Borrower shall deliver to the Technical Advisor (with a copy to the Collateral Agent) a certificate of a Responsible Officer of the Borrower to the effect that (i) all amounts required to be paid to Contractors have been paid (other than any Disputed Amounts and Retainage Amounts), and (ii) the Borrower has received lien releases and waivers from each Contractor that has timely filed a notice to owner or other notice sufficient to perfect such Contractor’s right to a lien in compliance with Law, other than with respect to any Disputed Amounts, Retainage Amounts and any Permitted Security Interests;
- (e) a confirmation of the Technical Advisor, confirming the factual certification described in clause (d) above;
- (f) the Technical Advisor and the Collateral Agent shall have received a certification from the Borrower confirming continued compliance in all material respects with the insurance requirements under the Financing Obligation Documents;
- (g) the final payment affidavit(s) from Contractors in privity with the Borrower and seeking final payment as of such Phase 2 Completion Date, as required under Sections 713.05 and 713.06(3)(d), Florida Statutes, have been delivered to the Borrower and to the Collateral Agent, or the statutory period for filing mechanics liens under Section 713.08, Florida Statutes, with respect to the work which is the subject of such contract(s) for which final payment is sought has expired; and
- (h) the Technical Advisor and the Collateral Agent shall have received final endorsements from the title company with respect to the Orlando Station in a reasonable and

customary form, insuring the priority of their respective Security Interests created by the Security Documents.

“*Phase 2 Revenue Service Commencement Certificate*” means the certificate to be delivered to the Borrower and the Collateral Agent by the Technical Advisor in accordance with paragraph (e) of the definition of Phase 2 Revenue Service Commencement Requirements below.

“*Phase 2 Revenue Service Commencement Date*” means the date on which the Borrower has demonstrated to the Technical Advisor that each of the Phase 2 Revenue Service Commencement Requirements has been satisfied and the Technical Advisor has issued a Phase 2 Revenue Service Commencement Certificate.

“*Phase 2 Revenue Service Commencement Deadline*” means January 6, 2023.

“*Phase 2 Revenue Service Commencement Requirements*” means:

(a) the Borrower shall have delivered to the Technical Advisor (with a copy to the Collateral Agent):

(i) a certificate of a Responsible Officer of the Borrower, certifying that:

(A) except with respect to the Punchlist Items, the Borrower has completed or caused the completion of all acquisition, equipping and construction of Phase 2, in accordance with the requirements of the Transaction Documents and Plans and Specifications, such that it is in a condition that can be used for normal and safe passenger rail travel;

(B) Phase 2 is open for normal and continuous operations and use by the traveling public;

(C) all material Governmental Approvals with respect to the operation of Phase 2 in all material respects have been issued and are in full force and effect and are not subject to appeal;

(D) all amounts required to be paid to Contractors in connection with completing the design and construction of Phase 2 have been paid, other than Permitted Amounts, so long as the Reserved Amount has been reserved in the Construction Account; and

(E) the Borrower has received lien releases and waivers from each Contractor that has timely filed a notice to owner or other notice sufficient to perfect such Contractor’s right to a lien in compliance with Law, other than with respect to Permitted Amounts and Permitted Security Interests; and

(ii) a confirmation of the Technical Advisor, confirming the factual certification described in clause (i) above.

(b) the Borrower shall have delivered a list of any remaining Punchlist Items (which shall be a reasonable final punchlist in all material respects for a project of the type, size and scope of Phase 2 to the Technical Advisor and the Collateral Agent;

(c) the Borrower shall have delivered a statement setting forth its budgeted costs with respect to Punchlist Items to the Technical Advisor and the Collateral Agent;

(d) the facilities and railway (including the Orlando Station) for Phase 2 are in accordance with applicable Law in all material respects, including having received all required approvals and authorizations of the Federal Railroad Administration; and

(e) upon satisfaction of (a) through (d) above, the Technical Advisor shall issue the Phase 2 Revenue Service Commencement Certificate.

“Plans and Specifications” means the then current drawings, plans and specifications for Phase 2 prepared by or on behalf of the Borrower and made available to the Technical Advisor as agreed upon by the Borrower and the Technical Advisor.

“Pledge Agreement” means that certain Pledge Agreement to be entered into between the Collateral Agent and the Pledgor.

“Pledged Collateral” has the meaning assigned to it in the Pledge Agreement.

“Pledgor” means AAF Operations Holdings LLC and its permitted successors and assigns.

“Potential Secured Obligation Event of Default” means an event, which with the giving of notice or lapse of time would become an Event of Default under any Financing Obligation Document.

“Principal Account” is the Principal Account created and designated as such by the Indenture.

“Principal Payment Date” means, with respect to any Financing Obligations, the dates on which Principal Payments are due under the applicable Financing Obligation Documents (as applicable).

“Principal Payments” means, with respect to a payment date, the principal (including the principal component of the redemption price due in connection with any mandatory redemption payment on any Financing Obligation) due or to become due prior to the next succeeding Principal Payment Date.

“Project” means the design, development, acquisition, construction, installation, equipping, ownership, operation, maintenance and administration of a privately owned and operated intercity passenger rail system and related facilities, with stations located or to be located initially in Orlando, West Palm Beach, Fort Lauderdale and Miami, Florida, as more particularly described in the Bond Resolution.

“Project Accounts” means the following accounts of the Borrower, established pursuant to the Collateral Agency Agreement: (a) the Revenue Account, including the Series 2019A Interest Sub-Account, the Series 2019A Principal Sub-Account and any other sub-accounts created thereunder; (b) the Loss Proceeds Account; (c) the Construction Account, including the PABs Proceeds Sub-Account, the PABs Counties Equity Contribution Sub-Account, the Non-PABs Counties Equity Contribution Sub-Account, the Other Proceeds Sub-Account and any other sub-accounts created thereunder; (d) the Mandatory Prepayment Account, including the Series 2019A PABs Mandatory Prepayment Sub-Account; (e) each Debt Service Reserve Account; (f) each Major Maintenance Reserve Account, including the Non-Completed Work Sub-Account; (g) each O&M Reserve Account; (h) the Ramp-Up Reserve Account; (i) the Equity Lock-Up Account; (j) the Capital Projects Account; (k) any Operating Account; (l) the Equity Funded Account; (m) any Collection Account; and (n) all other Funds or Accounts created hereunder and designated a Project Account. For the avoidance of doubt, the Distribution Account is not a “Project Account”.

“Project Costs” means all costs and expenses incurred in connection with the design, construction, commissioning and financing of the Project or any Additional Projects, including amounts payable under all construction, engineering, technical and other contracts entered into by the Borrower in connection with the Project or any Additional Projects and, in accordance with the Secured Obligation Documents, all operation and maintenance costs incurred prior to the Phase 2 Revenue Service Commencement Date, Costs of Issuance, financing costs, fees, interest during construction, initial working capital costs, funding of reserves, development fees, any taxes, assessments or governmental charges payable by the Borrower in connection with the Project or any Additional Projects. For the avoidance of doubt, “Project Costs” shall also include (i) payments under the Management Agreement and (ii) reimbursement for the prior payment of any of the foregoing costs and expenses, and “Project Costs” shall not include any O&M Expenditures.

“Project Revenues” for any period (without duplication), all revenues received in cash by or on behalf of the Borrower during such period, including but not limited to ridership revenues received by the Borrower, third party revenues, interest on any Project Accounts (or other accounts created under the Transaction Documents), proceeds from any business interruption insurance, revenue derived from any third-party concession, lease or contract and any other receipts otherwise arising or derived from or paid or payable in respect of the Project, *provided* that such revenues shall exclude any net insurance proceeds received by the Borrower and required to be deposited to the Loss Proceeds Account except to the extent such proceeds are later transferred from the Loss Proceeds Account to the Revenue Account in accordance with the Secured Obligation Documents.

“Punchlist Items” means minor or insubstantial details of construction or mechanical adjustment, the non-completion of which, when all such items are taken together, will not interfere in any material respect with the use or occupancy of Phase 2 for its intended purposes or the ability of the owner or lessee, as applicable, of any portion of Phase 2 (or any tenant thereof) to perform work that is necessary to prepare such portion of Phase 2 for such use or occupancy, which remains incomplete at the Phase 2 Revenue Service Commencement Date.

“*Purchase Money Debt*” means Indebtedness (including Capitalized Lease Obligations) of the type described in clause (d) of the definition of Permitted Indebtedness (as defined in the Senior Loan Agreement).

“*Qualified Costs*” means Project Costs that are:

(a) paid and incurred after the date which is sixty (60) days prior to August 20, 2014, the inducement date for the Project (provided, however, that, with respect to any amount reimbursed (other than in accordance with subclauses (a)(i) or (a)(ii) below), the amount reimbursed in excess of \$1,750,000,000 shall have been incurred after the date which is sixty (60) days prior to the date of inducement related to such excess amount), and reimbursed no later than eighteen (18) months after the later of the date the expenditure was paid or, with respect to Project Costs relating to Phase 1a, the Phase 1a Revenue Service Commencement Date, with respect to Project Costs relating to Phase 1b, the Phase 1b Revenue Service Commencement Date and, with respect to Project Costs relating to Phase 2, the Phase 2 Revenue Service Commencement Date (but, in any case, no later than three (3) years after the expenditure is paid), or that constitute:

- (i) a preliminary capital expenditure (within the meaning of United States Treasury Regulations Section 1.150-2(f)(2)) with respect to the Project (such as architectural, engineering and soil testing services) incurred before commencement of acquisition or rehabilitation of the Project that do not exceed twenty percent (20%) of the issue price of the Bonds (as defined in United States Treasury Regulations Section 1.148-1), or
- (ii) additional capital expenditures of not more than \$100,000 that do not otherwise meet the above requirements;

provided, however, that if any portion of the Project is being constructed or developed by the Borrower (whether as a developer, a general contractor or a subcontractor), “Qualified Costs” reimbursed by or paid from proceeds of Bonds (other than Taxable Bonds) shall include only (x) the actual out-of-pocket costs incurred by the Borrower in developing or constructing the Project (or any portion thereof), (y) any reasonable fees for supervisory services actually rendered by the Borrower (but excluding any profit component to the extent such amount can be traced to third party costs) and (z) any overhead expenses incurred by the Borrower that are directly attributable to the work performed on the Project, and shall not include, for example, intercompany profits resulting from members of an affiliated group (within the meaning of Section 1504 of the Code) participating in the construction of the Project or payments received by such Affiliate due to early completion of the Project (or any portion thereof); or

(b) for federal income tax purposes, chargeable to the capital account(s) of the item of property included in the Project or would be so chargeable either with a proper election or but for a proper election to deduct such Project Costs.

“*Qualified Reserve Account Credit Instrument*” means (a) an Acceptable Letter of Credit or (b) a surety bond or non-cancelable insurance policy (i) issued by an Acceptable Surety, (ii) the reimbursement obligations with respect to which shall not be recourse to the Borrower,

(iii) the term of which is at least one year from the date of issue (except where such instrument is issued to satisfy a requirement under the Financing Obligation Documents that expires less than one year after issuance, then the term shall be for such shorter period) and (iv) allows drawing (A) during the 30 day period prior to expiry (unless replaced or extended), (B) upon downgrade of the issuer such that it is no longer an Acceptable Surety and, (C) if such instrument is used to fund any reserve account established under the Collateral Agency Agreement, when funds would otherwise be drawn from such reserve account.

“*Ramp-Up Reserve Account*” means the Ramp-Up Reserve Account created and designated as such by Section 5.01 of the Collateral Agency Agreement.

“*Reaffirmation Agreement*” means a reaffirmation agreement substantially in the form attached as Exhibit G to this Agreement.

“*Release*” means any new or historical spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, disposing, migrating, abandoning or discarding.

“*Required Equity Contribution*” means \$150,000,000 required to be delivered by or on behalf of the Equity Participant in the sub-accounts of the Construction Account (other than the PABs Proceeds Sub-Account) in accordance with the Equity Contribution Agreement and the Collateral Agency Agreement.

“*Required Secured Creditors*” means, at any time, Secured Creditors representing more than 50% of the Combined Exposure, as determined by the Collateral Agent pursuant to Section 8.03 of the Collateral Agency Agreement; provided that in no event shall Required Secured Creditors include any Non-Voting Creditor.

“*Reserved Amount*” means, as of any date of determination, the aggregate of (a) 120% of the Punchlist Completion Amount for uncompleted Punchlist Items and (b) 120% of the aggregate all of Disputed Amounts.

“*Responsible Officer*” means (i) with respect to the Borrower, any manager, the chief executive officer, the chief financial officer or any other authorized designee of the managers of the Borrower, and when used with reference to any act or document of the Borrower, also means any other person authorized to perform the act or execute the document on behalf of the Borrower, (ii) with respect to the Issuer, means the Issuer Representative and (iii) with respect to the Trustee, the Collateral Agent or any other Person, the person authorized to perform the act or execute the document on behalf of such Person.

“*Restoration*”, “*Restore*” or “*restoring*” means repairing, rebuilding or otherwise restoring the Project.

“*Restricted Payment Conditions*” means the set of conditions limiting the distribution of funds for distributions and other purposes of the Borrower, pursuant to any Secured Obligation Documents, including the “*Restricted Payment Conditions*” as defined in the Senior Loan Agreement.

“*Retainage Amounts*” means, at any time, amounts that have accrued and are owing under the terms of a construction contract for work, materials or services already provided but which at such time (in accordance with the terms of the construction contract) are being withheld from payment to the Contractor thereunder until certain subsequent events (e.g., completion benchmarks) have been achieved.

“*Revenue Account*” means the Revenue Account created and designated as such by Section 5.01 of the Collateral Agency Agreement.

“*S&P*” means S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC, and any successor to its rating agency business.

“*Secured Creditors*” means each of (i) the Owners of the Bonds, (ii) any Additional Senior Secured Indebtedness Holders and (iii) each Person party to a Permitted Swap Agreement with the Borrower related to Additional Senior Secured Indebtedness or for a Permitted Senior Commodity Swap, including by way of assignment, if at the time the Borrower enters into such Permitted Swap Agreement, in each case that is or becomes (or whose Secured Debt Representative is or becomes) a party to the Collateral Agency Agreement by executing and delivering an Accession Agreement and Reaffirmation Agreement (or becomes party to this Agreement by operation of law).

“*Secured Debt Representative*” means:

- (a) in the case of the Bonds, on behalf of the Owners of the Bonds and the Issuer, the Trustee, including any permitted successor or assign;
- (b) in the case of any other Secured Obligation Document, the administrative agent, trustee or other representative acting for the Secured Parties thereunder, or if there is no such agent, trustee or other representative, then each Secured Party thereunder; and
- (c) in the case of each Permitted Swap Agreement, the applicable Secured Swap Debt Representative as the representative of the Swap Bank.

“*Secured Obligation Documents*” means, collectively and without duplication, (a) the Financing Documents, (b) Additional Senior Secured Indebtedness Documents, (c) any other credit agreement, note purchase agreement, indenture, reimbursement agreement or other agreement or instrument creating or evidencing Secured Obligations (other than a Permitted Swap Agreement), (d) each Permitted Swap Agreement with a Swap Bank provided such Swap Bank (or its Secured Debt Representative) is a party hereto or has validly executed and delivered an Accession Agreement and Reaffirmation Agreement and (e) the Security Documents, in each case in effect at the relevant time of determination; *provided*, that in each of clauses (b) and (c), the relevant Secured Creditors (or their respective Secured Debt Representatives) are party to the Collateral Agency Agreement or become (or the Secured Debt Representative becomes) a party to the Collateral Agency Agreement by delivering an Accession Agreement and Reaffirmation Agreement.

“*Secured Obligation Event of Default*” means an “Event of Default” as set forth or defined in any Financing Obligation Document.

“*Secured Obligations*” means, collectively, without duplication: (a) the Bonds, (b) all of the Borrower’s Indebtedness, financial liabilities and obligations, of whatsoever nature and however evidenced (including, but not limited to, principal, interest, make-whole amount, premium, fees, reimbursement obligations, Ordinary Course Settlement Payments, Swap Termination Payments, indemnities and legal and other expenses, whether due after acceleration or otherwise) to the Secured Parties in their capacity as such under the Secured Obligation Documents; (c) any and all sums advanced by the Agents in order to preserve the Collateral or preserve the security interest in the Collateral in accordance with the Security Documents; and (d) in the event of any proceeding for the collection or enforcement of the obligations described in clauses (a), (b) or (c) above, after a Secured Obligation Event of Default has occurred and is continuing and unwaived, the expenses of retaking, holding, preparing for sale or lease, selling or otherwise disposing of or realizing on the Collateral, or of any exercise by the Collateral Agent of its rights under the Security Documents; *provided* that the Secured Obligations shall not include any Excluded Swap Obligations.

“*Secured Parties*” means (a) the Agents, (b) the Secured Creditors and (c) the Issuer.

“*Secured Swap Debt Representative*” means with respect to any Permitted Swap Agreement, the Swap Bank specified to be the Secured Debt Representative with respect thereto pursuant to Section 7.06 of the Collateral Agency Agreement, *provided* that such Swap Bank shall have executed an Accession Agreement and Reaffirmation Agreement in accordance with Section 7.06 of the Collateral Agency Agreement.

“*Secured Swap Transaction*” means any interest rate or oil or fuel commodities hedging transaction governed by a Permitted Swap Agreement.

“*Securities Accounts*” has the meaning given such term in Section 5.01(a) of the Collateral Agency Agreement.

“*Security Agreement*” means that certain Amended and Restated Security Agreement to be entered into by and between the Borrower and the Collateral Agent on the Closing Date.

“*Security Documents*” means the Security Agreement, the Pledge Agreement, the Collateral Agency Agreement, the Direct Agreements, the Mortgages, the Account Control Agreement, all UCC financing statements required by any Security Document and any other security agreement, account control agreement or instrument or other document to be executed or filed pursuant hereto or to any other Secured Obligation Document or any other Security Document or otherwise to create or perfect in favor of the Collateral Agent, on behalf of the Secured Parties, a Security Interest in Collateral.

“*Security Interest*” means: (a) a mortgage, pledge, lien charge, assignment, hypothecation, security interest, title retention arrangement, preferential right, trust arrangement or other arrangement having the same or equivalent commercial effect as a grant of security; or (b) any agreement to create or give any arrangement referred to in clause (a) of this definition.

“*Senior Indebtedness*” means (without duplication) the Bonds and the indebtedness incurred by the Borrower under the Senior Loan Agreement, any Additional Parity Bonds Loan Agreement (if executed) and the Additional Senior Indebtedness Documents, in each case in effect at the relevant time of determination.

“*Senior Loan Agreement*” means that certain Amended and Restated Senior Loan Agreement by and between the Issuer and the Borrower pursuant to which the Issuer agreed to loan the entire proceeds of the Series 2019A Bonds to the Borrower in accordance with the terms thereof, as the same may be amended, restated, supplemented or otherwise modified from time to time.

“*Series 2019 Debt Service Reserve Account*” means the Series 2019 Debt Service Reserve Account established and created pursuant Section 5.01 of the Collateral Agency Agreement.

“*Series 2019A Bonds*” means the \$1,750,000,000 aggregate principal amount of Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Virgin Trains USA Passenger Rail Project), Series 2019A issued on the Closing Date, and any Series 2019A Bonds issued in exchange or replacement therefor.

“*Series 2019A Counties*” means each of Brevard County, Florida, Broward County, Florida, Miami-Dade County, Florida, Orange County, Florida and Palm Beach County, Florida.

“*Series 2019A Funded Interest Account*” means the funded interest account with respect to the Series 2019A Bonds created and designated as such by the Indenture.

“*Series 2019A Interest Sub-Account*” means the Series 2019A Interest Sub-Account with respect to the Series 2019A Bonds established within the Revenue Account and created and designated as such by the Collateral Agency Agreement.

“*Series 2019A Loan*” means the loan made by the Issuer to the Borrower on the Closing Date in an amount equal to proceeds of the Series 2019A Bonds pursuant to the Senior Loan Agreement.

“*Series 2019A Major Maintenance Reserve Account*” means the Series 2019A Major Maintenance Reserve Account established and created pursuant to Section 5.01 of the Collateral Agency Agreement.

“*Series 2019A O&M Reserve Account*” means the Series 2019A O&M Reserve Account established and created pursuant Section 5.01 of the Collateral Agency Agreement.

“*Series 2019A PABs Mandatory Prepayment Sub-Account*” means the Series 2019A PABs Mandatory Prepayment Sub-Account with respect to the Series 2019A Bonds established within the Mandatory Prepayment Account created and designated as such by Section 5.01 of the Collateral Agency Agreement.

“*Series 2019A Principal Sub-Account*” means the Series 2019A Principal Sub-Account with respect to the Series 2019A Bonds established within the Revenue Account and created and designated as such by Section 5.01 of the Collateral Agency Agreement.

“*Series 2019A Rebate Fund*” means the Series 2019A Rebate Fund established and created pursuant to the Indenture.

“*State*” means the State of Florida.

“*Supplemental Indenture*” means any indenture supplementing or amending the Indenture that is adopted pursuant to the Indenture.

“*Swap Agreement*” means any agreement or instrument (including a cap, swap, collar, option, forward purchase agreement or other similar derivative instrument) relating to the hedging of any interest under Indebtedness or hedging of any fluctuation of prices for oil or fuel.

“*Swap Bank*” means, at any time, any Permitted Swap Counterparty party to a Permitted Swap Agreement.

“*Swap Early Termination Date*” means the date of early termination of any Permitted Swap Agreement, which date has occurred or is designated in accordance with the terms thereof.

“*Swap Obligation*” means any obligation to pay or perform under any agreement, contract or transaction that constitutes a “swap” within the meaning of Section 1a(47) of the Commodity Exchange Act.

“*Swap Termination Certificate*” means a certificate of any Swap Bank stating that a Swap Early Termination Date has occurred or has been designated under a Permitted Swap Agreement constituting a Secured Obligation Document to which it is a party and setting forth the resulting Swap Termination Payment.

“*Swap Termination Payment*” means any amount payable by the Borrower in connection with an early termination (whether as a result of the occurrence of an event of default or other termination event) of any Permitted Swap Agreement with a Swap Bank in accordance with the terms thereof.

“*Taxable Bonds*” has the meaning assigned thereto in the Indenture.

“*Taxes*” means any and all present or future taxes, levies, imposts, duties, deductions, charges or withholdings imposed by any Governmental Authority.

“*Technical Advisor*” means any independent construction engineer familiar with the Project and appropriately qualified to evaluate the construction and operation of an intercity passenger rail system and related facilities.

“*Technical Advisor Certificate*” means the Technical Advisor Certificate substantially in the form attached as Exhibit J to the Collateral Agency Agreement.

“*Termination Date*” means the date when all Secured Obligations to be Paid in Full or performed by the Borrower have been paid and performed in full.

“*Theme Park Extension*” has the meaning assigned thereto in the Indenture.

“*Theme Park Indebtedness*” has the meaning assigned thereto in the Indenture.

“*Total Debt Service Coverage Ratio*” or “*Total DSCR*” means (i) for the 12-month period ending on a Calculation Date (or, if prior to the first anniversary of the Phase 2 Revenue Service Commencement Date, any shorter period from the Phase 2 Revenue Service Commencement Date annualized for a 12-month period), or (ii) if a different calculation date or calculation period is specified in a Financing Obligation Document, then for such specified period ending or beginning on the specified calculation date (as applicable), the ratio of A divided by B where:

A = the Free Cash Flow for such period; and

B = all scheduled principal and interest payments on account of the Financing Obligations then outstanding for such period.

“*Transaction Documents*” means the Material Project Contracts and the Financing Obligation Documents.

“*Transfer Date*” means the third Business Day prior to the fifteenth calendar day of each month.

“*Treasury Regulation*” means the temporary, proposed or final federal income tax regulations promulgated by the U.S. Department of the Treasury, together with the other published written guidance thereof as applicable to the Bonds under the Code.

“*Trustee*” means Deutsche Bank National Trust Company, as Trustee pursuant to the Indenture.

“*UCC*” means the Uniform Commercial Code as in effect in the State of New York; provided that, if perfection or the effect of perfection or non-perfection or the priority of any security interest on any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than New York, “*UCC*” means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.

“*Unanimous Voting Parties*” means, with respect to any proposed decision or action hereunder, 100% of the votes of the Secured Parties. For the avoidance of doubt, Unanimous Voting Parties shall not include any votes from any Additional Senior Unsecured Indebtedness Holders.

“*Voting Party Percentage*” means, in connection with any proposed decision or action under the Collateral Agency Agreement, the actual percentage, as determined pursuant to Section

8.03(b), of allotted votes of the Secured Parties entitled to vote with respect to such decision or action cast in favor of such decision or action.

RULES OF INTERPRETATION

(a) Principles of Construction. Except as otherwise expressly provided, the following rules of interpretation shall apply to the Collateral Agency Agreement, the Senior Loan Agreement and each other Secured Obligation Document that incorporates the definitions of the Collateral Agency Agreement by reference:

(i) the definitions of terms herein shall apply equally to the singular and plural forms of the terms defined;

(ii) whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms;

(iii) the words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”;

(iv) the word “will” shall be construed to have the same meaning and effect as the word “shall”;

(v) unless the context requires otherwise, any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein or therein) and shall include any appendices, schedules, exhibits, clarification letters, side letters and disclosure letters executed in connection therewith;

(vi) any reference herein to any Person shall be construed to include such Person’s successors and assigns to the extent permitted under the Secured Obligation Documents and, in the case of any Governmental Authority, any Person succeeding to its functions and capacities;

(vii) the words “herein”, “hereof” and “hereunder”, and words of similar import, shall be construed to refer to the Collateral Agency Agreement in its entirety and not to any particular provision thereof;

(viii) all references in the Collateral Agency Agreement to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, the Collateral Agency Agreement;

(ix) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights;

(x) each reference to a Law shall be deemed to refer to such Law as the same may in effect from time to time;

(xi) references to days shall refer to calendar days unless Business Days are specified; references to weeks, months or years shall be to calendar weeks, months or years, respectively; and

(xii) Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP.

(b) Withdrawals to Occur on a Business Day. In the event that any withdrawal, transfer or payment to or from any Account contemplated under the Collateral Agency Agreement shall be required to be made on a day that is not a Business Day, such withdrawal, transfer or payment shall be made on the immediately succeeding Business Day.

(c) Delivery or Performance to Occur on a Business Day. In the event that any document, agreement or other item or action is required by any Secured Obligation Document to be delivered or performed on a day that is not a Business Day, the due date thereof shall be extended to the immediately succeeding Business Day.

FORM OF FUNDS TRANSFER CERTIFICATE

Funds Transfer Certificate No. [●]

FUNDS TRANSFER CERTIFICATE

Date: _____, _____
Date of Requested Transfer: _____, _____

Deutsche Bank National Trust Company
c/o Deutsche Bank Trust Company Americas
Trust and Agency Services
60 Wall Street, 16th Floor
Mail Stop: NYC60-1630
New York, New York 10005
Attention: Corporates Team, Virgin Trains
Facsimile: (732) 578-4635

Re: Virgin Trains USA Florida LLC

Ladies and Gentlemen:

Reference is made to that certain Second Amended and Restated Collateral Agency, Intercreditor and Accounts Agreement, dated as of April 18, 2019 (as amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof, the "Collateral Agency Agreement"), among Virgin Trains USA Florida LLC (f/k/a Brightline Trains LLC and, prior to that, All Aboard Florida – Operations LLC), a Delaware limited liability company (together with its permitted successors and assigns, the "Borrower"), Deutsche Bank National Trust Company, as Collateral Agent (in such capacity, the "Collateral Agent"), Deutsche Bank National Trust Company, as Trustee (in such capacity, the "Trustee"), Deutsche Bank National Trust Company, in its capacity as account bank (in such capacity, the "Account Bank") and each other Secured Party (as defined therein) that becomes a party thereto from time to time. Capitalized terms used and not otherwise defined herein have the meanings assigned thereto (whether directly or by reference to another agreement) in the Collateral Agency Agreement.

The undersigned is a Responsible Officer of the Borrower and is delivering this certificate (this "Funds Transfer Certificate") pursuant to Section(s) [5.02(b),] [5.02(d),] [5.03,] [5.06,] [5.07,] [5.08(b),] [5.09,] [5.11(b)] [and] [5.12] of the Collateral Agency Agreement.

1. Revenue Account. The following transfers are requested to be made from the Revenue Account on _____, _____ in accordance with this Funds Transfer Certificate as set forth in greater detail in Part A of the attached Schedule I:

- (a) ***[For Transfer Dates.]*** In accordance with Section 5.02(b) clause First of the Collateral Agency Agreement, we request that the Collateral Agent make disbursements in an aggregate amount of \$[●] from the Revenue Account, which amount is equal to the amount of fees, administrative costs and other expenses currently due and payable to the Agents, the Issuer (only to the extent of its Reserved Rights) and any Nationally Recognized Rating Agency currently rating any of the Secured Obligations.
- (b) ***[For Transfer Dates.]*** In accordance with Section 5.02(b) clause Second of the Collateral Agency Agreement, we request that \$[●] be transferred from the Revenue Account to the [Main] Operating Account [(account number [_____])][List additional Operating Accounts as necessary], which amount is an amount equal to, together with amounts on deposit in the Operating Accounts, the projected O&M Expenditures for the period ending on the immediately succeeding Transfer Date. The Borrower hereby certifies that O&M Expenditures for Major Maintenance (if any) are only included in the amount requested hereby to the extent that (A) such costs are currently due or are projected to become due prior to the next Transfer Date and (B) amounts on deposit in the Major Maintenance Reserve Account are insufficient to pay such costs.
- (c) ***[For Transfer Dates.]*** In accordance with Section 5.02(b) clause Third of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the Revenue Account and transferred to the [Main] Operating Account [(account number [_____])][List additional Operating Accounts as necessary] for the payment of Project Costs due and payable by the Borrower. The Borrower hereby certifies that this request is being made after the application of any remaining available funds in the Construction Account (or other amounts available therefor).]
- (d) ***[For Transfer Dates.]*** In accordance with Section 5.02(b) clause Fourth of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the Revenue Account and transferred to the Series 2019A Rebate Fund established under the Indenture [and \$[●] be withdrawn and transferred to [●][Insert name of any additional rebate fund established with respect to any tax-exempt Additional Parity Bonds]] for payments due and payable by the Borrower.
- (e) ***[For Transfer Dates.]*** In accordance with Section 5.02(b) clause Fifth of the Collateral Agency Agreement, we request that:
- (i) [(A)] \$[●] be withdrawn from the Revenue Account and transferred to the Series 2019A Interest Sub-Account, which shall be equal to one-sixth (1/6) of the amount of interest payable on the Series 2019A Bonds on the next Interest Payment Date; plus any deficiency from a prior Transfer Date. If the current Transfer Date is a Transfer Date occurring immediately prior to an Interest Payment Date, such amount is equal to the amount required (taking into account

the amounts then on deposit in the Series 2019A Interest Sub-Account and the Interest Account) to pay the interest due on such Interest Payment Date.

[To the extent any Additional Senior Indebtedness is Outstanding on such Transfer Date:]

(ii) \$[●] be withdrawn from the Revenue Account and transferred to the /applicable interest account established under the Collateral Agency Agreement for any outstanding Additional Senior Indebtedness/ an amount equal to the amount of interest ***[If any Permitted Swap Agreement was entered into in relation to such Senior Indebtedness]*** and any Ordinary Course Settlement Payments related to such Senior Indebtedness/ due on the next Interest Payment Date divided by the total number of months between Interest Payment Dates for such Additional Senior Indebtedness; plus, in each case any deficiency from a prior Transfer Date. If the current Transfer Date is a Transfer Date occurring immediately prior to an Interest Payment Date, such amount is equal to the amount required (taking into account the amounts then on deposit in any /applicable interest payment account established hereunder and any applicable interest payment account established under the other Additional Senior Indebtedness Documents/) to pay the interest ***[If any Permitted Swap Agreement was entered into in relation to such Senior Indebtedness]*** and any Ordinary Course Settlement Payments related to such Senior Indebtedness/ due on such Interest Payment Date.

[To the extent the Borrower has any Permitted Senior Commodity Swaps Outstanding on such Transfer Date:]

(iii) \$[●] be withdrawn from the Revenue Account and transferred to the /applicable Swap Bank/, which amount equals the amount of Ordinary Course Settlement Payments related to /Permitted Senior Commodity Swap/ due on or before the Transfer Date pursuant to the /applicable Permitted Swap Agreement/; plus, in each case any deficiency from a prior Transfer Date.

(f) ***[For Transfer Dates Immediately Preceding an Interest Payment Date.]*** In accordance with Section 5.02(b) clause Fifth of the Collateral Agency Agreement, we request that:

(i) \$[●] be withdrawn from the Series 2019A Interest-Sub Account and transferred to the Interest Account under the Indenture for the payment of interest due on the Series 2019A Bonds;[and

[To the extent any Additional Senior Indebtedness is Outstanding on such Transfer Date:]

(ii) \$[●] be withdrawn from the /interest account for additional Senior Indebtedness established under the Collateral Agency Agreement/ and transferred /in accordance with the applicable Additional Senior Indebtedness Documents/ for the payment of interest ***[If any Permitted Swap Agreement was entered into***

in relation to such Senior Indebtedness and any Ordinary Course Settlement Payments related to such Senior Indebtedness due on the applicable Senior Indebtedness on the next Interest Payment Date.

- (g) **[For Transfer Dates.]** In accordance with Section 5.02(b) clause Sixth of the Collateral Agency Agreement, we request that:

[For Series 2019A Bonds in the Fixed Rate Mode, for each Transfer Date occurring within 12 months of any Principal Payment Date.]

(i) \$[●] be withdrawn from the Revenue Account and transferred to the Series 2019A Principal Sub-Account, which shall be equal to one twelfth (1/12) of the amount of principal due on the next Principal Payment Date if the Transfer Date is within 12 months of such Principal Payment Date; plus, any deficiency from a prior Transfer Date. If the current Transfer Date is a Transfer Date occurring immediately prior to a Principal Payment Date, such amount is equal to the amount required to pay the principal payment due on such Principal Payment Date for the Series 2019A Bonds (taking into account the amount then on deposit in the Series 2019A Principal Sub-Account and the Principal Account).]

[To the extent any Additional Senior Indebtedness is Outstanding on such Transfer Date:]

(ii) \$[●] be withdrawn from the Revenue Account and transferred to the principal payment account established under the Collateral Agency Agreement for Additional Senior Indebtedness, which amount is equal to the amount of principal required to be deposited into such principal payment account for such Additional Senior Indebtedness as set forth in the applicable Additional Senior Indebtedness Documents; plus, any deficiency from a prior Transfer Date. If the current Transfer Date is a Transfer Date occurring immediately prior to a Principal Payment Date, such amount is equal to the amount required to pay the principal payment due on such Principal Payment Date for the applicable Additional Senior Indebtedness ***[If any Permitted Swap Agreement was entered into in relation to such Senior Indebtedness]***, including in the case of any Permitted Swap Agreement related to such Senior Indebtedness, Swap Termination Payments (taking into account the amounts then on deposit in the principal payment sub-account established under the Collateral Agency Agreement and any principal payment account established under the applicable Additional Senior Indebtedness Documents) for the payment of principal on such Additional Senior Indebtedness).

[To the extent the Borrower has any Permitted Senior Commodity Swaps Outstanding on such Transfer Date and such Transfer Date Occurs Immediately Prior to a Swap Termination Payment Due Date for such Permitted Senior Commodity Swap:]

- (iii) *[\$[●] be withdrawn from the Revenue Account and transferred to [applicable Swap Bank], which shall be equal to the amount required to pay the Swap Termination Payment due on [Insert due date] pursuant to [applicable Permitted Swap Agreement].*
- (h) *[For Series 2019A Bonds in the Term Rate Mode, for each Transfer Date occurring within 12 months of any Principal Payment Date.]* In accordance with Section 5.02(b) clause Sixth of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the Revenue Account and transferred to the Series 2019A Principal Sub-Account, which amount is equal to one twelfth (1/12) of the amount required to pay the principal payment due on the next Principal Payment Date (including, with respect to any Principal Payment Date that constitutes a Mandatory Tender Date for the Series 2019A Bonds, the principal amount of any mandatory sinking fund redemption due on such Mandatory Tender Date, but excluding the Purchase Price of the Series 2019A Bonds due on such Mandatory Tender Date) for the Series 2019A Bonds. If the current Transfer Date is a Transfer Date occurring immediately prior to a Principal Payment Date, such amount is equal to the amount required to pay the principal payment due on such Principal Payment Date for the Series 2019A Bonds, including, with respect to any Principal Payment Date that constitutes a Mandatory Tender Date for the Series 2019A Bonds, the amount of any mandatory sinking fund redemption due on such Mandatory Tender Date, but excluding the Purchase Price of the Series 2019A Bonds due on such Mandatory Tender Date (taking into account the amount then on deposit in the Series 2019A Principal Sub-Account and the Principal Account).
- (i) *[For Transfer Dates immediately preceding the Mandatory Tender Date of the Series 2019A Bonds in the Term Rate Mode.]* In accordance with Section 5.02(b) clause Sixth of the Collateral Agency Agreement, we request that:
- (i) *[\$[●] be withdrawn from the Series 2019A Principal Sub-Account and transferred to the Principal Account for the payment of principal due on the Series 2019A Bonds on the Mandatory Tender Date for the Series 2019A Bonds].*
- (j) In accordance with Section 5.02(b) clause Seventh of the Collateral Agency Agreement, we request that:
- (i) *[For Transfer Dates on and after the Phase 2 Revenue Service Commencement Date.]* \$[●] be withdrawn from the Revenue Account and transferred to the Series 2019 Debt Service Reserve Account, which amount is equal to the amount necessary to fund such account so that the balance therein (taking into account the amount available for drawing under any Qualified Reserve Account Credit Instrument provided with respect thereto) equals the applicable Series 2019A Debt Service Reserve Requirement for the immediately preceding Calculation Date.

- (ii) ***[For any date on which an Additional Debt Service Reserve Account is created and established in connection with the issuance or incurrence by the Borrower of Additional Senior Secured Indebtedness]*** \$[●] be withdrawn from the Revenue Account and transferred to ***[the applicable Additional Debt Service Reserve Account]***, which amount is equal to the amount necessary to fund such account so that the balance therein (taking into account the amount available for drawing under any Qualified Reserve Account Credit Instrument provided with respect thereto) equals the applicable Additional Debt Service Reserve Requirement.
- (k) In accordance with Section 5.02(b) clause Eighth of the Collateral Agency Agreement, we request that:
- (i) ***[For Transfer Dates beginning after December 31, 2020.]*** \$[●] be withdrawn from the Revenue Account and transferred to the Series 2019A Major Maintenance Reserve Account, which amount is equal to the amount necessary to fund such account so that the balance therein equals the Series 2019A Major Maintenance Reserve Required Balance.
- (ii) ***[For dates on and after an Additional Major Maintenance Reserve Account is created and established in connection with the issuance or incurrence by the Borrower of Additional Senior Secured Indebtedness.]*** \$[●] be withdrawn from the Revenue Account and transferred to the ***[applicable Additional Major Maintenance Reserve Account]***, which amount is equal to the amount necessary to fund such account so that the balance therein equals the current applicable Major Maintenance Reserve Required Balance.
- (l) In accordance with Section 5.02(b) clause Ninth of the Collateral Agency Agreement, we request that:
- (i) ***[For Transfer Dates.]*** \$[●] be withdrawn from the Revenue Account and transferred to the Series 2019A O&M Reserve Account, which amount is equal to the amount necessary to fund such account so that the balance therein equals the Series 2019A O&M Reserve Requirement.
- (ii) ***[For dates on and after an Additional O&M Reserve Account is created and established in connection with the issuance or incurrence by the Borrower of Additional Senior Secured Indebtedness.]*** \$[●] be withdrawn from the Revenue Account and transferred to ***[the applicable Additional O&M Reserve Account]***, which amount is equal to the amount necessary to fund such account so that the balance therein equals the current applicable O&M Reserve Requirement.
- (m) ***[For Transfer Dates.]*** In accordance with Section 5.02(b) clause Tenth of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the Revenue Account and transferred to the Person identified on Part A of Schedule I hereto, to pay any debt service due or becoming due prior to the next Transfer Date on Indebtedness ***[or under any Permitted Swap Agreement]*** permitted under

the Secured Obligation Documents (other than the Indebtedness or Permitted Swap Agreements serviced pursuant to another clause of this Flow of Funds), including interest, fees, principal and premium, if any, in respect of such Indebtedness/ and Ordinary Course Settlement Payments and Swap Termination Payments in respect of such Permitted Swap Agreements/.

- (n) ***[For dates within the 15-day period commencing on a Distribution Date.]*** In accordance with Section 5.02(b) clause Eleventh of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the Revenue Account and transferred to the Person identified on Part A of Schedule I hereto, to pay interest on /Permitted Subordinated Debt/. In connection herewith, the Borrower is delivering a duly executed Distribution Release Certificate substantially in the form of Exhibit E to the Collateral Agency Agreement, certifying that the Restricted Payment Conditions have been satisfied as of the applicable Distribution Date.
- (o) ***[For dates within the 15-day period commencing on a Distribution Date.]*** In accordance with Section 5.02(b) clause Twelfth of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the Revenue Account and transferred to the Person identified on Part A of Schedule I hereto, to pay scheduled principal on /Permitted Subordinated Debt/. In connection herewith, the Borrower is delivering a duly executed Distribution Release Certificate substantially in the form of Exhibit E to the Collateral Agency Agreement, certifying that the Restricted Payment Conditions have been satisfied as of the applicable Distribution Date.
- (p) ***[For Transfer Dates.]*** In accordance with Section 5.02(b) clause Thirteenth of the Collateral Agency Agreement, we request that:
 - (i) \$[●] be withdrawn from the Revenue Account and transferred to the Trustee as identified on Part A of Schedule I hereto for repayment of the Series 2019A Bonds at the Borrower's option in accordance with the Indenture. Such prepayment is in accordance with the Indenture.
 - (ii) \$[●] be withdrawn from the Revenue Account and transferred to the Person identified on Part A of Schedule I hereto, for prepayment or optional redemption at the Borrower's option /on the Secured Obligations/. Such amount includes any interest or premium payable in connection with such prepayment or redemption and such prepayment or optional redemption is in accordance with the /Secured Obligation Documents/.
- (q) ***[For dates within the 15-day period commencing on a Distribution Date.]*** In accordance with Section 5.02(b) clause Fourteenth of the Collateral Agency Agreement, we request that:

[Solely to the extent that the Restricted Payment Conditions have been satisfied as of the applicable Distribution Date:]

[\$●] be withdrawn from the Revenue Account and transferred to the Distribution Account, which amount represents the amount remaining on deposit in the Revenue Account after giving effect to the withdrawals and transfers referred to in clauses (a) through (p) above on the Transfer Date that constituted the applicable Distribution Date and does not exceed the amounts on deposit in the Revenue Account as of such Transfer Date. In connection herewith, the Borrower is delivering a duly executed Distribution Release Certificate substantially in the form of Exhibit E to the Collateral Agency Agreement, certifying that the Restricted Payment Conditions have been satisfied as of the applicable Distribution Date.

[If the Restricted Payment Conditions have not been satisfied as of such date:]

[\$●] be withdrawn from the Revenue Account and transferred to the Equity Lock-Up Account, which amount represents the amount remaining on deposit in the Revenue Account after giving effect to the withdrawals and transfers referred to in clauses (a) through (p) above on the Transfer Date that constituted the applicable Distribution Date and does not exceed the amounts on deposit in the Revenue Account as of such Transfer Date.

2. Loss Proceeds Account. In accordance with Section 5.03 of the Collateral Agency Agreement, we request that [\$●] be withdrawn from the Loss Proceeds Account and transferred to the Borrower to be applied to Restore the Series 2019A Project or any portion thereof, as set forth in greater detail in Part B of the attached Schedule I. ***[If applicable:]*** [To the extent that (A) amounts on deposit in the Loss Proceeds Account exceed the amount required to Restore the Series 2019A Project or any portion thereof to the condition existing prior to the Loss Event or (B) the affected property cannot be Restored to permit operation of the Series 2019A Project on a Commercially Feasible Basis, we request that [\$●] be withdrawn from the Loss Proceeds Account and transferred to [the applicable sub-account of the Mandatory Prepayment Account] to cause the pro rata extraordinary mandatory redemption of the Series 2019A Bonds [and Additional Senior Indebtedness] ***[Solely if funds remain]*** [and, [\$●] be withdrawn from the Loss Proceeds Account and transferred to [the applicable sub-account of the Mandatory Prepayment Account] to cause the prepayment of any remaining Secured Obligations] ***[Solely if funds remain]*** [and [\$●] be withdrawn from the Loss Proceeds Account and transferred to the Revenue Account to be applied in accordance with Section 5.02(b) of the Collateral Agency Agreement]. We have delivered to the Collateral Agent a certificate of a Responsible Officer of the Borrower certifying to the foregoing.

3. Series 2019A Major Maintenance Reserve Account. In accordance with Section 5.06, the following transfers are requested to be made from the Series 2019A Major Maintenance Reserve Account in accordance with this Funds Transfer Certificate as set forth in greater detail in Part C of the attached Schedule I:

- (a) ***[Commencing on the first Transfer Date immediately following December 31, 2020, on each Transfer Date on which Major Maintenance Costs are due and payable or reasonably expected to become due and payable prior to the next succeeding Transfer Date.]*** In accordance with Sections [5.06(a)]/[5.06(b)] of the

Collateral Agency Agreement, we request that \$[●] be withdrawn from the Series 2019A Major Maintenance Reserve Account and transferred to [the Persons]/the [Main] Operating Account [(account number [_____])][List additional Operating Accounts as necessary] as/ set forth in greater detail in Part C of the attached Schedule I. Such amounts are being used to pay Major Maintenance Costs in accordance with the Major Maintenance Plan.

- (b) ***[To the extent there are funds on deposit in the Non-Completed Work Sub-Account.]*** In accordance with Section 5.06(c) of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the Non-Completed Work Sub-Account and transferred to the Person specified in greater detail in Part C of the attached Schedule I. Such amounts are being used to pay the costs of completing the Non-Completed Work for which such amounts were initially deposited into the Non-Completed Work Sub-Account.
- (d) ***[To the extent there are funds on deposit in the Non-Completed Work Sub-Account after making withdrawals and transfers specified in clauses (a) and (b) above.]*** In accordance with Section 5.06(c) of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the Non-Completed Work Sub-Account and transferred to the Revenue Account. The Non-Completed Work for which such amounts were initially deposited into the Non-Completed Work Sub-Account has been completed.
- (e) ***[To the extent that on any Transfer Date there are funds on deposit in any Major Maintenance Reserve Account in excess of the applicable Major Maintenance Reserve Required Balance.]*** In accordance with Section 5.06(e) of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the [Series 2019A Major Maintenance Reserve Account][applicable Major Maintenance Reserve Account] and transferred to the Revenue Account, such amounts are in excess of the Major Maintenance Reserve Required Balance.

[For dates on and after any Additional Major Maintenance Reserve Account is created and established in connection with the issuance or incurrence by the Borrower of Additional Senior Secured Indebtedness.]

[Applicable Additional Major Maintenance Reserve Account.] In accordance with Section 5.06 of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the [Additional Major Maintenance Reserve Account] and transferred to [in accordance with the applicable Additional Senior Secured Indebtedness Documents] in accordance with this Funds Transfer Certificate as set forth in greater detail in Part C of the attached Schedule I.

4. Series 2019A O&M Reserve Account. In accordance with Section 5.07 of the Collateral Agency Agreement, the following transfers are requested to be made from the Series 2019A O&M Reserve Account in accordance with this Funds Transfer Certificate as set forth in greater detail in Part D of the attached Schedule I

- (a) we request that \$[●] be withdrawn from the Series 2019A O&M Reserve Account and transferred to the [Main] Operating Account [(account number [_____])] [List additional Operating Accounts as necessary] as set forth in greater detail in Part D of the attached Schedule I. Such amounts are being used to pay for O&M Expenditures and no other amounts in the Revenue Account, the Series 2019A Major Maintenance Account or the Equity Lock-Up Account.
- (b) *[To the extent that on any Transfer Date there are funds on deposit in any O&M Reserve Account in excess of the applicable O&M Reserve Requirement.]* In accordance with Sections 5.02(d) and 5.07(c) of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the [applicable O&M Reserve Account] and transferred to the Revenue Account, such amounts are in excess of the [applicable O&M Reserve Requirement].

[For dates on and after an Additional O&M Reserve Account is created and established in connection with the issuance or incurrence by the Borrower of Additional Senior Secured Indebtedness.]

[Applicable Additional O&M Reserve Account.] In accordance with Section 5.07, we request that \$[●] be withdrawn from the [Additional O&M Reserve Account] and transferred to [in accordance with the applicable Additional Senior Indebtedness Documents] the following transfers are requested to be made from the [Applicable Additional O&M Maintenance Reserve Account] in accordance with this Funds Transfer Certificate as set forth in greater detail in Part D of the attached Schedule I.

5. Ramp-Up Reserve Account. In accordance with Section 5.08, the following transfers are requested to be made from the Ramp-Up Reserve Account in accordance with this Funds Transfer Certificate as set forth in greater detail in Part E of the attached Schedule I:

- (a) *[On a date before the first Calculation Date after the second (2nd) anniversary of the Phase 2 Revenue Service Commencement Date.]* In accordance with Section 5.08(b) of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the Ramp-Up Reserve Account and transferred to the [Main] Operating Account [(account number [_____])] [List additional Operating Accounts as necessary] to pay O&M Expenditures then due and payable. There are not sufficient funds for the payment thereof in the Operating Accounts, the Revenue Account or any other accounts available therefore under the Collateral Agency Agreement.
- (b) *[On a date following the first Calculation Date after the second (2nd) anniversary of the Phase 2 Revenue Service Commencement Date.]* In accordance with Section 5.08(c) of the Collateral Agency Agreement, we hereby certify that the Total DSCR, as of the immediately preceding Calculation Date is not less than 1.50:1.00 and we request that (i) \$[●] be withdrawn from the Ramp-Up Reserve Account and transferred to the Series 2019A O&M Reserve Account (which amount is equal to the O&M Reserve Requirement as of such date) and (ii) \$[●] be withdrawn from the Ramp-Up Reserve Account and transferred to the

Revenue Account, and the aggregate amount of transfers set forth in (i) and (ii) is equal to all remaining funds on deposit in the Ramp-Up Reserve Account.

6. Mandatory Prepayment Account. The following transfers are requested to be made from the Mandatory Prepayment Account in accordance with this Funds Transfer Certificate as set forth in greater detail in Part F of the attached Schedule I:

- (a) In accordance with Section 5.09(a) of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the Series 2019A PABs Mandatory Prepayment Sub-Account and transferred to the Trustee for prepayment of the Series 2019A Bonds.

[To the extent any Additional Senior Secured Indebtedness is Outstanding on such Date:]

- (b) In accordance with Section 5.09(a) of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the *[applicable sub-account created under the Mandatory Prepayment Account]* for the prepayment of *[the Additional Senior Secured Indebtedness]* and transferred to the applicable Secured Debt Representative.

7. Equity Lock-Up Account. The following transfers are requested to be made from the Equity Lock-Up Account in accordance with this Funds Transfer Certificate as set forth in greater detail in Part G of the attached Schedule I:

- (a) ***[For dates within the 15 days after any Distribution Date.]*** In accordance with Section 5.11(b) of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the Equity Lock-Up Account and transferred to the Distribution Account. Such amount is not in excess of the amount of funds in the Equity Lock-Up Account on the Distribution Date. In connection herewith, the Borrower is delivering a duly executed Distribution Release Certificate substantially in the form of Exhibit E to the Collateral Agency Agreement, certifying that the Restricted Payment Conditions have been satisfied.
- (b) In accordance with Section 5.11(c) of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the Equity Lock-Up Account and transferred to the applicable Secured Debt Representatives to make such mandatory prepayment or redemption as is required under the applicable Secured Obligation Documents as a result of a failure to satisfy the Restricted Payment Conditions.
- (c) In accordance with Section 5.11(d) of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the Equity Lock-Up Account and transferred to *[describe Person to whom prepayment or optional redemption is directed]*.

8. Capital Projects Account. The following transfers are requested to be made from the Capital Projects Account in accordance with this Funds Transfer Certificate as set forth in greater detail in Part H of the attached Schedule I:

- (a) In accordance with Section 5.12 of the Collateral Agency Agreement and Section 6.02 of the Senior Loan Agreement, we request that \$[●] be withdrawn from the Capital Projects Account and used to pay the costs of Capital Projects as set forth in Part H of Schedule I attached hereto. Such Capital Projects are permitted pursuant to Section 6.02 of the Senior Loan Agreement.

The Borrower hereby certifies that the withdrawals and transfers requested above comply in all respects with the requirements of the Collateral Agency Agreement.

IN WITNESS WHEREOF, the Borrower has caused this Funds Transfer Certificate to be duly executed and delivered by a Responsible Officer of the Borrower as of the date first written above.

VIRGIN TRAINS USA FLORIDA LLC,
as Borrower

By: _____
Name:
Title:

Schedule I
to Funds Transfer Certificate

DETAILED DISBURSEMENTS

*[Borrower to attach excel spreadsheets (in pdf format) with appropriate detail, divided by Parts
A through H]*

Part A: Disbursements from Revenue Account

Part B: Disbursements from Loss Proceeds Account

Part C: Disbursements from Series 2019A Major Maintenance Reserve Account

Part D: Disbursements from Series 2019A O&M Reserve Account

Part E: Disbursements from Ramp-Up Reserve Account

Part F: Disbursements from Mandatory Prepayment Account

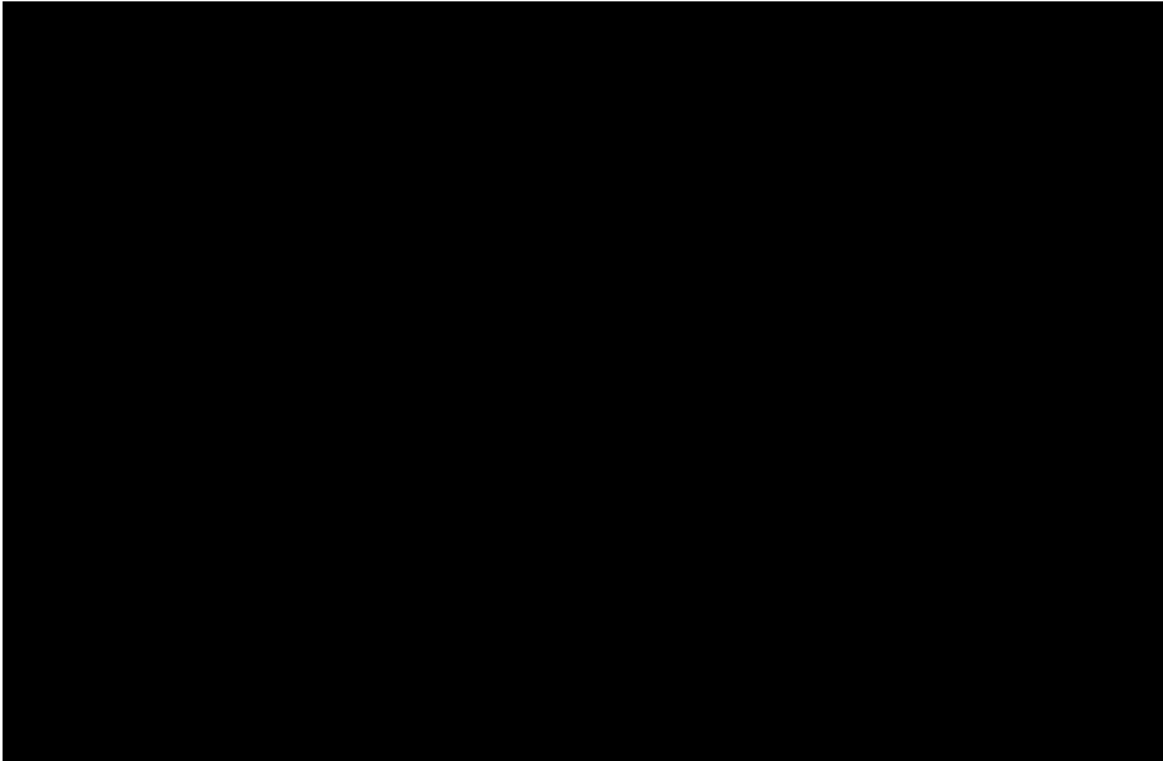
Part G: Disbursements from Equity Lock-Up Account

Part H: Disbursements from Capital Projects Account

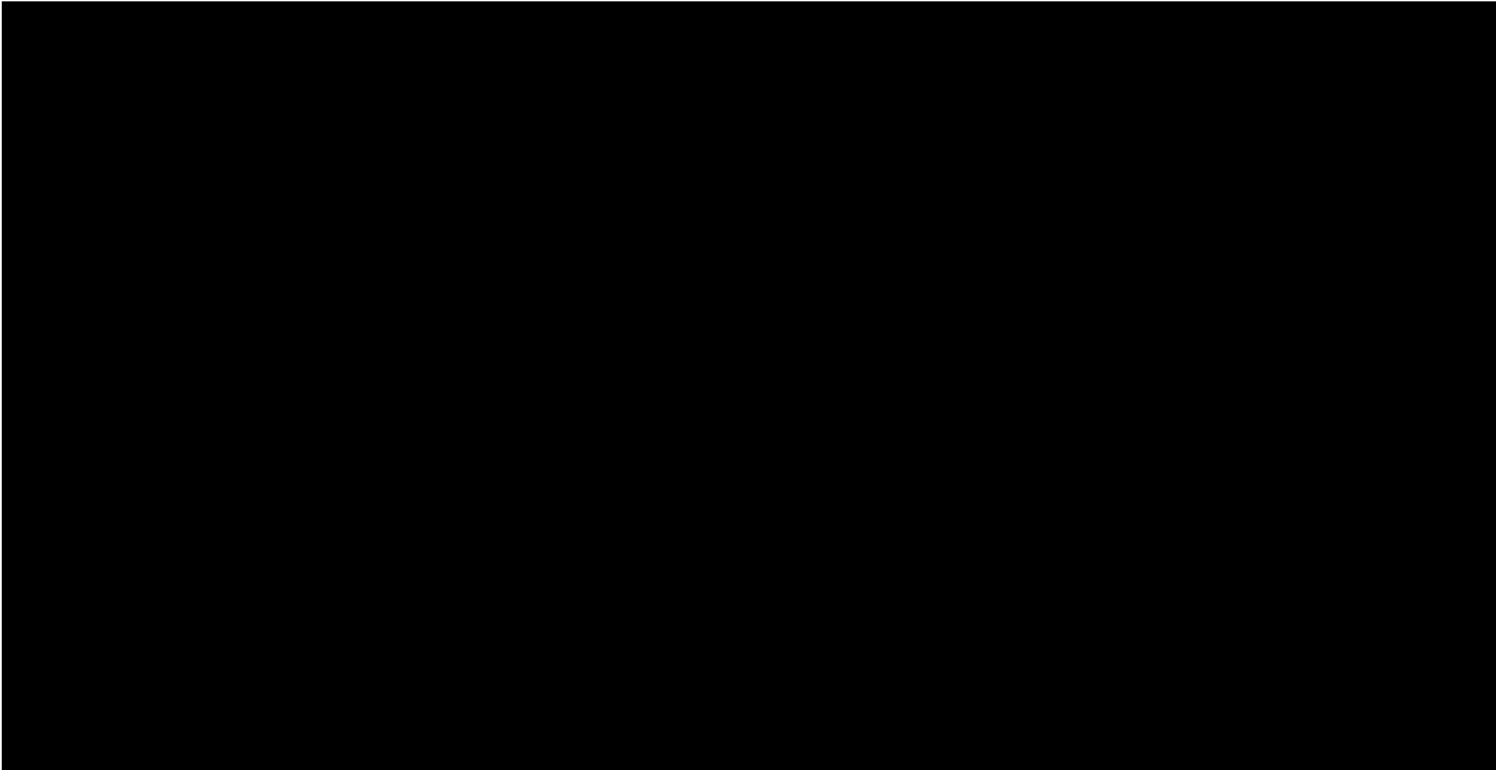
ACCOUNTS

Project Accounts Held by Account Bank

Number Account Name

A large black rectangular redaction box covers the entire table content for the 'Project Accounts Held by Account Bank' section.

Project Accounts Held by Deposit Account Bank

A large black rectangular redaction box covers the entire table content for the 'Project Accounts Held by Deposit Account Bank' section.

VIRGIN TRAINS USA FLORIDA LLC

INCUMBENCY CERTIFICATE

The undersigned certifies that s/he is the **[INSERT TITLE]** of Virgin Trains USA Florida LLC (f/k/a Brightline Trains LLC and, prior to that, known as All Aboard Florida – Operations LLC), a Delaware limited liability company (together with its permitted successors and assigns, the “Borrower”), and as such s/he is authorized to execute this Certificate and further certifies that the following persons have been elected or appointed, are qualified, and are now acting as officers of the Borrower in the capacity or capacities indicated below, and that the signatures set forth opposite their respective names are their true and genuine signatures. S/he further certifies that any of the persons listed below is authorized [**CHOOSE ONE: individually or jointly with one other person**] to sign agreements and give written instructions with regard to any matters pertaining to the Collateral Agency Agreement:

<u>Name</u>	<u>Title / Phone</u>	<u>Signature</u>
_____	/	_____
_____	/	_____
_____	/	_____

IN WITNESS WHEREOF, I have duly executed and delivered this Incumbency Certificate of the Borrower this _____ day of _____, 20__.

VIRGIN TRAINS USA FLORIDA LLC

Name:
Title:

FORM OF DISTRIBUTION RELEASE CERTIFICATE**DISTRIBUTION RELEASE CERTIFICATE**

Date: _____, _____
 Date of Requested Distribution: _____, _____

Deutsche Bank National Trust Company
 c/o Deutsche Bank Trust Company Americas
 Trust and Agency Services
 60 Wall Street, 16th Floor
 Mail Stop: NYC60-1630
 New York, New York 10005
 Attention: Corporates Team, Virgin Trains
 Facsimile: (732) 578-4635

Re: Virgin Trains USA Florida LLC

Ladies and Gentlemen:

Reference is hereby made to that certain Second Amended and Restated Collateral Agency, Intercreditor and Accounts Agreement, dated as of April 18, 2019, (the “Collateral Agency Agreement”), among Virgin Trains USA Florida LLC (f/k/a Brightline Trains LLC and, prior to that, known as All Aboard Florida – Operations LLC), a Delaware limited liability company (together with its permitted successors and assigns, the “Borrower”), Deutsche Bank National Trust Company, as Collateral Agent (in such capacity, the “Collateral Agent”), Deutsche Bank National Trust Company, as Trustee (in such capacity, the “Trustee”), Deutsche Bank National Trust Company, in its capacity as account bank (in such capacity, the “Account Bank”) and each other Secured Party (as defined therein) that becomes a party thereto from time to time.

This certificate (this “Distribution Release Certificate”) is delivered to you in connection with Section [5.02(b)] [and 5.11(b)] of the Collateral Agency Agreement and in connection with the transfer of funds from [the Revenue Account][Equity Lock-Up Account] to the [Distribution Account by the Borrower][payment of Permitted Subordinated Debt by the Borrower].

The undersigned is a Responsible Officer of the Borrower and in such capacity does hereby certify on behalf of the Borrower with respect to the transfer of funds to the [Distribution Account][payment of Permitted Subordinated Debt] (the “Restricted Payment”) requested hereby: ***[If any Additional Senior Indebtedness is outstanding, insert any additional Restricted Payment Conditions in accordance with the applicable Additional Senior Indebtedness Documents]***

to Collateral Agency Agreement

1. All transfers and distributions required to be made pursuant to clauses First through Thirteenth of the Flow of Funds on or prior to such Distribution Date will have been satisfied in full.
2. Each required reserve account, to the extent required by the Secured Obligation Documents, is fully funded in cash or, to the extent permitted by the Secured Obligation Documents, with a Qualified Reserve Credit Instrument and satisfying the other conditions to delivery and maintenance thereof.
3. The Total DSCR is at least equal to the Lock-Up Total DSCR, and the Total DSCR for the 12-month period following such Distribution Date, taking into account the transfer requested herein, is projected to be at least equal to the Lock-Up Total DSCR (as demonstrated on Annex A attached hereto).
4. No Potential Secured Obligation Event of Default or Secured Obligation Event of Default under any Financing Document has occurred and is continuing or would exist as a result of making the payment requested herein.

* * *

IN WITNESS WHEREOF, the undersigned, a Responsible Officer of the Borrower, has duly executed and delivered this Distribution Release Certificate as of the date first written above.

VIRGIN TRAINS USA FLORIDA LLC,
as Borrower

By: _____

Name:

Title:

Annex A
to Distribution Release Certificate

CALCULATIONS DEMONSTRATING THE TOTAL DSCR AND PROJECTED TOTAL
DSCR

[See attached.]

FORM OF ACCESSION AGREEMENT

ACCESSION AGREEMENT

[____], 20[__]

To: Deutsche Bank National Trust Company., as
Collateral Agent

From: *[Name of Additional Secured Party]*

Reference is made to that certain Second Amended and Restated Collateral Agency, Intercreditor and Accounts Agreement dated as of April 18, 2019 (as amended, modified or supplemented from time to time, the “Agreement”), among Virgin Trains USA Florida LLC (f/k/a Brightline Trains LLC and, prior to that, known as All Aboard Florida – Operations LLC), a limited liability company duly organized under the laws of the State of Delaware (together with its permitted successors and assigns, the “Borrower”), Deutsche Bank National Trust Company, in its capacity as Collateral Agent (the “Collateral Agent”), Deutsche Bank National Trust Company, in its capacity as Account Bank, Deutsche Bank National Trust Company, in its capacity as Trustee, and each other Secured Party from time to time party thereto. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed thereto in the Agreement.

To secure the Borrower’s obligations with respect to the Secured Obligations, the Borrower has entered into certain Security Documents, including, but not limited to, the Agreement. A Person shall become a Secured Party under the Agreement by executing and delivering, or upon the execution and delivery by its Secured Debt Representative of, a copy of this Accession Agreement to the Collateral Agent.

This Accession Agreement is being delivered to you pursuant to Section 7.06 of the Agreement. In consideration of the undersigned becoming a Secured Party in accordance with Section 7.06 of the Agreement, by executing and delivering this Accession Agreement the undersigned hereby confirms that from the date of delivery of this Agreement, in accordance with Section 7.06 it shall become a party to the Agreement as a [counterparty to a Permitted Swap Agreement] [Secured Debt Representative] for all purposes thereof. As a party to the Agreement, the undersigned agrees to be bound as a [counterparty to a Permitted Swap Agreement] [Secured Debt Representative] by all of the terms and conditions of the Agreement and the other Security Documents as a [counterparty to a Permitted Swap Agreement] [Secured Debt Representative] for all purposes thereof on the terms set forth therein as fully as if the undersigned had executed and delivered the Agreement as of the date thereof as a [counterparty to a Permitted Swap Agreement] [Secured Debt Representative]. The undersigned agrees to be bound by any amendment, waiver or modification to the Agreement, and any direction issued thereunder, as if a party to the Agreement as a

EXHIBIT F
to Collateral Agency Agreement

[counterparty to a Permitted Swap Agreement] [Secured Debt Representative] on the date thereof. Furthermore, the undersigned undertakes to perform all obligations of a [counterparty to a Permitted Swap Agreement] [Secured Debt Representative] under the Agreement and the other Security Documents.

The undersigned is duly authorized to execute and deliver this Accession Agreement. The execution by the undersigned of this Accession Agreement shall evidence its consent to and acknowledgment and approval of the terms set forth herein and in the Agreement.

Upon execution of this Accession Agreement, the Agreement shall be deemed to be amended as set forth above. Except as amended herein, the terms and provisions of the Agreement are hereby ratified, confirmed and approved in all respects.

Deutsche Bank National Trust Company is hereby appointed by the undersigned as the Collateral Agent pursuant to the Agreement, and the Collateral Agent is irrevocably authorized and empowered to act as Collateral Agent on behalf of the undersigned under the Agreement.

The provisions of Article XIII of the Agreement will apply with like effect to this Accession Agreement.

For purposes of Section 13.03 of the Agreement, the address and the contact number of the undersigned are as follows:

[*address*]
Attention: [_____]
Facsimile: [_____]
Email: [_____]
Telephone: [_____]

EXHIBIT F
to Collateral Agency Agreement

IN WITNESS WHEREOF, the undersigned has caused this Accession Agreement to be duly executed as of the date first set forth above.

[NAME OF ADDITIONAL SECURED PARTY]

By: _____
Name:
Title:

Acknowledged and agreed:
DEUTSCHE BANK NATIONAL
TRUST COMPANY,
not in its individual capacity but solely
as Collateral Agent

By: _____
Name:
Title:

FORM OF REAFFIRMATION AGREEMENT

REAFFIRMATION AGREEMENT

Reference is made to that certain Second Amended and Restated Collateral Agency, Intercreditor and Accounts Agreement dated as of April 18, 2019 (as amended, modified or supplemented from time to time, the “Agreement”), among Virgin Trains USA Florida LLC (f/k/a Brightline Trains LLC and, prior to that, known as All Aboard Florida – Operations LLC), a limited liability company duly organized under the laws of the State of Delaware (together with its permitted successors and assigns, the “Borrower”), Deutsche Bank National Trust Company, in its capacity as Collateral Agent (the “Collateral Agent”), Deutsche Bank National Trust Company, in its capacity as Account Bank, Deutsche Bank National Trust Company, in its capacity as Trustee, and each other Secured Party from time to time party thereto. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed thereto in the Agreement.

This Reaffirmation Agreement is being executed and delivered as of _____, 20__ in connection with Additional Senior Indebtedness incurred as of even date herewith and an Accession Agreement of even date herewith. The Borrower has designated additional secured debt as Additional Senior Indebtedness entitled to the benefit of the Agreement. Pursuant to the Accession Agreement, [name of new Secured Debt Representative] (the “New Representative”), among other things, has agreed to become bound by all terms of the Agreement and has reaffirmed and appointed Deutsche Bank National Trust Company as the Collateral Agent for the benefit of the applicable Additional Senior Indebtedness Holders, the other Secured Parties, and the successors and assigns of each of the foregoing.

The Borrower hereby consents to the designation of the additional obligations owed pursuant to that certain [describe loan agreement or other debt document] (the “New Debt”) as Additional Senior Indebtedness and hereby confirms its respective guarantees, pledges, grants of security interests and other obligations, as applicable, under and subject to the terms of the Agreement and the other Security Documents, and agrees that, notwithstanding the designation of such additional indebtedness or any of the transactions contemplated thereby, such guarantees, pledges, grants of security interests and other obligations, and the terms of each Secured Obligation Document to which it is a party, are not impaired or adversely affected in any manner whatsoever and shall continue to be in full force and effect and such Additional Senior Indebtedness shall be entitled to all of the benefits of such Secured Obligation Documents.

To secure the prompt and complete payment, performance and observance of all of the Secured Obligations (including, in any event, the New Debt) and all amendments, modifications, and supplements thereto and renewals, extensions, restructurings and refinancings thereof, (i) the Borrower hereby grants a Security Interest to the Collateral Agent for the benefit of the Secured Parties, upon all of its right, title and interest in, to and under the Grantor Collateral (as defined

EXHIBIT G
to Collateral Agency Agreement

in the Security Agreement) and (ii) [AAF Operations Holdings LLC, a Delaware limited liability company] (the “Pledgor”) hereby grants a Security Interest to the Collateral Agent for the benefit of the Secured Parties, upon all of its right, title and interest in, to and under the Pledged Collateral (as defined in the Pledge Agreement). In addition, the undersigned hereby authorizes the filing of, and agrees to file, financing statements and/or amendments to financing statements in any jurisdiction and with any filing office. The Grantor agrees that such financing statements may describe the Grantor Collateral in the same manner as described in the Security Agreement or as “all assets” or “all personal property”, whether now owned or in the future acquired by the Grantor and whether now existing or in the future coming into existence and wherever located or words of similar meaning or such other description as the Collateral Agent or the Required Secured Parties determine is necessary or advisable. The provisions of Article XIII of the Agreement will apply with like effect to this Accession Agreement.

EXHIBIT G
to Collateral Agency Agreement

IN WITNESS WHEREOF, each of the undersigned has caused this Reaffirmation Agreement to be duly executed as of the date written above.

VIRGIN TRAINS USA FLORIDA LLC,
as the Borrower

By: _____
Name:
Title:

[AAF OPERATIONS HOLDINGS LLC],
as the Pledgor

By: _____
Name:
Title:

Acknowledged and agreed:
DEUTSCHE BANK NATIONAL
TRUST COMPANY,
not in its individual capacity but solely as
Collateral Agent

By: _____
Name:
Title:

EXHIBIT G
to Collateral Agency Agreement

Acknowledged and agreed:
[ADDITIONAL SECURED DEBT
REPRESENTATIVE]

By: _____
Name:
Title:

FORM OF MORTGAGE MODIFICATION CERTIFICATE

MORTGAGE MODIFICATION CERTIFICATE

Date: _____, _____

Deutsche Bank National Trust Company
c/o Deutsche Bank Trust Company Americas
Trust and Agency Services
60 Wall Street, 16th Floor
Mail Stop: NYC60-1630
New York, New York 10005
Attention: Corporates Team, Virgin Trains
Facsimile: (732) 578-4635

Re: Virgin Trains USA Florida LLC

Ladies and Gentlemen:

Reference is hereby made to that certain Second Amended and Restated Collateral Agency, Intercreditor and Accounts Agreement, dated as of April 18, 2019, (the "Collateral Agency Agreement"), among Virgin Trains USA Florida LLC (f/k/a Brightline Trains LLC and, prior to that, known as All Aboard Florida – Operations LLC), a Delaware limited liability company (the "Borrower"), Deutsche Bank National Trust Company, as Collateral Agent (in such capacity, the "Collateral Agent"), Deutsche Bank National Trust Company, as Trustee (in such capacity, the "Trustee"), Deutsche Bank National Trust Company, in its capacity as account bank (in such capacity, the "Account Bank") and each other Secured Party (as defined therein) that becomes a party thereto from time to time.

This certificate (this "Mortgage Modification Certificate") is delivered to you in connection with Section 12.01(b) of the Collateral Agency Agreement and [Section [___]] of the Mortgage attached hereto as Exhibit A. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Mortgage.

The undersigned is a Responsible Officer of the Borrower and in such capacity does hereby certify on behalf of the Borrower with respect to the Mortgage Modification requested hereby:

EXHIBIT H

to Collateral Agency Agreement

1. The transaction relating to the requested Mortgage Modification is described on Exhibit B attached hereto.
2. The requested Mortgage Modification is attached hereto as Exhibit C.
3. That (x) such Mortgage Modification would not, as of the date of this Mortgage Modification Certificate, cause material adverse effect on the value of the Collateral taken as a whole and would not materially adversely impair Mortgagor's ability to complete or operate the Series 2019A Project or (y) the subject of such Mortgage Modification is described in the Limited Offering Memorandum (as defined in the Indenture) or is a Permitted Easement, Permitted Indebtedness, Permitted Sales and Dispositions, Permitted Security Instrument or other transaction, security or grant that is otherwise not prohibited by the Senior Loan Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

EXHIBIT H
to Collateral Agency Agreement

IN WITNESS WHEREOF, the undersigned, a Responsible Officer of the Borrower, has duly executed and delivered this Mortgage Amendment Certificate as of the date first written above.

VIRGIN TRAINS USA FLORIDA LLC,
as Borrower

By: _____
Name:
Title:

FORM OF CONSTRUCTION ACCOUNT WITHDRAWAL CERTIFICATE

CONSTRUCTION ACCOUNT WITHDRAWAL CERTIFICATE

Requisition No. _____

Florida Development Finance Corporation
Surface Transportation Facility Revenue Bonds
(Virgin Trains USA Passenger Rail Project), Series 2019A

Deutsche Bank National Trust Company
c/o Deutsche Bank Trust Company Americas
Trust and Agency Services
60 Wall Street, 16th Floor
Mail Stop: NYC60-1630
New York, New York 10005
Attention: Corporates Team, Virgin Trains
Facsimile: (732) 578-4635

Ladies and Gentlemen:

Reference is made to that certain Second Amended and Restated Collateral Agency, Intercreditor and Accounts Agreement, dated as of April 18, 2019 (as amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof, the “Collateral Agency Agreement”), among Virgin Trains USA Florida LLC (f/k/a Brightline Trains LLC and, prior to that, All Aboard Florida – Operations LLC), a Delaware limited liability company (together with its permitted successors and assigns, the “Borrower”), Deutsche Bank National Trust Company, as Collateral Agent (in such capacity, the “Collateral Agent”), Deutsche Bank National Trust Company, as Trustee (in such capacity, the “Trustee”), Deutsche Bank National Trust Company, in its capacity as account bank (in such capacity, the “Account Bank”) and each other Secured Party (as defined therein) that becomes a party thereto from time to time. Capitalized terms used and not otherwise defined herein have the meanings assigned thereto (whether directly or by reference to another agreement) in the Collateral Agency Agreement.

On behalf of the Borrower, I hereby requisition, pursuant to Section 5.04(f) of the Collateral Agency Agreement, from the [PABs Proceeds Sub-Account][PABs Counties Equity Contribution Sub-Account][Non-PABs Counties Equity Sub-Account][Other Proceeds Sub-Account] of the Construction Account the sums identified in Exhibit A attached hereto to be paid to the persons listed in Exhibit A, in the amounts and at the addresses and for the purposes set forth therein.

Invoices or other appropriate evidence of the incurrence of each obligation described in

EXHIBIT I
to Collateral Agency Agreement

Exhibit A are attached hereto and on file with the Borrower.

I hereby certify that:

(a) This is requisition number _____ and such requisition requisitions funds from the [PABs Proceeds Sub-Account][PABs Counties Equity Contribution Sub-Account][Non-PABs Counties Equity Sub-Account][Other Proceeds Sub-Account] of the Construction Account created by the Collateral Agency Agreement.

(b) The requested date of disbursement of funds under this requisition number ____ is _____, 20[●].

(c) The name(s), address(es) and wire instruction(s), as applicable, of the person(s), firm(s), account(s) or corporation(s) to whom payment is due are reflected on Exhibit A attached hereto.

(d) The total amount to be disbursed from the [PABs Proceeds Sub-Account][PABs Counties Equity Contribution Sub-Account][Non-PABs Counties Equity Sub-Account][Other Proceeds Sub-Account] pursuant to this requisition is \$ _____.

(e) The purpose(s) (in reasonable detail) of the payment (and if payee is the Borrower for reimbursement of certain Project Costs previously paid by the Borrower, the basis for the reimbursement) is as set forth on Exhibit A hereto.

(f) As of the date of this requisition and the proposed disbursement date, the conditions to disbursements set forth in Section 5.04(f) of the Collateral Agency Agreement have been satisfied.

(g) As of the date of this requisition, the work on the Project performed has been performed generally consistent with the terms of the Transaction Documents and such amount does not exceed the amount of Project Costs due and payable or which are due and payable within 30 days of the requested disbursement date.

(h) After giving effect to this requisition, the Phase 2 Revenue Service Commencement Date is reasonably expected to be achieved on or prior to the Phase 2 Revenue Service Commencement Deadline, or we have submitted to the Technical Advisor a remediation plan demonstrating that the Phase 2 Revenue Service Commencement Date can be achieved on or before January 5, 2024, and the Technical Advisor has delivered to the Collateral Agent a duly executed Technical Advisor Certificate in the form attached to the Collateral Agency Agreement as Exhibit J.

(i) The amounts requisitioned in this requisition have been incurred in connection with the planning, design, developing, equipping, renovating, financing and construction and placing into service of the Project. Each item is a Project Cost and a proper charge against the

EXHIBIT I
to Collateral Agency Agreement

applicable sub-account from which such amounts are being drawn. Such amounts have not been the basis for a prior requisition that has been paid.

(j) All amounts previously drawn for the payment or reimbursement of Project Costs through the procedures set forth in Section 5.04 of the Collateral Agency Agreement have been fully applied and have been applied solely to pay or reimburse Project Costs.

(k) No Potential Secured Obligation Event of Default or Secured Obligation Event of Default has occurred and is continuing (unless such disbursement will cure such Potential Secured Obligation Event of Default or Secured Obligation Event of Default) or will occur as a result of the disbursement.

(l) As of the date of this requisition, the representations and warranties given by the Borrower under the Financing Obligation Documents are true and correct in all material respect, except to the extent such representations or warranties specifically refer to an earlier date, in which case it shall be true and correct in all material respects as of such date.

(m) ***[If amounts are requested to be disbursed on a date on or prior to the date that is 60 days after the Closing Date]*** As of the date of this requisition, [all Required Equity Contributions have been deposited in full in accordance with the Equity Contribution Agreement and on the dates and in the manner described in Section 5.04 and Section 5.08 of the Collateral Agency Agreement (or will be deposited concurrently with the disbursement of funds requested hereunder)][the amounts requested hereunder are solely for the payment or reimbursement of Project Costs incurred prior to the Closing Date that are due and payable or have been previously paid];

[If amounts are requested to be disbursed on a date after the date that is 60 days after the Closing Date] As of the date of this requisition, all Required Equity Contributions have been deposited in full in accordance with the Equity Contribution Agreement and on the dates and in the manner described in Section 5.04 and Section 5.08 of the Collateral Agency Agreement (or will be deposited concurrently with the disbursement of funds requested hereunder);

(n) As of the date of this requisition, no Bankruptcy Event with respect to the Borrower has occurred and is continuing;

(o) ***[If amounts are requested to be disbursed from the PABs Proceeds Sub-Account or the PABs Counties Equity Contribution Sub-Account]*** Amounts to be disbursed from the PABs Proceeds Sub-Account or the PABs Counties Equity Contribution Sub-Account pursuant to this requisition (1) will be used solely to pay or reimburse for Project Costs incurred in the jurisdictional limits of the Series 2019A Counties and (2) will not be used to acquire any building or facility that will be, during the term of the Series 2019A Bonds, used by, occupied by, leased to or paid for by any state, county or municipal agency or entity, as set forth in more detail on Exhibit A hereto.

EXHIBIT I
to Collateral Agency Agreement

(p) The funds being requisitioned will be used as represented and warranted in the Senior Loan Agreement or any other applicable Financing Obligation Document and to the extent applicable as stated in the Federal Tax Certificate.

(q) Attached hereto are all unconditional lien releases and waivers for all past Construction Account Withdrawal Certificates, in each case, from each Contractor that has timely filed a notice to owner sufficient to perfect such Contractor's right to a lien in compliance with all laws and have not previously been delivered to the Collateral Agent, other than with respect to Permitted Security Interests.

(r) All Governmental Approvals necessary to perform the work for which Project Costs are being requested pursuant to this requisition have been obtained and maintained as and when required under applicable law and under the Transaction Documents, except where failure to obtain or maintain such Governmental Approval would not reasonably be expected to have a Material Adverse Effect.

(s) ***[With respect to any Additional Projects, add any applicable conditions under the applicable Financing Obligation Documents which must be satisfied.]***

[If Borrower is requesting a disbursement solely from the Other Proceeds Sub-Account, and the funds on deposit therein constitute solely the proceeds of Additional Senior Indebtedness (other than Additional Project Completion Indebtedness), then the Borrower shall not be required to satisfy the conditions in clauses (g), (h), (i) and (o) above for disbursement of such funds, but shall certify as follows set forth below. If Borrower is requesting funds from other sub-accounts all of the conditions in clauses (a) through (s) above must be satisfied.]

(s) The amounts requested for disbursement from the Other Proceeds Sub-Account constitute solely the proceeds of Additional Senior Indebtedness (other than Additional Project Completion Indebtedness).]

Date of Requisition: _____

Responsible Officer of Virgin Trains USA Florida
LLC

Exhibit A to Requisition

PABs Proceeds Sub-Account in Construction Account

<u>Payee</u>	<u>Amount</u>	<u>Purpose</u>	<u>Address/Wiring Instructions</u>
--------------	---------------	----------------	------------------------------------

PABs Counties Equity Contribution Sub-Account in Construction Account

<u>Payee</u>	<u>Amount</u>	<u>Purpose</u>	<u>Address/Wiring Instructions</u>
--------------	---------------	----------------	------------------------------------

Non-PABs Counties Equity Contribution Sub-Account in Construction Account

<u>Payee</u>	<u>Amount</u>	<u>Purpose</u>	<u>Address/Wiring Instructions</u>
--------------	---------------	----------------	------------------------------------

Other Proceeds Sub-Account in Construction Account

<u>Payee</u>	<u>Amount</u>	<u>Purpose</u>	<u>Address/Wiring Instructions</u>
--------------	---------------	----------------	------------------------------------

FORM OF TECHNICAL ADVISOR CERTIFICATE

TECHNICAL ADVISOR CERTIFICATE

Florida Development Finance Corporation
Surface Transportation Facility Revenue Bonds
(Virgin Trains USA Passenger Rail Project), Series 2019A

Deutsche Bank National Trust Company
c/o Deutsche Bank Trust Company Americas
Trust and Agency Services
60 Wall Street, 16th Floor
Mail Stop: NYC60-1630
New York, New York 10005
Attention: Corporates Team, Virgin Trains
Facsimile: (732) 578-4635

Ladies and Gentlemen:

Any capitalized term used herein but not defined in this Certificate shall have the respective meanings assigned to such terms in that certain Collateral Agency Agreement (as defined in the attached Requisition No. ____).

We hereby certify that we are satisfied that the Borrower's remediation plan demonstrates that the Phase 2 Revenue Service Commencement Date can be achieved on or prior to January 5, 2024.

Date: _____

Authorized Representative of the Technical Advisor

[FORM OF EQUITY TRANSFER CERTIFICATE]

Equity Transfer Certificate No. [●]

EQUITY TRANSFER CERTIFICATE

Date: _____, ____
Date of Requested Transfer: _____, ____

Deutsche Bank National Trust Company
c/o Deutsche Bank Trust Company Americas
Trust and Agency Services
60 Wall Street, 16th Floor
Mail Stop: NYC60-1630
New York, New York 10005
Attention: Corporates Team, Virgin Trains
Facsimile: (732) 578-4635

Re: Virgin Trains USA Florida LLC

Ladies and Gentlemen:

Reference is hereby made to that certain Second Amended and Restated Collateral Agency, Intercreditor and Accounts Agreement, dated as of April 18, 2019, (the "Collateral Agency Agreement"), among Virgin Trains USA Florida LLC (f/k/a Brightline Trains LLC and, prior to that, known as All Aboard Florida – Operations LLC), a Delaware limited liability company (together with its permitted successors and assigns, the "Borrower"), Deutsche Bank National Trust Company, as Collateral Agent (in such capacity, the "Collateral Agent"), Deutsche Bank National Trust Company, as Trustee (in such capacity, the "Trustee"), Deutsche Bank National Trust Company, in its capacity as account bank (in such capacity, the "Account Bank") and each other Secured Party (as defined therein) that becomes a party thereto from time to time.

The undersigned is a Responsible Officer of the Borrower and is delivering this certificate (this "Equity Transfer Certificate") pursuant to Section 5.04(e) the Collateral Agency Agreement.

In accordance with Section 5.04(e) of the Collateral Agency Agreement, we request that the Collateral Agent transfer \$[●] from the /PABs Counties Equity Contribution Sub-Account/ /Non-PABs Counties Equity Contribution Sub-Account/ /Other Proceeds Sub-Account/ to the /PABs Counties Equity Contribution Sub-Account/ /Non-PABs Counties Equity Contribution

EXHIBIT K
to Collateral Agency Agreement

Sub-Account/ [Other Proceeds Sub-Account/ on _____, _____. [Such funds constitute proceeds of [a Required Equity Contribution/ [an Additional Equity Contribution/ [Permitted Additional Senior Indebtedness/ [Permitted Subordinated Debt/ and this transfer is in compliance with all applicable Financing Obligation Documents.] [Such funds constitute proceeds of a Required Equity Contribution, and such transfer is being made solely for federal income tax purposes.]

* * *

IN WITNESS WHEREOF, the undersigned, a Responsible Officer of the Borrower, has duly executed and delivered this Equity Transfer Certificate as of the date first written above.

Virgin Trains USA Florida LLC,
as Borrower

By: _____
Name:
Title:

APPENDIX D-2

**FORM OF THIRD AMENDED, PARTIALLY RESTATED AND SUPPLEMENTAL COLLATERAL
AGENCY, INTERCREDITOR AND ACCOUNTS AGREEMENT**

(See attached)

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**THIRD AMENDED, PARTIALLY RESTATED AND SUPPLEMENTAL
COLLATERAL AGENCY, INTERCREDITOR AND ACCOUNTS AGREEMENT**

Dated as of [●], 2020

by and among

BRIGHTLINE TRAINS FLORIDA LLC (F/K/A VIRGIN TRAINS USA FLORIDA LLC),
as the Borrower,

DEUTSCHE BANK NATIONAL TRUST COMPANY,
as the Trustee,

DEUTSCHE BANK NATIONAL TRUST COMPANY,
as the Collateral Agent

Each Other SECURED PARTY (as defined herein) From Time to Time Party Hereto,

and

DEUTSCHE BANK NATIONAL TRUST COMPANY,
as the Account Bank

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THIRD AMENDED, PARTIALLY RESTATED AND SUPPLEMENTAL COLLATERAL AGENCY, INTERCREDITOR AND ACCOUNTS AGREEMENT

This THIRD AMENDED, PARTIALLY RESTATED AND SUPPLEMENTAL COLLATERAL AGENCY, INTERCREDITOR AND ACCOUNTS AGREEMENT (as amended, supplemented or otherwise modified from time to time, this “Agreement” or the “Collateral Agency Agreement”), dated as of [●], 2020, is made by and among Brightline Trains Florida LLC (f/k/a Virgin Trains USA Florida LLC), a Delaware limited liability company (the “Borrower”); Deutsche Bank National Trust Company, in its capacity as Trustee on behalf of the Owners of the Bonds (as defined herein) (in such capacity, together with any permitted successors and assigns, the “Trustee”); Deutsche Bank National Trust Company, in its capacity as collateral agent on behalf of itself and the other Secured Parties (in such capacity, together with any permitted successors and assigns, the “Collateral Agent”), Deutsche Bank National Trust Company, in its capacity as securities intermediary and account bank (in such capacities, together with any permitted successors and assigns, the “Account Bank”) and each other Secured Party (as defined herein) that becomes a party hereto. All capitalized terms used herein but not otherwise defined herein shall have the respective meanings given to such terms in Exhibit A hereto or in the Indenture. The rules of interpretation set forth in Exhibit A hereto shall apply to this Agreement.

RECITALS

WHEREAS, pursuant to that certain Indenture of Trust, dated as of April 18, 2019, as amended by a First Amendment to Indenture of Trust, dated as of October 20, 2020 (the “Original Indenture”), the Florida Development Finance Corporation, a public body corporate and politic and a public instrumentality organized and existing under the laws of the State of Florida, as Issuer (the “PABs Issuer”), issued its \$1,750,000,000 aggregate principal amount of Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Virgin Trains USA Passenger Rail Project), Series 2019A (the “Series 2019A Bonds”), the proceeds from the sale of which were loaned to the Borrower pursuant to the terms of an Amended and Restated Senior Loan Agreement (the “Original Senior Loan Agreement”), dated as of April 18, 2019, between the PABs Issuer and the Borrower, and used to, *inter alia*, refund the Prior Bonds, finance, pay or reimburse all or a portion of the costs of the Project within the PABs Counties, and pay certain costs of issuance of the Series 2019A Bonds; and

WHEREAS, pursuant to that certain First Supplemental Indenture of Trust, dated as of June 20, 2019 (the “Prior First Supplemental Indenture”), amending and supplementing the Original Indenture (the Original Indenture, as amended and supplemented by the First Supplemental Indenture, the “First Amended Indenture”), the PABs Issuer issued its \$950,000,000 aggregate principal amount of Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Virgin Trains USA Passenger Rail Project), Series 2019B (the “Series 2019B Bonds”) as Escrow Bonds, the proceeds from the sale of which were loaned to the Borrower pursuant to the terms of a First Supplemental Senior Loan Agreement, dated as of June 20, 2019 (the “First Supplemental Senior Loan Agreement”), between the PABs Issuer and the Borrower, amending and supplementing the Original Senior Loan Agreement (the Original Senior Loan

Agreement, as amended and supplemented by the First Supplemental Senior Loan Agreement, the “Prior Senior Loan Agreement”), to be used, upon satisfaction of the Escrow Release Conditions, to, *inter alia*, finance, pay or reimburse all or a portion of the costs of the Project within the PABs Counties; and

WHEREAS, pursuant to the First Amended Indenture, the Series 2019B Bonds were subject to mandatory tender on March 17, 2020 (the “March Remarketing Date”) and were remarketed at a new Flexible Rate for a new Flexible Rate Period as Escrow Bonds commencing on the March Remarketing Date, and, upon their remarketing, the Series 2019B Bonds were subject to mandatory tender on the Mandatory Tender Date scheduled on June 18, 2020 (the “June Remarketing Date”); and

WHEREAS, pursuant to the First Amended Indenture, as amended by that certain First Amendment to First Supplemental Indenture of Trust, dated as of June 18, 2020 (the “First Supplemental Indenture Amendment,” and the First Amended Indenture as so amended, the “Prior Indenture,” and the Prior First Supplemental Indenture as amended by the First Supplemental Indenture Amendment, the “First Supplemental Indenture”), the Series 2019B Bonds were remarketed at a new Flexible Rate for a new Flexible Rate Period as Escrow Bonds commencing on the June Remarketing Date, and, upon their remarketing, the Series 2019B Bonds were subject to mandatory tender on the Mandatory Tender Date scheduled on January 28, 2021; and

WHEREAS, in the event that the conditions set forth in Article 12 of the Prior Indenture are satisfied and upon satisfaction of the other Escrow Release Conditions, the Borrower may elect to remarket all or a portion of the Series 2019B Bonds as Released Bonds (as defined in the First Supplemental Indenture), which will constitute Additional Parity Bonds under the Prior Indenture; and

WHEREAS, the Borrower desires to remarket the Series 2019B Bonds as Released Bonds and release the Escrow Securities on deposit in the Series 2019B Escrow Reserve Redemption Account established pursuant to the First Supplemental Indenture in order to use the net proceeds of such released Escrow Securities to finance and refinance the costs of completing the Project within the PABs Counties; and

WHEREAS, upon remarketing, the Series 2019B Bonds shall constitute Released Bonds (as defined in the First Supplemental Indenture) and shall be redesignated as “Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Florida Passenger Rail Project), Series 2019B”; and

WHEREAS, in connection with the remarketing of the Series 2019B Bonds as Released Bonds, (i) the Borrower and the PABs Issuer have executed and delivered a Second Supplemental Senior Loan Agreement, dated as of [●], 2020 (the “Second Supplemental Senior Loan Agreement”), amending and supplementing the Prior Senior Loan Agreement (as supplemented by the Second Supplemental Senior Loan Agreement and as the Prior Senior Loan Agreement may be further amended, supplemented or otherwise modified from time to time, the “Senior Loan Agreement”) and (ii) the PABs Issuer and the Trustee have executed and delivered a Second Supplemental Indenture of Trust, dated as of [●], 2020 (the “Second Supplemental Indenture”),

amending and supplementing the Prior Indenture (as amended and supplemented by the Second Supplemental Indenture and as the Prior Indenture may be further amended, supplemented or otherwise modified from time to time, the “Indenture”); and

WHEREAS, pursuant to that certain Amended and Restated Security Agreement, dated as of April 18, 2019 (as amended, supplemented, restated and/or otherwise modified and in effect from time to time, the “Security Agreement”), between the Borrower and the Collateral Agent and certain other Security Documents, the Borrower has granted or reaffirmed its prior grant of, as the case may be, a first-priority security interest in, to and under the Collateral described therein (subject to Permitted Security Interests) as security for the payment and performance of all Secured Obligations, including the Series 2019A Bonds and the Series 2019B Bonds, in accordance with such Security Documents; and

WHEREAS, the Borrower may from time to time incur other Secured Obligations pursuant to and under the Secured Obligation Documents (as defined herein) and, subject to the terms and conditions set forth in Section 7.06, the Secured Parties under such Secured Obligation Documents may accede to and have the benefits and obligations of this Agreement and the other Security Documents; and

WHEREAS, the Parties hereto entered into that certain Collateral Agency, Intercreditor and Accounts Agreement, dated as of December 1, 2017 (as amended and restated as of July 6, 2018, and as further amended, supplemented and/or modified from time to time prior to the date hereof, the “Series 2017 Collateral Agency Agreement”), whereby the Parties appointed Deutsche Bank National Trust Company, as Collateral Agent and Account Bank under the Series 2017 Collateral Agency Agreement, and as Collateral Agent under that certain Security Agreement, dated as of December 1, 2017 (as, supplemented and/or modified from time to time prior to the date hereof, the “Series 2017 Security Agreement”), and the other Security Documents (as defined in the Series 2017 Collateral Agency Agreement), and Deutsche Bank National Trust Company accepted such appointment, in each case, on the terms and with the duties to be performed on behalf of the Secured Parties as provided therein and in the other Security Documents;

WHEREAS, the Parties hereto (i) amended and restated the Series 2017 Collateral Agency Agreement as of April 18, 2019 in accordance with the terms of the Second Amended and Restated Collateral Agency, Intercreditor and Accounts Agreement, dated as of that date (as amended by a First Amendment to Second Amended and Restated Collateral Agency, Intercreditor and Accounts Agreement, dated as of October 19, 2020, and as further amended, supplemented and/or modified from time to time prior to the date hereof, the “Series 2019A Collateral Agency Agreement”), (ii) reaffirmed the appointment of Deutsche Bank National Trust Company, as Collateral Agent and Account Bank under the Series 2019A Collateral Agency Agreement, and as Collateral Agent under the Security Agreement and the other Security Documents, and Deutsche Bank National Trust Company accepted such appointment, in each case, on the terms and with the duties to be performed on behalf of the Secured Parties as provided therein and in the other Security Documents and (iii) set forth in the Series 2019A Collateral Agency Agreement, among other

things, certain provisions with respect to Accounts, as well as intercreditor provisions with respect to the obligations of the Borrower to the Secured Parties;

WHEREAS, the Parties hereto desire to (i) amend, partially restate and supplement the Series 2019A Collateral Agency Agreement as of the date hereof in accordance with the terms hereof, (ii) reaffirm the appointment of Deutsche Bank National Trust Company, as Collateral Agent and Account Bank under this Agreement, and as Collateral Agent under the Security Agreement and the other Security Documents, and Deutsche Bank National Trust Company desires to accept such appointment, in each case, on the terms and with the duties to be performed on behalf of the Secured Parties as provided herein and in the other Security Documents and (iii) set forth in this Agreement, among other things, certain provisions with respect to Accounts, as well as intercreditor provisions with respect to the obligations of the Borrower to the Secured Parties;

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereby agree as follows:

ARTICLE I
AMENDMENT AND RESTATEMENT; DELIVERY OF FINANCING DOCUMENTS

Section 1.01 Amendment and Restatement. The Parties hereto acknowledge and agree that (a) this Agreement amends, supplements and partially restates and, to the extent of such restatement, supersedes and replaces the Series 2019A Collateral Agency Agreement; (b) the execution and effectiveness of this Agreement does not constitute a novation, payment and reborrowing, or termination of any obligations under the Financing Documents as in effect prior to the date hereof; (c) such obligations are in all respects continuing (as amended and restated and superseded and replaced hereby) with only the terms being modified as provided in this Agreement and in the other Financing Documents; (d) the Security Documents as in effect prior to the date hereof, and the grants of security interests thereunder, remain in full force and effect and are hereby ratified and confirmed; and (e) any Security Interests as in effect prior to the date hereof in all respects are continuing and in full force and effect and secure the payment of such respective continuing obligations hereunder, and any obligations incurred under the Financing Documents on or after the date hereof.

Section 1.02 Delivery of Financing Documents. True and correct copies of the Financing Documents required to be delivered on the Closing Date have been furnished to the Collateral Agent by the Borrower.

ARTICLE II
THE COLLATERAL AGENT

Section 2.01 Appointment.

(a) The Parties hereto hereby reaffirm the appointment by the Secured Debt Representatives (on behalf of the Secured Parties) of Deutsche Bank National Trust Company as collateral agent for the benefit of the Secured Parties with respect to the Security Interests on the Collateral and the rights and remedies granted pursuant to the Security Documents. The Secured Parties authorize and direct the Collateral Agent to enter into the Financing Documents to which the Collateral Agent is a party.

(b) Deutsche Bank National Trust Company accepts such appointment and agrees to act as Collateral Agent in accordance herewith.

(c) The Secured Debt Representatives hereby authorize and direct the Collateral Agent to act in accordance with the terms of this Agreement notwithstanding any contrary provision in the other Security Documents or the other Secured Obligation Documents with respect to Enforcement Actions, the application of any Collateral or proceeds thereof and matters set forth in Section 2.04 below.

(d) The Collateral Agent hereby accepts and agrees to, and the Borrower hereby acknowledges and consents to, the foregoing authorization and direction of the Secured Debt Representatives, on behalf of the Secured Parties.

Section 2.02 Duties and Responsibilities.

(a) The Collateral Agent agrees to administer and enforce this Agreement and the other Security Documents to which it is a party as Collateral Agent, to act as the disbursing and collecting agent for the Secured Parties with respect to all payments and collections arising in connection with the Financing Documents, and, among other remedies, to foreclose upon, collect and dispose of the Collateral and to apply the proceeds therefrom, for the benefit of the Secured Parties, as provided herein, and otherwise to perform its duties and obligations as the Collateral Agent hereunder in accordance with the terms hereof. The Collateral Agent shall have no duties or responsibilities except those expressly set forth herein or in the other Security Documents to which it is a party as the Collateral Agent, and no duties or responsibilities shall be inferred or implied against the Collateral Agent and no implied covenants or obligations shall be read into this Agreement or any such other Security Documents against the Collateral Agent.

(b) The Collateral Agent shall not be required to exercise any discretion or take any action (except as expressly provided in any Secured Obligation Document), but shall only be required to act or refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the written instructions of the Required Secured Creditors (or, where expressly required by the terms of the Secured Obligation Documents, such other proportion of the holders

of Secured Obligations), and such instructions shall be binding upon the Collateral Agent and each of the Secured Parties; provided, however, that the Collateral Agent shall not be required to take any action which is contrary to any provision hereof, any provision of the other Security Documents or applicable Law.

(c) Notwithstanding any other provision of the Security Documents, in no event shall the Collateral Agent be required to foreclose on, or take possession of, the Collateral, if, in the reasonable judgment of the Collateral Agent, such action would be in violation of any applicable Law, rule or regulation pertaining thereto, or if the Collateral Agent reasonably believes that such action would result in the incurrence of liability by the Collateral Agent for which it is not fully indemnified by the Borrower, including pursuant to Sections 2.10 and 10.02 of this Agreement, by application of the Collateral pursuant to this Agreement, or by the Secured Parties.

(d) The Collateral Agent shall not be responsible to the other Secured Parties for (i) any recitals, statements, representations or warranties by the Borrower or any of the Secured Parties (other than its own) contained in this Agreement or the other Secured Obligation Documents, or any certificate or other document delivered by the Borrower or any of the other Secured Parties thereunder, (ii) the value, validity, effectiveness, genuineness, enforceability (other than as to the Collateral Agent with respect to such documents to which the Collateral Agent is a party) or, except as may otherwise be required by law, sufficiency of this Agreement or any other document referred to or provided for herein or therein or of the Collateral held by the Collateral Agent hereunder, (iii) the performance or observance by the Borrower or any of the Secured Parties (other than as to itself) of any of their respective agreements contained herein or therein, nor shall the Collateral Agent be liable because of the invalidity or unenforceability of any provisions of this Agreement (other than as to itself) or (iv) the validity, perfection, priority or enforceability of the Security Interests, including filings related thereto, on any of the Collateral, whether impaired by operation of law or by reason of any action or omission to act on its part hereunder (except to the extent such action or omission constitutes gross negligence, bad faith or willful misconduct (but only ordinary negligence in connection with the handling of funds) on the part of the Collateral Agent), the validity of the title of the Borrower to the Collateral, insuring the Collateral or the payment of Taxes, charges, assessments or Security Interests on the Collateral or otherwise as to the maintenance of the Collateral.

(e) The Collateral Agent may at any time request instructions from the Required Secured Creditors as to a course of action to be taken by it hereunder and under any of the Security Documents or in connection herewith and therewith or any other matters relating hereto and thereto, and the Secured Debt Representatives on behalf of the Required Secured Creditors shall promptly reply to any such request and the Collateral Agent shall be fully justified in failing or refusing to take any such action (unless such action is expressly provided for under the Security Documents) if it shall not have received such written instruction. This provision is intended solely for the benefit of the Collateral Agent and its successors and permitted assigns and is not intended to and will not entitle the other parties hereto to any defense, claim or counterclaim or confer any rights on any other party hereto.

(f) Neither the Collateral Agent, the Account Bank nor any of their directors, officers, employees or agents shall be liable or responsible for any action taken or omitted to be taken by it or them hereunder or in connection herewith, except for its or their own gross negligence, bad faith or willful misconduct (but only ordinary negligence in connection with the handling of funds).

(g) The Collateral Agent shall not be responsible for and makes no representation as to the validity, legality, enforceability, sufficiency or adequacy of the Indenture, the Series 2019 Bonds or the Security Documents or the Collateral covered thereby, and it shall not be accountable for the Borrower's use of the Series 2019 Bonds, the proceeds from the Series 2019 Bonds or any money paid to the Borrower pursuant to the provisions hereof, and it shall not be responsible for any statement of the Borrower's in the Indenture, the Security Documents or any document issued in connection with the sale of the Series 2019 Bonds or any statement in the Series 2019 Bonds, other than, with respect to the Trustee, the Trustee's certificate of authentication. Each of the Trustee and the Collateral Agent makes no representations with respect to the effectiveness or adequacy of this Agreement.

Section 2.03 Authorization. The Secured Debt Representatives (on behalf of the Secured Parties), hereby authorize the Collateral Agent to (a) execute, deliver and perform in such capacity under this Agreement and each other Secured Obligation Document to which the Collateral Agent is or is intended to be a party, (b) exercise and enforce any and all rights, powers and remedies provided to the Collateral Agent or to any of the Secured Parties by this Agreement, any other Secured Obligation Document, any applicable Law, or any other document, instrument, or agreement, and (c) take any other action authorized under this Agreement and any other Secured Obligation Document to which the Collateral Agent is a party.

Section 2.04 Administrative Actions. The Collateral Agent may, but shall not be obligated (unless directed in accordance with this Agreement or any other Secured Obligation Document to take a specific action) to, take such action as it deems necessary to perfect or continue the perfection of the Security Interests on the Collateral held for the benefit of the other Secured Parties. The Collateral Agent shall not release, share or subordinate any of the Collateral held for the benefit of the Secured Parties, or any Security Interests in the Collateral held for the benefit of the Secured Parties, except: (a) upon written direction of all of the Secured Debt Representatives (acting on behalf of the Secured Parties in accordance with the terms of the Secured Obligation Documents); (b) upon Payment in Full, as certified to the Collateral Agent by all of the Secured Debt Representatives (acting in accordance with the terms of the Secured Obligation Documents); (c) for Collateral consisting of a debt instrument if the indebtedness evidenced thereby has been paid in full, as certified to the Collateral Agent by the applicable Secured Debt Representative (acting in accordance with the Secured Obligation Documents); (d) where such release, sharing or subordination is expressly permitted under the Secured Obligation Documents or (e) in the event such Collateral becomes an

Excluded Asset (as defined in the Security Agreement). Upon the written request by the Collateral Agent or the Borrower at any time, the Secured Debt Representatives will confirm in writing the Collateral Agent's authority to release, share or subordinate particular types or items of Collateral pursuant to this Section and the Secured Debt Representatives hereby agree to provide such confirmations promptly; provided that the failure to receive such confirmation from any Secured Debt Representative shall not relieve the Collateral Agent of its obligation to take any specific action or execute any document required to be taken or executed as expressly provided under any Secured Obligation Document. The Collateral Agent shall execute and deliver such documents and instruments as the Borrower may request to evidence such release, sharing or subordination permitted above, including any subordination and non-disturbance agreements and reciprocal easement agreements.

Section 2.05 Determination of Amounts and Secured Obligations. Upon the written request of the Collateral Agent or the Borrower, the Secured Debt Representatives (on behalf of the Secured Parties) and any Additional Senior Unsecured Indebtedness Holders (or their designated agent) shall promptly deliver to the Collateral Agent (with a copy to each Secured Party and Additional Senior Unsecured Indebtedness Holders, if any) a certificate, dated the date of delivery thereof and signed by such party, as to (a) the identity and address of each Secured Party and Additional Senior Unsecured Indebtedness Holders (if any), (b) the principal amount of the Financing Obligations then outstanding held by such Secured Party or any Additional Senior Unsecured Indebtedness Holders (if any), (c) in the case of any such certificate being delivered in contemplation of the application of amounts received by the Collateral Agent in respect of the Collateral pursuant to Article IX hereof, the amount of interest on the Financing Obligations owing and any other amounts in respect of the Financing Obligations owing to such Secured Party or Additional Senior Unsecured Indebtedness Holders (if any), as the case may be (in the case of any such other amounts, accompanied by appropriate evidence thereof), or (d) in the event any of the Financing Obligations shall have become or been declared to be due and payable, the principal amount of such Financing Obligations then due and payable to such Secured Party or Additional Senior Unsecured Indebtedness Holders (if any), as the case may be (to the extent that such information is different from that provided in clause (b) above); *provided* that such Secured Party and Additional Senior Unsecured Indebtedness Holders (if any) shall have not less than two (2) Business Days to review any such certificate and provide any objections with respect thereto to the Collateral Agent. Absent receipt of notice of such objections from such Secured Party or Additional Senior Unsecured Indebtedness Holders (if any), the Collateral Agent shall be entitled to rely on certifications received by it from any Secured Debt Representative for the purposes of determining the amount of the Secured Obligations then outstanding held by such Secured Party in accordance with the preceding sentence and from any

agent designated as such by any Additional Senior Unsecured Indebtedness Holders (if any) for purposes of determining the then outstanding amount of Additional Senior Unsecured Indebtedness (in each case, which certificates shall be given substantially contemporaneously with the action being taken); *provided* that in the absence of the Collateral Agent's receipt of any certification requested by it pursuant to this sentence, the Collateral Agent shall be entitled (but not obligated) to take such action if the Collateral Agent shall have sufficient knowledge to make any determination required to be made in connection with such action.

Section 2.06 Employment of Agents. The Collateral Agent may, at the Borrower's reasonable costs and expense, employ or retain such agents, counsel, accountants, appraisers or other experts or advisers as it may reasonably require for the purpose of determining, administering and discharging its rights and duties hereunder and under the other Security Documents, in the absence of the Collateral Agent's gross negligence, bad faith or willful misconduct in employing or retaining any such counsel, accountants, appraisers, experts or advisers, may act and rely, and shall be protected in acting and relying in good faith, on the opinion or advice of or information obtained from any counsel, accountant, appraiser or other expert or advisor, whether retained or employed by the Borrower or by the Collateral Agent, in relation to any matter arising in the administration hereof or in the determination or discharging of its rights and duties hereunder, and shall not be responsible for any act or omission on the part of any of them or for acting or relying in good faith on the opinion or advice or information obtained from such expert or advisor. In addition, the Collateral Agent shall not be liable for any acts or omissions of its nominees, correspondents, designees, agents, subagents or subcustodians except to the extent of its gross negligence, bad faith or willful misconduct in nominating or appointing such persons.

Section 2.07 Reliance of Collateral Agent. In connection with the performance of its duties hereunder, the Collateral Agent shall be entitled to rely conclusively upon, and shall be fully protected in acting or refraining from acting in accordance with, any written certification, notice, instrument, opinion, request, consent, order, approval, direction or other written communication (including any thereof by facsimile or electronic communication or signature) of a Secured Debt Representative (including, but not limited to, instructions under Section 2.02(e) hereof) or of any other Secured Party, that the Collateral Agent in good faith reasonably believes to be genuine and to have been signed or sent by or on behalf of the proper Person or Persons, and it shall be entitled to rely conclusively upon the due execution, validity and effectiveness, and the truth, correctness and acceptability of, any provisions contained therein. The Collateral Agent shall not have any responsibility to make any investigation into the facts or matters stated in any notice, certificate, instrument, demand, request, direction, instruction, or other communication furnished to it. Whenever this Agreement specifies that any

instruction or consent by a Secured Debt Representative is to be given in accordance with the terms of the applicable Secured Obligation Documents, the Collateral Agent shall be entitled to rely upon any such instruction or consent by such Secured Debt Representative (which instruction or consent need not state that it is given in accordance with the terms of the applicable Secured Obligation Documents), and the Collateral Agent may presume without investigation that any such instruction or consent by such Secured Debt Representative has been given in accordance with the terms of the applicable Secured Obligation Documents.

Section 2.08 Non-Reliance on Collateral Agent. Each of the Borrower and each of the Secured Debt Representatives hereby expressly acknowledge that neither the Collateral Agent nor any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates has made any representations or warranties to it and that no act by the Collateral Agent hereafter taken shall be deemed to constitute any representation or warranty by the Collateral Agent to any other Secured Party or the Borrower. Except for any notices, reports and other documents expressly required to be furnished to the other Secured Parties by the Collateral Agent hereunder, the Collateral Agent shall not have any duty or responsibility to provide any other Secured Party with any credit or other information concerning the business, operations, property, condition (financial or other), prospects or creditworthiness of the Borrower, or any other Person that may come into the possession of the Collateral Agent or any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates. Deutsche Bank National Trust Company is entering into this Agreement and the other Security Documents solely in its capacity as Collateral Agent and as Account Bank and in its capacity as Trustee for the benefit of the Owners of the Bonds and not in its individual capacity and in no case shall Deutsche Bank National Trust Company (or any Person acting as successor Collateral Agent under this Agreement) be personally liable for or on account of any of the statements, representations, warranties, covenants or obligations of the Borrower hereunder or thereunder, all such liability, if any, being expressly waived by the Parties hereto and any person claiming by, through or under such party. This Section shall survive the payment of all Secured Obligations payable to the Secured Parties. Except when the Collateral Agent has been directed to do so in writing by the Required Secured Creditors (or, where expressly required by the terms of the Secured Obligation Documents, such other proportion of the holders of Secured Obligations), nothing herein shall require the Collateral Agent to file financing statements and the Collateral Agent shall incur no obligation for its failure to monitor or verify the filing of financing statements (or amendments thereto) and the information contained therein.

Section 2.09 Collateral Agent in Individual Capacity. The Agent Bank and its Affiliates may make loans to, issue letters of credit in favor of, accept deposits from and generally engage in any kind of business with the Borrower and its Affiliates as

though the Agent Bank were not the Collateral Agent hereunder and under the Security Documents. With respect to Secured Obligations made or renewed by it in its individual capacity, if any, the Agent Bank in its individual capacity shall have the same rights and powers under this Agreement and the Secured Obligation Documents as any other Secured Party and may exercise the same as though it were not the Collateral Agent, and the term “Secured Party” shall include the Agent Bank in its individual capacity.

Section 2.10 Collateral Agent Under No Obligation. None of the provisions of the Security Documents shall be construed to require the Collateral Agent to expend or risk its own funds or otherwise to incur any personal liability, financial or otherwise, in the performance of any of its duties hereunder or thereunder. The Collateral Agent shall be under no obligation to perform any duty or exercise any of the rights or powers vested in it by the Secured Obligation Documents unless the Collateral Agent shall have been offered security or indemnity from the Borrower or the other Secured Parties reasonably satisfactory to it against the costs, expenses and liabilities that might be incurred by it in performing such duty or exercising such rights or powers (including interest thereon from the time incurred until reimbursed).

Section 2.11 Resignation and Removal; Successor Collateral Agent; Individual Collateral Agent.

(a) The Collateral Agent may resign at any time by giving at least sixty (60) days’ prior written notice thereof to the other Secured Debt Representatives and the Borrower, and the Collateral Agent may be removed at any time with or without cause by the Required Secured Creditors upon thirty (30) days’ written notice thereof to the Collateral Agent, the Secured Debt Representatives and the Borrower, in any case such resignation or removal to be effective only upon the appointment and acceptance of a successor Collateral Agent as provided below. In connection with any such resignation or removal, the Required Secured Creditors shall have the right to appoint a successor collateral agent that, so long as no Secured Obligation Event of Default has occurred and is continuing, shall be reasonably acceptable to the Borrower. If no successor Collateral Agent shall have been so appointed by the Required Secured Creditors prior to the effective date of the resignation or removal of the Collateral Agent, then the Collateral Agent may, on behalf of the Secured Parties, apply to a court of competent jurisdiction (with notice to the Secured Debt Representatives and the Borrower) for the appointment of a successor Collateral Agent. In all such cases, the successor Collateral Agent shall be a bank organized under the laws of the United States of America or any state thereof that has an office in the State of New York or New Jersey and which agrees to administer the Collateral in accordance with the terms hereof and of the other Security Documents and at the time of appointment and acceptance shall have a total capital stock and unimpaired surplus of not less than \$500,000,000 and, so long as no Secured Obligation Event of Default has occurred and is continuing, shall be reasonably acceptable to the Borrower. Deutsche Bank National Trust Company hereby represents and confirms that it meets

the qualifications provided in the preceding sentence. Upon the acceptance of any appointment as Collateral Agent hereunder by a successor Collateral Agent, such successor Collateral Agent shall thereupon succeed to and become vested with all the rights, powers, privileges, obligations and duties of the retiring or removed Collateral Agent, and the retiring or removed Collateral Agent shall be discharged from its duties and responsibilities hereunder. After any retiring or removed Collateral Agent's resignation or removal hereunder as Collateral Agent, the provisions of this Agreement (including Sections 2.14, 10.01 and 10.02) shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as the Collateral Agent hereunder.

(b) If at any time the Collateral Agent shall determine that it shall be necessary or appropriate under applicable law or in order to permit action to be taken hereunder, the Collateral Agent and the Borrower (with written notice to the Secured Debt Representatives) shall execute and deliver all instruments necessary to appoint any Person as a Co-Collateral Agent ("Co-Collateral Agent") or, if such Person meets the requirements set forth in Section 2.11(a) above, as substitute Collateral Agent, with respect to all or any portion of the Collateral, in any case with such powers, rights, duties, obligations and immunities conferred upon the Collateral Agent hereunder as may be specified therein. If the Borrower shall nevertheless refuse to join in the execution of any such instrument within ten (10) Business Days of any written request therefor by the Collateral Agent or if any Secured Obligation Event of Default shall have occurred and is continuing, the Collateral Agent may act under the foregoing provisions without the concurrence of the Borrower; and the Borrower hereby irrevocably makes, constitutes and appoints the Collateral Agent as the agent and attorney-in-fact for the Borrower to act for it under the provisions of (and in accordance with) this paragraph (such power being coupled with an interest and irrevocable).

Every Co-Collateral Agent shall, to the extent permitted by law, be appointed and act subject to the following provisions and conditions:

(i) all rights and powers, conferred or imposed upon the Collateral Agent may be conferred or imposed upon and may be exercised or performed by such Co-Collateral Agent as specified in the instrument appointing such Co-Collateral Agent; and

(ii) no Collateral Agent shall be personally liable by reason of any act or omission of any other Collateral Agent or Co-Collateral Agent hereunder.

A Co-Collateral Agent shall not be required to meet the conditions of eligibility under Section 2.11(a) if such Co-Collateral Agent holds only an insubstantial amount of the Collateral, as determined by the Required Secured Creditors.

Section 2.12 Books and Records; Reports.

(a) The Collateral Agent shall at all times keep, or cause to be kept, proper books of record and account in which complete and accurate entries shall be made of all transactions relating to the Financing Obligations, Project Revenues and all Project Accounts (other than any Operating Account, the Equity Funded Account and any Collection Account) established pursuant to this Agreement. Such books of record and accounts shall be available for inspection (or the receipt of copies of such books or excerpts thereof) by the Secured Parties, or their agents or representatives duly authorized in writing, at reasonable hours and under reasonable circumstances and upon reasonable prior written request. Any costs, fees or expenses of such inspections or copies shall be paid to the Collateral Agent, the Dissemination Agent, the Trustee and the PABs Issuer (as applicable) by the Borrower. The Collateral Agent shall provide the Borrower with written notice of any such inspection or copy request.

(b) Within fifteen (15) days after the end of each month, the Collateral Agent shall furnish to the Secured Debt Representatives and the Borrower, a report that shall set forth in reasonable detail the account balances, receipts, disbursements, transfers, investment transactions, and accruals for each of the Project Accounts (other than any Operating Account, the Equity Funded Account and any Collection Account) during such month.

(c) The Collateral Agent shall maintain records of all receipts, disbursements, and investments of funds with respect to the Project Accounts (other than any Operating Account, the Equity Funded Account and any Collection Account) until the fifth anniversary of the date on which all of the Secured Obligations shall have been Paid in Full.

Section 2.13 Authorization of Collateral Agent to Recover Compensation, Fees and Expenses. To the extent that the Borrower fails to pay any amount required to be paid by it to the Collateral Agent pursuant to Sections 10.01 and 10.02 hereof (and the Collateral Agent has not otherwise been paid such amount either in accordance with the terms hereof or otherwise), the Collateral Agent is hereby authorized to transfer funds to reimburse itself for such amounts out of the following accounts in the following order of priority: (i) the Equity Lock-Up Account, (ii) the Revenue Account and (iii) to the extent permitted by the Secured Obligation Documents and applicable Law (including the Code), the Construction Account. The provisions of this Section shall survive the termination of the Secured Obligation Documents and the resignation or removal of the Collateral Agent.

Section 2.14 No Consequential Damages. In no event shall the Collateral Agent or the Account Bank be liable under or in connection with the Secured Obligation Documents or the other Transaction Documents for indirect, special, incidental, punitive or consequential losses or damages of any kind whatsoever, including but not limited to lost profits, whether or not foreseeable, even if the Collateral Agent or Account Bank has been advised of the possibility thereof and regardless of the form of action in which such damages are sought.

Section 2.15 Force Majeure. In no event shall the Collateral Agent be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, pandemics, epidemics, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services not within the Collateral Agent’s control, the unavailability of the Federal Reserve Bank wire or facsimile or other wire or communication facility; it being understood that the Collateral Agent shall use reasonable efforts that are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

Section 2.16 Additional Protections. The rights, privileges, protections and benefits given to the Collateral Agent or the Account Bank, as the case may be, including, without limitation, its rights to be indemnified, are extended to, and shall be enforceable by, each agent, custodian and other Person employed to act hereunder by the Collateral Agent or the Account Bank, as the case may be, including any Co-Collateral Agent.

Section 2.17 No Liability for Clean-up of Hazardous Materials. In the event that the Collateral Agent is required to acquire title to an asset for any reason, or take any managerial action of any kind in regard thereto, in order to carry out any fiduciary or trust obligation for the benefit of another, which in the Collateral Agent’s sole discretion may cause the Collateral Agent to be considered an “owner or operator” under the provisions of the Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”), 42 U.S.C. §9601, *et seq.*, or otherwise cause the Collateral Agent to incur liability under CERCLA or any other federal, state or local law, the Collateral Agent reserves the right, instead of taking such action, to either resign as the Collateral Agent or arrange for the transfer of the title or control of the asset to a court-appointed receiver. Except for such claims or actions arising directly from the gross negligence, bad faith or willful misconduct of the Collateral Agent, the Collateral Agent shall not be liable to any Person for any environmental claims or contribution actions under any federal, state or local law, rule or regulation by reason of the Collateral Agent’s actions and conduct as authorized, empowered and directed hereunder or relating to the discharge, release or threatened release of hazardous materials into the environment. If at any time after any foreclosure on the Collateral (or a transfer in lieu of foreclosure) upon the exercise of remedies in accordance with the Security Documents it is necessary or advisable for the Project to be possessed, owned, operated or managed by any Person (including the Collateral Agent) other than the Borrower, the Required Secured Creditors shall appoint an appropriately qualified Person (excluding the

Collateral Agent) to possess, own, operate or manage, as the case may be, the Project.

Section 2.18 Merger of the Collateral Agent. Any corporation or company into which the Collateral Agent shall be merged, or with which it shall be consolidated, or any corporation or company resulting from any merger or consolidation to which the Collateral Agent shall be a party, shall be the Collateral Agent under this Agreement, without the execution or filing of any paper or any further act on the part of the parties hereto, *provided* that such resulting corporation or company shall meet the requirements of Section 2.11(a). Upon the occurrence of any such event the Collateral Agent shall promptly provide written notice thereof to the Borrower and the Secured Debt Representatives.

Section 2.19 Transfer to an Affiliate. In addition to any rights it may have under Section 2.18 hereof or under any other provision of this Agreement or any other Secured Obligation Documents, each of the Collateral Agent and the Account Bank may assign or transfer its rights under this Agreement and the other Security Documents to any of its Affiliates that meets the requirements of Section 2.11(a), subject to the prior written consent of the Borrower and Required Secured Creditors.

Section 2.20 Subordination of Lien; Waiver of Set-Off. In the event that the Agent Bank in its individual capacity has or subsequently obtains by agreement, operation of law or otherwise a Security Interest in any Project Account, the Agent Bank agrees that such Security Interest shall (except to the extent provided in the last sentence of this Section 2.20) be subordinate in all respects to the Security Interests for the benefit of the Secured Parties. The financial assets standing to the credit of the Project Accounts will not be subject to deduction, set-off, banker's lien, or any other right in favor of any Person other than (i) in accordance with judicial or arbitral order or (ii) for the benefit of the Secured Parties to secure Secured Obligations (except to the extent of returned items and chargebacks either for uncollected checks or other items of payment and transfers previously credited to one or more of the Project Accounts, and the Borrower hereby authorizes the Agent Bank to debit the applicable Project Account for such amounts).

Section 2.21 Additional Project Accounts and Other Bank and Securities Accounts. Upon (i) the establishment of any Operating Account, the Equity Funded Account and any Collection Account, and (ii) any changes in the account number or other identifying attributes of any Project Account or such other bank or securities account, and at any other time and from time to time when requested by the Collateral Agent or any of the Secured Debt Representatives (on behalf of and for the benefit of the Secured Parties), the Borrower shall execute and deliver to the Collateral Agent, for the benefit and on behalf of the Secured Parties, as security for the Secured Obligations, such amendments or supplements to this Agreement and any securities account control agreements or other documents as are necessary or reasonably appropriate, or as are so reasonably requested by the Collateral Agent (on behalf of and for the benefit of the Secured

Parties), as applicable, to create and perfect by control a first-priority perfected security interest (subject only to Permitted Security Interests) in favor of the Collateral Agent over the Borrower's right, title and interest in and to such Project Account, such Operating Account, the Equity Funded Account or such Collection Account, as the case may be, from time to time for the benefit and on behalf of the Secured Parties as security for the Secured Obligations; provided, that no such amendments, supplements or other documents shall restrict the full access and signing authority of the Borrower with respect to any Operating Account, the Equity Funded Account and any Collection Account, except during the period that a Secured Obligation Event of Default has occurred and is continuing.

Section 2.22 No Other Agreements. Neither the Collateral Agent nor the Borrower has entered or will enter into any agreement with respect to any Project Account or any other Collateral, other than the agreement establishing such account, this Agreement and the other Financing Obligation Documents. The Collateral Agent shall not grant any Security Interest in any Collateral except as provided in the Secured Obligation Documents.

Section 2.23 Notice of Adverse Claims. The Collateral Agent hereby represents (as to itself only) that, except for the claims and interests of the Secured Parties and the Borrower in each of the Project Accounts, the Collateral Agent (a) as of the Closing Date, has no actual knowledge of, and has received no written notice of, and (b) as of each date on which any Project Account is established pursuant to this Agreement, has no actual knowledge of, and has received no notice of, any claim to, or interest in, any Project Account. If any Person asserts any Security Interest (including any writ, garnishment, judgment, warrant of attachment, execution or similar process) against any Project Account, the Collateral Agent, upon obtaining written notice thereof, will notify the Secured Debt Representatives and the Borrower within two (2) Business Days of such notice thereof.

ARTICLE III BORROWER REMAINS LIABLE

Anything herein to the contrary notwithstanding, (a) the Borrower shall remain liable under its contracts and agreements (including the Financing Obligation Documents) to the extent set forth therein to perform all of its duties and obligations thereunder to the same extent as if this Agreement had not been executed, (b) the exercise by the Collateral Agent of any of the rights hereunder shall not release the Borrower from any of its duties or obligations under its contracts and agreements, and (c) neither the Collateral Agent nor any of the other Secured Parties shall have any obligation or liability under the contracts and agreements of the Borrower by reason of this Agreement, nor shall the Collateral Agent be obligated to perform any of the obligations or duties of the Borrower thereunder or to take any action to collect or enforce any claim for payment assigned thereunder. Notwithstanding the foregoing, if the Borrower fails to perform any agreement, obligation or duty of the Borrower contained herein relating to the perfection or preservation of the Collateral, the Collateral Agent may (but shall not be obligated to) itself

perform, or cause performance of, such agreement, and the expenses of the Collateral Agent incurred in connection therewith shall be payable by the Borrower under Article VII hereof.

ARTICLE IV REASONABLE CARE

The powers conferred on the Collateral Agent hereunder are solely to protect its interest in the Collateral for the benefit of the Secured Parties and shall not impose any duty upon it to exercise any such powers unless otherwise expressly provided. Except for the safe custody and preservation of the Collateral in its possession and the accounting for monies actually received, invested and disbursed by it hereunder, the Collateral Agent shall have no other duty as to the Collateral, whether or not the Collateral Agent or any of the other Secured Parties has or is deemed to have knowledge of any matters, or as to the taking of any necessary steps to preserve rights against any parties or any other rights pertaining to the Collateral. The Collateral Agent hereby agrees to exercise reasonable care in respect of the custody and preservation of the Collateral. The Collateral Agent shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral in its possession if such Collateral is accorded treatment substantially equal to that which the Collateral Agent accords its own property.

ARTICLE V THE PROJECT ACCOUNTS

Section 5.01 Establishment of Project Accounts.

(a) The following sub-accounts are hereby established and created at the Account Bank (the Project Accounts referred to in clauses (i) and (ii), together with the other Project Accounts established pursuant to the Series 2019A Collateral Agency Agreement, collectively, the “Securities Accounts”):

(i) within the Revenue Account established pursuant to the Series 2019A Collateral Agency Agreement:

(A) a sub-account entitled “Brightline FL Revenue – Interest Series 2019B” as further described on Exhibit C hereto (the “Series 2019B Interest Sub-Account”); and

(B) a sub-account entitled “Brightline FL Revenue – Principal Series 2019B” as further described on Exhibit C hereto (the “Series 2019B Principal Sub-Account”);

(ii) within the Mandatory Prepayment Account established pursuant to the Series 2019A Collateral Agency Agreement, a sub-account entitled “Brightline FL PABs Mandatory Prepayment Series 2019B” as further described on Exhibit C hereto (the “Series 2019B PABs Mandatory Prepayment Sub-Account”).

(b) The following Project Accounts and sub-accounts established pursuant to the 2019 Collateral Agency Agreement shall be re-titled and/or re-defined as follows, and any references to such Project Accounts in any Transaction Documents shall be deemed to refer to such Project Accounts as re-titled and/or re-defined as follows:

(i) the account entitled “VTUSA FL Revenue” shall be re-titled “Brightline FL Revenue” (the “Revenue Account”);

(ii) the sub-account entitled “VTUSA FL Revenue – Interest” shall be re-titled “Brightline FL Revenue – Interest Series 2019A” (the “Series 2019A Interest Sub-Account”);

(iii) the sub-account entitled “VTUSA FL Revenue – Principal” shall be re-titled “Brightline FL Revenue – Principal Series 2019A” (the “Series 2019A Principal Sub-Account”);

(iv) the account entitled “VTUSA FL Loss Proceeds” shall be re-titled “Brightline FL Loss Proceeds” (the “Loss Proceeds Account”);

(v) the account entitled “VTUSA FL Construction” shall be re-titled “Brightline FL Construction” (the “Construction Account”);

(vi) the sub-account entitled “VTUSA FL PABs Proceeds Sub-Account” shall be re-titled “Brightline FL PABs Proceeds Sub-Account” (the “PABs Proceeds Sub-Account”);

(vii) the sub-account entitled “VTUSA FL PABs Counties Equity Contribution Sub-Account” shall be re-titled “Brightline FL PABs Counties Equity Contribution Sub-Account” (the “PABs Counties Equity Contribution Sub-Account”);

(viii) the sub-account entitled “VTUSA FL Non-PABs Counties Equity Contribution Sub-Account” shall be re-titled “Brightline FL Non-PABs Counties Equity Contribution Sub-Account” (the “Non-PABs Counties Equity Contribution Sub-Account”);

(ix) the sub-account entitled “VTUSA FL Other Proceeds Sub-Account” shall be re-titled “Brightline FL Other Proceeds Sub-Account” (the “Other Proceeds Sub-Account”);

(x) the account entitled “VTUSA FL Debt Service Reserve” and defined in the Series 2019A Collateral Agency Agreement as the Series 2019 Debt Service Reserve Account is hereby re-titled “Brightline FL Debt Service Reserve” and re-defined as the “Initial Debt Service Reserve Account”;

(xi) the account titled “VTUSA FL Major Maintenance Reserve” and defined in the Series 2019A Collateral Agency Agreement as the Series 2019A Major Maintenance Reserve Account is hereby re-titled “Brightline FL Major Maintenance Reserve” and re-defined as the “Initial Major Maintenance Reserve Account”;

(xii) the sub-account entitled “VTUSA FL MMR Non-Completed Work” shall be re-titled “Brightline FL MMR Non-Completed Work” (the “Non-Completed Work Sub-Account”);

(xiii) the account entitled “VTUSA FL O&M Reserve” and defined in the Series 2019A Collateral Agency Agreement as the Series 2019A O&M Reserve Account is hereby re-titled “Brightline FL O&M Reserve” and re-defined as the “Initial O&M Reserve Account”;

(xiv) the account entitled “VTUSA FL Ramp-Up Reserve” shall be re-titled “Brightline FL Ramp-Up Reserve” (the “Ramp-Up Reserve Account”);

(xv) the account entitled “VTUSA FL Mandatory Prepayment” shall be re-titled “Brightline FL Mandatory Prepayment” (the “Mandatory Prepayment Account”);

(xvi) the sub-account entitled “VTUSA FL PABs Mandatory Prepayment” shall be re-titled “Brightline FL PABs Mandatory Prepayment Series 2019A” (the “Series 2019A PABs Mandatory Prepayment Sub-Account”);

(xvii) the account entitled “VTUSA FL Capital Projects” shall be re-titled “Brightline FL Capital Projects” (the “Capital Projects Account”); and

(xviii) the account entitled “VTUSA FL Equity Lock-Up” shall be re-titled “Brightline FL Equity Lock-Up” (the “Equity Lock-Up Account”).

The remaining Project Accounts and sub-accounts established pursuant to the Series 2019A Collateral Agency Agreement shall remain in all respects subject to the terms hereof.

Each such Project Account shall be identified in the manner set forth in Exhibit C attached hereto. To the extent that the Borrower requests the deposit of funds therein, the Revenue Account shall include the sub-accounts (each of which shall be a separately identified account with a separate and distinct name and account number) described in Section 5.02(c). Notwithstanding anything herein to the contrary and except upon and during the continuance of a Secured Obligation Event of Default, upon the written instruction of the Borrower, the Collateral Agent may from time to time hereafter establish and maintain sub-accounts within the Project Accounts for the purposes and the term specified in any such request and providing for deposits and withdrawals in those circumstances expressly provided for in any such instruction; provided, however that the Borrower shall not be permitted to create any such sub-account in contravention of the purposes for which the Project Accounts were established. Furthermore, in accordance with this Agreement and except upon and during the continuance of a Secured Obligation Event of Default, upon the written instruction of the Borrower in accordance with the applicable Additional Senior Secured Indebtedness Documents, the Collateral Agent may from time to time hereafter establish and maintain Additional Major Maintenance Reserve Accounts, Additional Debt Service Reserve Accounts, Additional O&M Reserve Accounts and additional sub-accounts within the Construction Account for Additional Projects, and each such account shall be considered a Project

Account for the purposes and the term specified in any such request and providing for deposits and withdrawals in those circumstances expressly provided for in any such instruction.

(c) The Borrower hereby confirms that, on or prior to the Closing Date, the Main Operating Account and the Equity Funded Account have been established with the Deposit Account Bank, and each such account shall be maintained in the name of the Borrower and shall be subject to an Account Control Agreement. The Borrower may from time to time establish additional Operating Accounts for the purposes set forth in Section 5.13(a). Even though established at the Deposit Account Bank, each Operating Account, the Equity Funded Account and each Collection Account shall also constitute a Project Account.

(d) All of the Project Accounts shall be under the control of the Collateral Agent (in the case of any Operating Account, the Equity Funded Account and any Collection Account, at the Deposit Account Bank subject to the control of the Collateral Agent pursuant to the Account Control Agreements) and, except as expressly provided herein (including in Section 5.13) (and in the case of any Operating Account, the Equity Funded Account and any Collection Account, to direct the Deposit Account Bank in accordance with the terms of the Account Control Agreements), the Borrower shall not have any right to withdraw funds from any Project Account. The Borrower hereby irrevocably authorizes the Collateral Agent to credit funds to or deposit funds in, and to withdraw and transfer funds from, each Project Account in accordance with the terms of this Agreement and the Collateral Agent hereby agrees to credit funds to or deposit funds in, and to withdraw and transfer funds from each Project Account in accordance with the terms of this Agreement (and in the case of any Operating Account, the Equity Funded Account and any Collection Account, in accordance with the terms of the Account Control Agreements). The Project Accounts shall be maintained at all times in New York, New York or Jersey City, New Jersey with the Account Bank or, in the case of any Operating Account, the Equity Funded Account and any Collection Account, at the Deposit Account Bank.

(e) The Borrower may establish a distribution account (the “Distribution Account”) with the Deposit Account Bank, and such account shall be maintained in the name of the Borrower. The Distribution Account shall not constitute a Project Account and shall not constitute Collateral.

Section 5.02 Revenue Account.

(a) Except for amounts to be deposited in other Project Accounts in accordance with this Agreement, all Project Revenues will be deposited into the Revenue Account. To facilitate the collection of Project Revenues, the Borrower may establish one or more Collection Accounts at the Deposit Account Bank that are subject to an Account Control Agreement and into which Project Revenues are received by the Borrower and promptly deposited into the Revenue Account. Additionally, the Borrower will promptly deposit or cause to be deposited into the Revenue Account all other amounts received by the Borrower from any source whatsoever, the application of which is not otherwise specified in this Agreement. Pending such deposit, the Borrower will hold all such amounts coming into its possession in trust for the benefit of the Secured Parties.

(b) Subject to Section 5.16 hereof, including the delivery of a Funds Transfer Certificate by the Borrower (to the extent required by such Section 5.16) and subject to Section 9.08 hereof, the Collateral Agent shall make the following withdrawals, transfers and payments from the Revenue Account and the sub-accounts therein in the amounts, at the times and only for the purposes specified below at the request of the Borrower as set forth in a Funds Transfer Certificate (substantially in the form attached hereto as Exhibit B) in the following order of priority (it being agreed that no amount shall be withdrawn on any date pursuant to any clause below until amounts sufficient as of that date (to the extent applicable) for all the purposes specified under the prior clauses shall have been withdrawn or set aside):

First, on each Transfer Date, to the Agents, the PABs Issuer (only to the extent of its Reserved Rights) and any Nationally Recognized Rating Agency then rating any of the Secured Obligations, as applicable, the fees, administrative costs and other expenses of such parties then due and payable;

Second, on each Transfer Date, to the applicable Operating Account(s) designated by the Borrower in the Funds Transfer Certificate, an amount equal to, together with amounts then on deposit in the Operating Accounts, the projected O&M Expenditures for the period ending on the immediately succeeding Transfer Date as set forth in the Funds Transfer Certificate; *provided* that O&M Expenditures for Major Maintenance will be included in such amount solely to the extent that (i) any such costs are currently due or are projected to become due prior to the next Transfer Date and (ii) amounts on deposit in the applicable Major Maintenance Reserve Account are insufficient to pay such costs;

Third, on each Transfer Date, after application of any remaining available funds in the Construction Account (or other amounts available therefor), to the applicable Operating Account(s) designated by the Borrower in the Funds Transfer Certificate for the payment of Project Costs due and payable on such Transfer Date;

Fourth, on each Transfer Date, *pro rata* to any payments then due and payable by the Borrower to the Series 2019A Rebate Fund and the Series 2019B Rebate Fund established under the Indenture or any similar rebate fund established with respect to any future tax-exempt borrowings comprising Additional Parity Bonds;

Fifth, on each Transfer Date, *pro rata*, for the payment of interest on the Senior Indebtedness and any Purchase Money Debt as follows: (i) to the Series 2019A Interest Sub-Account, an amount equal to one-sixth (1/6) of the amount of interest payable on the Series 2019A Bonds on the next Interest Payment Date, (ii) to the Series 2019B Interest Sub-Account, an amount equal to one-sixth (1/6) of the amount of interest payable on the Series 2019B Bonds on the next Interest Payment Date; *provided* that, no such transfers to the Series 2019A Interest Sub-Account or the Series 2019B Interest Sub-Account shall be required to be made until the amounts in the Series 2019A Funded Interest Account and the Series 2019B Funded Interest Account, respectively, have been depleted, (iii) to the applicable interest account established hereunder for Additional Senior Indebtedness and

Purchase Money Debt, if any, an amount equal to the amount of interest and any Ordinary Course Settlement Payments related to such Additional Senior Indebtedness or Purchase Money Debt due on the next Interest Payment Date divided by the total number of months between Interest Payment Dates for such Additional Senior Indebtedness or Purchase Money Debt as set forth in the applicable Additional Senior Indebtedness Documents or, for Purchase Money Debt, the related financing documents, and (iv) to the applicable Swap Bank, if any, an amount equal to the amount of any Ordinary Course Settlement Payments related to any Permitted Senior Commodity Swap due on or before the Transfer Date pursuant to the applicable Permitted Swap Agreement; plus, in each case any deficiency from a prior Transfer Date; *provided* that the deposit on the Transfer Date occurring immediately before each Interest Payment Date will equal the amount required (taking into account the amounts then on deposit in the applicable interest payment account established hereunder and any applicable interest payment account established under the Indenture, the Additional Senior Indebtedness Documents or, for Purchase Money Debt, the related financing documents) to pay the interest and any Ordinary Course Settlement Payments related to the Series 2019A Bonds, the Series 2019B Bonds, such Additional Senior Indebtedness or Purchase Money Debt due on such Interest Payment Date; *provided, further* that on the Transfer Date immediately preceding each Interest Payment Date (after giving effect to the transfers contemplated above in this clause Fifth), amounts on deposit in the Series 2019 Interest Sub-Accounts shall be transferred to the Interest Account and amounts on deposit in any other interest account for Additional Senior Indebtedness and any Purchase Money Debt established hereunder shall be transferred in accordance with the applicable Additional Senior Indebtedness Documents or, for Purchase Money Debt, the related financing documents, in each case, for the payment of interest and any Ordinary Course Settlement Payments related to the Series 2019A Bonds, the Series 2019B Bonds, such Additional Senior Indebtedness or Purchase Money Debt due on the Series 2019A Bonds, the Series 2019B Bonds, the applicable Additional Senior Indebtedness or Purchase Money Debt on the next Interest Payment Date;

Sixth, on each Transfer Date, *pro rata*, for the payment of principal on the Senior Indebtedness and any Purchase Money Debt as follows: (i) with respect to the Series 2019A Bonds, (A) so long as such Bonds are in the Term Rate Mode, deposits shall be made to the Series 2019A Principal Sub-Account under this clause Sixth on each Transfer Date occurring within 12 months of any Principal Payment Date in an amount equal to one-twelfth (1/12) of the amount of principal due on such Principal Payment Date (including, with respect to any Principal Payment Date that constitutes a Mandatory Tender Date for the Series 2019A Bonds, the principal amount of any mandatory sinking fund redemption due on such Mandatory Tender Date, but excluding the Purchase Price of the Series 2019A Bonds due on such Mandatory Tender Date), and (B) upon conversion to the Fixed Rate Mode, deposits shall be made to the Series 2019A Principal Sub-Account under this clause Sixth on each Transfer Date occurring within twelve (12) months prior to any Principal Payment Date in an amount equal to one-twelfth (1/12) of the amount of principal due on such Principal Payment Date, (ii) with respect to the Series 2019B Bonds, (A) so long as

such Bonds are in the Term Rate Mode, deposits shall be made to the Series 2019B Principal Sub-Account under this clause Sixth on each Transfer Date occurring within 12 months of any Principal Payment Date in an amount equal to one-twelfth (1/12) of the amount of principal due on such Principal Payment Date (including, with respect to any Principal Payment Date that constitutes a Mandatory Tender Date for the Series 2019B Bonds, the principal amount of any mandatory sinking fund redemption due on such Mandatory Tender Date, but excluding the Purchase Price of the Series 2019B Bonds due on such Mandatory Tender Date), and (B) upon conversion to the Fixed Rate Mode, deposits shall be made to the Series 2019B Principal Sub-Account under this clause Sixth on each Transfer Date occurring within 12 months prior to any Principal Payment Date in an amount equal to one-twelfth (1/12) of the amount of principal due on such Principal Payment Date, and (iii) to any other principal payment account established hereunder for Additional Senior Indebtedness and Purchase Money Debt, if any, the amount of principal required to be deposited into such principal payment account for such Additional Senior Indebtedness or Purchase Money Debt as set forth in the applicable Additional Senior Indebtedness Documents or, for Purchase Money Debt, the related financing documents; plus, in each case, any deficiency from a prior Transfer Date; *provided*, that (w) (1) with respect to the Series 2019A Bonds in the Term Rate Mode, the deposit on the Transfer Date occurring immediately before each Principal Payment Date will equal the amount required to pay the principal payment due on such Principal Payment Date for the Series 2019A Bonds, including, with respect to any Principal Payment Date that constitutes a Mandatory Tender Date for the Series 2019A Bonds, the amount of any mandatory sinking fund redemption due on such Mandatory Tender Date, but excluding the Purchase Price of the Series 2019A Bonds due on such Mandatory Tender Date (taking into account the amount then on deposit in the Series 2019A Principal Sub-Account and the Principal Account) and (2) with respect to the Series 2019B Bonds in the Term Rate Mode, the deposit on the Transfer Date occurring immediately before each Principal Payment Date will equal the amount required to pay the principal payment due on such Principal Payment Date for the Series 2019B Bonds, including, with respect to any Principal Payment Date that constitutes a Mandatory Tender Date for the Series 2019B Bonds, the amount of any mandatory sinking fund redemption due on such Mandatory Tender Date, but excluding the Purchase Price of the Series 2019B Bonds due on such Mandatory Tender Date (taking into account the amount then on deposit in the Series 2019B Principal Sub-Account and the Principal Account), (x) (1) with respect to the Series 2019A Bonds in the Fixed Rate Mode, the deposit on the Transfer Date occurring immediately before each Principal Payment Date will equal the amount required to pay the principal payment due on such Principal Payment Date for the Series 2019A Bonds (taking into account the amount then on deposit in the Series 2019A Principal Sub-Account and the Principal Account) and (2) with respect to the Series 2019B Bonds in the Fixed Rate Mode, the deposit on the Transfer Date occurring immediately before each Principal Payment Date will equal the amount required to pay the principal payment due on such Principal Payment Date for the Series 2019B Bonds (taking into account the amount then on deposit in the Series 2019B Principal Sub-Account and the Principal Account), (y), if applicable, with respect to any Additional Senior

Indebtedness and any Purchase Money Debt, the deposit on the Transfer Date occurring immediately before each Principal Payment Date will equal the amount required to pay the principal payment due on such Principal Payment Date for the applicable Additional Senior Indebtedness or Purchase Money Debt, including in the case of any Permitted Swap Agreement related to such Additional Senior Indebtedness or Purchase Money Debt, Swap Termination Payments (taking into account the amounts then on deposit in any principal payment sub-account established hereunder or under the applicable Additional Senior Indebtedness Documents or, for Purchase Money Debt, the related financing documents for the payment of principal on such Additional Senior Indebtedness or Purchase Money Debt) and (z), if applicable, with respect to any Permitted Senior Commodity Swap, on the Transfer Date occurring immediately before a Swap Termination Payment due date under the applicable Permitted Swap Agreement, to the applicable Swap Bank, an amount equal to the amount required to pay such Swap Termination Payment due on such due date pursuant to the applicable Permitted Swap Agreement; *provided, further* that on each Transfer Date immediately preceding a Principal Payment Date (after giving effect to the transfers contemplated above in this clause Sixth), amounts on deposit in the Series 2019 Principal Sub-Accounts (if any) shall be transferred to the Principal Account and amounts on deposit in any other principal account for Additional Senior Indebtedness and any Purchase Money Debt established hereunder shall be transferred in accordance with the applicable Additional Senior Indebtedness Documents or, for Purchase Money Debt, the related financing documents, in each case, for the payment of principal due on the applicable Additional Senior Indebtedness or Purchase Money Debt on the next Principal Payment Date, including in the case of any Permitted Swap Agreement related to such Additional Senior Indebtedness or Purchase Money Debt, Swap Termination Payments;

Seventh, (A) on each Transfer Date on and after the Phase 2 Revenue Service Commencement Date, *pro rata*, to the Initial Debt Service Reserve Account and any other Debt Service Reserve Account then already in existence in an amount to the extent necessary to fund such account so that the balance therein (taking into account the amount available for drawing under any Qualified Reserve Account Credit Instrument provided with respect thereto) equals the applicable Debt Service Reserve Requirement for the immediately preceding Calculation Date, and (B) on any date on which an Additional Debt Service Reserve Account is created and established in connection with the issuance or incurrence by the Borrower of Additional Senior Secured Indebtedness, to transfer to the applicable Additional Debt Service Reserve Account an amount to the extent necessary to fund such account so that the balance therein (taking into account the amount available for drawing under any Qualified Reserve Account Credit Instrument provided with respect thereto) equals the applicable Additional Debt Service Reserve Requirement;

Eighth, (A) on each Transfer Date beginning after December 31, 2020, *pro rata*, to the Initial Major Maintenance Reserve Account and to any other Major Maintenance Reserve Account then already in existence in an amount to the extent necessary to fund such account so that the balance therein equals the applicable Major Maintenance Reserve Required

Balance, and (B) on any date on which an Additional Major Maintenance Reserve Account is created and established in connection with the issuance or incurrence by the Borrower of Additional Senior Secured Indebtedness, to transfer to the applicable Additional Major Maintenance Reserve Account an amount to the extent necessary to fund such account so that the balance therein equals the applicable Major Maintenance Reserve Required Balance on such date;

Ninth, (A) on each Transfer Date, *pro rata*, to the Initial O&M Reserve Account and to any other O&M Reserve Account then already in existence in an amount to the extent necessary to fund such account so that the balance therein equals the applicable O&M Reserve Requirement, and (B) on any date on which an Additional O&M Reserve Account is created and established in connection with the issuance or incurrence by the Borrower of Additional Senior Secured Indebtedness, to transfer to the applicable Additional O&M Reserve Account an amount to the extent necessary to fund such account so that the balance therein equals the applicable O&M Reserve Requirement on such date;

Tenth, on each Transfer Date, to pay debt service due or becoming due prior to the next Transfer Date on any Indebtedness or under any Permitted Swap Agreements permitted under the Secured Obligation Documents (other than the Indebtedness or Permitted Swap Agreements serviced pursuant to another clause of this Flow of Funds), in each case comprised of interest, fees, principal and premium, if any, in respect of such Indebtedness or Ordinary Course Settlement Payments or Swap Termination Payments, as applicable, in respect of such Permitted Swap Agreements;

Eleventh, within the 15-day period commencing on each Distribution Date, to pay any interest on any Permitted Subordinated Debt, so long as the Restricted Payment Conditions are satisfied as of the applicable Distribution Date, as confirmed in a Distribution Release Certificate (substantially in the form attached hereto as Exhibit E) signed by a Responsible Officer of the Borrower and delivered to the Collateral Agent;

Twelfth, within the 15-day period commencing on each Distribution Date, to pay any scheduled principal on any Permitted Subordinated Debt, so long as the Restricted Payment Conditions are satisfied as of the applicable Distribution Date, as confirmed in a Distribution Release Certificate signed by a Responsible Officer of the Borrower and delivered to the Collateral Agent;

Thirteenth, on each Transfer Date, at the Borrower's option, (A) for repayment of the Series 2019 Bonds, such amounts as the Borrower will deem appropriate to optionally prepay such then Outstanding Series 2019 Bonds in whole or in part in accordance with the Indenture, or (B) to make any other optional prepayments or optional redemptions, as the case may be, as permitted under any Secured Obligation Documents, together with any interest or premium payable in connection with such prepayment or redemption and any related Swap Termination Payments in connection with such prepayment or redemption; and

Fourteenth, within the 15-day period commencing on each Distribution Date, so long as the Restricted Payment Conditions are satisfied as of the applicable Distribution Date, as confirmed in a Distribution Release Certificate signed by a Responsible Officer of the Borrower and delivered to the Collateral Agent, to the Distribution Account, or if such Restricted Payment Conditions are not satisfied as of such Distribution Date, then such funds shall be transferred to the Equity Lock-Up Account during such 15-day period (in either case, in an amount not to exceed the amounts on deposit in the Revenue Account as of the immediately preceding Transfer Date). Funds shall not be transferred from the Revenue Account to the Distribution Account or the Equity Lock-Up Account at any time other than in accordance with this clause Fourteenth.

(c) If the Borrower receives a payment in respect of the actual or estimated loss of the Borrower's future Project Revenues such amount will be deposited into a sub-account of the Revenue Account to be established upon written instruction to the Collateral Agent for such purpose; *provided*, that prior to such deposit, the Borrower will provide to the Collateral Agent (for subsequent dissemination to the Secured Parties) a calculation in reasonable detail showing the future years for which such amount was paid as compensation in respect of the loss of Project Revenues. In the event that such amount is deposited into such sub-account, as of the commencement of each year for which such compensation was paid, at the Borrower's written request, the portion thereof constituting a payment for the loss of Project Revenues for each Fiscal Quarter during such year, together with interest or other earnings accrued thereon from the date of deposit, will be transferred from such sub-account to the Revenue Account and applied in accordance with clause (b) above during such Fiscal Quarter, and any such amounts shall be considered Project Revenues for purposes of clause (b) above and calculation of the Total DSCR. Except as set forth in the preceding sentence, the amounts deposited in such sub-account shall not be deemed to be on deposit in the Revenue Account until so transferred from such sub-account.

(d) To the extent that (i) on any Calculation Date amounts on deposit in any Debt Service Reserve Account are in excess of the applicable Debt Service Reserve Requirement or (ii) on any Transfer Date amounts on deposit in any Major Maintenance Reserve Account or any O&M Reserve Account are in excess of the applicable Major Maintenance Reserve Required Balance or the applicable O&M Reserve Requirement, as the case may be, upon direction by the Borrower, such excess amounts are to be deposited into the Revenue Account.

(e) (i) In accordance with Section 5.11(d), to the extent there are insufficient amounts in the Revenue Account to make the transfers required by any or all of clauses First through Ninth of Section 5.02(b) on any Transfer Date, amounts shall be transferred by the Collateral Agent (without the requirement of a Funds Transfer Certificate and without any further direction of the Borrower) from the Equity Lock-Up Account to the Revenue Account in an amount up to the amount of such shortfall and applied in the priority set forth in Section 5.02(b); and

(ii) In accordance with Sections 5.06(f), 5.07(d) and 5.08(b), to the extent, after application of the funds available pursuant to clause (i) of this Section 5.02(e), there are

insufficient amounts in the Revenue Account to make the transfers required by clauses Fifth or Sixth of Section 5.02(b) on any Transfer Date, amounts shall be transferred by the Collateral Agent (without the requirement of a Funds Transfer Certificate and without any further direction of the Borrower) from the following accounts in the following priority to the Revenue Account in an amount up to the amount of such shortfall and applied in the priority set forth in Section 5.02(b): first, the Ramp-Up Reserve Account; second, any O&M Reserve Account; and third, any Major Maintenance Reserve Account.

Section 5.03 Loss Proceeds Account.

(a) All Loss Proceeds received by the Borrower or to its order are to be paid directly into the Loss Proceeds Account. Except as provided by Sections 5.16(d) and 9.08, if a Loss Event occurs, amounts on deposit in the Loss Proceeds Account will be withdrawn and paid to the Borrower to be applied to Restore the Project or any portion thereof, except that, to the extent that (A) such proceeds exceed the amount required to Restore the Project or any portion thereof to the condition existing prior to the Loss Event or (B) the affected property cannot be Restored to permit operation of the Project on a Commercially Feasible Basis and upon delivery to the Collateral Agent of a certificate signed by a Responsible Officer of the Borrower certifying to the foregoing, such proceeds will be applied *pro rata* to the applicable sub-account of the Mandatory Prepayment Account in accordance with and to the extent required by the Financing Obligation Documents to cause the extraordinary mandatory redemption of the applicable Senior Indebtedness, and, in the case of any remaining moneys thereafter, to the prepayment of any other Secured Obligations in accordance with the applicable Secured Obligation Documents, and thereafter, to the Revenue Account.

(b) If an amount of any insurance claim on deposit in or credited to the Loss Proceeds Account has been paid out of moneys withdrawn from the Revenue Account in accordance with Section 5.02, then the Borrower may cause the transfer of moneys representing the proceeds of the claim to the Revenue Account.

Section 5.04 Construction Account.

(a) The Collateral Agent acting at the written direction of the Borrower (i) transferred (and the Borrower caused to be deposited) into the PABs Proceeds Sub-Account of the Construction Account all net proceeds of the Series 2019A Bonds (in respect of the Series 2019A Loan) other than as set forth in clause (c) below and (ii) shall transfer (and the Borrower shall cause to be deposited) into the PABs Proceeds Sub-Account of the Construction Account all Escrow Securities released pursuant to Section 3.4 of the First Supplemental Indenture (in respect of the Series 2019B Loan) other than as set forth in clause (c) below. Net proceeds of Required Equity Contributions, Additional Equity Contributions, Additional Senior Indebtedness and Permitted Subordinated Debt, in each case issued to finance a portion of Project Costs prior to the Phase 2 Revenue Service Commencement Date, may be deposited into the Other Proceeds Sub-Account or into a separate sub-account of the Construction Account (as confirmed by the

Borrower) in accordance with the Financing Obligation Documents and, subject to Sections 5.16(d) and 9.08 herein, shall be disbursed in accordance with Section 5.04(f) herein.

(b) The Borrower will be entitled to instruct the Collateral Agent to open new sub-accounts of the Construction Account by providing to the Collateral Agent instructions in respect of the same for the purpose of depositing the proceeds of any Additional Senior Indebtedness issued to finance a portion of the Project Costs and permitted to be incurred by the Financing Obligation Documents as set forth in Section 5.04(a), including any proceeds from the Additional Parity Bonds issued in respect of Additional Project Completion Indebtedness, Theme Park Indebtedness or Additional Station Indebtedness from time to time in accordance with the Indenture.

(c) (x) The proceeds of the Series 2019A Bonds, net of amounts used to refinance the Series 2017 Bonds, pay certain costs of issuance and fund certain deposits on the Original Closing Date required under the Series 2019A Collateral Agency Agreement and under the Original Indenture and after application in accordance with Section 3.3(b) of the Original Indenture, were deposited on the date of issuance of the Series 2019A Bonds into the PABs Proceeds Sub-Account in accordance with Section 5.04(a). Funds on deposit in the PABs Proceeds Sub-Account will be used to pay, or reimburse for a prior payment of, Project Costs as permitted by Law, including the Code; *provided, however*, that such funds may be used to pay interest on the Series 2019A Bonds solely after all funds available for such payments in the Series 2019A Funded Interest Account have been used; and *provided, further, however* that such funds may not be used to pay Project Costs that are not Qualified Costs unless the Borrower shall have provided to the Collateral Agent and the Trustee an opinion of Bond Counsel to the effect that use of such funds to pay Project Costs that are not Qualified Costs will not adversely affect the exclusion of interest on any Bonds (other than Taxable Bonds) from gross income of the Owners thereof.

(y) The Escrow Securities released pursuant to Section 3.4 of the First Supplemental Indenture, net of amounts used to pay certain costs of issuance and fund certain deposits on the Closing Date required hereunder and under the Indenture and after application in accordance with Section 3.3 of the Second Supplemental Indenture, will be deposited on the date of remarketing of the Series 2019B Bonds into the PABs Proceeds Sub-Account in accordance with Section 5.04(a). Funds on deposit in the PABs Proceeds Sub-Account will be used to pay, or reimburse for a prior payment of, Project Costs as permitted by Law, including the Code; *provided, however*, that such funds may be used to pay interest on the Series 2019B Bonds solely after all funds available for such payments in the Series 2019B Funded Interest Account have been used; and *provided, further, however* that such funds may not be used to pay Project Costs that are not Qualified Costs unless the Borrower shall have provided to the Collateral Agent and the Trustee an opinion of Bond Counsel to the effect that use of such funds to pay Project Costs that are not Qualified Costs will not adversely affect the exclusion of interest on any Bonds (other than Taxable Bonds) from gross income of the Owners thereof.

(d) Any Required Equity Contribution received by the Borrower in accordance with the Equity Contribution Agreement shall be deposited by the Borrower (or on its behalf) to the PABs Counties Equity Contribution Sub-Account, the Non-PABs Counties Equity Contribution Sub-Account or the Other Proceeds Sub-Account of the Construction Account as directed by the Borrower in writing. Any Additional Equity Contribution received by the Borrower shall be deposited by the Borrower (or on its behalf) to the PABs Counties Equity Contribution Sub-Account, the Non-PABs Counties Equity Contribution Sub-Account or the Other Proceeds Sub-Account of the Construction Account, the Capital Projects Account, any Major Maintenance Reserve Account, any O&M Reserve Account, the Equity Funded Account or the Revenue Account as directed by the Borrower in writing.

(i) Amounts deposited in the PABs Counties Equity Contribution Sub-Account will be held in such sub-account and, subject to the conditions of this Agreement, applied in accordance with Section 5.04(f) from time to time to the payment of Project Costs solely for those portions of the Project located in the PABs Counties, to pay only Project Costs (other than Qualified Costs) until amounts on deposit in the PABs Proceeds Sub-Account have been fully expended and then to pay any remaining Project Costs; *provided, however*, that such amounts shall be used to pay interest on (i) the Series 2019A Bonds solely after all funds available for such payments in the Series 2019A Funded Interest Account have been used, and (ii) the Series 2019B Bonds solely after all funds available for such payments in the Series 2019B Funded Interest Account have been used.

(ii) Amounts deposited in the Non-PABs Counties Equity Contribution Sub-Account will be held in such sub-account and, subject to the conditions of this Agreement, applied in accordance with Section 5.04(f) from time to time to the payment of Project Costs solely for those portions of the Project located outside of the PABs Counties; *provided, however*, that such funds shall be used to pay interest on (i) the Series 2019A Bonds solely after all funds available for such payments in the Series 2019A Funded Interest Account have been used, and (ii) the Series 2019B Bonds solely after all funds available for such payments in the Series 2019B Funded Interest Account have been used.

(e) Notwithstanding anything herein to the contrary, the Borrower will be entitled to (i) direct the Collateral Agent pursuant to an Equity Transfer Certificate (substantially in the form attached hereto as Exhibit K) from time to time to transfer funds between and among the PABs Counties Equity Contribution Sub-Account, the Non-PABs Counties Equity Contribution Sub-Account and the Other Proceeds Sub-Account, solely to the extent (A) such funds constitute proceeds of a Required Equity Contribution or an Additional Equity Contribution or proceeds of Permitted Additional Senior Indebtedness or Permitted Subordinated Debt and (B) such transfers are otherwise in compliance with any applicable Financing Obligation Documents, as certified by the Borrower in the Equity Transfer Certificate, and (ii) make allocations of Required Equity

Contributions, solely for federal income tax purposes, that, if implemented through actual fund transfers, would be inconsistent with the restrictions set forth in subsection (d) above.

(f) Subject to Sections 5.16(d) and 9.08 hereof, the Borrower will request pursuant to a Construction Account Withdrawal Certificate disbursements of moneys on deposit in the Construction Account, including the PABs Proceeds Sub-Account, the PABs Counties Equity Contribution Sub-Account, the Non-PABs Counties Equity Contribution Sub-Account and the Other Proceeds Sub-Account as set forth in this paragraph (f); *provided, however*, that, if the funds on deposit in the Construction Account are the proceeds of Additional Senior Indebtedness (other than Additional Project Completion Indebtedness), the Borrower shall not be required to satisfy the conditions in subclauses (ii), (iii) or (ix) of this paragraph (f) for disbursement of such funds. Amounts in the Construction Account will be transferred by the Collateral Agent as directed in the applicable Construction Account Withdrawal Certificate to pay Project Costs upon receipt of the following documents and satisfaction of the following conditions, as applicable, not later than the second (2nd) Business Day prior to the proposed date of disbursement (or such shorter period prior to the Closing Date as is acceptable to the Collateral Agent with respect to disbursements on the Closing Date):

(i) Delivery to the Collateral Agent of a duly executed Construction Account Withdrawal Certificate from the Borrower setting forth the amount requested and all other required information set forth therein including certification by the Borrower as to satisfaction of the applicable requirements set forth in subclauses (ii) through (xii) below;

(ii) Delivery to the Collateral Agent of a duly executed certificate from the Borrower, stating that (A) for any amount requested pursuant to such Construction Account Withdrawal Certificate, the work on the Project performed as of the date of such Construction Account Withdrawal Certificate has been performed generally consistent with the terms of the Transaction Documents and such amount does not exceed the amount of Project Costs then due and payable or which are due and payable within 30 days of the requested disbursement date, and (B) the Phase 2 Revenue Service Commencement Date is reasonably expected to be achieved on or prior to the Phase 2 Revenue Service Commencement Deadline; *provided however*, that upon a determination that the Phase 2 Revenue Service Commencement Date will not occur on or before the Phase 2 Revenue Service Commencement Deadline, a draw from the Construction Account will be allowed so long as the Technical Advisor is satisfied that the Borrower's remediation plan demonstrates that the Phase 2 Revenue Service Commencement Date can be achieved on or before January 5, 2024, which satisfaction must be evidenced by certification thereof in the Technical Advisor Certificate; and, *provided further, however*, that none of the foregoing requirements of this clause (ii) will apply to Project Costs constituting the payment of interest on the Series 2019 Bonds or any Additional Senior Indebtedness or the Costs of Issuance of the Series 2019 Bonds

or any Additional Senior Indebtedness that are otherwise being paid in accordance with the Financing Obligation Documents;

(iii) The amounts requested pursuant to the Construction Account Withdrawal Certificate for the payment or reimbursement of Project Costs have been incurred in connection with the planning, design, developing, equipping, renovating, financing and construction and placing into service of the Project, shall be applied to pay or reimburse Project Costs, are a proper charge against the applicable sub-account from which such amounts are being drawn and have not been the basis for a prior requisition that has been paid;

(iv) All amounts previously drawn for the payment or reimbursement of Project Costs through the procedures set forth in Section 5.04 of this Agreement have been fully applied and have been applied solely to pay or reimburse Project Costs;

(v) No Potential Secured Obligation Event of Default or Secured Obligation Event of Default has occurred and is continuing (unless such disbursement will cure such Potential Secured Obligation Event of Default or Secured Obligation Event of Default) or will occur as a result of the disbursement;

(vi) The representations and warranties given by the Borrower under the Financing Obligation Documents will be true and correct in all material respects on and as of the applicable draw date, except to the extent such representations or warranties specifically refer to an earlier date, in which case it shall be true and correct in all material respects as of such date;

(vii) As of the date of the applicable drawing request, all Required Equity Contributions have been deposited in full in accordance with the Equity Contribution Agreement and on the dates and in the manner described in Section 5.04 and Section 5.08 of this Agreement (or will be deposited concurrently with the disbursement of funds requested by the applicable draw request);

(viii) No Bankruptcy Event with respect to the Borrower has occurred and is continuing;

(ix) Amounts to be disbursed from the PABs Proceeds Sub-Account or the PABs Counties Equity Contribution Sub-Account (1) will be used solely to pay or reimburse for Project Costs incurred in the jurisdictional limits of the PABs Counties and (2) will not be used to acquire any building or facility that will be, during the term of the Series 2019 Bonds, used by, occupied by, leased to or paid for by any state, county or municipal agency or entity;

(x) The funds being requisitioned will be used as represented and warranted in the Senior Loan Agreement or any other applicable Financing Obligation Document and to the extent applicable as stated in the Federal Tax Certificate;

(xi) Delivery to the Collateral Agent of all unconditional lien releases and waivers for all past Construction Account Withdrawal Certificates, in each case, from each Contractor that has timely filed a notice to owner sufficient to perfect such Contractor's right to a lien in compliance with all laws and have not previously been delivered to the Collateral Agent, other than with respect to Permitted Security Interests;

(xii) All Governmental Approvals necessary to perform the work for which Project Costs are being requested shall have been obtained and maintained as and when required under applicable law and under the Transaction Documents, except where failure to obtain or maintain such Governmental Approval would not reasonably be expected to have a Material Adverse Effect; and

(xiii) With respect to any Additional Projects, the satisfaction of the applicable conditions under the applicable Financing Obligation Documents.

(g) Notwithstanding anything herein to the contrary, if on the Business Day immediately preceding an Interest Payment Date for the Series 2019 Bonds prior to the Phase 2 Revenue Service Commencement Date, after giving effect to all transfers required to be made under Sections 5.02(b) and 5.02(e), there are insufficient moneys on deposit in the applicable sub-account of the Debt Service Fund (including the Series 2019 Funded Interest Accounts) under the Indenture to pay interest on the Series 2019 Bonds on the next Interest Payment Date, the Trustee will notify the Collateral Agent in writing of such deficiency and the Collateral Agent shall (without the need of a Construction Account Withdrawal Certificate and without further direction by the Borrower) transfer moneys on deposit in the sub-accounts of the Construction Account, to the extent any such moneys are available, to the Interest Account in the amount necessary (taking into account the amounts then on deposit in the Interest Account and in the Series 2019 Funded Interest Accounts) to make the Interest Payment due on the Series 2019 Bonds on such Interest Payment Date. Unless otherwise directed by a Responsible Officer of the Borrower to apply moneys in the PABs Counties Equity Contribution Sub-Account, the Non-PABs Counties Equity Contribution Sub-Account, the PABs Proceeds Sub-Account and the Other Proceeds Sub-Account of the Construction Account for use in accordance with this paragraph (g) in a different proportion, such amounts shall be transferred *pro rata* from such Sub-Accounts.

(h) The Collateral Agent shall comply with any Construction Account Withdrawal Certificate received pursuant to this Section 5.04; *provided*, that if any payment, withdrawal or transfer of funds requested therein is not in compliance with this Agreement or the other Financing Obligation Documents, so long as the Collateral Agent has received notice thereof from any of the other Secured Parties, the Collateral Agent will notify the Borrower in writing of such non-compliance and the Borrower shall not be entitled to cause such proposed payment, withdrawal or transfer until such time as it has submitted a revised requisition that complies with the terms hereof

or thereof; and *provided, further*, that the failure to give any such notice shall not be deemed to be an approval of the proposed payment, withdrawal or transfer or a waiver of any rights of the Secured Parties with respect thereto. Except as contemplated in the immediately preceding sentence, the Borrower shall, in the absence of a Secured Obligation Event of Default having occurred and being continuing, be entitled to withdraw funds from all of the accounts contemplated herein for the purposes (and in accordance with the terms) set forth herein. Upon receipt of a notice of a Secured Obligation Event of Default and solely during the continuance thereof, the Collateral Agent shall comply with the requirements of Section 5.16(d) hereof. For the avoidance of doubt, any Secured Party shall at all times have the right to give the notice contemplated by the first sentence of this paragraph if the relevant requisition does not comply with the terms of this Agreement.

(i) Except as otherwise required by any applicable Law, to the extent that on the Phase 2 Revenue Service Commencement Date, there shall be any funds remaining on deposit in the Construction Account or any sub-account thereof and such funds are not designated pursuant to the applicable Financing Obligation Documents for the financing of any Additional Projects, such amounts will be applied as follows:

First, amounts will be retained in the Construction Account in the amount necessary for the payment of any remaining Project Costs needed to achieve the Phase 2 Completion Date as determined by the Borrower and certified by the Technical Advisor;

Second, from any excess unspent Series 2019 Bond proceeds that remain in the PABs Proceeds Sub-Account, upon election and direction by the Borrower, for the optional redemption in whole or in part of the Series 2019 Bonds by the PABs Issuer (acting upon the written request and direction of the Borrower) at a redemption price of 100% of the principal amount thereof plus interest accrued to the date fixed for redemption in accordance with the Indenture; and

Third, after the transfer (if any) pursuant to the preceding clause Second is complete, to the Revenue Account, except to the extent excess proceeds of the Series 2019 Bonds are required pursuant to the Code to be used to redeem or defease the Series 2019 Bonds or for other permitted purposes.

Section 5.05 Debt Service Reserve Account.

(a) The Initial Debt Service Reserve Account will be established solely for the benefit of the Owners of the Series 2019 Bonds and the Owners of any outstanding Additional Parity Bonds issued to finance, or Permitted Additional Senior Indebtedness constituting, Additional Project Completion Indebtedness, Rolling Stock Indebtedness, Theme Park Indebtedness or Additional Station Indebtedness, and will be held by the Collateral Agent, and the Security Interest thereon maintained, for the exclusive benefit of only such Owners and shall not be available to the Owners of any Escrow Bonds prior to conversion to Additional Parity Bonds, any other Additional Senior Indebtedness Holders, any other Secured Party or any other Person.

(b) The Initial Debt Service Reserve Account will be funded on or before the Phase 2 Revenue Service Commencement Date in an amount equal to the then applicable Debt Service Reserve Requirement for the Series 2019 Bonds. In addition, on each Transfer Date, the Collateral Agent will cause amounts in the Revenue Account, to the extent available, to be deposited in accordance with Section 5.02(b) hereof into the Initial Debt Service Reserve Account. Upon the issuance of any Additional Parity Bonds issued to finance, or Permitted Additional Senior Indebtedness constituting, Additional Project Completion Indebtedness, Rolling Stock Indebtedness, Theme Park Indebtedness or Additional Station Indebtedness from time to time pursuant to the Indenture (but subject to Section 5.05(d)), the Initial Debt Service Reserve Account will be funded in accordance with and at the times set forth in Section 12.2 of the Indenture in an amount equal to the Debt Service Reserve Requirement for such Additional Parity Bonds or Permitted Additional Senior Indebtedness.

(c) Except as provided in paragraph (f) below, moneys on deposit in the Initial Debt Service Reserve Account shall be used by the Collateral Agent (without the requirement of a Funds Transfer Certificate and without any further direction of the Borrower) as follows:

(i) (x) If on any Transfer Date immediately preceding an Interest Payment Date or Principal Payment Date, as applicable, with respect to the Series 2019A Bonds, the funds on deposit in the Series 2019A Interest Sub-Account or the Series 2019A Principal Sub-Account (as applicable) together with funds in the Series 2019A Funded Interest Account, the Interest Account or the Principal Account of the Debt Service Fund under the Indenture (as applicable) (after giving effect to the transfers contemplated in Fifth and Sixth in Section 5.02(b) hereof solely with respect to the Series 2019A Bonds and the transfers contemplated in Section 5.02(e)) are insufficient to pay the principal, redemption price or interest on the Series 2019A Bonds on the applicable Interest Payment Date or Principal Payment Date, funds on deposit in the Initial Debt Service Reserve Account will be transferred to the Interest Account or the Principal Account, as applicable, for payment of interest or principal due and payable on the Series 2019A Bonds on the next Interest Payment Date or Principal Payment Date as applicable; (y) if on any Transfer Date immediately preceding an Interest Payment Date or Principal Payment Date, as applicable, with respect to the Series 2019B Bonds, the funds on deposit in the Series 2019B Interest Sub-Account or the Series 2019B Principal Sub-Account (as applicable) together with funds in the Series 2019B Funded Interest Account, the Interest Account or the Principal Account of the Debt Service Fund under the Indenture (as applicable) (after giving effect to the transfers contemplated in Fifth and Sixth in Section 5.02(b) hereof solely with respect to the Series 2019B Bonds and the transfers contemplated in Section 5.02(e)) are insufficient to pay the principal, redemption price or interest on the Series 2019B Bonds on the applicable Interest Payment Date or Principal Payment Date, funds on deposit in the Initial Debt Service Reserve Account will be transferred to the Interest Account or the Principal Account, as applicable, for payment of interest or principal due and payable on the Series 2019B Bonds on the next Interest Payment Date or Principal Payment Date as applicable; and

(z) if on any Transfer Date immediately preceding an Interest Payment Date or Principal Payment Date, as applicable, with respect to any Additional Parity Bonds issued to finance, or Permitted Additional Senior Indebtedness constituting, Additional Project Completion Indebtedness, Rolling Stock Indebtedness, Theme Park Indebtedness or Additional Station Indebtedness, the funds on deposit in the applicable interest account or principal account (as applicable) (after giving effect to the transfers contemplated in Fifth and Sixth in Section 5.02(b) hereof solely with respect to such Additional Parity Bonds or Permitted Additional Senior Indebtedness and the transfers contemplated in Section 5.02(e)) are insufficient to pay the principal, redemption price or interest on such Additional Parity Bonds or Permitted Additional Senior Indebtedness on the applicable Interest Payment Date or Principal Payment Date, funds on deposit in the Initial Debt Service Reserve Account will be transferred to the applicable interest account or principal account, as applicable, for payment of interest or principal due and payable on such Additional Parity Bonds or Permitted Additional Senior Indebtedness on the next Interest Payment Date or Principal Payment Date, as applicable; *provided*, that the transfers from the Initial Debt Service Reserve Account contemplated in clauses (x), (y) and (z) herein shall be made on a *pro rata* basis in relation to the interest or principal amounts, as applicable, due and payable on the Series 2019A Bonds, the Series 2019B Bonds and the Additional Parity Bonds or Permitted Additional Senior Indebtedness, as applicable, described in clause (z) herein on the Interest Payment Date or Principal Payment Date, as applicable.

(ii) Following the taking of an Enforcement Action, moneys in the Initial Debt Service Reserve Account shall be applied in the manner set forth in Section 9.08.

(d) The Borrower may from time to time request that any Additional Debt Service Reserve Account be established in accordance with the requirements of any Additional Senior Secured Indebtedness Documents, which Account would be established solely for the benefit of the specific Additional Senior Secured Indebtedness Holders under the applicable Additional Senior Secured Indebtedness Documents, and held by the Collateral Agent, and the Security Interest thereon maintained, for the exclusive benefit of only such Additional Senior Secured Indebtedness Holders and shall not be available to the Owners of the Series 2019 Bonds, any Owners of any Additional Parity Bonds issued to finance, or Permitted Additional Senior Indebtedness constituting, Additional Project Completion Indebtedness, Rolling Stock Indebtedness, Theme Park Indebtedness or Additional Station Indebtedness, any other Additional Senior Indebtedness Holders, any other Secured Party or any other Person. Amounts in the Revenue Account shall be transferred to each Additional Debt Service Reserve Account in accordance with the priority set forth in Section 5.02(b) as shall be necessary to maintain the applicable Additional Debt Service Reserve Requirement; *provided* that such transfer of amounts from the Revenue Account shall be made no more frequently than on each Transfer Date. Except as provided in paragraph (f) below, moneys on deposit in any Additional Debt Service Reserve Account shall be used by the Collateral Agent (without the requirement of a Funds Transfer Certificate and without any further direction of the Borrower) as follows:

(i) In the event funds on deposit in the Revenue Account are insufficient to fund the transfers contemplated in Fifth and Sixth in Section 5.02(b) hereof for the payment of debt service on any Additional Senior Secured Indebtedness at the times required thereby, after application of the transfers contemplated in Section 5.02(e), funds on deposit in the applicable Additional Debt Service Reserve Account shall be transferred and applied to pay such debt service when due.

(ii) Following an Enforcement Action, monies in any Additional Debt Service Reserve Account shall be applied in the manner described in Section 9.08.

(e) Except as provided in paragraph (f) below, any amounts on deposit in any Debt Service Reserve Account (including the Initial Debt Service Reserve Account) in excess of the applicable Debt Service Reserve Requirement shall be applied in accordance with the requirements of Section 5.02(d) hereof.

(f) Notwithstanding any other provision of this Agreement, the Borrower may substitute for all or any portion of the cash or Permitted Investments on deposit in any Debt Service Reserve Account, a Qualified Reserve Account Credit Instrument in favor of the Collateral Agent; *provided*, however, with respect to the Series 2019 Bonds and any other Additional Senior Secured Indebtedness the interest on which is tax-exempt, the Borrower shall be required to deliver to the Trustee a written opinion of Bond Counsel to the effect that such actions will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the applicable Secured Obligations. In the event the Borrower replaces cash or Permitted Investments on deposit in any Debt Service Reserve Account with such Qualified Reserve Account Credit Instrument and delivers any such Qualified Reserve Account Credit Instrument to the Collateral Agent, the cash or Permitted Investments so replaced will be transferred to the Revenue Account.

(g) The Collateral Agent shall (without further direction from the Borrower) draw on any Qualified Reserve Account Credit Instrument provided in accordance with the preceding paragraph (f) if: (i) such Qualified Reserve Account Credit Instrument is not replaced 30 days prior to expiry thereof, (ii) upon being notified by the Borrower that there has been a downgrade of the issuer of such Qualified Reserve Account Credit Instrument such that it is no longer an Acceptable Bank or Acceptable Surety, as applicable, or (iii) at any time funds are payable out of the applicable Debt Service Reserve Account.

Section 5.06 Major Maintenance Reserve Account.

(a) The Initial Major Maintenance Reserve Account will be initially funded by the Borrower commencing on the first Transfer Date immediately following December 31, 2020 from funds in the Revenue Account in accordance with Section 5.02(b) hereof so that the amounts on deposit in such account are equal to the Major Maintenance Reserve Required Balance. The Borrower will have the right to draw from the Initial Major Maintenance Reserve Account for the purpose of paying Major Maintenance Costs in accordance with the Major Maintenance Plan.

(b) On each Transfer Date on which Major Maintenance Costs are due and payable or reasonably expected to become due and payable prior to the next succeeding Transfer Date in accordance with Section 5.06(a), monies on deposit in the Initial Major Maintenance Reserve Account (up to the aggregate amount of such costs) will be transferred to the applicable Operating Account designated by the Borrower in accordance with Section 5.13 hereof and used by the Borrower to pay such Major Maintenance Costs as and when requested in writing by the Borrower.

(c) Funds held in the Initial Major Maintenance Reserve Account that are not spent on Major Maintenance Costs during the fiscal year for which such funds were reserved due to deferral of Major Maintenance during any such fiscal year (the “Non-Completed Work”) will be retained in the Non-Completed Work Sub-Account and applied to the costs of completing the Non-Completed Work; *provided*, that (x) any such funds retained in the Non-Completed Work Sub-Account for application to Non-Completed Work will be deemed not on deposit in the Initial Major Maintenance Reserve Account for purposes of calculating whether the amounts on deposit therein are sufficient to meet the applicable Major Maintenance Reserve Required Balance; *provided further* that the Non-Completed Work will not be considered in the calculation of the Major Maintenance Reserve Required Balance and (y) any funds remaining on deposit in the Non-Completed Work Sub-Account after completion of the applicable Non-Completed Work will be transferred to the Revenue Account and distributed in accordance with Section 5.02(b) hereof.

(d) The Borrower may from time to time request that any Additional Major Maintenance Reserve Account be established in accordance with the requirements of any Additional Senior Secured Indebtedness Documents. Any Additional Major Maintenance Reserve Account may be funded, from time to time, by one or more of the following: (i) transfers of funds from the Revenue Account in accordance with Section 5.02(b), (ii) the proceeds of any Additional Senior Secured Indebtedness to which such Additional Major Maintenance Reserve Account relates, and (iii) Additional Equity Contributions that are deposited, pursuant to a written request by the Borrower to the Collateral Agent, directly into the applicable Additional Major Maintenance Reserve Account. Amounts on deposit in any Additional Major Maintenance Reserve Account shall be used by the Collateral Agent in accordance with the applicable Additional Senior Secured Indebtedness Documents.

(e) Any amounts on deposit in any Major Maintenance Reserve Account (including the Initial Major Maintenance Reserve Account) that are in excess of the applicable Major Maintenance Reserve Required Balance shall be applied in accordance with the requirements of Section 5.02(d) hereof.

(f) Moneys in any Major Maintenance Reserve Account (including the Initial Major Maintenance Reserve Account) will be used by the Collateral Agent to pay debt service (without the requirement of a Funds Transfer Certificate and without any further direction by the Borrower) in accordance with Section 5.02(e)(ii) hereof.

(g) Following an Enforcement Action, monies in any Major Maintenance Reserve Account (including the Initial Major Maintenance Reserve Account) shall be applied in the manner described in Section 9.08.

Section 5.07 O&M Reserve Account

(a) The Initial O&M Reserve Account will be funded (a) on July 1, 2023, with all remaining funds on deposit in the Ramp-Up Reserve Account, and (b) thereafter, on each Transfer Date, up to an amount equal to one-twelfth (1/12) of the O&M Expenditures projected as certified by a Responsible Officer of the Borrower for the current Fiscal Year (the “O&M Reserve Requirement”) in accordance with Section 5.02(b) to the extent moneys are available therefor from the Revenue Account. Available moneys in the Initial O&M Reserve Account will be used to pay O&M Expenditures in the event other moneys are not available therefor in the Operating Accounts, the Revenue Account, the Initial Major Maintenance Reserve Account, the Ramp-Up Reserve Account or the Equity Lock-Up Account in accordance with this Agreement and to pay debt service in accordance with paragraph (d); provided that, after July 1, 2023, and until the first date thereafter that the amount on deposit therein is equal to the O&M Reserve Requirement (the “Initial O&M Reserve Account Trigger Date”), the Company may use moneys in the Initial O&M Reserve Account to pay O&M Expenditures regardless of the availability of funds therefor in the Operating Accounts, the Revenue Account, the Initial Major Maintenance Reserve Account, the Ramp-Up Reserve Account and the Equity Lock-Up Account.

(b) The Borrower may from time to time request that any Additional O&M Reserve Account be established in accordance with the requirements of any Additional Senior Secured Indebtedness Documents. Any Additional O&M Reserve Account may be funded, from time to time, by one or more of the following: (i) transfers of funds from the Revenue Account in accordance with Section 5.02(b), (ii) the proceeds of any Additional Senior Secured Indebtedness to which such Additional O&M Reserve Account relates, (iii) the proceeds of any Permitted Subordinated Debt, and (iv) any Additional Equity Contributions that are deposited, pursuant to a written request by the Borrower to the Collateral Agent, directly into the applicable Additional O&M Reserve Account. Amounts on deposit in any Additional O&M Reserve Account shall be used by the Collateral Agent in accordance with the applicable Additional Senior Secured Indebtedness Documents.

(c) Any amounts on deposit in any O&M Reserve Account (including the Initial O&M Reserve Account) after the Initial O&M Reserve Account Trigger Date that are in excess of the applicable O&M Reserve Requirement shall be applied in accordance with the requirements of Section 5.02(d) hereof.

(d) Moneys in any O&M Reserve Account (including the Initial O&M Reserve Account) will be used by the Collateral Agent to pay debt service (without the requirement of a Funds Transfer Certificate and without any further direction by the Borrower) in accordance with Section 5.02(e)(ii) hereof.

(e) Following an Enforcement Action, monies in any O&M Reserve Account (including the Initial O&M Reserve Account) shall be applied in the manner described in Section 9.08.

Section 5.08 Ramp-Up Reserve Account

(a) The Ramp-Up Reserve Account was funded on or prior to the Original Closing Date in an amount equal to \$18,900,000. On the Closing Date, the Ramp-Up Reserve Account will be funded in an amount equal to the amount of interest due and payable on July 1, 2023 on the Series 2019A Bonds, the Series 2019B Bonds and any Permitted Additional Senior Indebtedness theretofore incurred. Upon the issuance of any Additional Parity Bonds or the incurrence of any other Permitted Additional Senior Indebtedness after the Closing Date, the Borrower shall cause to be deposited in the Ramp-Up Reserve Account an amount equal to the amount of interest due and payable on July 1, 2023 on such Indebtedness. On the Phase 2 Revenue Service Commencement Date, the Borrower shall cause to be deposited in the Ramp-Up Reserve Account an amount sufficient to ensure that the aggregate amount deposited therein is at least equal to the amount of interest due and payable on July 1, 2023, on the Series 2019A Bonds, the Series 2019B Bonds and any Permitted Additional Senior Indebtedness theretofore incurred. On July 1, 2023, if any funds other than Project Revenues shall have been used to pay any debt service due and payable on July 1, 2023, on the Series 2019A Bonds, the Series 2019B Bonds and any Permitted Additional Senior Indebtedness theretofore incurred, the Borrower shall cause to be deposited in the Ramp-Up Reserve Account an amount sufficient to ensure that the aggregate amount deposited therein is at least equal to the amount of interest due and payable on January 1, 2024, on the Series 2019A Bonds, the Series 2019B Bonds and any Permitted Additional Senior Indebtedness theretofore incurred.

(b) Moneys in the Ramp-Up Reserve Account will be transferred from time to time (A) by the Collateral Agent (without the requirement of a Funds Transfer Certificate and without any further direction by the Borrower) to the Series 2019 Interest Sub-Accounts or the Series 2019 Principal Sub-Accounts in such amounts as are required to enable the payment of any debt service on the Series 2019 Bonds then due and payable or to make the transfers required by clauses Fifth and Sixth of Section 5.02(b) to the extent there are insufficient funds for the payment thereof in the Revenue Account or other accounts available therefor in accordance with this Agreement and the Indenture and (B) on any date prior to the Phase 2 Revenue Service Commencement Date or after July 1, 2023 (or, if any funds are required to be deposited in the Ramp-Up Reserve Account pursuant to the last sentence of Section 5.08(a), after January 1, 2024), as directed by the Borrower pursuant to a Funds Transfer Certificate, to the applicable Operating Account(s) designated by the Borrower in such Funds Transfer Certificate in such amounts as are required to pay O&M Expenditures then due and payable to the extent there are insufficient funds for the payment thereof in the Operating Accounts, the Revenue Account or other accounts available therefor in accordance with this Agreement. In addition, on July 1, 2023 (or January 1, 2024, as the case may be), after giving effect to all interest payments required to be made on such date on the Series 2019A Bonds, the Series 2019B Bonds and all Permitted Additional Senior Indebtedness

theretofore incurred, all remaining funds on deposit in the Ramp-Up Reserve Account shall be transferred to the Initial O&M Reserve Account without the requirement of a Funds Transfer Certificate and without further direction by the Company.

(c) Following an Enforcement Action, monies in the Ramp-Up Reserve Account shall be applied in the manner described in Section 9.08.

Section 5.09 Mandatory Prepayment Account

(a) Funds will be deposited into the Series 2019A PABs Mandatory Prepayment Sub-Account to repay the Series 2019A Bonds, and into the Series 2019B PABs Mandatory Prepayment Sub-Account to repay the Series 2019B Bonds, in accordance with the Indenture and to any other applicable sub-account created under the Mandatory Prepayment Account for the prepayment of any Additional Senior Secured Indebtedness to repay such Additional Senior Secured Indebtedness in accordance with the Additional Senior Secured Indebtedness Documents. The following amounts, when received by the Borrower, will be deposited into the Series 2019A PABs Mandatory Prepayment Sub-Account for the prepayment of the Series 2019A Bonds, into the Series 2019B PABs Mandatory Prepayment Sub-Account for the prepayment of the Series 2019B Bonds, and into any other applicable sub-account created under the Mandatory Prepayment Account for the prepayment of any Additional Senior Secured Indebtedness to repay such Additional Senior Secured Indebtedness on a *pro rata* basis in relation to the outstanding principal amount of the Secured Obligations (as applicable), except as otherwise provided in clause (ii) below, and transferred, in the case of the Series 2019A PABs Mandatory Prepayment Sub-Account to the Trustee for prepayment of the Series 2019A Bonds, in the case of the Series 2019B PABs Mandatory Prepayment Sub-Account to the Trustee for prepayment of the Series 2019B Bonds and, in the case of any other sub-account created under the Mandatory Prepayment Account for the prepayment of any Additional Senior Secured Indebtedness, to the applicable Secured Debt Representative to repay such Additional Senior Secured Indebtedness in accordance with the applicable Additional Senior Secured Indebtedness Documents:

(i) from net amounts of Loss Proceeds, received by the Borrower in accordance with Section 5.03.

(ii) (x) solely for the Series 2019A Bonds, on the date that is no earlier than the date that is five years and thirty (30) days after the date of issuance of any Series 2019A Bonds and no later than the date that is five years and ninety (90) days after the date of issuance of such Series 2019A Bonds in the principal amount equal to the remaining unspent proceeds of the Series 2019A Bonds (rounded up to a multiple of \$5,000) from any remaining unspent Series 2019A Bonds proceeds on deposit in the PABs Proceeds Sub-Account on such date; *provided* that no such redemption will be required if the Borrower has obtained an opinion of Bond Counsel stating that the failure to redeem any such Series 2019A Bonds will not adversely affect the exclusion of interest on such Series 2019A Bonds from gross income for federal income tax purposes and that such redemption is not required by State law, and (y) solely for the Series 2019B

Bonds, on the date that is no earlier than the date that is five years and thirty (30) days after the date of issuance of any Series 2019B Bonds and no later than the date that is five years and ninety (90) days after the date of issuance of such Series 2019B Bonds in the principal amount equal to the remaining unspent proceeds of the Series 2019B Bonds (rounded up to a multiple of \$5,000) from any remaining unspent Series 2019B Bonds proceeds on deposit in the PABs Proceeds Sub-Account on such date; *provided* that no such redemption will be required if the Borrower has obtained an opinion of Bond Counsel stating that the failure to redeem any such Series 2019B Bonds will not adversely affect the exclusion of interest on such Series 2019B Bonds from gross income for federal income tax purposes and that such redemption is not required by State law.

(iii) with respect to any Additional Senior Secured Indebtedness, otherwise in accordance with the applicable Secured Obligation Documents.

(b) Notwithstanding anything to the contrary herein, (i) the Series 2019A PABs Mandatory Prepayment Sub-Account shall be pledged solely as collateral to secure the Series 2019A Bonds and shall be established solely for the benefit of the Owners of the Series 2019A Bonds, and will be held by the Collateral Agent, and the Security Interest thereon maintained, for the exclusive benefit of only such Owners (and none of the other Secured Parties or any other Person shall have any security interest in the Series 2019A PABs Mandatory Prepayment Sub-Account; (ii) the Series 2019B PABs Mandatory Prepayment Sub-Account shall be pledged solely as collateral to secure the Series 2019B Bonds and shall be established solely for the benefit of the Owners of the Series 2019B Bonds, and will be held by the Collateral Agent, and the Security Interest thereon maintained, for the exclusive benefit of only such Owners (and none of the other Secured Parties or any other Person shall have any security interest in the Series 2019B PABs Mandatory Prepayment Sub-Account; and (iii) any sub-account created under the Mandatory Prepayment Account for the prepayment of any Additional Senior Secured Indebtedness shall be pledged solely as collateral to secure such Additional Senior Secured Indebtedness in accordance with the applicable Additional Senior Secured Indebtedness Documents and shall be established solely for the benefit of the applicable Additional Senior Secured Indebtedness Holders and will be held by the Collateral Agent, and the Security Interest thereon maintained, for the exclusive benefit of only such Additional Senior Secured Indebtedness Holders (and none of the other Secured Parties nor any other Person shall have any Security Interest in such sub-accounts).

(c) Following an Enforcement Action, monies in the Mandatory Prepayment Account and all sub-accounts thereof shall be applied in the manner described in Section 9.08.

Section 5.10 Distribution Account.

(a) The Distribution Account shall be funded in accordance with and subject to Section 5.02(b) of this Agreement, solely to the extent that the applicable Restricted Payment Conditions are satisfied on the date of any such transfer.

(b) The Borrower will have the exclusive right to withdraw or otherwise dispose of funds on deposit in the Distribution Account to any other account or to such other Person as directed by the Borrower in its sole discretion, and the Distribution Account (and any amounts on deposit therein) will not constitute Collateral.

(c) Any amounts payable to the Distribution Account pursuant to clause Fourteenth as set forth in Section 5.02(b) hereof will be paid to the Distribution Account within fifteen (15) days after any Distribution Date upon certification by the Borrower that the applicable Restricted Payment Conditions are satisfied in full on such Distribution Date, such certification to be made by delivery to the Collateral Agent of a Distribution Release Certificate signed by a Responsible Officer of the Borrower.

Section 5.11 Equity Lock-Up Account

(a) Any funds that would have been payable to the Distribution Account but for the failure of a Restricted Payment Condition to be satisfied under clause Fourteenth as set forth in Section 5.02(b) hereof will be transferred to the Equity Lock-Up Account.

(b) Funds on deposit in the Equity Lock-Up Account may be transferred to the Distribution Account within fifteen (15) days after any Distribution Date following the Phase 2 Revenue Service Commencement Date; *provided*, that (1) all of the Restricted Payment Conditions are satisfied on the Distribution Date commencing such 15-day period in accordance with the applicable Financing Obligation Documents and (2) the Borrower delivers a Distribution Release Certificate signed by a Responsible Officer of the Borrower to the Collateral Agent; *provided further*, that the amount of funds available to be paid to the Distribution Account from the Equity Lock-Up Account in respect of any Distribution Date will be not greater than the amount of funds in the Equity Lock-Up Account on the Distribution Date.

(c) The funds held in the Equity Lock-Up Account may be required to be applied to make mandatory prepayment or redemption of, or for a mandatory offer to pay or redeem, Secured Obligations and, to the extent to be applied to make such prepayment or redemption, shall be transferred at the direction of the Borrower to the applicable Secured Debt Representatives and applied to the prepayment or redemption of the Secured Obligations upon failure to satisfy the Restricted Payment Conditions in accordance with the terms of the applicable Secured Obligation Documents.

(d) Funds held in the Equity Lock-Up Account shall be used by the Collateral Agent, without the requirement of a Funds Transfer Certificate and without further direction by the Borrower, to fund a shortfall in clauses First through Ninth set forth in Section 5.02(b) hereof. In addition, the Borrower may, at its option, direct the Collateral Agent in any Funds Transfer Certificate (after giving effect to any transfer made by the Collateral Agent pursuant to the previous sentence) to transfer funds out of the Equity Lock-Up Account for the purpose of making any payments referred to in clause Thirteenth set forth in Section 5.02(b) hereof.

(e) Following an Enforcement Action, monies in the Equity Lock-Up Account shall be applied in the manner described in Section 9.08.

Section 5.12 Capital Projects Account. Funds may be deposited into the Capital Projects Account at the direction of the Borrower from Additional Equity Contributions, the proceeds of Permitted Subordinated Debt or the proceeds of other Permitted Indebtedness (as such term is defined in the Senior Loan Agreement) to be used to pay the costs of Capital Projects in accordance with the requirements set forth in Section 6.02 of the Senior Loan Agreement. The Collateral Agent shall transfer funds from the Capital Projects Account upon request by the Borrower, together with a certificate from a Responsible Officer of the Borrower to the effect that such Capital Project is permitted pursuant to Section 6.02 of the Senior Loan Agreement, except that following an Enforcement Action, monies in the Capital Projects Account shall be applied in the manner described in Section 9.08.

Section 5.13 Operating Accounts and Equity Funded Account.

(a) Project Revenues received by the Borrower will be transferred into the applicable Operating Account(s) designated by the Borrower from time to time in accordance with the provisions set forth in item Second of Section 5.02(b) hereof. Funds may also be deposited into the applicable Operating Account(s) designated by the Borrower from time to time from the proceeds of the incurrence of Permitted Indebtedness to the extent such funds are not otherwise required to be deposited in the Construction Account or any other Project Account. Except when a Secured Obligation Event of Default has occurred and is continuing, the Borrower may make withdrawals from, and write checks against, any Operating Account without having to comply with any conditions, other than that such amounts must be applied towards Project Costs, in the case of amounts transferred therein from the Construction Account or as otherwise required herein, and O&M Expenditures or Project Costs in the case of other such amounts.

(b) Funds may be deposited into the Equity Funded Account from the proceeds of Permitted Subordinated Debt or Additional Equity Contributions to be used by the Borrower for any purpose other than funding Project Costs that do not constitute O&M Expenditures. Except when a Secured Obligation Event of Default has occurred and is continuing, the Borrower may make withdrawals from, and write checks against, the Equity Funded Account without having to comply with any conditions.

Section 5.14 Funds as Collateral.

Any deposit made into the Project Accounts hereunder (except through clerical or other manifest error or in a manner that is otherwise inconsistent with this Agreement) shall be irrevocable and all cash, cash equivalents, instruments, investments and other securities on deposit in or credited to the Project Accounts shall be subject to the Security Interest of the Security Agreement and shall constitute Collateral for the benefit of the Secured Parties as provided herein, including, but not by way of limitation, Section 5.04 and Section 5.05 hereof, *provided* that (i)

amounts on deposit in the Initial Debt Service Reserve Account shall only be held as Collateral for the exclusive benefit of the Owners of the Series 2019 Bonds and the Owners of Additional Parity Bonds issued to finance, or Permitted Additional Senior Indebtedness constituting, Additional Project Completion Indebtedness, Rolling Stock Indebtedness, Theme Park Indebtedness or Additional Station Indebtedness, (ii) amounts on deposit in any Additional Debt Service Reserve Account shall only be held as Collateral for the exclusive benefit of the specific Additional Senior Secured Indebtedness Holders under the applicable Additional Senior Secured Indebtedness Documents, (iii) amounts on deposit in the Series 2019A Mandatory Prepayment Sub-Account shall only be held as Collateral for the exclusive benefit of the Owners of the Series 2019A Bonds, (iv) amounts on deposit in the Series 2019B Mandatory Prepayment Sub-Account shall only be held as Collateral for the exclusive benefit of the Owners of the Series 2019B Bonds, and (v) amounts on deposit in any sub-account created under the Mandatory Prepayment Account for the prepayment of any Additional Senior Secured Indebtedness shall only be held as Collateral for the exclusive benefit of the specific Additional Senior Secured Indebtedness Holders under the applicable Additional Senior Secured Indebtedness Documents, and, in each case, none of the other Secured Parties (including any Owners of Additional Parity Bonds, or Permitted Additional Senior Indebtedness, issued for other purposes) nor any other Person (including any other Additional Senior Indebtedness Holder) shall have any Security Interest in the Initial Debt Service Reserve Account, any Additional Debt Service Reserve Account, the Series 2019A Mandatory Prepayment Sub-Account, the Series 2019B Mandatory Prepayment Sub-Account, or any sub-account created under the Mandatory Prepayment Account for the prepayment of any Additional Senior Secured Indebtedness.

Section 5.15 Investment.

(a) Funds in the Project Accounts may be invested and reinvested only in Permitted Investments (at the risk and expense of the Borrower) in accordance with written instructions given to the Collateral Agent by the Borrower (prior to the occurrence of a Secured Obligation Event of Default and, thereafter (so long as such Secured Obligation Event of Default shall be continuing), as directed in writing by the Secured Debt Representative representing the Required Secured Creditors) and, unless a Secured Obligation Event of Default has occurred and is continuing, the Borrower is entitled to instruct the Collateral Agent to liquidate Permitted Investments for purposes of effecting any such investment or reinvestment or for any other purpose permitted hereunder. The Collateral Agent shall not be required to take any action with respect to investing the funds in any Project Account in the absence of written instructions by the Borrower or the Required Secured Creditors (to the extent provided in accordance with the terms hereof). The Collateral Agent shall not be liable for any loss resulting from any Permitted Investment or the sale or redemption thereof made in accordance with the terms hereof. If and when cash is required for disbursement in accordance with this Article V or Section 9.08 hereof, the Collateral Agent is authorized, without instructions from the Borrower, to the extent necessary to make payments or transfers required pursuant to this Article V or Section 9.08 hereof, in the event the Borrower fails to direct the Collateral Agent to do so in a timely manner, to cause Permitted Investments to be sold or otherwise liquidated into cash (without regard to maturity) in such manner as the Collateral

Agent shall deem reasonable and prudent under the circumstances. All funds in the Project Accounts and all Permitted Investments made in respect thereof shall constitute part of the Collateral.

(b) The Collateral Agent shall have no obligation to invest or reinvest the funds if all or a portion of the funds is deposited with (or instructions with respect to the same are given to) the Collateral Agent after 11 a.m. (E.S.T. or E.D.T., as applicable) on the day of deposit. Instructions to invest or reinvest that are received after 11 a.m. (E.S.T. or E.D.T., as applicable) will be treated as if received on the following Business Day.

(c) In the event the Collateral Agent does not receive investment instructions, the amounts held by the Collateral Agent pursuant to the provisions of this Agreement shall not be invested and the Collateral Agent shall not incur any liability for interest or income thereon.

(d) The parties hereto each acknowledge that non-deposit investment products are not obligations of, or guaranteed, by Deutsche Bank National Trust Company nor any of its affiliates; are not FDIC insured; and are subject to investment risks, including the possible loss of principal amount invested in one of the money market funds made available by the Collateral Agent and initially selected by the Borrower or the Secured Debt Representative representing the Required Secured Creditors (as the case may be).

(e) Any investment direction contained herein may be executed through an affiliated broker or dealer of the Collateral Agent and any such affiliated broker or dealer shall be entitled to such broker's or dealer's usual and customary fees for such execution as agreed to by the Borrower or the Secured Debt Representative representing the Required Secured Creditors (as the case may be). It is agreed and understood that the Collateral Agent may earn fees associated with the investments outlined above to the extent previously agreed with the Borrower. Neither the Collateral Agent nor its Affiliates shall have a duty to monitor the investment ratings of any Permitted Investments.

(f) Investments may be held by the Collateral Agent directly or through any clearing agency or depository (collectively, the "Clearing Agency") including, without limitation, the federal reserve/treasury book-entry system for United States and federal agency securities, and The Depository Trust Company. The Collateral Agent shall not have any responsibility or liability for the actions or omissions to act on the part of any Clearing Agency.

Section 5.16 Withdrawal and Application of Funds; Priority of Transfers from Project Accounts; Secured Obligation Event of Default.

(a) Except as provided in Sections 5.02(e), 5.04, 5.05, 5.06(f), 5.07(d), 5.08(b) and 5.11(d) of this Agreement and paragraph (d) below, each withdrawal or transfer of funds from the Project Accounts (other than from any Operating Account, the Equity Funded Account and any Collection Account) by the Collateral Agent on behalf of the Borrower will be made pursuant to an executed Funds Transfer Certificate, which certificate will be provided and prepared by the

Borrower and will contain a certification by a Responsible Officer of the Borrower that such withdrawal or transfer complies with the requirements of this Agreement.

(b) Unless a shorter period is acceptable to the Collateral Agent, such Funds Transfer Certificate relating to each applicable Project Account (other than any Operating Account, the Equity Funded Account and any Collection Account) will be delivered to the Collateral Agent no later than two (2) Business Days prior to each date on which funds are proposed to be withdrawn or transferred. In the event that a certificate does not comply with the requirements of this Agreement and the other Financing Obligation Documents, the Collateral Agent has the right to reject such certificate and the Borrower will not be entitled to cause the proposed withdrawal or transfer until it has submitted a revised and compliant certificate.

(c) For the avoidance of doubt, subject to the following paragraph, the Borrower will have the right to withdraw or cause to be transferred funds from any Operating Account (solely for the purpose of payment of O&M Expenditures and Project Costs, as applicable), any Collection Account (solely for the purpose of depositing such funds into the Revenue Account) or the Equity Funded Account, at any time without approval or consent of the Collateral Agent, any Secured Debt Representative or any other person, so long as such withdrawal is effected in accordance with the terms of this Agreement.

(d) Notwithstanding anything to the contrary contained in this Agreement, upon receipt of a notice of a Secured Obligation Event of Default and during the continuance of the related Secured Obligation Event of Default, the Secured Debt Representative representing the Required Secured Creditors may, following the taking of an Enforcement Action, without consent of the Borrower, instruct the Collateral Agent in writing (A) not to release, withdraw, distribute, transfer or otherwise make available any funds in or from any of the Project Accounts and to take such action or refrain from taking such action with respect to such funds and Project Accounts as the Secured Debt Representatives (acting in accordance with the direction of Required Secured Creditors) shall so instruct or (B) to apply proceeds of the Project Accounts to the payment of Secured Obligations, in accordance with the terms of this Agreement and in the order set forth in Section 9.08, so long as such payments are on account of amounts due under the Secured Obligation Documents, in each case until the Collateral Agent has received written notice that such Secured Obligation Event of Default no longer exists due to it having been waived, cured or no longer existing, or having been deemed waived, in accordance with the terms of the relevant Secured Obligation Documents and such Enforcement Action has been cancelled; *provided* that at any time prior to the taking of an Enforcement Action, proceeds of the Project Accounts will be applied in the order and the manner set forth in Sections 5.02 and 5.04 (as applicable).

(e) Notwithstanding any other provision of this Agreement, the Collateral Agent will not be obligated to monitor or verify (A) the accuracy of any Funds Transfer Certificate, Construction Account Withdrawal Certificate or other written instructions provided to the Collateral Agent for the transfer or deposit of funds with respect to any Project Account, or (B) the use of amounts withdrawn from the Project Accounts pursuant to written instructions given by the Borrower.

Section 5.17 Termination of Project Accounts. Upon the Payment in Full of the Secured Obligations as confirmed in writing by the Secured Debt Representatives, this Agreement will terminate, and the Collateral Agent will, within thirty (30) days of receipt of a request from the Borrower and at the expense of the Borrower, close the Project Accounts (other than any Operating Account, the Equity Funded Account and any Collection Account, which will remain at the full discretion of the Borrower) and/or liquidate any investments credited thereto and/or transfer the funds deposited therein or credited thereto, as directed by the Borrower. Thereafter, the Account Bank will be released from any further obligation to comply with entitlement orders or instructions directing the disposition of funds originated by the Collateral Agent and the Collateral Agent and the Account Bank will be released from any further obligation to comply with any obligation under any Secured Obligation Document except as specifically provided therein. Nothing contained in this paragraph will be construed to modify or otherwise affect the Collateral Agent's Security Interest in the Project Accounts and the funds therein, prior to such transfer or Payment in Full of the Secured Obligations.

Section 5.18 Securities Intermediary. (a) The Securities Accounts shall be established and maintained as securities accounts with a securities intermediary. Each of the parties to this Agreement, including the Account Bank, hereby agrees that the Account Bank (or any successor thereto) shall act as the "securities intermediary" as defined in Section 8-102(a)(14) of the UCC and any applicable Federal Book Entry Regulations, to the extent applicable under and for the purposes of this Agreement and for so long as Deutsche Bank National Trust Company (or any successor thereto) is the Collateral Agent.

(b) The Account Bank hereby accepts and agrees to act as such under this Agreement and represents and warrants that it is as of the date hereof, and shall be for so long as it is the Account Bank hereunder, a banking corporation or a national bank that in the ordinary course of its business maintains securities accounts for others, meets the requirements and qualifications set forth in Section 5.18(e) of this Agreement and is acting in that capacity hereunder. The Account Bank agrees with the parties hereto that each of the Securities Accounts shall be an account to which "financial assets" (as defined in Section 8-102(a)(9) of the UCC) may be credited and the Account Bank undertakes to treat the Collateral Agent as entitled to exercise the rights that comprise such financial assets. The Account Bank agrees with the parties hereto that each item of property (including any cash, security, instrument or obligation, share, participation, interest or other property whatsoever) credited to each Securities Account shall be treated as a "financial asset" within the meaning of Section 8-102(a)(9) of the UCC. Each of the Collateral Agent and the Account Bank represents and warrants that it has not entered into any agreement or taken any other action that gives any Person other than the Collateral Agent control over any of the Securities Accounts or that is otherwise inconsistent with this Agreement. Each of the Collateral Agent and the Account Bank agrees that it shall not become a party to any agreement or take any action that gives any Person other than the Collateral Agent control over any of the Securities Accounts or

that is otherwise inconsistent with this Agreement. The Account Bank agrees that any financial assets credited to such Securities Accounts, or any “security entitlement” (as defined in Section 8-102(a)(17) of the UCC or, with respect to book-entry securities, in the applicable Federal Book-Entry Regulations) with respect thereto, shall not be subject to any Security Interest, encumbrance, or right of setoff in favor of the Account Bank or anyone claiming through the Account Bank (other than the Collateral Agent).

(c) It is the intent of the Parties hereto (including the Collateral Agent and the Borrower) that the Collateral Agent (for the benefit of the Secured Parties) be, and the Collateral Agent (for the benefit of the Secured Parties) shall be, the “entitlement holder” (as defined in Section 8-102(a)(7) of the UCC) with respect to the Securities Accounts. In any event, notwithstanding any other provision of this Agreement, the Account Bank hereby agrees that it will comply with any “entitlement order” (as defined in Section 8-102(a)(8) of the UCC) with respect to the Securities Accounts originated by the Collateral Agent without further consent by the Borrower or any other Person. The Account Bank covenants that it will not agree with any Person other than the Collateral Agent to comply with any “entitlement orders” with respect to the Securities Accounts originated by any Person or entity other than the Collateral Agent.

(d) The Account Bank shall not change the name or account number of any Securities Account without the prior written consent of the Collateral Agent and at least five (5) Business Days’ prior notice to the Secured Debt Representatives and the Borrower, and shall not change the “entitlement holder”. The Account Bank shall at all times act as a “securities intermediary” (within the meaning of Section 8-102(a)(14) of the UCC or, with respect to book-entry securities, in the applicable Federal Book-Entry Regulations) in maintaining the Securities Accounts and shall credit to each Securities Account each financial asset to be held in or credited to each Securities Account pursuant to this Agreement. To the extent, if any, that the Collateral Agent is deemed to hold directly, as opposed to having a security entitlement in, any financial asset held by the Account Bank for the Collateral Agent, the Account Bank hereby agrees that it is holding such financial asset as the agent of the Collateral Agent and hereby expressly acknowledges and agrees that it has received notification of the Collateral Agent’s security interest in such financial asset and that it is holding possession of such financial asset for the benefit of the Collateral Agent.

(e) Each Securities Account shall remain at all times with a “securities intermediary” (within the meaning of Section 8-102(a)(14) of the UCC or, with respect to book-entry securities, in the applicable Federal Book-Entry Regulations) that is a bank or other financial institution organized under the laws of the United States of America or any state thereof that has offices in the State of New York or New Jersey that has a total capital stock and unimpaired surplus of not less than \$500,000,000.

(f) Any income received by the Collateral Agent with respect to the balance from time to time on deposit in each Securities Account or other account established hereunder, including any interest or capital gains on investments in overnight securities made with amounts on deposit in each such account, shall be credited to the applicable account. All right, title and interest in and to the cash amounts on deposit from time to time in each Securities Account together with any

investments in overnight securities from time to time made pursuant to this Section shall constitute part of the Collateral for the Secured Obligations and shall be held for the benefit of the Secured Parties and the Borrower as their interests shall appear hereunder and shall not constitute payment of the Secured Obligations (or any other obligations to which such funds are provided hereunder to be applied) until applied thereto as provided in this Agreement.

(g) In the event that, notwithstanding the last sentence of subsection (b) above, the Account Bank has or subsequently obtains by agreement, operation of law or otherwise a security interest in any of the Securities Accounts, or any financial asset credited thereto, or any “security entitlement” (as defined in Section 8-102(a)(17) of the UCC or, with respect to book-entry securities, in the applicable Federal Book-Entry Regulations) with respect thereto, the Account Bank hereby agrees that such security interest shall be subject and subordinate to the security interest of the Collateral Agent.

(h) The “securities intermediary’s jurisdiction” of the Account Bank for purposes of the UCC (or the Uniform Commercial Code of any other jurisdiction to the extent applicable) is the State of New York. In addition, to the extent that any agreements between the Account Bank and the Borrower governing any Securities Account (collectively, the “Account Agreements”) do not provide that the laws of the State of New York shall govern all of the issues specified in Article 2(1) of the Hague Securities Convention, each Account Agreement is hereby amended to provide that the law applicable to all of the issues specified in Article 2(1) of the Hague Securities Convention shall be the laws of the State of New York. The “Hague Securities Convention” means the Convention on the Law Applicable to Certain Rights in Respect of Securities Held with an Intermediary, July 5, 2006, 17 U.S.T. 401, 46 I.L.M. 649.

(i) Terms used in this Section that are defined in the UCC shall have the meaning set forth in the UCC. Without limiting the foregoing, the term “securities intermediary” shall, with respect to book-entry securities, have the meaning given to it under the applicable Federal Book-Entry Regulations.

(j) To the extent that the Securities Accounts are not considered “securities accounts” (within the meaning of Section 8-501(a) of the UCC), the Securities Accounts shall be deemed to be “deposit accounts” (as defined in Section 9-102(a)(29) of the UCC), which the Collateral Agent shall maintain with the Account Bank acting not as a securities intermediary but as a “bank” (within the meaning of Section 9-102(a)(8) of the UCC). The Account Bank hereby agrees to comply with any and all instructions originated by the Collateral Agent directing disposition of funds in the Securities Accounts without any further consent of the Borrower.

Section 5.19 Account Bank

Each of the parties to this Agreement hereby agrees that Deutsche Bank National Trust Company (or any successor thereto in its capacity as Collateral Agent) shall act as the Account Bank under and for the purposes of this Agreement.

Section 5.20 Change of Deposit Account Bank.

(a) Upon 10 Business Days written notice to the Secured Debt Representatives and the Collateral Agent, the Deposit Account Bank may be changed to another bank by the Borrower; *provided* that such bank shall be organized under the laws of the United States of America or any state thereof with a branch office in the State of Florida having a combined capital and surplus of not less than \$500,000,000. If the Deposit Account Bank at any time gives notice that it no longer wishes to act as a Deposit Account Bank or that it will no longer be subject to the terms of an Account Control Agreement, or that it will no longer act upon the instructions of the Borrower or the Collateral Agent in accordance with the applicable Account Control Agreement as a result of its determination that such action would result in the violation of any applicable law, rule or regulation (a “Termination Notice”), the Borrower shall promptly (and, to the extent possible, prior to the effective date of such Termination Notice) appoint a replacement Deposit Account Bank; *provided* that the Borrower delivers a legal opinion reasonably acceptable to the Collateral Agent to the effect that after the appointment of such replacement Deposit Account Bank, the security interest of the Collateral Agent in the replacement deposit accounts will be perfected. Each Operating Account and the Equity Funded Account shall at all times be maintained with a single Deposit Account Bank. The Borrower shall notify the Collateral Agent and the Trustee of a Termination Notice promptly upon receipt thereof by the Borrower.

(b) The new Deposit Account Bank shall be required, prior to becoming the Deposit Account Bank, to (i) enter into one or more Account Control Agreements, in such form as may be approved by the Required Secured Creditors and the Collateral Agent (such approval not to be unreasonably withheld, delayed or conditioned), with the Borrower and the Collateral Agent, and to carry out such further acts as the Required Secured Creditors may reasonably request in order to perfect the security interest of the Collateral Agent in any Operating Account, the Equity Funded Account, any Collection Account and any other relevant Project Accounts and (ii) agree to provide the reports similar to the reports required to be provided pursuant to Section 2.12(b) of this Agreement.

Section 5.21 Inadequately Identified Amounts. In the event that the Collateral Agent receives any amount which is inadequately or incorrectly identified as to the Project Account into which such amount is to be credited, the Collateral Agent shall notify the Secured Debt Representatives and the Borrower of such event and shall request instructions from the Borrower, or if a Secured Obligation Event of Default has occurred and is continuing, from the Secured Debt Representative, as to the Project Account into which such amount should be credited. The Collateral Agent shall credit such amount to the Revenue Account until such time as the Collateral Agent receives instructions from the Borrower in accordance herewith stating that such amount should be credited to another Project Account in accordance with the Financing Obligation Documents, in which case the Collateral Agent shall credit such amount to the Project Account designated by the Borrower.

Section 5.22 Tax Reporting. All interest or other earnings, if any, relating to the Project Accounts shall be reported to the Internal Revenue Service and, to the extent applicable, all state and local taxing authorities under the name and taxpayer identification number of the Borrower. The Borrower shall prepare or cause to be prepared any tax returns or other forms or information required to be filed in connection with any such earnings. The Collateral Agent does not have any interest in the Collateral deposited hereunder but is serving as collateral agent only. The Borrower shall pay or reimburse the Collateral Agent upon request for any transfer taxes or other taxes relating to the Collateral incurred in connection herewith and shall indemnify and hold harmless the Collateral Agent from any amounts that it is obligated to pay in the way of such taxes to the extent paid by the Collateral Agent in respect of the Collateral. The Borrower will provide the Collateral Agent with appropriate W-9 forms for taxpayer identification numbers, number certifications, or W-8 forms for non-resident alien certifications. This paragraph shall survive notwithstanding any termination of this Agreement or the resignation or removal of the Collateral Agent.

ARTICLE VI RELATIVE PRIORITIES

Notwithstanding the date, manner or order of grant, attachment or perfection of any Security Interests securing the Secured Obligations granted on the Collateral and notwithstanding any provision of the UCC or any applicable Law or the Security Documents, each Secured Party (or its Secured Debt Representative on its behalf) hereby agrees that as among the Secured Parties, the Security Interest of the Collateral Agent shall be for the ratable benefit of the Secured Parties with respect to all Collateral and each Secured Party ranks and will rank equally in priority with the other Secured Parties in the Security Interest granted to the Collateral Agent (except to the extent otherwise provided in Section 5.05, 5.09 and Section 9.08).

ARTICLE VII SHARING; ADDITIONAL SECURED PARTIES; PROVISIONS RELATED TO PERMITTED SWAP AGREEMENTS

Section 7.01 Basic Agreement. Subject to the provisions of Article V, Sections 9.08 and 7.03, all amounts paid to or received by the Collateral Agent for redistribution to the Secured Parties (other than to the Secured Debt Representatives in their capacity as Agents) and representing the proceeds of the Collateral and the proceeds of any action taken pursuant to a Direction Notice shall be paid promptly to the Secured Parties ratably (without priority of any one over any other, except as otherwise provided in Article V and Section 9.08) in the order specified in Section 9.08 based on the amounts owing to each Secured Party on each level of priority specified therein as determined in accordance with Section 8.05.

Section 7.02 Payments Received by Certain Secured Parties.

Except as excluded in Section 7.03 and except for amounts obtained from or through the Collateral Agent pursuant to this Agreement, if any Secured Party (other than the Collateral Agent) shall obtain any amount whether (a) by way of voluntary or involuntary payment, (b) by virtue of an exercise of any right of set-off (except in accordance with the netting provisions under the Permitted Swap Agreements), banker's lien or counterclaim, (c) as proceeds of any insurance policy covering any properties or assets of the Borrower, (d) from proceeds of liquidation or dissolution of the Borrower or distribution of its assets among its creditors (however such liquidation, dissolution or distribution may occur), (e) as payment following the acceleration of any Secured Obligation, (f) from any realization on Collateral, (g) by virtue of the application of any provision of any of the Secured Obligation Documents (other than this Agreement) or (h) in any other manner in respect of any Secured Obligations owed to such Secured Party under any Secured Obligation Document (other than any amount distributed pursuant to and in accordance with the express terms of this Agreement), such Secured Party shall forthwith notify in writing the Collateral Agent, the Borrower and each Secured Debt Representative thereof and shall promptly, and in any event within ten (10) Business Days of its so obtaining the same, pay such amount (less any reasonable costs and expenses incurred by such Secured Party in obtaining such amount) to the Collateral Agent for the account of the Secured Parties, to be shared in accordance with Sections 9.08 and 7.01.

Section 7.03 Amounts Not Subject to Sharing.

Notwithstanding any other provision of this Agreement or any other Secured Obligation Document to the contrary, no Secured Party shall have any obligation to share:

- (a) any payment made by any Person to such Secured Party pursuant to a contract of participation or assignment or any other arrangement by which a direct or indirect interest of such Secured Party under the Secured Obligation Document is transferred (other than any such contract or other arrangement entered into with the Borrower or any Affiliate thereof); and
- (b) any payment permitted to be made pursuant to and in accordance with the express terms of this Agreement.

Section 7.04 Presumption Regarding Payments.

For purposes hereof, any payment received by a Secured Party under or pursuant to a Secured Obligation Document or a Transaction Document that is subject to the provisions of this Article VII may be presumed by such Secured Party to have been properly received by such Secured Party in accordance with this Article VII unless (a) such Secured Party receives written notice from any other Secured Party or the Borrower that such payment was not made in accordance herewith or (b) such Secured Party otherwise has actual knowledge that such payment was not made in accordance herewith. If any payment initially received by a Secured

Party is rescinded or must otherwise be restored by the Secured Party that first obtained it, each other Secured Party that shares the benefit of such payment shall return to such Secured Party its portion of the payment so rescinded or required to be restored in each case in accordance with Section 7.02.

Section 7.05 No Separate Security.

Each Secured Party that is a party to this Agreement: (a) agrees that, except as otherwise provided in Section 7.01 and Section 7.03, all Collateral is for the joint benefit of all the Secured Parties; and (b) represents and warrants to each other Secured Party that, in respect of any Secured Obligations now or hereafter owing to such Secured Party, it has received no security or guarantees from the Borrower or any Affiliate thereof, other than (i) its interest in the Collateral as provided in the Security Documents, if any, or (ii) as otherwise provided pursuant to the Secured Obligation Documents in accordance with Section 7.02. In furtherance of the foregoing, if any Secured Party shall receive or be entitled to demand or otherwise call upon any guaranty, security or other assurance of payment which is not described in clause (i) or (ii) of the preceding sentence in respect of the Secured Obligations owed to such Secured Party, such Secured Party shall receive any proceeds thereof in trust for all the Secured Parties (to be shared promptly and ratably with the other Secured Parties) and shall exercise its rights to demand or call upon such guaranty, security or other assurance of payment as directed by the Required Secured Creditors (determined without regard to the Voting Party Percentage of such Secured Party).

Section 7.06 Additional Secured Parties.

(a) The Collateral Agent will, as agent for the Secured Parties hereunder, perform its undertakings set forth herein with respect to each Secured Party that holds Secured Obligations that are, in each case, incurred on or after the date hereof, and any Person that holds Secured Obligations that are, in each case, incurred on or after the date hereof shall be a "Secured Party" hereunder and shall be beneficiary of the provisions hereof intended to benefit the Secured Parties, so long as such Secured Party signs and delivers to the Collateral Agent, directly or through its designated Secured Debt Representative, an Accession Agreement and a Reaffirmation Agreement. Upon receipt of an executed Accession Agreement and a Reaffirmation Agreement, the Collateral Agent shall promptly countersign (without direction from any Secured Party) such Accession Agreement and Reaffirmation Agreement and deliver copies thereof to the Secured Party named therein.

(b) In furtherance of the foregoing Section 7.06(a), the Borrower shall deliver to the Collateral Agent, and the Collateral Agent in turn shall promptly provide to each Secured Debt Representative, each of the following documents:

(i) a certificate from a Responsible Officer of the Borrower certifying that the Secured Obligations have been incurred in accordance with the requirements of the Secured Obligation Documents;

(ii) a copy of the executed Accession Agreement referred to in Section 7.06(a);
and

(iii) a copy of the executed Reaffirmation Agreement referred to in Section 7.06(a).

(c) Any Secured Party may assign or transfer all or part of its interest in the Secured Obligations in accordance with and subject to the terms and conditions set forth in the Secured Obligation Documents to which it is a party. Any such assignee or transferee of such interest in the Secured Obligations shall sign and deliver to the Collateral Agent, directly or through its designated Secured Debt Representative, an Accession Agreement. Upon receipt of an executed Accession Agreement pursuant to any assignment or transfer of Secured Obligations, the Collateral Agent shall promptly countersign (without direction from any Secured Party) such Accession Agreement and deliver a copy thereof to the Secured Party named therein.

Upon the execution and delivery of the Accession Agreement and the Reaffirmation Agreement referred to in this Section 7.06 by the relevant Person (other than the Borrower and the Pledgor), such Person shall become a “Secured Party” for all purposes herein and in the other Security Documents and the Borrower’s obligations to such Person under the Secured Obligation Documents to which such Person is a Party shall become “Secured Obligations” for all purposes herein and under the Security Documents.

Section 7.07 Secured Party Lists.

The Borrower shall furnish to the Collateral Agent at such times as the Collateral Agent may request in writing a list of the names and addresses of each Secured Party and the aggregate principal amount of the Secured Obligations held by each such Secured Party, and, if a Secured Debt Representative has been appointed for any of the Secured Obligations, the name and contact information for such Secured Debt Representative, in each case in such form and as of such date as the Collateral Agent may reasonably require. The Collateral Agent shall keep at its designated corporate trust office a register for the registration and registration of transfers of the Secured Obligations. The name and address of each Secured Party, each transfer thereof and the name and address of each transferee of Secured Obligations shall be registered in such register together with the amount of principal and interest outstanding or due with respect to such Secured Obligations. Prior to due presentment for registration of transfer, the Person in whose name any Secured Obligation shall be registered shall be deemed and treated as the owner thereof for all purposes hereof, and the Collateral Agent shall not be affected by any notice or knowledge to the contrary. The Collateral Agent shall give to the Borrower and any Secured Party promptly upon written request therefor, a complete and correct copy of the names and addresses of all registered Secured Parties. The Collateral Agent shall provide the Borrower access (during its business hours) to review and inspect the register in respect of the Secured Obligations. The Collateral Agent may conclusively rely upon the information provided to it by the Borrower pursuant to this Section 7.07.

Section 7.08 Mortgage Amendments and Additional Mortgages.

If the Borrower shall at any time incur Secured Obligations in an aggregate principal amount that shall exceed the maximum secured amount under the outstanding Mortgages, the Borrower shall, concurrently with the incurrence of such Secured Obligations, cause the Mortgages to be amended or enter into one or more additional Mortgages such that the maximum secured amount under the Mortgages shall equal or exceed the aggregate principal amount of Secured Obligations outstanding. Notwithstanding the order of recording of such Mortgages, the Security Interest granted to the Collateral Agent pursuant to each Mortgage shall rank equally in priority with each other Mortgage. If the Borrower shall at any time incur Secured Obligations with a maturity date beyond the maturity date of the Secured Obligations then set forth in the Mortgages, the Borrower shall, concurrently with the incurrence of such Secured Obligations, cause the Mortgages to be amended such that the maturity date of the Secured Obligations as set forth in the Mortgages shall be the same date or later as the maturity date of such Secured Obligations then being incurred. Upon presentation of such amendment or additional Mortgage entered into pursuant to this Section 7.08, the Collateral Agent shall promptly countersign (without direction from any Owner) such amendment and deliver a copy thereof to the Borrower.

Section 7.09 Additional Provisions Related to Permitted Swap Agreements.

(a) No Swap Bank may terminate or close out all or any part of any Secured Swap Transaction under a Permitted Swap Agreement prior to its maturity date unless:

(i) An event of default under the Permitted Swap Agreement has occurred and is continuing;

(ii) The Swap Bank (or its Affiliate) ceases to be a lender (or other debt holder, as applicable) under the applicable Additional Senior Indebtedness Document (other than as a result of a voluntary assignment or transfer by such Swap Bank (or its Affiliate));

(iii) the credit extension with respect to which such Secured Swap Transaction relates are refinanced, paid or prepaid, in each case in full, or to the extent relating to the issuance or incurrence of indebtedness accruing interest at a variable rate, the applicable Additional Senior Indebtedness Document, is terminated or cancelled, in each case in full;

(iv) the Borrower's obligations (other than Excluded Swap Obligations) to the Swap Bank under the relevant Permitted Swap Agreement cease to be secured on a *pari passu* basis with the other Secured Creditors pursuant to the Security Documents;

(v) any Secured Obligation Document is amended without the prior written consent of the Swap Bank in a manner that would materially and adversely impact the rights or obligations of the Swap Bank;

(vi) all or substantially all of the Collateral is released without the consent of the Swap Bank; or

(vii) such termination or close out is required to ensure that the aggregate notional principal amount under all Secured Swap Transactions plus the then outstanding principal amount of the Series 2019 Bonds and any Additional Senior Indebtedness accruing interest at a fixed rate shall, in the aggregate, not exceed 105% of all Secured Obligations (other than indebtedness under the Permitted Swap Agreements) then outstanding or expected to be outstanding, and such termination or close out is made *pro rata*, based on the notional amount of each Secured Swap Transaction, to such excess;

provided that following such termination or close-out, the Borrower remains in compliance with applicable hedging requirements and related provisions set forth in the Secured Obligation Documents. In each of the above cases, the relevant Swap Bank may only terminate or close out all or any part of the relevant Secured Swap Transaction if (i) it has notified the Collateral Agent in writing of its intention to do so and (ii) it is entitled to do so under the terms of the relevant Permitted Swap Agreement.

(b) Following the delivery of any Direction Notice by the Required Secured Creditors, each Swap Bank shall, if the Collateral Agent requests (at the direction of the Required Secured Creditors), (a) exercise all rights, if any, it may have to terminate each Permitted Swap Agreement to which it is a party; and (b) pay any amount owed by it to the Borrower, if applicable, to the relevant Agent for application in accordance with this Agreement.

(c) In the event that any Swap Bank shall allow any amount owed by it to the Borrower to be discharged, by set-off or otherwise, in connection with the termination of any of its Secured Swap Transactions or otherwise (other than pursuant to set-off and ordinary course payment or close-out netting arrangements in respect of amounts owed under one or more Secured Swap Transactions entered into under any Permitted Swap Agreement, in each case as expressly permitted by the terms thereof), the amount so discharged shall be subject to sharing among the Secured Parties in accordance with the provisions in this Article VII.

(d) No Swap Bank shall be entitled to give any Direction Notice. A Swap Bank shall be entitled to join in any Direction Notice taken at the instructions of the Required Secured Creditors in accordance with Article VIII, but shall have no right to vote in connection with the implementation of any other aspect of such Direction Notice. If such Swap Bank shall give any Direction Notice, then the Required Secured Creditors, or any Secured Party as the case may be, may instruct the Collateral Agent to intervene and interpose a defense or plea to the provisions set forth herein.

ARTICLE VIII DECISION MAKING; VOTING; NOTICE AND PROCEDURES

Section 8.01 Decision Making.

(a) Where, in accordance with this Agreement or any other Secured Obligation Document, the Modification, approval or other direction or instruction of the Required Secured Creditors is required, the determination of whether such Modification, approval, direction or instruction will be granted or withheld shall be determined by an Intercreditor Vote conducted in accordance with the procedures set forth in this Agreement among the Secured Creditors entitled to vote with respect to the particular decision at issue.

(b) Each decision made in accordance with the terms of this Agreement shall be binding upon each of the Secured Parties.

(c) The respective votes of the Secured Parties that are represented by a Secured Debt Representative under a Secured Obligation Document shall be determined by such Secured Debt Representative and notified by such Secured Debt Representative to the Collateral Agent in writing.

Section 8.02 Intercreditor Votes: Each Party's Entitlement to Vote.(a) Except as otherwise expressly provided in this Agreement, each Secured Creditor shall be entitled to vote in each Intercreditor Vote conducted under this Agreement.

(b) (i) None of (A) any Affiliate of the Borrower that from time to time holds, directly or indirectly, any Commitments or any Secured Obligations or for whom any Commitment or Secured Obligations are held for the account of any of the foregoing or (B) any Secured Party that has agreed, directly or indirectly, to vote or otherwise act at the direction or subject to the approval or disapproval of any Person identified in the foregoing item (A), shall be entitled to participate in any Intercreditor Vote or any vote under any Secured Obligation Document in which it is a Secured Party (it being understood that, until the Collateral Agent receives notice to such effect from a Secured Debt Representative, it shall not deem any such Secured Party to be a Non-Voting Creditor), and (ii) other than any Intercreditor Vote requiring the consent of the Unanimous Voting Parties pursuant to Section 12.02, unless and until a Swap Bank shall have delivered to each Agent a Swap Termination Certificate, such Swap Bank shall not have (A) any voting rights with respect to any Secured Obligations arising under any Permitted Swap Agreement to which it is a party or (B) any rights to participate in any Intercreditor Vote in its capacity as a Swap Bank (each of the parties referred to in clauses (i) and (ii), a "Non-Voting Creditor") and each Agent, in determining the percentage of votes cast (and instructions of the Required Secured Creditors), shall disregard the principal amount of Secured Obligations held by Non-Voting Creditors in both the Numerator and Denominator of the calculation in determining the outcome of such vote. Prior to the taking of any Intercreditor Vote, the Borrower shall provide prompt written notice to the Collateral Agent of the identity of each Non-Voting Creditor and the principal amount of Secured Obligations held thereby. For the avoidance of doubt, no Additional Senior Unsecured Indebtedness Holder shall be entitled to participate in any Intercreditor Vote hereunder.

Section 8.03 Intercreditor Votes: Votes Allocated to Each Party.

(a) Except as otherwise provided in Section 8.02, each Secured Creditor will have a number of votes in any Intercreditor Vote equal to its portion (in Dollar amounts in relation to the aggregate Dollar amount of the Combined Exposure) of the Combined Exposure under the Secured Obligation Documents to which it is a Party.

(b) In calculating the Voting Party Percentage consenting to, approving, waiving or otherwise providing direction with respect to a decision, the number of votes cast by all Secured Creditors in favor of the proposed consent, approval, Modification, direction or other action (the “Numerator”) shall be divided by the total number of votes entitled to be cast with respect to such matter (the “Denominator”).

Section 8.04 Notification of Matters.

If at any time (a) the Collateral Agent is to exercise any discretion conferred on it under any Secured Obligation Document or is required to make any determination or calculation or perform any action hereunder or under any other Secured Obligation Document with respect to which determination, calculation or action the Collateral Agent does not then have sufficient information, (b) any other Secured Party, in accordance with this Agreement, notifies the Collateral Agent of a matter with respect to which it believes the Collateral Agent should exercise its discretion or (c) the Collateral Agent receives written notification from any other Secured Party or from the Borrower of any matter requiring a determination or vote by the Secured Creditors under this Agreement, then the Collateral Agent shall promptly notify in accordance with Section 13.03, the other Secured Debt Representatives of the matter in question, seeking instructions of the Required Secured Creditors and specifying:

- (i) if applicable, the manner in which the Collateral Agent proposes to exercise its discretion;
- (ii) the Required Secured Creditors (if any) required for such determination or vote;
- (iii) if applicable, the time period determined by the Collateral Agent within which each Secured Party must provide it with instructions in relation to such matter; and
- (iv) if required, that each Secured Debt Representative provide a certificate specifying its Combined Exposure at the time such act is proposed to be taken, or discretion exercised.

Section 8.05 Notice of Amounts Owed.

If the Required Secured Creditors pursuant to a Direction Notice instruct the Collateral Agent or any other Person holding any Collateral on behalf of the Secured Parties to proceed to foreclose upon, collect, sell or otherwise dispose of or take any other action with respect to any or

all of the Collateral or to enforce any remedy under any other Secured Obligation Document or in the circumstances described in Section 8.04, then upon the request of the Collateral Agent, each Secured Party shall promptly notify the Collateral Agent in writing, as of any time that the Collateral Agent may reasonably specify in such request, of (a) the aggregate amount of the respective Secured Obligations owing to the Secured Party and (b) such other information as the Collateral Agent may reasonably request; *provided* that, the Collateral Agent shall have no obligation to act until it has received such requested information in accordance with the foregoing Direction Notice.

ARTICLE IX COLLATERAL AND REMEDIES

Section 9.01 Administration of Collateral. The Project Accounts (except for any Operating Account, the Equity Funded Account and any Collection Account) shall be held by the Collateral Agent for the benefit of the Secured Parties pursuant to the terms hereof and shall be administered by the Collateral Agent in the manner contemplated hereby and by the other Security Documents.

Section 9.02 Notice of Secured Obligation Event of Default.

(a) Promptly after any Secured Party obtains knowledge of the occurrence of any Secured Obligation Event of Default, such Secured Party shall notify its Secured Debt Representative, if applicable, and the Collateral Agent and the Account Bank in writing thereof (a “Notice of Default”). Each such Notice of Default shall specifically refer to this Section 9.02(a) and shall describe such Secured Obligation Event of Default in reasonable detail (including the date of occurrence). Upon receipt by the Collateral Agent of any such notice, the Collateral Agent shall promptly send copies thereof to each Secured Debt Representative and the Borrower.

(b) Notwithstanding anything to the contrary contained in this Agreement or any document executed in connection with any of the Secured Obligations, the Collateral Agent, unless a Responsible Officer of the Collateral Agent shall have actual knowledge thereof, shall not be deemed to have any knowledge of any Secured Obligation Event of Default unless and until it shall have received written notice from the Borrower, any Secured Debt Representative or any other Secured Party describing such Secured Obligation Event of Default in reasonable detail. If the Collateral Agent receives any such notice, the Collateral Agent shall deliver a copy thereof to the Secured Debt Representatives.

Section 9.03 Enforcement of Remedies.

(a) If a Secured Obligation Event of Default shall have occurred and be continuing, the Required Secured Creditors (on behalf of the Secured Parties), shall be permitted and authorized to direct the Collateral Agent to take such actions under the Security Documents as are specified by such Required Secured Creditors, including any and all actions (and the exercise of any and all rights, remedies and options) which any Secured Party or any Secured Debt Representative may

have under the Secured Obligation Documents or under applicable Law, including the ability to cure any Secured Obligation Event of Default that has occurred and is continuing, or, so long as some or all of the Secured Obligations are then due and payable, to foreclose on the Security Interests granted under the Security Documents and exercise the right of the Collateral Agent to sell the Collateral or any part thereof (or accept a deed in lieu of foreclosure) and sell, lease or otherwise realize upon the other property mortgaged, pledged and assigned to the Collateral Agent under the Security Documents (any such request from the Required Secured Creditors, a “Direction Notice”); *provided* that, as set forth in Section 7.09(d), no Swap Bank shall be entitled to initiate a Direction Notice and shall participate in such Direction Notice only in accordance with Section 7.09(d). No Secured Party shall have any right to direct a Secured Debt Representative or the Collateral Agent to take any action in respect of the Collateral or initiate or pursue any insolvency or other proceeding resulting in the bankruptcy of the Borrower other than in accordance with the terms hereof. The Security Interest in the Collateral is vested in and held by the Collateral Agent (for the benefit of the Secured Parties) and only the Collateral Agent, acting on the instructions of the Required Secured Creditors, has the right to take actions (and exercise rights, remedies and options) with respect to the Collateral.

If the Collateral Agent receives a Direction Notice directing the Collateral Agent to commence an Enforcement Action or take any other action, the Collateral Agent shall notify each other Secured Party and the Account Bank of such Direction Notice prior to taking such Enforcement Action or other action.

(b) Any action (including any Enforcement Action) which has been requested pursuant to a Direction Notice may be modified, supplemented, terminated and/or countermanded if the Collateral Agent shall have received either (i) a revocation notice from the Required Secured Creditors or (ii) a notice from the Required Secured Creditors that contains different or supplemental directions with respect to such action.

(c) At the direction of the Required Secured Creditors pursuant to a Direction Notice, the Collateral Agent shall seek to enforce the Security Documents and to realize upon the Collateral or, in the case of a Bankruptcy Event with respect to the Borrower, to seek to enforce the claims of the Secured Parties under the Secured Obligation Documents in respect thereof; *provided, however*, that the Collateral Agent shall not be obligated to follow any Direction Notice as to which the Collateral Agent (as applicable) has received a written opinion of counsel to the effect that such Direction Notice is in conflict with any provisions of applicable Law, this Agreement or any other Secured Obligation Document or any order of any court or Governmental Authority.

(d) If the Secured Obligations are accelerated in accordance with the relevant Secured Obligation Document, or any Swap Bank determines to declare (or take other action resulting in) an early termination of its Permitted Swap Agreement constituting a Secured Obligation Document as a result of the occurrence and continuation of a Secured Obligation Event of Default under such Permitted Swap Agreement, then such Secured Party shall deliver to the Collateral Agent (for further delivery to all other Secured Parties) and the Borrower within two (2) Business Days of such acceleration or determination, as the case may be, a written notice to that effect in order to

permit, if applicable, the Secured Parties to coordinate the timing of the acceleration and early termination of their respective Secured Obligations. Notwithstanding any provision to the contrary in this Agreement, the requisite number of Secured Parties specified in any Secured Obligation Document may at any time after the occurrence and during the continuance of a Secured Obligation Event of Default accelerate the Secured Obligations thereunder or cause the early termination of the relevant Permitted Swap Agreement in accordance with the terms of the relevant Secured Obligation Document. No Direction Notice or instruction by the Required Secured Creditors will be required to be taken or delivered in respect of such Secured Obligation Event of Default prior to such requisite number of Secured Parties taking such action as described in the immediately preceding sentence.

Section 9.04 Reserved.

Section 9.05 Allocation of Collateral Proceeds.

Following the acceleration of the Secured Obligations, the proceeds of any collection, recovery, receipt, appropriation, realization or sale of any or all of the Collateral or the enforcement of any Security Document shall be applied in accordance with Section 9.08.

Section 9.06 Remedies of the Secured Parties. Unless otherwise consented to in writing by the Secured Debt Representatives (acting in accordance with the terms of the Secured Obligation Documents), no Secured Party, individually or together with any other Secured Parties, shall have the right, nor shall it, exercise or enforce any of the rights, powers or remedies that the Collateral Agent is authorized to exercise or enforce under this Agreement or any of the other Security Documents.

Section 9.07 Secured Party Information. In the event that the Collateral Agent acting at the direction of the Secured Debt Representatives proceeds to foreclose upon, collect, sell or otherwise dispose of or take any other action with respect to any or all of the Collateral or to enforce any provisions of the Security Documents or takes any other action pursuant to this Agreement or any provision of the Security Documents or requests directions from the Secured Debt Representatives as provided herein, upon the request of the Collateral Agent, each of the Secured Debt Representatives (on behalf of the Secured Parties) and the PABs Issuer (or any agent of or representative for such Secured Party) shall promptly deliver a written notice to the Collateral Agent and each of the other Secured Parties setting forth (a) the aggregate amount of Secured Obligations owing to such Secured Party under the applicable Secured Obligation Document as of the date specified by the Collateral Agent in such request and (b) such other information as the Collateral Agent may reasonably request.

Section 9.08 Application of Proceeds.

(a) Following delivery of a Direction Notice upon the occurrence and during the continuance of a Secured Obligation Event of Default, the Collateral Agent shall transfer all amounts and proceeds attributable to any Debt Service Reserve Account to the appropriate Secured Debt Representative or Secured Debt Representatives with respect to the Secured Obligations to which such Debt Service Reserve Account relates, to be applied, first for the pro rata payment of fees, administrative costs, expenses and indemnification payments due to the Agents (including the reasonable fees and expenses of counsel) under the Secured Obligation Documents and to the payments then due and payable by the Borrower to the Series 2019 Rebate Funds (or any similar rebate fund established in accordance with Additional Parity Bonds), second for the pro rata payment of all accrued and unpaid interest (including default interest, if any) on the relevant Secured Obligations, and third, if any unpaid principal or premium (if applicable) of such Secured Obligations has become due (by acceleration or otherwise), to the payment of such unpaid principal and premium, and thereafter, any remainder shall be applied in accordance with the priority set forth in Section 9.08(c).

(b) Following delivery of a Direction Notice upon the occurrence and during the continuance of a Secured Obligation Event of Default, the Collateral Agent shall transfer all amounts and proceeds attributable to any sub-account of the Mandatory Prepayment Account to the appropriate Secured Debt Representative or Secured Debt Representatives with respect to the Secured Obligations to which such sub-account of such Mandatory Prepayment Account relates, to be applied, first for the pro rata payment of fees, administrative costs, expenses and indemnification payments due to the Agents (including the reasonable fees and expenses of counsel) under the Secured Obligation Documents and to the payments then due and payable by the Borrower to the Series 2019 Rebate Funds (or any similar rebate fund established in accordance with Additional Parity Bonds), second for the pro rata payment of all accrued and unpaid interest (including default interest, if any) on the relevant Secured Obligations, and third, if any unpaid principal or premium (if applicable) of such Secured Obligations has become due (by acceleration or otherwise), to the payment of such unpaid principal and premium, and thereafter, any remainder shall be applied in accordance with the priority set forth in Section 9.08(c).

(c) All proceeds remaining in any Debt Service Reserve Account and any Mandatory Prepayment Account after application thereof in accordance with Sections 9.08(a) and (b) and all other proceeds received by the Collateral Agent pursuant to the exercise of any rights or remedies accorded to the Collateral Agent pursuant to, or by the operation of any of the terms of, any of the Security Documents following the occurrence and during the continuance of a Secured Obligation Event of Default, including proceeds from the sale or disposition of Collateral or other Enforcement Action, shall first be applied to reimburse the Collateral Agent for payment of the reasonable costs and necessary expenses of the Enforcement Action, including reasonable fees and expenses of counsel, all reasonable expenses, liabilities, and advances made or incurred by the Collateral Agent in connection therewith, and all other amounts due to the Collateral Agent in its capacity as such, and thereafter, the remaining proceeds shall be applied promptly by the Collateral Agent toward repayment of the Senior Indebtedness in the following order of priority:

first, ratably, to the payment of any other fees, administrative costs, expenses and indemnification payments due to the Agents under the Secured Obligation Documents and to the payments then due and payable by the Borrower to the Series 2019 Rebate Funds (or any similar rebate fund established in accordance with Additional Parity Bonds);

second, ratably, to the respective outstanding fees, costs, charges and expenses then due and payable to the Secured Parties under any Secured Obligation Documents based on such respective amounts then due to such Persons (other than the fees and payments due to the Secured Parties under third, fourth and fifth below);

third, ratably, to any accrued but unpaid interest and commitment fees owed to the Secured Creditors on the applicable Secured Obligations and any Ordinary Course Settlement Payments based on such respective amounts then due to such Secured Creditors;

fourth, ratably, to the unpaid principal and premium (if applicable) owed to the Secured Creditors under the applicable Secured Obligation Documents (by acceleration or otherwise) and any Swap Termination Payments then due and payable to the to the Swap Banks under the Permitted Swap Agreements, based on such respective amounts then due to such Secured Creditors;

fifth, ratably, to any remaining unpaid Secured Obligations then due and payable to the relevant Secured Parties (including any obligation to provide cash collateral in respect thereof pursuant to the terms of the Secured Obligation Documents), based on such respective amounts then due to such Secured Parties;

sixth, after final Payment in Full of all Secured Obligations, ratably, to any remaining unpaid Additional Senior Unsecured Indebtedness then due and payable to the relevant holders of such Additional Senior Unsecured Indebtedness (including any obligation to provide cash collateral in respect thereof pursuant to the terms of the applicable Additional Senior Unsecured Indebtedness Documents), based on such respective amounts then due to such holders; and

seventh, after final Payment in Full of all Secured Obligations and payment in full of all Additional Senior Unsecured Indebtedness, and upon the Termination Date, to pay to the Borrower, or as may be directed by the Borrower or as a court of competent jurisdiction may direct, any remaining proceeds.

(d) It is understood that the Borrower shall remain liable to the extent of any deficiency between the amount of proceeds of the Project Accounts and any other Collateral and the aggregate of the sums referred to in priorities first through sixth in Section 9.08(c) above.

(e) If at any time any Secured Party will for any reason obtain any payment or distribution upon or with respect to the Secured Obligations (as the case may be) contrary to the terms of the Collateral Agency Agreement, whether as a result of the Collateral Agent's exercise

of any Enforcement Action in respect of the Collateral or otherwise, such Secured Party agrees that it will have received such amounts in trust, and will promptly remit such amount so received in error to the Collateral Agent to be applied in accordance with the terms of the Collateral Agency Agreement. If at any time the Collateral Agent or any other Secured Party will for any reason obtain any identifiable cash proceeds of any assets securing any Purchase Money Debt and in which assets the holder or representative of the holders of such Purchase Money Debt has or had a Security Interest having priority over any interest of the Collateral Agent or any other Secured Party in such assets, whether as a result of the Collateral Agent's exercise of any Enforcement Action in respect of the Collateral or otherwise, the Collateral Agent or such other Secured Party agrees that it will have received such amounts in trust, and will promptly remit such amount so received in error to the holder or representative of the holders of such Purchase Money Debt.

(f) By accepting amounts applied in accordance with clauses Fifth and Sixth of Section 5.02(b), each Additional Senior Unsecured Indebtedness Holder hereby agrees that if at any time any Additional Senior Unsecured Indebtedness Holder will for any reason obtain any payment or distribution upon or with respect to the Additional Senior Unsecured Indebtedness contrary to the terms of the Collateral Agency Agreement, whether as a result of the Collateral Agent's exercise of any Enforcement Action in respect of the Collateral or otherwise, such Additional Senior Unsecured Indebtedness Holder will have received such amounts in trust, and will promptly remit such amount so received in error to the Collateral Agent to be applied in accordance with the terms of the Collateral Agency Agreement.

Section 9.09 Reliance on Information. For purposes of applying payments received in accordance with this Article, the Collateral Agent shall be entitled to rely upon the information received by, and upon the request of, the Collateral Agent for such purpose, pursuant to Sections 2.05 and 8.05 of this Agreement, with respect to the amounts of the outstanding Secured Obligations owed to the Secured Parties, the amounts of any outstanding Additional Senior Unsecured Indebtedness owed to the Additional Senior Unsecured Indebtedness Holders (if any) and the amount of any proceeds distributed from the Project Accounts. In the event that the Collateral Agent, in its sole discretion, determines that it is unable to determine the amount or order of payments that should be made hereunder, the parties hereto agree that the Collateral Agent shall have the right, at its option, to deposit with, or commence an interpleader proceeding in respect of, such funds in a court of competent jurisdiction for a determination by such court as to the correct application of such funds hereunder.

ARTICLE X COMPENSATION, INDEMNITY AND EXPENSES

Section 10.01 Compensation; Fees and Expenses. The Borrower hereby agrees to pay to the Collateral Agent for its own account compensation in such amount as separately agreed upon in writing between the Borrower and the Collateral Agent. In addition, the Borrower shall pay on the next Transfer Date falling at least ten (10)

Business Days after written demand from the Collateral Agent the amount of any and all other reasonable out-of-pocket expenses incurred by the Collateral Agent, including the reasonable and customary fees, charges and disbursements of any counsel for the Collateral Agent, in connection with (a) the preparation of amendments and waivers hereunder and under the other Security Documents; (b) the enforcement of the rights or remedies of the Collateral Agent under this Agreement or any other Security Document, including all reasonable out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of the Secured Obligations; (c) the sale of, collection from or other realization upon, the Collateral; and (d) lien and security interest searches and filings in connection with this Agreement or any other Security Document. If any amounts required to be paid by the Borrower to the Collateral Agent under this Agreement or any other Security Document remain unpaid after such amounts are due, the Borrower shall pay interest on the aggregate, outstanding balance of such amounts from the date due until those amounts are paid in full at a per annum rate equal to the highest interest rate then applicable to any outstanding Secured Obligation under the Secured Obligation Documents, such rate to change from time to time as interest rates on Secured Obligations may change. Interest shall be calculated on the basis of a year of 360 days for actual days elapsed.

Section 10.02 Borrower Indemnification. The Borrower shall indemnify each of the Collateral Agent, the Trustee, the Account Bank and any Co-Collateral Agent, and each of their respective officers, directors, employees, agents and attorneys-in-fact (each such Person being called an “Indemnitee”) against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses, including the reasonable fees, charges and disbursements of any counsel for any Indemnitee, incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of (i) the execution or delivery of any Security Document or any agreement or instrument contemplated thereby, the performance by the parties hereto of their respective obligations hereunder or the consummation of the transactions contemplated thereby (including the performance by the parties hereto of their respective obligations under the Security Documents), (ii) any actual or alleged presence or Release of Hazardous Materials by the Borrower on or from the Project or any property owned or operated by the Borrower, or (iii) any actual claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory and regardless of whether any Indemnitee is a party thereto; *provided* that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence, bad faith or willful misconduct of such Indemnitee. The obligations of the Borrower under this Section shall survive the payment in full of the Secured Obligations, any resignation or removal of the Collateral Agent and the Account Bank pursuant to

Section 2.11 of this Agreement, and the termination of this Agreement pursuant to Article XI.

ARTICLE XI TERMINATION

Upon termination of this Agreement pursuant to Section 5.17 of this Agreement, all rights to the Collateral as shall not have been sold or otherwise applied, in each case, pursuant to the terms hereof shall revert to the Borrower, its successors or assigns, or otherwise as a court of competent jurisdiction may direct. Upon any such termination, the Collateral Agent will, at the Borrower's direction and expense, execute and deliver to the Borrower such documents as the Borrower shall reasonably request to evidence such termination.

ARTICLE XII AMENDMENTS; WAIVERS; INSTRUCTIONS

Section 12.01 Modifications Generally. Subject to Sections 12.02, 12.03 and 12.04:

(a) Modifications with respect to the provisions of any Financing Obligation Document (other than the Security Documents), including with respect to the Restricted Payment Conditions defined herein by reference to such documents, or the release of any Person liable in any manner under or in respect of the Financing Obligations owing under such Financing Obligation Document, shall be made in accordance with the requirements of such Financing Obligation Document.

(b) Modifications with respect to the provisions of the Security Documents may be made only with the consent of the Collateral Agent (acting at the direction of the Required Secured Creditors) and otherwise in accordance with the requirements of such Security Document (and as to such Security Documents providing for Modifications without the consent of any party (including Section 6.01 of a Mortgage), the Collateral Agent is hereby authorized and directed to enter into any such Modification in accordance with the terms thereof). In addition, without the consent of, or notice to, any Secured Party, the Collateral Agent may, upon the receipt of the written consent of the Borrower, consent to any Modification with respect to the provisions of the Security Documents for any one or more or all of the following purposes (and the Collateral Agent is hereby authorized and directed to enter into any such Modification in accordance with the terms thereof):

- (i) to add additional covenants to the covenants and agreements of the Borrower set forth therein;
- (ii) to cure any ambiguity, or to cure, correct or supplement any defect, mistake, error, omission or inconsistent provision contained therein;
- (iii) to add a new guarantor or to add additional assets as Collateral;

- (iv) to release Collateral in accordance with the terms of the Security Documents;
- (v) to provide for the issuance of Additional Parity Bonds issued from time to time in accordance with the Indenture or the incurrence of Additional Senior Secured Indebtedness permitted by the Financing Obligation Documents;
- (vi) to amend any existing provision thereof or to add additional provisions which, in the opinion of Bond Counsel, are necessary or advisable (i) to qualify, or to preserve the qualification of, the interest on any Bonds for exclusion from gross income for federal income tax purposes or (ii) to qualify, or preserve the qualification of, any Bonds for an exemption from registration or other limitations under the laws of any state or territory of the United States;
- (vii) to facilitate the receipt of moneys;
- (viii) to establish additional funds, accounts or subaccounts in accordance with this Agreement;
- (ix) to evidence and provide for the acceptance and appointment of a successor Collateral Agent;
- (x) to facilitate the movement or relocation of any Operating Account, the Equity Funded Account or any Collection Account to a replacement Deposit Account Bank or the movement or relocation of the Project Accounts to a successor Collateral Agent;
- (xi) in connection with any other change which, in the judgment of the Collateral Agent (who may for such purposes rely entirely upon a legal opinion with respect thereto of counsel selected by, or reasonably satisfactory to, the Collateral Agent, which legal counsel may rely on a rating confirmation by any Nationally Recognized Rating Agency or a certificate of an investment banker or financial advisor with respect to financial matters and on a certificate from a Responsible Officer of the Borrower as to factual matters), does not materially adversely affect the rights of the Secured Parties, including, without limitation, conforming any Security Document to the terms and provisions of any other Secured Obligation Document;
or
- (xii) as provided by the other Security Documents with respect to any Modification.

With respect to a Modification to a Mortgage meeting the requirements of any of (i) through (ix) above or as permitted pursuant to Section 6.01 of a Mortgage, Borrower shall provide a Mortgage Modification Certificate (substantially in the form attached hereto as Exhibit H) for any Modification in connection with such Mortgage.

Section 12.02 Modifications Requiring All Secured Parties.

The written consent of the Unanimous Voting Parties shall be required for:

- (a) any Modification to the definitions of the terms “Secured Parties”, “Secured Creditors”, “Required Secured Creditors” or “Unanimous Voting Parties” or to this Section 12.02.
- (b) any Modification of any provision of this Agreement or any other Security Document that has the effect of:
 - (i) permitting the Borrower to assign its rights or delegate its duties under this Agreement or any Security Document;
 - (ii) releasing or subordinating all or substantially all of the Collateral from the Security Interest securing the Secured Obligations;
 - (iii) releasing or subordinating the Project Revenues or the Project Accounts from the Security Interest of the Security Agreement; and
 - (iv) altering the relative priority of payments or application of proceeds as among the Secured Parties.

Further, any Modification of any provision of this Agreement or any other Security Document that would have a material and adverse effect on the rights of any Swap Bank shall require the written consent of such Swap Bank. Except as set forth in Section 12.01(b), this Section 12.02 or Section 12.03, all other Modifications under the Security Documents shall only require the consent of the Required Secured Creditors.

Section 12.03 Additional Modifications Allowed Without Consent.

Without the consent of any Secured Party or any other Person, the Collateral Agent and any other Secured Debt Representative party thereto may with the Borrower’s consent (not to be unreasonably withheld), but shall not be obligated to, at any time and from time to time, enter into one or more Modifications of the Security Documents, as applicable, to cure any immaterial ambiguity, or to provide for any other ministerial actions with respect to matters arising under the Security Documents; *provided* that, such actions pursuant to this clause do not materially adversely affect the interests of the Secured Parties; and *provided further* that by executing or acceding to this Agreement, each Secured Party consents to any Modification which is made in compliance with this Section 12.03.

Section 12.04 Effect of Amendment on the Agents.

No party hereto shall amend any provision of any Secured Obligation Document that adversely affects any Agent party thereto without the written consent of such Agent.

Section 12.05 Amendments; Waivers.

(a) Except to the extent specified in Sections 12.01, 12.02, 12.03 and 12.04 above, any term, covenant, agreement or condition of this Agreement or any of the other Security Documents may be amended or waived only by an instrument in writing signed by each of the Collateral Agent (acting upon the instruction of the Required Secured Creditors), the Borrower and the Account Bank; *provided* that:

(i) only the Trustee may waive any rights of the Trustee under any provision of this Agreement; no consent to any departure by the Borrower from this Agreement (or the Security Documents) shall be effective unless in writing signed by the applicable parties specified herein, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; and

(ii) the consent of the Account Bank shall be required for any amendment to Section 5.18 of this Agreement or any other amendment that would modify the rights or obligations of the Account Bank.

(b) The waiver (whether express or implied) by the Collateral Agent of any breach of the terms or conditions of this Agreement, and the consent (whether express or implied) of any Secured Party shall not prejudice any remedy of the Collateral Agent or any Secured Party in respect of any continuing or other breach of the terms and conditions hereof, and shall not be construed as a bar to any right or remedy which the Collateral Agent or any other Secured Party would otherwise have on any future occasion under this Agreement.

(c) No failure to exercise nor any delay in exercising, on the part of the Collateral Agent or any other Secured Party, of any right, power or privilege under this Agreement shall operate as a waiver thereof; further, no single or partial exercise of any right, power or privilege under this Agreement shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege available to it. All remedies hereunder and under the other Security Documents are cumulative and are not exclusive of any other remedies that may be available to the Collateral Agent, whether at law, in equity or otherwise.

**ARTICLE XIII
MISCELLANEOUS PROVISIONS**

Section 13.01 Further Assurances. The Borrower agrees that from time to time, at its expense, it will promptly execute and deliver all further instruments and documents, and take all further action as is necessary or as the Collateral Agent shall otherwise reasonably request to perfect and maintain perfected the Security Interests granted hereunder and under the other Secured Obligation Documents and to enable the Collateral Agent and the Secured Parties to exercise and enforce their rights and remedies hereunder.

Section 13.02 Successors and Assigns.

(a) This Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective successors and assigns of the parties hereto; provided, however, that the Borrower may not assign or transfer any of its rights or obligations hereunder without the prior written consent of each Secured Party other than in accordance with the terms of the Financing Obligation Documents, and any assignment or transfer in violation of this provision shall be null and void.

(b) Nothing contained in this Agreement or any other Security Document is intended to limit the right of any Secured Party to assign, transfer or grant participations in its rights in its respective Secured Obligations and Secured Obligation Documents.

Section 13.03 Notices. Unless otherwise expressly provided herein, all notices, instructions, consents, requests, directions and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy or email, as follows:

(i) if to the Borrower:

Brightline Trains Florida LLC
161 NW 6th Street, Suite 900
Miami, FL 33136
Attention: Cynthia Bergmann, General Counsel
Telephone: (305) 521-4875
E-mail: Cynthia.Bergmann@gobrightline.com

With a copy to:

Brightline Trains Florida LLC
161 NW 6th Street, Suite 900
Miami, FL 33136
Attention: Patrick Goddard, President
Telephone: (305) 521-4848
E-mail: Patrick.Goddard@gobrightline.com

(ii) if to the Trustee, the Collateral Agent or the Account Bank:

Deutsche Bank National Trust Company
Trust and Agency Services
60 Wall Street, 24th Floor
Mail Stop: NYC60 – 2405
New York, New York 10005
USA

Attn: Corporates Team, Brightline Trains Florida LLC
Facsimile: (732) 578-4635

(iii) if to the PABs Issuer:

Florida Development Finance Corporation
156 Tuskawilla Road, Suite 2340
Winter Springs, Florida 32708
Attention: William F. Spivey, Jr.
Telephone: (407) 712-6355
Facsimile: (407) 369-4260
E-mail: bspivey@fdcbonds.com

With a copy to:

Nelson Mullins Riley & Scarborough LLP
390 North Orange Avenue
Suite 1400
Orlando, FL 32801
Attention: Joseph B. Stanton
Telephone: (407) 839-4210
Facsimile: (407) 425-8377
E-mail: joseph.stanton@nelsonmullins.com

Notwithstanding anything to the contrary contained herein, each such notice, instruction, direction, request or other communication so given to the Collateral Agent shall be effective only upon actual receipt. The Collateral Agent shall provide written confirmation of its receipt of all such notices. All instructions required under this Agreement will be delivered to the Collateral Agent in writing, in either original, electronic or facsimile form, executed by a Responsible Officer. The identity of such Responsible Officers, as well as their specimen signatures, will be delivered to the Collateral Agent in the form of an Incumbency Certificate substantially in the form of Exhibit D and will remain in effect until such party notifies the Collateral Agent of any change. In its capacity as Collateral Agent, the Collateral Agent will accept all instructions and documents complying with the above under the indemnities provided in this Agreement, and reserves the right to refuse to accept any instructions or documents which fail, or appear to fail, to comply with the terms hereof; *provided* that in the event of any such refusal by the Collateral Agent, the Collateral Agent shall promptly notify the relevant Responsible Officer executing the instructions or delivering the documents of such non-compliance and provide a reasonable time period for the correction thereof. Further to this procedure, the Collateral Agent reserves the right to telephone a Responsible Officer of the Trustee or the Borrower to confirm the details of such instructions or documents if they are not already on file with it as standing instructions, and the Collateral Agent agrees that it will promptly telephone a Responsible Officer of the Trustee or the Borrower, as applicable, if the Collateral Agent has determined that it will refuse to accept any instructions or

documents which fail, or appear to fail, to comply. The Collateral Agent and the parties hereto agree that the above constitutes a commercially reasonable security procedure.

Any party hereto may change its address or telecopy number for notices and other communications hereunder by notice to the Borrower, the Agents and the Secured Debt Representatives. All notices or other communications required or permitted to be given pursuant to this Agreement shall be in writing and, if given in accordance with this Section, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when delivered by hand or, in the case of notice given by mail, private courier, overnight delivery service, international shipping service or facsimile.

Section 13.04 Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Agreement by signing any such counterpart.

Section 13.05 Governing Law; Consent to Jurisdiction; WAIVER OF JURY TRIAL; Waiver of Venue; Service of Process.(a) This Agreement shall be governed by and construed in accordance with the substantive laws of the State of New York. Each of the parties hereto hereby irrevocably (a) consents and submits to the non-exclusive jurisdiction of any New York state court sitting in New York County, New York or any federal court of the United States sitting in the Southern District of New York, as any party may elect, in any suit, action or proceeding arising out of or relating to this Agreement or any other Security Document and (b) WAIVES THE RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY ACTION IN WHICH ANY OF THE PARTIES HERETO ARE PARTIES RELATING TO OR ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER SECURITY DOCUMENT. For the avoidance of all doubt, nothing herein shall be construed as requiring any obligations, rights and duties of the PABs Issuer to be subject to the laws of any jurisdiction other than the State of Florida or as requiring the PABs Issuer to submit to jurisdiction in any state or federal court not located within the State of Florida.

(b) The parties hereto hereby irrevocably and unconditionally waive, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in paragraph (a) of this Section 13.05. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(c) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 13.03. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

Section 13.06 Captions. The headings of the several articles and sections and subsections of this Agreement are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Agreement.

Section 13.07 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Agreement.

Section 13.08 Third Party Beneficiaries. This Agreement and the covenants contained herein are made solely for the benefit of the parties hereto and the other Secured Parties from time to time bound hereby, and their successors and assigns, and shall not be construed as having been intended to benefit any other third-party not a party to this Agreement; provided, to the extent that this Agreement provides for the payment of amounts owed to Additional Senior Unsecured Indebtedness Holders (if any), pursuant to Fifth and Sixth of the Flow of Funds set forth in Section 5.02(b) and payments upon collection of proceeds pursuant to Sixth in Section 9.08(c), such Additional Senior Unsecured Indebtedness Holders are hereby explicitly recognized as being third-party beneficiaries hereunder and may enforce any such rights conferred, given or granted hereunder.

Section 13.09 Entire Agreement. This Agreement, the other Secured Obligation Documents and the fee related letters, including the documents referred to herein and therein, constitute the entire agreement and understanding of the parties hereto, and supersede any and all prior agreements and understandings, written or oral, of the parties hereto relating to the subject matter hereof.

Section 13.10 Conflict with Other Agreements. Except as otherwise expressly provided herein, the parties agree that in the event of any conflict between the provisions of this Agreement (or any portion thereof) and the provisions of any other Secured Obligation Document or any other agreement now existing or hereafter entered into, the provisions of this Agreement shall control with respect to the matters set forth in this Agreement. In the event that in connection with the establishment of any of the Accounts or the Distribution Account with the Deposit Account Bank, the Borrower shall enter into any agreement, instrument or other document with the Deposit Account Bank which has terms that are in conflict with or inconsistent with the terms of this Agreement, the terms of this Agreement shall control.

Section 13.11 Reinstatement. If at any time for any reason (including bankruptcy, insolvency, receivership, reorganization, dissolution or liquidation of the Borrower or the appointment of any receiver, intervenor or conservator of, or agent or similar

official for, the Borrower or any of its properties) payment and performance of the Borrower's obligations hereunder, or any part thereof, is rescinded or voided or reduced in amount, or must otherwise be restored or returned by the Collateral Agent or any other Secured Party, that payment will not be considered to have been made and this Agreement and the obligations of the Borrower hereunder will be effective or be automatically reinstated, if necessary, as if that payment had not been made and the Termination Date shall be extended accordingly.

Section 13.12 Collateral Agent's Rights. (a) If at any time the Collateral Agent is served with any judicial or administrative order, judgment, decree, writ or other form of judicial or administrative process which in any way affects the Collateral Agent (including but not limited to orders of attachment or garnishment or other forms of levies or injunctions or stays relating to the transfer of such property), the Collateral Agent is authorized to comply therewith in any manner it or legal counsel of its own choosing reasonably deems appropriate; and if the Collateral Agent complies with any such judicial or administrative order, judgment, decree, writ or other form of judicial or administrative process, the Collateral Agent shall not be liable to any of the parties hereto or to any other person or entity even though such order, judgment, decree, writ or process may be subsequently modified or vacated or otherwise determined to have been without legal force or effect.

(b) To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account and from time to time update such information as reasonably requested by the Collateral Agent. When any account or sub-account is opened, the Collateral Agent shall be entitled to such information that will allow it to identify the individual or entity who is establishing the relationship or opening the account and may also ask for formation documents such as articles of incorporation or other identifying documents to be provided and such other information as the Collateral Agent may reasonably request from time to time to comply with applicable Law.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first written above.

BRIGHTLINE TRAINS FLORIDA LLC,
as the Borrower

By: _____

Name:

Title:

**DEUTSCHE BANK NATIONAL TRUST
COMPANY, as the Trustee**

By: _____
Name:
Title:

By: _____
Name:
Title:

**DEUTSCHE BANK NATIONAL TRUST
COMPANY, as the Collateral Agent and the
Account Bank**

By: _____
Name:
Title:

By: _____
Name:
Title:

COMMON DEFINITIONS

Unless otherwise specified, capitalized terms used in the Collateral Agency Agreement and other Security Documents will have the meanings set forth below:

“*Acceptable Bank*” means a bank or other financial institution with a rating of at least “A-” (or the equivalent) by two Nationally Recognized Rating Agencies, or the equivalent, as of the date of issuance of the applicable letter of credit and on the date of any rating change applied to such entity.

“*Acceptable Letter of Credit*” means any irrevocable letter of credit (a) issued by an Acceptable Bank, (b) the reimbursement obligations with respect to which shall not be recourse to the Borrower, (c) the term of which is at least one year from the date of issue (except where such letter of credit is issued to satisfy a requirement under the Secured Obligation Documents that expires less than one year after issuance, then the term shall be for such shorter period) and (d) which allows drawing (i) during the 30 day period prior to expiry (unless replaced or extended), (ii) upon downgrade of the issuer such that it is no longer an Acceptable Bank and, (iii) if such letter of credit is used to fund any reserve account established under the Collateral Agency Agreement, when funds would otherwise be drawn from such reserve account.

“*Acceptable Surety*” means a bank, insurance company or other financial institution with a rating of at least “A-” (or the equivalent) by two Nationally Recognized Rating Agencies, or the equivalent as of the date of issuance of the applicable surety bond or non-cancelable insurance policy and on the date of any rating change applied to such entity.

“*Accession Agreement*” means an accession agreement substantially in the form attached as Exhibit F to the Collateral Agency Agreement.

“*Account Bank*” has the meaning assigned thereto in the preamble to the Collateral Agency Agreement.

“*Account Control Agreement*” means one or more Account Control Agreements entered into or to be entered into among the Borrower, the Collateral Agent and the Deposit Account Bank in respect of each Operating Account, the Equity Funded Account and any Collection Account.

“*Accounts*” means any account or sub-account created in any Fund under the Indenture (or any Supplemental Indenture) or any account or sub-account under the Collateral Agency Agreement.

“*Additional Debt Service Reserve Account*” means any debt service reserve account established from time to time under the Collateral Agency Agreement, at the request of the

Borrower in accordance with the terms of the Collateral Agency Agreement, as required by the terms of any Additional Senior Indebtedness Documents.

“Additional Debt Service Reserve Requirement” means, with respect to an Additional Debt Service Reserve Account and calculated on any applicable Calculation Date, the amount required by the applicable Additional Senior Indebtedness Documents to be deposited into such Additional Debt Service Reserve Account and which is not in contravention of the terms of any Financing Obligation Documents in effect at such time.

“Additional Equity Contribution” means any equity contribution (excluding any Required Equity Contribution) that is delivered, directly or indirectly, on or after the Original Closing Date and deposited to the PABs Counties Equity Contribution Sub-Account, the Non-PABs Counties Equity Contribution Sub-Account or the Other Proceeds Sub-Account of the Construction Account, the Capital Projects Account, any Major Maintenance Reserve Account, any O&M Reserve Account, the Equity Funded Account or the Revenue Account in accordance with this Agreement and the other applicable Financing Obligation Documents, including any Cure Amount.

“Additional Major Maintenance Reserve Account” means any major maintenance reserve account established from time to time under the Collateral Agency Agreement, at the request of the Borrower in accordance with the terms of the Collateral Agency Agreement, as required by the terms of any Additional Senior Indebtedness Documents.

“Additional O&M Reserve Account” means any operations and maintenance reserve account established from time to time under the Collateral Agency Agreement, at the request of the Borrower in accordance with the terms of the Collateral Agency Agreement, as required by the terms of any Additional Senior Indebtedness Documents.

“Additional Parity Bonds” means any Additional Parity Bonds issued pursuant to the Indenture.

“Additional Parity Bonds Loan” means the loan to the Borrower by the PABs Issuer pursuant to the Additional Parity Bonds Loan Agreement of the entire amount of the proceeds from any Additional Parity Bonds issued pursuant to the Indenture.

“Additional Parity Bonds Loan Agreement” means, for each series of Additional Parity Bonds, the loan agreement or supplemental loan agreement to be executed by the PABs Issuer and the Borrower in connection with the issuance of such Additional Parity Bonds pursuant to the Indenture, substantially in the form of the Senior Loan Agreement (as determined in good faith by the Borrower).

“Additional Project” means the design, development, acquisition, construction, installation, equipping, ownership and operation, maintenance and administration of an

expansion of, or improvement to the Project or any previously completed Additional Project, including without limitation, the Theme Park Extension and any Additional Station.

“*Additional Project Completion Indebtedness*” has the meaning assigned thereto in the Indenture.

“*Additional Senior Indebtedness*” means all Additional Senior Secured Indebtedness and Additional Senior Unsecured Indebtedness outstanding as of such date.

“*Additional Senior Indebtedness Documents*” means all Additional Senior Secured Indebtedness Documents and Additional Senior Unsecured Indebtedness Documents then in effect.

“*Additional Senior Indebtedness Holders*” means, collectively, Additional Senior Secured Indebtedness Holders and Additional Senior Unsecured Indebtedness Holders.

“*Additional Senior Secured Indebtedness*” means indebtedness incurred by the Borrower other than the indebtedness constituting the Series 2019 Loans under the Senior Loan Agreement that is *pari passu* to the indebtedness constituting Series 2019 Bonds and the Series 2019 Loans under the Senior Loan Agreement (except to the extent that certain accounts may be held solely for the benefit of certain Creditors as set forth herein or in the Secured Obligation Documents or other Additional Senior Indebtedness Documents) and permitted to be incurred by the Borrower under the terms of the Financing Obligation Documents as in effect at such time.

“*Additional Senior Secured Indebtedness Documents*” means any credit agreement, purchase agreement, indenture or similar contract or instrument providing for the issuance or incurrence of, or evidencing, any Additional Senior Secured Indebtedness, including any Additional Parity Bonds and Additional Parity Bonds Loan Agreement, then in effect.

“*Additional Senior Secured Indebtedness Holder*” means any Person that enters into an Additional Senior Secured Indebtedness Document with the Borrower (including any holders of bonds or other securities that are represented by a Secured Debt Representative) and any Owner of Additional Parity Bonds (it being understood that Owners of Escrow Bonds prior to conversion to Additional Parity Bonds are not considered Owners of Additional Parity Bonds).

“*Additional Senior Unsecured Indebtedness*” means indebtedness that is not secured by the Collateral, but is payable under Section 5.02(b) of the Collateral Agency Agreement on the same basis as the indebtedness constituting the Series 2019 Bonds and the Series 2019 Loans under the Senior Loan Agreement and permitted to be incurred by the Borrower under the terms of the Financing Obligation Documents as in effect at such time.

“*Additional Senior Unsecured Indebtedness Documents*” means any credit agreement, purchase agreement, indenture or similar contract or instrument providing for the issuance or incurrence of, or evidencing, any Additional Senior Unsecured Indebtedness then in effect.

“*Additional Senior Unsecured Indebtedness Holder*” means any Person that enters into an Additional Senior Unsecured Indebtedness Document with the Borrower.

“*Additional Station*” has the meaning assigned thereto in the Indenture.

“*Additional Station Indebtedness*” has the meaning assigned thereto in the Indenture.

“*Affiliate*” of any Person means any Person that directly, or indirectly through one or more intermediaries, Controls, is Controlled by or is under common Control with that Person.

“*Agent*” means the Account Bank, the Collateral Agent and each Secured Debt Representative party to the Collateral Agency Agreement.

“*Agent Bank*” means the Collateral Agent in its individual capacity.

“*Bankruptcy Event*” means:

(a) An involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of the Borrower or of a substantial part of the assets of the Borrower under any insolvency law or (ii) the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official for the Borrower or a substantial part of the Borrower’s assets and, in any case referred to in the foregoing subclauses (i) and (ii), such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered; or

(b) The Borrower shall (i) apply for or consent to the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official for the Borrower or for a substantial part of the Borrower’s assets, or (ii) generally not be paying its debts as they become due unless such debts are the subject of a bona fide dispute, or (iii) make a general assignment for the benefit of creditors, or (iv) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition with respect to it described in clause (a) of this definition, or (v) commence a voluntary proceeding under any insolvency law, or file a voluntary petition seeking liquidation, reorganization, an arrangement with creditors or an order for relief under any insolvency law, or (vi) file an answer admitting the material allegations of a petition filed against it in any proceeding referred to in the foregoing subclauses (i) through (v), inclusive, of this clause (b), and, in any case referred to in the foregoing subclauses (i) through (v), such action has not been cured within twenty (20) days thereafter.

“*Bond Counsel*” means Greenberg Traurig, P.A., or other attorneys selected by the Borrower, with the consent of the PABs Issuer, which consent shall not be unreasonably withheld, who have nationally recognized expertise in the issuance of municipal securities, the interest on which is excluded from gross income for federal income tax purposes.

“*Bond Resolution*” means Resolution No. 15-04 adopted by the board of directors of the PABs Issuer on August 5, 2015, as supplemented and amended by Resolution No. 17-09 adopted by the board of directors of the PABs Issuer on October 27, 2017, authorizing the issuance of the Prior Bonds, and Resolution No. 18-05 adopted by the board of directors of the PABs Issuer on August 29, 2018, authorizing the issuance of the Series 2019 Bonds.

“*Bonds*” means the Series 2019 Bonds together with the Additional Parity Bonds (excluding any Escrow Bonds that have not been converted to Additional Parity Bonds) issued from time to time pursuant to the Indenture, if any.

“*Borrower*” means Brightline Trains Florida LLC (f/k/a Virgin Trains USA Florida LLC), a Delaware limited liability company.

“*Business Day*” means any day other than a Saturday, a Sunday or a day on which offices of the United States government or the State are authorized to be closed or on which commercial banks in New York, New York, Washington, D.C., or the city and state in which the Trustee, the Collateral Agent, the Account Bank or the Deposit Account Bank, as applicable, is located are authorized or required by law, regulation or executive order to be closed (unless otherwise provided in a Supplemental Indenture).

“*Calculation Date*” means for Financing Obligations bearing interest semi-annually, each, January 1 and July 1, and for Financing Obligations bearing interest quarterly, each January 1, April 1, July 1 and October 1.

“*Capital Projects*” has the meaning assigned thereto in the Senior Loan Agreement.

“*Capital Projects Account*” means the Capital Projects Account created and designated as such pursuant to Section 5.01 of the Series 2019A Collateral Agency Agreement, as re-titled pursuant to Section 5.01 of the Collateral Agency Agreement.

“*Capitalized Lease Obligations*” has the meaning assigned thereto in the Senior Loan Agreement.

“*Casualty Event*” means an event that causes all or a portion of the Project to be damaged, destroyed or rendered unfit for normal use for any reason whatsoever, other than an Expropriation Event.

“*Casualty Proceeds*” means, with respect to any Casualty Event, all proceeds of insurance (other than proceeds of business interruption insurance and loss of advance profits insurance, which shall constitute “Project Revenues”) payable to or received by the Borrower (whether by way of claims, return of premiums, ex gratia settlements or otherwise) in connection with such Casualty Event.

“*CERCLA*” has the meaning assigned thereto in Section 2.17 of the Collateral Agency Agreement.

“*Closing Date*” means [●], 2020.

“*Code*” means the Internal Revenue Code of 1986, as amended from time to time, and any successor statute.

“*Co-Collateral Agent*” has the meaning assigned thereto in Section 2.11(b) of the Collateral Agency Agreement.

“*Collateral*” means all real and personal property of the Borrower and the Pledgor that is intended to be subject to the Security Interests granted to the Collateral Agent under the Security Documents to secure the Borrower’s payment and performance of the Secured Obligations, including the Grantor Collateral and the Pledged Collateral.

“*Collateral Agency Agreement*” or “*Agreement*” has the meaning assigned thereto in the preamble hereto.

“*Collateral Agent*” has the meaning assigned thereto in the preamble to the Collateral Agency Agreement.

“*Collection Account*” means a collection account subject to the security interest of Deutsche Bank National Trust Company, as Collateral Agent, established with the Deposit Account Bank in accordance with Section 5.02(a) of the Collateral Agency Agreement and subject to an Account Control Agreement.

“*Combined Exposure*” means, as of any date of calculation, the sum (calculated without duplication) of the following, to the extent the same is held by a Secured Creditor: (a) the outstanding principal amount of all Secured Obligations outstanding under the relevant Secured Obligation Documents, (b) provided that no Secured Obligation Event of Default is in existence at such time, any outstanding Commitments under the relevant Secured Obligation Documents and (c) subject to Section 8.02 of the Collateral Agency Agreement, any Swap Termination Payments owed to a Swap Bank by the Borrower.

“*Commercially Feasible Basis*” means that, following a Casualty Event, (i) the Loss Proceeds, together with any other amounts available to the Borrower, will be sufficient to permit the Restoration of the Project, (ii) sufficient funds are or will be available to the Borrower to pay all total debt service on any outstanding Financing Obligations during the estimated period of Restoration, (iii) the Project upon being Restored can be reasonably expected to produce Project Revenues adequate to maintain a projected Total DSCR, for each complete Fiscal Year commencing with the Fiscal Year beginning on or most recently after the projected date of Restoration, equal to or greater than 1.10 to 1.

“*Commitment*” means any commitment by a Secured Party to extend Indebtedness to the Borrower under the relevant Secured Obligation Document.

“*Commodity Exchange Act*” means the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

“*Construction Account*” means the Construction Account created by and designated as such pursuant to Section 5.01 of the Series 2019A Collateral Agency Agreement, as retitled pursuant to Section 5.01 of the Collateral Agency Agreement.

“*Construction Account Withdrawal Certificate*” means the certificate substantially in the form attached as Exhibit I to the Collateral Agency Agreement.

“*Contractor*” means any architects, consultants, engineers, contractors, sub-contractors, suppliers or other Persons engaged by or on behalf of the Borrower in connection with the design, engineering, installation and construction of the Project.

“*Control*” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise, and “*Controlling*” and “*Controlled by*” have meanings correlative thereto.

“*Costs of Issuance*” include the following:

(a) Expenses necessary or incident to determining the feasibility or practicability of the issuance and sale of the Financing Obligations, as applicable, the fees and expenses of management consultants for making studies, surveys and estimates of costs and revenues and other estimates necessary to the issuance of the Financing Obligations (as opposed to such studies, surveys or estimates related to completion of the Project, but not to the issuance of the Financing Obligations);

(b) Expenses of administration, supervision and inspection properly chargeable to the issuance and sale of the Financing Obligations, legal expenses and fees of the PABs Issuer or the Borrower (as applicable) in connection with the issuance and sale of the Financing Obligations, legal expenses and fees and expenses of the Trustee, fees and expenses of the Underwriter, financial advisors or brokers in arranging for the sale or placement of the Financing Obligations, financing charges, remarketing fees, cost of audits, cost of preparing, issuing and selling the Financing Obligations, abstracts and reports on titles to real estate, title insurance premiums, recording fees and taxes and all other items of expense, including those of the PABs Issuer or the Borrower (as applicable) not elsewhere specified herein incident to the issuance and sale of the Financing Obligations;

(c) Any other cost relating to the issuance and sale of the Financing Obligations; and

(d) Reimbursement to the Borrower for any costs described above paid by it, whether before or after the execution of any Financing Obligation Document.

“*Cure Amount*” has the meaning assigned thereto in the Senior Loan Agreement.

“*Debt Service Fund*” means the Debt Service Fund created by and designated as such by the Indenture.

“*Debt Service Reserve Account*” means the Initial Debt Service Reserve Account and each Additional Debt Service Reserve Account.

“*Debt Service Reserve Requirement*” means, (i) with respect to the Series 2019 Bonds, an amount equal to six months of interest payable on the next Payment Date, (ii) with respect to any Additional Parity Bonds issued to finance, or any Permitted Additional Senior Indebtedness constituting, Additional Project Completion Indebtedness, Rolling Stock Indebtedness, Theme Park Indebtedness or Additional Station Indebtedness, an amount equal to six months of interest payable on the next Payment Date, and (iii) with respect to any other Additional Senior Indebtedness, the corresponding Additional Debt Service Reserve Requirement (if any).

“*Denominator*” has the meaning assigned thereto in Section 8.03(b) of the Collateral Agency Agreement.

“*Deposit Account Bank*” means Bank of America N.A. and any replacement thereof.

“*Direct Agreements*” means the consents to collateral assignment entered into by the Borrower and the applicable counterparties with respect to each of the Material Construction Contracts.

“*Direction Notice*” has the meaning assigned thereto in Section 9.03(a) of the Collateral Agency Agreement.

“*DispatchCo*” has the meaning assigned thereto in the Senior Loan Agreement.

“*Disputed Amounts*” means payments for work, services or materials, fixtures or equipment which are not overdue or if overdue (x) have been bonded around pursuant to Section 713.24, Florida Statutes, inclusive, or (y) that are being contested in good faith by the Borrower through appropriate proceedings; *provided*, that if being contested (i) adequate reserves with respect to such obligations contested in good faith are maintained on the books of the Borrower, to the extent required by GAAP and (ii) at any time prior to the Phase 2 Completion Date, the amount of the Borrower’s likely liability under any Security Interest associated with such payments (as determined by the Borrower in good faith) is reserved.

“*Dissemination Agent*” means Digital Assurance Certification, L.L.C.

“*Distribution Account*” means the Distribution Account created by the Borrower.

“*Distribution Date*” means each semi-annual Calculation Date beginning after the Phase 2 Revenue Service Commencement Date.

“*Distribution Release Certificate*” means the certificate substantially in the form attached as Exhibit E to the Collateral Agency Agreement.

“*Dollar*” means lawful money of the United States of America.

“*Enforcement Action*” means any action, whether by judicial proceedings or otherwise, to enforce any of the rights and remedies granted pursuant to the Security Documents against the Collateral or the Borrower upon the occurrence and during the continuance of a Secured Obligation Event of Default.

“*Environmental Law*” means any federal, state or local statute, ordinance, rule or regulation, any judicial or administrative order (whether or not on consent), request or judgment, or any other binding determination of any Governmental Authority relating to protection of the environment or health or safety relating to the release of or exposure to hazardous or toxic substances, materials or wastes. Environmental Laws include, without limitation, regulations and requirements imposed pursuant to the Clean Air Act, 42 U.S.C. § 7401, et seq., the Clean Water Act, 33 U.S.C. § 1251, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, et seq., the Toxic Substances Control Act, 15 U.S.C. § 2601, et seq., the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601, et seq., and any and all state law or local law counterparts, all as amended.

“*Equity Contribution*” means any Required Equity Contribution and any Additional Equity Contribution.

“*Equity Contribution Agreement*” means the Equity Contribution Agreement, dated the Original Closing Date, and entered into by and among the Borrower, the Collateral Agent and the Equity Participant.

“*Equity Funded Account*” means the Equity Funded Account subject to the security interest of Deutsche Bank National Trust Company, as Collateral Agent (account number 898078562054) established with the Deposit Account Bank in accordance with Section 5.01(b) of the Collateral Agency Agreement and subject to an Account Control Agreement.

“*Equity Lock-Up Account*” means the Equity Lock-Up Account created by and designated as such pursuant to Section 5.01 of the Series 2019A Collateral Agency Agreement, as retitled pursuant to Section 5.01 of the Collateral Agency Agreement.

“*Equity Participant*” means [Brightline Holdings] LLC, a Delaware limited liability company.

“*Equity Transfer Certificate*” means a certificate delivered by the Borrower in accordance with the Collateral Agency Agreement substantially in the form attached as Exhibit K to the Collateral Agency Agreement.

“*Escrow Bonds*” has the meaning set forth in the Indenture.

“*Escrow Release Conditions*” has the meaning set forth in the Indenture.

“*Escrow Securities*” has the meaning set forth in the Indenture.

“*Excluded Swap Obligation*” means, with respect to any Person, any Swap Obligation if, and to the extent that, all or a portion of the guarantee by such Person of, or grant of a security interest by such Person to secure, such Swap Obligation is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of the failure of such Person for any reason to constitute an “eligible contract participant” as defined in the Commodity Exchange Act at the time the guarantee or grant of security interest by such Person becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such security interest is or becomes excluded in accordance with the first sentence of this definition.

“*Expropriation Event*” means any action (or series of related actions) by any Governmental Authority (i) by which such Governmental Authority appropriates, confiscates, condemns, expropriates, nationalizes, seizes or otherwise takes all or any portion of the Collateral or the Project or (ii) by which such Governmental Authority assumes custody or control of all or any portion of the Project, in each case that is reasonably anticipated to last for more than one hundred twenty (120) consecutive days.

“*Expropriation Proceeds*” means, with respect to any Expropriation Event, all proceeds received by the Borrower from the applicable Governmental Authority in connection with such Expropriation Event.

“*Federal Book-Entry Regulations*” means (i) the United States Department of the Treasury’s regulations governing “Securities” (as defined in 31 C.F.R. § 357.2) issued by the United States Treasury and maintained in the form of entries in the federal reserve banks’ book-entry system known as the Treasury/Reserve Automated Debt Entry System (TRADES), as such regulations are set forth in 31 C.F.R. Part 357 and (ii) regulations analogous and substantially similar to the regulations described in clause (i) above governing any other automated book-entry system operated by the United States federal reserve banks in which securities issued by government sponsored enterprises are issued, recorded, transferred and maintained in book-entry form.

“*Financing Documents*” has the meaning set forth in the Senior Loan Agreement.

“*Financing Obligation Documents*” means, collectively and without duplication, the Secured Obligation Documents and the Additional Senior Unsecured Indebtedness Documents and related notes (if any).

“*Financing Obligations*” means, collectively, without duplication, all of the Secured Obligations and the Borrower’s obligations under any Additional Senior Unsecured Indebtedness Documents.

“*First Supplemental Indenture*” has the meaning assigned thereto in the Recitals to the Collateral Agency Agreement.

“*Fiscal Quarter*” means the three month period commencing on the first day of the first, fourth, seventh and tenth month of each Fiscal Year and ending on the last day of the third, sixth, ninth and twelfth month, respectively, of such Fiscal Year.

“*Fiscal Year*” means with respect to the Borrower the twelve months commencing on January 1 of any calendar year and ending on December 31 of such calendar year, or any other 12-month period which the Borrower designates as its fiscal year.

“*Fitch*” means Fitch Ratings, Inc. and any successor to its rating agency business.

“*Flow of Funds*” means the withdrawals, transfers and payments from the Revenue Account in the amounts, at the times, for the purposes and in the order of priority set forth in Section 5.02(b) of the Collateral Agency Agreement.

“*Free Cash Flow*” means, with respect of any period:

(a) all Project Revenues received by the Borrower and deposited to the Revenue Account during such period (excluding any Equity Contributions and any proceeds of Indebtedness); PLUS

(b) interest income earned on any Permitted Investments made with funds on deposit in the Project Accounts; PLUS

(c) releases from any Debt Service Reserve Account, any Major Maintenance Reserve Account and any O&M Reserve Account used to pay O&M Expenditures or Major Maintenance Costs during such period; LESS

(d) all O&M Expenditures and Major Maintenance Costs to the extent paid during such period (excluding any amounts for Major Maintenance Costs paid out of the Capital Projects Account); LESS

(e) deposits to any Debt Service Reserve Account (excluding the initial funding of the Initial Debt Service Reserve Account or any other Debt Service Reserve Account), any Major Maintenance Reserve Account and any O&M Reserve Account during such period.

“*Funds*” means any of the funds created under the Indenture.

“*Funds Transfer Certificate*” means a certificate delivered by the Borrower in accordance with the Collateral Agency Agreement substantially in the form attached as Exhibit B to the Collateral Agency Agreement.

“*GAAP*” means such accepted accounting practice as conforms at the time to applicable generally accepted accounting principles in the United States of America, consistently applied.

“*Governmental Approval*” means any registration, permit, license, consent, concession, grant, franchise, authorization, waiver, variance or other approval, guidance, protocol, mitigation agreement, or memoranda of agreement/understanding, and any amendment or modification of any of them provided or issued by Governmental Authority including State, local, or federal regulatory agencies, agents, or employees, which authorize or pertain to the Project.

“*Governmental Authority*” means any nation, state, sovereign or government, any federal, regional, state or local government or political subdivision thereof or other entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and having jurisdiction over the Person or matters in question.

“*Grantor Collateral*” has the meaning assigned thereto in the Security Agreement.

“*Hazardous Materials*” means any material, substance or waste that is listed, defined, designated or classified as, or otherwise determined to be, hazardous, radioactive or toxic or a pollutant or a contaminant under or pursuant to or for which liability may be imposed under any Environmental Law, including any mixture or solution thereof, and specifically including petroleum and all derivatives thereof or synthetic substitutes therefor, asbestos or asbestos-containing materials and polychlorinated biphenyls.

“*Indebtedness*” has the meaning assigned thereto in the Senior Loan Agreement.

“*Indenture*” has the meaning assigned thereto in the Recitals to the Collateral Agency Agreement.

“*Initial Debt Service Reserve Account*” means the “Series 2019 Debt Service Reserve Account” established and created pursuant Section 5.01 of the Series 2019A Collateral Agency Agreement, as re-defined as “Initial Debt Service Reserve Account” and re-titled pursuant to Section 5.01 of the Collateral Agency Agreement.

“Initial Major Maintenance Reserve Account” means the “Series 2019A Major Maintenance Reserve Account” established and created pursuant Section 5.01 of the Series 2019A Collateral Agency Agreement, as re-defined as “Initial Major Maintenance Reserve Account” and re-titled pursuant to Section 5.01 of the Collateral Agency Agreement.

“Initial O&M Reserve Account” means the “Series 2019A O&M Reserve Account” established and created pursuant Section 5.01 of the Series 2019A Collateral Agency Agreement, as re-defined as “Initial O&M Reserve Account” and re-titled pursuant to Section 5.01 of the Collateral Agency Agreement.

“Initial O&M Reserve Account Trigger Date” has the meaning assigned thereto in Section 5.07(a) of the Collateral Agency Agreement

“Insurance” means the contracts and policies of insurance taken out by or on behalf of the Borrower in connection with the Project or any Transaction Documents in which the Borrower has an interest, other than any municipal bond or financial guaranty insurance policy issued to guarantee the scheduled payment when due of any secured obligations or any bonds related thereto.

“Intercreditor Vote” means a vote conducted in accordance with the procedures set forth in Article VIII among the Secured Creditors.

“Interest Account” means the Interest Account created and designated as such pursuant to the Indenture.

“Interest Payment Date” means, (i) with respect any Financing Obligations bearing interest semi-annually, each January 1 and July 1, (ii) with respect to any Financing Obligations bearing interest quarterly, each January 1, April 1, July 1 and October 1, and (iii) with respect to any other Financing Obligations, each other date interest payments are required to be made under the related Financing Obligation Documents, and in each case continuing for so long as the Financing Obligations are outstanding.

“Interest Payments” means, with respect to a payment date for the Financing Obligations, the interest (including the interest component of the redemption price due in connection with any mandatory redemption payment on any Financing Obligation) due on such date on the Financing Obligations.

“Joint Use Agreement” means, collectively, that certain Joint Use and Operating Agreement dated as of December 20, 2007 as amended and restated by that certain Amended and Restated Joint Use and Operating Agreement dated June 13, 2014, among Florida East Coast Railway, L.L.C., the Borrower, and FDG Flagler Station II LLC, containing the terms and conditions of the joint use of the rail corridor between the parties, as amended, supplemented or modified from time to time and that certain Joint Use Agreement (Shared Infrastructure), dated February 28, 2014 as amended and restated by that certain Amended and Restated Joint-Use

Agreement (Shared Infrastructure) dated June 13, 2014 as amended, restated and replaced by that certain Second Amended and Restated Joint Use Agreement (Shared Infrastructure) dated December 27, 2016 as amended by that certain First Amendment to Second Amended and Restated Joint Use Agreement (Shared Infrastructure) dated June 30, 2017, between Florida East Coast Railway, L.L.C., a Florida limited liability company, and the Borrower, as amended, supplemented or modified from time to time and as summarized in the Memorandum of Joint Use Agreement (Shared Infrastructure) dated June 30, 2017.

“*Law*” means any federal, state, local and municipal laws, rules and regulations, orders, codes, directives, permits, approvals, decisions, decrees, ordinances or by-laws having the force of law and any common or civil law, including binding court and judicial decisions having the force of law, and includes any amendment, extension or re-enactment of any of the same in force from time to time and all other instruments, orders and regulations made pursuant to statute.

“*Loss Event*” means a Casualty Event or an Expropriation Event.

“*Loss Proceeds*” means Casualty Proceeds and Expropriation Proceeds.

“*Loss Proceeds Account*” means the Loss Proceeds Account created and designated as such pursuant to Section 5.01 of the Series 2019A Collateral Agency Agreement, as retitled pursuant to Section 5.01 of the Collateral Agency Agreement.

“*Main Operating Account*” means the Operating Account subject to the security interest of Deutsche Bank National Trust Company, as Collateral Agent (account number 898078562041) established with the Deposit Account Bank in accordance with Section 5.01(b) of the Collateral Agency Agreement.

“*Major Maintenance*” means any lifecycle maintenance, repair, renewal, reconstruction or replacement work of any portion or component of the Project, as applicable, of a type which is not normally included as an annually recurring cost in passenger rail maintenance and repair budgets.

“*Major Maintenance Costs*” means the estimated costs for Major Maintenance set forth in the Major Maintenance Plan provided by the Borrower to, and approved, by the Technical Advisor.

“*Major Maintenance Plan*” means the budget and schedule delivered by the Borrower to, and approved by, the Technical Advisor for Major Maintenance Costs.

“*Major Maintenance Reserve Account*” means the Initial Major Maintenance Reserve Account and any Additional Major Maintenance Reserve Account.

“*Major Maintenance Reserve Required Balance*” means (i) with respect to the Initial Major Maintenance Reserve Account, the amount equal to the Major Maintenance Costs estimated to be due, on a rolling two year forward looking basis for any year “n” as follows: (A) 100% of Year n Major Maintenance Costs, *plus* (B) 50% of Year n+1 Major Maintenance Costs, where “n” is a

forward looking rolling period of four Fiscal Quarters starting at and including the Fiscal Quarter considered for the calculation; and (ii) with respect to any Additional Major Maintenance Reserve Account and calculated on any applicable Transfer Date, an amount pertaining to Major Maintenance Costs as reasonably projected by the Borrower which under the terms of the applicable Additional Senior Indebtedness Documents is required by such documents to be deposited into such Additional Major Maintenance Reserve Account.

“*Mandatory Prepayment Account*” means the Mandatory Prepayment Account created and designated as such pursuant to Section 5.01 of the Series 2019A Collateral Agency Agreement, as retitled pursuant to Section 5.01 of the Collateral Agency Agreement.

“*Mandatory Tender Date*” has the meaning assigned thereto in the Indenture.

“*Material Adverse Effect*” has the meaning assigned thereto in the Senior Loan Agreement.

“*Material Construction Contracts*” means (a) the contract entered into between the Borrower and Wharton-Smith, Inc. for the design and construction of the vehicle maintenance facility located at the Orlando International Airport, (b) the contract entered into between the Borrower and Middlesex Corporation for the construction of the civil and rail infrastructure at the Orlando International Airport, (c) the contract entered into between the Borrower and Granite Construction Company for the construction of the civil and rail infrastructure between the Orlando International Airport and Cocoa Beach and (d) the contract entered into between the Borrower and a joint venture of Herzog Contracting Corp., Stacy and Witbeck, Inc. and Railworks Track Systems, Inc. d/b/a HSR Constructors for the construction of the civil and rail infrastructure between Cocoa Beach and West Palm Beach.

“*Material Project Contracts*” means: (a) the Joint Use Agreement; (b) the Premises Lease and Use Agreement for Orlando International Airport, between the Greater Orlando Aviation Authority and the Borrower, dated January 22, 2014; (c) the General Operations, Management and Administrative Services Agreement dated as of December 19, 2017, by and among the Borrower and Brightline Management LLC (f/k/a All Aboard Florida Operations Management LLC); and (d) the Material Construction Contracts.

“*Modification*”, “*Modify*” and “*Modified*” mean, with respect to any Secured Obligation Document (other than a Mortgage), any amendment, supplement, waiver or other modification of the terms and provisions thereof and with respect to any Mortgage, any amendments, supplements, spreaders, releases, subordinations or other modification.

“*Moody’s*” means Moody’s Investor Services and any successor to its rating agency business.

“*Mortgage*” has the meaning assigned thereto in the Senior Loan Agreement.

“*Mortgaged Property*” means the real property as to which the Collateral Agent for the benefit of the Secured Parties shall be granted Security Interests pursuant to the Mortgages.

“*Nationally Recognized Rating Agency*” means S&P, Moody’s or Fitch, or any other nationally-recognized securities rating agency that is then providing a rating on any of the Secured Obligations at the request of the Borrower.

“*Non-Completed Work*” means Major Maintenance that is not completed in the year in which it was scheduled in the Major Maintenance Schedule.

“*Non-Completed Work Sub-Account*” means the Non-Completed Work Sub-Account established within the Initial Major Maintenance Reserve Sub-Account created and designated as such pursuant to Section 5.01 of the Series 2019A Collateral Agency Agreement, as retitled pursuant to Section 5.01 of the Collateral Agency Agreement.

“*Non-PABs Counties Equity Contribution Sub-Account*” means the Non-PABs Counties Equity Contribution Sub-Account established within the Construction Account created and designated as such pursuant to Section 5.01 of the Series 2019A Collateral Agency Agreement, as retitled pursuant to Section 5.01 of the Collateral Agency Agreement.

“*Non-Voting Creditor*” has the meaning assigned thereto in Section 8.02(b) of the Collateral Agency Agreement.

“*Notice of Default*” has the meaning assigned thereto in Section 9.02(b) of the Collateral Agency Agreement.

“*Numerator*” has the meaning assigned thereto in Section 8.03(b) of the Collateral Agency Agreement.

“*O&M Expenditures*” has the meaning assigned thereto in the Senior Loan Agreement.

“*O&M Reserve Account*” means the Initial O&M Reserve Account and any Additional O&M Reserve Account.

“*O&M Reserve Requirement*” with respect to (i) the Initial O&M Reserve Account, has the meaning assigned thereto in Section 5.07 of the Collateral Agency Agreement and (ii) any Additional O&M Reserve Account, calculated on any Transfer Date, an amount pertaining to O&M Expenditures as reasonably projected by the Borrower which under the terms of the applicable Additional Senior Indebtedness Documents is required by such documents to be deposited in to such O&M Reserve Account.

“*Operating Account*” means the Main Operating Account and each additional Operating Account subject to the security interest of Deutsche Bank National Trust Company, as Collateral

Agent, established with the Deposit Account Bank in accordance with Section 5.01(b) of the Collateral Agency Agreement and subject to an Account Control Agreement.

“*Ordinary Course Settlement Payments*” means all regularly scheduled payments due under any Permitted Swap Agreement with a Swap Bank from time to time, calculated in accordance with the terms of such Permitted Swap Agreement, but excluding, for the avoidance of doubt, any Swap Termination Payments due and payable under such Permitted Swap Agreement.

“*Original Closing Date*” means April 18, 2019.

“*Original Indenture*” has the meaning assigned thereto in the Recitals to the Collateral Agency Agreement.

“*Orlando Station*” means those certain improvements constituting the passenger railway station located in Orlando, Florida described in the Plans and Specifications and the leasehold interest in the real property upon which such improvements are constructed, but specifically excluding any one or more real estate interests (including, without limitation, any ground lease interest of any tenant, any air rights parcels or any other vertical subdivision) in any such real property along the railway or at, adjacent to, above, below or near such station, in all cases, other than the leasehold interest.

“*Other Proceeds Sub-Account*” means the Other Proceeds Sub-Account established within the Construction Account created and designated as such pursuant to Section 5.01 of the Series 2019A Collateral Agency Agreement, as retitled pursuant to Section 5.01 of the Collateral Agency Agreement.

“*Outstanding*” with respect to the Bonds has the meaning assigned thereto in the Indenture.

“*Owner*” of a Bond means the registered owner of such Bond as shown in the registration records of the Trustee.

“*PABs Counties*” means each of Brevard County, Florida, Broward County, Florida, Miami-Dade County, Florida, Orange County, Florida and Palm Beach County, Florida.

“*PABs Counties Equity Contribution Sub-Account*” means the PABs Counties Equity Contribution Sub-Account established within the Construction Account created and designated as such pursuant to Section 5.01 of the Series 2019A Collateral Agency Agreement, as retitled pursuant to Section 5.01 of the Collateral Agency Agreement.

“*PABs Issuer*” means the Florida Development Finance Corporation in its capacity as “conduit issuer” in the issuance of the Series 2019 Bonds, which are special, limited obligations of the PABs Issuer.

“*PABs Issuer Representative*” means the Chairman, Vice Chairman or Executive Director of the PABs Issuer, or any other officer or employee of the PABs Issuer designated in writing to the Trustee by the Chairman as an authorized representative of the PABs Issuer for purposes of the Senior Loan Agreement and the Indenture.

“*PABs Proceeds Sub-Account*” means the PABs Proceeds Sub-Account established within the Construction Account created and designated as such pursuant to Section 5.01 of the Series 2019A Collateral Agency Agreement, as retitled pursuant to Section 5.01 of the Collateral Agency Agreement.

“*Payment Date*” means an Interest Payment Date or a Principal Payment Date.

“*Payment in Full*” or “*Paid in Full*” means the payment in full in cash and performance in full of all Secured Obligations (other than contingent indemnification obligations for which no claim shall have been asserted) and termination or expiration of all Commitments.

“*Permitted Additional Senior Indebtedness*” has the meaning assigned thereto in the Senior Loan Agreement.

“*Permitted Amounts*” means, without duplication, (a) amounts payable for uncompleted Punchlist Items, (b) Retainage Amounts and (c) Disputed Amounts.

“*Permitted Investments*” means to the extent permitted by State law:

(a) Cash or direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States of America);

(b) Investments in commercial paper maturing within 365 days from the date of acquisition thereof and having, at such date of acquisition, the highest short term credit rating obtainable from S&P or Moody’s;

(c) Obligations, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following: Federal Home Loan Bank System, Government National Mortgage Association, Farmer’s Home Administration, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Federal Farm Credit Bank or Federal Housing Administration;

(d) Direct and general obligations of any state of the United States of America or any municipality or political subdivision of such state, or obligations of any municipal corporation, if such obligations are rated at the time of investment in one of the three highest rating categories (without regard to gradation) by S&P, Moody’s or other similar nationally recognized rating agency;

(e) Any security that matures or that may be tendered for purchase at the option of the holder within not more than five years of the date on which it is acquired, if that security has a rating that is in one of the two highest long-term rating categories or highest short-term rating category (without regard to any refinements or gradations of rating category by numerical modifier or otherwise) assigned by S&P, Moody's or other similar nationally recognized rating agency or if that security is senior to, or on a parity with, a security of the same issuer that has such a rating;

(f) Investments in certificates of deposit, banker's acceptances and time deposits maturing within 180 days from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the United States of America or any State thereof which has a combined capital and surplus and undivided profits of not less than \$500,000,000 and having short-term unsecured debt securities rated not lower than "A-1" by S&P and "P-1" by Moody's;

(g) Investment agreements, including guaranteed investment contracts, repurchase agreements, deposit agreements and forward delivery agreements, that are obligations of an entity whose senior long-term debt obligations, deposit rating or claims-paying ability are rated, or guaranteed by an entity, which may also be the Trustee or the Collateral Agent or any of their respective Affiliates, whose obligations have a rating (at the time the investment is entered into) of either not lower than "A-" by S&P or not lower than "A3" by Moody's, provided that, in connection with any repurchase agreement entered into in connection with the investment of funds held under the Indenture, the PABs Issuer, the Trustee and the Collateral Agent shall have received an opinion of counsel to the provider (which opinion shall be addressed to the PABs Issuer, the Trustee and the Collateral Agent) that any such repurchase agreement complies with the terms of this definition and is legal, valid, binding and enforceable upon the provider in accordance with its terms;

(h) Fully collateralized repurchase agreements with any financial institution which is rated by S&P, Moody's or other similar nationally recognized rating agency in a rating category at least equal to the higher of "A" (or equivalent) or such rating agency's then current rating on the Bonds, if any, that is fully secured by collateral security described in clauses (a), (b), (c), (d) or (e). For the purpose of this definition, the term collateral means purchased securities under the terms of the PSA Bond Market Trade Association Master Repurchase Agreement. The purchased securities shall have a minimum market value including accrued interest of 102% of the dollar value of the transaction. Collateral shall be held in the Collateral Agent's third-party custodian bank as safekeeping agent, and the market value of the collateral securities shall be marked-to-market daily, with a term of not more than 30 days for securities described in clause (a) above and entered into with a financial institution satisfying the criteria described in clause (f) above; and

(i) Money market funds that (i) comply with the criteria set forth in Securities and Exchange Commission Rule 2a-7 under the Investment Company Act of 1940, (ii) are rated "AAA" by S&P and "Aaa" by Moody's and (iii) have portfolio assets of at least \$5,000,000,000.

“*Permitted Security Interest*” means, the Security Interests permitted in accordance with the applicable Secured Obligation Documents, and so long as the Series 2019 Bonds are Outstanding, shall have the meaning set forth in the Senior Loan Agreement.

“*Permitted Senior Commodity Swap*” means any Swap Obligation under a Permitted Swap Agreement related to hedging of fluctuations of prices for oil and fuel permitted to be paid *pari passu* with Senior Indebtedness in the Flow of Funds in accordance with the Financing Obligation Documents.

“*Permitted Subordinated Debt*” has the meaning assigned thereto in the Senior Loan Agreement.

“*Permitted Swap Agreement*” means any Swap Agreement, foreign currency trading transaction or other similar transaction or agreement entered into by the Borrower in the ordinary course of its business in connection with interest rate, foreign exchange or inflation risks to its business, or commodity risks for fuel and oil prices, and not for speculative purposes.

“*Permitted Swap Counterparty*” means any bank, trust company or financial institution which has (or whose parent company has) outstanding unguaranteed and unsecured long-term Indebtedness that is rated or which itself is rated “A-” or better by S&P or “A3” or better by Moody’s or the equivalent by another Nationally Recognized Rating Agency, or any other counterparty permitted under the applicable Secured Obligation Documents or otherwise approved by the Collateral Agent (acting at the direction of the Required Secured Creditors).

“*Person*” means an individual, partnership, corporation, limited liability company, association, trust, unincorporated organization, business entity, municipality, county, or any other person having separate legal personality.

“*Phase 1a*” means the portion of the Project from West Palm Beach to Fort Lauderdale, including the West Palm Beach and Fort Lauderdale stations and all related railway and ancillary facilities.

“*Phase 1a Revenue Service Commencement Date*” means January 13, 2018.

“*Phase 1b*” means the portion of the Project from Fort Lauderdale to Miami, including the Miami station and all related railway and ancillary facilities.

“*Phase 1b Revenue Service Commencement Date*” means May 19, 2018.

“*Phase 2*” means the portion of the Project from West Palm Beach to Orlando, including the Orlando Station and all related railway and ancillary facilities.

“*Phase 2 Completion Date*” means the first date on which each of the following conditions has been satisfied as certified by the Technical Advisor:

- (a) the Phase 2 Revenue Service Commencement Date shall have occurred;
- (b) all Punchlist Items shall have been carried out;
- (c) all demobilization from the applicable Project sites of Phase 2 is complete;
- (d) the Borrower shall deliver to the Technical Advisor (with a copy to the Collateral Agent) a certificate of a Responsible Officer of the Borrower to the effect that (i) all amounts required to be paid to Contractors have been paid (other than any Disputed Amounts and Retainage Amounts), and (ii) the Borrower has received lien releases and waivers from each Contractor that has timely filed a notice to owner or other notice sufficient to perfect such Contractor's right to a lien in compliance with Law, other than with respect to any Disputed Amounts, Retainage Amounts and any Permitted Security Interests;
- (e) a confirmation of the Technical Advisor, confirming the factual certification described in clause (d) above;
- (f) the Technical Advisor and the Collateral Agent shall have received a certification from the Borrower confirming continued compliance in all material respects with the insurance requirements under the Financing Obligation Documents;
- (g) the final payment affidavit(s) from Contractors in privity with the Borrower and seeking final payment as of such Phase 2 Completion Date, as required under Sections 713.05 and 713.06(3)(d), Florida Statutes, have been delivered to the Borrower and to the Collateral Agent, or the statutory period for filing mechanics liens under Section 713.08, Florida Statutes, with respect to the work which is the subject of such contract(s) for which final payment is sought has expired; and
- (h) the Technical Advisor and the Collateral Agent shall have received final endorsements from the title company with respect to the Orlando Station in a reasonable and customary form, insuring the priority of their respective Security Interests created by the Security Documents.

"Phase 2 Revenue Service Commencement Certificate" means the certificate to be delivered to the Borrower and the Collateral Agent by the Technical Advisor in accordance with paragraph (e) of the definition of Phase 2 Revenue Service Commencement Requirements below.

"Phase 2 Revenue Service Commencement Date" means the date on which the Borrower has demonstrated to the Technical Advisor that each of the Phase 2 Revenue Service Commencement Requirements has been satisfied and the Technical Advisor has issued a Phase 2 Revenue Service Commencement Certificate.

"Phase 2 Revenue Service Commencement Deadline" means January 6, 2023.

“Phase 2 Revenue Service Commencement Requirements” means:

(a) the Borrower shall have delivered to the Technical Advisor (with a copy to the Collateral Agent):

(i) a certificate of a Responsible Officer of the Borrower, certifying that:

(A) except with respect to the Punchlist Items, the Borrower has completed or caused the completion of all acquisition, equipping and construction of Phase 2, in accordance with the requirements of the Transaction Documents and Plans and Specifications, such that it is in a condition that can be used for normal and safe passenger rail travel;

(B) Phase 2 is open for normal and continuous operations and use by the traveling public;

(C) all material Governmental Approvals with respect to the operation of Phase 2 in all material respects have been issued and are in full force and effect and are not subject to appeal;

(D) all amounts required to be paid to Contractors in connection with completing the design and construction of Phase 2 have been paid, other than Permitted Amounts, so long as the Reserved Amount has been reserved in the Construction Account; and

(E) the Borrower has received lien releases and waivers from each Contractor that has timely filed a notice to owner or other notice sufficient to perfect such Contractor’s right to a lien in compliance with Law, other than with respect to Permitted Amounts and Permitted Security Interests; and

(ii) a confirmation of the Technical Advisor, confirming the factual certification described in clause (i) above.

(b) the Borrower shall have delivered a list of any remaining Punchlist Items (which shall be a reasonable final punchlist in all material respects for a project of the type, size and scope of Phase 2 to the Technical Advisor and the Collateral Agent;

(c) the Borrower shall have delivered a statement setting forth its budgeted costs with respect to Punchlist Items to the Technical Advisor and the Collateral Agent;

(d) the facilities and railway (including the Orlando Station) for Phase 2 are in accordance with applicable Law in all material respects, including having received all required approvals and authorizations of the Federal Railroad Administration; and

(e) upon satisfaction of (a) through (d) above, the Technical Advisor shall issue the Phase 2 Revenue Service Commencement Certificate.

“*Plans and Specifications*” means the then current drawings, plans and specifications for Phase 2 prepared by or on behalf of the Borrower and made available to the Technical Advisor as agreed upon by the Borrower and the Technical Advisor.

“*Pledge Agreement*” means that certain Pledge Agreement entered into between the Collateral Agent and the Pledgor.

“*Pledged Collateral*” has the meaning assigned thereto in the Pledge Agreement.

“*Pledgor*” means AAF Operations Holdings LLC and its permitted successors and assigns.

“*Potential Secured Obligation Event of Default*” means an event, which with the giving of notice or lapse of time would become an Event of Default under any Financing Obligation Document.

“*Principal Account*” is the Principal Account created and designated as such pursuant to the Indenture.

“*Principal Payment Date*” means, with respect to any Financing Obligations, the dates on which Principal Payments are due under the applicable Financing Obligation Documents (as applicable).

“*Principal Payments*” means, with respect to a payment date, the principal (including the principal component of the redemption price due in connection with any mandatory redemption payment on any Financing Obligation) due or to become due prior to the next succeeding Principal Payment Date.

“*Prior Bonds*” has the meaning assigned thereto in the Indenture.

“*Project*” means the design, development, acquisition, construction, installation, equipping, ownership, operation, maintenance and administration of a privately owned and operated intercity passenger rail system and related facilities, with stations located or to be located initially in Orlando, West Palm Beach, Fort Lauderdale and Miami, Florida, as more particularly described in the Bond Resolution.

“*Project Accounts*” means the following accounts of the Borrower, established pursuant to the Series 2019A Collateral Agency Agreement or the Collateral Agency Agreement: (a) the Revenue Account, including the Series 2019 Interest Sub-Accounts, the Series 2019 Principal Sub-Accounts and any other sub-accounts created thereunder; (b) the Loss Proceeds Account; (c) the Construction Account, including the PABs Proceeds Sub-Account, the PABs Counties Equity Contribution Sub-Account, the Non-PABs Counties Equity Contribution Sub-Account, the Other Proceeds Sub-Account and any other sub-accounts created thereunder; (d) the Mandatory Prepayment Account, including the Series 2019 PABs Mandatory Prepayment Sub-Accounts; (e) each Debt Service Reserve Account; (f) each Major Maintenance Reserve Account, including the

Non-Completed Work Sub-Account; (g) each O&M Reserve Account; (h) the Ramp-Up Reserve Account; (i) the Equity Lock-Up Account; (j) the Capital Projects Account; (k) any Operating Account; (l) the Equity Funded Account; (m) any Collection Account; and (n) all other Funds or Accounts created hereunder and designated a Project Account. For the avoidance of doubt, the Distribution Account is not a “Project Account”.

“*Project Costs*” means all costs and expenses incurred in connection with the design, construction, commissioning and financing of the Project or any Additional Projects, including amounts payable under all construction, engineering, technical and other contracts entered into by the Borrower in connection with the Project or any Additional Projects and, in accordance with the Secured Obligation Documents, all operation and maintenance costs incurred prior to the Phase 2 Revenue Service Commencement Date, Costs of Issuance, financing costs, fees, interest during construction, initial working capital costs, funding of reserves, development fees, any taxes, assessments or governmental charges payable by the Borrower in connection with the Project or any Additional Projects. For the avoidance of doubt, “Project Costs” shall also include (i) payments under the Management Agreement and (ii) reimbursement for the prior payment of any of the foregoing costs and expenses, and “Project Costs” shall not include any O&M Expenditures.

“*Project Revenues*” for any period (without duplication), all revenues received in cash by or on behalf of the Borrower during such period, including but not limited to ridership revenues received by the Borrower, third party revenues, interest on any Project Accounts (or other accounts created under the Transaction Documents), proceeds from any business interruption insurance, revenue derived from any third-party concession, lease or contract and any other receipts otherwise arising or derived from or paid or payable in respect of the Project, *provided* that such revenues shall exclude any net insurance proceeds received by the Borrower and required to be deposited to the Loss Proceeds Account except to the extent such proceeds are later transferred from the Loss Proceeds Account to the Revenue Account in accordance with the Secured Obligation Documents.

“*Punchlist Items*” means minor or insubstantial details of construction or mechanical adjustment, the non-completion of which, when all such items are taken together, will not interfere in any material respect with the use or occupancy of Phase 2 for its intended purposes or the ability of the owner or lessee, as applicable, of any portion of Phase 2 (or any tenant thereof) to perform work that is necessary to prepare such portion of Phase 2 for such use or occupancy, which remains incomplete at the Phase 2 Revenue Service Commencement Date.

“*Purchase Money Debt*” means Indebtedness (including Capitalized Lease Obligations) of the type described in clause (d) of the definition of Permitted Indebtedness (as defined in the Senior Loan Agreement).

“*Qualified Costs*” means Project Costs that are:

(a) paid and incurred after the date which is sixty (60) days prior to August 20, 2014, the inducement date for the Project (provided, however, that, with respect to any amount

reimbursed (other than in accordance with subclauses (a)(i) or (a)(ii) below), the amount reimbursed in excess of (x) \$1,750,000,000 with respect to the Series 2019A Bonds and (y) \$950,000,000 with respect to the Series 2019B Bonds, shall have been incurred after the date which is sixty (60) days prior to the date of inducement related to such excess amount), and reimbursed no later than eighteen (18) months after the later of the date the expenditure was paid or, with respect to Project Costs relating to Phase 1a, the Phase 1a Revenue Service Commencement Date, with respect to Project Costs relating to Phase 1b, the Phase 1b Revenue Service Commencement Date and, with respect to Project Costs relating to Phase 2, the Phase 2 Revenue Service Commencement Date (but, in any case, no later than three (3) years after the expenditure is paid), or that constitute:

- (i) a preliminary capital expenditure (within the meaning of United States Treasury Regulations Section 1.150-2(f)(2)) with respect to the Project (such as architectural, engineering and soil testing services) incurred before commencement of acquisition or rehabilitation of the Project that do not exceed twenty percent (20%) of the issue price of the Bonds (as defined in United States Treasury Regulations Section 1.148-1), or
- (ii) additional capital expenditures of not more than \$100,000 that do not otherwise meet the above requirements;

provided, however, that if any portion of the Project is being constructed or developed by the Borrower (whether as a developer, a general contractor or a subcontractor), “Qualified Costs” reimbursed by or paid from proceeds of Bonds (other than Taxable Bonds) shall include only (x) the actual out-of-pocket costs incurred by the Borrower in developing or constructing the Project (or any portion thereof), (y) any reasonable fees for supervisory services actually rendered by the Borrower (but excluding any profit component to the extent such amount can be traced to third party costs) and (z) any overhead expenses incurred by the Borrower that are directly attributable to the work performed on the Project, and shall not include, for example, intercompany profits resulting from members of an affiliated group (within the meaning of Section 1504 of the Code) participating in the construction of the Project or payments received by such Affiliate due to early completion of the Project (or any portion thereof); or

(b) for federal income tax purposes, chargeable to the capital account(s) of the item of property included in the Project or would be so chargeable either with a proper election or but for a proper election to deduct such Project Costs.

“*Qualified Reserve Account Credit Instrument*” means (a) an Acceptable Letter of Credit or (b) a surety bond or non-cancelable insurance policy (i) issued by an Acceptable Surety, (ii) the reimbursement obligations with respect to which shall not be recourse to the Borrower, (iii) the term of which is at least one year from the date of issue (except where such instrument is issued to satisfy a requirement under the Financing Obligation Documents that expires less than one year after issuance, then the term shall be for such shorter period) and (iv) allows drawing (A) during

the 30 day period prior to expiry (unless replaced or extended), (B) upon downgrade of the issuer such that it is no longer an Acceptable Surety and, (C) if such instrument is used to fund any reserve account established under the Collateral Agency Agreement, when funds would otherwise be drawn from such reserve account.

“*Ramp-Up Reserve Account*” means the Ramp-Up Reserve Account created and designated as such pursuant to Section 5.01 of the Series 2019A Collateral Agency Agreement, as retitled pursuant to Section 5.01 of the Collateral Agency Agreement.

“*Reaffirmation Agreement*” means a reaffirmation agreement substantially in the form attached as Exhibit G to this Agreement.

“*Release*” means any new or historical spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, disposing, migrating, abandoning or discarding.

“*Required Equity Contribution*” means \$150,000,000 required to be delivered by or on behalf of the Equity Participant in the sub-accounts of the Construction Account (other than the PABs Proceeds Sub-Account) in accordance with the Equity Contribution Agreement and the Collateral Agency Agreement.

“*Required Secured Creditors*” means, at any time, Secured Creditors representing more than 50% of the Combined Exposure, as determined by the Collateral Agent pursuant to Section 8.03 of the Collateral Agency Agreement; provided that in no event shall Required Secured Creditors include any Non-Voting Creditor.

“*Reserved Amount*” means, as of any date of determination, the aggregate of (a) 120% of the Punchlist Completion Amount for uncompleted Punchlist Items and (b) 120% of the aggregate all of Disputed Amounts.

“*Responsible Officer*” means (i) with respect to the Borrower, any manager, the chief executive officer, the chief financial officer or any other authorized designee of the managers of the Borrower, and when used with reference to any act or document of the Borrower, also means any other person authorized to perform the act or execute the document on behalf of the Borrower, (ii) with respect to the PABs Issuer, means the PABs Issuer Representative and (iii) with respect to the Trustee, the Collateral Agent, the Account Bank or any other Person, the person authorized to perform the act or execute the document on behalf of such Person.

“*Restoration*”, “*Restore*” or “*restoring*” means repairing, rebuilding or otherwise restoring the Project.

“*Restricted Payment Conditions*” means the set of conditions limiting the distribution of funds for distributions and other purposes of the Borrower, pursuant to any Secured Obligation

Documents, including the “Restricted Payment Conditions” as defined in the Senior Loan Agreement.

“*Retainage Amounts*” means, at any time, amounts that have accrued and are owing under the terms of a construction contract for work, materials or services already provided but which at such time (in accordance with the terms of the construction contract) are being withheld from payment to the Contractor thereunder until certain subsequent events (e.g., completion benchmarks) have been achieved.

“*Revenue Account*” means the Revenue Account created and designated as such pursuant to Section 5.01 of the Series 2019A Collateral Agency Agreement, as retitled pursuant to Section 5.01 of the Collateral Agency Agreement.

“*Rolling Stock*” means, collectively, all railroad cars, locomotives or other rolling stock, appliances, parts, accessories, additions, improvements and other equipment and components of any nature from time to time incorporated or installed in any item thereof and replacements thereof and substitutions therefor, used on such railroad cars, locomotives or other rolling stock (including superstructures and racks with replacement parts), together with any tools and maintenance shop equipment used in connection with the foregoing.

“*Rolling Stock Assets*” means (a) (i) each single-level economy class passenger coach, (ii) each single-level business class passenger coach, (iii) each diesel-electric locomotive, in each case, together with any and all appliances, parts, accessories, appurtenances, accessions, additions, improvements and other equipment or components of any nature from time to time incorporated or installed in any item thereof and replacements thereof and substitutions therefor and (iv) any other Rolling Stock; (b) each replacement unit of any of the items described in clause (a); (c) all substitutions of any of the foregoing; (d) all records, logs and other documents at any time maintained with respect to the foregoing; (e) all right, title and interests in, to and under each of the following documents and instruments: (i) any purchase agreement and any bills of sale or similar instrument relating to the any of the foregoing, (ii) any and all manufacturer’s warranties relating to any of the foregoing, (iii) any maintenance agreement and any other use or service agreements relating to the foregoing, and (iv) any lease relating to the foregoing and all amounts of rent, requisition proceeds, insurance proceeds and other payments of any kind for or with respect to the foregoing payable thereunder; (f) all requisition proceeds and all insurance proceeds with respect to the foregoing; (g) any segregated deposit accounts and securities accounts exclusively containing funds for maintenance costs, insurance costs or hedging purposes relating to the assets described in clauses (a), (b) and (c) and any proceeds of the amounts in this clause (g); (h) any commercial tort claims related to or arising from the foregoing; and (i) all proceeds of the foregoing.

“*S&P*” means S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC, and any successor to its rating agency business.

“*Second Supplemental Indenture*” has the meaning assigned thereto in the Recitals to the Collateral Agency Agreement.

“*Secured Creditors*” means each of (i) the Owners of the Bonds, (ii) any Additional Senior Secured Indebtedness Holders and (iii) each Person party to a Permitted Swap Agreement with the Borrower related to Additional Senior Secured Indebtedness or for a Permitted Senior Commodity Swap, including by way of assignment, if at the time the Borrower enters into such Permitted Swap Agreement, in each case that is or becomes (or whose Secured Debt Representative is or becomes) a party to the Collateral Agency Agreement by executing and delivering an Accession Agreement and Reaffirmation Agreement (or becomes party to this Agreement by operation of law).

“*Secured Debt Representative*” means:

- (a) in the case of the Bonds, on behalf of the Owners of the Bonds and the PABs Issuer, the Trustee, including any permitted successor or assign;
- (b) in the case of any other Secured Obligation Document, the administrative agent, trustee or other representative acting for the Secured Parties thereunder, or if there is no such agent, trustee or other representative, then each Secured Party thereunder; and
- (c) in the case of each Permitted Swap Agreement, the applicable Secured Swap Debt Representative as the representative of the Swap Bank.

“*Secured Obligation Documents*” means, collectively and without duplication, (a) the Financing Documents, (b) Additional Senior Secured Indebtedness Documents, (c) any other credit agreement, note purchase agreement, indenture, reimbursement agreement or other agreement or instrument creating or evidencing Secured Obligations (other than a Permitted Swap Agreement), (d) each Permitted Swap Agreement with a Swap Bank provided such Swap Bank (or its Secured Debt Representative) is a party hereto or has validly executed and delivered an Accession Agreement and Reaffirmation Agreement and (e) the Security Documents, in each case in effect at the relevant time of determination; *provided*, that in each of clauses (b) and (c), the relevant Secured Creditors (or their respective Secured Debt Representatives) are party to the Collateral Agency Agreement or become (or the Secured Debt Representative becomes) a party to the Collateral Agency Agreement by delivering an Accession Agreement and Reaffirmation Agreement.

“*Secured Obligation Event of Default*” means an “Event of Default” as set forth or defined in any Financing Obligation Document.

“*Secured Obligations*” means, collectively, without duplication: (a) the Bonds, (b) all of the Borrower’s Indebtedness, financial liabilities and obligations, of whatsoever nature and however evidenced (including, but not limited to, principal, interest, make-whole amount, premium, fees, reimbursement obligations, Ordinary Course Settlement Payments, Swap

Termination Payments, indemnities and legal and other expenses, whether due after acceleration or otherwise) to the Secured Parties in their capacity as such under the Secured Obligation Documents; (c) any and all sums advanced by the Agents in order to preserve the Collateral or preserve the security interest in the Collateral in accordance with the Security Documents; and (d) in the event of any proceeding for the collection or enforcement of the obligations described in clauses (a), (b) or (c) above, after a Secured Obligation Event of Default has occurred and is continuing and unwaived, the expenses of retaking, holding, preparing for sale or lease, selling or otherwise disposing of or realizing on the Collateral, or of any exercise by the Collateral Agent of its rights under the Security Documents; *provided* that the Secured Obligations shall not include any Excluded Swap Obligations.

“*Secured Parties*” means (a) the Agents, (b) the Secured Creditors and (c) the PABs Issuer.

“*Secured Swap Debt Representative*” means with respect to any Permitted Swap Agreement, the Swap Bank specified to be the Secured Debt Representative with respect thereto pursuant to Section 7.06 of the Collateral Agency Agreement, *provided* that such Swap Bank shall have executed an Accession Agreement and Reaffirmation Agreement in accordance with Section 7.06 of the Collateral Agency Agreement.

“*Secured Swap Transaction*” means any interest rate or oil or fuel commodities hedging transaction governed by a Permitted Swap Agreement.

“*Securities Accounts*” has the meaning assigned thereto in Section 5.01(a) of the Collateral Agency Agreement.

“*Security Agreement*” means that certain Amended and Restated Security Agreement entered into by and between the Borrower and the Collateral Agent on the Original Closing Date.

“*Security Documents*” means the Security Agreement, the Pledge Agreement, the Collateral Agency Agreement, the Direct Agreements, the Mortgages, the Account Control Agreement, all UCC financing statements required by any Security Document and any other security agreement, account control agreement or instrument or other document to be executed or filed pursuant hereto or to any other Secured Obligation Document or any other Security Document or otherwise to create or perfect in favor of the Collateral Agent, on behalf of the Secured Parties, a Security Interest in Collateral.

“*Security Interest*” means: (a) a mortgage, pledge, lien charge, assignment, hypothecation, security interest, title retention arrangement, preferential right, trust arrangement or other arrangement having the same or equivalent commercial effect as a grant of security; or (b) any agreement to create or give any arrangement referred to in clause (a) of this definition.

“*Senior Indebtedness*” means (without duplication) the Bonds and the indebtedness incurred by the Borrower under the Senior Loan Agreement, any Additional Parity Bonds Loan

Agreement (if executed) and the Additional Senior Indebtedness Documents, in each case in effect at the relevant time of determination.

“*Senior Loan Agreement*” has the meaning assigned thereto in the Recitals to the Collateral Agency Agreement.

“*Series 2019 Bonds*” means the Series 2019A Bonds and the Series 2019B Bonds.

“*Series 2019 Funded Interest Accounts*” means the Series 2019A Funded Interest Account and the Series 2019B Funded Interest Account.

“*Series 2019 Interest Sub-Accounts*” means the Series 2019A Interest Sub-Account and the Series 2019B Interest Sub-Account.

“*Series 2019 Loans*” means the Series 2019A Loan and the Series 2019B Loan.

“*Series 2019 Principal Sub-Accounts*” means the Series 2019A Principal Sub-Account and the Series 2019B Principal Sub-Account.

“*Series 2019 Rebate Funds*” means the Series 2019A Rebate Fund and the Series 2019B Rebate Fund.

“*Series 2019A Bonds*” means the \$1,750,000,000 aggregate principal amount of Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Florida Passenger Rail Project), Series 2019A issued on the Original Closing Date, and any Series 2019A Bonds issued in exchange or replacement therefor.

“*Series 2019A Collateral Agency Agreement*” has the meaning assigned thereto in the Recitals to the Collateral Agency Agreement.

“*Series 2019A Funded Interest Account*” means the funded interest account with respect to the Series 2019A Bonds created and designated as such pursuant to the Indenture.

“*Series 2019A Interest Sub-Account*” means the Series 2019A Interest Sub-Account with respect to the Series 2019A Bonds established within the Revenue Account and created and designated as such pursuant to Section 5.01 of the Series 2019A Collateral Agency Agreement, as re-titled pursuant to Section 5.01 of the Collateral Agency Agreement.

“*Series 2019A Loan*” means the loan made by the PABs Issuer to the Borrower on the Closing Date in an amount equal to the proceeds of the Series 2019A Bonds pursuant to the Senior Loan Agreement.

“*Series 2019A PABs Mandatory Prepayment Sub-Account*” means the Series 2019A PABs Mandatory Prepayment Sub-Account with respect to the Series 2019A Bonds established within

the Mandatory Prepayment Account and created and designated as such pursuant to Section 5.01 of the Series 2019A Collateral Agency Agreement, as re-titled pursuant to Section 5.01 of the Collateral Agency Agreement.

“*Series 2019A Principal Sub-Account*” means the Series 2019A Principal Sub-Account with respect to the Series 2019A Bonds established within the Revenue Account and created and designated as such pursuant to Section 5.01 of the Series 2019A Collateral Agency Agreement, as re-titled pursuant to Section 5.01 of the Collateral Agency Agreement.

“*Series 2019A Rebate Fund*” means the Series 2019A Rebate Fund established and created pursuant to the Indenture.

“*Series 2019B Bonds*” means the \$[●] aggregate principal amount of Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Florida Passenger Rail Project), Series 2019B issued on June 20, 2019, and remarketed as Released Bonds on the Closing Date, and any Series 2019B Bonds issued in exchange or replacement therefor.

“*Series 2019B Funded Interest Account*” means the funded interest account with respect to the Series 2019B Bonds created and designated as such pursuant to the Indenture.

“*Series 2019B Interest Sub-Account*” means the Series 2019B Interest Sub-Account with respect to the Series 2019B Bonds established within the Revenue Account and created and designated as such pursuant to the Collateral Agency Agreement.

“*Series 2019B Loan*” means the portion of the loan made by the PABs Issuer to the Borrower on June 20, 2019 in an amount equal to the proceeds of the Series 2019B Bonds pursuant to the Senior Loan Agreement.

“*Series 2019B PABs Mandatory Prepayment Sub-Account*” means the Series 2019B PABs Mandatory Prepayment Sub-Account with respect to the Series 2019B Bonds established within the Mandatory Prepayment Account created and designated as such pursuant to Section 5.01 of the Collateral Agency Agreement.

“*Series 2019B Principal Sub-Account*” means the Series 2019B Principal Sub-Account with respect to the Series 2019B Bonds established within the Revenue Account and created and designated as such pursuant to Section 5.01 of the Collateral Agency Agreement.

“*Series 2019B Rebate Fund*” means the Series 2019B Rebate Fund established and created pursuant to the Indenture.

“*State*” means the State of Florida.

“*Supplemental Indenture*” means any indenture supplementing or amending the Indenture that is adopted pursuant to the Indenture.

“*Swap Agreement*” means any agreement or instrument (including a cap, swap, collar, option, forward purchase agreement or other similar derivative instrument) relating to the hedging of any interest under Indebtedness or hedging of any fluctuation of prices for oil or fuel.

“*Swap Bank*” means, at any time, any Permitted Swap Counterparty party to a Permitted Swap Agreement.

“*Swap Early Termination Date*” means the date of early termination of any Permitted Swap Agreement, which date has occurred or is designated in accordance with the terms thereof.

“*Swap Obligation*” means any obligation to pay or perform under any agreement, contract or transaction that constitutes a “swap” within the meaning of Section 1a(47) of the Commodity Exchange Act.

“*Swap Termination Certificate*” means a certificate of any Swap Bank stating that a Swap Early Termination Date has occurred or has been designated under a Permitted Swap Agreement constituting a Secured Obligation Document to which it is a party and setting forth the resulting Swap Termination Payment.

“*Swap Termination Payment*” means any amount payable by the Borrower in connection with an early termination (whether as a result of the occurrence of an event of default or other termination event) of any Permitted Swap Agreement with a Swap Bank in accordance with the terms thereof.

“*Taxable Bonds*” has the meaning assigned thereto in the Indenture.

“*Taxes*” means any and all present or future taxes, levies, imposts, duties, deductions, charges or withholdings imposed by any Governmental Authority.

“*Technical Advisor*” means any independent construction engineer familiar with the Project and appropriately qualified to evaluate the construction and operation of an intercity passenger rail system and related facilities.

“*Technical Advisor Certificate*” means the Technical Advisor Certificate substantially in the form attached as Exhibit J to the Collateral Agency Agreement.

“*Termination Date*” means the date when all Secured Obligations to be Paid in Full or performed by the Borrower have been paid and performed in full.

“*Theme Park Extension*” has the meaning assigned thereto in the Indenture.

“*Theme Park Indebtedness*” has the meaning assigned thereto in the Indenture.

“*Total Debt Service Coverage Ratio*” or “*Total DSCR*” means (i) for the 12-month period ending on a Calculation Date (or, if prior to the first anniversary of the Phase 2 Revenue Service Commencement Date, any shorter period from the Phase 2 Revenue Service Commencement Date annualized for a 12-month period), or (ii) if a different calculation date or calculation period is specified in a Financing Obligation Document, then for such specified period ending or beginning on the specified calculation date (as applicable), the ratio of A divided by B where:

A = the Free Cash Flow for such period; and

B = all scheduled principal and interest payments on account of the Financing Obligations then outstanding for such period.

“*Transaction Documents*” means the Material Project Contracts and the Financing Obligation Documents.

“*Transfer Date*” means the third Business Day prior to the fifteenth calendar day of each month.

“*Treasury Regulation*” means the temporary, proposed or final federal income tax regulations promulgated by the U.S. Department of the Treasury, together with the other published written guidance thereof as applicable to the Bonds under the Code.

“*Trustee*” means Deutsche Bank National Trust Company, as Trustee pursuant to the Indenture.

“*UCC*” means the Uniform Commercial Code as in effect in the State of New York; provided that, if perfection or the effect of perfection or non-perfection or the priority of any security interest on any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than New York, “*UCC*” means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.

“*Unanimous Voting Parties*” means, with respect to any proposed decision or action hereunder, 100% of the votes of the Secured Parties. For the avoidance of doubt, Unanimous Voting Parties shall not include any votes from any Additional Senior Unsecured Indebtedness Holders.

“*Voting Party Percentage*” means, in connection with any proposed decision or action under the Collateral Agency Agreement, the actual percentage, as determined pursuant to Section 8.03(b), of allotted votes of the Secured Parties entitled to vote with respect to such decision or action cast in favor of such decision or action.

RULES OF INTERPRETATION

(a) Principles of Construction. Except as otherwise expressly provided, the following rules of interpretation shall apply to the Collateral Agency Agreement, the Senior Loan Agreement and each other Secured Obligation Document that incorporates the definitions of the Collateral Agency Agreement by reference:

(i) the definitions of terms herein shall apply equally to the singular and plural forms of the terms defined;

(ii) whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms;

(iii) the words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”;

(iv) the word “will” shall be construed to have the same meaning and effect as the word “shall”;

(v) unless the context requires otherwise, any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein or therein) and shall include any appendices, schedules, exhibits, clarification letters, side letters and disclosure letters executed in connection therewith;

(vi) any reference herein to any Person shall be construed to include such Person’s successors and assigns to the extent permitted under the Secured Obligation Documents and, in the case of any Governmental Authority, any Person succeeding to its functions and capacities;

(vii) the words “herein”, “hereof” and “hereunder”, and words of similar import, shall be construed to refer to the Collateral Agency Agreement in its entirety and not to any particular provision thereof;

(viii) all references in the Collateral Agency Agreement to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, the Collateral Agency Agreement;

(ix) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights;

(x) each reference to a Law shall be deemed to refer to such Law as the same may in effect from time to time;

(xi) references to days shall refer to calendar days unless Business Days are specified; references to weeks, months or years shall be to calendar weeks, months or years, respectively; and

(xii) Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP.

(b) Withdrawals to Occur on a Business Day. In the event that any withdrawal, transfer or payment to or from any Account contemplated under the Collateral Agency Agreement shall be required to be made on a day that is not a Business Day, such withdrawal, transfer or payment shall be made on the immediately succeeding Business Day.

(c) Delivery or Performance to Occur on a Business Day. In the event that any document, agreement or other item or action is required by any Secured Obligation Document to be delivered or performed on a day that is not a Business Day, the due date thereof shall be extended to the immediately succeeding Business Day.

FORM OF FUNDS TRANSFER CERTIFICATE

Funds Transfer Certificate No. [●]

FUNDS TRANSFER CERTIFICATE

Date: _____, ____
Date of Requested Transfer: _____, ____

Deutsche Bank National Trust Company
Trust and Agency Services
60 Wall Street, 24th Floor
Mail Stop: NYC60 – 2405
New York, New York 10005
USA
Attn: Corporates Team, Brightline Trains Florida LLC
Facsimile: (732) 578-4635

Re: Brightline Trains Florida LLC

Ladies and Gentlemen:

Reference is made to that certain Third Amended, Partially Restated and Supplemental Collateral Agency, Intercreditor and Accounts Agreement, dated as of [●], 2020 (as amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof, the “Collateral Agency Agreement”), among Brightline Trains Florida LLC (f/k/a Virgin Trains USA Florida LLC), a Delaware limited liability company (together with its permitted successors and assigns, the “Borrower”), Deutsche Bank National Trust Company, as Collateral Agent (in such capacity, the “Collateral Agent”), Deutsche Bank National Trust Company, as Trustee (in such capacity, the “Trustee”), Deutsche Bank National Trust Company, in its capacity as account bank (in such capacity, the “Account Bank”) and each other Secured Party (as defined therein) that becomes a party thereto from time to time. Capitalized terms used and not otherwise defined herein have the meanings assigned thereto (whether directly or by reference to another agreement) in the Collateral Agency Agreement.

The undersigned is a Responsible Officer of the Borrower and is delivering this certificate (this “Funds Transfer Certificate”) pursuant to Section(s) [5.02(b),] [5.02(d),] [5.03,] [5.06,] [5.07,] [5.08(b),] [5.09,] [5.11(b)] [and] [5.12] of the Collateral Agency Agreement.

1. Revenue Account. The following transfers are requested to be made from the Revenue Account on _____, ____ in accordance with this Funds Transfer Certificate as set forth in greater detail in Part A of the attached Schedule I:

- (a) **[For Transfer Dates.]** In accordance with Section 5.02(b) clause First of the Collateral Agency Agreement, we request that the Collateral Agent make disbursements in an aggregate amount of \$[●] from the Revenue Account, which amount is equal to the amount of fees, administrative costs and other expenses currently due and payable to the Agents, the PABs Issuer (only to the extent of its Reserved Rights) and any Nationally Recognized Rating Agency currently rating any of the Secured Obligations.
- (b) **[For Transfer Dates.]** In accordance with Section 5.02(b) clause Second of the Collateral Agency Agreement, we request that \$[●] be transferred from the Revenue Account to the [**Main**] Operating Account [(**account number [_____]**)] [**List additional Operating Accounts as necessary**], which amount is an amount equal to, together with amounts on deposit in the Operating Accounts, the projected O&M Expenditures for the period ending on the immediately succeeding Transfer Date. The Borrower hereby certifies that O&M Expenditures for Major Maintenance (if any) are only included in the amount requested hereby to the extent that (A) such costs are currently due or are projected to become due prior to the next Transfer Date and (B) amounts on deposit in the applicable Major Maintenance Reserve Account are insufficient to pay such costs.
- (c) **[For Transfer Dates.]** In accordance with Section 5.02(b) clause Third of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the Revenue Account and transferred to the [**Main**] Operating Account [(**account number [_____]**)] [**List additional Operating Accounts as necessary**] for the payment of Project Costs due and payable by the Borrower. The Borrower hereby certifies that this request is being made after the application of any remaining available funds in the Construction Account (or other amounts available therefor).]
- (d) **[For Transfer Dates.]** In accordance with Section 5.02(b) clause Fourth of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the Revenue Account and transferred to the [Series 2019A/Series 2019B] Rebate Fund established under the Indenture [and \$[●] be withdrawn and transferred to [●]] [**Insert name of any additional rebate fund established with respect to any tax-exempt Additional Parity Bonds**] for payments due and payable by the Borrower.

(e) **[For Transfer Dates.]** In accordance with Section 5.02(b) clause Fifth of the Collateral Agency Agreement, we request that:

(i) [(A)] \$[●] be withdrawn from the Revenue Account and transferred to the [Series 2019A/Series 2019B] Interest Sub-Account, which shall be equal to one-sixth (1/6) of the amount of interest payable on the [Series 2019A/Series 2019B] Bonds on the next Interest Payment Date; plus any deficiency from a prior Transfer Date. If the current Transfer Date is a Transfer Date occurring immediately prior to an Interest Payment Date, such amount is equal to the amount required (taking into account the amounts then on deposit in the [Series 2019A/Series 2019B] Interest Sub-Account and the Interest Account) to pay the interest due on such Interest Payment Date.

[To the extent any Additional Senior Indebtedness is Outstanding on such Transfer Date:]

(ii) \$[●] be withdrawn from the Revenue Account and transferred to the [applicable interest account established under the Collateral Agency Agreement for any outstanding Additional Senior Indebtedness] an amount equal to the amount of interest [***If any Permitted Swap Agreement was entered into in relation to such Senior Indebtedness***]/and any Ordinary Course Settlement Payments related to such Senior Indebtedness/ due on the next Interest Payment Date divided by the total number of months between Interest Payment Dates for such Additional Senior Indebtedness; plus, in each case any deficiency from a prior Transfer Date. If the current Transfer Date is a Transfer Date occurring immediately prior to an Interest Payment Date, such amount is equal to the amount required (taking into account the amounts then on deposit in any [applicable interest payment account established hereunder and any applicable interest payment account established under the other Additional Senior Indebtedness Documents]) to pay the interest [***If any Permitted Swap Agreement was entered into in relation to such Senior Indebtedness***]/and any Ordinary Course Settlement Payments related to such Senior Indebtedness/ due on such Interest Payment Date.

[To the extent the Borrower has any Permitted Senior Commodity Swaps Outstanding on such Transfer Date:]

(iii) \$[●] be withdrawn from the Revenue Account and transferred to the [applicable Swap Bank], which amount equals the amount of Ordinary Course Settlement Payments related to [Permitted Senior Commodity Swap] due on or before the Transfer Date pursuant to the [applicable Permitted Swap Agreement]; plus, in each case any deficiency from a prior Transfer Date.

(f) ***[For Transfer Dates Immediately Preceding an Interest Payment Date.]*** In accordance with Section 5.02(b) clause Fifth of the Collateral Agency Agreement, we request that:

(i) \$[●] be withdrawn from the [Series 2019A/Series 2019B] Interest-Sub Account and transferred to the Interest Account under the Indenture for the payment of interest due on the [Series 2019A/Series 2019B] Bonds;[and

[To the extent any Additional Senior Indebtedness is Outstanding on such Transfer Date:]

(ii) \$[●] be withdrawn from the [interest account for additional Senior Indebtedness established under the Collateral Agency Agreement] and transferred [in accordance with the applicable Additional Senior Indebtedness Documents] for the payment of interest ***[If any Permitted Swap Agreement was entered into in relation to such Senior Indebtedness]***and any Ordinary Course Settlement Payments related to such Senior Indebtedness] due on the [applicable Senior Indebtedness] on the next Interest Payment Date.

(g) ***[For Transfer Dates.]*** In accordance with Section 5.02(b) clause Sixth of the Collateral Agency Agreement, we request that:

[For Series 2019A Bonds or Series 2019B Bonds in the Fixed Rate Mode, for each Transfer Date occurring within 12 months of any Principal Payment Date.]

(i) \$[●] be withdrawn from the Revenue Account and transferred to the [Series 2019A/Series 2019B] Principal Sub-Account, which shall be equal to one-twelfth (1/12) of the amount of principal due on the next Principal Payment Date if the Transfer Date is within 12 months of such Principal Payment Date; plus, any deficiency from a prior Transfer Date. If the current Transfer Date is a Transfer Date occurring immediately prior to a Principal Payment Date, such amount is equal to the amount required to pay the principal payment due on such Principal Payment Date for the [Series 2019A/Series 2019B] Bonds (taking into account the amount then on deposit in the [Series 2019A/Series 2019B] Principal Sub-Account and the Principal Account).]

[To the extent any Additional Senior Indebtedness is Outstanding on such Transfer Date:]

(ii) \$[●] be withdrawn from the Revenue Account and transferred to [the principal payment account established under the Collateral Agency Agreement for Additional Senior Indebtedness], which amount is equal to [the amount of principal required to be deposited into such principal payment account] for [such Additional

Senior Indebtedness/ as set forth in /the applicable Additional Senior Indebtedness Documents/; plus, any deficiency from a prior Transfer Date. If the current Transfer Date is a Transfer Date occurring immediately prior to a Principal Payment Date, such amount is equal to the amount required to pay the principal payment due on such Principal Payment Date for the /applicable Additional Senior Indebtedness//***If any Permitted Swap Agreement was entered into in relation to such Senior Indebtedness***//, including in the case of any Permitted Swap Agreement related to such Senior Indebtedness, Swap Termination Payments/ (taking into account the amounts then on deposit in /the principal payment sub-account established under the Collateral Agency Agreement/ and /any principal payment account established under the applicable Additional Senior Indebtedness Documents/ for the payment of principal on /such Additional Senior Indebtedness/).

[To the extent the Borrower has any Permitted Senior Commodity Swaps Outstanding on such Transfer Date and such Transfer Date Occurs Immediately Prior to a Swap Termination Payment Due Date for such Permitted Senior Commodity Swap:]

(iii) ***[/\$(●) be withdrawn from the Revenue Account and transferred to /applicable Swap Bank/, which shall be equal to the amount required to pay the Swap Termination Payment due on [Insert due date] pursuant to /applicable Permitted Swap Agreement/.***

- (h) ***[For Series 2019A Bonds or Series 2019B Bonds in the Term Rate Mode, for each Transfer Date occurring within 12 months of any Principal Payment Date.]*** In accordance with Section 5.02(b) clause Sixth of the Collateral Agency Agreement, we request that ***[/\$(●) be withdrawn from the Revenue Account and transferred to the [Series 2019A/Series 2019B] Principal Sub-Account, which amount is equal to one-twelfth (1/12) of the amount required to pay the principal payment due on the next Principal Payment Date (including, with respect to any Principal Payment Date that constitutes a Mandatory Tender Date for the [Series 2019A/Series 2019B] Bonds, the principal amount of any mandatory sinking fund redemption due on such Mandatory Tender Date, but excluding the Purchase Price of the [Series 2019A/Series 2019B] Bonds due on such Mandatory Tender Date) for the [Series 2019A/Series 2019B] Bonds. If the current Transfer Date is a Transfer Date occurring immediately prior to a Principal Payment Date, such amount is equal to the amount required to pay the principal payment due on such Principal Payment Date for the [Series 2019A/Series 2019B] Bonds, including, with respect to any Principal Payment Date that constitutes a Mandatory Tender Date for the [Series 2019A/Series 2019B] Bonds, the amount of any mandatory sinking fund redemption due on such Mandatory Tender Date, but excluding the Purchase Price of the [Series 2019A/Series 2019B] Bonds due on such Mandatory***

Tender Date (taking into account the amount then on deposit in the [Series 2019A/Series 2019B] Principal Sub-Account and the Principal Account).

- (i) In accordance with Section 5.02(b) clause Seventh of the Collateral Agency Agreement, we request that:

(i) ***[For Transfer Dates on and after the Phase 2 Revenue Service Commencement Date.]*** \$[●] be withdrawn from the Revenue Account and transferred to the Initial Debt Service Reserve Account, which amount is equal to the amount necessary to fund such account so that the balance therein (taking into account the amount available for drawing under any Qualified Reserve Account Credit Instrument provided with respect thereto) equals the applicable Initial Debt Service Reserve Requirement for the immediately preceding Calculation Date.

(ii) ***[For any date on which an Additional Debt Service Reserve Account is created and established in connection with the issuance or incurrence by the Borrower of applicable Additional Senior Secured Indebtedness]*** \$[●] be withdrawn from the Revenue Account and transferred to ~~the~~ applicable Additional Debt Service Reserve Account, which amount is equal to the amount necessary to fund such account so that the balance therein (taking into account the amount available for drawing under any Qualified Reserve Account Credit Instrument provided with respect thereto) equals the applicable Additional Debt Service Reserve Requirement.

- (j) In accordance with Section 5.02(b) clause Eighth of the Collateral Agency Agreement, we request that:

(i) ***[For Transfer Dates beginning after December 31, 2020.]*** \$[●] be withdrawn from the Revenue Account and transferred to the Initial Major Maintenance Reserve Account, which amount is equal to the amount necessary to fund such account so that the balance therein equals the applicable Major Maintenance Reserve Required Balance.

(ii) ***[For dates on and after an Additional Major Maintenance Reserve Account is created and established in connection with the issuance or incurrence by the Borrower of Additional Senior Secured Indebtedness.]*** \$[●] be withdrawn from the Revenue Account and transferred to the ~~the~~ applicable Additional Major Maintenance Reserve Account, which amount is equal to the amount necessary to fund such account so that the balance therein equals the current applicable Major Maintenance Reserve Required Balance.

- (k) In accordance with Section 5.02(b) clause Ninth of the Collateral Agency Agreement, we request that:

- (i) ***[For Transfer Dates.]*** \$[●] be withdrawn from the Revenue Account and transferred to the Initial O&M Reserve Account, which amount is equal to the amount necessary to fund such account so that the balance therein equals the applicable O&M Reserve Requirement.
- (ii) ***[For dates on and after an Additional O&M Reserve Account is created and established in connection with the issuance or incurrence by the Borrower of Additional Senior Secured Indebtedness.]*** \$[●] be withdrawn from the Revenue Account and transferred to *[the applicable Additional O&M Reserve Account]*, which amount is equal to the amount necessary to fund such account so that the balance therein equals the current applicable O&M Reserve Requirement.
- (l) ***[For Transfer Dates.]*** In accordance with Section 5.02(b) clause Tenth of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the Revenue Account and transferred to the Person identified on Part A of Schedule I hereto, to pay any debt service due or becoming due prior to the next Transfer Date on Indebtedness *[or under any Permitted Swap Agreement]* permitted under the Secured Obligation Documents (other than the Indebtedness or Permitted Swap Agreements serviced pursuant to another clause of this Flow of Funds), including interest, fees, principal and premium, if any, in respect of such Indebtedness *[and Ordinary Course Settlement Payments and Swap Termination Payments in respect of such Permitted Swap Agreements]*.
- (m) ***[For dates within the 15-day period commencing on a Distribution Date.]*** In accordance with Section 5.02(b) clause Eleventh of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the Revenue Account and transferred to the Person identified on Part A of Schedule I hereto, to pay interest on *[Permitted Subordinated Debt]*. In connection herewith, the Borrower is delivering a duly executed Distribution Release Certificate substantially in the form of Exhibit E to the Collateral Agency Agreement, certifying that the Restricted Payment Conditions have been satisfied as of the applicable Distribution Date.
- (n) ***[For dates within the 15-day period commencing on a Distribution Date.]*** In accordance with Section 5.02(b) clause Twelfth of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the Revenue Account and transferred to the Person identified on Part A of Schedule I hereto, to pay scheduled principal on *[Permitted Subordinated Debt]*. In connection herewith, the Borrower is delivering a duly executed Distribution Release Certificate substantially in the form of Exhibit E to the Collateral Agency Agreement, certifying that the Restricted Payment Conditions have been satisfied as of the applicable Distribution Date.
- (o) ***[For Transfer Dates.]*** In accordance with Section 5.02(b) clause Thirteenth of the Collateral Agency Agreement, we request that:

(i) \$[●] be withdrawn from the Revenue Account and transferred to the Trustee as identified on Part A of Schedule I hereto for repayment of the [Series 2019A/Series 2019B] Bonds at the Borrower's option in accordance with the Indenture. Such prepayment is in accordance with the Indenture.

(ii) \$[●] be withdrawn from the Revenue Account and transferred to the Person identified on Part A of Schedule I hereto, for prepayment or optional redemption at the Borrower's option [on the Secured Obligations]. Such amount includes any interest or premium payable in connection with such prepayment or redemption and such prepayment or optional redemption is in accordance with the [Secured Obligation Documents].

(p) **[For dates within the 15-day period commencing on a Distribution Date.]** In accordance with Section 5.02(b) clause Fourteenth of the Collateral Agency Agreement, we request that:

[Solely to the extent that the Restricted Payment Conditions have been satisfied as of the applicable Distribution Date:]

\$[●] be withdrawn from the Revenue Account and transferred to the Distribution Account, which amount represents the amount remaining on deposit in the Revenue Account after giving effect to the withdrawals and transfers referred to in clauses (a) through (p) above on the Transfer Date that constituted the applicable Distribution Date and does not exceed the amounts on deposit in the Revenue Account as of such Transfer Date. In connection herewith, the Borrower is delivering a duly executed Distribution Release Certificate substantially in the form of Exhibit E to the Collateral Agency Agreement, certifying that the Restricted Payment Conditions have been satisfied as of the applicable Distribution Date.

[If the Restricted Payment Conditions have not been satisfied as of such date:]

\$[●] be withdrawn from the Revenue Account and transferred to the Equity Lock-Up Account, which amount represents the amount remaining on deposit in the Revenue Account after giving effect to the withdrawals and transfers referred to in clauses (a) through (p) above on the Transfer Date that constituted the applicable Distribution Date and does not exceed the amounts on deposit in the Revenue Account as of such Transfer Date.

2. Loss Proceeds Account. In accordance with Section 5.03 of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the Loss Proceeds Account and transferred to the Borrower to be applied to Restore the Project or any portion thereof, as set forth in greater detail in Part B of the attached Schedule I. ***[If applicable:]*** [To the extent that (A) amounts on deposit in the Loss Proceeds Account exceed the amount required to Restore the Project or any

portion thereof to the condition existing prior to the Loss Event or (B) the affected property cannot be Restored to permit operation of the Project on a Commercially Feasible Basis, we request that \$[●] be withdrawn from the Loss Proceeds Account and transferred to ~~the applicable sub-account of the Mandatory Prepayment Account~~ to cause the pro rata extraordinary mandatory redemption of the [Series 2019A/Series 2019B] Bonds ~~and Additional Senior Indebtedness~~ ***[Solely if funds remain]*** [and, \$[●] be withdrawn from the Loss Proceeds Account and transferred to ~~the applicable sub-account of the Mandatory Prepayment Account~~ to cause the prepayment of any remaining Secured Obligations] ***[Solely if funds remain]*** [and \$[●] be withdrawn from the Loss Proceeds Account and transferred to the Revenue Account to be applied in accordance with Section 5.02(b) of the Collateral Agency Agreement]. We have delivered to the Collateral Agent a certificate of a Responsible Officer of the Borrower certifying to the foregoing.

3. Initial Major Maintenance Reserve Account. In accordance with Section 5.06, the following transfers are requested to be made from the Initial Major Maintenance Reserve Account in accordance with this Funds Transfer Certificate as set forth in greater detail in Part C of the attached Schedule I:

- (a) ***[Commencing on the first Transfer Date immediately following December 31, 2020, on each Transfer Date on which Major Maintenance Costs are due and payable or reasonably expected to become due and payable prior to the next succeeding Transfer Date.]*** In accordance with Sections ~~[5.06(a)]~~~~[5.06(b)]~~ of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the Initial Major Maintenance Reserve Account and transferred to ~~the Persons~~~~the [Main] Operating Account [(account number [_____])]~~***[List additional Operating Accounts as necessary]*** as set forth in greater detail in Part C of the attached Schedule I. Such amounts are being used to pay Major Maintenance Costs in accordance with the Major Maintenance Plan.
- (b) ***[To the extent there are funds on deposit in the Non-Completed Work Sub-Account.]*** In accordance with Section 5.06(c) of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the Non-Completed Work Sub-Account and transferred to the Person specified in greater detail in Part C of the attached Schedule I. Such amounts are being used to pay the costs of completing the Non-Completed Work for which such amounts were initially deposited into the Non-Completed Work Sub-Account.
- (d) ***[To the extent there are funds on deposit in the Non-Completed Work Sub-Account after making withdrawals and transfers specified in clauses (a) and (b) above.]*** In accordance with Section 5.06(c) of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the Non-Completed Work Sub-Account and transferred to the Revenue Account. The Non-Completed Work for which such amounts were initially deposited into the Non-Completed Work Sub-Account has been completed.

- (e) ***[To the extent that on any Transfer Date there are funds on deposit in any Major Maintenance Reserve Account that are in excess of the applicable Major Maintenance Reserve Required Balance.]*** In accordance with Section 5.06(e) of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the ***[Initial Major Maintenance Reserve Account][applicable Major Maintenance Reserve Account]*** and transferred to the Revenue Account, such amounts are in excess of the Major Maintenance Reserve Required Balance.

[For dates on and after any Additional Major Maintenance Reserve Account is created and established in connection with the issuance or incurrence by the Borrower of Additional Senior Secured Indebtedness.]

[Applicable Additional Major Maintenance Reserve Account.] In accordance with Section 5.06 of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the ***[Additional Major Maintenance Reserve Account]*** and transferred to ***[in accordance with the applicable Additional Senior Secured Indebtedness Documents]*** in accordance with this Funds Transfer Certificate as set forth in greater detail in Part C of the attached Schedule I.

4. Initial O&M Reserve Account. In accordance with Section 5.07 of the Collateral Agency Agreement, the following transfers are requested to be made from the Initial O&M Reserve Account in accordance with this Funds Transfer Certificate as set forth in greater detail in Part D of the attached Schedule I

- (a) we request that \$[●] be withdrawn from the Initial O&M Reserve Account and transferred to the ***[Main]*** Operating Account ***[(account number [_____])]*** ***[List additional Operating Accounts as necessary]*** as set forth in greater detail in Part D of the attached Schedule I. Such amounts are being used to pay for O&M Expenditures ***[Insert the following for dates after the Initial O&M Reserve Account Trigger Date: and no other amounts are available therefor in the Operating Accounts, the Revenue Account, the Initial Major Maintenance Reserve Accounts, the Ramp-Up Reserve Account or the Equity Lock-Up Account].***
- (b) ***[To the extent that on any Transfer Date after the Initial O&M Reserve Account Trigger Date there are funds on deposit in any O&M Reserve Account that are in excess of the applicable O&M Reserve Requirement.]*** In accordance with Sections 5.02(d) and 5.07(c) of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the ***[applicable O&M Reserve Account]*** and transferred to the Revenue Account, such amounts are in excess of the ***[applicable O&M Reserve Requirement]***.

[For dates on and after an Additional O&M Reserve Account is created and established in connection with the issuance or incurrence by the Borrower of Additional Senior Secured Indebtedness.]

[Applicable Additional O&M Reserve Account.] In accordance with Section 5.07, we request that \$[●] be withdrawn from the *[Additional O&M Reserve Account]* and transferred to *[in accordance with the applicable Additional Senior Indebtedness Documents]* the following transfers are requested to be made from the *[Applicable Additional O&M Maintenance Reserve Account]* in accordance with this Funds Transfer Certificate as set forth in greater detail in Part D of the attached Schedule I.

5. Ramp-Up Reserve Account. In accordance with Section 5.08, the following transfers are requested to be made from the Ramp-Up Reserve Account in accordance with this Funds Transfer Certificate as set forth in greater detail in Part E of the attached Schedule I:

- (a) ***[On a date before the Phase 2 Revenue Service Commencement Date or after July 1, 2023/4.]*** In accordance with Section 5.08(b) of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the Ramp-Up Reserve Account and transferred to the *[Main]* Operating Account *[(account number [_____])]* ***[List additional Operating Accounts as necessary]*** to pay O&M Expenditures then due and payable. There are not sufficient funds for the payment thereof in the Operating Accounts, the Revenue Account or any other accounts available therefore under the Collateral Agency Agreement.

6. Mandatory Prepayment Account. The following transfers are requested to be made from the Mandatory Prepayment Account in accordance with this Funds Transfer Certificate as set forth in greater detail in Part F of the attached Schedule I:

- (a) In accordance with Section 5.09(a) of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the *[Series 2019A/Series 2019B]* PABs Mandatory Prepayment Sub-Account and transferred to the Trustee for prepayment of the *[Series 2019A/Series 2019B]* Bonds.

[To the extent any Additional Senior Secured Indebtedness is Outstanding on such Date:]

- (b) In accordance with Section 5.09(a) of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the *[applicable sub-account created under the Mandatory Prepayment Account]* for the prepayment of *[the Additional Senior Secured Indebtedness]* and transferred to the applicable Secured Debt Representative.

7. Equity Lock-Up Account. The following transfers are requested to be made from the Equity Lock-Up Account in accordance with this Funds Transfer Certificate as set forth in greater detail in Part G of the attached Schedule I:

- (a) *[For dates within the 15 days after any Distribution Date.]* In accordance with Section 5.11(b) of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the Equity Lock-Up Account and transferred to the Distribution Account. Such amount is not in excess of the amount of funds in the Equity Lock-Up Account on the Distribution Date. In connection herewith, the Borrower is delivering a duly executed Distribution Release Certificate substantially in the form of Exhibit E to the Collateral Agency Agreement, certifying that the Restricted Payment Conditions have been satisfied.
- (b) In accordance with Section 5.11(c) of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the Equity Lock-Up Account and transferred to the applicable Secured Debt Representatives to make such mandatory prepayment or redemption as is required under the applicable Secured Obligation Documents as a result of a failure to satisfy the Restricted Payment Conditions.
- (c) In accordance with Section 5.11(d) of the Collateral Agency Agreement, we request that \$[●] be withdrawn from the Equity Lock-Up Account and transferred to *[describe Person to whom prepayment or optional redemption is directed]*.

8. Capital Projects Account. The following transfers are requested to be made from the Capital Projects Account in accordance with this Funds Transfer Certificate as set forth in greater detail in Part H of the attached Schedule I:

- (a) In accordance with Section 5.12 of the Collateral Agency Agreement and Section 6.02 of the Senior Loan Agreement, we request that \$[●] be withdrawn from the Capital Projects Account and used to pay the costs of Capital Projects as set forth in Part H of Schedule I attached hereto. Such Capital Projects are permitted pursuant to Section 6.02 of the Senior Loan Agreement.

The Borrower hereby certifies that the withdrawals and transfers requested above comply in all respects with the requirements of the Collateral Agency Agreement.

IN WITNESS WHEREOF, the Borrower has caused this Funds Transfer Certificate to be duly executed and delivered by a Responsible Officer of the Borrower as of the date first written above.

BRIGHTLINE TRAINS FLORIDA LLC,
as Borrower

By: _____
Name:
Title:

Schedule I
to Funds Transfer Certificate

DETAILED DISBURSEMENTS

[Borrower to attach excel spreadsheets (in pdf format) with appropriate detail, divided by Parts A through H]

Part A: Disbursements from Revenue Account

Part B: Disbursements from Loss Proceeds Account

Part C: Disbursements from Initial Major Maintenance Reserve Account

Part D: Disbursements from Initial O&M Reserve Account

Part E: Disbursements from Ramp-Up Reserve Account

Part F: Disbursements from Mandatory Prepayment Account

Part G: Disbursements from Equity Lock-Up Account

Part H: Disbursements from Capital Projects Account

ACCOUNTS**Project Accounts Held by Account Bank**

Number	Account Name
	Brightline FL Revenue
	Brightline FL Revenue - Interest Series 2019A
	Brightline FL Revenue - Interest Series 2019B
	Brightline FL Revenue - Principal Series 2019A
	Brightline FL Revenue - Principal Series 2019B
	Brightline FL Loss Proceeds
	Brightline FL Construction
	Brightline FL PABs Proceeds Sub-Account
	Brightline FL PABs Counties Equity Contribution Sub-Account
	Brightline FL Non-PABs Counties Equity Contribution Sub-Account
	Brightline FL Other Proceeds Sub-Account
	Brightline FL Debt Service Reserve
	Brightline FL Major Maintenance Reserve
	Brightline FL MMR Non-Completed Work
	Brightline FL O&M Reserve
	Brightline FL Ramp-Up Reserve
	Brightline FL Mandatory Prepayment
	Brightline FL PABs Mandatory Prepayment Series 2019A
	Brightline FL PABs Mandatory Prepayment Series 2019B
	Brightline FL Capital Projects
	Brightline FL Equity Lock-Up

Project Accounts Held by Deposit Account Bank

Number	Account Name
	Main Operating Account subject to the security interest of Deutsche Bank National Trust Company, as Collateral Agent
	Equity Funded Account subject to the security interest of Deutsche Bank National Trust Company, as Collateral Agent
	Collection Account subject to the security interest of Deutsche Bank National Trust Company, as Collateral Agent
	Collection Account subject to the security interest of Deutsche Bank National Trust Company, as Collateral Agent

BRIGHTLINE TRAINS FLORIDA LLC

INCUMBENCY CERTIFICATE

The undersigned certifies that s/he is the **[INSERT TITLE]** of Brightline Trains Florida LLC (f/k/a Virgin Trains USA Florida LLC), a Delaware limited liability company (together with its permitted successors and assigns, the “Borrower”), and as such s/he is authorized to execute this Certificate and further certifies that the following persons have been elected or appointed, are qualified, and are now acting as officers of the Borrower in the capacity or capacities indicated below, and that the signatures set forth opposite their respective names are their true and genuine signatures. S/he further certifies that any of the persons listed below is authorized **[CHOOSE ONE: individually or jointly with one other person]** to sign agreements and give written instructions with regard to any matters pertaining to the Collateral Agency Agreement:

<u>Name</u>	<u>Title / Phone</u>	<u>Signature</u>
_____	/	_____
_____	/	_____
_____	/	_____

IN WITNESS WHEREOF, I have duly executed and delivered this Incumbency Certificate of the Borrower this _____ day of _____, 20__.

BRIGHTLINE TRAINS FLORIDA LLC

Name:
Title:

FORM OF DISTRIBUTION RELEASE CERTIFICATE

DISTRIBUTION RELEASE CERTIFICATE

Date: _____, ____
Date of Requested Distribution: _____, ____

Deutsche Bank National Trust Company
Trust and Agency Services
60 Wall Street, 24th Floor
Mail Stop: NYC60 – 2405
New York, New York 10005
USA
Attn: Corporates Team, Brightline Trains Florida LLC
Facsimile: (732) 578-4635

Re: Brightline LLC

Ladies and Gentlemen:

Reference is hereby made to that certain Third Amended, Partially Restated and Supplemental Collateral Agency, Intercreditor and Accounts Agreement, dated as of [●], 2020, (the “Collateral Agency Agreement”), among Brightline Trains Florida LLC (f/k/a Virgin Trains USA Florida LLC), a Delaware limited liability company (together with its permitted successors and assigns, the “Borrower”), Deutsche Bank National Trust Company, as Collateral Agent (in such capacity, the “Collateral Agent”), Deutsche Bank National Trust Company, as Trustee (in such capacity, the “Trustee”), Deutsche Bank National Trust Company, in its capacity as account bank (in such capacity, the “Account Bank”) and each other Secured Party (as defined therein) that becomes a party thereto from time to time.

This certificate (this “Distribution Release Certificate”) is delivered to you in connection with Section [5.02(b)] [and 5.11(b)] of the Collateral Agency Agreement and in connection with the transfer of funds from [the Revenue Account][Equity Lock-Up Account] to the [Distribution Account by the Borrower][payment of Permitted Subordinated Debt by the Borrower].

The undersigned is a Responsible Officer of the Borrower and in such capacity does hereby certify on behalf of the Borrower with respect to the transfer of funds to the [Distribution Account][payment of Permitted Subordinated Debt] (the “Restricted Payment”) requested hereby: ***[If any Additional Senior Indebtedness is outstanding, insert any additional Restricted Payment Conditions in accordance with the applicable Additional Senior Indebtedness Documents]***

EXHIBIT E

to Collateral Agency Agreement

1. All transfers and distributions required to be made pursuant to clauses First through Thirteenth of the Flow of Funds on or prior to such Distribution Date will have been satisfied in full.
2. Each required reserve account, to the extent required by the Secured Obligation Documents, is fully funded in cash or, to the extent permitted by the Secured Obligation Documents, with a Qualified Reserve Credit Instrument and satisfying the other conditions to delivery and maintenance thereof.
3. The Total DSCR is at least equal to the Lock-Up Total DSCR, and the Total DSCR for the 12-month period following such Distribution Date, taking into account the transfer requested herein, is projected to be at least equal to the Lock-Up Total DSCR (as demonstrated on Annex A attached hereto).
4. No Potential Secured Obligation Event of Default or Secured Obligation Event of Default under any Financing Document has occurred and is continuing or would exist as a result of making the payment requested herein.

* * *

IN WITNESS WHEREOF, the undersigned, a Responsible Officer of the Borrower, has duly executed and delivered this Distribution Release Certificate as of the date first written above.

BRIGHTLINE TRAINS FLORIDA LLC,
as Borrower

By: _____
Name:
Title:

Annex A
to Distribution Release Certificate

CALCULATIONS DEMONSTRATING THE TOTAL DSCR AND PROJECTED TOTAL
DSCR

[See attached.]

FORM OF ACCESSION AGREEMENT

ACCESSION AGREEMENT

[____], 20[_]

To: Deutsche Bank National Trust Company., as
Collateral Agent

From: [*Name of Additional Secured Party*] (the “New Representative”)

Reference is made to that certain Third Amended, Partially Restated and Supplemental Collateral Agency, Intercreditor and Accounts Agreement, dated as of [●], 2020 (as amended, modified or supplemented from time to time, the “Agreement”), among Brightline Trains Florida LLC (f/k/a Virgin Trains USA Florida LLC), a limited liability company duly organized under the laws of the State of Delaware (together with its permitted successors and assigns, the “Borrower”), Deutsche Bank National Trust Company, in its capacity as collateral agent (the “Collateral Agent”), Deutsche Bank National Trust Company, in its capacity as Account Bank, Deutsche Bank National Trust Company, in its capacity as Trustee, and each other Secured Party from time to time party thereto. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed thereto in the Agreement.

To secure the Borrower’s obligations with respect to the Secured Obligations, the Borrower has entered into certain Security Documents, including, but not limited to, the Agreement. A Person shall become a Secured Party under the Agreement by executing and delivering, or upon the execution and delivery by its Secured Debt Representative of, a copy of this Accession Agreement to the Collateral Agent.

This Accession Agreement is being delivered to you pursuant to Section 7.06 of the Agreement. In consideration of the New Representative becoming a Secured Party in accordance with Section 7.06 of the Agreement, by executing and delivering this Accession Agreement the New Representative hereby confirms that from the date of delivery of this Agreement, in accordance with Section 7.06 it shall become a party to the Agreement as a [counterparty to a Permitted Swap Agreement] [Secured Debt Representative] for all purposes thereof. As a party to the Agreement, the New Representative agrees to be bound as a [counterparty to a Permitted Swap Agreement] [Secured Debt Representative] by all of the terms and conditions of the Agreement and the other Security Documents as a [counterparty to a Permitted Swap Agreement] [Secured Debt Representative] for all purposes thereof on the

EXHIBIT F
to Collateral Agency Agreement

terms set forth therein as fully as if the New Representative had executed and delivered the Agreement as of the date thereof as a [counterparty to a Permitted Swap Agreement] [Secured Debt Representative]. The New Representative agrees to be bound by any amendment, waiver or modification to the Agreement, and any direction issued thereunder, as if a party to the Agreement as a [counterparty to a Permitted Swap Agreement] [Secured Debt Representative] on the date thereof. Furthermore, the New Representative undertakes to perform all obligations of a [counterparty to a Permitted Swap Agreement] [Secured Debt Representative] under the Agreement and the other Security Documents.

The New Representative is duly authorized to execute and deliver this Accession Agreement. The execution by the New Representative of this Accession Agreement shall evidence its consent to and acknowledgment and approval of the terms set forth herein and in the Agreement.

Upon execution of this Accession Agreement, the Agreement shall be deemed to be amended as set forth above. Except as amended herein, the terms and provisions of the Agreement are hereby ratified, confirmed and approved in all respects.

Deutsche Bank National Trust Company is hereby appointed by the New Representative, on behalf of itself and [*describe other secured parties*] (the “New Secured Parties”), as the Collateral Agent pursuant to the Agreement, and the Collateral Agent is irrevocably authorized and empowered to act as Collateral Agent, for the benefit of the New Secured Parties and all other Secured Parties, on behalf of the New Representative under the Agreement.

The provisions of Article XIII of the Agreement will apply with like effect to this Accession Agreement.

For purposes of Section 13.03 of the Agreement, the address and the contact number of the New Representative are as follows:

[*address*]
Attention: [_____]
Facsimile: [_____]
Email: [_____]
Telephone: [_____]

EXHIBIT F
to Collateral Agency Agreement

IN WITNESS WHEREOF, the undersigned has caused this Accession Agreement to be duly executed as of the date first set forth above.

[NAME OF ADDITIONAL SECURED PARTY]

By: _____
Name:
Title:

Acknowledged and agreed:
DEUTSCHE BANK NATIONAL
TRUST COMPANY,
not in its individual capacity but solely as
Collateral Agent

By: _____
Name:
Title:

FORM OF REAFFIRMATION AGREEMENT

REAFFIRMATION AGREEMENT

Reference is made to that certain Third Amended, Partially Restated and Supplemental Collateral Agency, Intercreditor and Accounts Agreement, dated as of [●], 2020 (as amended, modified or supplemented from time to time, the “Agreement”), among Brightline Trains Florida LLC (f/k/a Virgin Trains USA Florida LLC), a limited liability company duly organized under the laws of the State of Delaware (together with its permitted successors and assigns, the “Borrower”), Deutsche Bank National Trust Company, in its capacity as collateral agent (the “Collateral Agent”), Deutsche Bank National Trust Company, in its capacity as Account Bank, Deutsche Bank National Trust Company, in its capacity as Trustee, and each other Secured Party from time to time party thereto. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed thereto in the Agreement.

This Reaffirmation Agreement is being executed and delivered as of _____, 20__ in connection with Additional Senior Indebtedness incurred as of even date herewith and an Accession Agreement of even date herewith. The Borrower has designated the New Debt (as defined below) as Additional Senior Indebtedness entitled to the benefit of the Agreement. Pursuant to the Accession Agreement, [name of new Secured Debt Representative] (the “New Representative”), among other things, has agreed to become bound by all terms of the Agreement and has reaffirmed and appointed Deutsche Bank National Trust Company as the Collateral Agent for the benefit of the applicable Additional Senior Indebtedness Holders, the other Secured Parties, and the successors and assigns of each of the foregoing.

The Borrower hereby consents to the designation of the additional obligations owed pursuant to that certain [describe loan agreement or other debt document] (the “New Debt”) as Additional Senior Indebtedness and hereby confirms its respective guarantees, pledges, grants of security interests and other obligations, as applicable, under and subject to the terms of the Agreement and the other Security Documents, and agrees that, notwithstanding the designation of such additional indebtedness or any of the transactions contemplated thereby, such guarantees, pledges, grants of security interests and other obligations, and the terms of each Secured Obligation Document to which it is a party, are not impaired or adversely affected in any manner whatsoever and shall continue to be in full force and effect and such Additional Senior Indebtedness shall be entitled to all of the benefits of such Secured Obligation Documents.

To secure the prompt and complete payment, performance and observance of all of the Secured Obligations (including, in any event, the New Debt) and all amendments, modifications, and supplements thereto and renewals, extensions, restructurings and refinancings thereof, (i) the

EXHIBIT G
to Collateral Agency Agreement

Borrower hereby grants a Security Interest to the Collateral Agent for the benefit of the Secured Parties, upon all of its right, title and interest in, to and under the Grantor Collateral (as defined in the Security Agreement) and (ii) AAF Operations Holdings LLC, a Delaware limited liability company (the “Pledgor”) hereby grants a Security Interest to the Collateral Agent for the benefit of the Secured Parties, upon all of its right, title and interest in, to and under the Pledged Collateral (as defined in the Amended and Restated Pledge Agreement, dated as of April 18, 2019, between the Pledgor and the Collateral Agent). In addition, the undersigned hereby authorizes the filing of, and agrees to file, financing statements and/or amendments to financing statements in any jurisdiction and with any filing office. The Borrower agrees that such financing statements may describe the Grantor Collateral in the same manner as described in the Security Agreement or as “all assets” or “all personal property”, whether now owned or in the future acquired by the Borrower and whether now existing or in the future coming into existence and wherever located or words of similar meaning or such other description as the Collateral Agent or the Required Secured Parties determine is necessary or advisable. The provisions of Article XIII of the Agreement will apply with like effect to this Reaffirmation Agreement.

EXHIBIT G
to Collateral Agency Agreement

IN WITNESS WHEREOF, each of the undersigned has caused this Reaffirmation Agreement to be duly executed as of the date written above.

BRIGHTLINE TRAINS FLORIDA LLC,
as the Borrower

By: _____
Name:
Title:

AAF OPERATIONS HOLDINGS LLC,
as the Pledgor

By: _____
Name:
Title:

Acknowledged and agreed:
DEUTSCHE BANK NATIONAL
TRUST COMPANY,
not in its individual capacity but solely as
Collateral Agent

By: _____
Name:
Title:

EXHIBIT G
to Collateral Agency Agreement

Acknowledged and agreed:
[ADDITIONAL SECURED DEBT
REPRESENTATIVE]

By: _____
Name:
Title:

EXHIBIT E
to Collateral Agency Agreement

FORM OF MORTGAGE MODIFICATION CERTIFICATE

MORTGAGE MODIFICATION CERTIFICATE

Date: _____, _____

Deutsche Bank National Trust Company
Trust and Agency Services
60 Wall Street, 24th Floor
Mail Stop: NYC60 – 2405
New York, New York 10005
USA
Attn: Corporates Team, Brightline Trains Florida LLC
Facsimile: (732) 578-4635

Re: Brightline Trains Florida LLC

Ladies and Gentlemen:

Reference is hereby made to that certain Third Amended, Partially Restated and Supplemental Collateral Agency, Intercreditor and Accounts Agreement, dated as of [●], 2020, (the “Collateral Agency Agreement”), among Brightline Trains Florida LLC (f/k/a Virgin Trains USA Florida LLC), a Delaware limited liability company (the “Borrower”), Deutsche Bank National Trust Company, as Collateral Agent (in such capacity, the “Collateral Agent”), Deutsche Bank National Trust Company, as Trustee (in such capacity, the “Trustee”), Deutsche Bank National Trust Company, in its capacity as account bank (in such capacity, the “Account Bank”) and each other Secured Party (as defined therein) that becomes a party thereto from time to time.

This certificate (this “Mortgage Modification Certificate”) is delivered to you in connection with Section 12.01(b) of the Collateral Agency Agreement and [Section [___]] of the Mortgage attached hereto as Exhibit A. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Mortgage.

The undersigned is a Responsible Officer of the Borrower and in such capacity does hereby certify on behalf of the Borrower with respect to the Mortgage Modification requested hereby:

1. The transaction relating to the requested Mortgage Modification is described on Exhibit B attached hereto.

EXHIBIT H

to Collateral Agency Agreement

2. The requested Mortgage Modification is attached hereto as Exhibit C.
3. That (x) such Mortgage Modification would not, as of the date of this Mortgage Modification Certificate, cause material adverse effect on the value of the Collateral taken as a whole and would not materially adversely impair Mortgagor's ability to complete or operate the Project or (y) the subject of such Mortgage Modification is described in the Limited Offering Memorandum (as defined in the Indenture) or is a Permitted Easement, Permitted Indebtedness, Permitted Sales and Dispositions, Permitted Security Instrument or other transaction, security or grant that is otherwise not prohibited by the Senior Loan Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

EXHIBIT H
to Collateral Agency Agreement

IN WITNESS WHEREOF, the undersigned, a Responsible Officer of the Borrower, has duly executed and delivered this Mortgage Amendment Certificate as of the date first written above.

BRIGHTLINE TRAINS FLORIDA FLORIDA
LLC,
as Borrower

By: _____
Name:
Title:

FORM OF CONSTRUCTION ACCOUNT WITHDRAWAL CERTIFICATE

CONSTRUCTION ACCOUNT WITHDRAWAL CERTIFICATE

Requisition No. _____

Florida Development Finance Corporation
Surface Transportation Facility Revenue Bonds
(Brightline Florida Passenger Rail Project), Series 2019A/Series 2019B

Deutsche Bank National Trust Company
Trust and Agency Services
60 Wall Street, 24th Floor
Mail Stop: NYC60 – 2405
New York, New York 10005
USA
Attn: Corporates Team, Virgin Trains USA Florida LLC
Facsimile: (732) 578-4635

Ladies and Gentlemen:

Reference is made to that certain Third Amended, Partially Restated and Supplemental Collateral Agency, Intercreditor and Accounts Agreement, dated as of [●], 2020 (as amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof, the “Collateral Agency Agreement”), among Brightline Trains Florida LLC (f/k/a Virgin Trains USA Florida LLC), a Delaware limited liability company (together with its permitted successors and assigns, the “Borrower”), Deutsche Bank National Trust Company, as Collateral Agent (in such capacity, the “Collateral Agent”), Deutsche Bank National Trust Company, as Trustee (in such capacity, the “Trustee”), Deutsche Bank National Trust Company, in its capacity as account bank (in such capacity, the “Account Bank”) and each other Secured Party (as defined therein) that becomes a party thereto from time to time. Capitalized terms used and not otherwise defined herein have the meanings assigned thereto (whether directly or by reference to another agreement) in the Collateral Agency Agreement.

On behalf of the Borrower, I hereby requisition, pursuant to Section 5.04(f) of the Collateral Agency Agreement, from the [PABs Proceeds Sub-Account][PABs Counties Equity Contribution Sub-Account][Non-PABs Counties Equity Sub-Account][Other Proceeds Sub-Account] of the Construction Account the sums identified in Exhibit A attached hereto to be paid to the persons listed in Exhibit A, in the amounts and at the addresses and for the purposes set forth therein.

EXHIBIT I
to Collateral Agency Agreement

Invoices or other appropriate evidence of the incurrence of each obligation described in Exhibit A are attached hereto and on file with the Borrower.

I hereby certify that:

(a) This is requisition number _____ and such requisition requisitions funds from the [PABs Proceeds Sub-Account][PABs Counties Equity Contribution Sub-Account][Non-PABs Counties Equity Sub-Account][Other Proceeds Sub-Account] of the Construction Account created by the Collateral Agency Agreement.

(b) The requested date of disbursement of funds under this requisition number ____ is _____, 20[●].

(c) The name(s), address(es) and wire instruction(s), as applicable, of the person(s), firm(s), account(s) or corporation(s) to whom payment is due are reflected on Exhibit A attached hereto.

(d) The total amount to be disbursed from the [PABs Proceeds Sub-Account][PABs Counties Equity Contribution Sub-Account][Non-PABs Counties Equity Sub-Account][Other Proceeds Sub-Account] pursuant to this requisition is \$ _____.

(e) The purpose(s) (in reasonable detail) of the payment (and if payee is the Borrower for reimbursement of certain Project Costs previously paid by the Borrower, the basis for the reimbursement) is as set forth on Exhibit A hereto.

(f) As of the date of this requisition and the proposed disbursement date, the conditions to disbursements set forth in Section 5.04(f) of the Collateral Agency Agreement have been satisfied.

(g) As of the date of this requisition, the work on the Project performed has been performed generally consistent with the terms of the Transaction Documents and such amount does not exceed the amount of Project Costs due and payable or which are due and payable within 30 days of the requested disbursement date.

(h) After giving effect to this requisition, the Phase 2 Revenue Service Commencement Date is reasonably expected to be achieved on or prior to the Phase 2 Revenue Service Commencement Deadline, or we have submitted to the Technical Advisor a remediation plan demonstrating that the Phase 2 Revenue Service Commencement Date can be achieved on or before January 5, 2024, and the Technical Advisor has delivered to the Collateral Agent a duly executed Technical Advisor Certificate in the form attached to the Collateral Agency Agreement as Exhibit J.

EXHIBIT I
to Collateral Agency Agreement

(i) The amounts requisitioned in this requisition have been incurred in connection with the planning, design, developing, equipping, renovating, financing and construction and placing into service of the Project. Each item is a Project Cost and a proper charge against the applicable sub-account from which such amounts are being drawn. Such amounts have not been the basis for a prior requisition that has been paid.

(j) All amounts previously drawn for the payment or reimbursement of Project Costs through the procedures set forth in Section 5.04 of the Collateral Agency Agreement have been fully applied and have been applied solely to pay or reimburse Project Costs.

(k) No Potential Secured Obligation Event of Default or Secured Obligation Event of Default has occurred and is continuing (unless such disbursement will cure such Potential Secured Obligation Event of Default or Secured Obligation Event of Default) or will occur as a result of the disbursement.

(l) As of the date of this requisition, the representations and warranties given by the Borrower under the Financing Obligation Documents are true and correct in all material respect, except to the extent such representations or warranties specifically refer to an earlier date, in which case it shall be true and correct in all material respects as of such date.

(m) As of the date of this requisition, all Required Equity Contributions have been deposited in full in accordance with the Equity Contribution Agreement and on the dates and in the manner described in Section 5.04 and Section 5.08 of the Collateral Agency Agreement (or will be deposited concurrently with the disbursement of funds requested hereunder);

(n) As of the date of this requisition, no Bankruptcy Event with respect to the Borrower has occurred and is continuing;

(o) ***[If amounts are requested to be disbursed from the PABs Proceeds Sub-Account or the PABs Counties Equity Contribution Sub-Account]*** Amounts to be disbursed from the PABs Proceeds Sub-Account or the PABs Counties Equity Contribution Sub-Account pursuant to this requisition (1) will be used solely to pay or reimburse for Project Costs incurred in the jurisdictional limits of the PABs Counties and (2) will not be used to acquire any building or facility that will be, during the term of the Series 2019 Bonds, used by, occupied by, leased to or paid for by any state, county or municipal agency or entity, as set forth in more detail on Exhibit A hereto.

(p) The funds being requisitioned will be used as represented and warranted in the Senior Loan Agreement or any other applicable Financing Obligation Document and to the extent applicable as stated in the Federal Tax Certificate.

EXHIBIT I
to Collateral Agency Agreement

(q) Attached hereto are all unconditional lien releases and waivers for all past Construction Account Withdrawal Certificates, in each case, from each Contractor that has timely filed a notice to owner sufficient to perfect such Contractor's right to a lien in compliance with all laws and have not previously been delivered to the Collateral Agent, other than with respect to Permitted Security Interests.

(r) All Governmental Approvals necessary to perform the work for which Project Costs are being requested pursuant to this requisition have been obtained and maintained as and when required under applicable law and under the Transaction Documents, except where failure to obtain or maintain such Governmental Approval would not reasonably be expected to have a Material Adverse Effect.

(s) *[With respect to any Additional Projects, add any applicable conditions under the applicable Financing Obligation Documents which must be satisfied.]*

[If Borrower is requesting a disbursement solely from the Other Proceeds Sub-Account, and the funds on deposit therein constitute solely the proceeds of Additional Senior Indebtedness (other than Additional Project Completion Indebtedness), then the Borrower shall not be required to satisfy the conditions in clauses (g), (h), (i) and (o) above for disbursement of such funds, but shall certify as follows set forth below. If Borrower is requesting funds from other sub-accounts all of the conditions in clauses (a) through (s) above must be satisfied.]

(s) The amounts requested for disbursement from the Other Proceeds Sub-Account constitute solely the proceeds of Additional Senior Indebtedness (other than Additional Project Completion Indebtedness).]

Date of Requisition: _____

Responsible Officer of Brightline Trains Florida
LLC

Exhibit A to Requisition

PABs Proceeds Sub-Account in Construction Account

<u>Payee</u>	<u>Amount</u>	<u>Purpose</u>	<u>Address/Wiring Instructions</u>
--------------	---------------	----------------	------------------------------------

PABs Counties Equity Contribution Sub-Account in Construction Account

<u>Payee</u>	<u>Amount</u>	<u>Purpose</u>	<u>Address/Wiring Instructions</u>
--------------	---------------	----------------	------------------------------------

Non-PABs Counties Equity Contribution Sub-Account in Construction Account

<u>Payee</u>	<u>Amount</u>	<u>Purpose</u>	<u>Address/Wiring Instructions</u>
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Other Proceeds Sub-Account in Construction Account

<u>Payee</u>	<u>Amount</u>	<u>Purpose</u>	<u>Address/Wiring Instructions</u>
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FORM OF TECHNICAL ADVISOR CERTIFICATE

TECHNICAL ADVISOR CERTIFICATE

Florida Development Finance Corporation
Surface Transportation Facility Revenue Bonds
(Brightline Florida Passenger Rail Project), Series 2019A/Series 2019B

Deutsche Bank National Trust Company
Trust and Agency Services
60 Wall Street, 24th Floor
Mail Stop: NYC60 – 2405
New York, New York 10005
USA
Attn: Corporates Team, Brightline Trains Florida LLC
Facsimile: (732) 578-4635

Ladies and Gentlemen:

Any capitalized term used herein but not defined in this Certificate shall have the respective meanings assigned to such terms in that certain Collateral Agency Agreement (as defined in the attached Requisition No. ____).

We hereby certify that we are satisfied that the Borrower’s remediation plan demonstrates that the Phase 2 Revenue Service Commencement Date can be achieved on or prior to January 5, 2024.

Date: _____

Authorized Representative of the Technical Advisor

[FORM OF EQUITY TRANSFER CERTIFICATE]

Equity Transfer Certificate No. [●]

EQUITY TRANSFER CERTIFICATE

Date: _____, ____
Date of Requested Transfer: _____, ____

Deutsche Bank National Trust Company
Trust and Agency Services
60 Wall Street, 24th Floor
Mail Stop: NYC60 – 2405
New York, New York 10005
USA
Attn: Corporates Team, Brightline Trains Florida LLC
Facsimile: (732) 578-4635

Re: Brightline Trains Florida LLC

Ladies and Gentlemen:

Reference is hereby made to that certain Third Amended, Partially Restated and Supplemental Collateral Agency, Intercreditor and Accounts Agreement, dated as of [●], 2020, (the “Collateral Agency Agreement”), among Brightline Trains Florida LLC (f/k/a Virgin Trains USA Florida LLC), a Delaware limited liability company (together with its permitted successors and assigns, the “Borrower”), Deutsche Bank National Trust Company, as Collateral Agent (in such capacity, the “Collateral Agent”), Deutsche Bank National Trust Company, as Trustee (in such capacity, the “Trustee”), Deutsche Bank National Trust Company, in its capacity as account bank (in such capacity, the “Account Bank”) and each other Secured Party (as defined therein) that becomes a party thereto from time to time.

The undersigned is a Responsible Officer of the Borrower and is delivering this certificate (this “Equity Transfer Certificate”) pursuant to Section 5.04(e) the Collateral Agency Agreement.

In accordance with Section 5.04(e) of the Collateral Agency Agreement, we request that the Collateral Agent transfer \$[●] from the /PABs Counties Equity Contribution Sub-Account/ /Non-

EXHIBIT K
to Collateral Agency Agreement

PABs Counties Equity Contribution Sub-Account/ /Other Proceeds Sub-Account/ to the /PABs Counties Equity Contribution Sub-Account/ /Non-PABs Counties Equity Contribution Sub-Account/ /Other Proceeds Sub-Account/ on _____, _____. /Such funds constitute proceeds of /a Required Equity Contribution/ /an Additional Equity Contribution/ /Permitted Additional Senior Indebtedness/ /Permitted Subordinated Debt/ and this transfer is in compliance with all applicable Financing Obligation Documents./ /Such funds constitute proceeds of a Required Equity Contribution, and such transfer is being made solely for federal income tax purposes./

* * *

IN WITNESS WHEREOF, the undersigned, a Responsible Officer of the Borrower, has duly executed and delivered this Equity Transfer Certificate as of the date first written above.

Brightline Trains Florida LLC,
as Borrower

By: _____
Name:
Title:

APPENDIX E

WSP USA SOLUTIONS BRING DOWN LETTERS

(See attached)

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March 20, 2019

Jeff Swiatek
Chief Financial Officer
Brightline
161 NW 6th Street, Suite 900
Miami, FL 33136

Subject: Brightline Ridership and Revenue Study

Dear Mr. Swiatek:

I am writing in regard to the Brightline Ridership and Revenue Study prepared by Louis Berger U.S., Inc. (Louis Berger) on behalf of All Aboard Florida Operations, LLC, (the Company) and dated December 2017. (“the Report”). With respect to the Report, we note the following.

The Report provides an evaluation of ridership and revenue potential of the Company’s plans for passenger operations between Miami and Orlando. Louis Berger is aware that Brightline passenger service, now operating between Miami and West Palm Beach, will be rebranded as Virgin Trains.

The information contained in the Report was prepared based on economic parameters, assumptions and operating conditions which we considered relevant and reasonable as of the date of such Report. This data was obtained from information provided by the Company, from publicly available information and sources, and from third-party data obtained in the course of preparation of the Report, as described in the Report. No additional information has been brought to our attention that would lead us to believe that there would be a material change in the findings, estimates, conclusions, and analyses reflected in the Report.

The Company has not requested Louis Berger to review any aspect of Brightline passenger service in operation. We have not been asked by the Company to make any adjustments in the Report to reflect changes in the timing of start-up of passenger service from Miami to West Palm Beach or start-up of revenue service to Orlando. We provide no assurance as to the accuracy of any third-party information included in the Report and bear no responsibility for the results of any actions taken on the basis of the third-party information contained in the Report.

For information on the intended use for and limitations of the Report, please refer to the disclaimer on page two of the Report.

Sincerely,
LOUIS BERGER

Albert Racciatti, PP, AICP
Vice President



February 28, 2020

Jeff Swiatek
Chief Financial Officer
Virgin Trains USA Florida LLC
161 NW 6th Street, Suite 900
Miami, FL 33136

Subject: Brightline Ridership and Revenue Study

Dear Mr. Swiatek:

I am writing in regard to the Brightline Ridership and Revenue Study prepared by Louis Berger U.S., Inc. (“Louis Berger”) on behalf of All Aboard Florida Operations, LLC, now Virgin Trains USA Florida LLC (the “Company”), and dated December 2017 (the “Report”). With respect to the Report, we note the following:

The Report provides an evaluation of ridership and revenue potential of the Company’s plans for passenger operations between Miami and Orlando. Louis Berger is aware that the Company has been renamed Virgin Trains USA.

The information contained in the Report was prepared based on economic parameters, assumptions and operating conditions which we considered relevant and reasonable as of the date of such Report. This data was obtained from information provided by the Company, from publicly available information and sources, and from third-party data obtained in the course of preparation of the Report over several years, as described in the Report. No additional information has been brought to our attention that would lead us to believe that there would be a material change to the findings, estimates, conclusions, and analyses reflected in the Report.

Louis Berger has not made any adjustments in the Report to reflect changes in the timing of start-up of revenue service from Miami to West Palm Beach or start-up of revenue service to Orlando. The Report projections are constructed based on factors that are generally independent of early ridership results. We provide no assurance as to the accuracy of any third-party information included in the Report and bear no responsibility for the results of any actions taken on the basis of the third-party information contained in the Report.

For information on the intended use for and limitations of the Report, please refer to the disclaimer on page two of the Report.

Sincerely,
LOUIS BERGER

Lawrence Pesesky
Senior Vice President



August 12, 2020

Jeff Swiatek
Chief Financial Officer
Brightline Trains Florida LLC
161 NW 6th Street, Suite 900
Miami, FL 33136

Subject: Brightline Ridership and Revenue Study

Dear Mr. Swiatek:

I am writing in regard to the Brightline Ridership and Revenue Study prepared by Louis Berger U.S., Inc., which has subsequently been renamed as WSP USA Solutions Inc. (“WSP”), on behalf of Brightline Trains Florida LLC (the “Company”), and dated December 2017 (the “Report”). With respect to the Report, we note the following:

The Report provides an evaluation of ridership and revenue potential of the Company’s plans for passenger operations between Miami and Orlando.

The information contained in the Report was prepared based on economic parameters, assumptions and operating conditions which we considered relevant and reasonable as of the date of such Report. This data was obtained from information provided by the Company, from publicly available information and sources, and from third-party data obtained in the course of preparation of the Report over several years, as described in the Report. No additional information has been brought to our attention that would lead us to believe that there would be a material change to the findings, estimates, conclusions, and analyses reflected in the Report.

WSP has not made any adjustments in the Report to reflect changes in the timing of start-up of revenue service from Miami to West Palm Beach or start-up of revenue service to Orlando. The Report projections are constructed based on factors that are generally independent of early ridership results. We provide no assurance as to the accuracy of any third-party information included in the Report and bear no responsibility for the results of any actions taken on the basis of the third-party information contained in the Report.

For information on the intended use for and limitations of the Report, please refer to the disclaimer on page two of the Report.

Sincerely,
WSP USA SOLUTIONS INC.

A handwritten signature in blue ink that reads "Lawrence Pesesky".

Lawrence Pesesky
Senior Vice President

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November 9, 2020

Jeff Swiatek
Chief Financial Officer
Brightline Trains Florida LLC
161 NW 6th Street, Suite 900
Miami, FL 33136

Subject: Brightline Ridership and Revenue Study

Dear Mr. Swiatek:

I am writing in regard to the Brightline Ridership and Revenue Study, dated December 2017 (the “Original Report”), and the Supplement to the Brightline Ridership and Revenue Study, dated August 11, 2020 (the “Supplement” and together with the Original Report, the “Report”), each prepared by Louis Berger U.S., Inc., which has subsequently been renamed as WSP USA Solutions Inc. (“WSP”), on behalf of Brightline Trains Florida LLC (the “Company”). With respect to the Report, we note the following:

The Report provides an evaluation of ridership and revenue potential of the Company’s plans for passenger operations between Miami and Orlando.

The information contained in the Report was prepared based on economic parameters, assumptions and operating conditions which we considered relevant and reasonable as of the date of such Report. This data was obtained from information provided by the Company, from publicly available information and sources, and from third-party data obtained in the course of preparation of the Report over several years, as described in the Report. No additional information has been brought to our attention that would lead us to believe that there would be a material change to the findings, estimates, conclusions, and analyses reflected in the Report.

WSP has not made any adjustments in the Report to reflect changes in the timing of start-up of revenue service from Miami to West Palm Beach or start-up of revenue service to Orlando. The Report projections are constructed based on factors that are generally independent of early ridership results. We provide no assurance as to the accuracy of any third-party information included in the Report and bear no responsibility for the results of any actions taken on the basis of the third-party information contained in the Report.

For information on the intended use for and limitations of the Report, please refer to the disclaimer on page two of the Report.

Sincerely,
WSP USA SOLUTIONS INC.

A handwritten signature in blue ink that reads 'Lawrence Pesesky'. The signature is fluid and cursive, with the first name 'Lawrence' being more prominent than the last name 'Pesesky'.

Lawrence Pesesky
Senior Vice President

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PROJECT RIDERSHIP AND REVENUE STUDY AND SUPPLEMENT

WSP USA Solution's delivery to the Company of its Ridership and Revenue Study for inclusion in this Limited Remarketing Memorandum was premised on the Company's agreement to direct the readers' attention to the disclaimers and limitations of liability included below or on the cover page or inside cover page of the Ridership and Revenue Study. The Ridership and Revenue Study is expressly subject to the qualifications, assumptions made, procedures followed, matters considered and any limitations on the scope of work contained therein.

(See attached)

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Supplement to Brightline Ridership and Revenue Study

November 09, 2020

Executive Summary

This supplement has been prepared by WSP USA Solutions (“WSP”, formerly Louis Berger) at the request of Brightline Trains Florida LLC (the “Company”) for the purpose of incorporating a number of recent Company initiatives into WSP’s December 2017 investment grade ridership and revenue findings (the “2017 Report”). Recent Company initiatives evaluated in this supplement include the addition of three new stations in South Florida (the “Inline Stations”) located in Aventura, Boca Raton and at PortMiami, as well as a new station located within Walt Disney World Resort (the “station at Disney Springs”). A brief summary of WSP’s findings and update on each initiative is provided below. Ridership and revenue figures throughout this supplement are based on a stabilized Brightline system after accounting for the full ramp up of each individual station and initiative and as validated subject to bringdown letters dated March 20, 2019, February 28, 2020, August 12, 2020 and November 9, 2020. Furthermore, ridership and revenue shown for the Inline Stations and the station at Disney Springs are on an incremental basis to the 2017 Report to reflect only additional capture for the system.

Brightline Ridership and Revenue Summary¹ (Ticket Revenue in \$mm’s)			
	Annual Ridership	Avg. fare	Ticket Revenue
2017 Report	6,613,669	\$73.29	\$485
Boca Raton	1,211,783	\$33.64	41
Aventura	539,033	\$26.65	14
PortMiami	489,374	\$25.70	13
Station at Disney Springs	779,923	\$102.01	80
Total	9,633,782	\$65.60	\$632

Inline Stations: The Company is adding three new stations in its presently operational south segment between Miami and West Palm Beach. In Aventura, rail infrastructure and station design has been finalized. The Aventura station construction contract has been executed and construction work is underway. In Boca Raton, station and parking garage designs are complete with construction contracts to be executed shortly. Definitive documentation for the PortMiami station is nearly complete. The targeted completion date for the Aventura station is expected to occur in Q3 2021 and targeted completion dates for the Boca Raton and PortMiami stations are expected to occur in Q1 2022.

¹ This summary represents stabilization of the 2017 Report stations, and the Boca Raton, Aventura, and PortMiami stations in 2023 and stabilization of the station at Disney Springs in 2024. Average fares in this table and throughout this supplement represent WSP-analyzed fares grown by the Company’s expected inflation and pricing growth assumptions (to 2023 for the 2017 Report stations, and the Boca Raton, Aventura, and PortMiami stations, and to 2024 for the station at Disney Springs). The Company has assumed a 2.8% annual increase in fares from the applicable base year fares used in each WSP analysis.



Station at Disney Springs: In late 2019, the Company entered into a memorandum of understanding with Walt Disney Parks and Resorts U.S. for the development of a station at Disney Springs. The Company has advanced engineering and design work for the station as well as right of way leases and infrastructure design and engineering. In November 2020 the Company entered into a long-term agreement to develop, construct and operate a station at Disney Springs.

This supplement aggregates WSP's 2017 Report with WSP's 2019 Aventura and 2020 Boca Raton studies and WSP's review and evaluation of the Company's independent 2019 PortMiami and 2020 station at Disney Springs studies. WSP estimates that, upon stabilization, the approximate demand for Brightline will be a total of 9.6 million passengers annually, of which approximately 3.0 million trips are attributable to the new South Florida stations and the station at Disney Springs.



The 2017 Report

The 2017 report attached to this supplement provides investment grade forecasts for Brightline's initial four station system with stations located in downtown Miami, Fort Lauderdale, West Palm Beach, and in Orlando at the Orlando International Airport. Please see the 2017 Report for an overview of WSP's investment grade methodology and conclusions. The 2017 Report's primary findings (as subsequently validated in the bringdown letters dated March 20, 2019, February 28, 2020, August 12, 2020 and November 9, 2020) related to Brightline's initial four station market are reiterated below:

- Substantial addressable market: Over 390 million (as of 2017) trips are taken annually between the initial four stations served by Brightline, expected to grow to just over 430 million in 2023. At 6.6 million estimated passengers for Brightline's initial system, market capture rates are deemed conservative.
- Challenging intercity trip: At a distance of 235 miles, the journey from Miami to Orlando is "too short to fly, too long to drive." Given airport delays and time affiliated with airport security, or a four- to five-hour drive, Brightline is expected to draw a large number of business and non-business travelers.
- Demonstrated market travel and market demographic growth: Travel volumes on key highways connecting central and Southeast Florida are expected to exceed capacity by 2030, resulting in further future delays and reduction of reliability when traveling by car. Additionally, the population around Brightline's stations have grown by up to 5% annually since 1990.
- No comparable service: Brightline will provide travel time savings between 25 – 50% when compared to existing surface travel modes with a journey time of approximately three hours. There is no comparable rail travel mode for intercity service in the existing market.
- Established willingness to pay: Fares used in the 2017 Report are backed by a stated preference survey and a pricing research study commissioned by WSP. Each confirmed willingness to pay for the Brightline service at the stated price points due to their competitiveness with travel costs associated with other travel modes.

The 2017 Report concludes that annual ridership and fare revenue for Brightline's first stabilized year for the full Miami to Orlando system are 6.6 million and \$485 million, respectively.



The Inline Station Studies

Aventura Station Planning Study

Brightline commissioned WSP in 2019 to conduct a planning-level study to provide estimates of the ridership potential of the Aventura station. This planning-level study was conducted using the same forecasting models and data from the investment grade methodology used for the 2017 Report. Estimated ridership and fare revenue of the Aventura station are expected to be 539,033 annual trips and \$14 million, respectively. A summary of Aventura station ridership and revenue is provided below:

Aventura Station Ridership and Revenue² (Ticket Revenue in \$mm's)			
Aventura Origin-Destination Pairs:	Annual Ridership	Avg. Fare	Ticket Revenue
Aventura to FTL-WPB stations	513,471	\$22.48	\$12
Aventura to Orlando	25,562	\$110.41	3
Total	539,033	\$26.65	\$14

The Brightline Aventura station will be located directly adjacent to the Aventura Mall, the second most visited shopping mall in the U.S. The Aventura station forecast includes ridership between Aventura and the three 2017 Report Southeast Florida stations (Miami, Fort Lauderdale, and West Palm Beach), and the Orlando airport station. The forecast is limited to trips generated in zones that were not part of the three Southeast Florida base system station catchment areas defined in the 2017 Report and therefore represents the minimum net ridership effect of an Aventura station on South Segment ridership. The forecast is conservative as an Aventura station may increase the Brightline market share from zones that were part of the Miami or Fort Lauderdale catchment area in the 2017 Report. In addition, Brightline has excluded ridership from the Miami to Aventura segment in light of a planned agreement with Miami-Dade County to establish a county-funded and operated commuter system on Brightline’s corridor running between Miami and Aventura.

The Aventura study relies on the same forecasting model and mode choice preference data used in the 2017 Report, as well as additional 2018 data from mobile phone origin and destination tracking. To develop an estimate of the total demand for intercity travel from the Aventura catchment area, the study relied on information about demand in the catchment areas of the base stations to develop estimates of demand relative to population and employment. The resulting estimates were then applied to the Aventura catchment area. Brightline level of service characteristics and fares as well as characteristics of competing modes for all new city pairs were added to the model. Fares were provided by Brightline management using the fare per mile structure of WSP’s 2017 Report and have been deemed reasonable by WSP given the similar fare per mile profile vs. other Brightline segment fares WSP established.

The updated and calibrated model was used to forecast ridership between Aventura and the other Brightline stations.

² This summary represents stabilization of the Aventura station in 2023.



Boca Raton Station Planning Study

To assist Brightline in further evaluating the impact of the newly confirmed Aventura and Boca Raton stations, Brightline commissioned WSP in 2020 to conduct a planning-level study to provide estimates of the ridership potential of the Boca Raton station to/from the four other South Florida stations and to evaluate the incremental long-distance ridership impact of the recently approved Aventura and Boca Raton stations to/from the Orlando Airport station. This planning-level study was conducted using the same forecasting models and data from the investment grade methodology used for the 2017 Report. Estimated ridership and fare revenue of the Boca Raton station are expected to be 1,211,783 annual trips and \$41 million, respectively. A summary of Boca Raton station ridership and revenue is provided below:

Boca Raton Station Ridership and Revenue³ (Ticket Revenue in \$mm's)			
Boca Raton Origin-Destination Pairs:	Annual Ridership	Avg. Fare	Ticket Revenue
Boca Raton to MIA-AVT-FTL-WPB stations	1,138,474	\$29.55	\$34
Boca Raton to Orlando	73,309	\$97.06	7
Total	1,211,783	\$33.64	\$41

The Boca Raton station will be centrally located in the city’s primary business district and adjacent to the premier shopping and entertainment area, Mizner Park. The Boca Raton station forecast includes ridership between Boca Raton and the three Southeast Florida base system stations (Miami, Fort Lauderdale, and West Palm Beach), the Aventura station, and the Orlando station.

The minimum net ridership effect of a Boca Raton station on ridership was estimated by identifying the Brightline trips generated in Boca Raton catchment area zones that were not part of the catchment areas of the Fort Lauderdale and West Palm Beach stations in the 2017 Report. The forecast is conservative as the presence of a station in Boca Raton may increase the Brightline market share from zones that were part of the original Fort Lauderdale or West Palm Beach catchment area in the 2017 Report.

The Boca Raton forecast relies on the same forecasting model, mode choice preferences, and assumptions documented in the 2017 Report. WSP also utilized additional 2018 data from mobile phone origin and destination tracking. The resulting estimates were then applied to the Boca Raton catchment area to estimate demand between Boca Raton and the other stations. Brightline level of service characteristics and fares as well as characteristics of competing modes for all new city pairs were added to the model. Fares were provided by Brightline management using the fare per mile structure of WSP’s 2017 Report and have been deemed reasonable by WSP given the similar fare per mile profile vs. other Brightline segment fares WSP established.

The updated and calibrated model was used to forecast ridership between Boca Raton and the other Brightline stations.

³ This summary represents stabilization of the Boca Raton station in 2023.



PortMiami Station Planning Study

The Company's PortMiami station ridership and fare revenue are estimated to be 489,374 annual trips and \$13 million, respectively⁴.

PortMiami is the busiest cruise port in world, having served over 6.8 million passengers in 2019. PortMiami's cruise passenger forecast is 8.2 million in 2023, as PortMiami is currently undergoing a major expansion with new terminals being built for major cruise lines. Given the large number of travelers to the port, congestion both on port property and on road systems connecting the port, and the high cost of parking on the port, management believes PortMiami represents an ideal station location for its service. Brightline's cruise passenger segment will be largely based out of its West Palm Beach station, providing cruise passengers originating by car from points north of West Palm Beach with a new travel alternative to avoid South Florida roadway congestion. Brightline's service will provide guests significant travel time and cost of parking savings, as well as a safe, reliable, and stress-free ride. In addition, package deals that include Brightline fare and parking as well as cruise tickets and/or lodging in West Palm Beach will be offered to make the Brightline a more attractive travel alternative.

Brightline management developed PortMiami station forecasts, which were subsequently evaluated and supported by WSP, based on proprietary information from major cruise operators serving the port, including passenger embarkment projections and passenger origination locations, as well as information provided by PortMiami. Approximately 25% of cruise passengers arrive at the port by car from origination points north of Miami, representing a substantial addressable market for Brightline's service. Based on discussions with the major cruise lines and the port, Brightline management estimated that Brightline would capture approximately 10% of this addressable market, resulting in 244,687 round trips by rail, or 489,374 one-way trips.

WSP believes it is reasonable to expect approximately 10%, or higher, capture rates for the cruise passenger market given the leisure nature of the trips, especially when package deals offer cost savings and convenience.

Overall, based on the cruise passenger information provided by Brightline management⁵, WSP concludes that estimated PortMiami station ridership of 489,374 annual trips, generating \$13 million of fare revenue assuming average fare of \$26, is reasonable.

⁴ This summary represents stabilization of the PortMiami station in 2023.

⁵ This assessment assumes that the PortMiami market size forecast provided by Brightline management will reflect the actual PortMiami market size in 2023.



Station at Disney Springs Planning Study

The Brightline station at Disney Springs is planned to be located in Walt Disney World Resort at Disney Springs. Disney Springs incorporates food, entertainment, and shopping options while also serving as a central hub for transportation and access to Walt Disney World Resort's other theme parks and hotels. The station at Disney Springs' ridership and fare revenue, incremental to what was included in the 2017 Report for Walt Disney World Resort-related trips captured by the Orlando Airport Station, are estimated to be 779,923 annual trips and \$80 million, respectively.

Walt Disney World Resort in Orlando is the most visited resort complex in the world with over 60 million visitors annually. Walt Disney World Resort represents the number one travel destination for all trips originating from South Florida and going to the Orlando region, with approximately 25 – 30% of the total travel market between south and central Florida incorporating a Walt Disney World Resort visit. To develop its estimates, the Company analyzed information from a number of sources including:

- 1) Incorporation of previous analyses of Walt Disney World Resort-related ridership performed in connection with WSP's 2017 Report,
- 2) Commissioning of detailed mobile phone location data, including visitation insights and population movement, performed by a third-party GPS location intelligence provider,
- 3) Analysis of other location-based service data sets to identify origination and destination trips related to Walt Disney World Resort theme parks and resorts,
- 4) Commissioning of additional survey-based analysis among Florida travelers and visitors to Walt Disney World Resort,
- 5) Independent analysis of ridership inducement of comparable rail systems generated by destination-specific station developments, and
- 6) Assessment of proprietary Walt Disney World Resort visitation data, including customer segmentation such as origin of visitation (Florida, domestic, and international), frequency of travel, duration of visit, and party size

The below table provides ridership estimates for trips between each of Brightline's South Florida stations to-from the station at Disney Springs:



Station at Disney Springs Ridership and Revenue⁶ (Ticket Revenue in \$mm's)

Station at Disney Springs Origin-Destination Pairs:	Annual Ridership	Avg. Fare	Ticket Revenue
West Palm Beach - station at Disney Springs	141,615	\$89.04	\$13
Boca Raton - station at Disney Springs	60,692	\$94.65	6
Fort Lauderdale - station at Disney Springs	215,794	\$99.82	22
Aventura - station at Disney Springs	76,877	\$106.11	8
Miami - station at Disney Springs	179,379	\$110.59	20
PortMiami - station at Disney Springs	105,566	\$110.59	12
Total	779,923	\$102.01	\$80

Based on the information provided by Brightline management, and WSP's prior analyses conducted in connection with the 2017 Report, WSP believes ridership of 779,923 generating \$80 million of fare revenue assuming average fare of \$102, is reasonable.

⁶ This summary represents stabilization of the station at Disney Springs in 2024.



Appendix I: Detailed Ridership and Revenue Breakdown

Brightline Ridership and Revenue Detail⁷ (Ticket Revenue in \$mm's)			
South Florida Origin-Destination Pairs:	Annual Ridership	Avg. Fare	Ticket Revenue
Miami - Fort Lauderdale	1,386,400	\$35.86	\$50
Fort Lauderdale - West Palm Beach	1,100,223	\$36.27	40
Miami - West Palm Beach	592,849	\$55.04	33
MIA-FTL-WPB (2017 Report)	3,079,472	\$39.70	\$122
Boca Raton - West Palm Beach	149,480	\$24.22	4
Boca Raton - Fort Lauderdale	178,073	\$19.90	4
Boca Raton - Aventura	146,107	\$26.04	4
Boca Raton - Miami	664,814	\$34.11	23
Boca Raton to MIA-FTL-WPB stations	1,138,474	\$29.55	\$34
Aventura - Fort Lauderdale	350,972	\$18.03	6
Aventura - West Palm Beach	162,499	\$32.09	5
Aventura to FTL-WPB stations	513,471	\$22.48	\$12
PortMiami to WPB station	489,374	\$25.70	13
Total South Florida	5,220,791	\$34.48	\$180
South Florida to Orlando Origin-Destination Pairs:			
West Palm Beach - Orlando	1,632,610	\$93.41	\$153
Fort Lauderdale - Orlando	984,603	\$104.91	103
Miami - Orlando	916,983	\$116.34	107
MIA-FTL-WPB stations to Orlando (2017 Report)	3,534,197	\$102.57	\$362
West Palm Beach - station at Disney Springs	141,615	\$89.04	13
Boca Raton - station at Disney Springs	60,692	\$94.65	6
Fort Lauderdale - station at Disney Springs	215,794	\$99.82	22
Aventura - station at Disney Springs	76,877	\$106.11	8
Miami - station at Disney Springs	179,379	\$110.59	20
PortMiami - station at Disney Springs	105,566	\$110.59	12
South Florida stations to the station at Disney Springs	779,923	\$102.01	\$80
Boca Raton to Orlando	73,309	\$97.06	7
Aventura to Orlando	25,562	\$110.41	3
Total South Florida to Orlando	4,412,991	\$102.42	\$452
Total 2017 Report	6,613,669	\$73.29	\$485
Total Inline Stations and station at Disney Springs	3,020,113	\$48.76	\$147
Total Brightline system	9,633,782	\$65.60	\$632

⁷ This summary represents stabilization of the 2017 Report stations, and the Boca Raton, Aventura, and PortMiami stations in 2023 and stabilization of the station at Disney Springs in 2024.



Disclaimer

This Report was prepared by WSP USA Inc. (WSP) for the benefit of Brightline pursuant to a Professional Services Agreement between All Aboard Florida LLC – Operations (Client) and Louis Berger US, Inc. (Consultant) dated May 17, 2017.

WSP has performed its services to the level customary for competent and prudent analysts performing such services at the time and place where the services to our Client were provided. WSP makes or intends no other warranty, express or implied.

This Report, information contained herein and any statements contained within are all based upon information provided to WSP, and obtained from proprietary data purchased or confidential information provided by the Client, from publicly available information or sources, in the course of evaluations of the Project. WSP provides no assurance as to the accuracy of any such third-party information and bears no responsibility for the results of any actions taken on the basis of the third-party information contained in the Report.

Certain forward-looking statements are based upon interpretations or assessments of best available information at the time of writing. Actual events may differ from those assumed, and events are subject to change. In particular, the effects of the COVID-19 pandemic on the global economy are unknown at this time and may affect the results. Findings are time-sensitive and relevant only to current conditions at the time of writing. Factors influencing the accuracy and completeness of the forward-looking statements may exist that are outside of the purview of WSP. Certain assumptions regarding future trends and forecasts may not materialize, which may affect actual future performance and market demand, so actual results are uncertain and may vary significantly from the projections developed as part of this assignment. The data used in the Report was current as of the date of the Report and may not now represent current conditions. WSP makes no representations or warranty that the information in the Report is sufficient to provide all the information, evaluations and analyses necessary to satisfy the entire due diligence needs of a user of the Report.

The use of and reliance on this Report by any person or entity other than the Client is not authorized without an agreement between the user and WSP. Unless you are the Client, or a party to a fully executed Reliance Letter Agreement with WSP concerning this project (Relying Party), the Report is provided for information purposes only and such unauthorized user by its acceptance or use of this document, releases WSP from any liability for direct, indirect, consequential, or special loss or damage whether arising in contract, warranty, express or implied, tort or otherwise.



Louis Berger



Brightline Ridership and Revenue Study

December 2017

Disclaimer

This Report was prepared by The Louis Berger U.S., Inc., (LB) for the benefit of All Aboard Florida Operations, LLC (Client) pursuant to a Professional Services Agreement dated May 17, 2017.

LB has performed its services to the level customary for competent and prudent engineers performing such services at the time and place where the services to our Client were provided. LB makes or intends no other warranty, express or implied.

Certain assumptions regarding future trends and forecasts may not materialize, which may affect actual future performance and market demand, so actual results are uncertain and may vary significantly from the projections developed as part of this assignment. The data used in the Report was current as of the date of the Report and may not now represent current conditions.

Unless you are the Client, or a party to a fully executed Reliance Letter Agreement with LB concerning this project (Relying Party), you may not rely on the information, data, and descriptions in this report as reasonably necessary for evaluation of this project. The Report is provided for information purposes only. LB makes no representations or warranty that the information in the Report is sufficient to provide all the information, evaluations and analyses necessary to satisfy the entire due diligence needs of a Relying Party.

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1.0 Executive Summary

All Aboard Florida Operations, LLC commissioned Louis Berger U.S., Inc. (LB) to develop an investment grade ridership and revenue forecast for the re-introduction of passenger rail service on its existing right of way. The proposed new passenger rail service, named Brightline, will be a privately owned and operated, intercity service connecting key cities in Southeast Florida (Miami, Fort Lauderdale, and West Palm Beach) with Orlando in Central Florida.

Each year, travelers make hundreds of millions of trips between the communities in Southeast and Central Florida that will be served by Brightline, making the region one of the most actively traveled areas in the United States. The proposed service will operate on existing transportation corridors running directly through some of the most densely populated communities in the State of Florida with stations located at key downtown areas or major sites and connected to local transit hubs (airport, bus, commuter rail, etc.).

FIGURE 1-1 BRIGHTLINE SERVICE



The objective of this study is to provide an independent overview of ridership and revenue that will inform and advance the project planning efforts and decisions of potential investors and funding partners.

1.1 Overview of the Investment Grade Study Process

The ridership and fare revenue forecasts presented in this report are characterized as being investment-grade with respect to accuracy, reliability and credibility.¹ The integrity of the study is underpinned by the following key features:

- Independent approach by experienced travel demand forecasting consultants.
- Forecasting model constructed from the bottom up using data gathered from regional planning agencies, stakeholder organizations, and recognized commercial sources.
- The use of independent and experienced travel demand forecasting consultants.
- Stated Preference Survey designed to measure characteristics of existing intercity travel demand in Southeast Florida and between Southeast Florida and Central Florida.
- Pricing Research survey data to support findings on willingness to pay and induced demand
- A critical, benchmarked assessment of economic growth projections that are used to estimate the overall future growth in travel demand.
- The development of a forecasting model for Brightline based on current travel, transport system and economic growth data.
- The adoption of conservative assumptions regarding factors affecting Brightline usage.
- Alternative model estimates (sensitivity testing) intended to quantify the impacts of different assumptions of key forecasting inputs on forecast results.
- Emphasis on near term forecasts—investment decision makers commonly place greater emphasis on the early years of operation than the later years (which include growth that is expected, but not certain, to occur).

Outputs of the investment-grade forecast that were used to determine the economic, financial, and business planning dimensions of the proposed investment include the following:

- Overall ridership demand estimates
- Station-station segment ridership estimates
- Market share analysis
- Market breakdown by user type (business/non-business, etc.) and geography
- Ridership demand elasticity with respect to fare
- Ridership demand with respect to level of service
- User benefit metrics (values-of-time)

Louis Berger segmented its technical approach and analysis into five distinct areas of study outlined below. Each of these study areas are discussed in greater detail within their respective chapters of this report.

- Market assessment (Section 2, 3)
- Travel demand model development and calibration (Section 4)
- Ridership and revenue forecast (Section 5)
- Sensitivity testing (Section 6)

¹ The key features noted in this section ensure highly reliable forecasts. However, it is not possible to forecast future events with certainty. Assumptions regarding economic growth, competition between modes, and external factors affecting overall travel demand and Brightline usage may prove inaccurate. Changes from these assumptions could produce lower or higher ridership than the estimates contained in this report. Please see our disclaimer for more information.

1.2 Study Process

To determine the extent and magnitude of the demand for a new mode of travel between Central Florida and Southeast Florida, Louis Berger undertook a thorough assessment of the existing and potential future intercity travel market, the attributes of the current modes of travel in the corridor, and prospects for future growth. The study included the following key activities.

- ***Research to Establish Market Size and Catchment Area*** – Residents and visitors to cities in the corridor make hundreds of millions of trips per year, but only a select portion of these trips involve travel between the central business districts and surrounding activity centers that would be served by Brightline stations. To identify the addressable market, Louis Berger gathered extensive data on current levels of travel between the city pairs by mode, trip purpose, and time (time of day, day of week). Louis Berger used vendor-provided mobile phone data and findings from recent primary research on traveler preferences to determine the size of the market. The research established an addressable market of over 390 million intercity trips per year in areas reasonably served by the stations. These findings on the size and characteristics of the market are consistent with previous studies undertaken for rail projects in Florida, and provide a conservative base for the demand forecast.
- ***Identification of Travel Network and Competing Modes of Travel***– The demand forecasting process also requires a thorough understanding of the travel network and the schedule, journey time, and cost attributes of all modes of travel using the network. This report outlines the assumptions and data sources Louis Berger used to establish the highway, rail, and air travel network. The report also documents the attributes of each mode of travel used as inputs to the demand forecast.
- ***Assessment of the Prospect for Growth in Travel*** – An investment grade forecast requires thorough examination of the prospect for growth in the overall travel market. By gathering data from regional transportation planning agencies and other accepted public and commercial sources, Louis Berger established conservative and reasonable growth rates for the overall market based on observed trends in each segment. Based on observed trends in each of the metropolitan regions within the corridor, Louis Berger expects the overall number of long-distance intercity trips between Central and Southeast Florida to grow by 2.9 percent per year and shorter-distance trips between the cities in Southeast Florida to grow by 1.2 percent per year.
- ***Primary Research on Traveler Preferences and Willingness to Pay***– When travelers choose to make a journey by auto or by rail they weigh the time and money cost of travel and make a choice based in part on their travel budget and willingness to pay. Travel behavior is also influenced by trip purpose (e.g., business, leisure, commute, airport access) and other factors such as party size and need for a vehicle at the destination. The Brightline system is an entirely new type of service for the region whose unique features can only be tested in hypothetical scenarios that place Brightline against other competing modes. The current state-of-the-practice uses mode choice Stated Preference survey (SP) as the basis for understanding how individuals (or groups of individuals) value individual attributes, such as access time, in-vehicle travel time, headways, and cost - of a transportation choice. Louis Berger also reviewed findings from a recent Pricing

- Research survey conducted by Integrated Insights to benchmark data on traveler trip purpose, travel frequency, and willingness to pay.
- **Demand Forecasting**– The Louis Berger study team employed best practices in discrete choice analysis and network travel demand forecasting to determine diversions from existing modes of travel to Brightline and ridership volumes on the Brightline system by city-pair segment. SP survey responses were used to develop a statistical model of mode choice and estimates of the passenger rail market share and is the basis of the Brightline ridership forecast.
 - **Sensitivity Testing**– The report provides the findings of sensitivity tests demonstrating the effect of changes in key forecast assumptions on ridership and revenue. These sensitivity tests are used to establish the stability of the forecast model and inform project planning.

This study was carried out in the context of previous public and private sector sponsored rail implementation studies in Florida that attempted to better understand the potential of passenger rail to relieve congestion and promote mobility and economic development. Louis Berger evaluated the following studies and used them as benchmarking references for the findings in this analysis:

- Florida Overland Express (FOX): Public-private partnership between FDOT and FOX for high speed rail connecting Tampa, Orlando, and Miami. The State withdrew support for the project, in 1999.
- Investment Grade Ridership Study for the Tampa-Orlando corridor: Performed in 2002 on behalf of the Florida High Speed Rail Authority. The Florida High Speed Rail Enterprise published a two-page update to that forecast in September 2009.
- In 2006, FDOT prepared the Florida Intercity Passenger Rail Vision Plan, a plan that builds upon previous studies exploring the potential of high speed rail to assist in meeting the State’s mobility needs.

1.3 Overview of the Brightline Rail Service

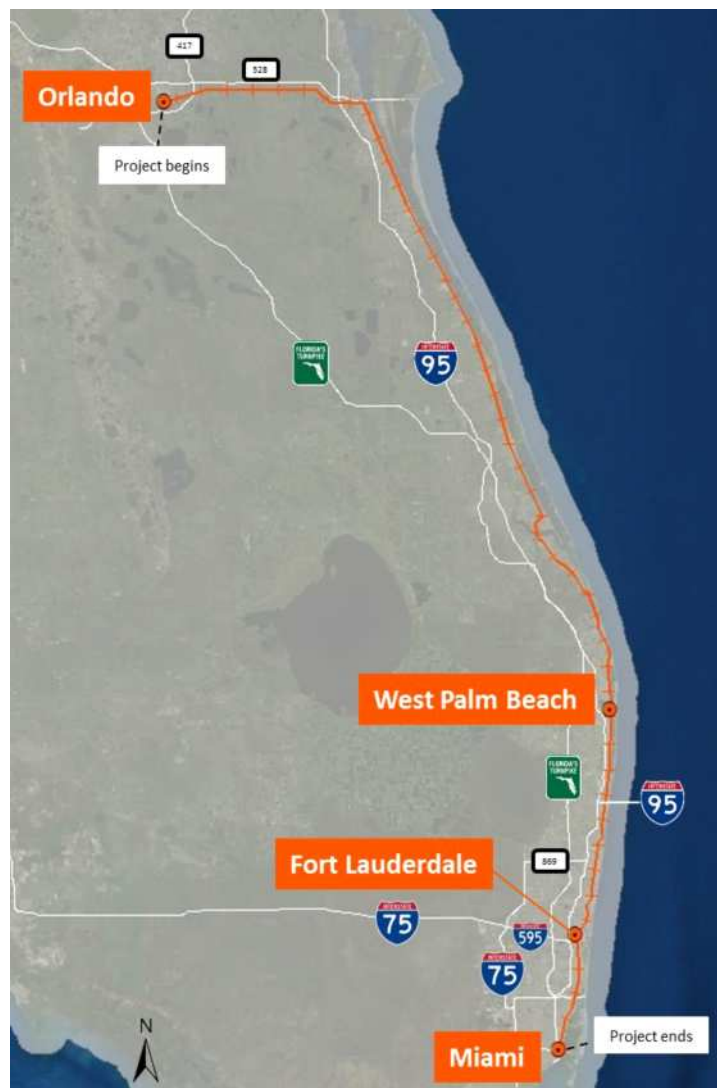
The Brightline service will provide new express passenger rail service connecting Orlando with three key urban areas in Southeast Florida – West Palm Beach, Fort Lauderdale, and Miami. The Brightline service will be privately owned and operated by All Aboard Florida Operations, LLC and will primarily run along the existing transportation corridors including a rail corridor currently used for freight rail operations by Florida East Coast Railway, and an existing highway corridor being accessed in partnership with the State of Florida and other regional governmental entities. Brightline services are unique for Florida: no intercity rail alternative comparable to the proposed Brightline service exists currently. Special features include the following:

- **Travel time savings:** Substantial time savings to current users of auto, bus, traditional rail and even air traveling between the city pairs
- **Frequency:** Consistent, hourly departures seven days per week to fit the schedules of both business and leisure travelers
- **Booking:** Online and mobile booking with reserved coach and business class seating for easy boarding
- **Amenities:** Free Wi-Fi, convenient outlets, comfortable seating, food and beverage service and related amenities on board

- Stations:** Modern, centrally located stations in Southeast Florida cities and an airport-based station in Orlando, with good intermodal connectivity (i.e. connections to Metrorail, Metromover, Tri-Rail – with direct connection to Miami International Airport – Broward County Transit, The WAVE Streetcar, and SunRail), parking and ridesharing services available

In addition to the travel time savings offered by Brightline, the ease of travel and related amenities to the service described above are expected to draw a substantial amount of travelers who attribute a high value to comfort, productivity, and efficiency.

FIGURE 1-2 PROPOSED ROUTE AND STATIONS



Planned improvements to the transit network will also bring value added to Brightline and enhance its ridership by offering added convenience and potential for travel time savings.

- Fort Lauderdale WAVE Streetcar system:** The WAVE system is part of an integrated approach to public transit that will complement and enhance other mobility options including Tri-Rail, Sun Trolley, buses, ride-share services, biking and walking. The WAVE streetcar will have direct connection to the

Brightline station, with anticipated daily boardings of over 1,300 passengers per day (Downtown Transit Circulator Project Alternatives Analysis /Environmental Assessment, 2012).

- **Orlando SunRail:** SunRail is a Central Florida passenger rail system serving the City of Orlando, Volusia, Seminole, Orange counties, and soon Osceola County. SunRail phase 1 opened in 2014. Phase 3 of the project is anticipated to provide a link to the Orlando Airport south terminal station in proximity to the Brightline terminal.

1.4 Relevant Market for High Speed Rail

With a population of 6.01 million in 2015, the South Florida metropolitan area is the most populous metropolitan area in the Southeastern United States and the fourth most populous urbanized area in the United States. Main cities include Miami, Fort Lauderdale, Pompano Beach, West Palm Beach, and Boca Raton. Miami International Airport is the busiest airport in Florida (38.6 million passengers in 2015) and ranks second in the United States in terms of international passenger count, with 21.2 million international passengers annually. Central Florida's main city, Orlando, and the surrounding Greater Orlando region attracted 68 million visitors in 2016. Attractions include Walt Disney World Resort, Universal Orlando Resort and SeaWorld Parks & Entertainment. Convention and trade show attendance at the Orange County Convention Center, in 2015 equaled 1.4 million. Orlando International Airport, a station location, is the second busiest airport in Florida after Miami International Airport with 41.9 million passengers in 2016. Orlando's secondary airport, Orlando Sanford International Airport had 2.75 million passengers in 2016 while cruise traffic at Port Canaveral accounted for 3.9 million passengers. A total of 18.7 percent of overseas non-resident travelers enter the United States through one of the main South Florida and Central Florida airports: Miami International Airport (12.4 percent); Orlando International Airport (4.1 percent) and Fort Lauderdale International Airport (2.2 percent).

Auto vehicles are the dominant mode of intercity travel between Orlando and the Southeast Florida cities that Brightline will serve. The two main routes between the cities are the I-95 and the Florida Turnpike. Free-flow driving times between Miami and Orlando are estimated at approximately 4 hour 15 minutes along the I-95 and at 3 hour 50 minutes along the Florida Turnpike, which is a toll road. Travel times during congested peak periods can be substantially greater. Air, rail and bus account for a small proportion of trips between the Orlando and Miami; most passengers traveling by air on the more than thirty daily flights between Miami and Orlando are connecting to another destination. Two AMTRAK trains, the Silver Meteor and the Silver Star, each run once daily between Orlando and Southeast Florida. The Silver Meteor, which is the fastest because it does not make a detour to Tampa, takes about 3 hour 45 minutes from Orlando to West Palm Beach and 5 hours 35 minutes from Orlando to Miami. In addition, there are a few private bus companies that operate several buses daily between Orlando and Southeast Florida along the Florida Turnpike.

Travel within Southeast Florida is also mostly by automobile. Between Miami and West Palm Beach the Florida Turnpike runs parallel with I-95. Driving from Miami to West Palm Beach takes about 1 hour 17 minutes on the I-95 and 1 hour 27 minutes on the Turnpike. Driving time between Miami and Fort Lauderdale is about 35 minutes while the drive from Fort Lauderdale to West Palm Beach takes about 50 minutes. During congested

peak periods it is not uncommon for these travel times to increase by 30 to 50 percent due to incidents or weather making journey and arrival times during these key periods unreliable. The main alternative mode of transportation is rail. Tri Rail, a commuter rail line run by the South Florida Regional Transportation Authority (SFRTA) links Miami, Fort Lauderdale, and West Palm Beach. The 71-mile line has 18 stops and an annual ridership of 4.2 million.

According to the 2016 INRIX Global Traffic Scorecard, the Central and South Florida highways are the most congested in the State, which results in millions of hours of travel delay and excessive fuel consumption and pollutant emissions. Southeast Florida is ranked as the 10th most congested urban area globally in terms of peak hours spent in congestion and has the 5th worst traffic congestion in the United States². State and local agencies have been active in evaluating alternatives to the severe congestion on north-south roadway links. In June 2010, FDOT prepared the I-95 Transportation Alternatives Study, in consultation with the Department of Law Enforcement, the Department of Environmental Protection, the Division of Emergency Management, the Office of Tourism, Trade and Economic Development and affected MPOs and regional planning councils located along the corridor. The study, which provides an assessment of concerns and proposed solutions related to I-95, found that “I-95 is overwhelmed with traffic demand” and that “[t]ravel within specific urban areas along the I-95 corridor is highly congested in peak travel periods due to single driver automobile use.” This study concluded, among other things, that “[p]assenger rail service presents a mobility option to serve Florida’s East Coast along the I-95 corridor” with multiple benefits including the reduction of “fossil fuel use and greenhouse gases (GHGs); job creation and economic development around station locations; and, better connectivity between northern and southern sections of Florida.”

The potential for intercity rail as a viable alternative has long been recognized by many, including FDOT, which developed the Florida Intercity Passenger Rail “Vision Plan” (FDOT, August 2006). Among other things, the plan found that the state’s intercity travel market would grow at an average annual rate of 3.5% from 2006 to 2040 (FDOT, August 2006). This increase will exacerbate existing transportation problems and require significant development of new infrastructure to meet the needs of this market. In June 2009, FDOT released the 2009 Florida Rail System Plan: Policy Element (FDOT, March 2009), which updated the 2006 Florida Freight and Passenger Rail Plan and built upon previous rail planning efforts, including the 2006 Florida Intercity Passenger Rail Vision Plan to show that:

- There is a rising public interest in rail options to meet intercity and regional mobility needs;
- The existing congestion on Florida’s highways may be mitigated by a passenger rail alternative, which would also serve to increase the mobility of tourists, business travelers, and citizens – especially older Floridians; and
- Reliance on alternate transit options is expected to increase in light of growing concerns over dependence on foreign oil, fluctuating gas prices, and fuel supply disruptions as a result of natural disasters.

² <http://inrix.com/press-releases/los-angeles-tops-inrix-global-congestion-ranking/>

1.5 Key Assumptions

In order to develop a conservative approach for forecasting Brightline ridership and to provide the level of information appropriate for evaluation by lenders and investors during the planning stage of project development, Louis Berger made several key assumptions for the Base Case, as follows:

- The forecast study area is limited to the extent of the metropolitan areas in Central and Southeast Florida. Station market catchment areas and trip filters were developed to establish reasonable boundaries for the addressable market and to eliminate illogical station access patterns. As described in Section 2.10, this is the basis for establishing the size of the candidate market at over 25 million trips per year for the long-distance journey between Orlando and the three cities in Southeast Florida. When trips between the three cities in Southeast Florida are considered along with trips between Southeast Florida and Orlando, the number grows to over 390 million.
- Base year trip tables used in the model were developed separately for each mode available between each city pair. For the auto market, which is predominant in size, Louis Berger developed the estimates using mobile-phone based location data of trips carried out between origins and destinations within the addressable market geography. This data was calibrated to volumes on the Florida Turnpike and verified through an econometric model that linked economic variables to traffic growth on the Florida Turnpike (that basis of the data being a traffic station counter representative of the Central-Southeast Florida traffic). The data was further adjusted downward to capture captive auto users and lower visitation volumes. Trips tables for other modes of travel were based on information obtained from relevant planning agencies and operators.
- Brightline fares assumed in the modeling process were provided by All Aboard Florida Operations, LLC and validated by Louis Berger. All fares and competing mode costs were fixed in real terms. For purposes of estimating the future cost of auto travel, gas prices were set at future levels estimated by the U.S. Energy Information Administration (EIA) reference case forecast (2017).
- Future growth for the long-distance auto travel market was based on the growth projected by the econometric model as discussed above – 2.9% – and is equivalent to recent historical growth in traffic on the corridor. Growth estimates for the short-distance auto market are based on the growth rates modeled in the Southeast Florida Regional Planning Model (SERPM), maintained by the Florida Department of Transportation. This regional planning model accounts for a 1.2% annual growth rate in travel in the Southeast Florida region, broadly in line with regional employment growth forecasts. Louis Berger utilized the official forecasts from the Federal Aviation Administration for air travel forecasts. Rail forecasts for Amtrak and Tri-Rail were developed using trend lines based on official historical data. These are conservative assumptions for growth outlook that are based on current fundamentals of the travel market. Future growth in income that outpaces the demographic rate of change, would most likely result in increased intercity travel overall and increased ridership for Brightline in particular.
- The estimation of the future travel market does not include any changes in the location of households or employment related to transit-oriented development in the areas surrounding the stations.

- Congested auto travel times were accounted for in estimating station access and long-distance auto travel times. Given the history of growth in highway congestion and challenges in expanding the highway network, regional planners consider it likely that congestion within and between the regions will increase, making non-highway modes of travel more competitive.
- Brightline presents users with a premium service unlike any other service in the State of Florida. It is often the case that Stated Preference surveys which underlie the mode choice model and forecast do not fully capture the value that users attribute to the premium nature of services such as Brightline. Our survey research and fare price benchmarking was designed to compensate for this providing the basis for a comprehensive view on traveler willingness to pay.
- Induced demand potential was based on a method of evaluating the improvement in the generalized cost of travel that has been accepted in other studies for high speed transportation in the U.S. As a novel form of transportation in Florida, Brightline is likely to experience ridership demand for tourism and leisure travel based on its convenience and amenities.

Assumptions regarding economic growth, competition between modes and external factors affecting overall travel demand and Brightline usage are subject to uncertainty and may prove inaccurate. As noted herein, Louis Berger has relied on information developed by third parties regarding travel patterns and the outlook for economic conditions. Changes from these assumptions could produce lower or higher ridership than the estimates contained in this report. Please see our disclaimer for more information.

1.6 Key Findings and Ridership and Revenue Forecast

Our analysis in this Investment Grade Traffic and Revenue forecast revealed that introduction of Brightline service would complement existing modes of travel and draw a substantial number of business and non-business travelers. Station locations offered by Brightline in Miami, Ft. Lauderdale, West Palm Beach, and Orlando will provide an alternative source of transportation for travelers with origins or destinations at or near these urban cores. The thorough study effort resulted in the following key findings:

- *Substantial “Addressable Market”*— Hundreds of millions of trips are taken annually between the four cities that will be served by Brightline. Louis Berger’s study included a determination of the portion of these total trips that both originate and terminate within a defined distance of a proposed Brightline station (a station “catchment area”). The Brightline addressable market is assumed to include only those trips beginning and ending within station catchment areas, as further defined in 2.10 of this report. Based upon detailed analysis, Louis Berger concluded that the addressable market for Brightline intercity service amounts to over 390 million trips made by individuals annually.
- *Challenging Intercity Trip* – At a distance of approximately 235 miles, the journey from Orlando to Miami is relatively short for air travel (with total travel time disproportionately long for the distance given airport security and delays); and relatively long for an auto trip, where traffic congestion can make the four to five hour trip unpleasant and unreliable. Travel volumes on key highways connecting Central and Southeast Florida are expected to exceed capacity by 2030, resulting in further delays and reduction in reliability.

- *Demonstrated Market Travel Growth* – Intercity travel on the Florida Turnpike between Orlando and Miami grew by an average of 3.2 percent per year from 2001 to 2016. Average annual growth on I-95 from 2001 to 2015 was approximately 2.1 percent.
- *Demonstrated Market Demographic Growth* – In the past 30 years, population in the market area has grown by an annual average of 2.5 percent and employment has grown by an annual average of 3 percent. Within one mile of proposed Brightline stations, annual population growth has ranged from 2 percent to 5 percent since 1990 indicating strong growth in the urban core at the heart of the Brightline alignment.
- *No Comparable Service* – Brightline can provide travel time savings of 25% to 50% when compared to existing surface modes (auto, bus and rail) and with a journey time of around three hours from Orlando to Miami is competitive with air on door-to-door travel times. There is no comparable service to Brightline for intercity travel in the existing market.
- *Established Willingness to Pay* – The fares used in this study are backed up by two primary research efforts – a Stated Preference Survey and a Pricing Research Study commissioned by the project sponsor – which confirmed willingness to pay for the Brightline service at the price points utilized. Fares are highly competitive with existing modes of travel when time, tolls, and travel costs are considered and are comparable to other successful rail services in the U.S.
- *Long-Standing Interest* – Given the profile of the travel market and the central location of the rail line, there has been interest among stakeholders and the public in developing passenger service on the Florida East Coast corridor for decades.

Estimated Ridership

Louis Berger prepared estimates for annual ridership and farebox revenue for both the short- and long-distance markets of the Brightline service. This forecast accounts for all elements important to future ridership potential including targeted market segments and induced ridership. **Table 1-1** summarizes ridership and revenue for 2023, the first year stabilized ridership for the entire system is achieved.

TABLE 1-1 BRIGHTLINE RIDERSHIP AND REVENUE FORECAST, 2023 (2016 \$)

	Short-Distance	Long-Distance	Total
Ridership	3,079,400	3,534,200	6,613,600
Fare Revenue	\$100,763,000	\$298,773,000	\$399,536,000

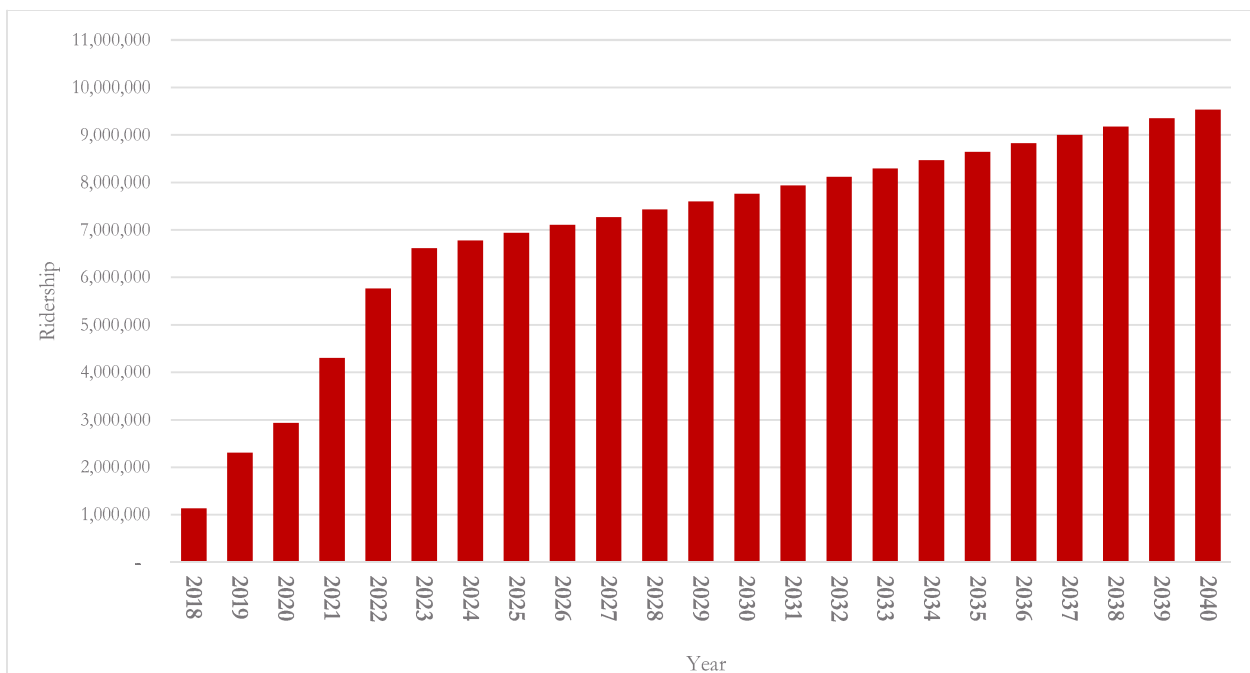
(1) Short-distance: Miami – Ft. Lauderdale, Miami-West Palm Beach (WBP), Ft. Lauderdale – WPB

(2) Long-Distance: Southeast Florida – Orlando

Ridership and revenue for the initial years of Brightline is expected to start at relatively low levels and grow to a stabilized volume after two years for each segment. The low levels represent the time it takes for ridership to build up to long-term forecast levels as travelers become acquainted with the new rail service and adjust their trip-making habits. During 2017, management has made substantial investment in marketing, pre-launch ticket sales, and corporate block sales prior to the anticipated commencement of revenue service in the first quarter of 2018. Management also intends to implement reduced price fares during an introductory period following the beginning of revenue service for each segment (see discussion in Section 5.2). Given these plans, for the short-distance trips, Louis Berger assumed, therefore, 40 percent of forecasted volumes in 2018, and 80 percent forecasted volumes in 2019. For the long-distance trips, Louis Berger assumed a two calendar year ramp-up period: ridership volumes for 2021 are 40 percent of forecasted volumes and 80 percent of forecasted volumes in 2022. These ramp-up assumptions are appropriate to estimation of initial year ridership and revenue, and are consistent with previous rail service forecasts in Florida (see discussion in Section 5.1.1 – Ramp-Up). The forecasts include the assumption that long-distance revenue service will begin in first quarter of 2021. The full service will reach stabilized volumes by 2023.

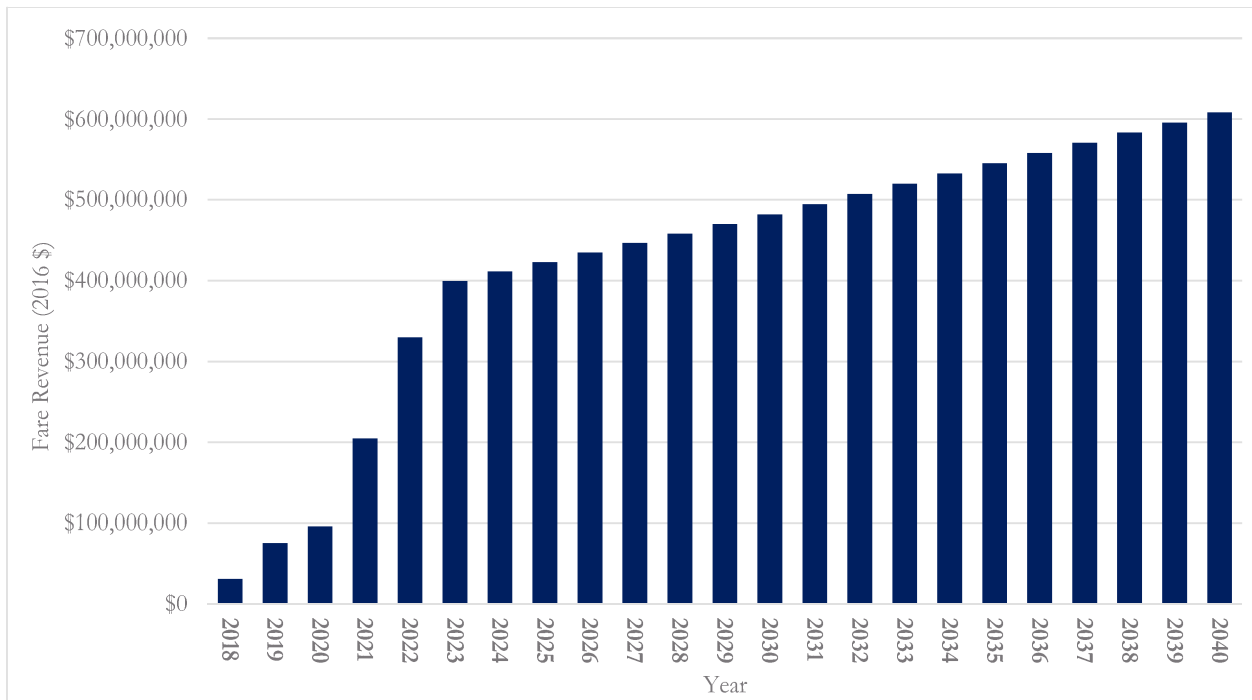
Ridership and revenue for the full forecast length is summarized in the two figures below. The values for 2018-2023 account for ramp-up reductions.

FIGURE 1-3 BRIGHTLINE ANNUAL RIDERSHIP FORECAST, 2018-2040



Source: Louis Berger, 2017

FIGURE 1-4 BRIGHTLINE FARE REVENUE FORECAST, 2018-2040 (2016 \$)



Source: Louis Berger, 2017

Estimated Market Share

The forecast indicates that after the initial ramp up period, Brightline will serve approximately 10 percent of the overall market for travel between Southeast Florida and Central Florida, which is expected to comprise the largest portion of Brightline revenues. In the short-distance market, Brightline will serve approximately 0.74 percent of the overall market.

FIGURE 1-5 BRIGHTLINE LONG-DISTANCE MARKET SHARE AND RIDERSHIP COMPOSITION, 2023

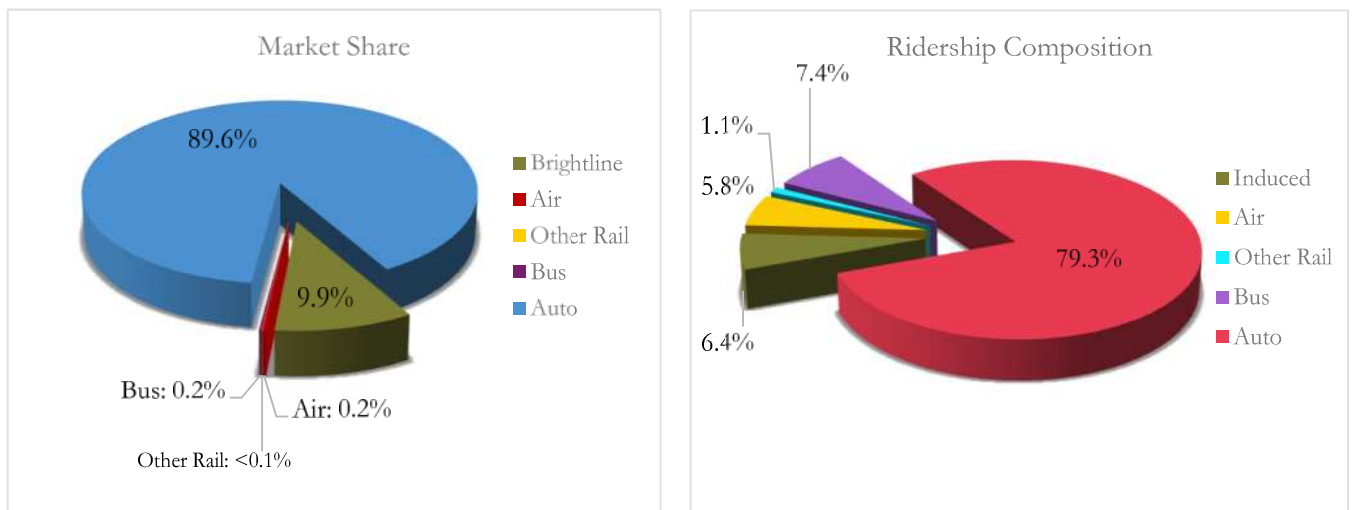
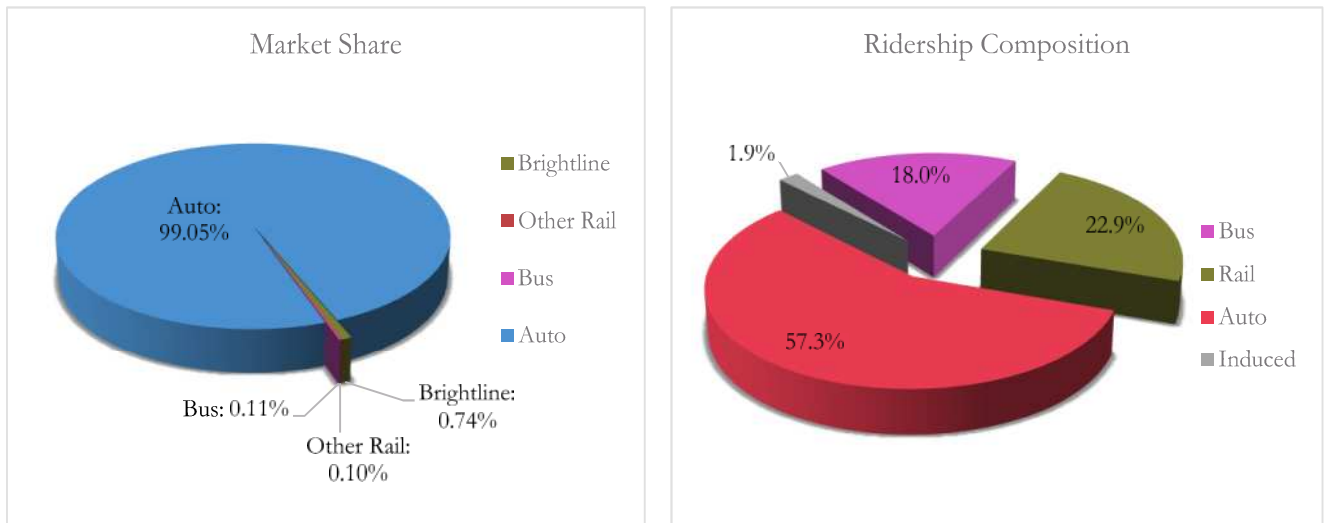


FIGURE 1-6 BRIGHTLINE SHORT-DISTANCE MARKET SHARE AND RIDERSHIP COMPOSITION, 2023



Source: Louis Berger, 2017

1.7 Forecast Sensivity Testing

Louis Berger conducted a series of sensitivity tests to evaluate the impact that changes in key input variables have on the ridership and revenue forecast. **Table 1-2** presents the key assumptions that were altered and the corresponding impact on ridership and revenues for both the short- and long-distance market. The impacts summarized in the table are expected based on the magnitude and nature of change in the assumptions.

TABLE 1-2 SENSITIVITY TEST RESULTS, RIDERSHIP AND REVENUE % CHANGE, 2023

Sensitivity Test (Assumptions modified)	Test (% decrease / increase)	Short-Distance		Long-Distance	
		Ridership Effect	Revenue Effect	Ridership Effect	Revenue Effect
Brightline Travel Time	10% decrease	3.6%	4.0%	6.3%	6.3%
	10% increase	-3.5%	-3.8%	-5.9%	-6.0%
Brightline Frequency	20% decrease	-3.7%	-3.9%	-1.5%	-1.6%
	20% increase	3.8%	4.0%	1.5%	1.6%
Station Access Costs (e.g. taxi fare, parking fees)	20% decrease	5.2%	5.3%	3.2%	3.1%
	20% increase	-4.9%	-5.0%	-3.1%	-3.0%
Intercity Travel Time by Auto	20% decrease	-10.4%	-10.9%	-11.2%	-11.4%
	20% increase	11.9%	12.6%	12.6%	12.7%
Intercity Travel time by Auto and Station Access Time	20% decrease	-1.3%	-1.5%	-7.1%	-7.3%
	20% increase	1.7%	2.0%	7.7%	7.7%
Auto Fuel Prices	Low: \$1.78 (-35%)	-3.3%	-3.5%	-3.1%	-3.1%
	High: \$4.95 (+79%)	7.9%	8.4%	7.4%	7.5%
Air Fares	20% decrease	N/A	N/A	-0.3%	-0.3%
	20% increase	N/A	N/A	0.1%	0.1%

Source: Louis Berger, 2017

2.0 The Market for Intercity Rail in Southeast and Central Florida

Despite the distances between city centers, the communities and economies of Southeast Florida are interconnected in many ways. Substantial numbers of people travel between Miami, Fort Lauderdale, and West Palm Beach for business, journey to work, recreation, and other purposes. Substantial demand for travel between these centers and Orlando also exists. This section outlines the characteristics of the overall intercity travel market and an evaluation of prospects for growth.

FIGURE 2-1 MIAMI URBANIZED AREA



Source: 2035 Southeast Florida Regional Transportation Plan

2.1 Regional Socioeconomics

A key component of the data collection and analysis process involved the development of demographic and market condition profiles for the Southeast Florida and the Central Florida regions. This regional study area was determined based on the proposed station locations, which are Orlando, Miami, Fort Lauderdale and West Palm Beach. The study area consists of the following counties and the Metropolitan Planning Organizations (MPOs) that guide transportation policy and investment priorities:

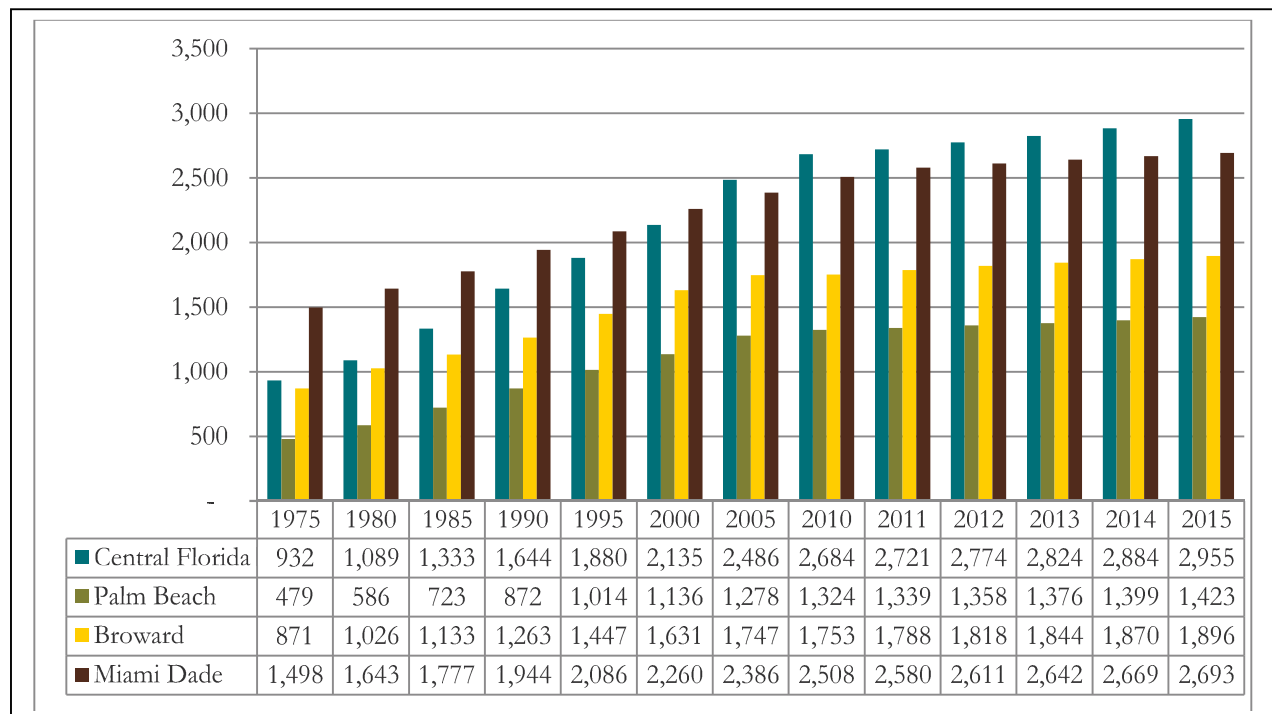
- Orange, Osceola, and Seminole County (MetroPlan Orlando); Lake and Brevard County
- Miami-Dade County (Miami-Dade MPO)
- Broward County (Broward MPO)
- Palm Beach County (Palm Beach MPO)

The three counties in Southeast Florida that contain the contiguous Miami urbanized area (depicted in **Figure 2-1**) are comprised of 104 city jurisdictions. In Central Florida the metropolitan area is composed of Orange, Seminole, Osceola, Lake and Brevard counties. The study area has a large base of population and employment and has experienced substantial growth. This section outlines historic trends in population and employment in the region, and specific profiles for the station area locations.

2.2 Population

The study area consists of two major metropolitan regions with a total population of 9 million in 2015. Over 6 million people live in Southeast Florida, making it the fourth ranked urbanized area in the nation (behind New York, Los Angeles and Chicago, and ahead of Philadelphia) and the most populous metropolitan area in the Southeastern U.S. Just under half of the regional population resides in Miami-Dade County; over 30 percent live in Broward County; and nearly 25 percent of the region’s population lives in Palm Beach County. The region has experienced substantial growth since 1975 when it had nearly 2.8 million residents (**Figure 2-2**). Palm Beach, which had the lowest population base in that year, has experienced the highest rate of growth amongst the counties in the study area, averaging 2.8 percent per year over the forty year period. Both Palm Beach and Broward counties today are larger than Miami-Dade was in 1975. The Central Florida region counted 3.6 million residents in 2015, including 2.4 million residing in Greater Orlando, the fifth most populous metropolitan area in the Southeastern U.S. The Central region experienced an average of 1.7 percent growth per year in the 2005-2015 period, fifty percent higher than the population growth rate of Southeast Florida over the same period (**Table 2-1**).

FIGURE 2-2 POPULATION, 1975-2015 (IN THOUSANDS)



Source: Louis Berger, 2017 from data provided by Woods & Poole Economics, 2017 which aggregated data from U.S. Census Bureau.

TABLE 2-1 AVERAGE ANNUAL GROWTH IN POPULATION

Region/County/Area	1975-2015	1995-2015	2005-2015	2010-2015
Central Florida	2.9%	2.3%	1.7%	1.9%
Southeast Florida	1.9%	1.4%	1.1%	1.5%
Palm Beach	2.8%	1.7%	1.1%	1.4%
Broward	1.5%	1.3%	1.2%	1.4%
Miami-Dade	2.0%	1.4%	0.8%	1.6%
Total Study Area	2.9%	2.3%	1.7%	1.9%

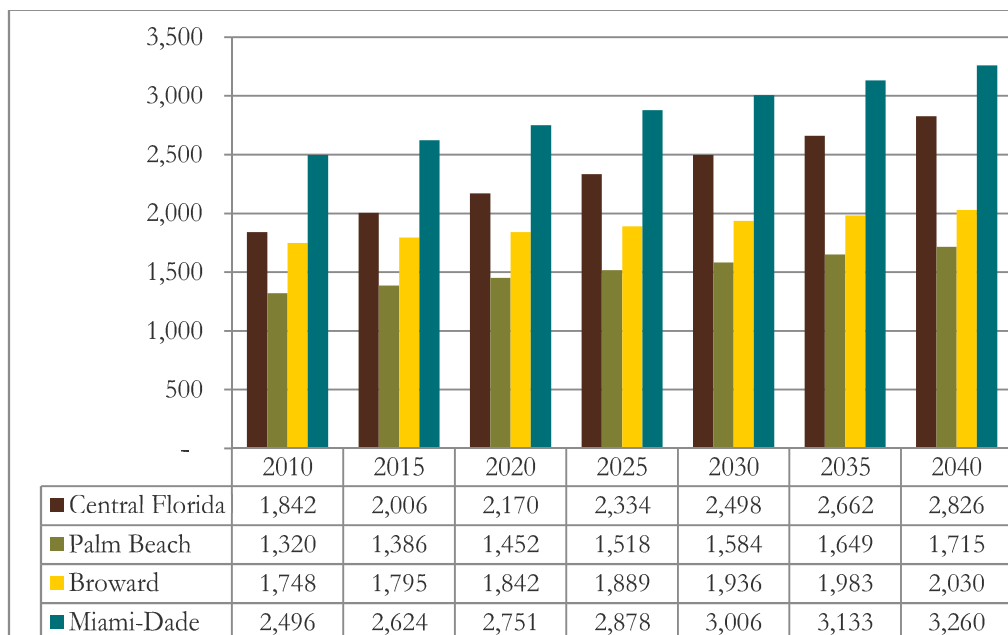
Source: Louis Berger, 2017 from data provided by Woods & Poole Economics, 2017, which aggregated data from U.S. Census Bureau.

Population growth in the study area as a whole has had an average annual gain of 2.9 percent since 1975 (see **Table 2-1**). In the past 20 years the growth rate has moderated to 2.3 percent. With the effects of a major recession long-lasting, growth since 2005 has averaged 1.7 percent.

2.3 Population Forecasts

In Southeast Florida the MPOs collaborate on regular updates to a long-range transportation plan for the three county urbanized area through the South East Florida Transportation Council (SEFTC). The plan includes updates to the outlook on the socioeconomic factors that underpin travel demand. The Plan, adopted in 2015, includes official forecasts for population through 2040 from a base year of 2010. In Central Florida, MetroPlan Orlando is the MPO for Orange County, Osceola County, and Seminole County. The MPO’s 2040 Long Range Transportation Plan includes population projections for 2040. **Figure 2-3** shows the levels and rates of growth expected by county.

FIGURE 2-3 MPO POPULATION FORECAST BY COUNTY, 2010-2040 (IN THOUSANDS)



Source: Louis Berger, 2017 from data provided by South East Florida Transportation Council, Southeast Florida Regional Transportation Plan, 2015 and from MetroPlan Orlando, 2040 Long Range Transportation Plan. Note: 2010 actual, 2015-2035 interpolated from 2040 forecast. Central Florida is composed of Orange, Osceola, and Seminole counties.

The Southeast Florida forecast calls for the region to experience more moderate levels of increase than in the past, growing at an average annual rate of 0.8 percent from the 2010 Census population count. Regional population is expected to reach 7.0 million in 2040, with over 3.2 million residents in Miami-Dade. The Central Florida MPO forecasts growth at an annual average rate of 1.4 percent from the 2010 Census Population count, reaching 2.8 million residents in the MPO by 2040.

The population forecasts adopted by SEFTC represent the results of a collaborative forecasting process conducted by the MPOs in coordination with state and local agencies and neighboring regional planning authorities. The forecasts are updated on a five-year cycle during the reexamination of the long range transportation plan.

In accounting for future growth in intercity trips, Louis Berger utilized the established travel demand forecasts of the MPOs. To ensure that these forecasts represent reasonable levels of growth when compared to more recent projections, Louis Berger undertook a review of alternative population forecast sources.

Three alternative sources were available at the county level. The Bureau of Economic and Business Research (BEBR) at the University of Florida produces population projections based on forecasts of natural increase and net migration flows. These projections are updated annually. **Table 2-2** displays the latest 2014 outlook (Florida Population Studies Bulletin 169, BEBR, June, 2014).

Louis Berger also obtained projections developed by Woods & Poole Economics, Inc., a private consulting firm that maintains and annually updates county-level projections for the U.S. (CEDDS - Complete Economic and Demographic Data Source, 2015). With its detail and frequent updates, this source is often used for comparison with official estimates in demand forecasts and due diligence studies. Additionally, Louis Berger obtained projects produced by Moody's Analytics (U.S. Census Bureau (BOC); Moody's Analytics (ECCA) Forecast).

TABLE 2-2 ALTERNATIVE POPULATION FORECAST SOURCES, 2040 (IN THOUSANDS)

County	MPO Forecast			BEBR Medium Projections			Woods & Poole			Moody's		
	2010	2040	CA GR	2010	2040	CAGR	2010	2040	CAGR	2010	2040	CAGR
Central Florida	1,842	2,826 [^]	1.4%	2,678	4,207	1.5%	2,684	4,736	1.9%	2,684	5,062	2.1%
Palm Beach	1,320	1,715	0.9%	1,320	1,735	0.9%	1,324	2,204	1.7%	1,324	2,372	2.0%
Broward	1,748	2,030	0.5%	1,748	2,238	0.8%	1,753	2,643	1.4%	1,753	2,643	1.4%
Miami-Dade	2,496	3,260	0.9%	2,496	3,516	1.1%	2,508	3,515	1.1%	2,507	3,504	1.1%
SEF Region	5,565	7,006	0.8%	5,565	7,489	1.0%	5,586	8,362	1.4%	5,584	8,519	1.4%

Source: Louis Berger, 2017 from data provided by BEBR, FPS 169, June 2014; Woods & Poole CEDDS, 2015. Notes: ^Counties included in Central Florida MPO forecast are Orange, Osceola, and Seminole. Counties included in Central Florida BEBR projections and Woods & Poole 2017 projections are Brevard, Lake, Orange, Osceola, and Seminole.

The latest BEBR “medium” projections factor in the 2016 U.S. Census estimates shows a continuation in the slow rate of growth seen in the latter part of the last decade. BEBR’s outlook for the state as a whole is summarized as follows in the *Florida Population Studies Volume 46, Bulletin 165, BEBR, March, 2013*:

As economic growth stalled and the housing market collapsed later in the decade [ending in 2010], population growth declined as well, dropping to its lowest levels in more than 60 years. Population growth picked up again over the last two years, but not nearly to the levels seen ten years ago. We expect growth to continue to accelerate over the next few years, eventually reaching levels more in line with historical patterns. For many counties, however, future increases are likely to be smaller

than those occurring during the last several decades. We project Florida's population growth to average approximately 234,000 per year this decade, 243,000 per year from 2020 to 2030, and 198,000 per year from 2030 to 2040.

For Southeast Florida, BEBR is projecting a slower rate of growth for the region overall, and for Broward in particular. The overall population level in 2040 is however 7 percent higher than the MPO forecast. It is important to note that the MPO forecasts for all three counties fall between the "low" and "medium" case projections provided by BEBR. Woods and Poole see higher prospects for growth for the region in general than the BEBR and the MPO forecasts, though Woods and Poole's 2040 forecast for Miami-Dade is similar to BEBR's forecast. Moody's forecasted population growth through 2040 is the highest of all forecasts under study, albeit only slightly higher than Woods and Poole in Central Florida (7%) and the SEF Region (2%). Moody's forecast growth for Miami-Dade was slightly less than Woods and Poole and BEBR's forecasts but only by less than one percent.

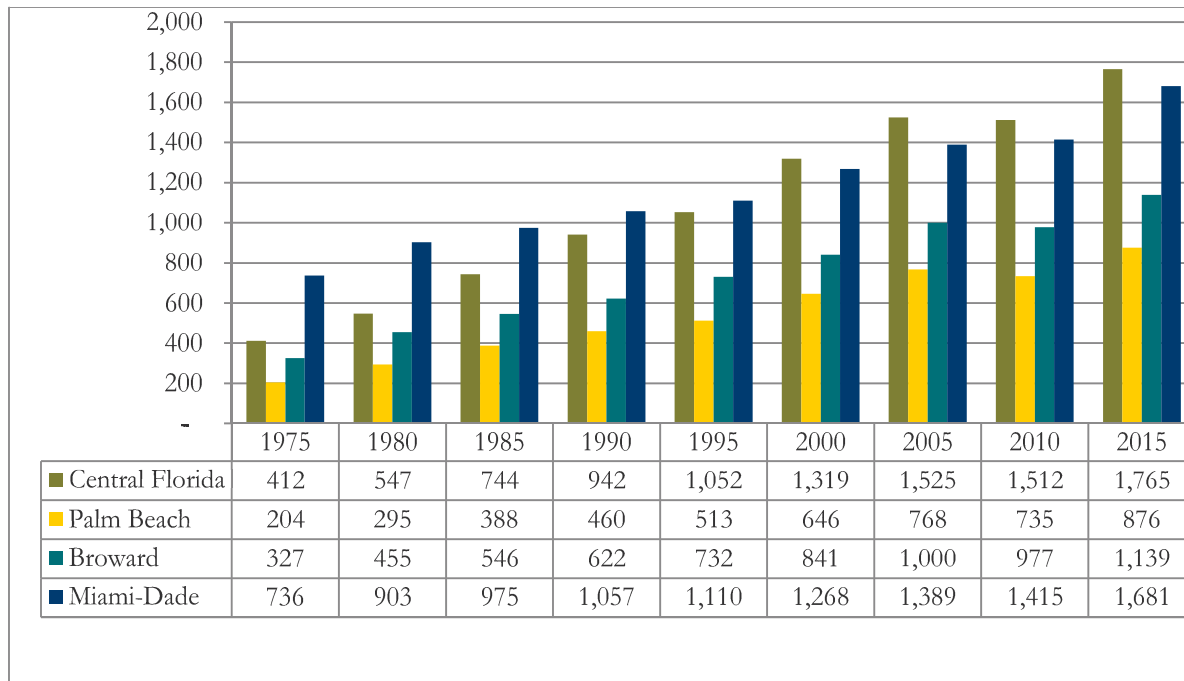
Variations in long-term population forecasts are not uncommon, especially during periods of volatility in economic conditions that affect the job and housing markets and influence net migration patterns. The MPO 2040 forecast is 12 percent lower than the Woods & Poole 2040 forecast (3.2 million) for the three Central Florida counties that are part of Metro Orlando and falls between the low and medium BEBR 2040 projections for those three counties (2.5-3.1 million).

2.4 Employment

The study area contains almost half (48.4 percent) of all employment in the state of Florida. The Southeast Florida region in particular is a major employment center in Florida, comprising one third of the state's total employment base. Over 3.6 million people worked in Southeast Florida in 2015.

There was a slight dip in employment between 2005 and 2010 due to the recession and credit crisis; however, employment levels appear to have recovered. Just under half of the regional employment base is located in Miami-Dade County, with over 30 percent of the regional total located in Broward County, and 23 percent of workplace employment located in Palm Beach County. The region has experienced substantial growth since 1975 when it had 1.27 million jobs. Employment in Central Florida totaled almost 1.8 million in 2015, up from 412,000 jobs in 1975 (**Figure 2-4**).

FIGURE 2-4 EMPLOYMENT, 1975-2015 (IN THOUSANDS)



Source: Louis Berger, 2017 from data provided by Woods & Poole Economics, 2017

TABLE 2-3 AVERAGE ANNUAL GROWTH IN EMPLOYMENT

Region/County/Area	1975-2015	1995-2015	2005-2015	2010-2015
Central Florida	3.7%	2.6%	1.5%	3.1%
Southeast Florida	2.7%	2.3%	1.6%	3.4%
Palm Beach	3.7%	2.7%	1.3%	3.6%
Broward	3.2%	2.2%	1.3%	3.1%
Miami-Dade	2.1%	2.1%	1.9%	3.5%
Total Study Area	3.0%	2.4%	1.5%	3.3%

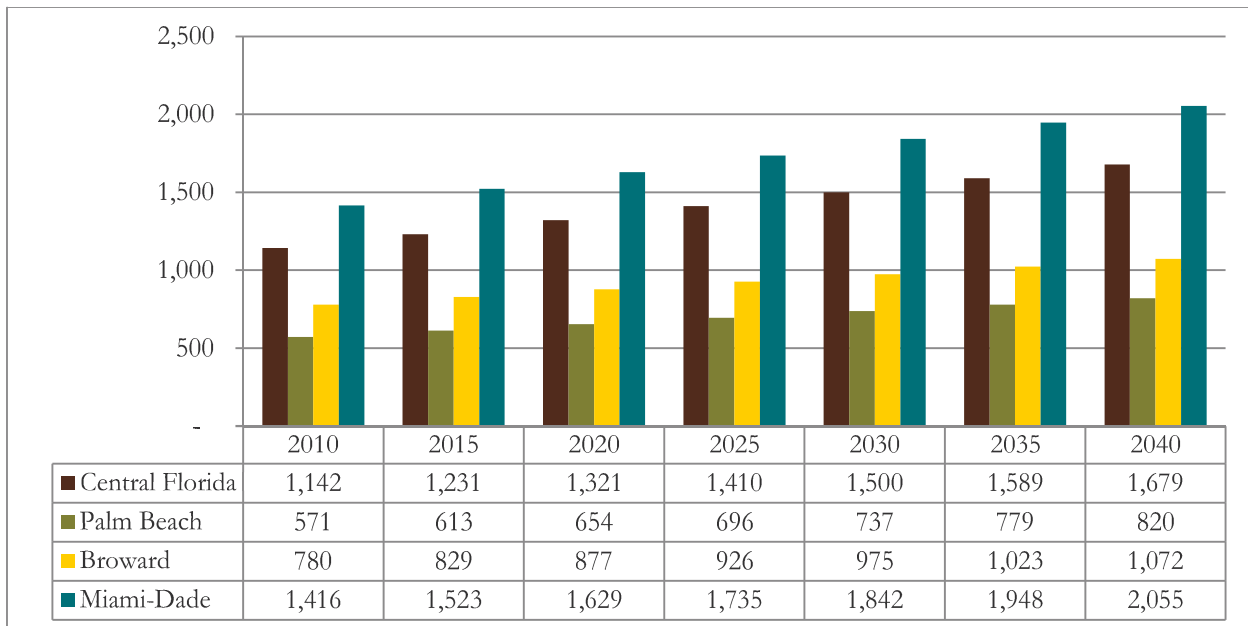
Source: Louis Berger, 2017 from data provided by Woods & Poole Economics, 2017

Employment growth in the region as a whole has averaged an annual gain of 3.0 percent since 1975 (see **Table 2-3**). In the past 20 years the growth rate has moderated to 2.4 percent. With the effects of a major recession still being felt, growth since 2005 has averaged 1.5 percent.

2.5 Employment Forecasts

In keeping with the population outlook, the MPO forecasts for employment show moderate growth in line with rates observed in the last decade. In Southeast Florida, regional employment is expected to reach 3.9 million in 2040, with over 2 million jobs in Miami-Dade. In Central Florida, employment is expected to grow at 1.3 percent annually, reaching 1.7 million jobs in 2040 (**Figure 2-5**).

FIGURE 2-5 MPO EMPLOYMENT FORECAST BY COUNTY, 2010-2040 (IN THOUSANDS)



Source: Louis Berger, 2017 from data provided by South East Florida Transportation Council, Southeast Florida Regional Transportation Plan, 2015; MetroPlan Orlando 2040 Long Range Transportation Plan; Palm Beach Long Range Transportation Plan 2040; Broward 2040 Commitment; and Miami-Dade 2040 Long Range Transportation Plan. Note: 2010 actual, 2015-2035 interpolated from 2040 forecast. Central Florida is composed of Orange, Osceola, and Seminole counties.

To ensure that these forecasts represent reasonable levels of growth when compared to more recent projections, Louis Berger undertook a review of alternative employment forecast sources.

Three alternative sources were available at the county level. The Florida Department of Economic Opportunity (FDEO) produces industry and occupation projections for an eight year forecast period. Their projections for 2016-2024 are presented in **Table 2-4**. Since the base year for this forecast is 2016 and the out-year is 2024, this source is only appropriate for comparison of the average annual growth rate and benchmarking of current employment levels. The other sources involved employment projections developed by Woods & Poole (CEDDS - Complete Economic and Demographic Data Source, 2012) and Moody's Analytics (ECCA Forecast). These forecast include projections for 2040.

TABLE 2-4 ALTERNATIVE EMPLOYMENT FORECAST SOURCES, 2040 (IN THOUSANDS)

County	MPO Forecast			Current FDEO Projections			Woods & Poole			Moody's		
	2010	2040	CA GR	2010	2040	CAGR	2010	2040	CAGR	2010	2040	CAGR
Central Florida	1,142	1,679	1.3%	1,325	1,508	1.6%	1,512	2,723	2.0%	1,186	2,065	1.9%
Palm Beach	571	820	1.2%	648	729	1.5%	735	1,362	2.1%	505	822	1.6%
Broward	780	1,072	1.1%	870	958	1.2%	977	1,649	1.8%	705	1,014	1.2%
Miami-Dade	1,416	2,055	1.2%	1,201	1,324	1.2%	1,415	2,419	1.8%	985	1,402	1.2%
SEF Region	2,762	3,940	1.2%	2,720	3,013	1.3%	3,127	5,430	1.9%	2,195	3,238	1.3%

Source: Louis Berger, 2017 from data provided by South East Florida Transportation Council, Southeast Florida Regional Transportation Plan, 2015; MetroPlan Orlando 2040 Long Range Transportation Plan; Palm Beach Long Range Transportation Plan 2040; Broward 2040 Commitment; Miami-Dade 2040 Long Range Transportation Plan; FDEO, October 2016; Woods & Poole CEDDS, 2015; Moody's Analytics (ECCA) Forecast. Notes: ^2040 projections. Counties included in Central Florida MPO forecast are Orange, Osceola, and Seminole. Counties included in Central Florida FDEO projections are Orange and Seminole counties. Counties included in Central Florida Woods & Poole projections are Brevard, Lake, Orange, Osceola, and Seminole.

With no Census 100% Count available for employment, variations in long-term employment forecasts and base year measurements are not uncommon, especially during periods of volatility in economic conditions.

Although the forecast term only extends to 2024, the FDEO projections are generally consistent with the MPO forecasts in terms of the overall rate of growth with the exception of the growth rate for Central Florida. In Southeast Florida, the agency sees a higher rate of growth for Palm Beach and Broward and an equivalent level for Miami Dade. The FDEO 2016 employment levels are lower than the 2010 levels in the MPO forecasts, a difference attributable to employment loss in Miami-Dade following the Great Recession.

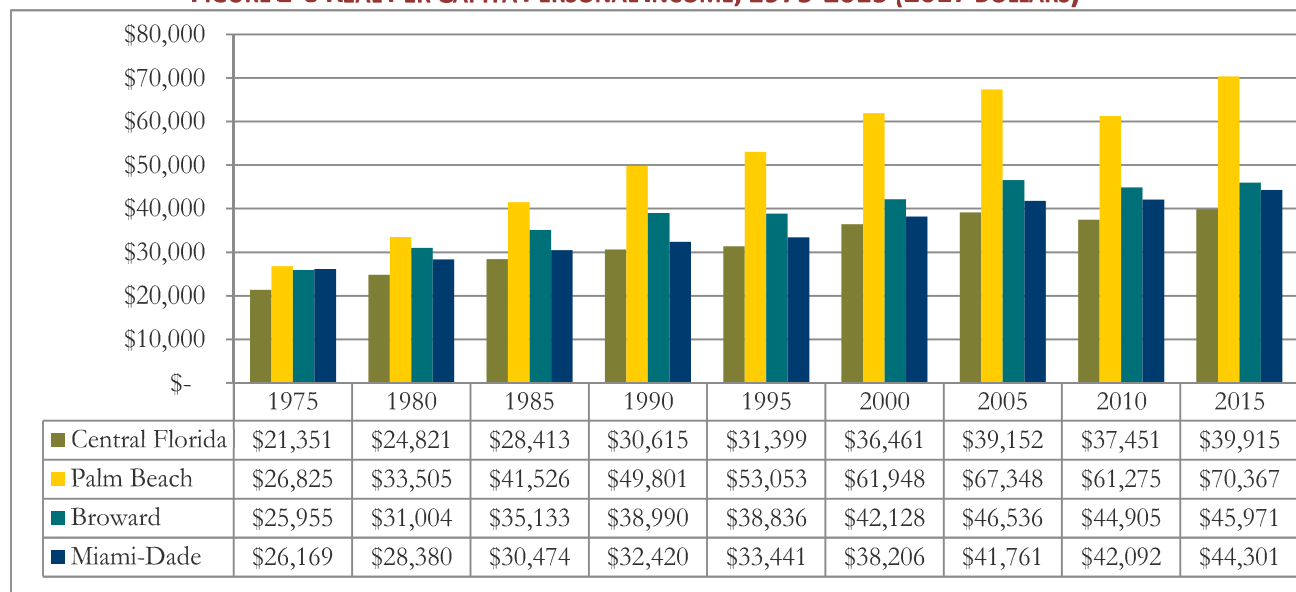
Woods and Poole see slightly higher prospects for growth for the region in general. The Palm Beach 2040 forecast growth rate is higher (2.1 percent) than the adopted 2040 MPO forecast (1.2 percent). For Central Florida, Woods & Poole is more optimistic than FDEO, projecting an average annual employment growth rate of 2.0 percent compared to 1.6 percent.

Moody’s employment growth forecasts for Broward and Miami-Dade counties are similar to the MPO estimates. However, their baseline and future growth estimates are substantially lower compared to the MPO estimates for Miami-Dade. However, when including only the three counties measured by the MPO (Osceola, Orange and Seminole) in the 2040 Moody’s estimate Moody’s total forecast employment in 2040 is less than 1 percent off of the MPO’s forecast employment.

2.6 Income

Total personal income in the study area was over \$420 billion (2017 dollars) in the year 2015. This represents 46 percent of all personal income in the state of Florida. Per Capita personal income increased by 1.6 percent on average annually in the study area between 1975 and 2015. In particular, Palm Beach County had the largest gains in per capita personal income over this period with average annual increases of 2.4 percent between 1975 and 2015 (**Figure 2-6**). These gains were even higher at 2.8 percent on average annually between the years 2010 and 2015 (**Table 2-5**). Broward County had per capita personal income gains of 1.4 percent on average annually during the 40 year period from 1975 to 2015; however, there were negative per capita personal income changes between 2005 and 2015 which is likely due to the economic downturn which occurred during this time. The study area had per capita personal income gains of 0.26 percent on average annually during this period.

FIGURE 2-6 REAL PER CAPITA PERSONAL INCOME, 1975-2015 (2017 DOLLARS)



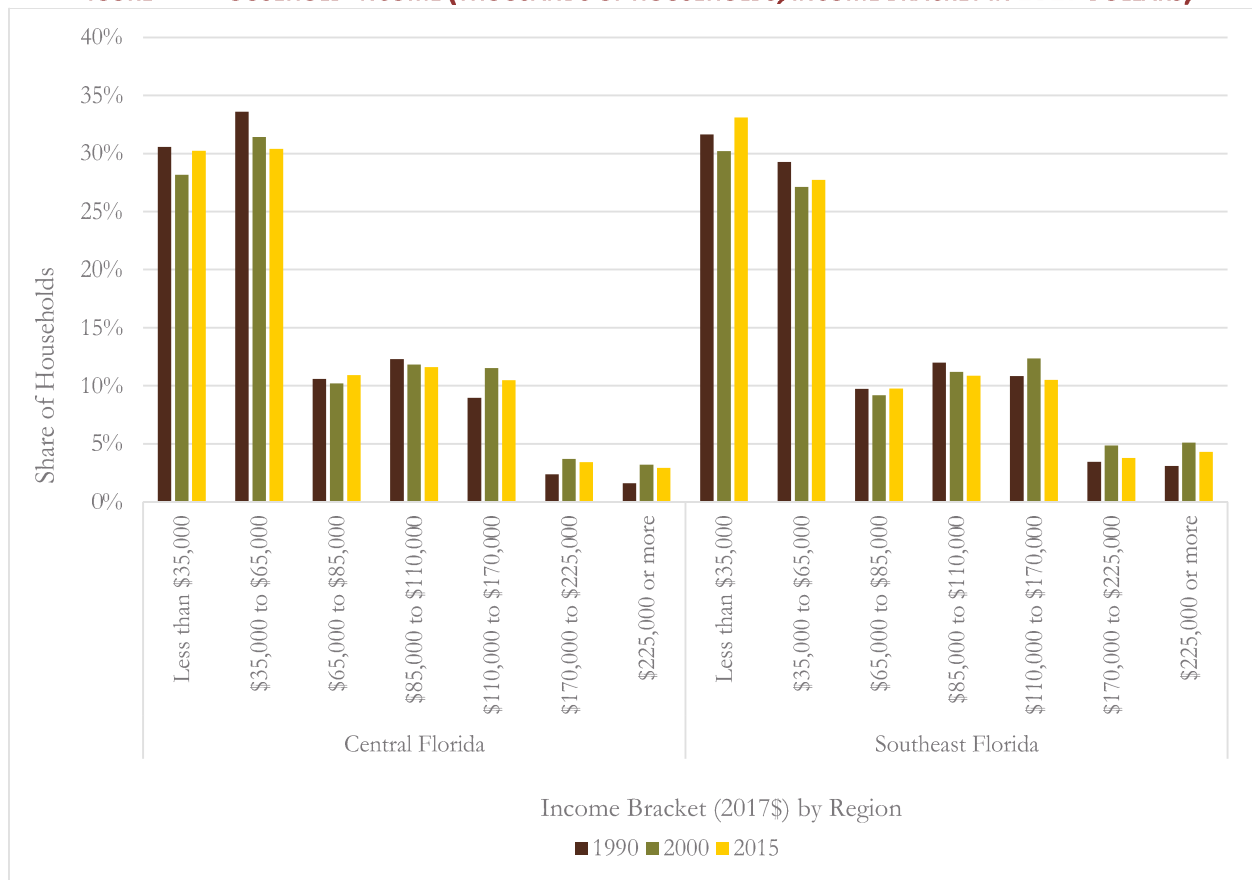
Source: Louis Berger, 2017 from data provided by Woods & Poole Economics, 2017

TABLE 2-5 AVERAGE ANNUAL PER CAPITA PERSONAL INCOME CHANGE OVER TIME

Region/County/Area	1975-2015	1995-2015	2005-2015	2010-2015
Central Florida	1.58%	1.21%	0.19%	1.28%
Southeast Florida	1.68%	1.28%	0.33%	1.42%
Palm Beach	2.44%	1.42%	0.44%	2.81%
Broward	1.44%	0.85%	-0.12%	0.47%
Miami-Dade	1.32%	1.42%	0.59%	1.03%
Total Study Area	1.61%	1.22%	0.26%	1.36%
Source: Louis Berger, 2017 from data provided by Woods & Poole Economics, 2017				

Figure 2-7 below shows the breakdown of households by household income level for the study area. Of particular note is that the number of households in the income brackets below \$112,000 increased between 2000 and 2015 more than the increase during the previous period from 1990 to 2000. Although there were an additional five years of data available for the comparison between 2000 and 2015 the increase in the number of households in the lower income brackets increased at a faster annual rate than during the period between 1990 and 2000. For example, there was a 35 percent increase in the number of households in the Less than \$33,600 bracket in the study area between 2000 and 2015 compared to a 16 percent increase in this bracket between 1990 and 2000. This trend is most apparent in Palm Beach County where the number of households in this bracket increased by 48 percent between 2000 and 2015 compared to a 22 percent increase between 1990 and 2000. In general, the number of households in the upper income brackets increased between 1990 and 2000 but decreased or increased only slightly between 2000 and 2015 compared with changes in the lower income brackets. This indicates that over time more households in the study area have shifted toward lower incomes relative to the higher income households. The number of households in upper income brackets increased the most in Central Florida between 2000 and 2015 as households with incomes higher than \$112,000 saw increases of 23 percent or more in each income bracket during this period (**Figure 2-7**).

FIGURE 2-7 HOUSEHOLD INCOME (THOUSANDS OF HOUSEHOLDS, INCOME BRACKET IN 2017 DOLLARS)



Source: Louis Berger, 2017 from data provided by U.S. Census, 2015

A key advantage to the FECR corridor in the development of new intercity passenger service in Southeast Florida is that the right-of-way passes through the most densely populated and highest growing areas in the region. These regions are also strong in terms of employment income levels.

The market catchment area for the proposed Brightline service was determined based on the proposed station locations - Miami, Fort Lauderdale, West Palm Beach and Orlando. This section describes the population, employment, and income profiles within a 10 mile radius of the Brightline stations.

Population:

Table 2-6 indicates that the station areas in Miami, Fort Lauderdale, and West Palm Beach are well positioned to provide access to potential passengers. Over 4.3 million people live within block groups located within a 10-mile radius of the stations, nearly 1.5 million in Miami alone. The number of the study area households in that area stood at approximately 1.5 million in 2015. Including vacant and seasonally occupied units, there were over 1.8 million housing units within 10-miles of the proposed stations.

TABLE 2-6 POPULATION AND HOUSEHOLDS WITHIN 10-MILE RADIUS OF BRIGHTLINE STATIONS (2015)

	West Palm Beach	Fort Lauderdale	Miami	Orlando Airport
Total Population	668,121	1,333,194	1,457,694	858,689
Total Households	244,858	502,590	493,907	305,418
Total Housing Units	310,968	623,379	595,618	361,064
Source: Louis Berger, 2017 from data provided by ESRI Business Analyst, 2015				

The total population residing in block groups located within 10 miles of the Brightline stations increased from 4.03 million to 4.32 million (1.4 percent annual average) between 2010 and 2015, resulting from increases in population in all station areas. The population residing in block groups located within 10 miles of the Orlando’s and West Palm Beaches’ Brightline stations increased by 1.7 and 1.5 percent, respectively, on average annually during this period. The average annual increase in population residing in block groups located within 10 miles of Miami and Fort Lauderdale’s stations was 1.3 and 1.1 percent, respectively, over this period.

The maps displayed in **Figures 2-8 to 2-11** on the following pages depict population density in the vicinity of the station locations.

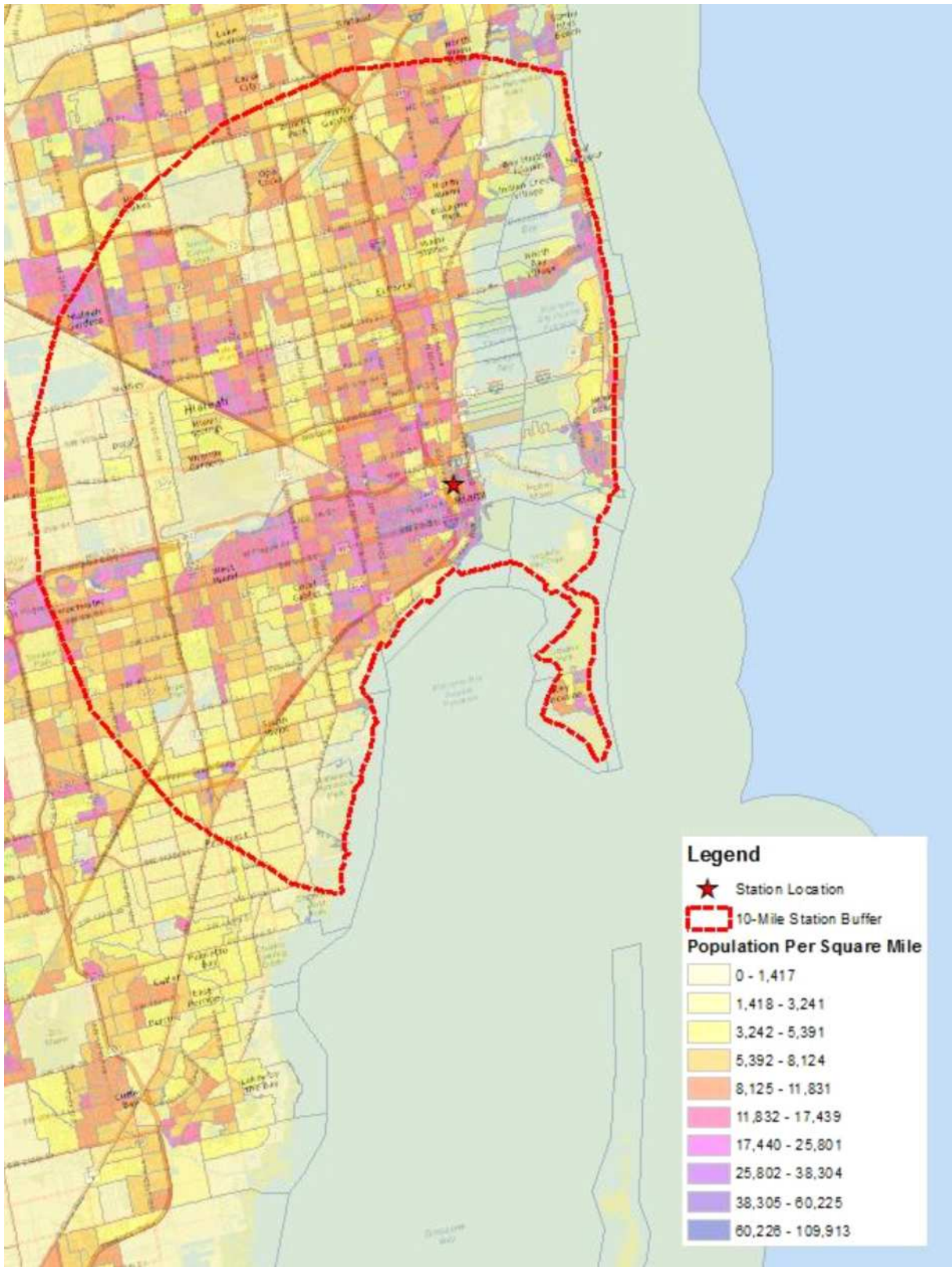
Per Capita Income:

Brightline stations are located in areas of high per capita incomes in all four cities. Maps showing geographic per capita income distribution are available in Appendix A.

Employment:

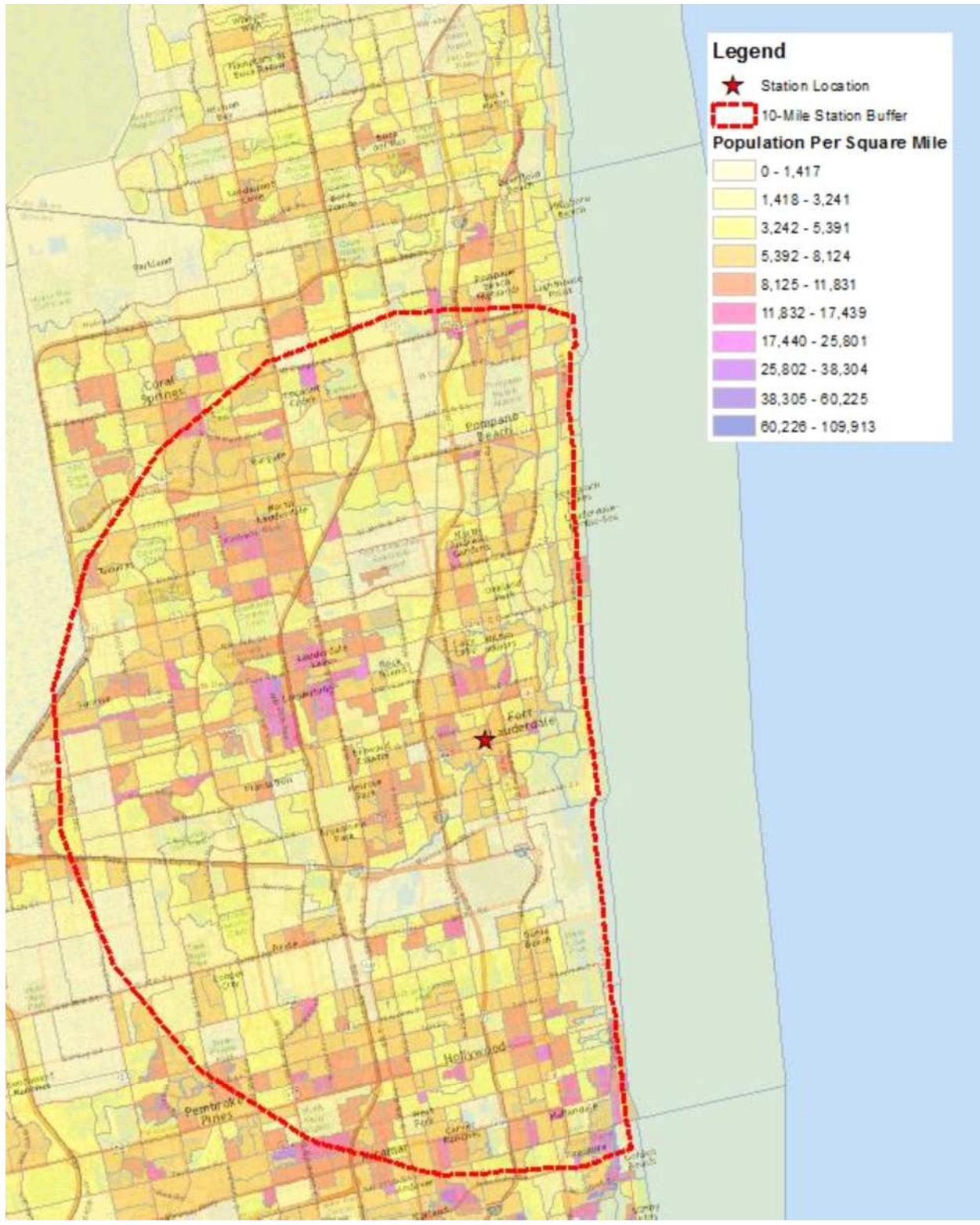
Employment density (number of jobs per square mile) is at its highest in Miami, Ft. Lauderdale, and West Palm Beach within the 10 mile catchment area. The station location in Orlando is well suited to cater to visitors coming / going to the Orlando-Sanford International Airport. Maps showing employment density for the area around the Brightline stations are available in Appendix A.

FIGURE 2-8 MIAMI STATION AREA POPULATION DENSITY, 2015



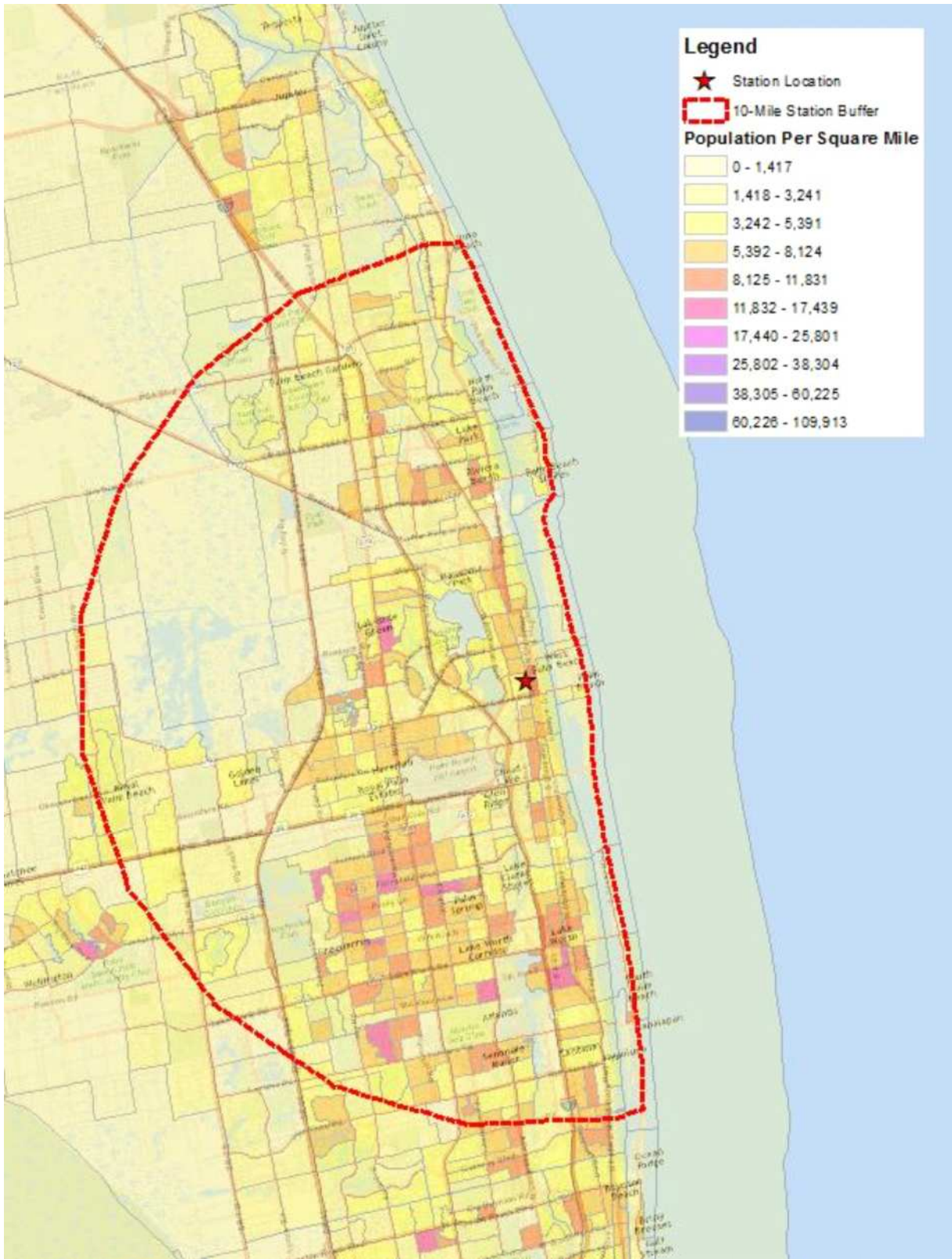
Source: Louis Berger, 2017 from data provided by U.S. Census, 2015

FIGURE 2-9 FORT LAUDERDALE STATION AREA POPULATION DENSITY, 2015



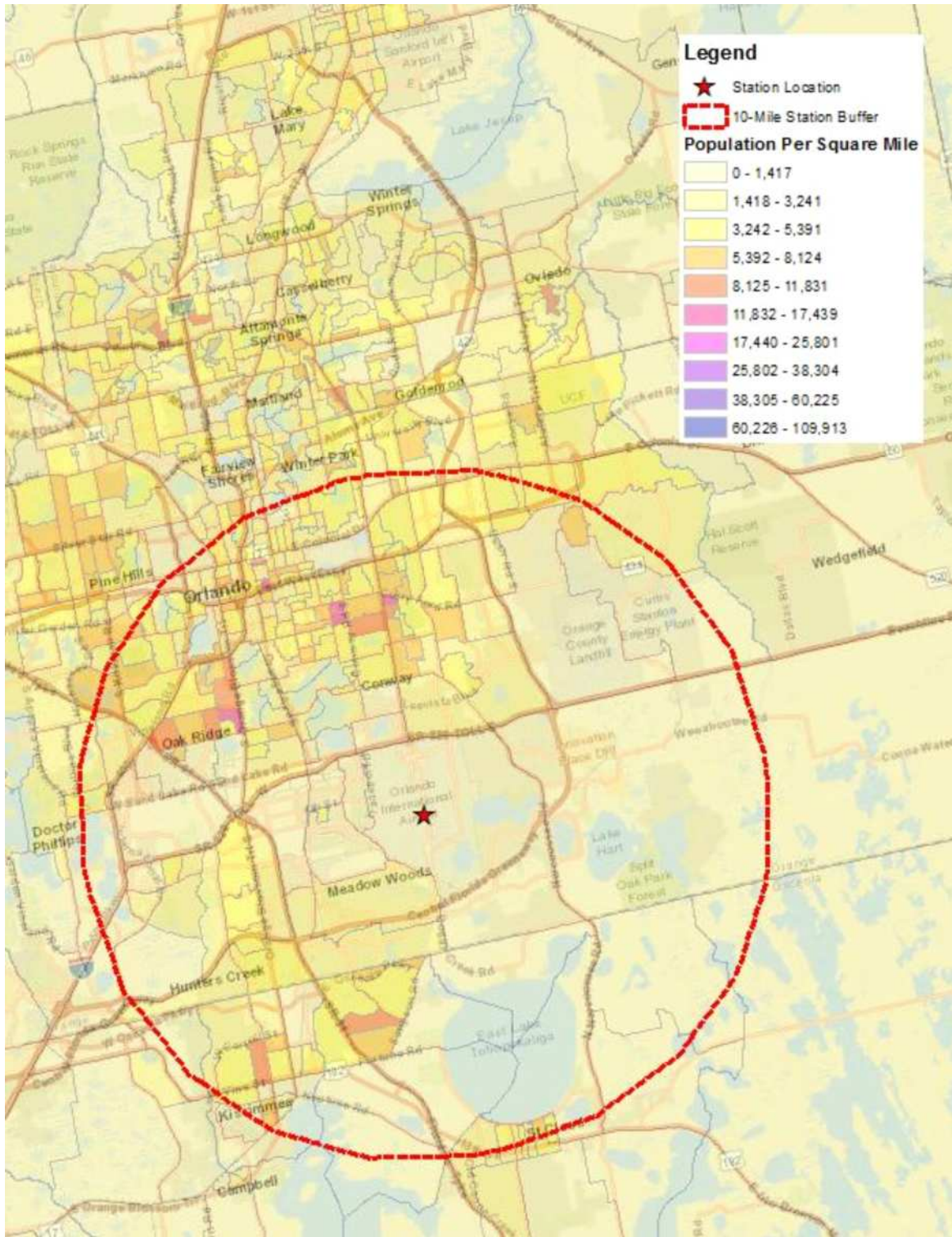
Source: Louis Berger, 2017 from data provided by U.S. Census, 2015

FIGURE 2-10 WEST PALM BEACH STATION AREA POPULATION DENSITY, 2015



Source: Louis Berger, 2017 from data provided by U.S. Census, 2015

FIGURE 2-11 ORLANDO AREA POPULATION DENSITY, 2015

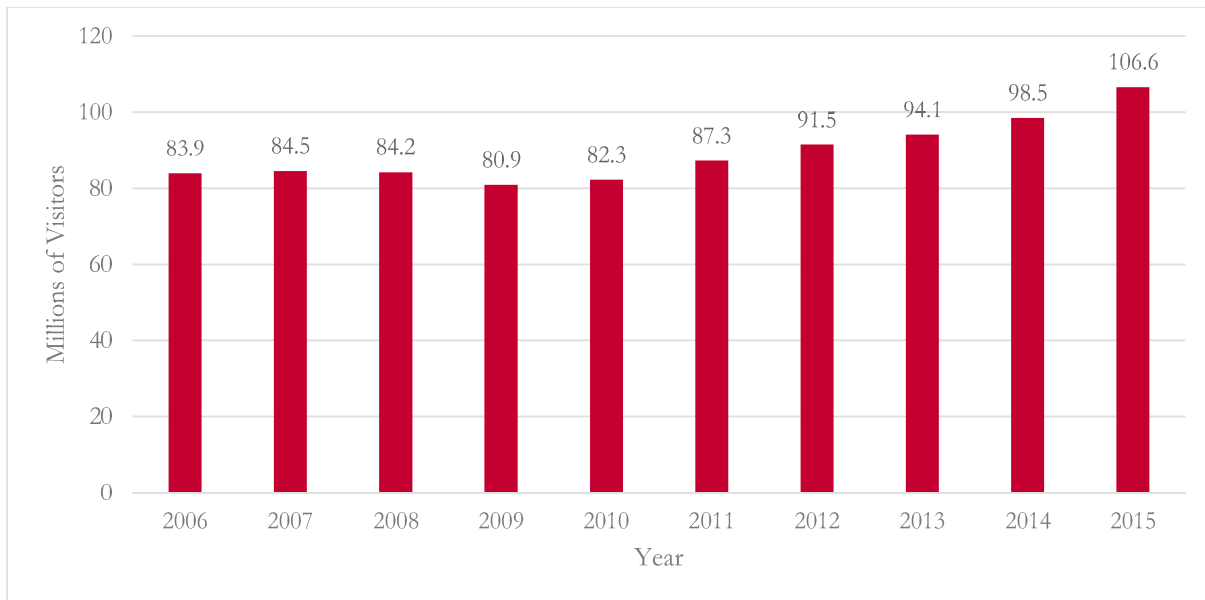


Source: Louis Berger, 2017 from data provided by U.S. Census, 2015

2.7 Travel and Tourism

Given that the Central and Southern Florida regions are very popular tourism and business travel destinations, a good understanding of this travel market is essential. Louis Berger analyzed data from Visit Florida, the official tourism marketing corporation for the state of Florida. Visitation has been growing in this region in the past years. According to the latest data from Visit Florida, the state welcomed 106.6 million overnight visitors in 2015, an 8 percent increase from the prior year. **Figure 2-12** below shows historical visitation to the state from 2006 through 2015.

FIGURE 2-12 HISTORICAL TRENDS IN FLORIDA VISITATION: 2006-2015



Source: Louis Berger, 2017 with data provided by Visit Florida, 2015

Strong sales tax revenues are partially a result of high visitation levels. In 2015, ninety-five percent of counties in Florida experienced an increase in sales tax revenue from the previous year. Tourism and recreation taxable sales and total statewide taxable sales grew 8.6 percent from the prior year. Statewide tourist development tax collections grew 12 percent from 2014 for the entire state of Florida, totaling \$784 million. Over half of the statewide total development tax collections in 2015 came from within the study area. **Table 2-7** below shows tourist development tax collections for the study area.

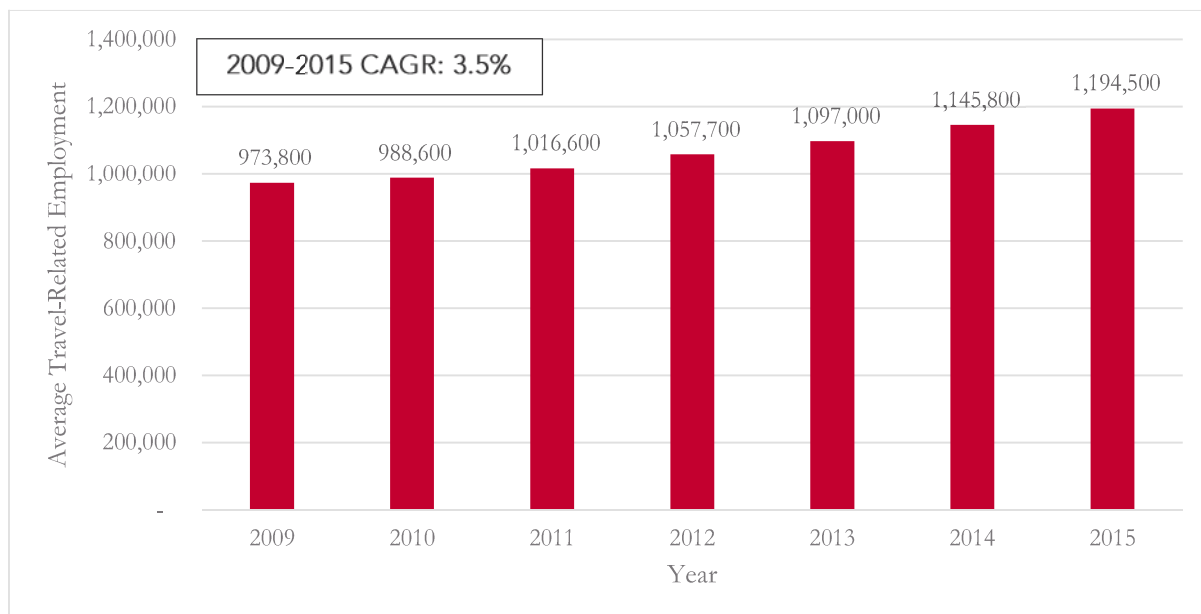
TABLE 2-7 TOURIST DEVELOPMENT TAX COLLECTIONS

Geography	Tax Rate	2014	2015	% Change '15/'14	% of 2015 Florida Dev Tax Collection	State Rank '15 Tourist Dev Tax Collections
Central Florida	N/A	\$264,568,910	\$294,543,926	11%	38%	N/A
Brevard*	5%	\$10,006,981	\$11,181,906	12%	1%	17
Lake*	4%	\$2,482,617	\$2,643,797	7%	0%	28
Orange*	6%	\$206,598,500	\$230,405,500	12%	29%	1
Osceola*	6%	\$41,338,191	\$45,643,986	10%	6%	3
Seminole*	5%	\$4,142,621	\$4,668,737	13%	1%	24
Southeast Florida	N/A	\$125,750,657	\$142,994,860	14%	18%	N/A
Miami-Dade*	3%	\$36,117,176	\$39,181,516	9%	5%	6
Broward*	5%	\$54,620,491	\$58,711,876	8%	7%	2
Palm Beach*	6%	\$35,012,990	\$45,101,468	29%	6%	4
Study Area	N/A	\$390,319,567	\$437,538,786	12%	56%	N/A

Source: Louis Berger, 2017 with data provided by Visit Florida, 2015. Note: * Indicates self-administration of the Tourist Development Tax; totals are provided to the Department of Revenue by the counties' tax collectors.

In 2015 the Metropolitan Statistical Area (MSA) of Orlando-Kissimmee collected \$22.7 billion in tourism and recreation sales, the most of any MSA in the state and a \$2.1 billion increase over 2014. Overall, Orlando, Miami and Tampa collected nearly half of all tourism and recreation related taxable sales in the state of Florida in 2015 (Florida Tourism Indicators, Visit Florida 2015). This travel related spending supported a 4 percent increase in travel related employment between 2014 and 2015. **Figure 2-13** below shows travel related employment between 2009 and 2015.

FIGURE 2-13 TRAVEL RELATED EMPLOYMENT IN FLORIDA



Source: Louis Berger, 2017 with data provided by Visit Florida, 2015

Of the eighteen airports in Florida, fifteen experienced an increase in the number of passengers boarding aircraft in 2015 compared to 2014. The Orlando-Sanford airport experienced the third highest increase of

13.6%. Orlando-Sanford had 19.3 million boarding passengers in 2015 (+8.5% from 2014), second to Miami International in terms of total boarding passengers in 2015 (Estimates of Visitors to Florida, Visit Florida 2015). Miami International Airport experienced the largest numerical increase with 1.7 million additional boarding passengers than in 2014. Miami also had the largest number of boarding passengers in Florida, at 22 million.

2.8 Domestic Visitation

Of all the domestic visitors to the state of Florida in 2015, 89 percent traveled to the state for leisure activities, mostly during the spring and summer months. Domestic business travelers primarily visited central Florida (41%) followed by southeastern Florida (20%). **Table 2-8** below details the main purpose of visitors' trips by type of trip.

TABLE 2-8 DOMESTIC VISITORS MAIN TRIP PURPOSE

Trip Purpose	2013	2014	2015	'15/'14 % Change
LEISURE	89%	90%	89%	-1
General Vacation	38%	40%	37%	-3
Visit Friends/Relatives	26%	25%	25%	0
Getaway Weekend	10%	11%	13%	2
Special Event	8%	8%	7%	-1
Other Leisure/Personal	7%	6%	8%	2
BUSINESS	11%	10%	11%	1
Transient Business	5%	4%	4%	0
Convention	2%	2%	2%	0
Seminar/Training	2%	2%	2%	0
Other Group Meetings	2%	1%	2%	1

Source: Louis Berger, 2017 with data provided by Visit Florida, 2015

The states of Georgia, New York, and Texas provided the largest number of domestic visitors to Florida in 2015. The average age of domestic leisure visitors to Florida in 2015 was 47.9. The largest percentage (30%) of visitors to Florida were age 35 to 49 followed by those age 18 to 34 (26%) (Profile of Domestic Visitors, Visit Florida 2015).

2.9 International Visitation

International visitors to Florida in 2015 were primarily travelling to the state on vacation or holiday (74%), staying for an average of 11 nights, similar to length of stay in 2014 (10.7). These visitors primarily visited the southeastern (68%) portion of the state. Trip purpose for visitors is detailed in **Table 2-9**.

TABLE 2-9 INTERNATIONAL VISITORS MAIN TRIP PURPOSE

Main Trip Purpose	2014	2015
Vacation/Holiday	74%	74%
Visit Friends/Relatives	12%	12%
Business	6%	7%
Conference/Convention/Trade Show	5%	5%
Other	3%	3%
Source: Louis Berger, 2017 with data provided by Visit Florida, 2015		

The top market for international visitors is Canada with 3.8 million Canadians visiting Florida in 2015. These visitors stayed an average of 23 nights when visiting, up slightly from 22.7 nights in 2014. Most of these visitors traveled to southeastern (44%), central-central eastern (37%) or central west-southwestern (28%) Florida. Most of these visitors travelled to Florida via plane (52%) while over one third made the trip by car (36%). Few visitors traveled with children in 2015 (19%); many traveled alone (47%), and about 56% traveled with a spouse /partner or family / relatives. Most (76%) of these travelers stayed in a hotel or motel during their stay in Florida (International Visitors to Florida, Visit Florida 2015).

2.10 Addressable Market Geography for Brightline

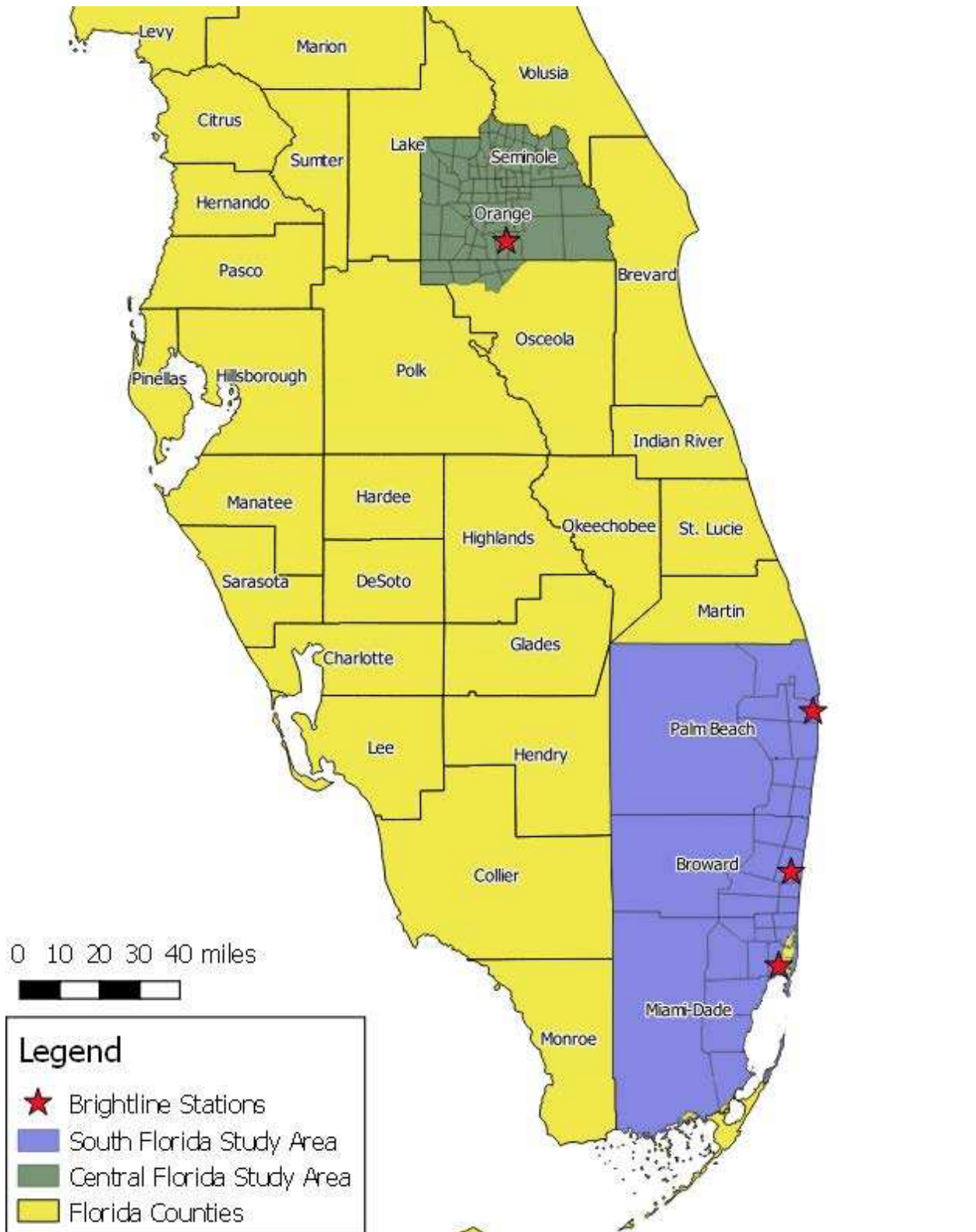
The earlier sections provided an overview of the regional socioeconomics in South and Central Florida. Following a review of the region, Louis Berger proceeded to identify the addressable market geography, or study area, for the Brightline service. This geography was determined based on the proposed station locations in Miami, Fort Lauderdale, West Palm Beach, and Orlando. In Central Florida, the study area encompasses Seminole County, Orange County, and parts of Osceola County in the Greater Orlando area. In Southeast Florida, the study area includes Miami-Dade County, Broward County, and Palm Beach County, as shown in **Figure 2-14**.

The catchment area for long-distance intercity travel between Central Florida and Southeast Florida was set to encompass an area within 30 to 40 minutes of driving time of a Brightline station. The catchment areas for shorter distance trips between the three cities in Southeast Florida was set to encompass and areas within 20 to 30 minutes of drive time to the stations.

A higher degree of geographic resolution was used for the analysis of the short-distance travel market. The addressable geographical market for the short-distance market is depicted in **Figure 2-15**. For the short-distance market, the zone structure was developed from Southeast Florida Regional Planning Model (SERPM) traffic analysis zones, aggregated at the district level. The zone structure consists of 398 zones – 122 in Palm Beach County, 184 in Broward County, and 92 in Miami-Dade County.

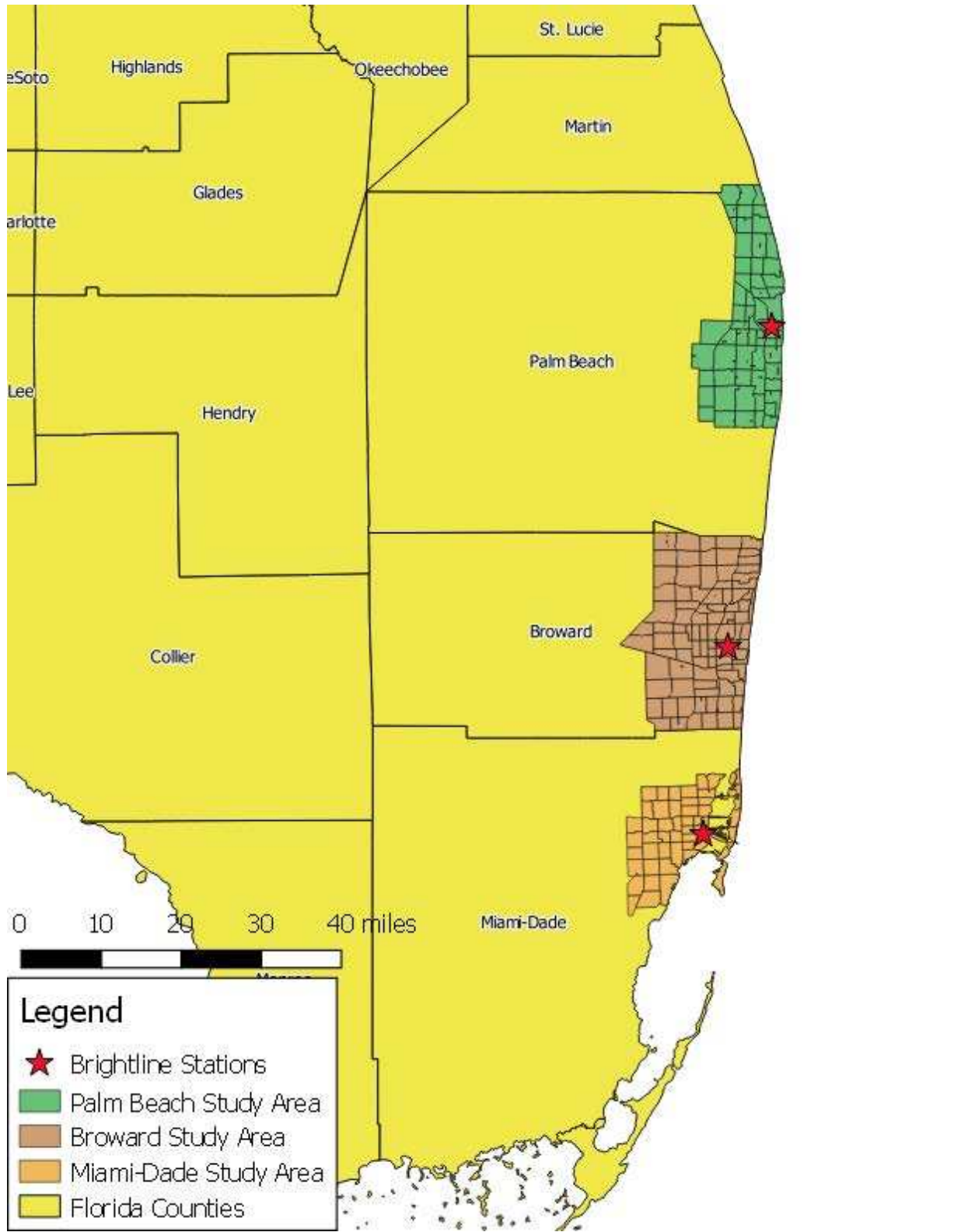
Figure 2-16 shows the auto travel time from various points in Southeast and Central Florida to the nearest proposed Brightline station. The times shown represent a “pessimistic” guess by Google Maps, which generally represent a heavily congested auto travel time.

FIGURE 2-14 STUDY AREA AND ZONE STRUCTURE FOR LONG-DISTANCE TRAVEL



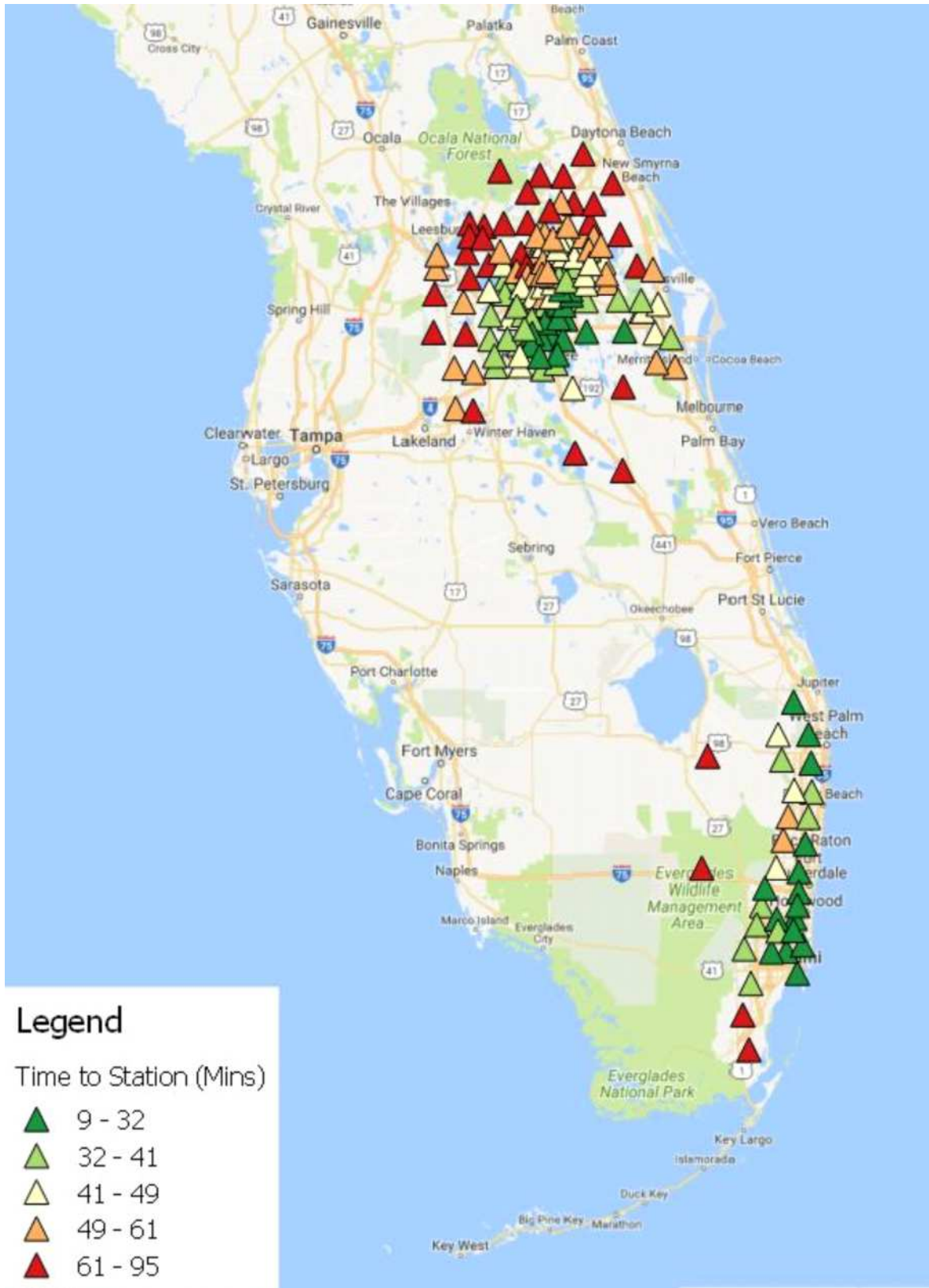
Source: Louis Berger, 2017

FIGURE 2-15 STUDY AREA AND ZONE STRUCTURE FOR SHORT-DISTANCE TRAVEL



Source: Louis Berger, 2017

FIGURE 2-16 CONGESTED TRAVEL TIME TO NEAREST BRIGHTLINE STATION



Source: Louis Berger analysis of Google Maps data, 2017

3.0 Existing Modes of Intercity Travel and the Addressable Market for Brightline

One of the key inputs to the mode choice model used to develop the Brightline ridership and revenue forecast is the size of the total addressable market for the proposed service. The total addressable market has the following characteristics:

- Considers all travels within the addressable geographical market (Section 2.10) that can be logically served by the proposed Brightline long- and short- distance service.
- Includes all existing modes of travel (i.e. auto, rail, bus, ride share, air)
- Includes all market segments (visitors, residents) and trip purposes (business, leisure)

This section provides a description of the existing modes of travel between the city pairs for long- and short-distance trips as well as an account of mode-specific historical, current, and future market sizes. The existing market size estimates for each mode form the basis of the trip tables for the base year, while future sizing is based on the estimated annual growth rates.

Travel between Central and Southeast Florida currently takes place by car, bus, rail, and air. The same is the case for travel within Southeast Florida, although air travel is not as prevalent given the distances between the city pairs. **Table 3-1** and **Table 3-2** show a comparison of the various travel alternatives available for travel between city pairs, with information on travel time, cost, frequency, reliability, and constraints for growth.

TABLE 3-1 TRAVEL ALTERNATIVES BY CITY PAIR AND MODE, LONG-DISTANCE

Travel Mode	Route	Travel Time (approx.)	Travel Cost	Frequency	Reliability	Constraints for Growth
Auto	CF-SF	3.5-5 hours	\$27- 41	N/A	Medium	Road capacity/congestion
Rail (Amtrak)	CF-SF	5-7.5 hours	\$37-46	2 per day	Low	Federal funding
Air	CF-SF	1-1.5 hours	\$45-140	17 per day	Medium	Cost and availability of landing slots
Bus	CF-SF	4-5.5 hours	\$15-72	35 per day	Medium	Road capacity/congestion

Source: Louis Berger, 2017. Note that this figure assumes the cost of fuel at \$2.33/gallon, the average fuel efficiency of vehicles at 20 miles per gallon, a Central Florida-Southeast Florida trip as a 253-mile drive, and the tolls include assume that the full extent of the Florida Turnpike is used but no managed lanes are used on I-95.

TABLE 3-2 TRAVEL ALTERNATIVES BY CITY PAIR AND MODE, SHORT-DISTANCE

Travel Mode	Route	Travel Time (approx.)	Travel Cost	Frequency	Reliability	Constraints for Growth
Auto	MIA-FLL-WPB	1-3 hours	\$9	N/A	Medium	Road capacity/congestion
Rail (Tri-Rail)	MIA-FLL-WPB	1 hr. 50 mins	\$6.90	25 per day	High	Local funding
Bus (Coach)	MIA-FLL-WPB	1 hr. 40 mins – 3 hours	\$7-11	6 per day	Low	Road capacity/congestion
Bus (Transit)	MIA-FLL	40 mins – 1 hr.	\$2.65	30 per day	Medium	Road capacity/congestion
Shared Ride	MIA-FLL	35 mins – 1 hr. 50 mins	\$27-35	N/A	Medium	Road capacity/congestion, financial sustainability of shared ride business model

Source: Louis Berger, 2017. Note that this figure assumes the cost of fuel at \$2.33/gallon, the average fuel efficiency of vehicles at 20 miles per gallon, and the tolls include assume that the full extent of the Florida Turnpike is used but no managed lanes are used on I-95.

3.1 Bus

Travel by bus is available for both short- and long-distance trips. Intercity buses take approximately 4-6 hours to travel between Central and Southeast Florida and make stops in all three Southeast Florida cities. Intercity buses also serve all city pairs in Southeast Florida, and a popular set of transit bus routes connects Miami with Fort Lauderdale via the I-95 Express Lanes.

Historical and Current Market Size

The intercity bus operators serving the Central-Southeast Florida market include Florida Express, Greyhound, Florida Sunshine, Red Coach, Megabus, Jet Set Express, Smart Shuttle Line, SuperTours, and Javax. Louis Berger estimated an average of 35 daily departures per direction between Central and Southeast Florida in 2017 based on published bus schedules of all the operators listed above. Assuming an average of 20 passengers per vehicle and an O-D distribution pattern similar to that of the rail travel market, Louis Berger estimated the 2016 daily volumes presented in **Table 3-3**.

TABLE 3-3 ESTIMATED DAILY INTERCITY LONG-DISTANCE BUS PERSON TRIPS

City Pair	2010	2016	2010-2016 CAGR
Central Florida to Miami	212	297	+5.8%
Central Florida to Fort Lauderdale	126	193	+7.4%
Central Florida to West Palm Beach	145	209	+6.3%
Total	483	700	+6.4%

Source: Louis Berger, 2017

The number of intercity bus connections in Southeast Florida is limited to one public agency and a small number of privately operated services, which make local stops in the three Southeast Florida cities on the way to further destinations, primarily Orlando and Tampa. Broward County Transit (BCT) operates the 95Express and 595Express services. Each offer approximately 30 buses per day per direction and attract a total of approximately 1,650 riders per day (average annual daily basis from BCT reports). The full one-way fare is \$2.65. This service is growing rapidly – as of 2014, the service carried only approximately 1,000 riders per day (average annual daily basis from BCT reports). Services on private operators cost in the \$10-\$25 range for a one-way trip between Southeast Florida cities. Greyhound offers about 13 daily trips from Miami to Fort Lauderdale and six from Miami through to West Palm Beach. Other intercity bus operators serving the Southeast Florida market include Florida Express, Florida Sunshine, Red Coach, and Megabus.

Bus ridership estimates in Southeast Florida were developed by assuming 30 riders per bus within the short-distance market (with 27 bus departures per day serving this corridor) and an O-D distribution pattern similar to the commuter rail market within the same corridor. Published ridership estimates obtained from Broward County Transit were also added to the initially estimated volume of bus trips within the Fort Lauderdale-Miami city pair. **Table 3-4** shows the number of bus riders assumed for the base year forecast.

TABLE 3-4 ESTIMATED DAILY SHORT-DISTANCE BUS PERSON TRIPS

City Pair	2016
W. Palm Beach – Fort Lauderdale	277
W. Palm Beach – Miami	184
Fort Lauderdale – Miami	2,006
Total	2,468

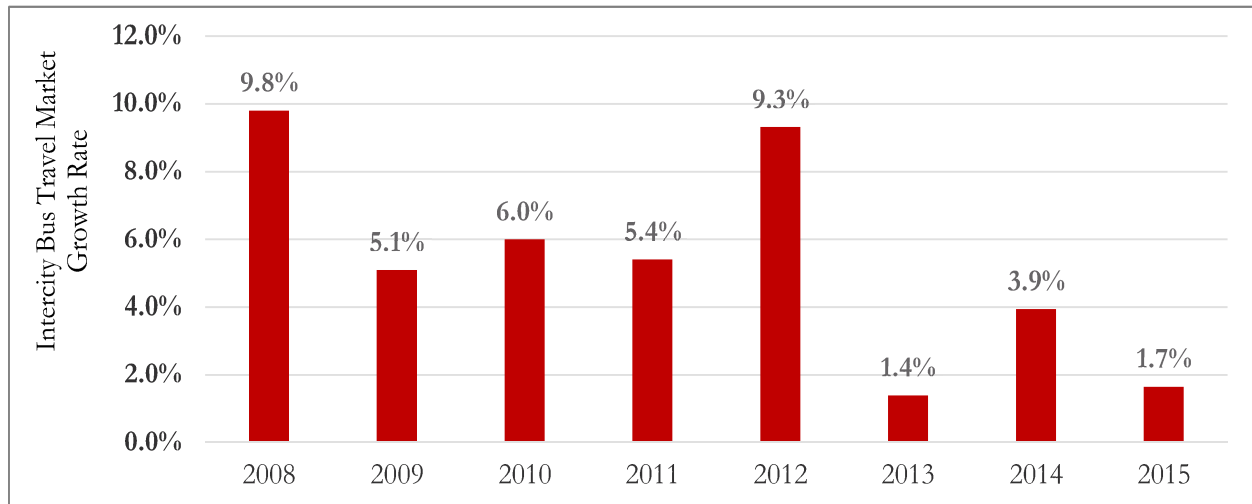
Source: Louis Berger, 2017

Growth Forecast

Future-year bus ridership volumes were estimated by applying growth rates obtained from the Chaddick Institute for Metropolitan Development at DePaul University, which monitors intercity bus travel patterns in the country.³ The initial surge in intercity bus travel growth observed since 2007 has slowed in recent years – as shown in **Figure 3-1**. As such, Louis Berger applied a 1.7% CAGR to estimate future-year bus ridership, as shown in **Table 3-5** and **Table 3-6**.

³ “The Remaking of the Motor Coach: 2015 Year in Review of Intercity Bus Service in the United States”, Chaddick Institute for Metropolitan Development at DePaul University, January 2016, <https://las.depaul.edu/centers-and-institutes/chaddick-institute-for-metropolitan-development/research-and-publications/Documents/2015%20Year%20in%20Review%20of%20Intercity%20Bus%20Service%20in%20the%20United%20States.pdf>

FIGURE 3-1 HISTORICAL GROWTH IN INTERCITY BUS TRAVEL IN THE UNITED STATES



Source: Louis Berger analysis of data from the Chaddick Institute, 2016

TABLE 3-5 PROJECTED DAILY INTERCITY LONG-DISTANCE BUS PERSON TRIPS

City Pair	2016	2040	2016-2045 CAGR
Central Florida to Miami	297	478	
Central Florida to Fort Lauderdale	193	311	
Central Florida to West Palm Beach	209	337	
Total	700	1,125	+1.7%

Source: Louis Berger, 2017

TABLE 3-6 PROJECTED DAILY SHORT-DISTANCE BUS PERSON TRIPS

City Pair	2016	2045	2016-2045 CAGR
W. Palm Beach to Fort Lauderdale	277	446	
W. Palm Beach to Miami	184	296	
Fort Lauderdale to Miami	2,006	3,225	
Total	2,468	3,967	+1.7%

Source: Louis Berger, 2017

3.2 Shared Ride

Uber and Lyft are widely available in Miami, Fort Lauderdale, and West Palm Beach, with both single-passenger and shared vehicles. A ride from Miami to Fort Lauderdale costs approximately \$27 to \$35 with Lyft. Uber and Lyft are widely available in Miami, Fort Lauderdale, West Palm Beach, and Orlando, with both single-passenger and shared vehicles. In 2016, Uber started offering uberPOOL in Broward and Palm Beach counties. UberPOOL, which pairs Uber passengers with other travelers seeking a ride in the same direction, can save riders up to 50% in heavily traveled sections of Miami-Dade, up to 30 percent east of I-95 in central Broward, and up to 20 percent everywhere else, over the standard or regular uberX service. Lyft offers a comparable service, “Lyft Line”, available throughout Palm Beach, Broward and Miami-Dade counties.

The growth of Uber has been relatively fast in South Florida: it only took about 5 months for Miami to achieve 7,500 driver partners, compared 20 months for Los Angeles. In addition, the South Florida market MSA is one the leading MSAs for driver-partner trips per driver (Hall & Krueger, 2015). In terms of the number of trips provided within South Florida, the Citizens for Improved Transit reported in a 2015 article that Uber provided over 5 million rides after operating for slightly more one year from its launch in 2014. Given the growth trajectory of uberX driver partners, this estimate is probably much lower than the current number of annual trips provided to the region (CIT, 2015).

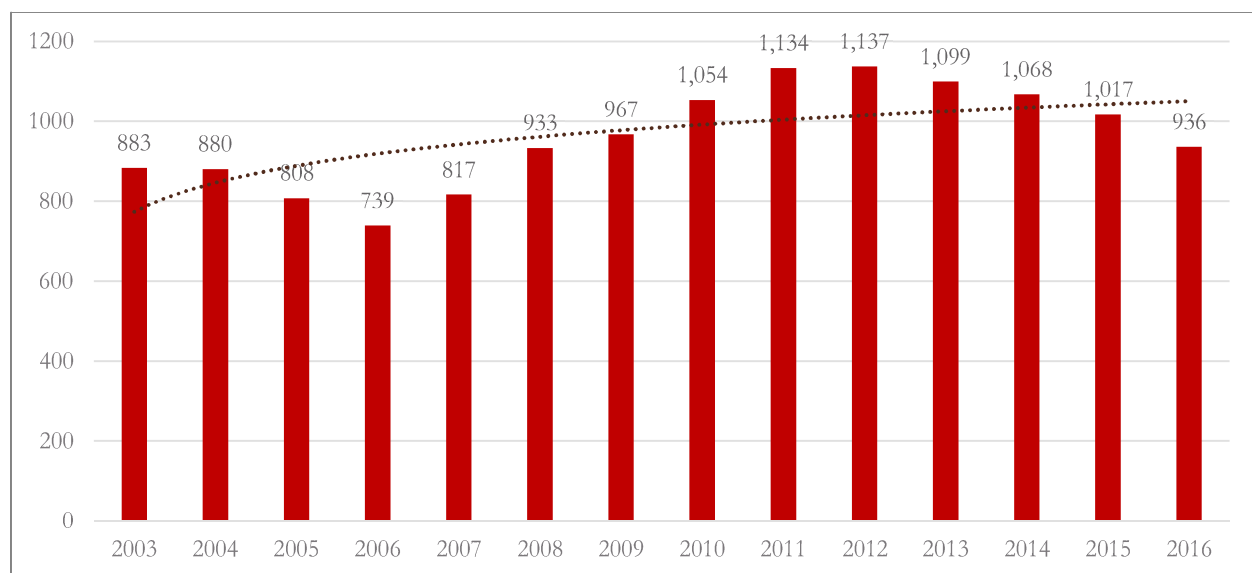
3.3 Long-Distance Rail (Amtrak)

The rail travel market analyzed in this study is separated into long- and short-distance markets. Amtrak provides services for the long-distance market, from Miami to Orlando twice a day (one train in approximately 5 hours, and the second in approximately 7.5 hours, as it travels via Tampa). The Amtrak service makes 11 stops between Miami and Orlando, including Fort Lauderdale and West Palm Beach. In Miami, the Amtrak station is in Hialeah, approximately a 20-minute drive northwest of downtown. In Fort Lauderdale, the Amtrak station is on the west side of I-95, approximately a 10-minute drive west of downtown. In West Palm Beach, the Amtrak station is a short walk from the proposed Brightline station. In Orlando, the Amtrak station is downtown, approximately a 25-minute drive northwest from the airport.

Historical and Current Market Size

Boarding and alighting data for all Amtrak stations in Florida is presented in **Figure 3-2**, showing ridership to, within, and from the state fluctuating between 700,000 and 1.25 million trips annually. The fluctuations around an overarching trend of growth between 2003 and 2016 reflect shifts in economic conditions as well as competitive dynamics overall in the intercity travel market (fuel prices, growth in intercity bus travel, etc.).

FIGURE 3-2 AMTRAK FLORIDA STATION BOARDINGS



Source: National Association of Rail Passengers Amtrak Ridership Statistics, 2017

However, Amtrak ridership between Central and Southeast Florida is limited to only a relatively small portion of the total boardings and alightings statistics shown in **Figure 3-2**. Louis Berger estimated the proportion of Central to Southeast Florida trips using 2008 Amtrak station-pair ridership data. The resulting count is approximately 36,000 trips annually, as shown in the city-pair breakdown in **Table 3-7**. The 2016 intercity trip estimate uses the 2008 passenger trip distribution with some adjustments to account for changes in Amtrak Florida station boardings and alightings. The relatively small long-distance rail travel market is most likely a function of Amtrak’s high travel times.

Growth Forecast

Louis Berger estimated future-year estimates of Amtrak ridership between Central and Southeast Florida by applying the growth rates implied by the trend projection in **Figure 3-2**, resulting in CAGR of 0.4%, as shown in **Table 3-7**.

TABLE 3-7 HISTORICAL AND FUTURE AMTRAK PASSENGER VOLUMES

City Pair	2008	2016	2045	2016-2045 CAGR	2045 Daily
Orlando – W. Palm Beach	10,338	10,519	11,698	+0.4%	32
Orlando – Fort Lauderdale	9,946	9,711	10,800	+0.4%	30
Orlando – Miami	15,762	14,932	16,606	+0.4%	45
Total	36,046	35,162	39,105	+0.4%	107

Source: Amtrak, National Association of Rail Passengers, Louis Berger, 2017

3.4 Short-Distance Rail (Tri-Rail)

While the Amtrak service can be used for travel within Southeast Florida, the short-distance rail market is primarily served by Tri-Rail, a commuter rail line managed by the South Florida Regional Transportation Authority (SFRTA) connecting Miami and West Palm Beach, making a total of 18 station stops over 72 miles. The system has 5 stations in Miami-Dade County, 7 in Broward County, and 6 in Palm Beach County, as shown in **Figure 3-3**. This service runs 15 times a day per direction. In all three cities, shuttle connections are provided to the airports. In Miami, connection is available to Metrorail at the Metrorail Transfer station, whereas in Fort Lauderdale and West Palm Beach, Amtrak and Tri-Rail share a station. Tri-Rail’s southernmost station is near the Miami airport, approximately a 20 minute drive northwest of downtown. A planned extension of the Tri-Rail system will offer direct connectivity from MIA to Brightline’s Miami Central Station.

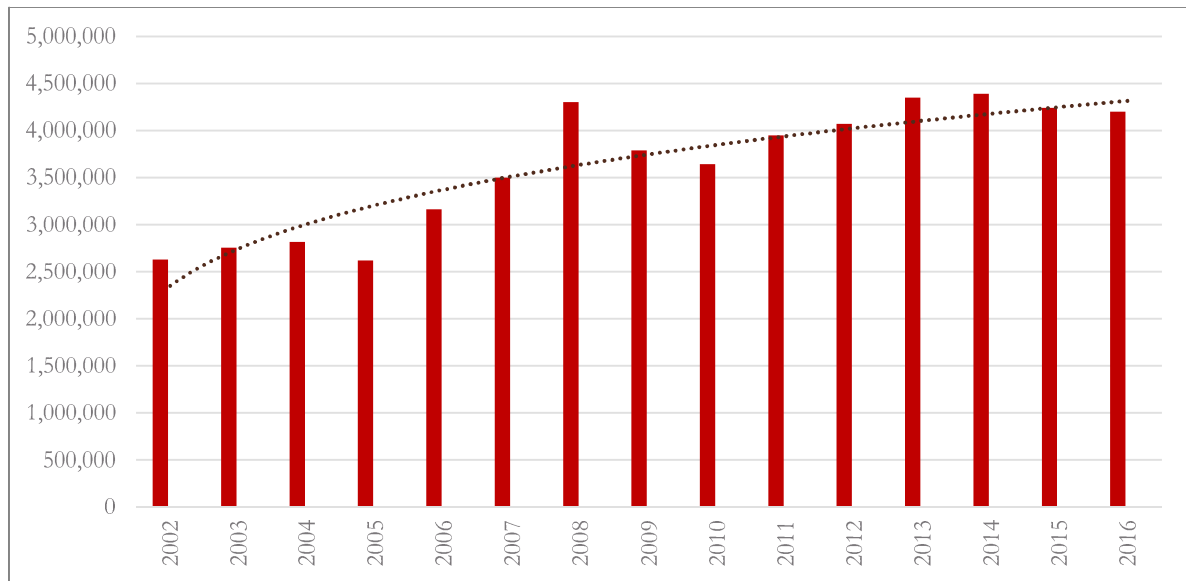
FIGURE 3-3 TRI-RAIL SYSTEM MAP



Source: Tri-Rail

Figure 3-4 shows annual system ridership obtained from the Tri-Rail monthly operation statistics and the National Transit Database (NTD). System ridership has grown at an annualized rate of 2.9% over the last ten years, although that rate of growth appears to be slowing down (1.2% annualized rate of growth over the last five years).

FIGURE 3-4 TRI-RAIL SYSTEM RIDERSHIP



Source: National Transit Database

Only the relevant stations that provide an alternative to Brightline based on origins and destinations were included in the Tri-Rail ridership estimates. Primary stations covered by the three Brightline service short-distance markets in West Palm Beach, Fort Lauderdale, and Miami, respectively, were:

- Mangonia Park Station, West Palm Beach, and Lake Worth;
- Fort Lauderdale downtown, Fort Lauderdale Airport, and Sheridan St.; and
- Opa-Locka, Metrorail Transfer Station, Hialeah Market, and Miami Airport.

Growth Forecast

Louis Berger examined the South Florida Regional Transportation Authority’s SFRTA Forward Plan: A Transit Development Plan for SFRTA FY 2014-2023. This report contained the results of a 2013 on-board and platform intercept origin and destination survey for Tri-Rail that can be used to determine the portion of Tri-Rail ridership traveling between the three cities to be served by Brightline. The survey indicated that approximately 24 percent of total ridership has both an origin and destination in the central city locations to be served by Brightline. **Table 3-8** presents the estimate of applicable Tri-Rail ridership by city pair. The 2045 estimates reflect the growth implied by the trend presented in **Figure 3-4**.

TABLE 3-8 CURRENT AND PROJECTED DAILY SHORT-DISTANCE RAIL TRIPS

City Pair	2016	2045	CAGR	Daily (2045)
Miami – West Palm Beach	229,807	300,607	+0.9%	824
Miami – Fort Lauderdale	434,227	568,006	+0.9%	1,556
Fort Lauderdale – West Palm Beach	345,636	452,122	+0.9%	1,239
Total	1,009,671	1,320,735	+0.9%	3,618

Source: Louis Berger, 2017

3.5 Air

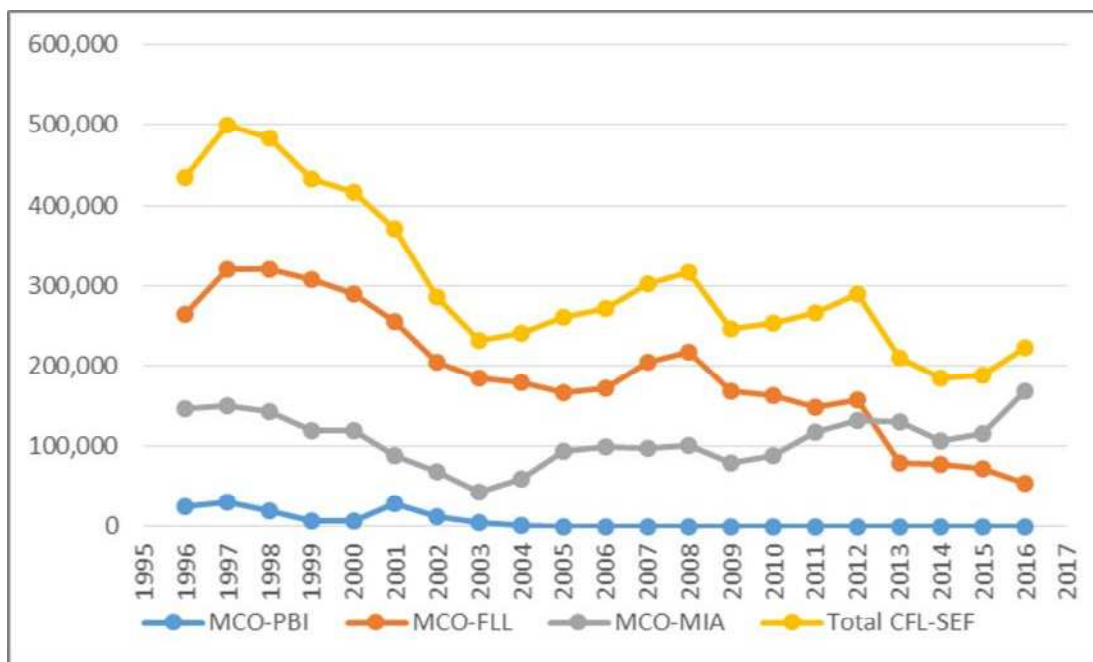
Air travel is available at two airport pairs for travel from Southeast Florida to Central Florida. From Orlando International Airport (IATA airport code MCO), flights are available to Fort Lauderdale-Hollywood International Airport (IATA code FLL – via Spirit and Silver Airways) and Miami International Airport (IATA code MIA – via American and Delta). Currently, no flights from Central Florida are available to Palm Beach International Airport (IATA code PBI).

Historical and Current Market Size

Air travel volumes for the long-distance travel market were derived using data obtained from the FAA 10% sample of tickets, and corroborated against the Orlando International Airport air traffic reports published by Greater Orlando Aviation Authority (GOAA). Louis Berger compiled and reviewed historical data from the Federal Aviation Authority’s (FAA) 10 percent sample of tickets database. This data was used to trace historical volumes of air travel between each of the city pairs that offer air travel.

Historical air traffic data going back twenty years in **Figure 3-5** shows a general decline air passenger volumes between Central and Southeast Florida, largely accelerated by the additional airport security requirements instituted after the events of September 11, 2001. Air traffic volumes post the 9-11 declines in short-distance air travel have remained relatively steady with fluctuations reflecting the effects of economic conditions.

FIGURE 3-5 ANNUAL AIR TRAFFIC VOLUME BETWEEN CENTRAL AND SOUTHEAST FLORIDA



Source: FAA 10 Percent Tickets Database, 2017

Figure 3-5 shows that air passenger traffic between MCO and MIA has steadily grown post 9-11 while the volumes of trips between MCO and FLL have steadily declined, and trips between MCO and PBI have declined to zero. **Table 3-9** shows the change in trip volumes between 2010 and 2016 by airport pair in both annual and daily terms.

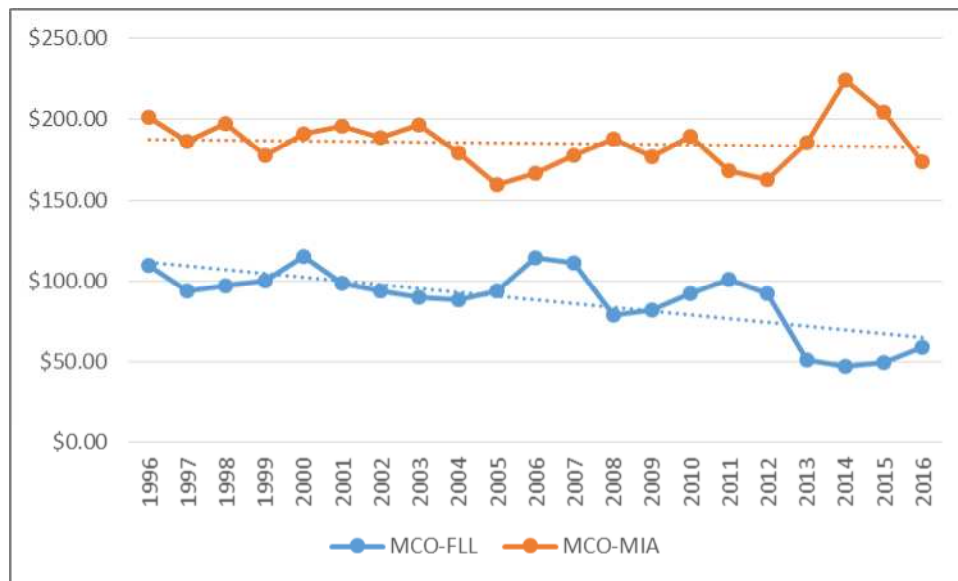
TABLE 3-9 ANNUAL AIR PASSENGER VOLUMES, FAA 10% TICKET SAMPLE

Airport Pair (Both Directions)	2010 Annual	2010 Daily	2016 Annual	2016 Daily	2010-2016 CAGR
Orlando (MCO) – WPB (PBI)	40	<1	0	0	
Orlando(MCO) – Fort Lauderdale (FLL)	163,500	448	54,880	150	-16.7%
Orlando (MCO) – Miami (MIA)	88,900	244	168,050	460	+11.1%
Total	252,440	692	222,930	610	-2.1%

Source: Louis Berger, 2017

Figure 3-6 presents the average one-way air fares for both the MCO-MIA and MCO-FLL markets in 2016 dollars estimated from the FAA database of tickets. This figure shows that the cost of air travel between Orlando and Miami has remained relatively unchanged while the cost of travel between Orlando and Fort Lauderdale appears to have fallen over the same time frame.

FIGURE 3-6 AVERAGE ONE-WAY AIR FARES (2016\$)



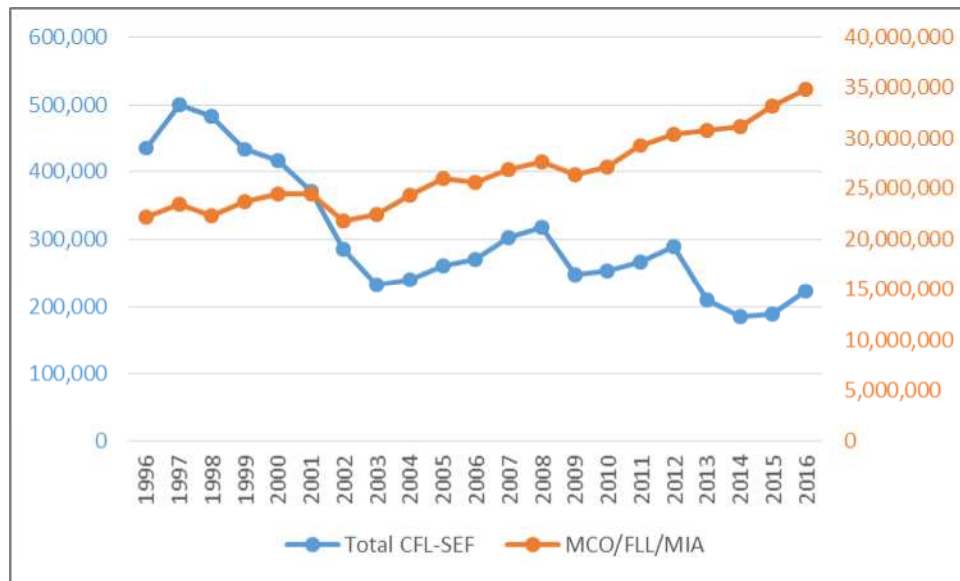
Source: FAA 10 Percent Tickets Database, 2017

Growth Forecast

Given the trends depicted in Figure 3-5, Louis Berger estimated the future growth of the Central to Southeast Florida travel market based on the FAA’s Terminal Area Forecasts (TAF) for all three airports (MCO, FLL and MIA). TAF is the official forecast of aviation activity at U.S. Airports and are econometrically driven demand-side forecasts.

Figure 3-7 compares Central to Southeast Florida air passenger volumes against the volume of total enplanements at the three airports. The figure shows that the share air passenger traffic between Central and Southeast Florida has been declining relative to the total volume of air passenger enplanements at all three airports. The study team applied this trend of declining shares to the TAF projected growth in enplanements at all three airports.

FIGURE 3-7 COMPARISON OF AIR TRAFFIC VOLUMES



Source: FAA Terminal Area Forecast, 2016

The resulting volume of air passenger traffic between Central and Southeast Florida was further segmented to distinguish between travel to Fort Lauderdale and Miami based on the trends presented in **Figure 3-5**. **Table 3-10** presents the resulting estimates of air passengers in the Brightline service travel market. The resulting air passenger volumes in the Central to Southeast Florida market grow at about a third of the rate projected for total enplanements of study area airports. This positive growth is attributed to growth observed within the Orlando-Miami city pair.

TABLE 3-10 ESTIMATES OF AIR PASSENGERS IN THE BRIGHTLINE SERVICE TRAVEL MARKET

	2002 Annual	2010 Annual	2016 Annual	2045 Annual	2045 Daily	2016-2045 CAGR
Total Enplanements (MCO/FLL/MIA)	21,798,554	27,180,107	34,861,631	62,033,916	169,840	+2.01%
Orlando (MCO) – Fort Lauderdale (FLL)	205,240	163,500	54,880	40,304	110	-1.06%
Orlando (MCO) – Miami (MIA)	68,380	88,900	168,050	231,391	634	+1.11%
Central Florida – Southeast Florida	273,620	252,400	222,930	271,695	744	+0.68%
% of Enplanements	1.26%	0.93%	0.64%	0.44%		

Source: Louis Berger, 2017

3.6 Auto

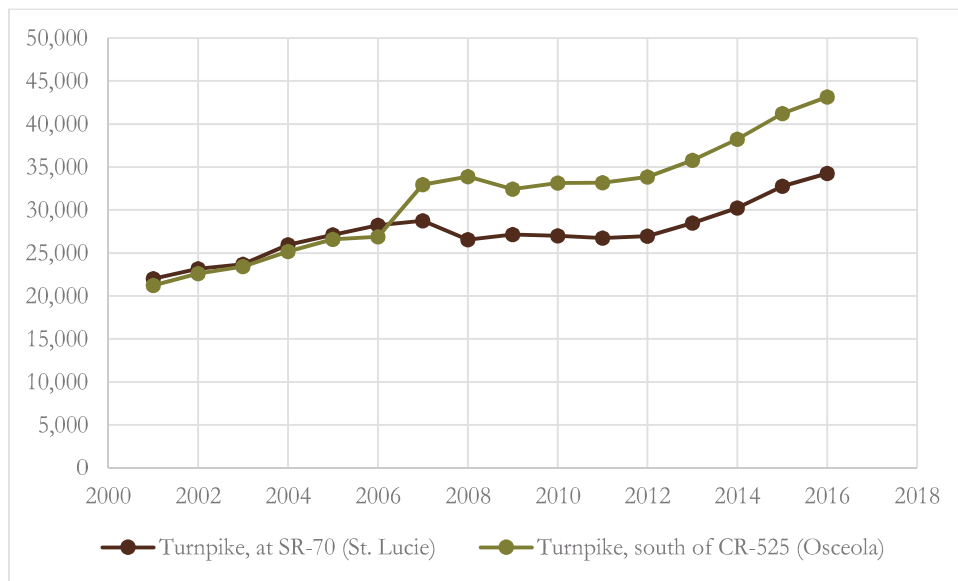
Auto is the prevalent mode of travel within Southeast Florida and the dominant mode of travel between Southeast and Central Florida. Two primary auto routes collect a significant majority of traffic between Southeast Florida and Central Florida – the Florida Turnpike and I-95. While the Florida Turnpike is faster and more direct, it is a toll road, whereas I-95 is a free route. The two other highway routes between the two regions – US-27 and I-75 – add one and two hours respectively to the travel time between the two regions. Southeast Florida has a dense and often significantly congested highway network, but the Florida Turnpike and I-95 remain the major north-south arteries connecting the three Southeast Florida cities under discussion in this

report. Other north-south arteries are either signaled (US-1, US-441) or further inland (SR-826, I-75, Florida Turnpike Homestead Extension).

Historical and Current Market Size

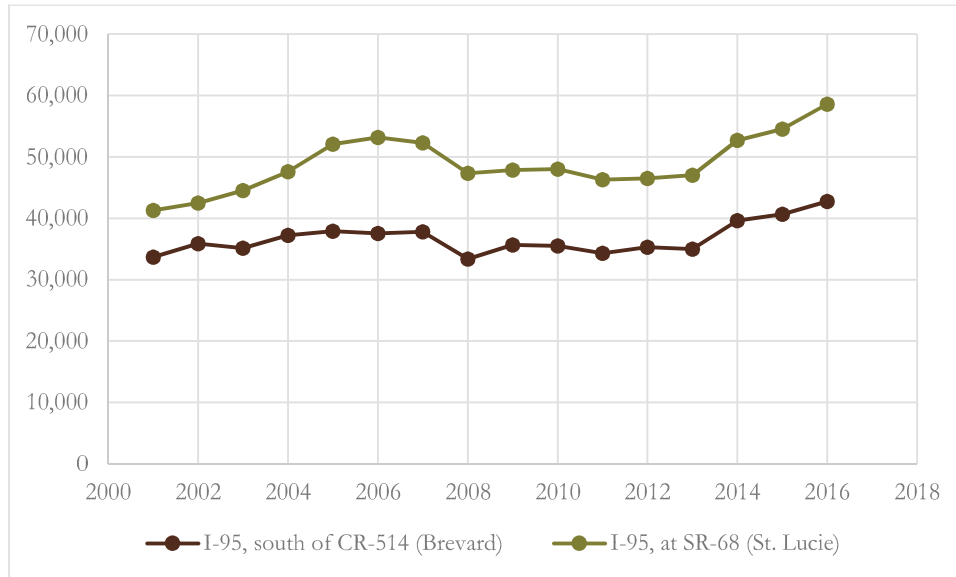
Louis Berger reviewed historical traffic counts on the Florida Turnpike and I-95 at points in between Southeast Florida and Central Florida, and found significant growth over the past decades. Traffic on the Florida Turnpike represents about 80% of the total traffic volume between Central and Southeast Florida. Louis Berger identified two counter stations on the Florida Turnpike between West Palm Beach and Orlando that are representative of the traffic traveling on the Turnpike between Central and Southeast Florida. Traffic on these stations has grown at a 3.2% CAGR from 2001 to 2016, with a slight decline during the years of the Great Recession. On I-95, which represents about 20% of the total traffic volume traveling between Central and Southeast Florida, the traffic counter in St. Lucie, FL – an intermediate point between the main urban areas of Orlando and West Palm Beach – indicates an average annual traffic growth of approximately 2.1% from 2001 to 2015. Annual traffic counts at four counters on the major roads connecting Southeast Florida and Central Florida, including the two counters discussed above, are shown in **Figure 3-8** and **Figure 3-9**.

FIGURE 3-8 FLORIDA TURNPIKE CENTRAL-TO-SOUTHEAST FLORIDA HISTORICAL TRAFFIC COUNTS



Source: Louis Berger analysis of data from FDOT, 2017

FIGURE 3-9 I-95 CENTRAL-TO-SOUTHEAST FLORIDA HISTORICAL TRAFFIC COUNTS



Source: Louis Berger analysis of data from FDOT, 2017

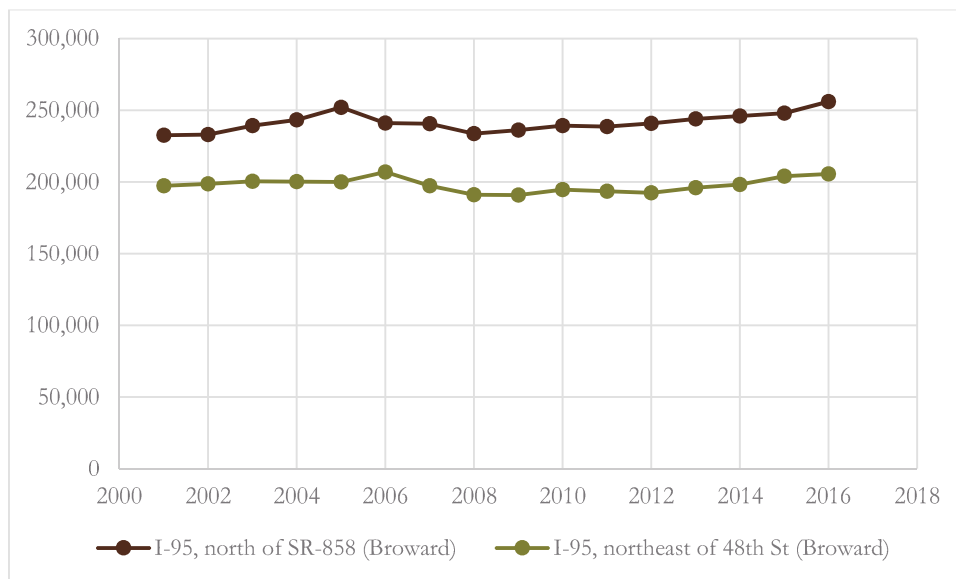
Current traffic flows between Central and Southeast Florida on the Turnpike and I-95 are characterized as follows:

- Day of week patterns** – Friday is the busiest day at all four counters, with average traffic on Friday being 21% above the average day. Tuesdays and Wednesdays are the least busy days at all four counters. The prominence of weekends is particularly pronounced at the Turnpike counters, where Friday-Saturday traffic counts are 17% above the average day. Furthermore, the Turnpike counters exhibit directionality on the weekends, with 38% more traffic seen on Sundays in the northbound direction than southbound, and with 21% less traffic seen on Sundays in the northbound direction than southbound. Similar, but more muted, effects are seen on Mondays, Thursdays, and Saturdays, as well as on I-95 on Fridays and Sundays.
- Time of day patterns** – From investigating hourly traffic counter data from June 2016, the four counters appear to behave fairly idiosyncratic travel patterns by time of day. The St. Lucie County counter on the Florida Turnpike peaks at roughly midday every day of the week in both directions of travel. The St. Lucie County counter on I-95 displays traditional peaking (with weekday peaks in the morning and afternoon, and weekend peaks at midday), but traffic levels appear higher at the afternoon weekday peak in both directions than in the morning peak. The Osceola County counter on the Florida Turnpike displays traditional peaking, with weekday morning peak traffic heading northbound, and weekday afternoon peak traffic heading southbound. At all counters, the highest-traffic hours tend to each represent roughly 8.5% of daily traffic.

- Type of vehicle** – The split of traffic by vehicle type are broadly similar across the counters, as well as by year through the 2001-2016 time period. Passenger vehicles represent roughly 85% of traffic, whereas trucks represent roughly 15% of traffic. The 15% of traffic represented by trucks is composed roughly of 4% single-unit trucks, 10% combination trailer trucks, and 1% multi-trailer trucks.

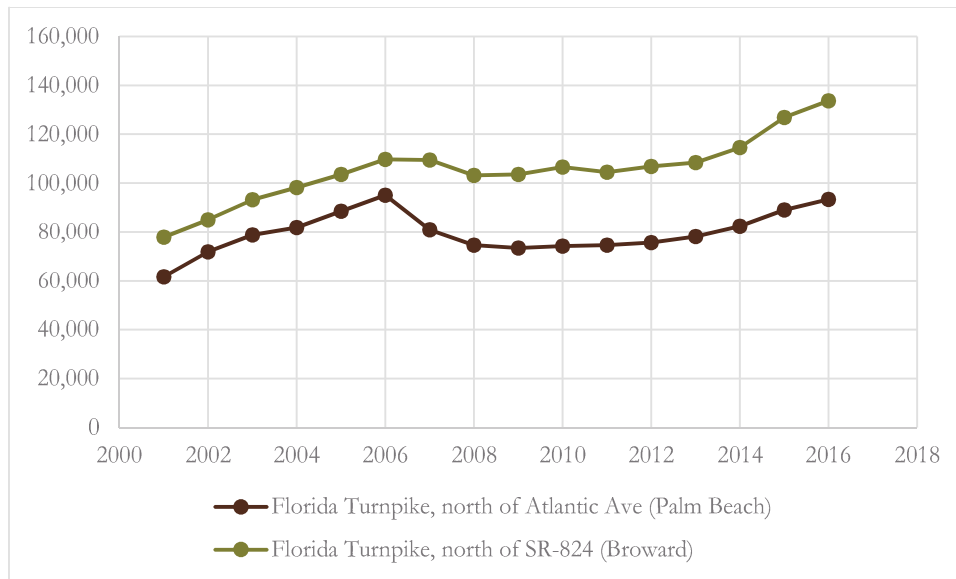
Accurately evaluating historical traffic growth within the three Southeast Florida cities is more complex, since there are a significant amount of potential origins and destinations in between the three main cities and therefore an important number of local trips that cannot be accurately accounted for. In order to gain an indication of the number of historical trips, Louis Berger investigated traffic counters between the three Southeast Florida cities on both I-95 and the Florida Turnpike, using FDOT’s Florida Traffic Online web portal. The AADTs at the four counters are shown in **Figure 3-10** and **Figure 3-11**. From 2001 to 2016, traffic grew more quickly at both Florida Turnpike counters (2.8% CAGR at Atlantic Ave. and 3.7% at SR-824) than at the I-95 counters (0.6% at SR-858 and 0.3% at 48th St.), a pattern which can be explained by a combination of growing incomes in Southeast Florida and capacity issues on I-95. Traffic on both main routes, however, indicates an upward trajectory.

FIGURE 3-10 SOUTHEAST FLORIDA HISTORICAL TRAFFIC COUNTS



Source: Louis Berger analysis of data from FDOT, 2017

FIGURE 3-11 SOUTHEAST FLORIDA HISTORICAL TRAFFIC COUNTS



Source: Louis Berger analysis of data from FDOT, 2017

Louis Berger relied on cell-phone data to establish the size of the current auto market for both long- and short-distance trips. Datasets purchased from AirSage, a company specialized in collecting and analyzing cell-phone location data, included observed travel behavior for March, June, September, and December of 2016. This dataset included all trips between origin and destination zones within the addressable geographic market for Brightline (Section 2.10).

For trips seen in the cell-phone movement datasets, AirSage increments the trip table for the origin-destination pair based on a factor dependent on the population estimate and cell-phone penetration of that device’s home location (which is determined by an algorithm based on the device’s nighttime location). Population estimates are consistent with US Census data estimates. Based on this home location, AirSage also allocates the resulting trips to either a “resident” or a “visitor” category. Any device whose home location is outside of the zones included in the addressable geographical market for Brightline is classified as a “visitor”. The AirSage data also reflects all trips regardless of mode.

In order to ensure that the data is representative of the auto market within the addressable market geography for Brightline, Louis Berger had to perform the following adjustments to the AirSage data:

- Deduct trips from other modes as such that the data represents auto trips only, using the existing market size estimates for each mode described earlier in this section.
- For short-distance trips, reducing the number of trips by 12% to account for the percentage of travelers manifesting the need to use a car for intermediate stops during their trips, as indicated in the 2012 Stated Preference Survey (See Section 4.2.1). This percentage of travelers are considered to be captive to the auto mode choice, and are therefore not considered part of the in-scope market for Brightline.
- For long-distance trips, the visitor market was initially reduced by 46% in market size to calibrate the trip counts to vehicle counts observed on the Florida Turnpike; and then further revised down by 25%

to account for through trips whose origin or destination is not within the addressable market geography.

Table 3-11 shows the resulting average daily travel counts for the long-distance market, while **Table 3-12** shows the resulting average daily travel counts for the short-distance market.

TABLE 3-11 ESTIMATED DAILY LONG-DISTANCE AUTO PERSON TRIPS

City Pair	Resident SB	Resident NB	Resident Total	Visitor SB	Visitor NB	Visitor Total	Total
Orlando to West Palm Beach	12,473	12,236	24,710	2,652	2,658	5,310	30,019
Orlando to Fort Lauderdale	8,083	7,764	15,846	2,066	2,050	4,116	19,962
Orlando to Miami	8,400	8,139	16,538	2,088	1,943	4,031	20,569
Total	28,955	28,139	57,094	6,806	6,651	13,457	70,551

Source: Louis Berger analysis of AirSage data, 2017. SB = Southbound; NB = Northbound

TABLE 3-12 ESTIMATED DAILY SHORT-DISTANCE AUTO PERSON TRIPS

City Pair	Resident SB	Resident NB	Resident Total	Visitor SB	Visitor NB	Visitor Total	Total
West Palm Beach to Miami	11,641	11,699	23,339	22,909	20,743	43,651	66,991
W.P.B. to Fort Lauderdale	88,047	88,181	176,228	100,207	101,610	201,817	378,044
Fort Lauderdale to Miami	147,939	151,424	299,363	131,413	128,243	259,657	559,019
Total	247,626	251,304	498,930	254,529	250,596	505,125	1,004,055

Source: Louis Berger analysis of AirSage data, 2017

Table 3-13 shows the share of trips allocated to each city pair for residents and visitors in the long-distance travel market while **Table 3-14** shows the same statistic, but for the short-distance travel market. As shown, the three city pairs have roughly equal shares in the long-distance market, with Orlando-West Palm Beach holding a slight plurality. In the short-distance market, the Fort Lauderdale-Miami city pair dominates.

TABLE 3-13 LONG-DISTANCE CITY PAIR O-D SHARES

City Pair	Resident	Visitor	Total
Orlando to West Palm Beach	43%	39%	43%
Orlando to Fort Lauderdale	28%	31%	28%
Orlando to Miami	29%	30%	29%

Source: Louis Berger, 2017

TABLE 3-14 SHORT-DISTANCE CITY PAIR O-D SHARES

City Pair	Resident	Visitor	Total
West Palm Beach to Miami	5%	9%	7%
W.P.B. to Fort Lauderdale	35%	40%	38%
Fort Lauderdale to Miami	60%	51%	56%

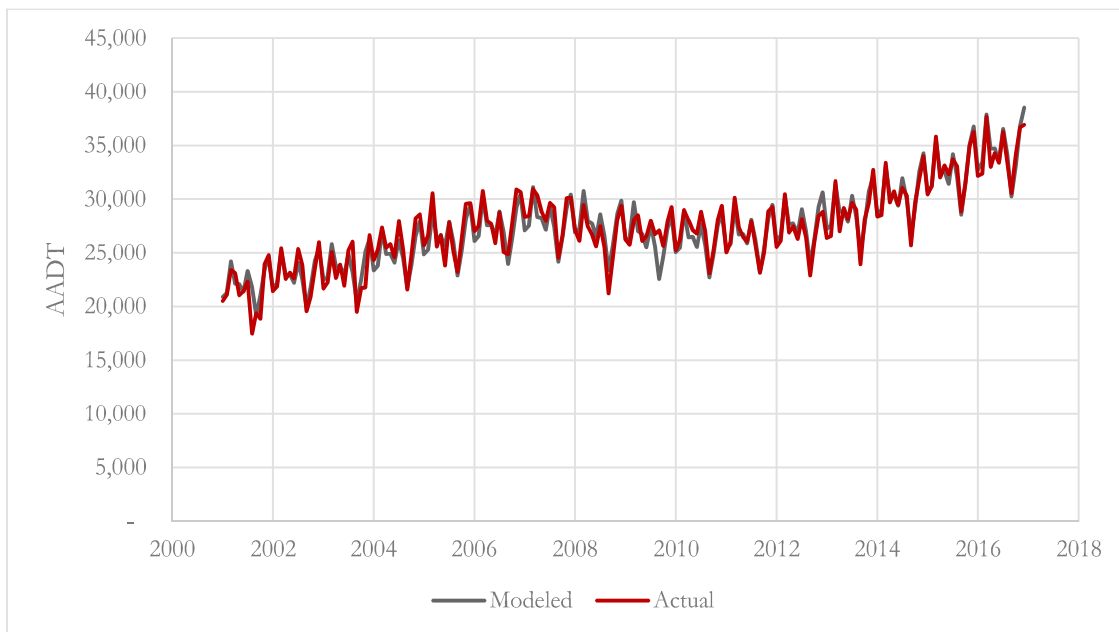
Source: Louis Berger, 2017

Growth Forecast

In order to estimate future growth for the long-distance auto travel market, Louis Berger developed an econometric model of traffic on the Florida Turnpike. The model used historical monthly traffic counts for the 2001-2016 period for a traffic counter station located at a point north of SR-70 on the Florida Turnpike. The economic variables considered included employment, number of households, and gas prices. Seasonal variation by month of year was also taken into account in the model development. This monthly count data also served as a validation of the long-distance origin-destination trip estimates provided by AirSage.

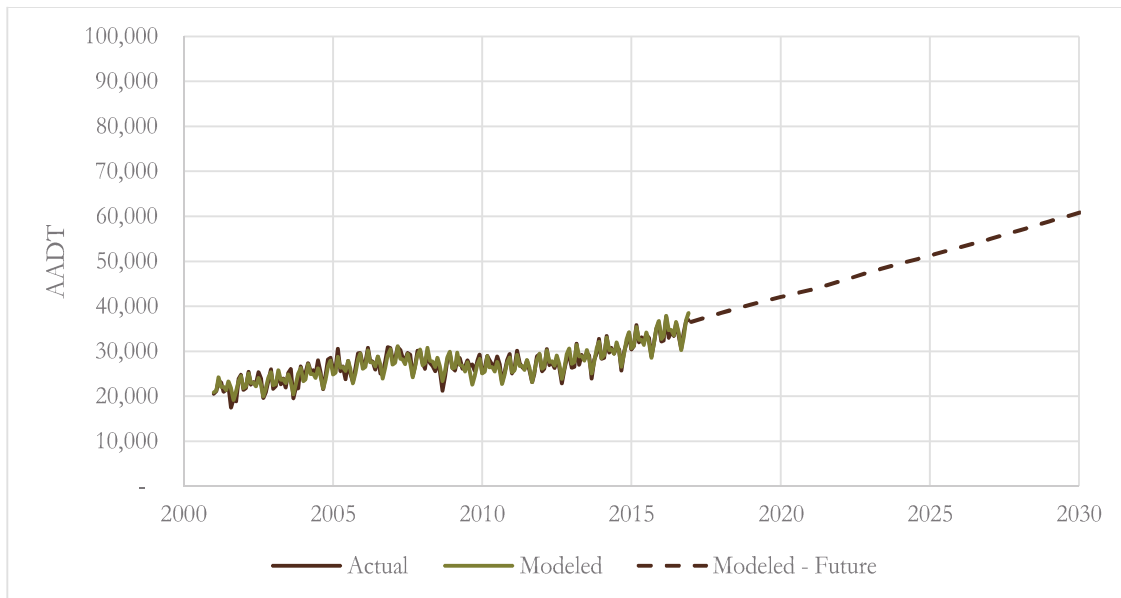
The traffic model specification was evaluated by comparing fitted versus actual traffic over the recent historical period going back to January of 2001 as shown in **Figure 3-12**. The resulting close agreement between fitted and actual model results provides confidence in the model’s ability to map key drivers to actual traffic levels. **Figure 3-13** presents the historical observed and forecast traffic of Central – Southeast Florida Turnpike Traffic. Traffic at the counter grew at a 3.2% CAGR. The econometric model forecasts a 3.2% CAGR through 2047. Additional information on the traffic model, including sources and forecasts for the economic variables used, can be found in Appendix B.

FIGURE 3-12 FLORIDA TURNPIKE TRAFFIC MODEL PERFORMANCE (ACTUAL VS. FITTED – MONTHLY)



Source: Louis Berger analysis, 2017

FIGURE 3-13 ECONOMETRIC ANALYSIS AND PROJECTION OF FLORIDA TURNPIKE TRAFFIC (MONTHLY)



Source: Louis Berger analysis, 2017

Growth estimates for the short-distance market are based on the growth rates modeled in the Southeast Florida Regional Planning Model (SERPM), maintained by the Florida Department of Transportation. This regional planning model accounts for a 1.2% annual growth rate in travel in the Southeast Florida region, broadly in line with regional employment growth forecasts discussed in Section 2.5.

3.7 Review of Project in MPO Long-Range Plans

The 2040 Southeast Florida Regional Transportation Plan (RTP)⁴ provides information on the future roadway and transit improvements for the Southeast Florida region, covering Miami-Dade, Broward, and Palm Beach counties. The adopted-cost feasible projects and approved projects identified in this plan are included in the SERPM model’s future year road networks based on the estimated time of completion for the given model year.

Table 3-15 lists the funded projects included in the RTP that occur on corridors that can potentially compete with the Brightline corridor. Of note is the expansion of the I-95 Express Lanes – into Broward County in the 2015-2020 period, to the Broward/Palm Beach county line in the 2015-2025 period, and further into Palm Beach County in the 2031-2040 period. Furthermore, various widening projects are schedule on the Florida Turnpike in all three counties.

⁴ http://seftc.org/system/uploads/documents/SEFL2040RTP_Final_Oct2015_small-2.pdf

TABLE 3-15 SOUTHEAST FLORIDA LONG-RANGE TRANSPORTATION PROJECTS

Facility	Location	Work Type	Length (miles)	Staging	Cost (m)	County
Metrorail / Tri-Rail	79 th St Transfer Station	Intermodal hub capacity		2015-2020	\$0.4	Miami-Dade
I-95	Broward/Miami-Dade County Line to Broward Blvd.	Express Lanes phase II	10.3	2015-2020	\$4.9	Broward
I-95	Commercial Blvd. to North of Cypress Creek Rd.	Interchange improvement project development & environmental study		2015-2020	\$2.0	Broward
Florida Turnpike	Sample Rd.	Interchange improvement		2015-2020	\$1.4	Broward
Florida Turnpike	Interchange with Sunrise Blvd. (SR 838 / MP 58)	Interchange improvement		2015-2020	\$53.4	Broward
I-95	At Blue Heron Blvd.	Interchange improvement		2015-2020		Palm Beach
I-95	At Linton Blvd.	Interchange improvement		2015-2020		Palm Beach
I-95	At Atlantic Ave.	Interchange improvement		2015-2020		Palm Beach
I-95	At Spanish River Blvd.	New interchange		2015-2020		Palm Beach
Florida Turnpike	I-595 (MP 55) to South of Lantana Plaza (MP 88)	All electronic toll conversion of toll plazas	33	2015-2020	\$46.4	Palm Beach / Broward
Tri-Rail	Glades Rd., Boca Raton	New station		2015-2020		Palm Beach
Florida Turnpike	Golden Glades Interchange	Express lane flyover		2015-2025	\$68.1	Miami-Dade
I-95	Golden Glades Interchange (Biscayne River Canal to Miami Garden Dr.)	Add 2 auxiliary lanes	2.1	2015-2025	\$38.8	Miami-Dade
I-95	SR-916/Opa-Locka Blvd. to Golden Glades Interchange)	New road construction		2015-2025	\$74.6	Miami-Dade
I-95	E 2 nd Av. / S Miami Av.	Ramp reconfiguration		2021-2025	\$40.0	Miami-Dade
I-95	At Sunrise Blvd.	Modify interchange		2021-2025	\$168.9	Broward
I-95	At Broward Blvd.	Modify interchange		2015-2025	\$132.7	Broward
I-95	Stirling Rd. to Palm Beach/Broward County Line	Express lanes phase III	20.2	2015-2025	\$1071.7	Broward
Florida Turnpike	Atlantic Blvd. to Palm Beach County Line	Widening	6.8	2021-2025		Broward
I-95	Northlake Blvd. to Blue Heron Blvd.	Add managed lanes	1.8	2015-2025	\$36.1	Palm Beach
I-95	At Gateway Blvd.	Interchange improvement		2015-2025	\$87.9	Palm Beach
Tri-Rail	West Palm Beach Station to Jupiter Station	New service, including new stations at Toney	16.6	2015-2025	\$125.6	Palm Beach

Facility	Location	Work Type	Length (miles)	Staging	Cost (m)	County
		Penna Dr., PGA Blvd., and 45 th St.				
I-95	At SR-80.	Interchange improvement		2021-2025	\$116.7	Palm Beach
Florida Turnpike	Boynton Beach Blvd. to PGA Blvd.	Widen 4 lanes to 6 lanes	23	2021-2025	\$571.1	Palm Beach
Florida Turnpike	Broward/Palm Beach County line to Boynton Beach Blvd.	Wide 6 lanes to 8 lanes	13	2021-2025	\$297.8	Palm Beach
Tri-Rail	PBIA	New station		2021-2025	\$22.5	Palm Beach
Florida Turnpike	Golden Glades Interchange to SR-821 (HEFT)	Widen to 8 lanes	3.4	2021-2030	\$129.5	Miami-Dade
Florida Turnpike	Golden Glades Interchange	Add SB ramp capacity		2026-2030	\$87.5	Miami-Dade
I-95	At Hollywood Blvd. and Stirling Rd.	Modify interchange		2021-2030	\$111.5	Broward
I-95	At Central Blvd./PGA Blvd., Boynton Beach Blvd., Palm Beach Lakes Blvd., 10 th Av. N, 6 th Av. S, and Hypoluxo Rd.	Interchange improvement		2026-2030	\$533.1	Palm Beach
I-95	At SR-84	Intersection modification		2031-2040	\$38.6	Broward
I-95	At Lantana Rd.	Interchange improvement		2026-2040	\$86.7	Palm Beach
I-95	Indiantown Rd to Martin/Palm Beach county line	Add managed lanes	1.7	2031-2040	\$56.4	Palm Beach
Florida Turnpike	At Hypoluxo Rd.	New interchange		2031-2040	\$113.1	Palm Beach
Tri-Rail	West Palm Beach stations	New parking (750 spaces) and improved bus circulation		2031-2040	\$25,1	Palm Beach
Express Bus	Mall at Wellington Green to Broward County, via SR-7	New express bus service		2031-2040	\$5.9	Palm Beach
Express Bus	Palm Beach Gardens to Broward County, via Florida Turnpike	New express bus service		2031-2040	\$5.9	Palm Beach

Source: Louis Berger analysis of project list from Southeast Florida Transportation Council

The Orlando Urban Area FY 2021/22-2039/40 Prioritized Project List (PPL)⁵ provides information on the future roadway and transit improvements for the greater Orlando region. The PPL includes no projects on corridors that can potentially compete with the Brightline corridor (Florida Turnpike, SR-528, and SR-417).

⁵ https://metroplanorlando.org/wp-content/uploads/prioritized_project_list_2022_2040_adopted_9_14_16.pdf

3.8 The Addressable Market for Brightline (In-Scope Travel Market)

The preceding sections described volumes, origin-destination patterns, and prospects for growth, by mode, for travel between the four cities to be served by Brightline passenger rail service. Brightline will supplement these existing modes of with a new service that provides advantages in terms of direct city-center to city-center service, integration with existing transit services, reduced travel time, reliability, comfort, and convenience.

The overall travel market that constitutes a base of potential customers for Brightline can be summarized as follows.

- Over 70,500 daily person-trips (25 million annually), by residents and visitors, between metropolitan Orlando and the three cities in Southeast Florida
 - 98% of these trips currently occur by automobile or shared rides via the Florida Turnpike or I-95
 - 1% of these trips utilize scheduled bus services via the Florida Turnpike or I-95
 - 1% of these trips utilize direct air service between Orlando and Miami or Orlando and Fort Lauderdale
 - Existing Amtrak rail services serves less than 1% of the existing travel market

- Over 1 million daily person-trips (365 million annually), by residents and visitors, between Miami, Fort Lauderdale, and West Palm Beach
 - 99% of these trips currently occur by automobile or shared rides via the Florida Turnpike, I-95, US 1, or other regional roadways
 - Less than 1% of these trips utilize scheduled express bus services
 - Less than 1% of these trips utilize existing commuter rail service that serves dozens of stops between Miami and West Palm Beach

The following sections describe the portion of the addressable market that are likely to choose Brightline service for travel.

4.0 Brightline Travel Demand Model

4.1 Overview of Methods

The demand for Brightline service was estimated through a process that involved three distinct phases:

- Primary market research. Data describing the travel patterns, behavior and attitudes of potential users of the service was collected through surveys, thereby providing the underlying basis for analyzing future ridership.
- Mode choice model estimation. Survey data was used to develop mathematical models of mode choice based on various modal service attributes and individual characteristics.
- Travel demand model development. Travel demand models were constructed for both long and short-distance travel. Service attributes of the various mode alternatives serving both markets were compiled and interacted with mode choice models to generate market share estimates under both build and no build conditions, thereby providing estimates of diversions to Brightline service.

4.2 Overview of Methods

The proposed Brightline service is uniquely distinguished from current Amtrak and local commuter rail (Tri-Rail) options that service the Central and Southeast Florida regions. The Louis Berger Team therefore conducted a stated preference (SP) survey to help understand potential demand for this service given that SP surveys represent the state-of-the-practice for analyzing the introduction of distinct modes of travel. Louis Berger developed and administered a Stated Preference (SP) survey in 2012. The survey was carried out in order to help understand user travel preferences and willingness to pay for travel time savings, both of which are key inputs to the travel demand model. This section provides a brief overview of the survey.

The survey was distributed between April 14 and April 21 of 2012, and a total of 1,261 respondents completed the survey online. An intercept survey was also conducted between April 10 and April 15 of 2012 at eight locations in Central and Southeast Florida, including the Miami, Ft. Lauderdale, and Orland airports as well as the Miami, Ft. Lauderdale, and West Palm Beach Tri-rail stations. A total of 599 responses were gathered from the intercept survey.

In order to participate, respondents were required to meet three criteria, including 1) be 18 years of age or older, 2) reside within the study area described in Section 2.10, 3) have traveled at least once between an origin and destination pair that would be served by the proposed Brightline service. Respondents who met this criteria were allowed to participate in the survey that included the following sections:

- **Reference trip and basic travel characteristics:** Participants were asked to provide information on a recent trip taken within the study area (i.e., the reference trip for the experiment), including frequency, purpose, number of travelers, number of bags, and mode of transport.

- **Description of the proposed Brightline service:** Participants were given a description of the proposed Brightline service including a map, but excluding estimated travel time, frequencies, or fare information.
- **SP Choice experiments:** Participants were asked to select between hypothetical trips based on varying mode (i.e., car, bus, train, and the proposed Brightline service), cost, travel time, and headways. The reference trip described above was used to frame the context of the hypothetical choice experiments.
- **Brightline characteristics:** Participants were asked about their willingness to use the Brightline service and the reasons behind their decision. For those who indicated they would take the service, respondents were asked to rate the importance of certain station characteristics.
- **Travel patterns:** Participants provided information on the overall number of trips made from their home to other locations in the region in order to confirm travel patterns discussed in Section 3.6.
- **Demographics:** Participants were asked to provide their age, gender, household size, household income, number of working adults, and number of motor vehicles in the household.
- **Other questions:** Opinion of Brightline and familiarity with intercity rail as a way to screen out biased responses.

The following section presents an overview of the data collected with the internet and intercept survey instruments. A total of 1,860 completed surveys were collected, including 1,261 from the internet survey and 599 from the intercept survey. Key takeaways of the survey are discussed below.

4.2.1 Basic Travel Characteristics

Reference Trip Origin-Destination Pair – More than half of the respondents (54.4 percent) reported a reference trip between Southeast Florida and Central Florida. The remaining respondents reported reference trip within Southeast Florida or a short-distance trip, with most of the short-distance trips being carried out between Miami and Ft. Lauderdale (21.3 percent of total trips).

4.2.1.1 Long Distance Trips (Southeast Florida to Central Florida)

Trip Purpose – Leisure trips account for the majority (69.3 percent) of the reference trips while business trips account for 14.9 percent. The proportion of business travelers in the sample is similar to the proportion of business travelers National Household Travel Survey (2001), which is 15.9 percent.

Transportation Mode – 44.4 and 49.4 percent of business and non-business trips, respectively, were made by privately-owned car. Rental car accounted for an additional 16.2 percent of non-business trips. Air accounts for a larger proportion of business trips (20.9 percent) than of non-business trips (17.9 percent), while train and bus (including shared passenger van) account for a larger proportion of non-business trips (21.3 percent) than business trips (16.1 percent). Half of the respondents (50.2 percent) who used a car for their long-distance reference trip indicated that they needed a private vehicle at their destination. The second most-selected reason for driving was cost (38.9 percent). Another commonly-selected reason was enjoying driving (41 percent of

business travelers and 27.9 percent of non-business travelers). A relatively large share (28.4 percent) of business travelers also indicated that non-auto modes would take too long.

Alternative Mode – When asked which alternative mode they would have considered if a private car would not have been available for their reference trip, 20.3 percent of business travelers and 14.9 percent of non-business travelers selected train. As many as 19.4 percent of non-business travelers stated that they would not have made the trip. For business travelers, 6.8 percent would not have made the trip.

Party Size and Composition – Less than one third of all reference trips (29.4 percent) were made by solo travelers. The average party size was 2.7. Among parties of two or more, 39.6 percent were families traveling with children younger than 18.

4.2.1.1 Short Distance Trips (Within Southeast Florida)

Trip Purpose – More than half (56.7 percent) of reference trips within Southeast Florida are leisure trips. Business (14.4 percent) and a combination of business and leisure (7.8 percent) account for 22.2 percent of all reference trips.

Transportation Mode – 66.0 and 68.2 percent of business and non-business trips, respectively, were made by privately-owned car. Rental car accounted for an additional 5.9 percent of business trips. Train and bus (including shared passenger van) account for a larger proportion of business trips (25.0 percent) than non-business trips (22.9 percent). Car users indicated that other options would take a lot longer for door-to-door travel (26.4 percent). Other commonly-selected reasons included needing a private vehicle at the destination (24.6 percent), cost of other options (24.2 percent), enjoying driving (23.9 percent), and the inconvenience of getting to public transportation (20.6 percent). Business travelers and non-business travelers particularly diverged with regard to the need to make stops along the way, with 17.1 percent of business travelers indicating the need to make a stop as a reason for car use compared to only 9.6 percent of non-business travelers.

Alternative Mode – Alternative modes - 12.0 percent of business travelers and 22.4 percent of non-business travelers selected train as an alternative to car if a car was not available as an option. As many as 35.3 and 23.9 percent of non-business and business travelers respectively stated that they would not have made the trip without a car. Short distance travelers are therefore less receptive towards non-auto modes.

Party Size and Composition – For short-distance reference trips, the average party size is 2.17 persons per party. More than one third (36.4 percent) of respondents travel alone. Among parties of two or more, 31.4 percent are couples traveling without children.

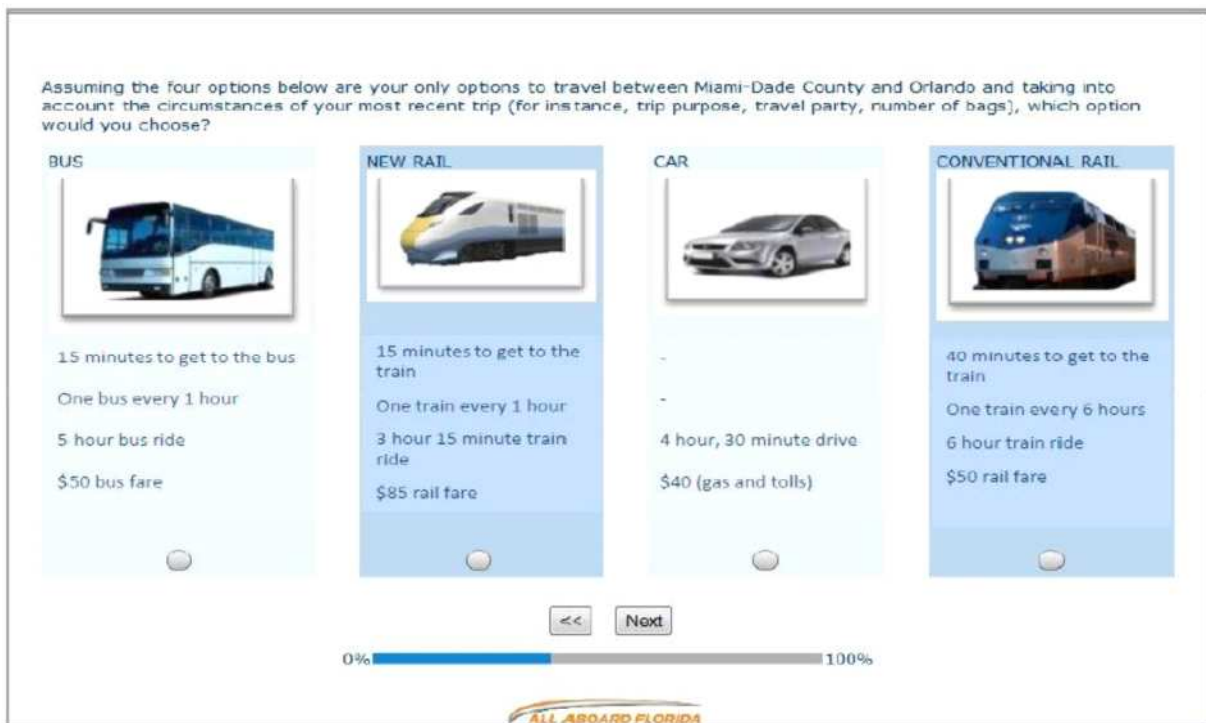
4.2.2 Stated Preference Survey Mode Choice Experiments

The stated preference section explored the survey respondent's interest in various travel mode options, including the proposed Brightline service. Each respondent was presented with an experiment that includes six

to eight choice sets, with four mode options presented in each choice set. The information about the typical or most recent trip was used to frame the experiment.

In each choice set, the description of each mode included a picture of the mode, and a combination of cost and travel time attributes: time to reach the mode of travel (for non-car modes), travel time, headways (for non-car modes), and cost (including rental fees, gas, or fare). Air, bus, existing rail, private car, rental car and Brightline were offered as mode options depending on the O-D pair. The experiment varied attributes based on research of public transit schedules and fares, airline schedules and fares, typical driving times, and driving costs. For the Brightline service, base values of the operational characteristics were based on the operating assumptions. Over the course of the experiment, participants were presented with eight choice sets, six of which were randomly generated to vary both mode and the attributes of the mode.

FIGURE 4-1 STATED PREFERENCE SURVEY HYPOTHETICAL CHOICE TASK EXAMPLE



4.2.3 Other Questions

Following the stated preference exercise, respondents were asked a series of additional questions, summarized as follows:

Willingness to Use Brightline: The survey asked directly about willingness to use the planned service under certain access time, in-vehicle travel time, and fare. The survey captured reasons behind choosing or not choosing to take Brightline under each circumstance. The most common reason for not taking the service was car dependency at the travel destination. Half of all travelers strongly agreed that auto dependency was one reason they would not take the new service for long-distance trips. For short trips, the most common reason

was the length of time it would take to access the station. Business travelers in particular saw the frequency of the train as a main reason for not using the service within the southeast Florida region.

Station Characteristics: Respondents were asked about station characteristics as a means to understand the importance of certain station attributes to travelers. Elements evaluated included location, availability of a park and ride lot with free parking for customers, a drop-off location, bicycle storage, shuttle service, connections to other existing transit services, a waiting area with restroom facilities, real time information on train arrivals and departures, the presence of a restaurant in the station, and the presence of a convenience store in the station.

For station of departure, free parking was the most highly-rated characteristic, followed by shuttle service to other key locations. For the station of arrival, shuttle service to certain key destinations was most important, followed by access to transit.

Travel Patterns: Respondents were asked to report the number of trips they made in the past month from their home to the other areas in the region, as well as the mode of travel typically used to make those trips. These questions provided a check of the accuracy of the trip tables used to develop the ridership forecasts, and the responses confirmed the pattern of intercity travel distribution of long-distance trips and short-distance trips identified in Section 3.6.

For travel within Southeast Florida, about three quarters of respondents residing in Miami traveled at least once to Fort Lauderdale in the reference month. Similarly, about three quarters of Fort Lauderdale residents traveled at least once to Miami in the same time frame. Taking into account population size, the trip distribution is 16 percent Miami-West Palm Beach, 26 percent Fort Lauderdale – West Palm Beach and 58 percent Miami- Fort Lauderdale. For trips between Southeast Florida and Central Florida, and taking into account population size, the distribution is 46 percent Miami-Orlando, 32 percent Fort Lauderdale – Orlando and 21 percent West Palm Beach-Orlando.

TABLE 4-1 NUMBER OF TRIPS BY RESIDENCE AND OD PAIR

Place of Residence	OD Pair	Average Number of Trips
Miami	Miami - Orlando	0.76
Miami	Miami - West Palm Beach	1.23
Miami	Miami - Fort Lauderdale	3.62
Fort Lauderdale	Fort Lauderdale - Orlando	0.59
Fort Lauderdale	Fort Lauderdale - West Palm Beach	2.08
Fort Lauderdale	Fort Lauderdale - Miami	4.7
West Palm Beach	West Palm Beach - Orlando	0.49
West Palm Beach	West Palm Beach - Fort Lauderdale	3.11
West Palm Beach	West Palm Beach - Miami	1.31
Orlando	Orlando - West Palm Beach	0.6
Orlando	Orlando - Fort Lauderdale	0.91
Orlando	Orlando - Miami	1.11

Opinion on Inter-City Rail: More than three-quarters of respondents indicated that they were at least somewhat in favor of the new service, with more than half indicating they strongly favored it. More than half of all respondents indicated that they had traveled on an intercity rail system and done so in the last year.

Socioeconomic Characteristics: Respondents reported socioeconomic and demographic characteristics including age, gender, household size, household income, the number of working adults in the household, and the number of motor vehicles in the household. Both the median and the average age of respondents was 47, 54.3 percent female, with a median household income of \$77,000.

4.3 Mode Choice Model Estimation

Data from the hypothetical choice experiments was evaluated using discrete choice analysis techniques to determine the factors driving mode choice decisions. The anticipated differences in travel behavior distinguished by travel distance (long and short-distance travel) and by trip purpose (business/non-business travel) required the iterative development and testing of four separate mode choice models.

4.3.1 Conceptual Overview

The basic concept driving discrete choice analysis is the idea of utility maximization. Utility in economics is described as the satisfaction an individual gains from the consumption of goods or services. Each alternative in a decision maker’s choice set provides a level of utility that is both a function of the attributes specific to that alternative, as well as the decision maker’s own characteristics.

The utility function derived for each alternative in a choice set is typically characterized by a linear combination of explanatory variables as shown below and will also generally comprise a constant term, often termed the alternative specific constant (ASC) or mode constant. The mode constant reflects the relative preference towards a given alternative among the set of choices available, after accounting for and holding the effects of the other variables in the utility function fixed. (The example below is for 3 competing modes—all modes relevant to each market were considered in our study).

$$U_{AAF} = ASC_{AAF} + (\beta_1 \times IVTT_{AAF}) + (\beta_2 \times OVTT_{AAF}) + (\beta_3 \times Cost_{AAF}) + \dots \quad (1)$$

$$U_{AUTO} = ASC_{AUTO} + (\beta_1 \times IVTT_{AUTO}) + (\beta_2 \times OVTT_{AUTO}) + (\beta_3 \times Cost_{AUTO}) + \dots \quad (2)$$

$$U_{AIR} = ASC_{AIR} + (\beta_1 \times IVTT_{AIR}) + (\beta_2 \times OVTT_{AIR}) + (\beta_3 \times Cost_{AIR}) + \dots \quad (3)$$

$$U_{RAIL} = ASC_{RAIL} + (\beta_1 \times IVTT_{RAIL}) + (\beta_2 \times OVTT_{RAIL}) + (\beta_3 \times Cost_{RAIL}) + \dots \quad (4)$$

$$U_{BUS} = ASC_{BUS} + (\beta_1 \times IVTT_{BUS}) + (\beta_2 \times OVTT_{BUS}) + (\beta_3 \times Cost_{BUS}) + \dots \quad (5)$$

Where:

IVTT = In-Vehicle Travel Time

OVTT = Out-of-Vehicle Travel Time

The magnitudes of coefficients (β_1 - β_3) which represent the relative importance of each modal attribute such as time and cost, are obtained by statistically evaluating the tradeoffs respondents from the SP survey made in

their hypothetical choice experiments. The estimated coefficients are interacted with actual values of modal attributes to calculate probabilities of each mode choice using the nested logit formulation shown below:

$$\text{Prob (Auto)} = \frac{e^{U_{\text{auto}}}}{e^{U_{\text{auto}}} + e^{(\theta_P \Gamma_P)}} \quad (6)$$

$$\text{Prob (Public)} = \frac{e^{(\theta_P \Gamma_P)}}{e^{U_{\text{auto}}} + e^{(\theta_P \Gamma_P)}} \quad (7)$$

Where:

- U = Utility equation for a given mode of travel (See equations 1-5)
- θ_P = Nesting coefficient ($0 < \theta_P < 1$)
- Γ_P = Public nest logsum

$$\Gamma_P = \text{LN} \left[e^{\left(\frac{U_{\text{RAIL}}}{\theta_P}\right)} + e^{\left(\frac{U_{\text{BUS}}}{\theta_P}\right)} + e^{\left(\frac{U_{\text{AIR}}}{\theta_P}\right)} + e^{\left(\frac{U_{\text{AAF}}}{\theta_P}\right)} \right] \quad (8)$$

And the conditional probability of choosing AAF (Brightline), Rail, Air or Bus given the selection of a public mode of travel is estimated using the general expression below:

$$\text{Prob (AAF | Public)} = \frac{e^{\left(\frac{U_{\text{AAF}}}{\theta_P}\right)}}{e^{\left(\frac{U_{\text{RAIL}}}{\theta_P}\right)} + e^{\left(\frac{U_{\text{BUS}}}{\theta_P}\right)} + e^{\left(\frac{U_{\text{AIR}}}{\theta_P}\right)} + e^{\left(\frac{U_{\text{AAF}}}{\theta_P}\right)}} \quad (9)$$

4.3.1.1 Value-of-Time

Value-of-time (VoT) is the estimated price an individual is willing to pay to save time on a given journey. This measure compares the estimated coefficients of travel time variables against the cost coefficient, and provides a useful summary metric to evaluate the conceptual consistency of an estimated model. The \$/hr. VoTs represent the rate at which individuals are willing to substitute time and cost. This measure is typically calculated as the ratio of the travel time coefficient (converted from minutes to hours) to the cost coefficient as shown in equation 10.

$$\text{VoT} = \frac{\beta_{\text{traveltime(utills/min)}} \times 60_{\text{(min/hour)}}}{\beta_{\text{cost(utills\$)}}} \quad (10)$$

The United States Department of Transportation (U.S. DOT) has provided guidelines for recommended values of time based on estimated hourly wages, trip length and trip purpose. The Louis Berger Team used these guidelines to estimate the corresponding set of anticipated VoT ranges specific to the income composition of the survey data collected (**Table 4-2**). These guidelines were used to evaluate the conceptual consistency of estimated models.

TABLE 4-2 U.S. DOT GUIDELINES

Category		Plausible VOT Range		
		Low	Middle	High
Local Travel	Non-Business	\$6.97	\$9.95	\$11.94
	Business	\$19.10	\$23.87	\$28.65
Intercity Travel	Non-Business	\$12.06	\$14.07	\$18.09
	Business	\$18.31	\$22.89	\$27.46

4.3.2 Summary of Model Estimation Process

The US DOT guidelines above point to distinct travel behaviors based on travel distance. Therefore, the Louis Berger Team estimated two separate sets of models for both the long and short-distance markets. Respondents who traveled from Central Florida (the region around Orlando) to Southeast Florida (West Palm Beach, Fort Lauderdale, or Miami) were categorized as long-distance travelers while respondents traveling within the Southeast Florida area were categorized as short-distance travelers.

4.3.2.1 Long Distance Model

Due to the relatively small sample size of business travelers, the Louis Berger Team estimated mode choice models using a pooled sample of both business and non-business traveler data while using interactions with a business travel categorical variables as the mechanism for segmentation by trip purpose. This approach allowed a direct comparison of the practical and statistical differences between business and non-business travelers, and thereby helped identified explanatory variables that should not be segmented by trip purpose, and that should remain common among both groups of travelers. The effect of household income on price sensitivity was accounted for by applying the same pooled data segmentation approach described above to statistically distinguish the response to cost across three broad income segment groups: low income (<\$50,000), medium income (\$50,000 - \$100,000), and high income (>\$100,000). **Figure 4-2** presents the nesting structure applied in model application while **Table 4-3** presents the corresponding model coefficients distinguished by trip purpose.

Table 4-4 provides a breakdown of household income segment groupings from the survey. These household income distributions were evaluated against and corroborated by an independent origin-destination (O-D) survey that was also conducted to support this ridership demand study.

FIGURE 4-2 LONG DISTANCE MODE CHOICE MODEL NESTED LOGIT STRUCTURE

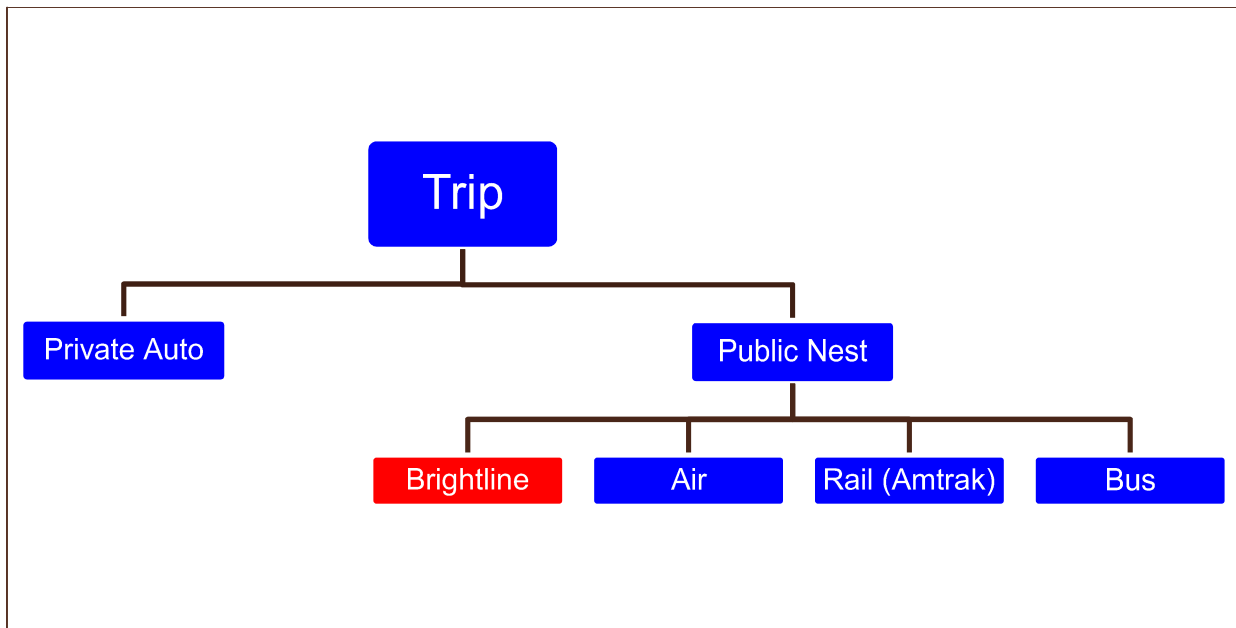


TABLE 4-3 LONG DISTANCE MODE CHOICE MODELS

Variable	Non-Business	Business
Alternative Specific Constants (ASC)		
AAF (Brightline)	0.00000	0.00000
Air	-0.43860	-0.22748
Rail	-0.46610	-0.17348
Bus	-0.88768	-0.99021
Private Auto	-0.21814	-0.12251
Rental Car	-1.88400	-1.41145
LOS Variables		
Access & Egress Time	-0.00396	-0.00559
Headway	-0.00098	-0.00152
In-Vehicle Travel Time (IVTT)	-0.00394	-0.00394
Cost - Low Inc (<\$50,000) (2012 \$ / 2016 \$)	-0.01424 / -0.0136	-0.01424 / -0.0136
Cost - Medium Inc (\$50,000-\$100,000) (2012 \$ / 2016 \$)	-0.01263 / -0.0121	-0.00824 / -0.0079
Cost - High Inc (>\$100,000) (2012 \$ / 2016 \$)	-0.01175 / -0.0112	-0.00542 / -0.0052
Nesting Coefficient θ		
	0.53179	0.53179
Implied IVTT VOT (2012 \$/Hr / 2016 \$/Hr)		
Low Inc (<\$50,000)	\$16.62 / \$17.37	\$16.62 / \$17.37
Med Inc (\$50,000-\$100,000)	\$18.74 / \$19.58	\$28.71 / \$30.01
High Inc (>\$100,000)	\$20.13 / \$21.05	\$43.69 / \$45.20

TABLE 4-4 HOUSEHOLD INCOME DISTRIBUTION

Income Group		Trip Purpose			
		Non-Business		Business	
Low Inc	<\$25K	6.5%	27.1%	4.3%	11.3%
	\$25-50K	20.6%		7.0%	
Med Inc	\$50-75K	22.0%	43.9%	21.7%	48.7%
	\$75-100K	21.9%		27.0%	
High Inc	\$100-150K	18.6%	29.0%	24.3%	40.0%
	\$150-200K	5.8%		9.6%	
	>\$200K	4.5%		6.1%	

The statistical and practical similarities in IVTT coefficients across both travel segments comports with structural rationale that both sets of travelers have similar disutility of additional travel time but vary in their means or willingness to pay for a faster mode of travel. The results in **Table 4-3** however, show that long-distance business travelers have a higher disutility of access time relative to the non-business market segment.

With the exception of the lowest income segment, business travelers display a lower disutility of travel costs and this results in both higher and wider arrays of VoT when compared to the long-distance non-business travel market. The cost coefficients of these model specifications were modified to account for increases in the value of time since the 2012 survey date, based on CPI increases observed over that time period.

4.3.2.2 Short Distance Model

The pooled data approach used to estimate the long-distance models did not generate similar analytical advantages for the short-distance travel market and the Louis Berger Team therefore elected to estimate separate nested logit models for the business and non-business markets. **Figure 4-3** shows the nesting structure used to estimate the short-distance models while **Table 4-5** presents the corresponding model specifications.

FIGURE 4-3 SHORT DISTANCE MODE CHOICE MODEL NESTED LOGIT STRUCTURE

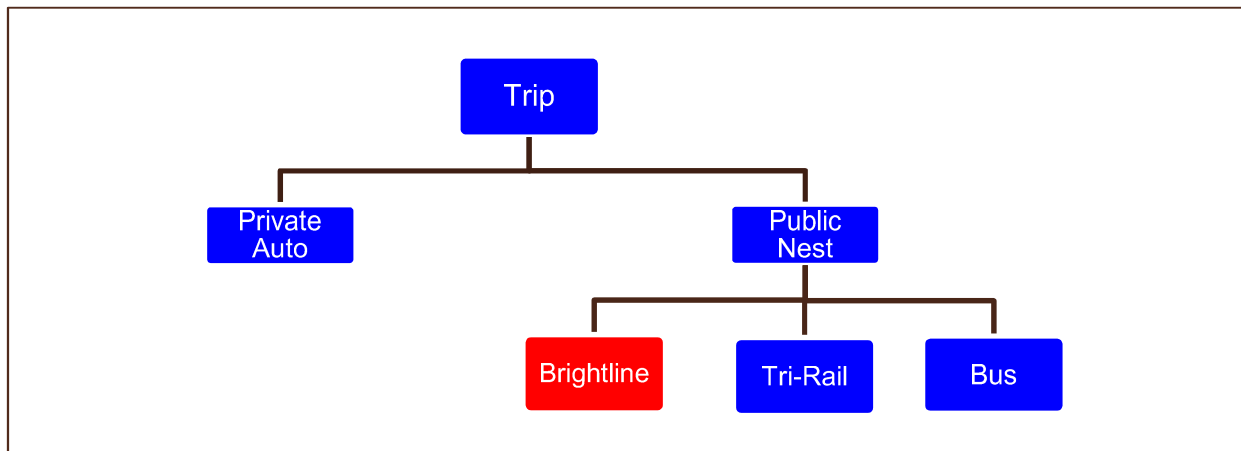


TABLE 4-5 LONG DISTANCE MODE CHOICE MODELS

Variable	Non-Business	Business
Alternative Specific Constants (ASC)		
AAF (Brightline)	0.00000	0.00000
Rail	-0.22625	-0.21261
Bus	-0.61782	-0.84988
Private Auto	0.44180	0.58282
LOS Variables		
Access & Egress Time	-0.00932	-0.01352
Headway	-0.00207	-0.00403
In-Vehicle Travel Time (IVTT)	-0.00774	-0.01115
Cost (2012 \$ / 2016 \$)	-0.04022 / -0.0400	-0.04184 / -0.0385
Nesting Coefficient θ		
	0.33191	0.51709
Implied IVTT VOT (2012 \$/Hr / 2016 \$/Hr)		
	\$11.54 / \$12.07	\$15.99 / \$16.72
Implied Access/Egress VOT (2012 \$/Hr / 2016 \$/Hr)		
	\$13.90 / \$14.53	\$19.39 / \$20.27

As was the case in the long-distance models, business travelers display a relatively higher value-of-time for both in-vehicle and out-of-vehicle travel time. It should also be noted that following testing of several model specifications, the final agreed upon model did not segment the income effect on cost sensitivity as the resulting coefficient estimates were both insignificant at both practical and typical statistical terms. The cost coefficients of these model specifications were also modified to account for increases in the value of time since the 2012 survey date, based on CPI increases observed over that time period.

4.4 Travel Demand Model Development

The Louis Berger Team constructed a travel demand model to represent travel patterns of the Central and Southeast Florida regions as described in preceding sections. To operationalize the mode choice model the Louis Berger Team assembled a database of level of service information for each mode of travel. In-vehicle travel times, operating costs, fare costs, and station access times were developed for each origin and destination pair for each mode of travel. Using this level of service data, the nested mode choice model representing the travel behavior of each market segment was applied to the corresponding trip table to derive travel utilities and implied mode shares for all O-D pairs in both the long and short-distance travel markets. Adjustments to the mode constants were made to match predicted shares against the targets implied by trip table mode splits. Once calibrated, the adjusted model specifications were applied to a build scenario that included the Brightline service as an additional travel alternative. The difference between the build and no-build scenarios was used to estimate the diversions from existing modes and arrive at an initial estimate of Brightline ridership. The final ridership forecast also included an estimate of the potential induced ridership accruing to the introduction of Brightline service in the corridor.

4.4.1 Level of Service Assumptions

The Louis Berger team developed level of service (LOS) profiles for each of the intercity travel modes considered in this study. As outlined above, these LOS variables would be applied to the mode choice model equations described earlier to estimate travel utilities for each available mode. Given the structure of Louis Berger’s mode choice models, the LOS variables of interest include the following:

- Private auto
 - In-Vehicle Travel Time
 - Out-of-pocket travel cost – includes cost of gas and tolls and is divided by number of vehicle occupants
- Public modes
 - Service headways (minutes)
 - Out-of-Vehicle Travel Time (OVTT) – includes access and egress travel time from stations and terminal time
 - In-Vehicle Travel Time (IVTT)
 - Fares
 - Access/egress costs
 -

4.4.1.1 Auto Level of Service Assumptions

Auto is the predominant mode of travel in the corridor and the level of service variables describe the trip lengths and costs that travelers typically encounter. Knowledge of typical travel times and costs is a factor in the traveler’s choice of modes. Because of the relatively short-distances involved in the Southeast Florida market and the dominant position of this mode in the candidate travel market, Louis Berger took care to develop conservative assumptions for the level of service parameters so as not to overestimate the willingness of current auto travelers to switch to Brightline service.

4.4.1.1.1 Travel Time

For the short-distance Southeast Florida market, Louis Berger utilized travel time data extracted from the SERPM 6.7 model for the 2010 base year. The following steps were employed in the development of the travel time estimates.

- Zone-to-zone travel times for each of the 4,106 TAZs in the SERPM 6.7 were assembled for all trip purposes for peak and off-peak periods.
- The TAZ data base was clipped to exclude zones outside the catchment areas and limit the evaluation to only those trips and travel times between the catchment areas.
- SERPM TAZs were aggregated to the 398 analysis zones described in Section 2.10.
- Average (trip-weighted) zone-to-zone times were calculated for peak and off-peak periods for intercity journeys among the 398 zones.

Table 4-6 shows an example of the estimated average travel times for each city pair. The table shows that the off-peak uncongested times derived from SERPM are consistent with off-peak travel times from the Google

Maps service; and that the composite times fall between the map service estimates for peak and off-peak travel times. Louis Berger performed other spot checks of travel times and distances and found the dataset to be generally consistent with published map service estimates.

Table 4-6 also includes travel times for the long-distance travel market, these travel times were obtained by detailed inquiry using Google API. Louis Berger extracted zone to zone travel times from Google Maps using Google Maps API. These travel times were then evaluated against uncongested and congested times extracted from the Central Florida Regional Planning Model (CERPM) and the SERPM for validation.

TABLE 4-6 HIGHWAY TRAVEL TIMES

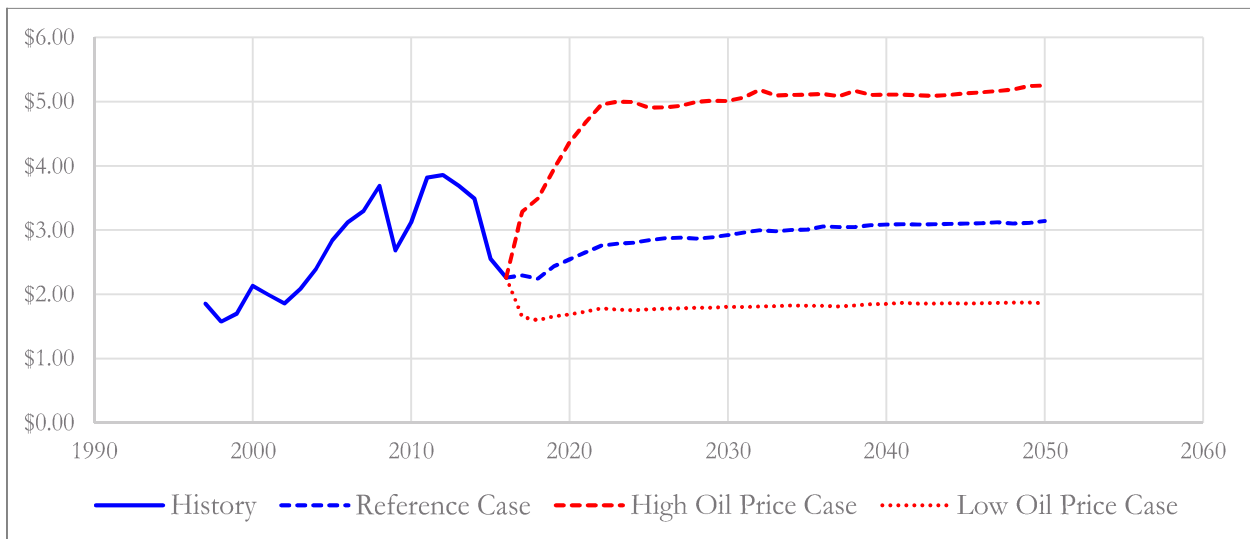
City Pair	Distance	Off-Peak (Uncongested) Travel Time	AM Travel Time	PM Travel Time
West Palm Beach - Miami	73 mi	91	93	99
West Palm Beach - Fort Lauderdale	46 mi	60	61	65
Fort Lauderdale - Miami	32 mi	44	45	48
Orlando – Miami	241 mi	216	221	222
Orlando – Fort Lauderdale	216 mi	194	196	197
Orlando – West Palm Beach	179 mi	170	172	173

Source: Louis Berger analysis of data from Google Maps API, 2017

4.4.1.1.2 Travel Costs

Given the large size of the intercity auto market, an important aspect in the development of the forecast is the identification of a sound assumptions for out-of-pocket auto operating costs, which are based in large part on fuel prices. Louis Berger reviewed the latest EIA *Annual Energy Outlook* (2017). This outlook provides the latest U.S. average gasoline pump price projection. **Figure 4-4** shows the 2017 projection for long term gas prices most appropriate for use in the model. The 2040 projections are \$3.90 for the reference case, \$2.61 for the low case, and \$5.04 for the high case.

FIGURE 4-4 EIA GAS PRICES (2016 \$ PER GALLON)



The Louis Berger Team also conducted a detailed review of potential toll costs incurred by auto users in the Brightline service travel corridor. Based on the various O-D pairs, the Louis Berger Team compiled an estimate of toll costs based on published rates obtained from the Florida Turnpike. **Table 4-7** provides the resulting estimate of toll costs represented in per mile terms for each of the major movements in the corridor. These results were incorporated into the travel demand model calculations for auto travel utility.

TABLE 4-7 PER MILE TOLL COSTS, BRIGHTLINE STUDY AREA (2016 \$)

	Distance (miles)	Avg Cost \$/Mile
Orlando - W. Palm Beach	171	0.063
Orlando - Ft. Lauderdale	213	0.068
Orlando - Miami	236	0.084
W. Palm Beach - Ft. Lauderdale	53	0.069
W. Palm Beach - Miami	72	0.138

4.4.1.2 Bus Level of Service Assumptions

Louis Berger reviewed bus schedules of key players in the Florida intercity bus market (Greyhound, Megabus, and Red Coach). **Tables 4-8** and **4-9** represent the travel time, service frequency and travel cost assumptions applied to both business and non-business travel in the ridership model. Red Coach bus schedules and costs were used to represent the intercity bus mode choice parameters for long-distance business travelers, while both Greyhound and Megabus schedules were used to populate the parameters for non-business travel.

TABLE 4-8 LONG-DISTANCE BUS ASSUMPTIONS (BUSINESS)

Level of Service Parameter	Orlando– Miami	Orlando – Fort Lauderdale	Orlando – West Palm Beach
In Vehicle Travel Time (minutes)	233	190	148
Fare Cost (2016\$)	\$40.33	\$40.33	\$40.33
Headway (minutes)	190	190	190

TABLE 4-9 LONG-DISTANCE BUS ASSUMPTIONS (NON-BUSINESS)

Level of Service Parameter	Orlando– Miami	Orlando – Fort Lauderdale	Orlando – West Palm Beach
In Vehicle Travel Time (minutes)	370	320	305
Fare Cost (2016\$)	\$17.50	\$17.50	\$24.40
Headway (minutes)	95	95	228

In Southeast Florida, several private services provide connections between Miami and West Palm Beach with prices ranging from \$18 to \$25 for a one-way trip. Broward County Transit provides express bus service from Fort Lauderdale and key locations in suburban Broward to Miami. This service is relatively inexpensive at \$5.00 for a full fare one-way ticket and is comparable to the Tri-Rail fare. To represent the current bus market in the mode choice model, Louis Berger assumed the service parameters for each city pair presented in **Table 4-10**.

TABLE 4-10 SHORT DISTANCE BUS ASSUMPTIONS

Level of Service Parameter	WPB – Miami	WPB – Fort Lauderdale	Fort Lauderdale – Miami
In Vehicle Travel Time (minutes)	100	65	60
Fare Cost (2016\$)	\$23.00	\$20.00	\$5.00
Headway (minutes)	120	210	60

4.4.1.3 Existing Rail Level of Service Assumptions

Louis Berger reviewed Amtrak schedules to obtain assumptions regarding long-distance rail travel and these are presented in **Table 4-11** while short-distance rail assumptions were obtained from TriRail schedules and are presented in **Table 4-12**.

TABLE 4-11 LONG DISTANCE RAIL ASSUMPTIONS

Level of Service Parameter	Orlando– Miami	Orlando – Fort Lauderdale	Orlando – West Palm Beach
In Vehicle Travel Time (minutes)	397	348	290
Headway (minutes)	570	570	570
Fare Cost Non-Business(2016\$)	\$46.00	\$42.00	\$33.00
Fare Cost Business (2016\$)	\$169.00	\$165.00	\$156.00

TABLE 4-12 SHORT DISTANCE RAIL ASSUMPTIONS

Level of Service Parameter	WPB – Miami	WPB – Fort Lauderdale	Fort Lauderdale – Miami
In Vehicle Travel Time (minutes)	98	60	43
Fare Cost (2016\$)	\$6.90	\$6.25	\$5.00
Headway (minutes)	45	45	45

4.4.1.4 Air Level of Service Assumptions

Air travel between Orlando and Fort Lauderdale and Miami is a small but active component of the travel market. To determine level of service parameters, Louis Berger evaluated published schedules and obtained one-way fare data by analyzing reported costs from the FAA 10 percent ticket sample. The resulting assumptions are presented in **Table 4-13**.

TABLE 4-13 AIR TRAVEL ASSUMPTIONS

Level of Service Parameter	Orlando– Miami	Orlando – Fort Lauderdale	Orlando – West Palm Beach
In Vehicle Travel Time (minutes)	70	74	N/A
Fare Cost (2016\$)	\$175	\$60	-
Headway (minutes)	142	228	-

4.4.1.5 Brightline Service Assumptions

In general, the Brightline service is planned to run hourly in each direction, operating from the early morning to the late evening. The current plan is to operate on average 32 trains per day, with 16 operating southbound and 16 northbound. Over the course of each year this translates to approximately 11,700 total train operations.

In Phase 1, the weekday schedule will begin early in the morning to serve the business and commuter travelers with a 6:00am southbound departing from West Palm Beach and 6:20am northbound departing from Miami with service extending to approximately 10:00pm or 11:00pm each evening. On weekends, the schedule will likely shift to slightly later start each morning with a corresponding change each evening to accommodate the greater percentage of leisure and event travelers. As demand patterns emerge during actual service, adjustments to this schedule can be accommodated and Brightline has appropriately invested in sufficient rolling stock capacity to allow for these adjustments.

As Phase 2 comes online the weekday and weekend schedules with hourly service throughout each day will be maintained, again with earlier starts on weekdays. Minor adjustments in departure times may be required to integrate with additional stop in Orlando and there will likely be southbound originations from both West Palm Beach and Orlando each day.

Based on this proposed running schedule, the Louis Berger Team developed the following assumptions for Brightline service characteristics.

TABLE 4-14 BRIGHTLINE SERVICE ASSUMPTIONS

Level of Service Parameter	Orlando–Miami	Orlando – Ft Lauderdale	Orlando – WPB	WPB – Miami	WPB – Ft Lauderdale	Ft Lauderdale – Miami
In Vehicle Travel Time (minutes)	195	163	127	65	34	24
Fare Cost – Business (2016\$)	\$124.14	\$112.04	\$99.94	\$57.34	\$36.73	\$36.73
Fare Cost – Non-Business (2016\$)	\$88.67	\$80.03	\$71.39	\$40.78	\$26.25	\$26.25
Headway (minutes)	60	60	60	60	60	60

4.4.1.6 Station Access and Egress

Through analysis of relevant data from the SP survey, Louis Berger confirmed that travelers place a higher value on the time it takes to access a public mode of travel (out of vehicle travel time -OVTT) than an equivalent amount of time spent traveling on board that mode (in-vehicle travel time - IVTT). Because OVTT is an important parameter in mode choice, Louis Berger took care in developing assumptions for access and egress from Brightline stations and other public modes of transport in the region. The steps in determining OVTT estimates for Brightline, Amtrak, Air travel, commuter rail, and bus are outlined below along with key assumptions.

- Consistent with the process for developing zone-to-zone times for highway auto travel (see Section 4.4.1.1.1) in the Short-Distance Market, Louis Berger assembled travel times from each of the 4,106 TAZs in the SERPM 6.7 to each TAZ containing a proposed Brightline Station or existing Tri-Rail Station. Bus locations were assumed to be the same as Brightline station zones and Tri-Rail station zones. This data extraction was done for peak and off-peak time periods.
- As with the highway dataset, the TAZ data base was clipped to exclude zones outside the catchment areas and then SERPM TAZs were aggregated to the Brightline model analysis zones.
- A terminal time of 15 minutes for Brightline and other modes with the exception of 75 minutes applied to air travel to account for additional security checks.
- Egress times, representing the journey from the arrival station to the ultimate destination zone were also estimated and a single parameter representing access time, terminal time, and egress time was calculated for each zone pair.

The cost of station access was also calculated for all public modes of travel and **Table 4-15** provides the calculation of access and egress costs based on the average access and egress distance, and that also takes into account the various modes of station access. The resulting average cost of \$11.15 was normalized by average access/egress distance and divided by travel party size to obtain per mile cost for each estimated travel party.

TABLE 4-15 ACCESS/EGRESS COST ASSUMPTIONS

Station Access Mode	% Utilization	Cost (per travel party)	Weighted Cost
<i>Private Auto (Operating Cost)</i>	35%	\$1.89	\$0.66
<i>Private Auto (Parking Cost)</i>	35%	\$11.00	\$3.85
Private Auto (Total Cost)	35%	\$12.89	\$4.51
Drop-off by Private Auto	15%	-	\$0.00
Taxi/TNC	10%	\$64.85	\$6.48
Transit	20%	\$4.25	\$0.85
Walk / Shuttle / Other	20%	-	\$0.00
Total	100%		\$11.85

4.4.2 Model Calibration

The coefficients from the model estimation phase represent the statistical estimates of mode choice behavior recorded from the SP survey, but still require calibration to observed mode-choice behavior before they can be used to predict expected Brightline ridership. The trip attribute data for each individual mode described in the previous section was applied to the mode choice model's level-of-service variable coefficients (e.g. in-vehicle travel time, access/egress travel time, total trip costs etc.) for the 2016 base year and the resulting mode splits were compared against expected mode share estimates based on current observations of mode splits.

In keeping with best practice in mode choice forecasting, adjustments were made to the Alternative Specific Constants (referred to commonly as ASC or mode constants) of existing modes of travel (Auto, Rail, Bus, and Air) in order to align the predicted and observed mode shares—calibrating the model. Once the predicted and observed mode shares were achieved for existing modes of travel, the study then made the appropriate adjustments to the ASC for Brightline in the models. These adjustments were made to ensure a reasonable ordinal ranking of mode constant preferences across all modes available (i.e., maintain the preference for AAF expressed in the survey relative to the existing public modes); and also to ensure reasonable rates of AAF market capture based on examination of other similar intercity travel systems and markets in the United States. A review of the literature on calibration reveals varying treatments for the adjustment of mode constants for new services, including benchmarking to comparable modes.

Forecasts for new rail service in the U.S. and abroad often seek to benchmark the rail service against air travel given the amenities, similarities in access/egress attributes, and overall travel time (factoring in the security and terminal wait time of modern air travel). When making adjustments to the Brightline mode constant during the calibration process, the study team used the ASC for Air as a benchmark to ensure that the preference for Brightline relative to air travel that was observed in the responses to the SP survey, was preserved through the calibration process. During calibration, the magnitude of the Brightline mode constant adjustment in the long-distance non-business mode choice model was made in direct proportion to the calibration adjustment for the Air ASC. The mode constant adjustment for business travel was set at approximately 25 percent the adjustment applied to calibrate business market air travel volumes, while the mode constant adjustment for non-business travel was set at approximately 50 percent the non-business air travel market adjustment.

The calibration of ASCs for the short distance travel market were indexed relative to the adjustments made to both commuter rail and intercity bus travel in this region. Adjustments were also made to ensure logical relationships in market share capture across the three short distance intercity travel markets. For business travel, no mode constant adjustment was made for the West Palm Beach to Miami segment, while 50 percent and 55 percent of the average adjustment in the rail and bus markets were applied to the West Palm Beach to Fort Lauderdale and Fort Lauderdale to Miami legs respectively. The corresponding adjustments to the non-business market segments for each of the three legs of the short distance market were 55 percent of the rail/bus adjustment for the West Palm Beach to Miami segment, and 80 percent for both West Palm Beach to Fort Lauderdale and Fort Lauderdale to Miami legs respectively.

Overall, the calibration process resulted in a small increase in the preference for auto travel relative to the other modes, and decreases in the preference existing public modes: Air, Bus, and existing Rail. By benchmarking the adjustment in Brightline mode constant to that for existing air travel, a comparable premium travel mode, the overall preference for auto versus public modes in the mode choice model is preserved. This maintains consistency with the findings of the survey, which indicates that although Brightline will be an attractive choice for many travelers, and a complementary addition to the air travel option, automobiles will continue to be the predominant mode for long-distance intercity travel into the future.

4.4.3 Induced Ridership

Introduction of a new mode of travel, particularly premium rail service which is more convenient and improves travel time, can often encourage travelers to make trips they may not have made in the absence of the new service. Previous studies have found that the introduction of intercity rail service can result in levels of induced travel ranging from 5 percent to 30 percent. The highest levels of induced travel have been observed on high speed rail services serving multiple markets over distances of 200 to 500 miles.

With the full implementation of Brightline service from Miami to Orlando, Louis Berger expects substantial opportunity for induced travel. The full service will result in a measurable reduction in the overall generalized cost of travel and Louis Berger used the general cost of travel principle to estimate the change in travel impedances that result from the introduction of the Brightline service between Miami and Orlando. Variants of the generalized cost approach are often used for induced travel estimates including a recent study of proposed high-speed rail conducted for the State of California.

Assuming the total number of trips (T) generated between a given O-D pair is a function of both socioeconomic/demographic factors (SED), as well as a measure of travel impedance – characterized by the generalized cost or utility of travel (U), as shown in the equation 12:

$$T = SED * U_{comp} \quad (11)$$

Where:

SED = the socioeconomic/demographic factors characterizing both the origin and destination
 U_{comp} = generalized utility of travel between the origin and destination

And:

$$U_{comp} = \text{LN}(\exp U_{\text{auto}} + \exp U_{\text{air}} + \exp U_{\text{rail}} + \exp U_{\text{bus}} + \dots) \quad (12)$$

$$\text{Induced Trips} = \text{Total Trips with Brightline } (T_A) - \text{Total Trips before Brightline } (T_B) \quad (13)$$

This induced trip methodology generates an incremental change in trip volumes that applies to all modes available. Based on equation 1, the total travel before and after Brightline introduction are estimated as follows:

$$T_B = SED * U_{compB}$$

$$T_A = SED * U_{compA}$$

Holding the SED factors constant, the percentage increase induced demand in travel can therefore be expressed entirely in terms of changes in the generalized cost as shown in equation 14.

$$\text{Induced Demand \%} = (U_{compA} - U_{compB}) / U_{compB} \quad (14)$$

5.0 Brightline Ridership and Revenue Forecast

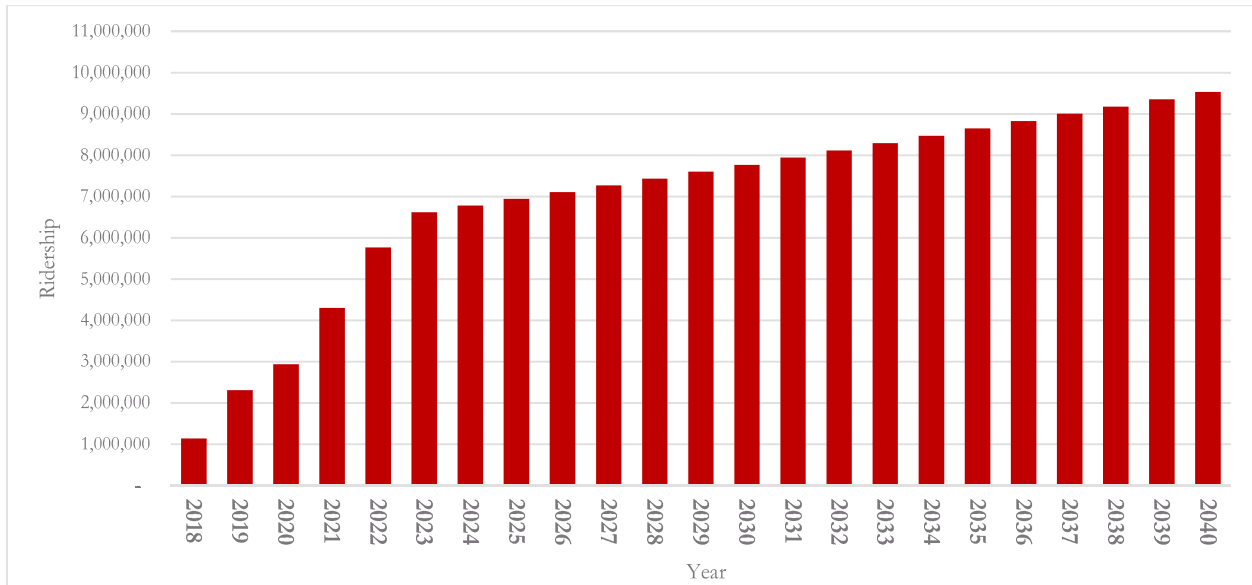
The significant time savings, frequent service, and reliability that Brightline provides has substantial potential to generate ridership and fare revenue. To determine the overall level of this potential, Louis Berger prepared annual Base Case forecasts for future operations with a focus on three time periods: 2018, the first year of revenue service; 2023, the first stabilized year after ramp-up; and 2040, the forecast horizon year. This section presents the results of these forecasts with reporting on market share, source of Brightline ridership, segment loading, and other performance metrics. Forecast results are benchmarked to previous study efforts where possible, and the findings of the revenue optimization and forecast sensitivity analysis are also presented.

5.1 Overall Level of Ridership and Revenue

The mode choice modeling tool and network information described in Section 4 allow Louis Berger to compare the travel time, access, and cost attributes of competing modes of travel against the origin and destination patterns of travelers. Responses to the stated preference survey indicate travelers' willingness to pay for travel time savings and their overall preference for mode of travel. This information formed the basis for a mode choice model which was calibrated to existing patterns of travel behavior without Brightline. Further analysis of the survey data allowed us to account for Brightline as a new mode of travel and recognize the premium level of service it will provide relative to the existing modes. Given the known attributes of the existing modes serving the corridor, the size of the overall travel market, and the attributes of service to be offered by Brightline, Louis Berger used the mode choice model to estimate the proportion of travelers that will choose Brightline for trips between Southeast Florida and Orlando, as well as for trips within Southeast Florida. The forecast also includes an estimate of the extent to which Brightline will generate new travel demand based on the new level of connectivity it provides and the marketing efforts to be conducted by the operators. **Figure 5-1** displays the forecast ridership results, in aggregate annual values, for Brightline service. Riders represent passengers making a one-way trip on Brightline, with a round trip generating two riders.

In 2023, the number of riders on Brightline is expected to total approximately 6.6 million. This volume of riders, about 18,120 per day, includes riders who now travel by other modes, but would find Brightline more desirable than auto, rail, and bus services now connecting the cities. As travel demand in the corridor grows, Louis Berger projects that ridership will grow to over 9.53 million riders in 2040. Due to the various components of the ridership forecast, the overall growth in the number of riders on Brightline is expected to average 2.2 percent per year once demand reaches stabilized state, ahead of the growth in population and employment within Southeast Florida and Central Florida, but slower than the anticipated growth in airline and turnpike trips between the two regions.

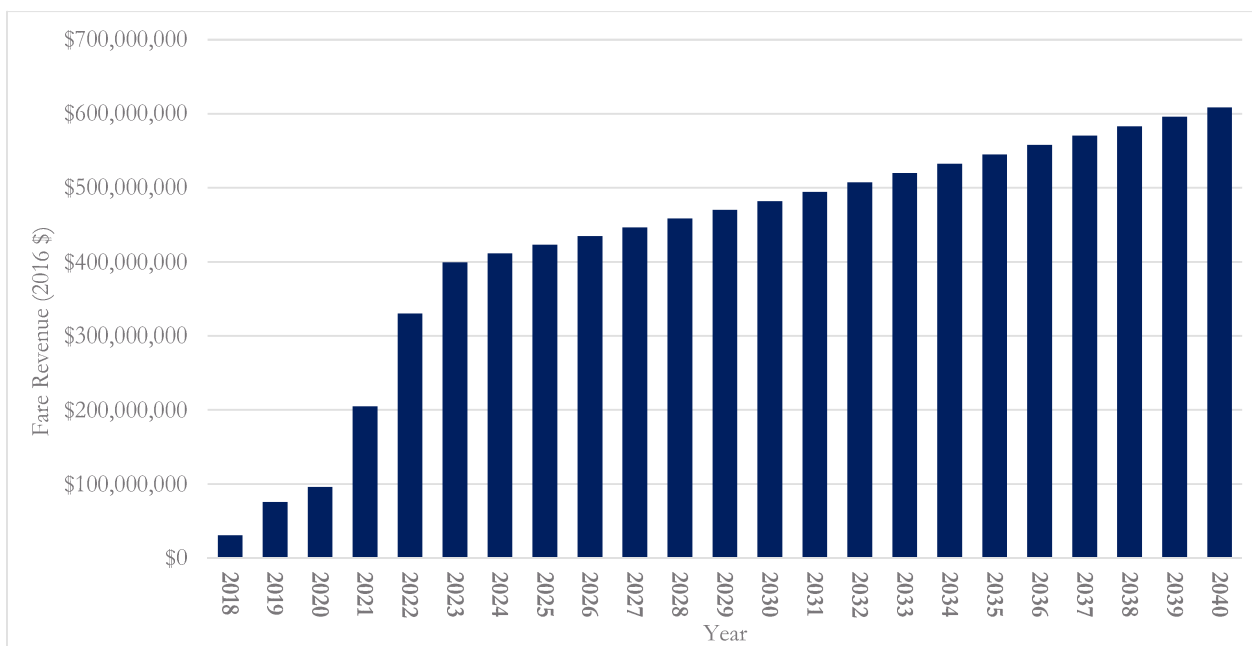
FIGURE 5-1 BRIGHTLINE ANNUAL RIDERSHIP FORECAST – BASE CASE



Source: Louis Berger, 2017

Fares applied in the ridership revenue calculation are distinguished by station origin and destination pair and market segment (business and non-business). Average distance-based fares for the short-distance market range from \$17 to \$45, and \$69 to \$96 for the long-distance market (2016 dollars). Brightline operations can be expected to generate total farebox revenues just over \$399 million (2016 dollars) in 2023, the first stabilized year after ramp-up as indicated in **Figure 5-2**.

FIGURE 5-2 BRIGHTLINE ANNUAL REVENUE FORECAST – BASE CASE



Source: Louis Berger, 2017

5.1.1 Ramp-Up

As shown in the forecast charts presented above, we expect ridership and revenue for the initial years of Brightline to start at relatively low levels and grow to a stabilized volume after two years of operation for each segment. This reflects Louis Berger’s “ramp-up” assumption, a period of time during which ridership is building up to long-term forecast levels as travelers become acquainted with the new rail service and adjust their trip-making habits. During 2017, management has made substantial investment in marketing, pre-launch ticket sales, and corporate block sales prior to the anticipated commencement of revenue service in the first quarter of 2018. Management also intends to implement reduced price fares during an introductory period following the beginning of revenue service for each segment (see discussion in Section 5.2), it should also be noted that South Segment service will have been in operation for three years upon commencement of service between Southeast Florida and Orlando. Given these plans, for the short-distance trips, Louis Berger assumed a two calendar year ramp-up period: ridership volumes for 2018 are 40 percent of forecasted volumes, and 80 percent forecasted volumes in 2019. For the long-distance trips, Louis Berger assumed a two calendar year ramp-up period: ridership volumes for 2021 are 40 percent of forecasted volumes and 80 percent of forecasted volumes in 2022. The forecasts include the assumption that management will implement the stepped fare structure noted in Section 5.2, below, and that short-distance rail service will be operational in the first quarter of 2018, and long-distance revenue service will begin in first quarter of 2021. The full service will reach stabilized volumes by 2023.

There are no set standards for ramp-up assumptions in passenger rail forecasting and few direct comparables in the U.S. to the Brightline service. However, the Acela and the Euro Star, both comparable systems to Brightline, experienced substantial adoption levels in their initial years of operation, as shown in **Table 5-1** below. . In terms of prior studies for rail in Florida, FOX Florida High Speed Rail Ridership study (1998) assumed a three-year ramp-up at 40 percent, 60 percent, and 90 percent. The Florida High Speed Rail Authority Orlando-Miami Planning Study (2002) assumed a two year ramp-up at 50 percent and 75 percent of forecasted volumes.

TABLE 5-1 RAMP-UP COMPARISONS

Ramp-Up Period	Eurostar	Amtrak Acela	Brightline
Year 1	32%	52%	40%
Year 2	53%	72%	80%
Year 3	88%	92%	100%

Source: Global Mass Transit Research, Eurostar: Restructuring, expansion and rolling stock procurement, December 1, 2014; Amtrak Annual Reports and Consolidated Financial Statements, FY 2000-2012.

5.1.2 Methodological Overview

As indicated in the introduction to this section, the ridership and revenue forecasts are based on state-of-the-practice mode choice modeling techniques used to evaluate how the introduction of Brightline service will influence travel choices in the market. The mode choice tool and network information allow Louis Berger to develop a head-to-head comparison of Brightline with existing modes of travel based on the travel time and cost of each mode, and the origin and destination patterns of travelers. Given the location and preferences of travelers, the forecast estimates Brightline’s capture of the overall travel market, which is a key element of overall ridership and revenue potential.

The ridership and revenue results presented were developed using fare plans from All Aboard Florida Operations, LLC, which were developed based on Brightline market pricing research. These fares were inputs into an evaluation of the short- and long-distance travel demand markets using the network model, which in turn generated the ridership and revenue estimates.

The following subsections will address each of these distinct elements as well as other relevant details regarding the forecasts presented.

5.2 Fare Revenue Estimation

Brightline fares assumed in the modeling process were provided by All Aboard Florida Operations, LLC. All fares for Brightline and all costs for competing modes were fixed in real terms. The fare structure and levels were developed by All Aboard Florida Operations, LLC based on the findings in the 2012 Stated Preference Survey as well as the Pricing Research Survey conducted by Integrated Insights. Fares differ by time of day and day of week. Brightline offers economy fares (referred to as “Smart”) and premium fares (referred to as “Select”). **Table 5-2** shows the selected average fares for the Smart class, while **Table 5-3** shows the selected average fares for the Select class. Both tables are presented in 2016 dollars. For short-distance trips, fares are kept flat in real terms after 2019, while for long-distance trips, fares are kept flat in real terms after 2022.

TABLE 5-2 AVERAGE FARES (SMART CLASS), 2016 \$

City Pair	2018	2019	2020	2021	2022	2023
WPB-FTL	\$21.34	\$26.25	\$26.25	\$26.25	\$26.25	\$26.25
WPB-MIA	\$33.94	\$40.78	\$40.78	\$40.78	\$40.78	\$40.78
FTL-MIA	\$21.34	\$26.25	\$26.25	\$26.25	\$26.25	\$26.25
ORL-WPB	-	-	-	\$68.42	\$71.39	\$71.39
ORL-FTL	-	-	-	\$77.13	\$80.03	\$80.03
ORL-MIA	-	-	-	\$85.84	\$88.67	\$88.67

Source: All Aboard Florida Operations, LLC, 2017

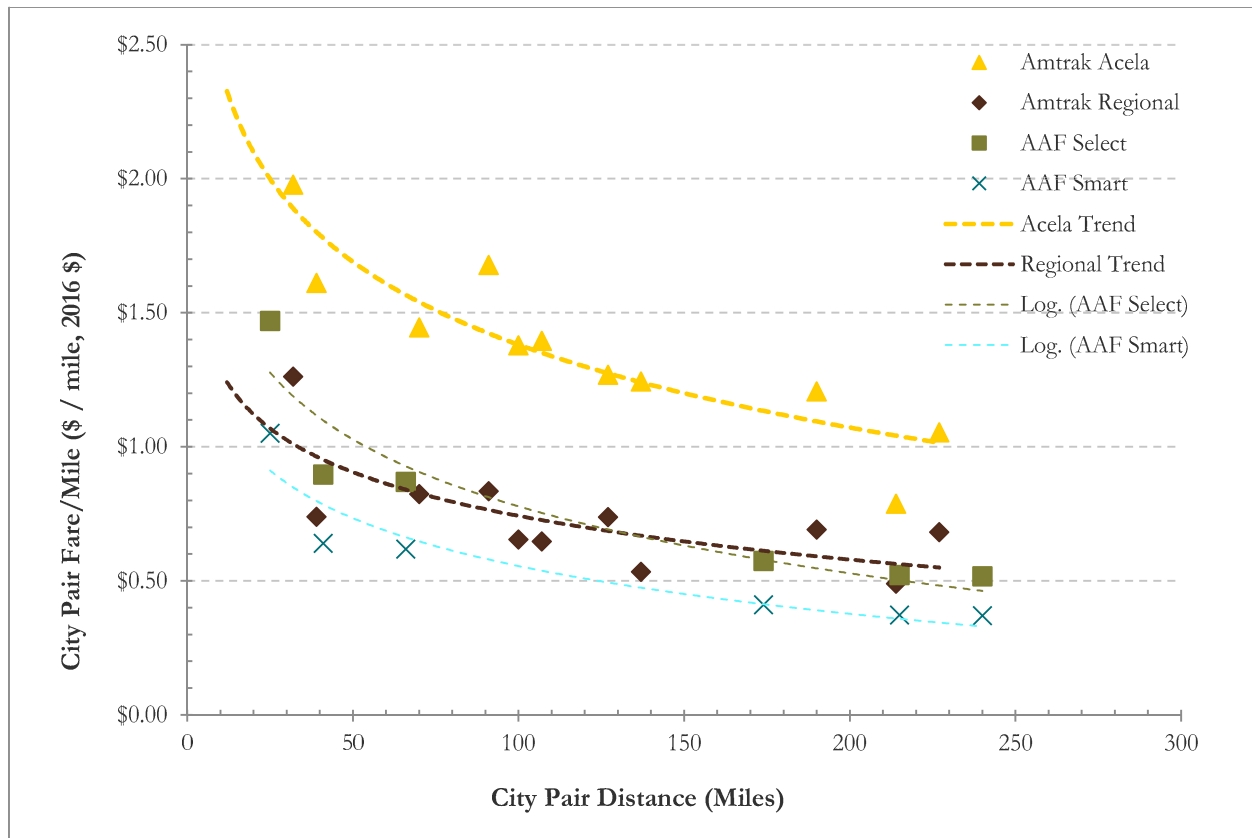
TABLE 5-3 AVERAGE FARES (SELECT CLASS), 2016 \$

City Pair	2018	2019	2020	2021	2022	2023
WPB-FTL	\$31.32	\$36.73	\$36.73	\$36.73	\$36.73	\$36.73
WPB-MIA	\$49.90	\$57.34	\$57.34	\$57.34	\$57.34	\$57.34
FTL-MIA	\$31.32	\$36.73	\$36.73	\$36.73	\$36.73	\$36.73
ORL-WPB	-	-	-	\$95.78	\$99.94	\$99.94
ORL-FTL	-	-	-	\$107.98	\$112.04	\$112.04
ORL-MIA	-	-	-	\$120.17	\$124.14	\$124.14

Source: All Aboard Florida Operations, LLC, 2017

In comparison to fares from Amtrak’s Northeast Corridor, the premium service Brightline per mile rates for the long-distance market are noticeably lower than comparable Amtrak fares for similar travel distances. **Figure 5-3** plots both the Brightline Smart and Select per-mile fares and includes the Acela and Regional Amtrak fares. The data indicates that that the Brightline fares for business travel lie close to the Amtrak Regional Service fares over comparable distances, and are far lower than the fares observed on Amtrak Acela service that offers amenities that more closely correspond to the premium service features envisioned for Brightline service.

FIGURE 5-3 COMPARISON OF BRIGHTLINE FARES TO AMTRAK NORTHEAST CORRIDOR FARE RATES



Source: Louis Berger, 2017

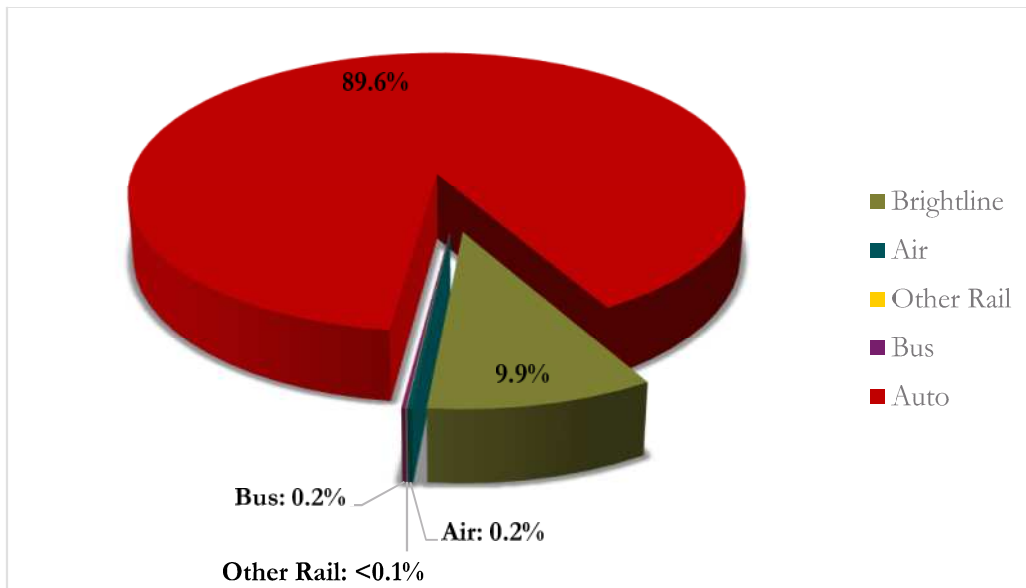
5.3 Network Model Ridership & Revenue Forecasts

Louis Berger conducted a detailed analysis of potential ridership using the network model. Details of this analysis are presented in this section.

5.3.1 Market Capture and Compatibility with Existing Modes of Travel

The central station locations offered by Brightline will allow the railroad to provide an alternative source of transportation for travelers with origins or destinations near the urban cores of the three major cities in Southeast Florida and near major activity centers in Central Florida. The network model forecast shows that the addition of the Brightline service will complement the existing modes of travel between these core locations. Using the fares discussed in Section 5.2, the network model generated ridership forecasts that totaled approximately 3,534,000 in 2022, growing to 5,723,900 in 2040 for the long-distance travel market, and a 2023 ridership estimate of 3,079,000 for the short-distance travel market that grows to 3,808,200 in 2040. The estimated Brightline mode shares and market capture rates in 2023 following the introduction and ramp-up of the Brightline service are presented the figures below.

FIGURE 5-4 LONG-DISTANCE TRAVEL NETWORK MODEL MARKET SHARES, 2023



Source: LB, 2017.

TABLE 5-4 LONG-DISTANCE TRAVEL NETWORK MODEL MARKET SHARES BY CITY PAIR, 2023

	Brightline	Air	Rail (Amtrak)	Bus	Auto
Central Florida – WPB	10.80%	0.00%	0.03%	0.13%	89.05%
Central Florida – Broward	9.65%	0.73%	0.02%	0.23%	89.37%
Central Florida – Miami	8.92%	0.11%	0.02%	0.23%	90.73%
TOTAL	9.92%	0.24%	0.02%	0.19%	89.64%

Source: Louis Berger, 2017

Figure 5-5 indicates that after the initial ramp up period, Brightline will serve approximately 9.9 percent of the travel market between Southeast Florida and Central Florida. The network model shows that while auto travel along the turnpike and I-95 will be the predominant mode used by many travelers given their origin and destinations, preferences, or need for a vehicle en route or at their destination, Brightline will provide a convenient and attractive alternative for a key segment of the market.

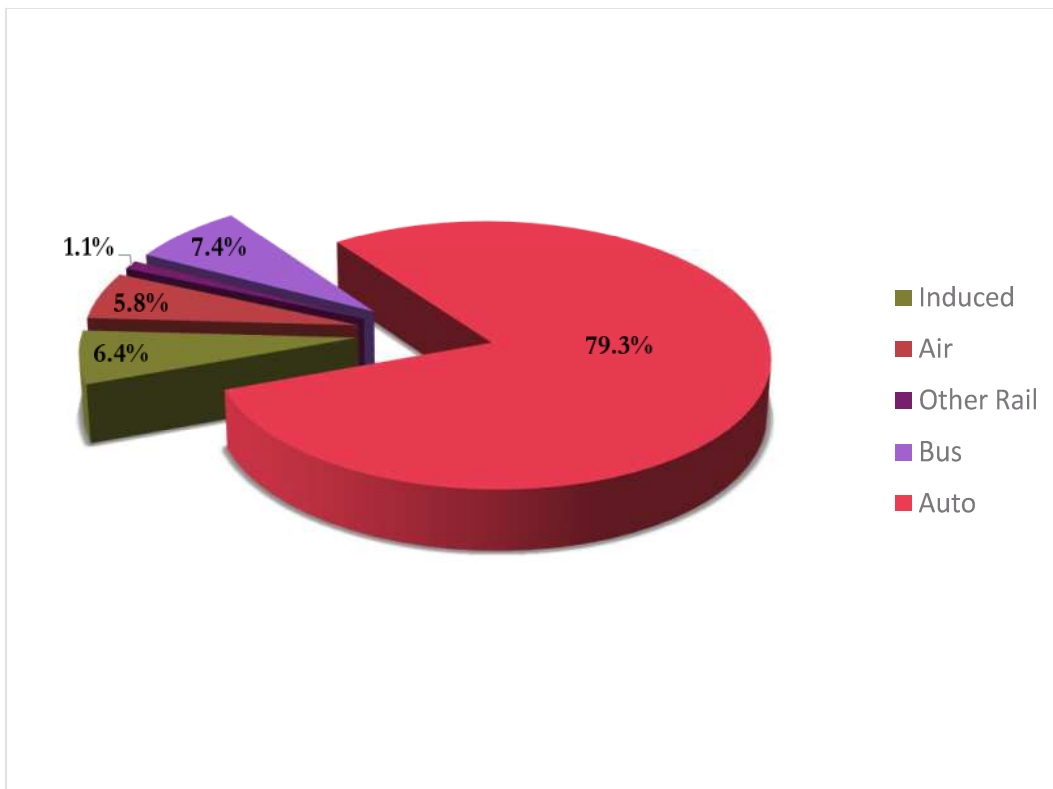
Brightline service will provide a particularly vital addition to the public modes of travel (air, bus, and rail) which currently do not offer the frequency or capacity that Brightline will provide. Before the introduction of Brightline service the public modes of travel accounted for less than 2.0 percent of the overall travel market between Southeast Florida and Central Florida, with auto travel accounting for the remaining 98.0 percent. After Brightline achieves its stabilized ridership pattern, the public share of the market is expected to rise to 10.4 percent, reducing the auto share to 89.6 percent.

Brightline is expected to attract between 72 percent and 83 percent of users currently traveling by air, rail, or bus (see Figure 5-7). When added together, travelers drawn from public modes of travel will account for 14.3 percent of Brightline ridership (5.8 percent Air, 1.1 percent existing rail, and 7.4 percent bus, see Figure 5-6).

Brightline will attract about 9 percent of travelers who would otherwise have used private autos. These former auto users are expected to make up 79 percent of total Brightline long-distance ridership.

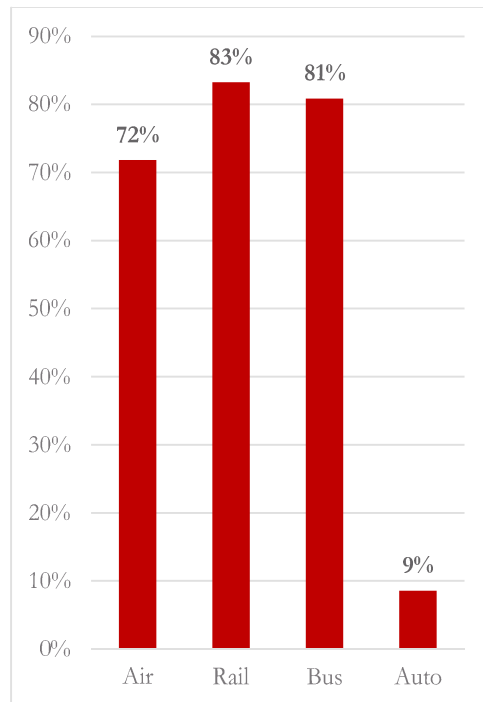
As shown in **Figure 5-6**, Brightline service linking Southeast Florida and Central Florida will draw most of its ridership from travelers that would have otherwise used a private auto or existing public modes of travel for their trip. New trips, prompted by the convenience and travel time savings that Brightline will introduce to the market will make up 6.4 percent of total Brightline ridership after ramp-up. The sources and characteristics of induced travel are described in more detail in Section 4.4.3.

FIGURE 5-5 SHARE OF BRIGHTLINE RIDERSHIP BY SOURCE (LONG-DISTANCE)



Source: Louis Berger, 2017.

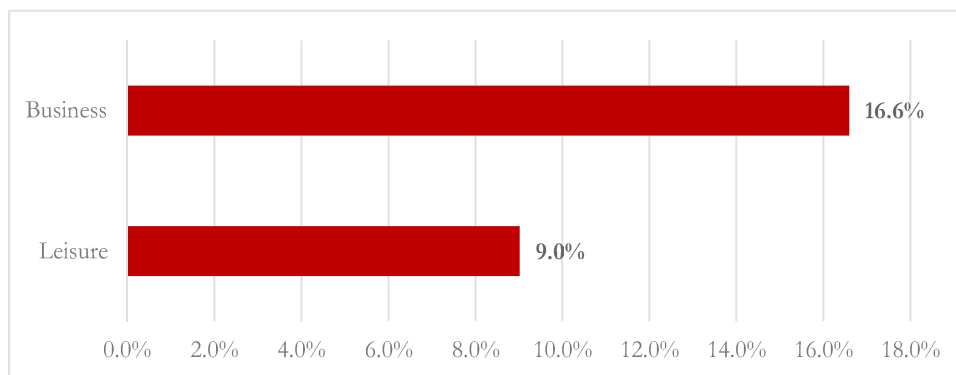
FIGURE 5-6 BRIGHTLINE RIDERSHIP MARKET DRAW BY SOURCE (LONG-DISTANCE)



Source: Louis Berger, 2017.

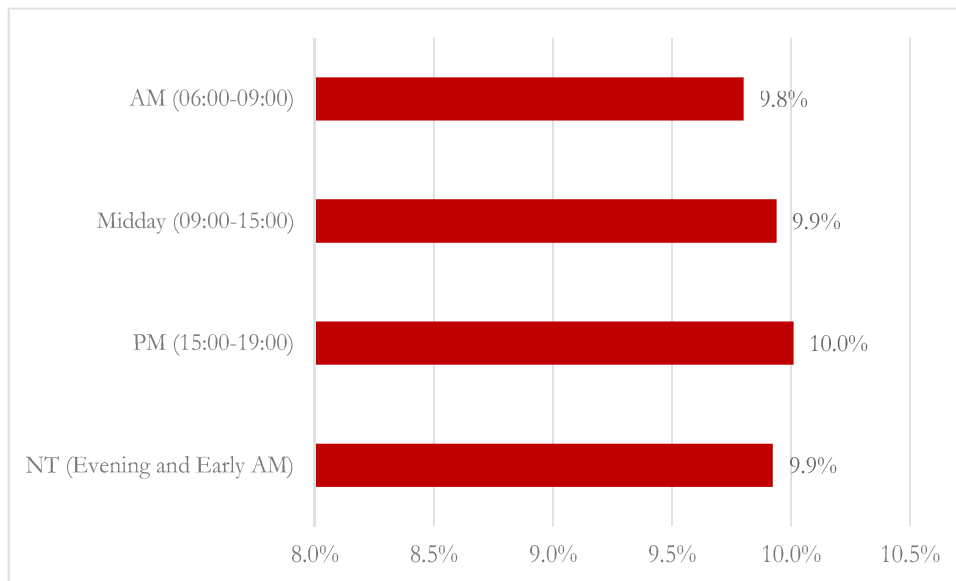
Figure 5-7 and **Figure 5-8** show the percentage of person trips that switched to Brightline from existing modes by trip purpose and by time of day. The data indicates that for the long-distance market, a greater percentage of business travelers switched to Brightline and that, overall, passengers traveling at all times of day switched to Brightline by roughly the same percentage.

FIGURE 5-7 PERCENTAGE SWITCH TO BRIGHTLINE FROM EXISTING MODES BY TRIP PURPOSE, 2023



Source: Louis Berger, 2017.

FIGURE 5-8 PERCENTAGE SWITCH TO BRIGHTLINE FROM EXISTING MODES BY TIME OF DAY, 2023



Source: Louis Berger, 2017.

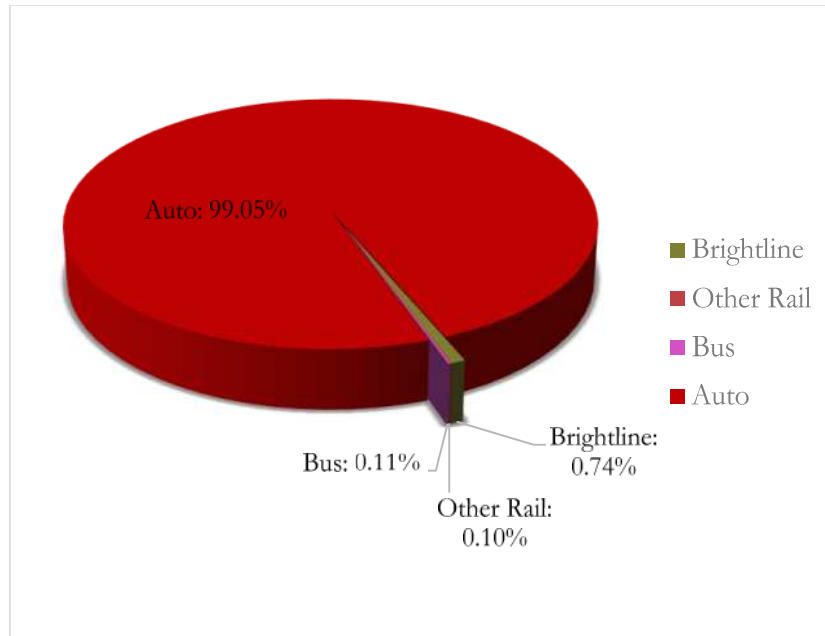
The long-distance market mode choice models incorporated income considerations, which allow us to understand how many person trips are switching to Brightline from existing modes by income segment. Roughly the same percentage of person trips switched to Brightline from each income bracket: 8% for incomes less than \$50,000; 10% for incomes between \$50,000 and \$100,000; and 11% for incomes above \$100,000.

Short Distance Market

Figure 5-9 indicates Brightline will again contribute to the public modes of travel (bus and rail service currently provided by Tri-Rail). After the initial ramp up period, Brightline will serve approximately 0.74 percent of the travel market within Southeast Florida – bringing the total market share served by public transit to 0.95 percent. **Table 5-5** shows that Brightline market share is anticipated to be highest for travel between Miami and West Palm Beach, approximately 2.1 percent, and lowest for Miami to Fort Lauderdale, where the short distances involved favor auto travel. Prior to the introduction of Brightline service, public transit will comprise approximately 0.5 percent of the total travel market within Southeast Florida. The smaller Brightline market share keeps in line with expectations of public transit market share over short distances.

Figures 5-10 and **Figures 5-11** shows that the largest proportion of Brightline riders in the Short Distance travel market will be drawn from auto travelers. Louis Berger anticipates that in 2023, 57.3 percent of Brightline riders traveling between Miami, Fort Lauderdale, and West Palm Beach will be travelers who, without the Brightline service, would have made their journey by car. Although auto is substantial source of Brightline ridership, less than 1 percent of overall auto volume traveling between the three key cities in SEF is diverted to Brightline. This is consistent with the limited number of station locations and the focus of Brightline service on capturing city center to city center travel.

FIGURE 5-9 SHARE OF BRIGHTLINE RIDERSHIP BY SOURCE (SHORT-DISTANCE), 2023



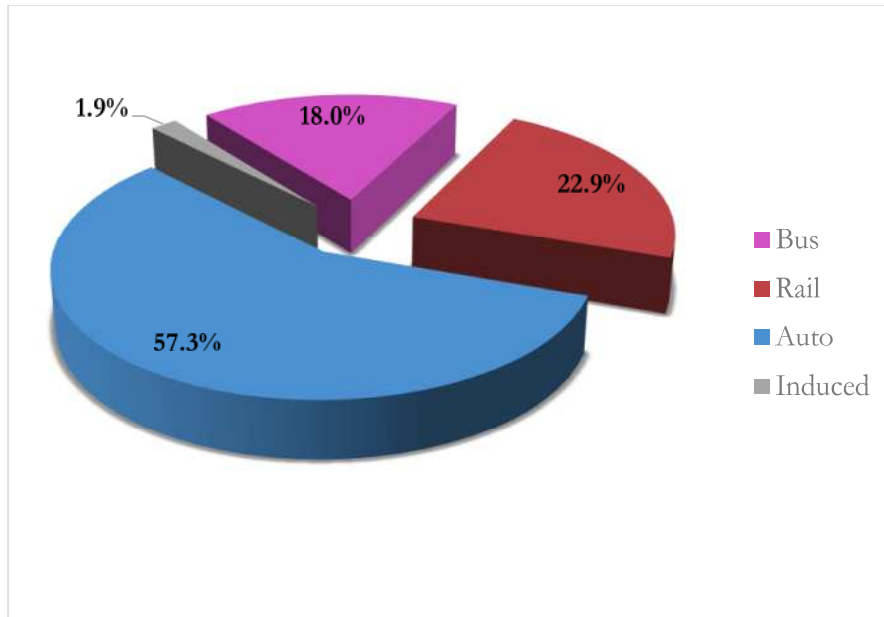
Source: LB, 2017.

TABLE 5-5 SHORT-DISTANCE TRAVEL NETWORK MODEL MARKET SHARES BY CITY PAIR, 2023

	Brightline	Auto	Rail (Tri-Rail)	Bus
Miami – WPB	2.10%	97.54%	0.28%	0.08%
WPB – Ft. Lauderdale	0.70%	99.22%	0.06%	0.02%
Ft. Lauderdale – Miami	0.61%	99.11%	0.11%	0.17%
TOTAL	0.74%	99.05%	0.10%	0.11%

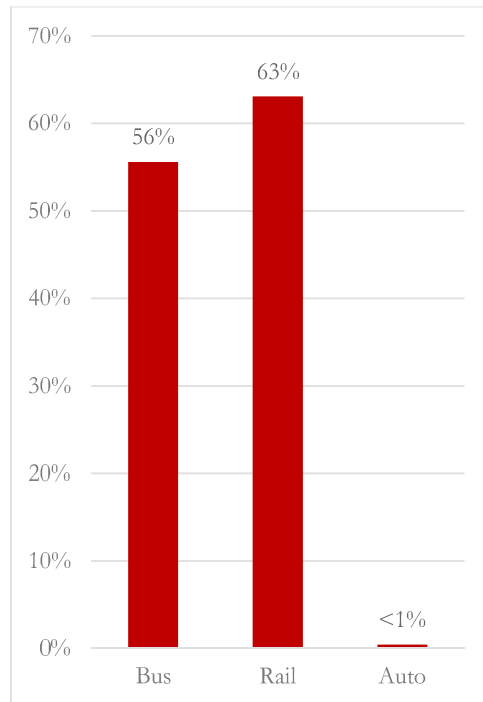
Source: Louis Berger, 2017

FIGURE 5-10 SHARE OF BRIGHTLINE RIDERSHIP BY SOURCE (SHORT-DISTANCE)



Source: LB, 2017.

FIGURE 5-11 BRIGHTLINE RIDERSHIP MARKET DRAW BY SOURCE (LONG-DISTANCE)

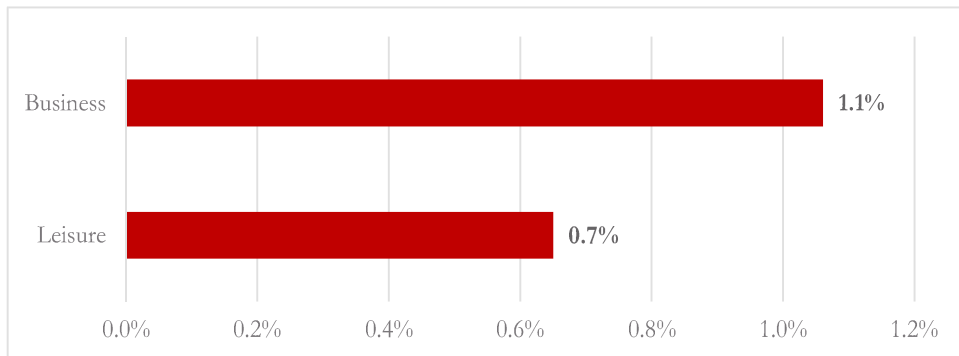


Source: Louis Berger, 2017.

The proportion of riders on Brightline drawn from bus services is expected to amount to approximately 18 percent. This represents a diversion of 56 percent of bus travel serving the centers of the three cities. Brightline service is expected to draw approximately 23% of its ridership from existing Tri-Rail service. This represents a diversion of 63 percent of Tri-Rail travel serving the centers of the three cities.

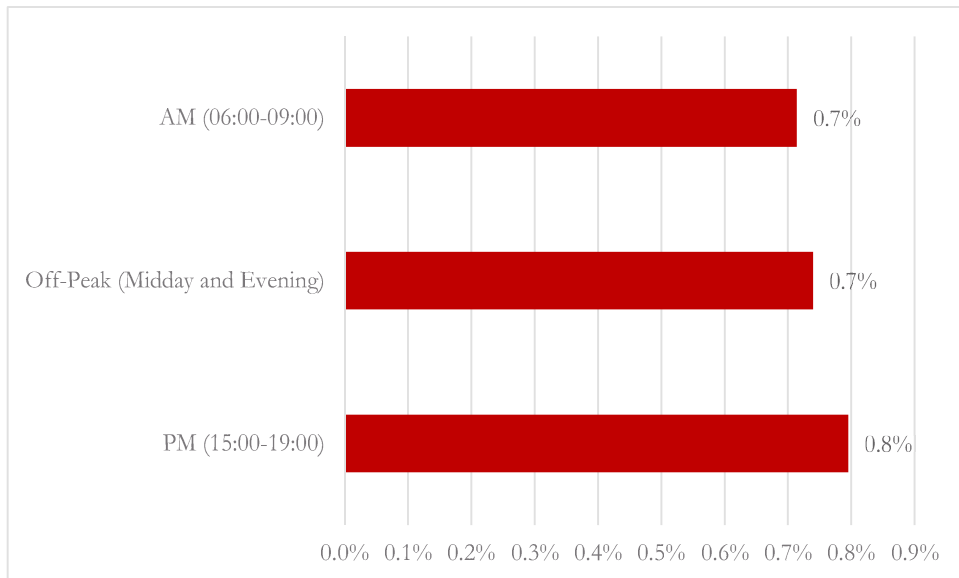
Figure 5-12 and **Figure 5-13** show the percentage of person trips that switched to Brightline from existing modes by trip purpose and by time of day. The data indicates that for the short-distance market, a slightly greater percentage of business travelers switched to Brightline and that, overall, passengers traveling at all times of day switched to Brightline by roughly the same percentage.

FIGURE 5-12 PERCENTAGE SWITCH TO BRIGHTLINE FROM EXISTING MODES BY TRIP PURPOSE, 2023



Source: Louis Berger, 2017.

FIGURE 5-13 PERCENTAGE SWITCH TO BRIGHTLINE FROM EXISTING MODES BY TIME OF DAY, 2023



Source: Louis Berger, 2017.

5.4 Overall Forecast Summary

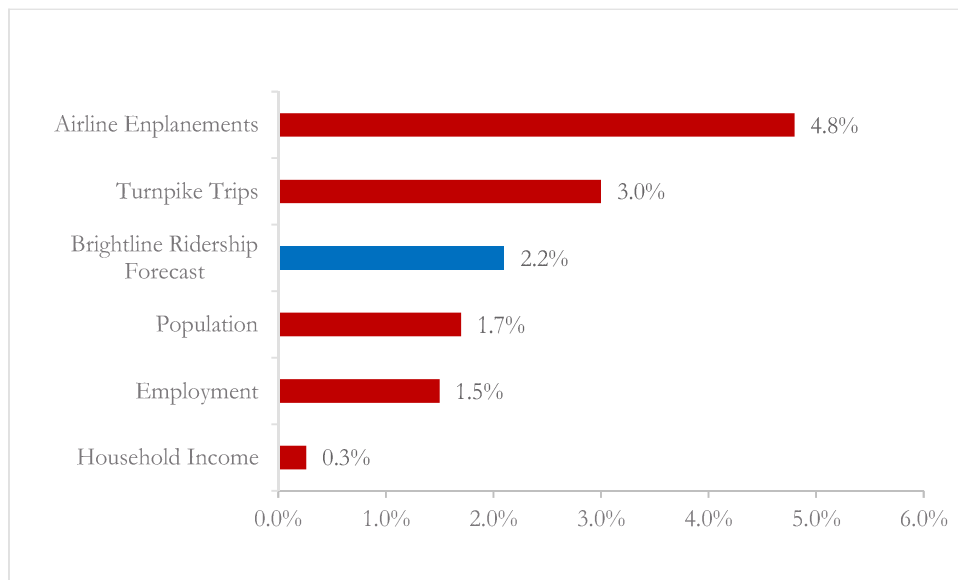
In addition to the metrics presented above, two key components of the forecast are discussed below: a comparison of the Brightline forecast growth compared to other travel modes; a summary of boardings and alightings for the system.

5.4.1 Forecast Growth Comparison

Brightline Ridership performance into the future was estimated by determining the outlook for growth in the intercity travel market between Central and Southeast Florida.

The average annual forecast growth rate for Brightline ridership from the first stabilized year (2023) through 2040 is 2.2 percent. This level of growth is higher than growth in population and employment observed in from 2000 to 2010 (at 1.7 percent and 1.5 percent per year respectively), but is also lower than the corresponding estimates of growth in both Turnpike auto trips and air passenger traffic. **Figure 5-10** shows that both the Florida Turnpike and travel by air which saw growth above 3 percent per year in the last ten years.

FIGURE 5-14 COMPARISON OF BRIGHTLINE FORECAST GROWTH RATES



Source: Louis Berger, 2017

5.5 Segment Loading and Boardings & Alightings

The overall ridership and revenue forecast totals summarized in Section 5.1 are based on forecast estimates of travel between station pairs between Southeast Florida and Central Florida. **Table 5-8** and **Table 5-9** summarize the annual segment volumes and revenues for 2023 and 2030. These tables show the Miami-Orlando segment generating significant volume of riders and corresponding revenue relative to the other two segments and largely due to the estimated impact of anticipated market strategies specifically targeted at this travel market.

TABLE 5-6 FORECAST BRIGHTLINE – ANNUAL SEGMENT VOLUMES AND REVENUES, 2023 (2016 \$)

Station Pairs	Northbound Volume	Southbound Volume	Total Volume	Segment Fare	Estimated Revenue
Short-Distance					
Miami / West Palm Beach	304,140	288,710	592,849	\$45.37	\$26,896,373
Fort Lauderdale / West Palm Beach	546,008	554,215	1,100,223	\$29.90	\$32,894,966
Fort Lauderdale / Miami	691,351	695,049	1,386,400	\$29.55	\$40,972,028
Subtotal	1,541,499	1,537,973	3,079,472	\$32.72	\$100,763,367
Long-Distance					
Miami / Orlando	449,770	467,213	916,983	\$95.89	\$87,930,100
Fort Lauderdale / Orlando	484,698	499,906	984,603	\$86.47	\$85,139,230
West Palm Beach / Orlando	810,786	821,824	1,632,610	\$77.00	\$125,703,886
Subtotal	1,745,255	1,788,942	3,534,197	\$84.54	\$298,773,216
Grand Total	3,286,754	3,326,915	6,613,669	\$60.41	\$399,536,583

Source: Louis Berger, 2017

TABLE 5-7 FORECAST BRIGHTLINE – ANNUAL SEGMENT VOLUMES AND REVENUES, 2030 (2016 \$)

Station Pairs	Northbound Volume	Southbound Volume	Total Volume	Segment Fare	Estimated Revenue
Short-Distance					
Miami / West Palm Beach	332,835	315,947	648,781	\$45.38	\$29,439,202
Fort Lauderdale / West Palm Beach	596,247	605,220	1,201,466	\$29.90	\$35,923,160
Fort Lauderdale / Miami	753,477	757,518	1,510,995	\$29.55	\$44,657,226
Subtotal	1,682,558	1,678,684	3,361,242	\$32.73	\$110,019,588
Long-Distance					
Miami / Orlando	559,405	581,214	1,140,619	\$95.87	\$109,355,118
Fort Lauderdale / Orlando	603,505	622,505	1,226,011	\$86.47	\$106,009,933
West Palm Beach / Orlando	1,010,003	1,023,784	2,033,787	\$76.99	\$156,584,682
Subtotal	2,172,913	2,227,504	4,400,417	\$84.53	\$371,949,733
Grand Total	3,855,471	3,906,187	7,761,658	\$62.10	\$481,969,321

Source: Louis Berger, 2017

The annual city pair segment volumes presented above allow for estimation of daily boardings and alightings at the four station locations. These estimates are presented in **Table 5-10** and **Table 5-11**. As expected, Orlando generates the highest count of forecasted boardings and alightings when Brightline ridership is isolated to long-distance trips only.

TABLE 5-8 BRIGHTLINE DAILY BOARDINGS AND ALIGHTINGS, 2023

Station	Boardings	Alightings
Orlando	4,901	4,782
West Palm Beach	4,531	4,581
Fort Lauderdale	4,728	4,782
Miami	3,960	3,975
TOTAL	18,120	18,120

Source: Louis Berger, 2017

TABLE 5-9 BRIGHTLINE DAILY BOARDINGS AND ALIGHTINGS, 2030

Station	Boardings	Alightings
Orlando	6,103	5,953
West Palm Beach	5,291	5,350
Fort Lauderdale	5,362	5,428
Miami	4,509	4,533
TOTAL	21,265	21,265

Source: Louis Berger, 2017

6.0 Forecast Sensitivity

Louis Berger conducted several additional simulations to determine the sensitivity of the network/mode choice model forecast outputs to changes in key input parameters. The findings of these tests are summarized in **Table 6-1**, with implications for validation of the forecast and for risk of forecast error summarized below.

TABLE 6-1 SENSITIVITY TEST RESULTS, RIDERSHIP AND REVENUE % CHANGE, 2023

Sensitivity Test (Assumptions modified)	Test (% decrease / increase)	Short-Distance		Long-Distance	
		Ridership Effect	Revenue Effect	Ridership Effect	Revenue Effect
Brightline Travel Time	10% decrease	3.6%	4.0%	6.3%	6.3%
	10% increase	-3.5%	-3.8%	-5.9%	-6.0%
Brightline Frequency	20% decrease	-3.7%	-3.9%	-1.5%	-1.6%
	20% increase	3.8%	4.0%	1.5%	1.6%
Station Access Costs (e.g. taxi fare, parking fees)	20% decrease	5.2%	5.3%	3.2%	3.1%
	20% increase	-4.9%	-5.0%	-3.1%	-3.0%
Intercity Travel Time by Auto	20% decrease	-10.4%	-10.9%	-11.2%	-11.4%
	20% increase	11.9%	12.6%	12.6%	12.7%
Intercity Travel time by Auto and Station Access Time	20% decrease	-1.3%	-1.5%	-7.1%	-7.3%
	20% increase	1.7%	2.0%	7.7%	7.7%
Auto Fuel Prices	Low: \$1.78 (-35%)	-3.3%	-3.5%	-3.1%	-3.1%
	High: \$4.95 (+79%)	7.9%	8.4%	7.4%	7.5%
Air Fares	20% decrease	N/A	N/A	-0.3%	-0.3%
	20% increase	N/A	N/A	0.1%	0.1%

Source: Louis Berger, 2017

6.1 Brightline Travel Time

Among other things, travelers will choose the Brightline service for the savings in travel time that the service offers. The travel time on the train duration of the trip on board the train, referred to as in-vehicle travel time (IVTT), is a key input to the mode choice model. The discrete choice analysis of the SP survey provides an indication of how business and non-business travelers value IVTT. In tests where the duration of the Brightline trip between destinations was varied, we found that travelers are somewhat less sensitive to IVTT than they are to fare price, as follows.

Overall, a decrease in Brightline running time of 10 percent (i.e., a reduction of 20 minutes in the running time from Miami to Orlando) could be expected to result in an increase of 6.3 percent in ridership. Should the running time need to be increased from the levels assumed in this study, a similar magnitude of decrease in ridership could be expected. In the SEF market a similar decrease of 10 percent in run time (7 minutes) would result in a 3.6 percent increase in ridership.

6.2 Brightline Frequency

Travelers also place a value on the frequency of service, meaning how often trains with the same origin and destination operate. With intercity rail service, as opposed to intracity transit, travelers tend to time their arrivals to the station closely with scheduled departures and frequency of service is less important than running time or cost.

A 20 percent increase in the frequency of service over the one departure per hour base assumption results in a 3.8 percent increase in ridership in the Miami to West Palm Beach short-distance market, and a 1.5 percent increase for the longer distance city pairs. An equivalent decrease in frequency would result in a roughly equivalent decrease in ridership.

6.3 Station Access-Egress Costs

A certain amount of cost is attributable to accessing a Brightline station for departure and getting from the Brightline station to the final destination. These costs can come in the form of taxi / rideshare fees, transit, fares, or parking fees incurred arriving to and leaving the station. Since these costs can represent a considerable proportion of the total trip cost, changes in station access and egress impact a traveler's decision to choose Brightline as a mode

If station access-egress costs decrease by 20 percent, ridership increases by 5.2 percent and 3.2 percent for the short-distance and long-distance markets, respectively. When these costs increase by the same amount, the drop in ridership is slightly lower -4.9 percent and 3.1 percent for each market.

6.4 Intercity Travel Time by Auto

An increase in auto travel time between the city pairs as a result of greater roadway congestion in the region would make the Brightline service more competitive (a cross-elasticity response).

In the case where only changes in intercity travel time by auto are considered (attributable to greater intercity and roadway congestion without impacting station access times), a 20 percent increase would increase long-distance and short-distance travel ridership by 12.6 and 11.9 percent, respectively. A decrease in travel time by auto will result in similar reductions for both market, within 1% percentage point.

6.5 Intercity Travel Time by Auto and Station Access Time

Increases in intercity auto travel time may be accompanied by increases in intracity congestion, resulting in higher station access-egress travel times. When this occurs, any attractiveness that the Brightline service has gained as a result of greater intercity congestion is offset by a corresponding negative impact due to changes in the level of station access/egress time. In general, travelers place a higher value on this access-egress time than they do on IVTT. Our sensitivity tests showed that both business and non-business travelers are more sensitive to access-egress time than travel time on the train.

For long-distance travel, the combined effect of higher intercity and intracity travel times results in a 7.7 percent increase in ridership for every 20 percent increase in travel times. For short-distance travel, the combined effect of higher intercity and intracity travel times results in a 1.7% increase in ridership for every 20% increase in travel times. Similar corresponding drops in ridership are expected if intercity and intracity travel times decrease by 20%. This outcome highlights the importance that travelers attribute to time spent accessing-egressing the station: as described in Section 6.4, when only the intercity travel time by auto changes, the ridership effects are considerably higher, indicating that the offset in changes to station access-egress times is significant.

6.6 Auto Fuel Prices

An increase in gas prices would also be expected to make the Brightline service more competitive. This effect is offset, however, by a corresponding change in cost of accessing the stations (e.g. by private auto or taxi/bus transit where fuel costs are passed on in fare prices). It should be noted that this evaluation does not include a change in the cost of Brightline fuel prices that may be passed on in higher fares.

Louis Berger tested two different gas prices for the purposes of this sensitivity test, one higher and one lower than the reference price used in the base case of \$2.61. The first price is from the Energy Information Agency (EIA) low price forecast for 2023 - \$1.78. This represents a 35 percent decrease in the auto fuel price, which results in a 3.3 and 3.1 percent reduction in ridership for the short- and long-distance market, respectively. The second price tested was the EIA high price forecast for 2023 - \$4.95. This represents a 79 percent increase in the auto fuel price, which results in a 7.9 and 7.4 percent increase in ridership for the short- and long-distance market, respectively. The results of this test are as expected: since more fuel is spent for the intercity component of the trip, any impacts that changes in the gas price has in the station access-egress costs have a minor impact. Should Brightline fares also increase to pass on the cost of higher Brightline fuel related operating costs there would likely be no net increase in ridership.

6.7 Air Fares

As with costs in the auto mode of travel, an increase in airline fares could also be expected to make the Brightline service relatively more competitive for travel between Southeast Florida and Central Florida. This effect is expected to be small, however, given that air travel is a small part of the intercity travel market, especially when compared to auto travel. This sensitivity test was only conducted for the long-distance market, since there is currently no air travel service within the city pairs in Southeast Florida.

An increase in air fares of 20 percent would be expected to result in a 0.1 percent increase in Brightline ridership for the long-distance market. Should air fares decrease by the same magnitude, Brightline ridership would drop by 0.3 percent.

7.0 Conclusion

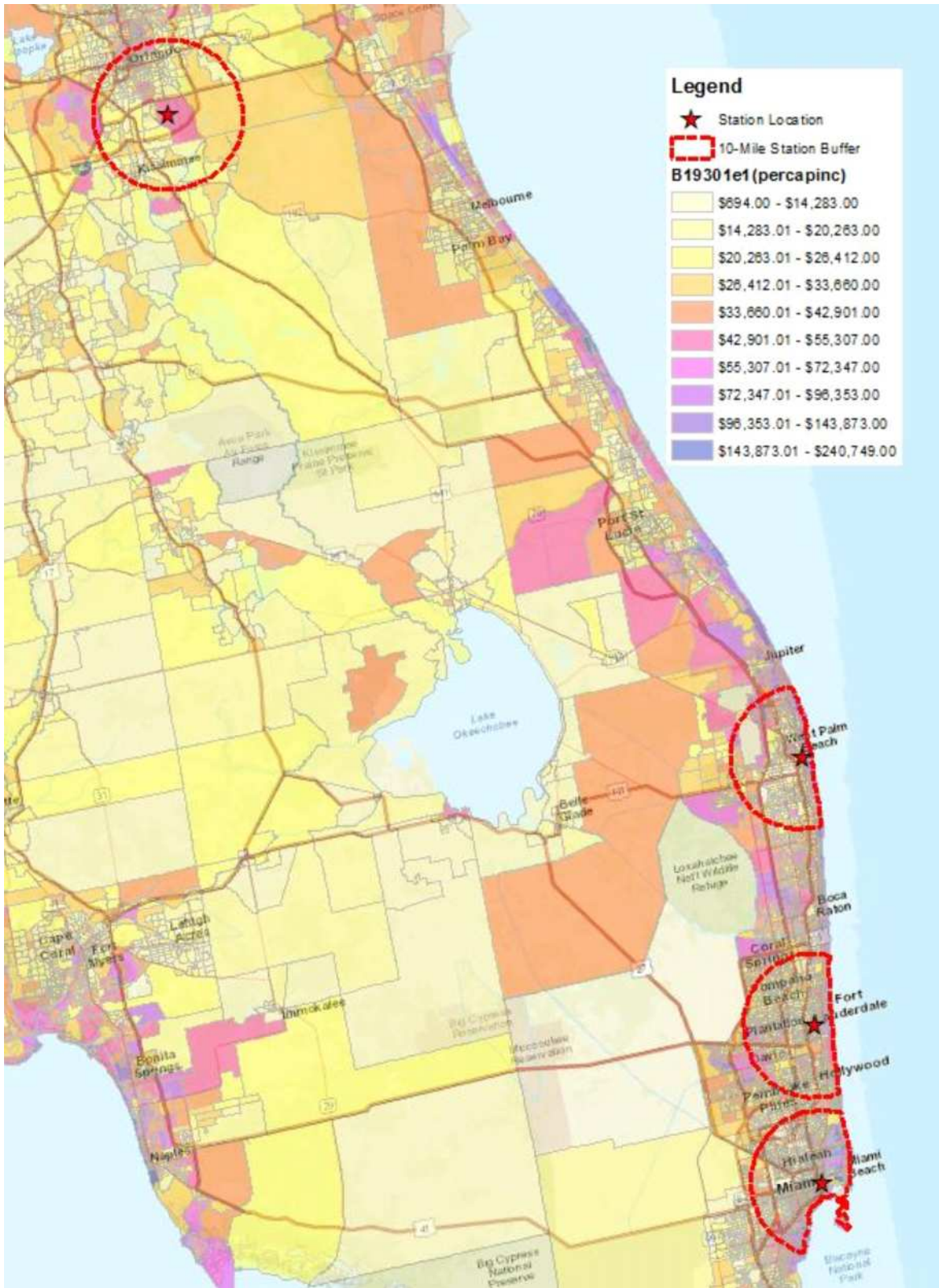
With frequent service between city centers in the corridor, Brightline offers the prospect of substantial time savings to current users of auto, bus, traditional rail, and even air. To determine how these time savings would alter travel behavior and generate ridership and revenue for Brightline, Louis Berger undertook a detailed examination of current travel behavior, and conducted surveys that determined traveler preferences and willingness to pay. Best practices in discrete choice analysis and travel network modeling were employed and findings were tested and referenced to previous studies. The analysis revealed that introduction of Brightline service would complement existing modes of travel and draw substantial number of business and non-business travelers. The analysis also identified several areas of focus already under consideration in Brightline business planning with respect to operating schedules, service offerings, and fare setting.

Appendix A

Per Capita Income Maps

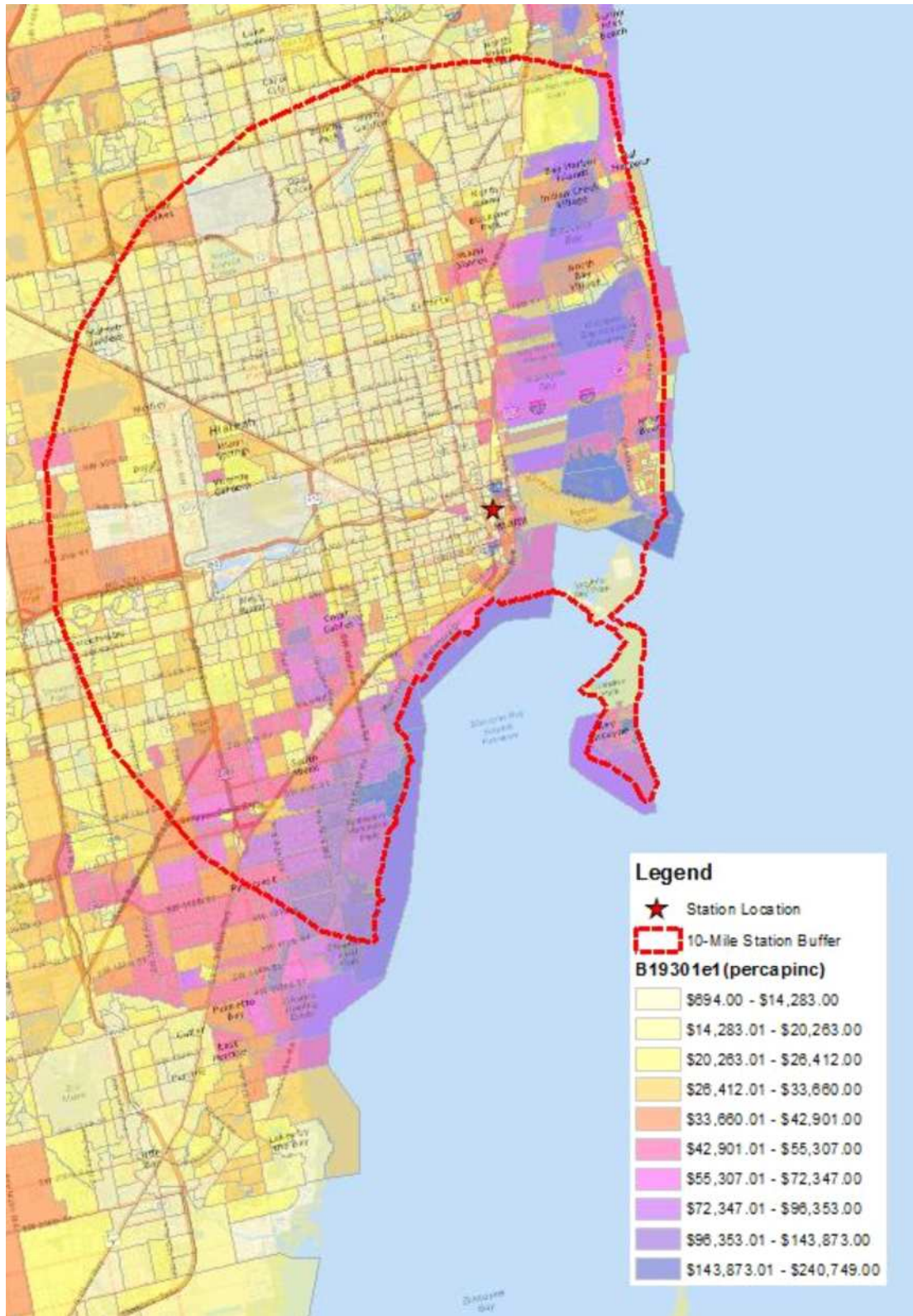
The following maps provide a geographical representation of the per capita income distribution around the Brightline Stations.

FIGURE 0-1 OVERVIEW - STATION AREA PER CAPITA INCOME, 2015



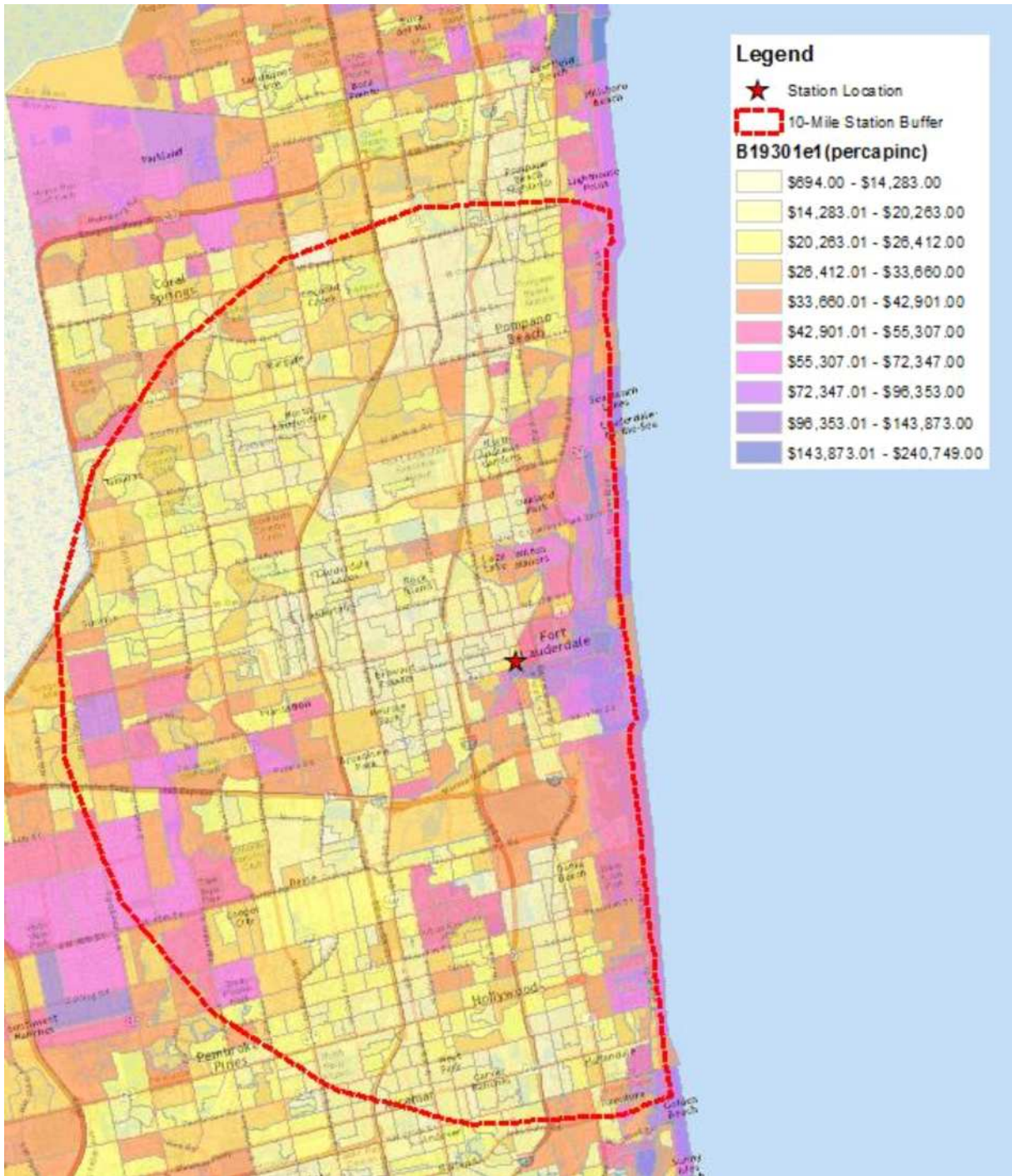
Source: Louis Berger, 2017 from data provided by U.S. Census, 2015

FIGURE 0-2 MIAMI STATION AREA PER CAPITA INCOME, 2015



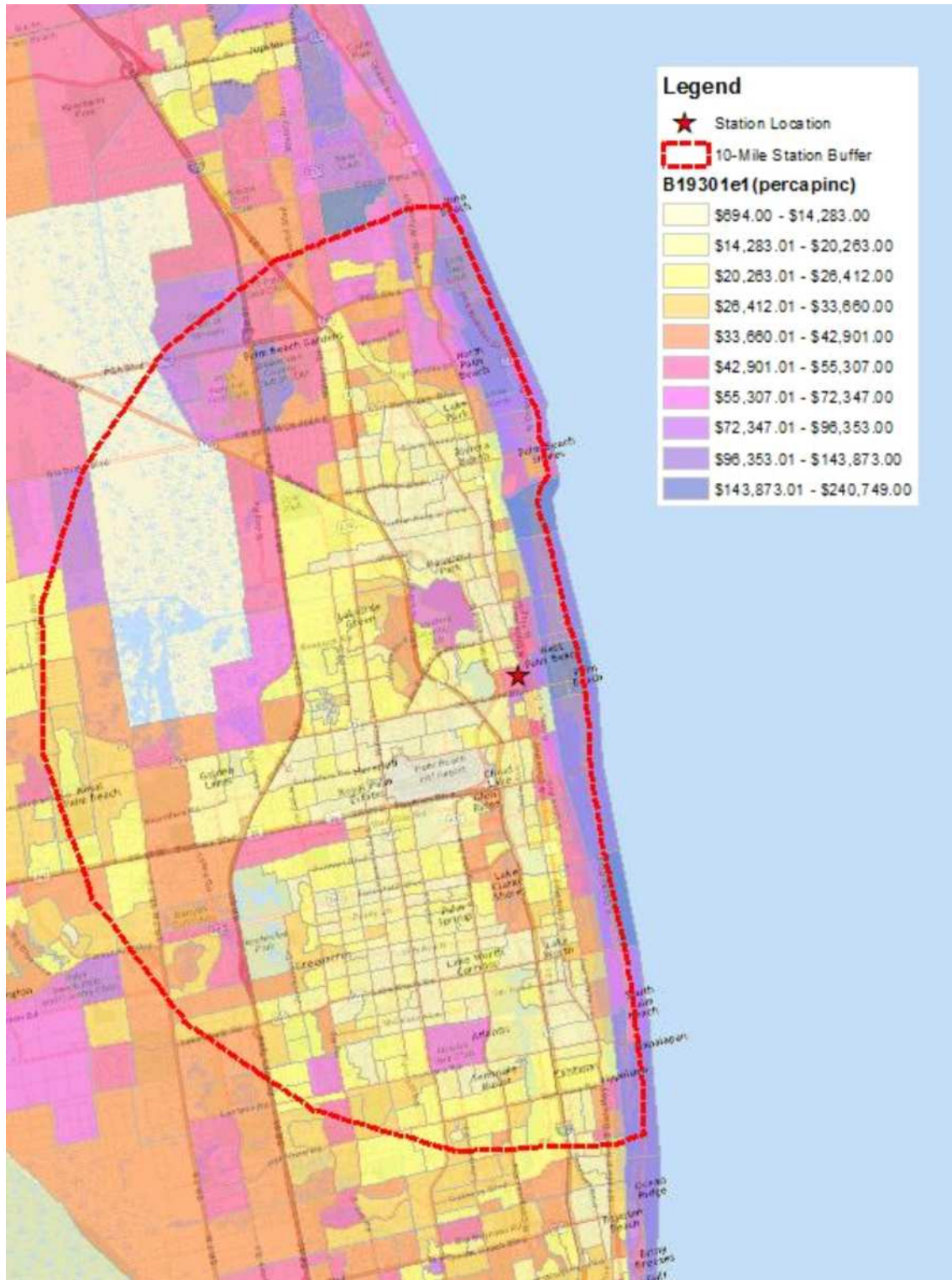
Source: Louis Berger, 2017 from data provided by U.S. Census, 2015

FIGURE 0-3 FORT LAUDERDALE STATION AREA PER CAPITA INCOME, 2015



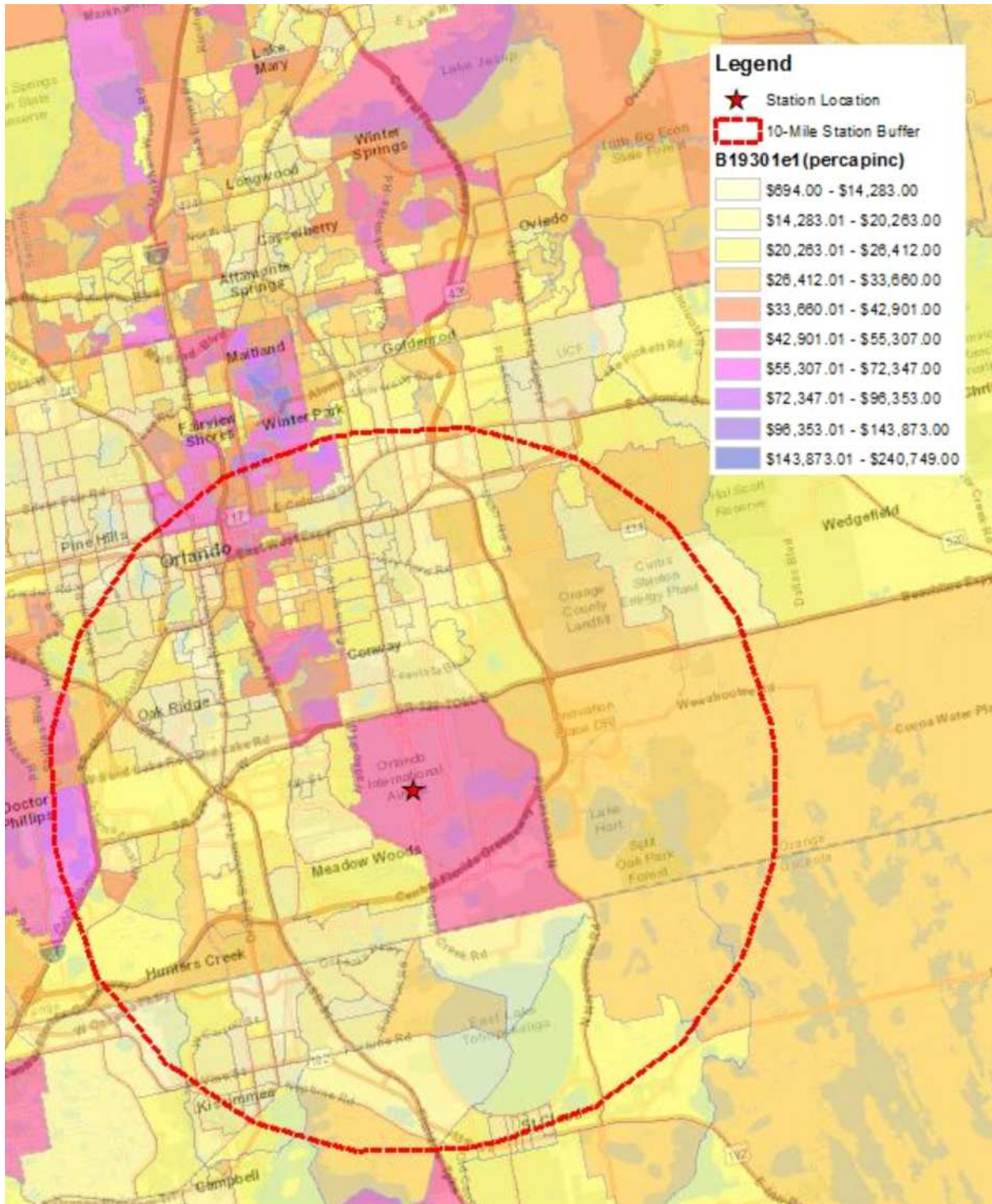
Source: Louis Berger, 2017 from data provided by U.S. Census, 2015

FIGURE 0-4 WEST PALM BEACH AREA PER CAPITA INCOME, 2015



Source: Louis Berger, 2017 from data provided by U.S. Census, 2015

FIGURE 0-5 ORLANDO AREA PER CAPITA INCOME, 2015

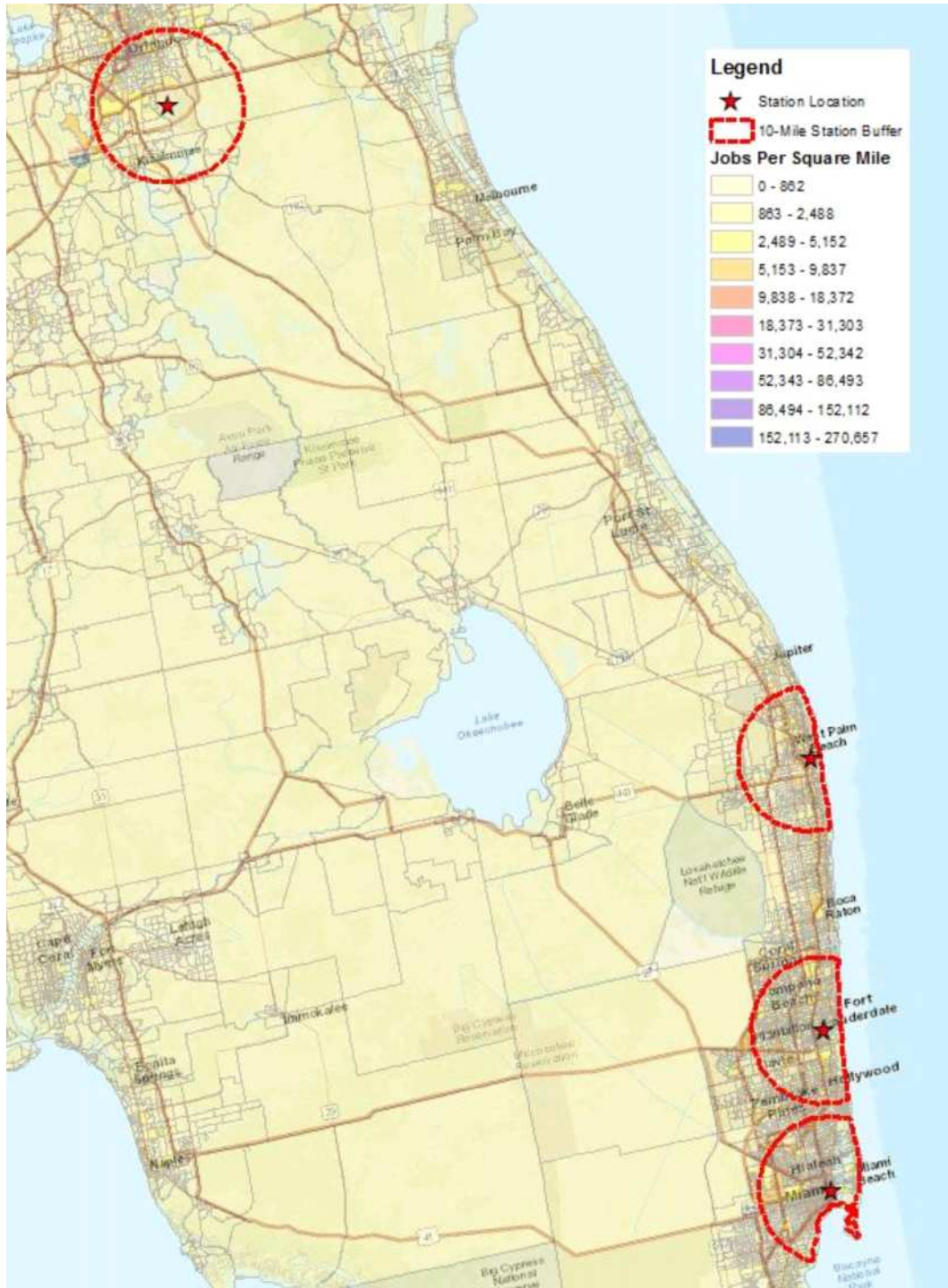


Source: Louis Berger, 2017 from data provided by U.S. Census, 2015

Employment Maps

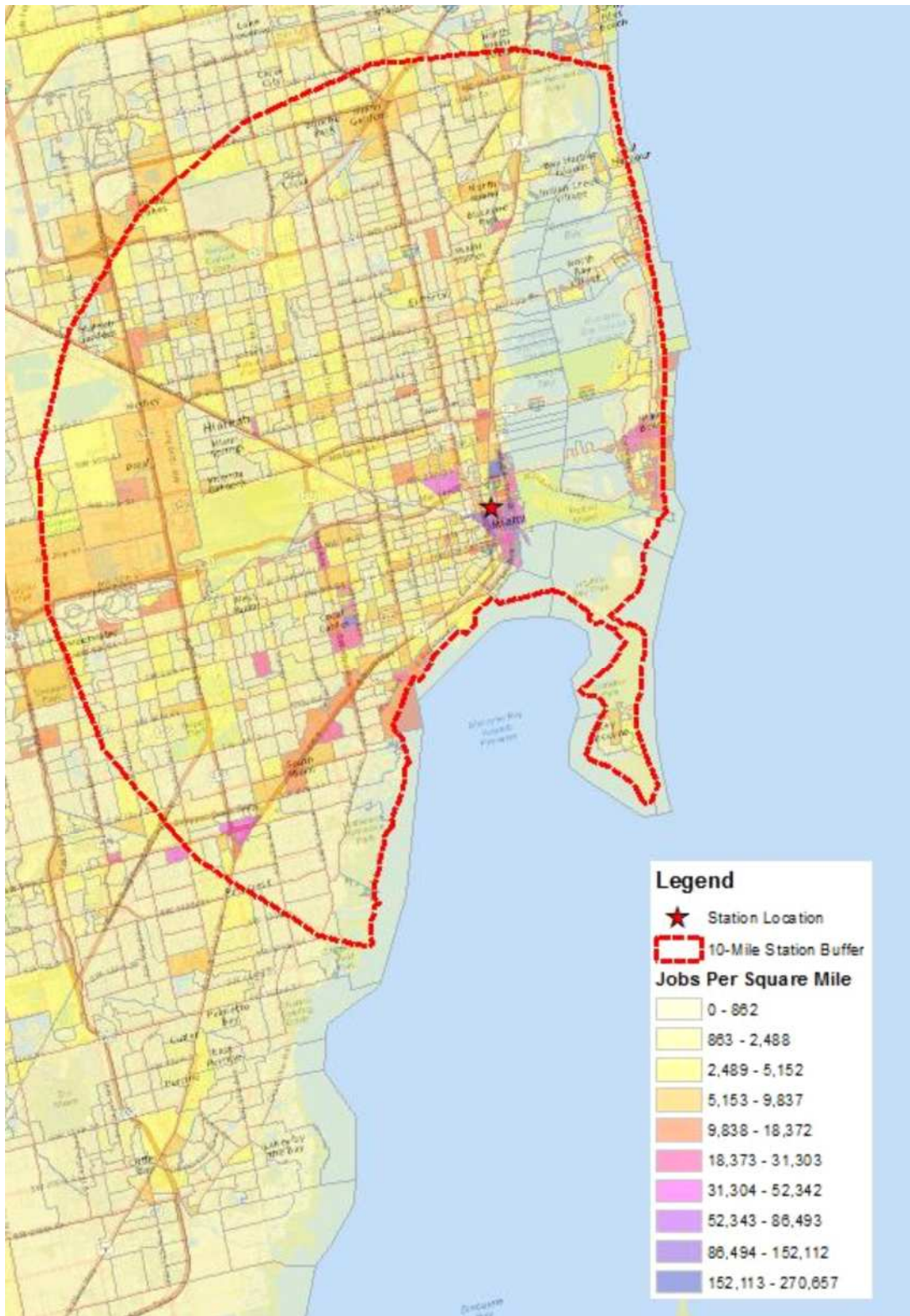
The following maps provide a geographical representation of the employment density around the Brightline Stations.

FIGURE 0-6 OVERVIEW - STATION AREA EMPLOYMENT DENSITY, 2014



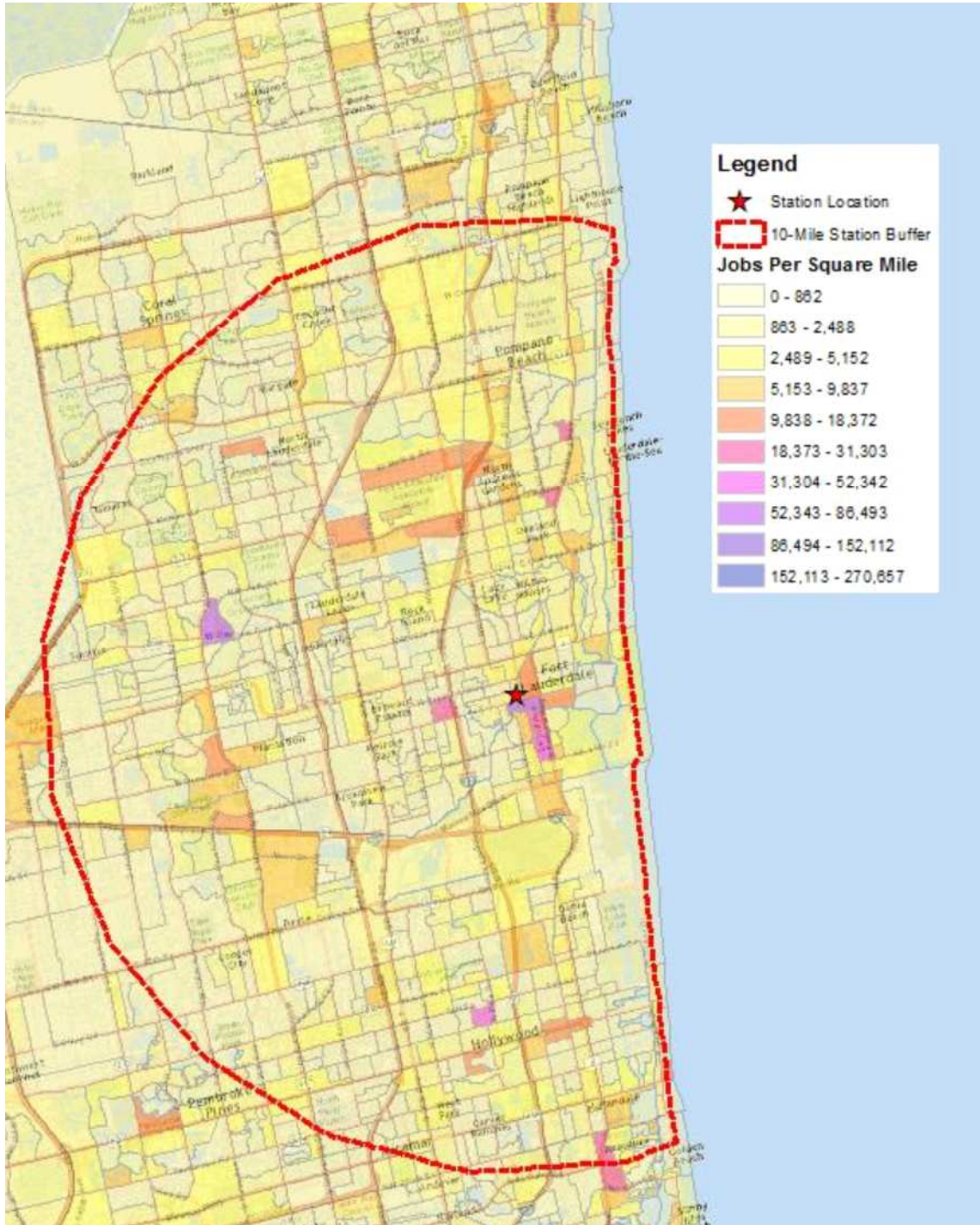
Source: Louis Berger, 2017 from data provided by LEHD, LODES Dataset, 2014

FIGURE 0-7 MIAMI STATION AREA EMPLOYMENT DENSITY, 2014



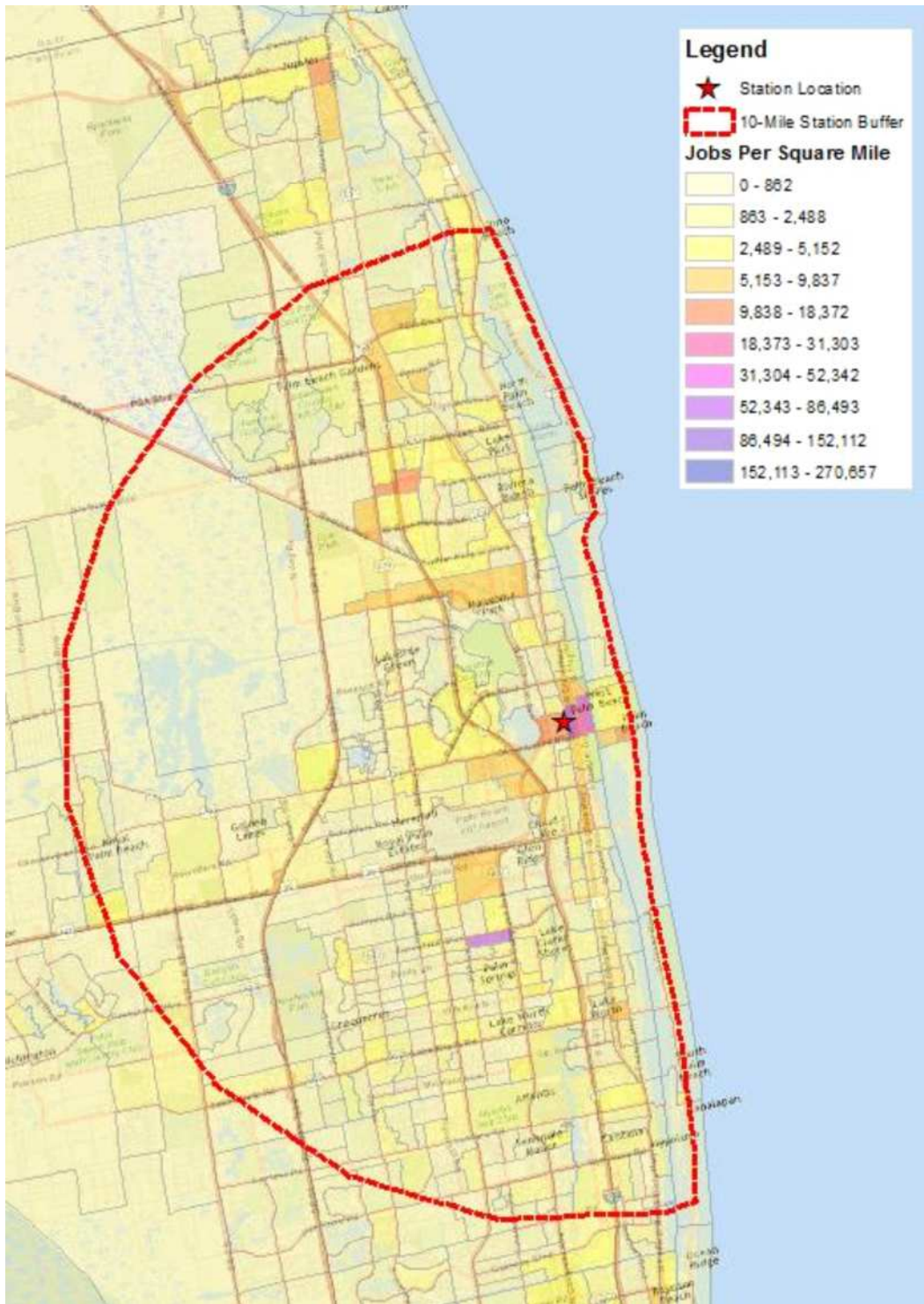
Source: Louis Berger, 2017 from data provided by LEHD, LODES Dataset, 2014

FIGURE 0-8 FORT LAUDERDALE STATION AREA EMPLOYMENT DENSITY, 2014



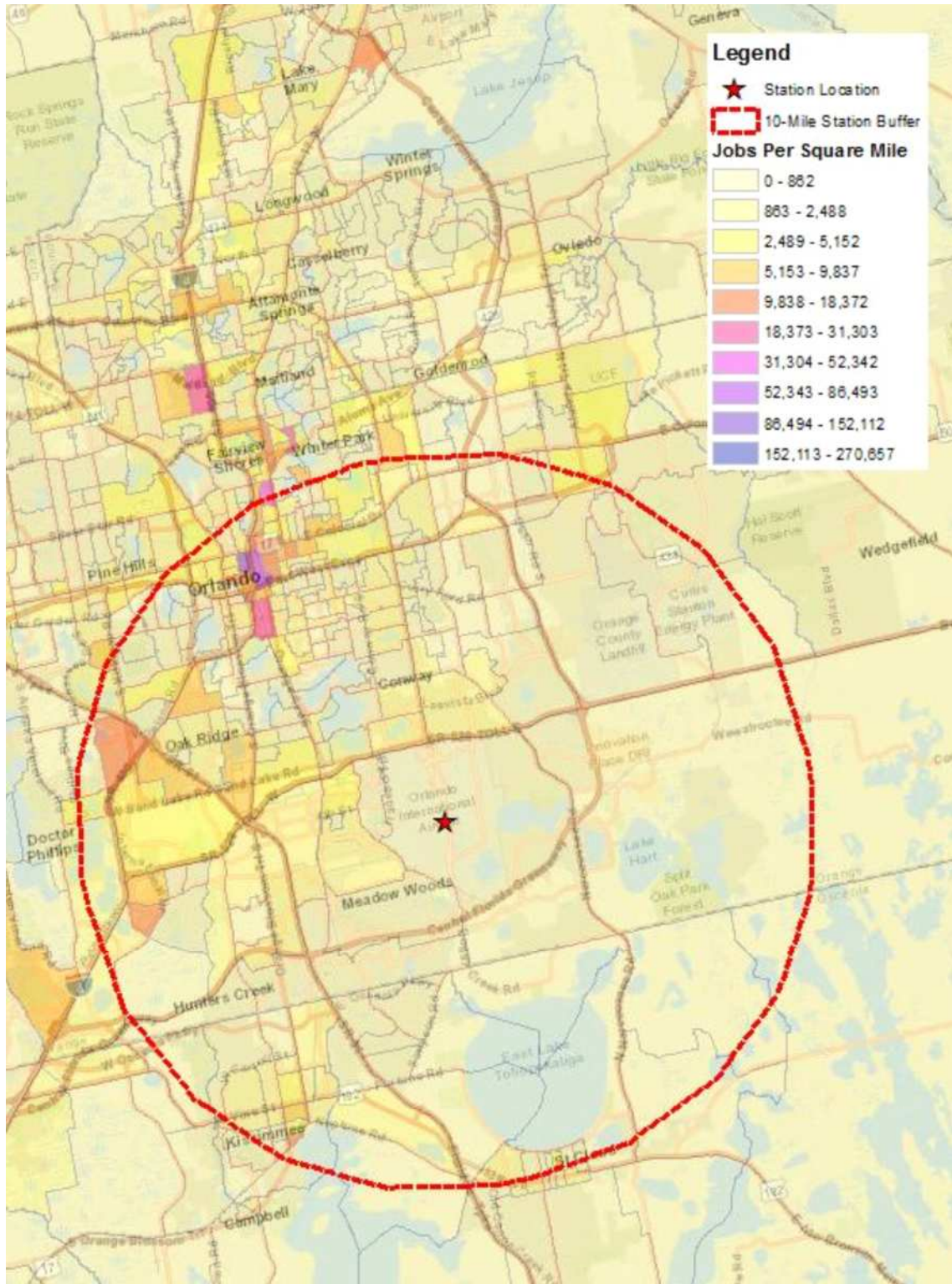
Source: Louis Berger, 2017 from data provided by LEHD, LODES Dataset, 2014

FIGURE 0-9 WEST PALM BEACH STATION AREA EMPLOYMENT DENSITY, 2014



Source: Louis Berger, 2017 from data provided by LEHD, LODES Dataset, 2014

FIGURE 0-10 ORLANDO STATION AREA EMPLOYMENT DENSITY, 2014



Source: Louis Berger, 2017 from data provided by LEHD, LODES Dataset, 2014

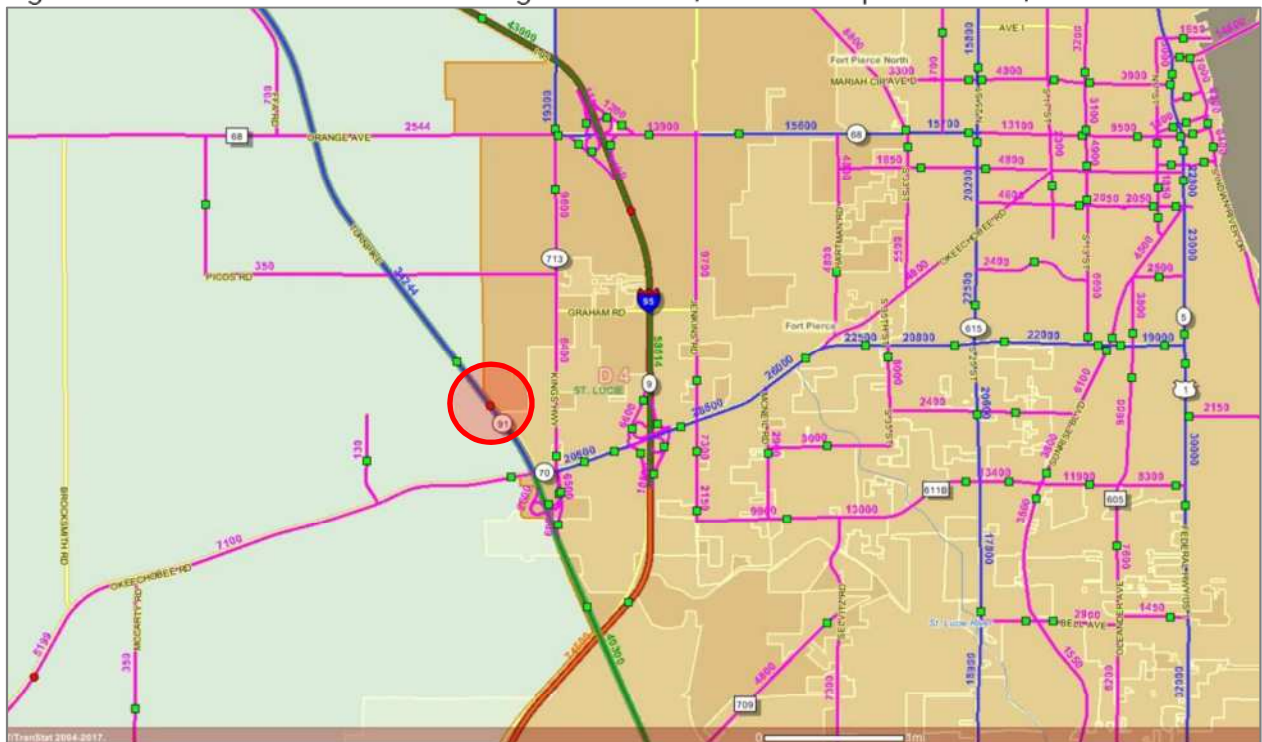
Appendix B: Assessment of Growth in Intercity Auto Travel

Currently, the primary means of auto travel between the catchment area for the Brightline Orlando Station and the station catchment areas in Southeast Florida is the Florida Turnpike mainline ticket system running from Kissimmee/St. Cloud through to Fort Pierce. This route is the most direct from the Metropolitan Orlando area, and, while tolled, offers the greatest time savings and reliability in journey time, as compared to the I-95 corridor from Cocoa. A review of the origin-destination (O/D) data gathered for this study indicates that over 80% of intercity auto journeys between the catchment areas utilize the Turnpike, as opposed to I-95.

The continuous traffic monitoring station in the vicinity of Fort Pierce is the low point for traffic volume on the Turnpike and provides the best representation of long-distance auto traffic in the corridor. Turnpike ticket system O/D data indicates that at this point (just north of the Exit 152 for Fort Pierce and Exit 133 for St. Lucie), 77 percent of traffic is traveling between Orlando and Palm Beach and points south.

The map below, obtained from the Florida DOT Traffic Online website (ftlo.dot.state.fl.us/website/FloridaTrafficOnline/viewer.html), indicates the location of this measurement point (Station 0421) highlighted in the red circle.

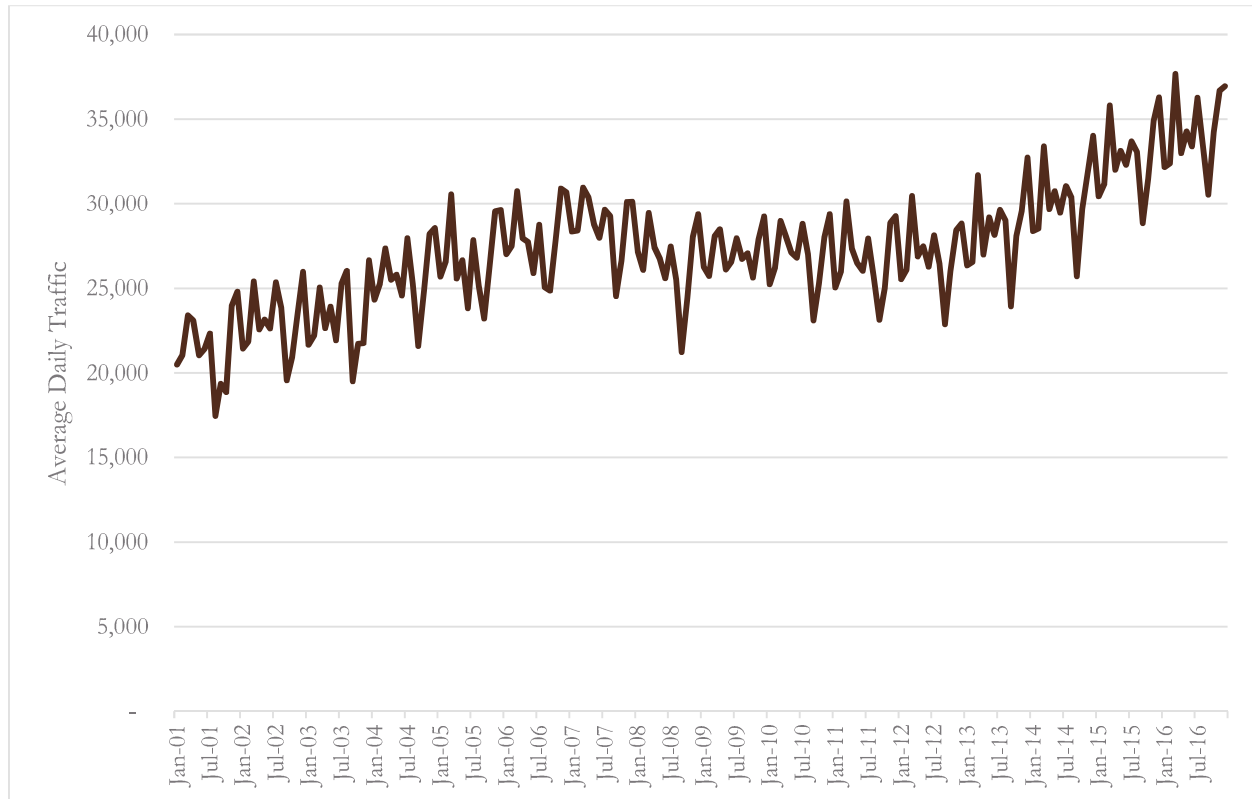
Figure B-1: Continuous Traffic Monitoring Station 0421, Florida Turnpike at SR 70, Fort Pierce



Data maintained by FDOT for this continuous traffic measurement point indicates that Monthly Average Daily Traffic has grown at a rate of 2.7 percent per year from 24,796 in December 2001 to 36,939 in December 2016. Following a period of flatness in traffic growth during and after the recession in 2008, traffic at this location

has resumed a high rate of growth, at an average annual rate of 4.7%. Figure B-2, below, displays the level of average daily traffic by month observed at this location since January 2001.

Figure B-2: Average Daily Traffic by Month, Station 0421



The availability of monthly time series data at a location that is indicative of long-distance intercity travel demand between Central and Southeast Florida provided a base for an econometric evaluation of the factors influencing intercity travel. Using the monthly traffic counts, Louis Berger developed a forecast model that relates past traffic performance to key economic indicators. To develop the forecast model, Louis Berger tested a variety of independent variables (at the state, regional, and counties levels including population, employment by industry, and gross domestic product). The variables providing the best fit to historical traffic are as follows.

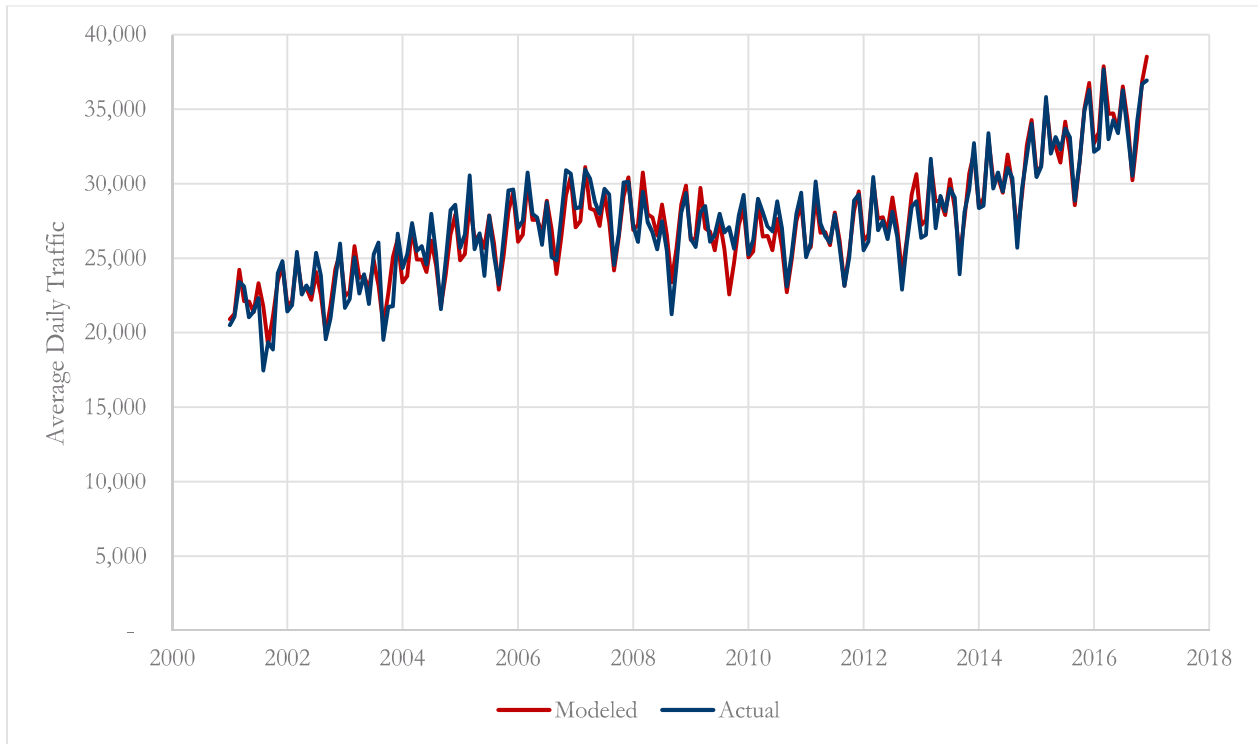
- Total Non-Agricultural Employment for the state of Florida; historic and future forecast series from Moody’s Analytics
- Total Households for the state of Florida; historic and future forecast series from Moody’s Analytics
- Gasoline All Grades U.S. Average Retail Price Including Taxes; historic and future forecast (Reference Case) from US Energy Information Administration (USEIA) Annual Energy Outlook, 2017
- Binary variable to isolate the effect of monthly and seasonal traffic patterns

The specification of the forecast equation is provided below. Overall the forecast model explains 90% of the variation in the historical series. Figure B-4 displays the fit of the output of the model for against the sample of actual traffic performance.

Figure B-3: Traffic Model Forecast Specification

Dependent Variable: LOG(MADT)				
Method: Least Squares				
Sample: 2001M01 2016M12				
Included observations: 192				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-9.064901	0.558595	-16.22804	0
LOG(FET_FL)	0.809879	0.080207	10.09742	0
LOG(FHHOLDQ_FL)	1.387479	0.071217	19.48232	0
LOG(RMGEIAUS)	-0.041495	0.014521	-2.85763	0.0048
M01	-0.121997	0.014966	-8.15142	0
M02	-0.107855	0.014972	-7.203721	0
M03	0.018283	0.015027	1.216646	0.2254
M04	-0.071794	0.015097	-4.755588	0
M05	-0.072708	0.015164	-4.794807	0
M06	-0.111857	0.015157	-7.379809	0
M07	-0.033591	0.015114	-2.222557	0.0275
M08	-0.105419	0.015101	-6.98074	0
M09	-0.231046	0.015086	-15.31511	0
M10	-0.1417	0.015011	-9.439988	0
M11	-0.041299	0.014958	-2.760974	0.0064
R-squared	0.915005	Mean dependent var		10.20538
Adjusted R-squared	0.908282	S.D. dependent var		0.139582
S.E. of regression	0.042273	Akaike info criterion		-3.414454
Sum squared resid	0.316293	Schwarz criterion		-3.159962
Log likelihood	342.7875	Hannan-Quinn criter.		-3.311383
F-statistic	136.1046	Durbin-Watson stat		1.511983
Prob(F-statistic)	0			

Figure B-4: Modeled to Actual Monthly Traffic



Forecast data points for the period from January 2017 through December 2040 purchased from Moody’s Analytics and obtained from the US Energy Administration were used to develop a forecast for future levels of turnpike traffic as an indication of the future potential for growth in the intercity travel market.

The growth outlook of the independent variables indicated in the data provided by Moody’s and USEIA is summarized in Figure B5.

Figure B-5: Forecast Year-over-Year Growth in Independent Variables

Year	Florida Households	Florida Non-Ag Total Employment	Real Gasoline Price
2017	2.3%	2.9%	7.8%
2018	2.7%	2.1%	0.0%
2019	2.6%	1.8%	9.4%
2020	2.5%	1.1%	4.9%
2021	2.4%	0.7%	4.5%
2022	2.3%	1.6%	4.1%
2023	2.3%	1.7%	1.1%
2024	2.2%	0.9%	0.8%
2025	2.2%	0.7%	1.5%
2026	2.1%	0.7%	1.2%
2027	2.1%	0.7%	0.3%
2028	2.0%	0.9%	-0.3%
2029	2.0%	0.8%	0.8%
2030	1.9%	0.8%	1.4%
2031	1.8%	0.8%	1.3%
2032	1.7%	0.8%	1.4%
2033	1.7%	0.8%	-0.2%
2034	1.5%	0.8%	1.0%
2035	1.4%	0.8%	0.5%
2036	1.3%	0.8%	2.0%
2037	1.2%	0.8%	0.2%
2038	1.2%	0.9%	0.4%
2039	1.1%	0.9%	1.3%
2040	1.1%	1.0%	0.7%

The year-over-year growth rates produced as an output of the forecast model are displayed in Figure A6. The overall average annual growth in traffic is estimated at 3.2% per year, with substantial growth above that level anticipated in the near term, declining somewhat in the out years. The model output for the near term was adjusted downward to the long-term average to account for uncertainty in near-term economic conditions, the out-year growth levels were retained. These adjusted growth rates were used to set the level of the overall auto travel market in future years as an input to the mode choice models outlined in Chapter 6.

Figure B6: Modeled to Actual Monthly Traffic

Year	Model Output	Adjustment for Long-Range Average
2017	5.5%	3.2%
2018	4.8%	3.2%
2019	4.3%	3.2%
2020	3.7%	3.2%
2021	4.4%	3.2%
2022	4.5%	3.2%
2023	3.8%	3.2%
2024	3.6%	3.2%
2025	3.6%	3.2%
2026	3.5%	3.2%
2027	3.5%	3.2%
2028	3.4%	3.2%
2029	3.3%	3.2%
2030	3.2%	3.2%
2031	3.0%	3.0%
2032	3.0%	3.0%
2033	2.8%	2.8%
2034	2.6%	2.6%
2035	2.4%	2.4%
2036	2.3%	2.3%
2037	2.3%	2.3%
2038	2.3%	2.3%
2039	2.4%	2.4%
2040	2.3%	2.3%

APPENDIX F

WSP USA SOLUTIONS BRING DOWN LETTERS

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November 9, 2020

Jeff Swiatek
Chief Financial Officer
Brightline Trains Florida LLC
161 NW 6th Street, Suite 900
Miami, FL 33136

Subject: Brightline Operations and Maintenance and Ancillary Revenue Report

Dear Mr. Swiatek:

I am writing in regard to the Brightline Operations and Maintenance and Ancillary Revenue Report prepared by Louis Berger U.S., Inc., which has subsequently been renamed as WSP USA Solutions Inc. (“WSP”) on behalf of Brightline Trains Florida LLC (the “Company”), and dated March 10, 2019 (the “Report”). With respect to the Report, we note the following:

The Report provides an evaluation of the Company’s estimated operation and maintenance costs and estimated ancillary revenue for the Company’s passenger operations between Miami and Orlando.

The information contained in the Report was prepared based on economic parameters, assumptions and operating conditions which we considered relevant and reasonable as of the date of such Report. This data was obtained from information provided by the Company, from publicly available information and sources, and from third-party data obtained in the course of preparation of the Report, as described in the Report. No additional information has been brought to our attention that would lead us to believe that there would be a material change to the findings, estimates, conclusions, and analyses reflected in the Report.

WSP has not made any adjustments in the Report to reflect changes in the timing of start-up of revenue service from Miami to West Palm Beach or start-up of revenue service to Orlando. We provide no assurance as to the accuracy of any third-party information included in the Report and bear no responsibility for the results of any actions taken on the basis of the third-party information contained in the Report.

Sincerely,
WSP USA SOLUTIONS INC.

A handwritten signature in blue ink that reads "Lawrence Pesesky".

Lawrence Pesesky
Senior Vice President

738747904WSP USA

8th Floor
96 Morton Street
New York, NY 10014
+1 212-462-8500

wsp.com

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PROJECT OPERATIONS AND MAINTENANCE AND ANCILLARY REVENUE REPORT

WSP USA Solutions, formerly Louis Berger, delivery to the Company of its Operations and Maintenance and Ancillary Revenue Report for inclusion in this Limited Remarketing Memorandum was premised on the Company's agreement to direct the readers' attention to the disclaimers and limitations of liability included below or on the cover page or inside cover page of the Operations and Maintenance and Ancillary Revenue Report. The Operations and Maintenance and Ancillary Revenue Report is expressly subject to the qualifications, assumptions made, procedures followed, matters considered and any limitations on the scope of work contained therein.

(See attached)

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Virgin Trains USA Operations and Maintenance Cost and Ancillary Revenue Independent Review

Miami to Orlando

March 10, 2019

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II. Operations / Maintenance / Corporate and Other Expenses	1
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Executive Summary

Louis Berger has been retained to conduct an Independent Review of two components of the Virgin Trains USA, intercity passenger rail project between Miami and the Orlando, Florida Airport (Full Build Project), namely: (1) the estimated operations and maintenance costs, and (2) the estimated ancillary revenue. The Independent Review provides an objective, due diligence evaluation to inform potential creditors and investors of these two components of the Project.

Virgin Trains USA (formerly Brightline) is the business entity created to design, develop, acquire, construct, install, equip, own, and operate a 235-mile intercity passenger rail service, under the brand name “Virgin Trains USA” between downtown Miami and Orlando International Airport with additional stops in the West Palm Beach and Fort Lauderdale central business districts. Construction is complete for the first phase of the Project (Miami to West Palm Beach) within the right-of-way of the Florida East Coast Railway, LLC (FECR). The Virgin Trains team continues an extensive effort to coordinate the planning and development of the Project with FECR, with the rolling stock supplier – Siemens Industries, and with advertisers and other business partners.

Approach to the Independent Review

Louis Berger performed the due diligence of Virgin Train USA’s Financial Model and has prepared the Independent Review of estimated operations and maintenance costs and ancillary revenue for the Project as represented in the Financial Model using the following approach and data sources: (1) review by Louis Berger subject matter experts of studies, plans, budgets, contracts, and other analyses provided by Virgin Trains USA; and (2) interviews with key Virgin Trains USA management and staff. Louis Berger’s independent review of operations, maintenance and ancillary revenue is based on an assumption that the design, permitting and construction portion of the project will be completed in the second quarter of 2022, revenue operations in the third quarter 2022, with operations expected to stabilize by 2023. This review is strictly a review of costs and revenue on a fully constructed and stabilized project.

Project Goals and Description

Virgin Trains USA’s primary goals for the Project are to:

- Provide reliable and convenient intercity passenger rail service between Miami and Orlando in approximately 3 hours;
- Provide intercity rail service that is sustainable as a private commercial enterprise by attracting sufficient riders to meet revenue projections and operate at an acceptable profit level.

Virgin Trains USA will own the passenger rail service and be responsible for the Project financing, development, construction, operation, and maintenance.

The rolling stock has been manufactured by the global manufacturing leader, Siemens Industries, at its Sacramento, California facility. Virgin has received and commissioned five train sets. Once the full system is complete the company will have eight trains sets each comprised of two locomotives, and 5 passenger cars. There will also be one spare locomotive for redundancy; however, there will be no spare passenger cars.

Siemens Industries is also under contract to perform required servicing, running repair, and scheduled maintenance of Virgin Trains USA train sets at the Heavy Repair Facility at Orlando and the West Palm Beach Running Repair Facility (RRF) as part of a long-term (30-year) Vehicle Maintenance Agreement (VMA).

FECR personnel historically maintain FECR property (rail infrastructure as well as communications and signals). FECR will maintain the rail infrastructure as well as the communication and signals infrastructure for the jointly used right-of-way between Miami and Cocoa under the terms of a Joint Use Agreement (JUA) that enables the two services to operate concurrently on the FECR property. Under the terms of this agreement, Virgin Trains USA has the sole right to operate passenger service between Miami and West Palm Beach, and eventually to Cocoa (and then west to Orlando), and FECR has the sole right to operate freight rail service in the corridor from Jacksonville to Miami. The corridor between Cocoa and Orlando is not FECR property. It is unclear at this time whether FECR

personnel will perform maintenance on the right-of-way and signals between Cocoa and Orlando either under an amendment to the JUA or whether Virgin Trains USA will address this maintenance using another structure or instrument. In the interim, per mile costs for maintenance have been developed by Virgin Trains USA based on FECR historic maintenance costs with an additional factor to cover the increase in anticipated maintenance costs from FRA Class 6 track (West Palm Beach-Cocoa) to FRA Class 7 track (Cocoa-Orlando).

At full-stabilized operation, Virgin Trains USA service between Miami and Orlando will operate on generally hourly intervals and include up to 16 one-way trips from Miami to Orlando daily and 16 one-way trips from Orlando to Miami daily, with intermediate station stops at Fort Lauderdale, and West Palm Beach.

Management and Organization

Virgin Trains USA has developed a management and staffing plan that will include 551 full time equivalent (FTE) positions identified by Virgin Trains USA as required to manage and operate the Project. Management and staffing services will be made available to Virgin Trains USA by an affiliate, Virgin Trains USA LLC (Parent). Virgin Trains USA staffing plan includes appropriate positions, responsibilities and accountabilities necessary to operate a passenger rail service, either through Virgin Trains USA headcount, or through the additional contractors employed by means of subcontractor agreements.

The organization is under the leadership of Patrick Goddard, President of Virgin Trains USA, and other experienced industry professionals.

Virgin Trains USA commenced revenue service between West Palm Beach and Fort Lauderdale on January 13, 2018, and between West Palm Beach and Miami on May 19, 2018, and is in the process of making infrastructure and station improvements and coordinating rolling stock delivery to commence operations between Miami and Orlando in 2022.

Identified Risks and Assessment

The Louis Berger Independent Review identifies in detail a range of potential risks associated with the Project's aforementioned operations and maintenance cost and ancillary revenue components. The Independent Review also identifies the corresponding actions already taken or planned to be undertaken by Virgin Trains USA to address risks typical to a project of this type and size, as well as those risks specific to the Project identified by Louis Berger during its review and evaluation of Virgin Trains USA -provided materials. For the two Project components (operations and maintenance costs, and ancillary revenues), Louis Berger has evaluated Virgin Trains USA's program and approach to identify, address, mitigate, and overcome any apparent issues and risks. The detailed assessment of risks in the Independent Review is summarized by major topic areas and associated conclusions, as follows:

- **Management and organization.** Through its affiliate, Virgin Trains USA Florida LLC, the Company intends to manage the Project's passenger rail and hospitality operations, sales and marketing, IT, finance, accounting, human resources, legal and right-of-way. The management and organizational structure that the Company has created to operate and maintain Virgin Trains USA service has little or no precedence among U.S. passenger railroad operations. Specifically, the operations and maintenance services and associated costs relative to railroad infrastructure and fleet will largely be provided through contractual arrangements that have been negotiated with Siemens Industries, with FECR, and by Florida Dispatch Company (DispatchCo). The arrangements with these contracts are logical in that each entity is in a strong position to provide the respective contracted services and pricing, including personnel, equipment, and materials. The scope of these contracted services are well defined and the cost structure is clearly laid out, so that the financial implication of these activities is clearly identified.
- The costs of those aspects of the Virgin Trains USA operations and maintenance over which Virgin Trains USA will have direct control (e.g., those costs related to station operations safety and maintenance, train cleaning and train operations), are relatively certain at this point given that Virgin Trains USA has undergone a rigorous exercise to estimate labor costs of the various Virgin Trains USA positions. Virgin

Trains USA will monitor the customer experience for customer satisfaction and comfort relative to the number of personnel employed for customer interfaces.

Louis Berger concludes that Virgin Trains USA has developed a credible business model for delivering the enhanced service product and that the model provides a relatively reliable and stable basis for estimating operations and maintenance costs. Louis Berger concludes that the operations and maintenance costs in Virgin Trains USA's financial model are sufficient to provide the Virgin Trains USA service, with the understanding that a large portion of the operations and maintenance of Virgin Trains USA is going to be fixed price contracted to third party providers. Virgin Trains USA will need to manage the third-party contractors to ensure adherence to the contract terms so that the appropriate level and value of operations and maintenance are provided.

- **Rolling Stock Procurement.** For purposes of this Independent Review, “procurement” includes rolling stock acquisition and maintenance. Virgin Trains USA entered into an agreement with Siemens. Siemens has manufactured and delivered the first five trainsets for Phase One Operations. The acquisition also includes three additional trainsets for the Phase Two Operations and future passenger car and locomotive options, which are included to accommodate growth. Virgin Trains USA has determined that it will operate the system with no spare passenger cars. The company’s management advises that Virgin Trains USA has operated the Miami to West Palm Beach segment successfully without spare passenger cars. They advise, that in the case of removing a passenger car from service, Virgin Trains USA manages the number of available passenger car seats via its on-line reservation network. The company believes that it can manage any risk associated with the absence of spare passenger cars in this manner.
- Key to this review, Virgin Trains USA has also executed a long-term (30-year) VMA with Siemens to conduct the rolling stock maintenance for the five trainsets and the additional three trainsets, and additional cars and locomotives brought on the property pursuant to Siemens agreement.

Based on its review of the rolling stock maintenance agreement terms, its review of Siemens’s prior experience in rolling stock maintenance agreements involving its equipment, and Siemens intimate familiarity and expertise with their equipment, Louis Berger concludes that the plan to engage Siemens for Rolling Stock maintenance is appropriate and reasonable.

- **Personnel.** Virgin Trains USA adequately planned, hired and trained sufficient employees to perform revenue service on the West Palm Beach to Miami segment. The projected number of Virgin Trains USA employees at the time of the Full Build Project, as noted above, is 551 positions.

Louis Berger concludes that Virgin Trains USA proposed staffing, inclusive of contracted services, exceed the minimum required to meet the projected levels of service in 2023.

- **Operations and Maintenance.** Based on Virgin Trains USA operations and maintenance costs as laid out below.

Louis Berger concludes that the combination of reliance of Virgin Trains USA employees and contractor services provides a viable platform for providing the services envisioned in the business plan.

- **Ancillary Revenue.** Advertising and other sponsorship agreements are being aggressively pursued. Virgin Trains USA has purchased a share of the company including naming rights for at least two years. The Company has developed a pipeline of sponsorships. Food and beverage, merchandise, parking and other passenger-related ancillary costs and revenues are being closely monitored and managed, and are in line with those of comparable operations.

Louis Berger concludes that the Company’s strategies for maximizing the various sources of ancillary revenue are sound and that the budgeted ancillary revenue is reasonable.

Overall Review Process and Finding

Louis Berger has interacted with Virgin Trains USA managers and personnel and evaluated various documents developed by Virgin Trains USA supporting Virgin Trains USA’s financial model of the Project’s operation and

maintenance cost and ancillary revenue. This evaluation was accomplished through Louis Berger's assessment of Virgin Trains USA - sourced documents by applying the experience of its subject matter experts on similar undertakings.

Louis Berger Assessment: Based on its evaluations and assessments, Louis Berger concludes that Virgin Trains USA's operations and maintenance cost estimates, and its ancillary revenue estimates, are an accurate reflection of its business plans and the consummated contractual agreements.

I. Background

Virgin Trains USA LLC (also known as "the Company") has developed a privately owned and operated express intercity passenger rail service, currently running 67 miles between Miami and West Palm Beach, with future route of 235 miles between Miami and Orlando, Florida, one of the most heavily-traveled corridors in the United States. The Company's passenger rail service will offer leisure, business, and personal travelers fast, reliable, convenient and comfortable travel within Southeast Florida.

The Company expects 16 daily departures from each of Miami and Orlando with stops in Fort Lauderdale and West Palm Beach. Virgin Trains USA's express trains are scheduled to make the 235-mile trip between Miami and Orlando in approximately 3 hours. The maximum authorized speed between Miami and West Palm Beach is 79 mph; between West Palm Beach and Cocoa will be 110 mph; and between Cocoa and Orlando will be 125 mph. The service will include on-board amenities for passengers during the trip. Three train stations are located in the city centers of Miami, Fort Lauderdale, West Palm Beach, and the planned Orlando station will be part of the Orlando Airport. The train stations will offer multiple connections to local commuter rail and public ground transportation, as well as ridesharing.

Louis Berger has been hired to conduct an Independent Review (IR) of the Company's operating and maintenance cost projections, as well as the ancillary revenues for potential creditors and investors.

II. Operations / Maintenance / Corporate and Other Expenses

Through its affiliate Virgin Trains USA Florida LLC, Virgin Trains USA will manage the operations of the passenger rail service, including hospitality operations, sales and marketing, IT, finance, accounting, human resources, legal and right-of-way functions. Operating and maintenance costs represent the on-going costs to operate and maintain the rolling stock, the right-of-way, and stations in a state of good repair, as well as attract and serve customers, and manage all the functions of the organization.

The Company has entered into agreements with certain entities for rail services operations and certain other aspects of the Company's operations. Under the terms of the Joint Use Agreements (JUA) with Florida East Coast Railway, LLC (FECR) (more fully described below), FECR will be responsible for maintenance of shared track and signals, as well as track security, across FECR's existing Miami to Cocoa rail corridor (the "Shared Corridor"). The Company has yet to determine whether FECR or another entity will handle the right-of-way, communications and signals maintenance on the non-FECR owned corridor between Cocoa and Orlando. The maintenance arrangements and cost implications for the Company are discussed in detail below.

The Company and FECR have formed and jointly own a company known as Florida Dispatch Company, LLC ("DispatchCo"). DispatchCo provides dispatch functions for all rail operations, passenger and freight, on FECR tracks between Jacksonville and Miami, Florida and will provide dispatch functions for work trains, track cars, and passenger trains on the segment between Orlando and Cocoa when constructed. The controlling agreements for DispatchCo are the Contribution and Operating Agreement of Florida DispatchCo LLC (f/k/a Florida East Coast DispatchCo LLC, and the Dispatch Services Agreement. The Company believes that partnering with FECR to create the wholly owned subsidiary, DispatchCo, allows both companies to secure superior dispatching services at favorable costs.

In addition, the Company has executed a maintenance agreement with Siemens, the rolling stock provider, for all warranty and preventive maintenance services for rolling stock. Such services are currently being performed at the Company's Running Repair Facility (RRF) in West Palm Beach. The company will be constructing a new maintenance facility in Orlando where all major maintenance activities for the eight trainsets will be performed. Upon opening of the Orlando maintenance facility, the existing RRF in West Palm Beach will revert to its original function, that of performing running repair (inspection, light maintenance, cleaning, and servicing)

Ridership and passenger fare revenues have been evaluated and documented separately. Ancillary revenues (discussed below) represent a separate funding stream comprised of many discrete elements, which combined comprise approximately 14% of the total annual revenues at stabilization.

Overview of Operating Expense Categories

The Company's total estimated operating expenses for stabilized operations (FY 2023) are \$181.0 million, consisting of three categories, Train Related Operating Costs, Variable Costs and Corporate and Other costs. Operating and maintenance expense for stabilized operations are summarized in Table II.1. The table also summarizes each item's contribution to total operating expense as well as percent of total revenue, as an indicator of relative significance to the bottom line.

Table II.1 – Summary of Estimated Operating and Maintenance Expense (FY 2023)
(*\$ in millions*)

Operating and Maintenance Expense	Amount	% of Opex	% of Revenue
Train Related Operating Costs – See Table A	\$94.3	52%	17%
Variable Costs – See Table B	\$43.2	24%	8%
Corporate and Other Costs – See Table C	\$43.5	24%	8%
Total operating & maintenance expense	\$181.0	100%	32%

A. Train-Related Operating Expenses

Train-related operating expenses are summarized in Table II.A.1 and discussed in greater detail below.

Table II.A.1 – Summary of Estimated Train- Related Operating Expense (FY 2023)
(*\$ in millions*)

Train-Related Operating Expense	Amount	% of Opex	% of Revenue
Train-related labor	\$31.4	17.4%	5.5%
Fuel	\$13.9	7.7%	2.5%
Maintenance of way	\$18.3	10.1%	3.2%
Maintenance of equipment	\$10.8	6.0%	1.9%
Stations	\$5.3	2.9%	0.9%
Parking garages	\$5.8	3.2%	1.0%
WPB maintenance facility	\$1.4	0.8%	0.2%
MCO maintenance facility	\$2.0	1.1%	0.4%
Marketing	\$5.4	3.0%	1.0%
Train operations	\$94.3	52.1%	16.6%

1. Labor

Total Virgin Trains USA labor expenses (exclusive of dispatch, maintenance of equipment, maintenance of way, and communications and signals services which will be contracted from third-party vendors) are expected to be \$31.4 million, including salaries, taxes, benefits and other expenses. The Company expects to employ 551 full-time equivalent employees (FTE's) at stabilization. This is an increase of 42 employees and reflects a significant increase in lower waged service employees, primarily in Stations and Hospitality operations, and a reduction in some higher waged employees. Corporate operations are discussed in Section C, below, with the headcount included here for a more comprehensive picture. Table II.A.2 below summarizes projected FTE's by area of responsibility:

Table II.A.2 – Headcount (FTE) Summary (FY 2023)

Department	Phase I	Phase II	Total
Executive	12		12
Corp Other	74	7	81
Train Maintenance	9	12	21
Engineering	2	2	4
Stations	147	47	194
Security Management (Stations)	7	4	11
Onboard Crews	67	144	211
Transportation Management	13	4	17
Total Labor	331	220	551

At stabilization, rail operations are expected to have approximately 253 FTE's, including on-board staff and maintenance support staff.

- The scheduled passenger service will require 34 six-person train crews, each crew will be staffed with an engineer, a train manager/conductor, three on-board attendants, and one utility attendant for a total headcount of 204 (68 T&E and 136 on-board attendants).
- The Transportation Management team of 17 FTE’s will provide management oversight, FRA required training and reporting, Control Center operations and crew scheduling.
- In addition to the Virgin Trains USA staff, a DispatchCo staff of 22 people will provide all train dispatching services for both Company trains and for all FECR trains. The cost of the DispatchCo employees is shared by the Company and FECR in accordance with the terms of the Dispatch Services Agreement.
- The train maintenance facilities will be staffed with 21 FTE’s including the Chief Mechanical Officer, facility manager, facility engineer, train readiness managers, train cleaning staff and custodians.
- In addition to the Virgin Trains USA staff, Siemens staff of 73 people will be performing maintenance services for the rolling stock. The costs paid by the Company for all such services are in accordance with the terms of the 30-year Vehicle Maintenance Agreement (VMA).
- The railroad engineering team of 4 FTE’s includes a Chief Railroad Engineer, Railroad Engineer, and 2 Right-of-Way Inspectors overseeing the maintenance of way and the maintenance of way contracts.
- In addition to Virgin Trains USA staff, FECR engineering personnel will handle the actual maintenance and upgrades for right-of-way, signals and communication. The costs paid by the Company for all such maintenance, and subsequent capital work if needed, will be in accordance with the terms of the JUA.

Stations and hospitality operations are expected to have approximately 205 FTE's, including:

- station managers,
- station engineers,
- safety & security staff,
- ticket counter/guest services agents,
- public area attendants and baggage agents,
- in-station café attendants, and
- commissary employees (West Palm Beach and Orlando).

More detail is provided in the Station Operations / Maintenance section below.

Executive and Corporate operations, which will be based in Miami include 93 FTE’s and are comprised of the following:

- President and staff
- Sales / Revenue
- Branding / Marketing CFO and staffing for accounting, finance, procurement, tax
- Human Resources staff
- Legal / Government relations
- Information Technology
- Transit Oriented Development
- Corridor Development

Louis Berger Assessment: Based on our review, the Corporate Operations positions identified appear to be consistent with supporting the business plan put forth by Virgin Trains USA.

The following sections describe the proposed operations and staffing.

2. Train Operation

Passenger service between Miami and Orlando is scheduled to commence in the third quarter of 2022. The full operating schedule requires eight trains in active service. Each train will have two diesel locomotives, one at each end, with five cars; one first-class car and four business class cars. All cars will have wide aisles to accommodate wheelchairs and standard “scooters”, and ADA-compliant restrooms. All stations will have high-level platforms. The train doors and floors will be level with the station platform, and include an automatic gap closer (an extended “bridge” to fill the gap between the train and the station platform). Business cars will have 58 to 66 seats each, and first-class cars will have 50 seats each.

3. Operations / Rolling Stock Handoff

Train crews and on-board attendants will be based out of both Orlando and West Palm Beach maintenance facilities. In the morning, after reporting to work and completing their job briefing, the train crew performs the required brake tests and inspections prior to moving the train from the maintenance facilities to West Palm Beach Station and Orlando Station to commence revenue service. Relief crews will come on duty during the day at these facilities and take over control of the train as dictated by exigencies of service. After the last run of the day for each train, the crew on duty will return the train to the maintenance facilities for inspection and servicing. The train is then serviced at night by the Siemens maintenance team, readying the train for the next day's operation. All required inspections and maintenance will be conducted during this time.

Louis Berger Assessment: Based on our review, the operations and hand-offs appear to be well thought out. The number of trainsets is more than adequate to meet the requirements of service. The amount of deadhead mileage has been minimized by the location of the maintenance and layover facilities close to the passenger service terminal.

4. Train Crews and Operations

Each train crew consists of an Engineer and a Train Manager/Conductor. The train crew is accompanied by four on board service Attendants. All train service employees begin work and end their shift at either the maintenance facility in West Palm Beach or the maintenance facility in Orlando. The proximity of these facilities to the stations in West Palm Beach and Orlando (each approximately a mile away) allows for efficient operation.

The schedule provides a total of 32 one-way trips per day (16 one-way trips from Miami and 16 one-way trips from Orlando). The typical layover at Orlando is approximately 35 minutes for trains coming from Miami, suitable for minor cleaning; and the typical Miami terminal station layover is 65 minutes for trains coming from Orlando. The service will run seven days per week. 34 crews are required to operate the service.

Louis Berger Assessment: Based on our review, the operating plans appear reasonable. The proposed staffing appears more than adequate to meet the requirements of service.

5. Fuel Costs

Each locomotive has a fuel capacity of 2,200 usable gallons. Trains could go multiple days without refueling, but the current plan is that fuel will be topped off every night. Fueling is currently done at the West Palm Beach maintenance facility, where there is a 20,000 gallon fuel tank and service island. Fueling facilities will be built at the Orlando maintenance facility which will include a 60,000 gallon fuel tank with space available to add an additional 60,000 tank. Upon institution of Phase Two service, Orlando will become the primary fueling location.

Total fuel expense is expected to be \$13.9 million. Fuel consumption was based on a burn rate determined by current operational experience as well as within the range found in the Masteris fuel study performed on Siemens trains operating under “best time” fuel burn (maximum fuel burn versus “eco mode” fuel burn). Based on current operational experience and adjusted for one additional car per trainset for the 235-mile one-way trip between Miami and Orlando, Virgin Trains USA assumes a locomotive will consume 376 gallons of fuel, or 1.6 gallons/mile.

Louis Berger Assessment: Based on our review and current operating experience, assumptions made for fuel consumption appear to be appropriate.

6. Maintenance-of-Way

The route between Miami and Orlando can be easily divided into three distinct segments: Miami - West Palm Beach; West Palm Beach - Cocoa; Cocoa - Orlando.

The segment between Miami and West Palm Beach is currently a double tracked corridor running through generally urbanized areas. The passenger train speeds on this line segment are not to exceed 79 miles per hour. The passenger station at Miami is an elevated structure with commercial space on the ground floor, and the approach from the north is therefore a ramp type structure to transition the track and trains from ground level to the platform level. Brightline began revenue service between West Palm Beach and Fort Lauderdale on January 13, 2018 and revenue service between Fort Lauderdale and Miami on May 19, 2018. This segment utilizes the existing FECR corridor between West Palm Beach and Miami, terminating at the newly constructed station complex in Miami.

The route between West Palm Beach and Cocoa will utilize the FECR right-of-way, which is currently primarily a single-track right-of-way with strategically placed remotely controlled passing sidings, which currently allow the passing of freight trains in opposite directions, or allow higher speed trains to overcome slower trains.

As part of the Virgin Trains USA project, the West Palm Beach-Cocoa corridor will be converted from a single track mainline to a double track mainline, with crossovers located approximately every seven miles along this line segment. The crossovers will provide the fluidity necessary to accommodate moving the proposed 32 Virgin Trains USA passenger trains per day, the 12 through freight trains per day, as well as the various local freights that operate along the line.

The upgraded rail corridor is proposed to accommodate passenger trains moving at up to maximum authorized speed of 110 miles per hour and freight trains moving at up to maximum authorized speed of 70 miles per hour.

Virgin Trains USA and FECR have entered into a JUA delineating the methodology for cost allocation for maintenance of way and maintenance of signals, and have developed spreadsheets laying out how the proposed cost allocation will be made over time. The methodology, which allocates MOW costs based on gross ton miles and signal costs based on train starts, is reasonable, and measurable. The mutually agreed upon costs, which are based on historic FECR maintenance costs, are based upon agreed upon performance specifications.

The route between Cocoa and Orlando consists of a dedicated corridor, primarily running parallel to and south of Florida Route 528. The 40-mile long route will consist of what is referred to by the Federal Railroad Administration (FRA) as a “Sealed Corridor”, that is to say, the entire corridor is grade separated from all roadways crossing the railroad. The line will consist of 26 miles of double tracked main line and 14 miles of single tracked main line. All of the new construction will be 136-pound rail on concrete ties. The line between Cocoa and Orlando is planned

for passenger service only. No freight operation is planned for this line. The maximum authorized speed for passenger trains operating on this line segment will be 125 miles per hour.

As noted, Virgin Trains USA and FECR have entered into a JUA regarding maintenance of way and signals. As currently constituted, that agreement covers maintenance activities occurring on FECR properties only, which is to say, the right of way between Miami and Cocoa. At this time, it is unclear whether Virgin Trains USA and FECR intend to utilize the JUA, or whether Virgin Trains USA will institute an alternate construct to effect the maintenance activities on the 40-mile Cocoa to Orlando corridor. The maintenance costs provided by Virgin Trains USA for the Cocoa to Orlando line segment are predicated on and extrapolated from the agreed upon costs generated for the Miami to Cocoa line segment as part of the JUA.

The dispatch costs allocated for this line segment are fully accounted for in the DispatchCo executed agreements between Virgin Trains USA and FECR, creating the company Florida DispatchCo LLC for the purpose of providing dispatching services for both companies. Louis Berger has reviewed the terms and conditions of the DispatchCo agreements, and the related spreadsheets allocating the costs between Virgin Trains USA and FECR. The methodology for cost allocation is reasonable and mutually agreed upon.

Based on the various agreements between Virgin Trains USA and the Florida East Coast Railroad (FECR), and Company estimates for maintenance costs for the segment between Cocoa and Orlando, total maintenance-of-way (MOW) cost for 2023 (including dispatching) is expected to total \$18.3 million (Table II.A.3) and will be primarily performed by the FECR and/or by a joint Virgin Trains USA /FECR owned entity, DispatchCo. FECR will be responsible for maintenance of shared track and signals (including wayside Positive Train Control “PTC”) as well as track security and bridge tenders along the shared corridor. FECR currently manages all these functions for its existing freight rail business. The Company will reimburse FECR for the Company’s share of the costs of such services based on the relative number of ton-miles operated by each (in the case of right of way maintenance and operating expenses) or the total number of trains-miles operated by each (in the case of communications and signals facilities). Dispatching will be performed by DispatchCo, a limited liability corporation created by Virgin Trains USA and FECR.

Table II.A.3 – Summary of Maintenance of Way Expense (FY 2023)

Maintenance of Way	Year 2023 (\$Millions)
Maintenance of track	\$7.3
Signals & Communication	6.7
Bridge Tenders	0.6
Dispatch	2.9
Management fees & Other	0.7
Total Maintenance of Way	\$18.3

The operation between Miami and Orlando is 235 miles with stops at the Fort Lauderdale and West Palm Beach stations. Maximum authorized train speed varies depending on the track segment. The track will be inspected and maintained at FRA Class 4 level between Miami and West Palm Beach, at FRA class 6 level between West Palm Beach and Cocoa and at FRA Class 7 level between Cocoa and Orlando.

The right-of-way for the Project will be shared with FECR freight trains between the Miami and Cocoa and passenger trains only will operate in the right-of-way between Cocoa and Orlando.

The budget for rail infrastructure maintenance between Miami and Cocoa has been calculated and agreed upon by Virgin Trains USA and FECR based on the existing MOW costs incurred by FECR, increased to allow for the additional ton-miles operated and the higher standards of inspecting and maintaining the railway to the higher FRA Class of track for passenger rail speed. The MOW costs are assumed to be lower during the operational ramp-up due to the newer rail infrastructure because of the capital investment made in constructing the rail system and reaches steady state by 2023. The budget for rail infrastructure maintenance between Cocoa and Orlando has been

calculated by Virgin Trains USA based on industry standards and the existing MOW costs incurred by FECR on the Miami to Cocoa corridor with additional factors for the increase in FRA track class and speed.

In addition, FECR may from time to time propose that “Replacement Capital Improvements” for the Miami to Cocoa segment such as replacing rails, ties, etc. The cost of this work will be apportioned between Virgin Trains USA and FECR as provided for in the JUA. Virgin Trains USA has presented the estimated cost of these Replacement Capital Improvements based on FECR estimates.

The assumed costs ramp up due to the capital investment made during construction, reaching a steady state in 2023.

Louis Berger Assessment: Based on our review, for the specific dollar amounts identified, Virgin Trains USA has contractual assurances that FECR (and DispatchCo) will meet required performance specifications. We can confirm that the contracts binding the parties are consummated, appear solid, and appear to properly protect Virgin Trains USA. These cover all maintenance of way on the Miami to Cocoa corridor. The costs assumed in the Financial Model for MOW are certain in that they are based on a negotiated and consummated agreement between FECR and Virgin Trains USA. The allocated costs for maintenance of way for the Cocoa to Orlando corridor appear to be reasonable, but are not fixed at this point as they are not part of a maintenance agreement.

7. Communications and Signals

The agreement with FECR has the cost of communications and signals allocated based on the total number of train-miles operated by Virgin Trains USA and FECR. Virgin Trains USA has estimated that the cost for Virgin Trains USA will be \$6.7 million per year, and takes into account more frequent inspections and the cost of PTC maintenance.

Louis Berger Assessment: Based on our review, for the specific dollar amounts identified, Virgin Trains USA has contractual assurances that FECR will meet required performance specifications. These cover all communications and signals (C&S) maintenance on the Miami to Cocoa corridor. We can confirm that the contracts binding the parties are consummated, appear solid and appear to properly protect Virgin Trains USA. The costs assumed in the Financial Model for communications and signals are reliable in that they are based on a negotiated and consummated agreement between FECR and Virgin Trains USA. The allocated costs for C&S maintenance for the Cocoa to Orlando corridor appear to be reasonable, but are not fixed at this point as they are not part of a maintenance agreement.

8. Management Fee

Under the agreement with FECR, Virgin Trains USA pays FECR an annual management fee of \$500K subject to a 2% annual escalation.

Louis Berger Assessment: The costs assumed in the Financial Model for Management Fees are reliable based on the fact that it is a negotiated and consummated agreement between FECR and Virgin Trains USA.

9. Dispatch

The Company and FECR are joint partners in Florida DispatchCo, the entity that will provide the dispatch functions for the Company's passenger trains and for freight trains within the corridor. The Operating Agreement for Florida DispatchCo and the Dispatch Services Agreement outline the responsibilities and duties for dispatching, including prioritization of dispatching of passenger trains. The cost of dispatch expenses will be allocated pursuant to the terms of the agreement.

At stabilized operations, Virgin Trains USA's share of dispatching cost is projected to be \$2.9 million per year. This cost includes 22 employees (train dispatchers, supervisors and support staff).

Louis Berger Assessment: Based on our review, for the specific dollar amounts identified, Virgin Trains USA has contractual assurances that Florida DispatchCo will meet required performance specifications. We can confirm that the contracts binding the parties are consummated, appear solid and appear to properly protect Virgin Trains USA. The costs assumed in the Financial Model for dispatch are reliable in that they are based on a negotiated and consummated agreement between FECR and Virgin Trains USA.

10. Maintenance of Equipment

Virgin Trains USA has procurement and maintenance agreements for the rolling stock with Siemens, an internationally recognized leader of railcar, locomotive and rolling stock component manufacture and maintenance. Siemens is contracted to provide trainsets for the phase one service, additional trainsets (and potentially extra equipment as needed) for the full-service phase, and under separate agreement, to maintain the trainsets for thirty years.

Virgin Trains USA currently has five train sets on the property. The current trainsets consist of two locomotives, three business-class cars and one first-class car. The two locomotives are Siemens Charger-type 4000 horsepower units. They meet US EPA Tier IV Emission Standards.

The Siemens acquisition also includes three additional trainsets for the Phase Two Operations and future passenger car and locomotive options, which are included to accommodate growth. Virgin Trains USA has determined that it will operate the system with no spare passenger cars. The company's management advises that Virgin Trains USA has operated the Miami to West Palm Beach segment successfully without spare passenger cars. They advise, that in the case of removing a passenger car from service, Virgin Trains USA manages the number of available seats via its on-line reservation network. The company believes that it can manage any risk associated with the absence of spare passenger cars in this manner.

The railcars are of a unique design and are fully ADA compliant. The entry doors, aisle-ways and restrooms are all designed to accommodate a standard wheelchair or travel scooter. Additionally, the cars are designed with an integral "gap-closer", a mechanical platform which extends from the vestibule of the railcar when the side doors are open to close the gap between the railcar and the station platform. Phase two train sets will consist of five cars plus two locomotives. Each train will include four business class cars, and one first-class car.

All trains will be serviced and receive heavy maintenance at the maintenance facility in Orlando. Virgin Trains USA will provide Siemens with certain mobile equipment and tools as per a schedule in the Vehicle Terms and Conditions Agreement between Virgin Trains USA and Siemens. This agreement also addresses terms and conditions, if required, for major component exchange.

Virgin Trains USA's VMA with the rolling stock manufacturer ensures regular ongoing and preventive maintenance, as well as capital maintenance over the life of the contract at a set price with an established cost escalator. Capital maintenance expense for equipment overhauls to extend the useful life of the equipment has been budgeted separately as "maintenance capex".

Locomotive periodic maintenance is done on a regular basis based on OEM and FRA requirements, overhauls are scheduled every six to seven years, depending on miles, with a major (mid-life) overhaul performed at around 15 years. Passenger cars will have periodic maintenance as per OEM requirements and FRA regulations every three to five years, with a major (midlife) overhaul work after 10 years and 15 years. Repairs to accidental damage are extra and performed at a negotiated hourly rate.

"Quick turnaround" cleaning is performed at the terminal stations during layovers by station personnel. More thorough nightly cleaning and fueling is performed at the RRF. Heavy cleaning is generally done on a periodic basis matched up with periodic maintenance events to minimize out of service time.

Louis Berger Assessment: Based on our review, the rolling stock maintenance contract awarded to Siemens includes regular and preventive maintenance costs, as well as capital maintenance. Siemens has extensive experience with long-term maintenance agreements for rolling stock, both domestically and internationally. Virgin Trains USA has contractual assurances that Siemens will meet required performance specifications. We can confirm that the contracts binding the parties are consummated, appear solid and appear to properly protect Virgin Trains USA. The costs assumed in the Financial Model for maintenance of equipment are certain in that they are based on a negotiated and consummated agreement between Siemens and Virgin Trains USA. Operating trains without spare passenger cars is inconsistent with standard industry practice. However, management advises that Virgin Trains USA has operated the Miami to West Palm Beach segment successfully without spare passenger cars.

11. Station Operations / Maintenance

Virgin Trains USA's approach to customer service is unique in the rail industry. Within its Stations Department, Virgin provides customer interface functions normally provided by railroad customer service and stations departments (ticketing, information, baggage handling, on-board service), and hospitality industry-type functions, such as guest lounges, and food and gift kiosks. In addition, Virgin Trains USA, through its Station Security Department provide functions usually more associated with airlines (TSA type luggage and passenger screening and security).

The Financial Model assumes 205 FTE station management and staff. This includes station engineers and public area attendant staff as well as public safety and passenger security staff, providing seven day a week passenger and baggage screening and general security at each station, and supervisors.

Additionally, each station has café attendants for the "Good to Go" food and beverage and merchandise kiosks in the stations. The Orlando station will be open about 16 hours per day (from a half hour before first train of the day departs, until a half hour after last train of the night arrives); while the Miami station will be open from about 6:30 am to 11 pm, or about 17½ hours per day, seven days per week. The commissary staff who will be responsible for all food and beverage ordering and restocking including replenishment of the on-board carts are currently based in West Palm Beach, but will relocate to Orlando in 2022.

Station expenses represents the costs of maintaining each of the stations, and includes day-to-day operating costs as well as long term structural maintenance. Virgin Trains USA has considered the following in developing the budget for station expenses: repairs and maintenance; utilities; supplies & consumables (e.g., boarding tickets, bag tags, paper goods/disposables, cleaning supplies, and general office supplies); facility upkeep (e.g., landscaping, floor buffing/maintenance, janitorial, and window cleaning); and licenses.

An increase from the prior iteration is primarily driven by \$1 million in Real Estate Taxes which were not in the original model. At the time of the original projections, the state of Florida had not provided direction on methodology or amount. This is still true today, however Virgin Trains USA is being more conservative and including this as part of station expense. The balance of the increase is primarily due to higher common area charges from parent company for Miami station (also not fully defined previously).

12. Parking Facilities

Parking garage expense is budgeted at \$5.8 million, or 3.2% of operating expense, and 1.0% of revenue. Miami Central Station represents \$2.5 million, Fort Lauderdale Station represents \$1.8 million, and West Palm Beach Station represents \$1.5 million of the parking garage expenses. These figures capture base rent, and operating expenses. Operating and maintenance expenses for each station were developed in collaboration with Flagler Development, a sister company experienced in this arena.

13. WPB Maintenance Facility

The WPB Maintenance Facility is budgeted at \$1.4 million, or 0.8% of operating expense, and 0.2% of revenue. This line item includes facilities maintenance and materials and supplies for maintenance. Included in these expenses are supplies (e.g., engine oil, coolant, train wash chemicals, and sand), and general facility upkeep (e.g., waste removal contracts, fire alarm / suppression system contracts, and fuel meter calibration).

14. MCO Maintenance Facility

The MCO Maintenance Facility is budgeted at \$2.0 million, or 1.1% of operating expense, and 0.4% of revenue. This line item includes facilities maintenance and materials and supplies for maintenance. Included in these expenses are supplies (e.g., engine oil, coolant, train wash chemicals, and sand), and general facility upkeep (e.g., waste removal contracts, fire alarm / suppression system contracts, and fuel meter calibration).

15. Marketing

After the initial launch and ramp-up of operations, marketing and advertising expenses are projected to stabilize at approximately \$5 million in marketing spend, escalated through 2023. The increase is driven by the first year of operations and favorable ROI business cases involving event-driven and seasonal train experiences. Virgin Trains USA has hired additional, specialized full time employees and executives to execute on this additional spend. Marketing & Advertising expenses per passenger are set higher during the ramp up period. Low cost airlines spend approximately \$0.70 to \$1.80 per passenger.

Louis Berger Assessment: The estimated train-related operating expenses reflect the steady-state operation in 2023 and appear to be sufficient and reflect a full accounting of operating expenses, consistent with subcontractor agreements.

B. Variable Costs

Variable costs are comprised of credit card fees, food and beverage costs (paid and complimentary), merchandise costs, and IT expense for WiFi and IT booking.

Variable costs for stabilized operations (FY 2023) are summarized in Table II.B. The table also summarizes each item's contribution to other operating expenses and percent of total revenue, as an indicator of relative significance to the bottom line.

Table II.B – Summary of Variable Costs (FY 2023)
(*\$ in millions*)

Variable Costs	Amount	% of Variable Opex	% of Total Revenue
Credit Card Fees	15.4	35.6%	2.7%
Food & Beverage Costs-Paid	12.0	27.8%	2.1%
Complimentary F&B Costs	7.9	18.4%	1.4%
Merchandise	2.7	6.2%	0.5%
Information Technology - WiFi	2.4	5.5%	0.4%
Information Technology- booking	2.8	6.5%	0.5%
Total Variable Expense	\$43.2	100%	7.6%

1. Credit Card Fees

Credit card fees are estimated at 2.8% of total passenger generated revenues and are based on negotiated rates with the merchant services provider.

2. Food & Beverage Costs- Paid

Passenger meal costs represent the cost of providing Food & Beverage service, excluding labor, and are estimated to be 28% of Food & Beverage (F&B) Revenue. See F&B Revenue for further explanation of the revenue side. This expense item can be readily monitored and adjusted as experience identifies optimal preparation and stocking levels for food and beverages.

3. Food & Beverage Costs- Complimentary

The financial model provides for the cost of complimentary Food & Beverage service provided to first-class (“Select”) passengers, as well as a snack and beverage for Smart+ passengers. Based on actual experience, Virgin Trains USA anticipates \$1 in complimentary food and beverage per passenger for Phase I, escalating 2% per passenger per year. Phase II anticipates a \$1.00 Smart, \$2.00 Select business model, based on marketing and customer response.

4. Merchandise

Merchandise is anticipated to comprise \$6.7 million in annual revenue by 2023, as discussed below. Merchandise cost is estimated at 40% of revenue. Merchandise will include model trains and accessories, and hats, T-shirts and other apparel.

5. Information Technology- WiFi and Booking

The Virgin Trains USA model includes \$8.7 million for IT expenses in 2023. Variable costs for IT wifi and IT booking comprise \$5.2 million or approximately 60% of the IT costs. IT booking distribution costs represent fees paid to Navitaire (Virgin Trains USA’s reservations system provider) on a per passenger basis, as well as a monthly support fee. The average cost is \$0.42 per passenger. In addition to the variable distribution costs and wifi costs, \$3.5 million in IT expenses (captured in the Corporate “bucket”) include telecom data center hosting, network expenses, and hardware and software costs.

Louis Berger Assessment: Based on our review, the variable costs have been documented appropriately.

C. Corporate Costs and Other

Corporate and other costs total approximate \$44 million and approximately 24% of total operating costs, as summarized in Table II.C.1.

Table II.C.1 – Corporate Costs (FY 2023)
 (\$ in millions)

Corporate Costs	Amount	% of Corp & Other Opex	% of Total revenue
Corporate-related labor	\$14.7	33.7%	2.6%
Corporate G&A & other	\$8.5	19.5%	1.5%
IT	\$3.5	8.0%	0.6%
Insurance	\$8.9	20.5%	1.6%
Lease payment	\$7.9	18.2%	1.4%
Corporate & Other	\$43.5	100%	7.7%

1. Corporate Labor

A summary of the proposed 2023 corporate headcount is provided in Table II.C.2.

Table II.C.2 – Corporate Headcount (FTE) Summary (FY 2023)

Department	Phase I	Phase II	Total
Executive	12		12
Corp Other	74	7	81
Total Corporate Labor	86	7	93

Corporate operations, which will be based in Miami include 93 FTE’s for Phases I and II and are comprised of the following:

- President and staff
- Sales / Revenue
- Branding / Marketing CFO and staffing for accounting, finance, procurement, tax
- Human Resources staff

- Legal / Government relations
- Information Technology

2. Corporate G&A and Other

The largest line item in this category is Professional Services, comprising \$6.2 million in 2019, which is approximately 83% of 2019 costs for Corporate G&A and other.

3. Information Technology

As mentioned in variable costs, the \$3.5 million in IT expenses include telecom data center hosting, network expenses, and hardware and software costs.

4. Insurance

Current insurance broker estimates for 2022 are consistent with the Virgin Trains USA plan. (The Virgin Trains USA projection is within the range provided by the broker). The 2022 insurance expense, adjusted for a full 12 months of revenue service is \$8.7mm, within AON's range of \$7.7mm - \$10.7mm. Adjusted for inflation, 2023 insurance is forecasted to be \$8.9mm.

5. Lease Payment

The lease payment (\$7.9mm) in 2023 is for the Orlando airport's rail station. Virgin Trains USA pays the airport (Greater Orlando Airport Authority GOAA) for the use of the station.

There are fixed monthly costs for the rail platform, Bag operations space, and ticket counter / other. Virgin Trains USA also pays a fixed monthly operational and maintenance fee. There is also a variable expense, individually based on passengers and sales.

Louis Berger Assessment: Based on our review, the Corporate and Other costs have been documented appropriately

III. Ancillary Revenues

The Company expects stabilized ancillary revenue of \$82 million in 2023 comprised of food and beverage, parking, advertising, naming rights, sponsorships/partnerships, merchandise, and other fees. Table III.1 summarizes ancillary revenues that comprise approximately 14.4% of total revenue.

Table III.1 – Summary of Ancillary Revenues (FY 2023)
(\$ in millions)

Ancillary Revenue	Amount	% of Ancillary Revenue	% of Total Revenue
Ancillary Revenue			
Food & beverage revenue	\$42.8	52.3%	7.6%
Parking garage	\$8.2	10.0%	1.4%
Merchandise	\$6.7	8.2%	1.2%
Other (fees)	\$6.7	8.2%	1.2%
Passenger ancillary revenue	\$64.4	78.7%	11.4%
Advertisement	\$2.9	3.5%	0.5%
Sponsor / partnerships	\$9.5	11.6%	1.7%
Naming rights	\$5.0	6.1%	0.9%
Other revenue	\$17.4	21.3%	3.1%
Total Ancillary Revenue	\$81.8	100%	14.4%

1. Food and Beverage Revenue

Food and beverage revenue of \$42.8 million represents 53% of total ancillary revenue and assumes an average of \$6.47 per passenger as illustrated in Table III.2, below. Food and beverages will be available for purchase on the trains (beverage carts and live service) and from the Company owned and operated “Good to Go” kiosks in stations. The Company retains the option to buy café cars from Siemens based on customer demand. First class “select” passengers receive complimentary food and beverages, with the option to purchase additional refreshments (e.g. additional alcoholic beverages). Smart+ passengers pay a slightly higher fee to receive a complimentary snack and beverage. Food and beverage revenue includes only the direct payments from passengers- it does not include a pro-rated share of the Select class ticket or the Smart+ fee.

The 2023 Food and Beverage Revenue key assumptions and drivers are as follows:

Table III.2 – Summary of Food and Beverage Revenue Drivers (FY 2023)

Phase	Passenger Type	Passengers	Transactions / Passenger	Revenue / Transaction	Revenue	Average
I	Smart	2,095,266	0.96	\$4.94	\$9,933,587	\$4.74
I	Select	984,206	0.36	\$5.89	\$2,086,597	\$2.12
II	Smart	2,828,863	1.30	\$7.54	\$27,711,167	\$9.80
II	Select	705,333	0.56	\$7.73	\$3,051,476	\$4.33
Total		6,613,669			\$42,782,827	\$6.47

For the future, management is looking at features such as vending type machines on-train for wider selections of F&B and other items. For example, Japan demonstrates the variety of items available from vending machines. The current 2023 plan is eight 5-car trains with enhanced food features / vending machines within each car. The majority of sales are anticipated to take place in the stations.

Louis Berger Discussion/Review: Food and beverage revenue estimates are anticipated to be the top ancillary revenue generator. The Company has limited the complimentary obligations to its Select passengers to one beverage of choice. The Company has brought management of food and beverage services “in house” to control quality offerings and brand offerings. The Company has fully designed and developed its station food areas and train services, and has researched likely consumer visitation and purchasing patterns and behavior in the stations and on trains. Food and beverages will be varied, artisanal, appealing, convenient, fresh, and market (not premium) priced Virgin Trains USA has obtained liquor licenses for stations and trains that will increase consumption and revenues, based on industry experience. Virgin Trains USA has worked closely with vendors and with hospitality professionals to gauge interests and preferences in purchase options and experiences, as well as revenue growth trends (assumed at 6% per year, including the projected growth in passengers as well as market rate increases in food and beverage pricing, consistent with discussions with professional sources).

Louis Berger Assessment: Upward trends in food and beverage revenue are expected to accelerate throughout 2019. With longer trips and full service to Orlando in 2022, and with Virgin Trains USA paying consistent attention to customer preferences, Virgin Train USA expects food and beverage service revenues to stabilize in 2023. Assuming the quality, convenience, anecdotal reports, market pricing and growth estimates from initial operations are accomplished as planned, based upon a review of the station layouts and food and beverage plans, the revenue estimate is consistent with the Virgin business model, and in that context, appears to be reasonable.

2. Parking Garage Revenue

Parking is expected to generate \$8.2 million, or 10%, of the total \$81.8 million in ancillary revenue in 2023. The Company has a total of 1,696 parking spaces at its Miami, West Palm Beach and Fort Lauderdale garages which are

each expected to generate average annual revenue of \$4,817/space, or \$13.20 per day (Table III.3). The Company expects to generate high demand for its parking in the downtown areas of Miami, West Palm Beach and Fort Lauderdale from passengers and street parking, plus substantial event parking at the Miami station.

Table 111.3– Summary of Parking Garage Revenue (FY 2023)

(\$ in millions, except revenue per space and day)

Parking Garage	Revenue	Spaces	Revenue per Space	Revenue per Space per Day
Miami	\$4.0	674	\$5,893	\$16.15
Fort Lauderdale	\$2.0	558	3,517	9.64
West Palm Beach	\$2.2	464	4,817	13.20
Total	\$8.2	1,696		
Average			\$4,817	\$13.20

Parking rates assume an hourly rate for Brightline passengers at \$1.00 per hour, plus up to \$5.00 an hour for street parkers in Miami, and \$2.00 an hour for street parkers in Fort Lauderdale and West Palm Beach, which are competitive with the surrounding areas. There will also be a different rate for nights and weekends.

Several initiatives are being piloted or developed to increase parking revenues. An automated license plate recognition system is being deployed all garages to capture daily revenue from long-term parking. Event-drive events also assist in generating additional parkers. Cruise-ship parking is being actively promoted, including West Palm Beach promotions pairing parking with a train ride to Miami. Corporate parking is also being promoted for available excess capacity.

Miami parking yield per hour and net revenue decreases from 2019 to 2023, as the space transitions to being used by customers, down from being used by high-priced non-rail customers. For example, today Virgin Trains USA charges the general public \$20 for Miami Heat game night parking. In the future they will use that parking for rail passengers and charge less, and not offer the space for non-passenger related street events. FTL and WPB do not have this dynamic and thus grow steadily after 2019.

Phase II parking revenue and expense will come from Miami, Fort Lauderdale, and West Palm Beach Stations parking for customers who travel to Orlando. Virgin Trains USA will have no revenue or expense at the Orlando station. The Greater Orlando Airport Authority will own and operate the parking at Orlando Airport, including collection of parking revenue and expenses for the garage.

Phase II parking revenue and expense are attributed to the incremental passengers (the 3.5m or the total 6.6m 2023 passengers) who park in the South and travel to Orlando. Since the garages have a finite space, some of what used to be 100% Phase I parking will be shifted over to Phase II passengers.

Louis Berger Discussion/Review: The parking fee will be \$1.00 per hour for Virgin Trains USA ticket holders. The discounted rate for parking also include a guaranteed space. Overall in 2023, (excluding event parking in the car count) Virgin Trains USA parkers are expected to generate approximately 97% of cars and 72% of revenues, while street parkers generate about 3% of cars and 5% of revenues. In addition 23% of total parking revenue is driven by event night and weekend revenue generated in the Miami parking garage, as a result of its proximity to areas which host sporting and entertainment events. The projected proportions of cars and revenue differ market by market.

Louis Berger Assessment: The ramp-up to near-full capacity is anticipated in 2019. Multiple strategies are being pursued to accomplish that. The proposed non-event parking revenue estimate is consistent with the Virgin Trains USA business model, and in that context, appears reasonable. The event parking revenue is based on the assumption that Virgin Trains USA will secure approximately 15% of total event parking revenue for concerts and sporting events.

3. Naming Rights, Sponsorships / Partnerships and Advertising

Based on market comparables and on-going discussions with advertising and sponsorship prospects, the Company expects to generate \$17.4 million from naming rights, sponsorships/partnerships and advertising.

Virgin Trains USA currently owns the naming rights for the service. Naming rights for stations are anticipated to generate \$5.0 million in 2023, or 6% of all ancillary revenues. This estimate is based on fees for stadiums and similar high-profile venues according to Virgin Trains USA.

Sponsorships are anticipated to generate \$9.5 million in 2023, or 12% of all ancillary revenue in 2023. The Company is aggressively pursuing opportunities for partnerships and sponsorships including “Train Presented by”, passenger lounge, time clocks, beverages, Wi-Fi, health (e.g., nursing mothers’ room), snacks, and rideshare (e.g., Uber or Lyft). The Company has already developed a solid backlog for 2019 and beyond, and has invested in talent (such as sponsorship lead for the Miami Heat) and related strategies.

Advertising revenue in and around stations is estimated at \$2.9 million and comprises 4% of the anticipated \$81.2 million in ancillary revenues for 2023, the stabilized operations year after ramp-up. Advertising revenues are anticipated to increase 2.5% each year. The Company has contracted with OutFront Media for advertising revenues within stations (i.e., video displays and column wraps) and advertising revenues outside stations (i.e., external billboards).

All stations will be open 7 days per week, with passengers arriving and departing regularly. Each station has been designed and developed to foster additional uses and traffic. Stations areas will accommodate mixed uses and transit oriented development, with shops, offices and residential areas on site and nearby to promote additional station ancillary revenue activity.

Louis Berger Discussion/Review: Naming rights are anticipated to be long-term relationships – approximately 10 years or more. Virgin Trains USA’s investment and commitment is in place. Virgin Trains USA has purchased naming rights for at least the next two years, with “right of first refusal” based on anticipated active competition in future years. There is precedent for similar scale and value for transportation-related agreements in the recent 25 year agreement between the Transbay Transit Center in San Francisco and Salesforce, a software company adjacent to the transit center. The naming rights are expected to increase at 2.5% per year.

As noted, sponsorships are being actively sought, through strategic hires and including support through a contractual agreement with Premier Partnerships. Some sponsorships are expected to be permanent, based on facility infrastructure commitments, while others can be modified over time (such as product placements). Virgin Trains USA is being creative and strategic in seeking sponsorships, for everything from quiet rooms for nursing mothers to washroom faucets to station clocks. Approximately 18% of the projected 2019 sponsorship revenue is under contract, while other categories are being actively pursued. Sponsorship revenues are expected to increase at 2.5% per year.

Virgin Trains USA has an exclusive agreement with OutFront Media for installation of advertising digital screen devices at stations. The agreement specifies separate sponsorship rights and owner’s “retained space”, and defines the locations and sizes for displays. OutFront Media has the right and responsibility to market, sell, install, display and remove all third-party advertising on advertising displays at all owner locations, as specified in the agreement. Virgin Trains USA receives 60% of revenues, net of commissions to outside advertising agencies and net of initial capital costs. Advertising revenues are conservatively estimated at 70% of the expected value and are expected to increase at 2.5% per year.

Louis Berger Assessment: Sponsorship and advertising revenues represent net revenues, based on agreements with Premier Partnerships and OutFront Media, respectively. The estimates are ambitious but Virgin Trains USA has personnel and strategies in place to pursue them; they are consistent with the Virgin Trains USA business model, and in that context, appear reasonable.

4. Merchandise

Merchandise is anticipated to comprise \$6.7 million in annual revenue by 2023, and assumes average revenue per passenger of \$1.02. This will include model trains and accessories, and hats, T-shirts and other apparel. Several

members of the Virgin Trains USA team have extensive experience with Walt Disney World and other attractions; the Virgin Trains USA service will be promoted as an experience, and more than just a train trip.

Louis Berger Assessment: Based on the information presented by Virgin Trains USA, its assumptions associated with revenue from merchandise are consistent with the Virgin Trains USA business model, and in that context, appear to be reasonable.

5. Other Services

Other services revenues are anticipated to generate \$6.7 million in 2023, or 8% of all ancillary revenues and assumes average revenue per passenger of \$1.02. This includes but is not limited to baggage fees, pet fees, business center services, and change fees.

Louis Berger Assessment: The Select tickets include complimentary services, such as baggage fees, rather than more costly (to the Company) complimentary food and beverage. As services expand to Orlando many more passengers will be checking bags with the Smart ticket options. The initial price for a checked bag with a Smart ticket will be from \$5.00 - \$20.00; as all bags over 50lbs will have to be checked this estimate appears reasonable. The estimates appear to be reasonable within the context of the Virgin Trains USA business model.

Overall Louis Berger Assessment of Ancillary Revenues: Some ancillary revenues, such as food and beverage services, are offset by operating cost of goods sold (COGS). The continued ramp-up trends on ancillary revenues such as parking revenues and sponsorship revenues appear ambitious but are backed up by company investments in supporting personnel, technology (in the case of parking) and services. Ancillary revenues produce a relatively reliable funding stream to support Virgin Trains USA operations and cash flow. In summary, per passenger revenues per person are anticipated to increase in real terms at 3% per year for food and beverages; at 5% for merchandise; and at 5% for other services. Total parking revenues are expected to ramp up to near-full occupancy by 2020 and stabilize. Other ancillary revenues are expected to increase in real terms as follows: naming rights 2.5%, per year; sponsorship revenues 3% per year; advertising by 2.5% per year. Assuming Virgin Trains USA achieves its ramp up revenue targets by the end of 2019, future earnings will be more certain. Overall, ancillary revenues are anticipated to contribute 14.4% of overall revenue in 2023.

Based on available published information, e.g., Amtrak Northeast Corridor, Central Japan Railway, and parking industry data, the Company's estimated passenger ancillary revenue on a per passenger basis is in line with that of other operators. Meanwhile, the Company's use of comparables and its retention of experienced professionals in advertising and sponsorships provides a solid basis of the estimates of other sources of ancillary revenue.

Louis Berger concludes that the bases of individual sources of ancillary revenue are reasonable and, consequently, the overall ancillary revenue estimate is reasonable.

IV. Summary of Findings

Louis Berger has interacted with Virgin Trains USA managers and personnel and evaluated various documents developed by Virgin Trains USA supporting Virgin Trains USA's financial model of the Project's operation and maintenance cost and ancillary revenue. This evaluation was accomplished through Louis Berger's assessment of Virgin Trains USA - sourced documents by applying the experience of its subject matter experts on similar undertakings.

Louis Berger Assessment: Based on its evaluations and assessments, Louis Berger concludes that Virgin Trains USA's operations and maintenance cost estimates are an accurate reflection of its business plans and the consummated contractual agreements. Meanwhile, Louis Berger concludes that the Company's strategies for maximizing the various sources of ancillary revenue are sound and that the budgeted ancillary revenue is reasonable.

APPENDIX G

TECHNICAL ADVISOR BRING DOWN LETTERS

(See attached)

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530 Walnut Street
Philadelphia, PA 19106
215.922.8080

April 2, 2020
Mr. Michael Cegelis
Executive VP, Rail Infrastructure Virgin Trains USA
10705 Jeff Fuqua Boulevard, Suite 4114
Orlando, FL 32827

RE: Virgin Trains USA Technical Advisor's Report for Phase 2

Dear Mr. Cegelis:

I am writing in regard to the Virgin Trains USA Technical Advisor's Report (TAR or "our Report") for Phase 2 prepared by Urban Engineers, Inc. (Urban) on behalf of Virgin Trains USA (VTUSA) and dated March 7, 2019. With respect to our Report, I note the following:

Urban was retained to conduct a TAR on the VTUSA Intercity Passenger Rail Project – Phase 2 (the "Project") from West Palm Beach, FL to Orlando International Airport, Orlando, FL. The TAR provides an objective, due diligence evaluation to inform potential creditors and investors with the various components of the Project including: project scope, schedule, budget, procurement of design, construction, materials, rolling stock, and other project contracts.

The assessments and findings contained in the TAR were prepared based upon engineering and construction parameters, assumptions and conditions we considered relevant and reasonable as of the date of our Report. The basis of our Report was obtained from plans, specifications, and data provided by VTUSA, field observations by Urban, interviews of VTUSA staff, as well as publicly available and other third-party information. Additionally, Urban drew upon its observations and knowledge as Technical Advisor for Phase 1 of the project, which was constructed, from Miami, FL to West Palm Beach, FL.

To date, Urban has conducted ten (10) monthly field visits of the Project to observe ongoing construction, as well as receiving construction progress documents and updates from VTUSA staff. Based upon our ongoing observations, there are no material changes in our analyses, assessments, findings, and conclusions contained in our Report.

Further, we understand that VTUSA is progressing on two new construction initiatives: (i) the construction of two inline stations in Aventura and Boca Raton as well as an expected third station at PortMiami subject to final agreement, and (ii) rail enhancements and rolling stock capacity additions that will allow for the dispatch of more trains at a greater frequency than initially contemplated. Urban will incorporate the rail enhancements and rolling stock additions into the reporting as part of the existing project and begin to report on the inline station initiatives in a new section of the report going forward.

Very truly yours,
URBAN ENGINEERS, INC.

A handwritten signature in black ink, appearing to read "James A. Bilella, II".

James A. Bilella, II, PE
Vice President, General Manager of Facilities Design



530 Walnut Street
Philadelphia, PA 19106
215.922.8080

August 6, 2020

Mr. Michael Cegelis
Executive VP, Rail Infrastructure, Brightline
10705 Jeff Fuqua Boulevard, Suite 4114
Orlando, FL 32827

RE: Technical Advisor's Report for Phase 2

Dear Mr. Cegelis:

I am writing in regard to the Technical Advisor's Report (TAR or "our Report") for Brightline's Phase 2 project prepared by Urban Engineers, Inc. (Urban), dated March 7, 2019. With respect to our Report, I note the following:

Urban was retained to conduct a TAR on the Brightline Intercity Passenger Rail Project – Phase 2 (the "Project") from West Palm Beach, FL, to Orlando International Airport, Orlando, FL. The TAR provides an objective due diligence evaluation to inform potential creditors and investors with various components of the Project, including: project scope, schedule, budget, procurement of design, construction, materials, rolling stock, and other project contracts.

The assessments and findings contained in the TAR were prepared based upon engineering and construction parameters, assumptions, and conditions we considered relevant and reasonable as of the date of our Report. The basis of our Report was obtained from plans, specifications, and data provided by Brightline; field observations by Urban; interviews of Brightline staff; as well as publicly available and other third-party information. Additionally, Urban drew upon its observations and knowledge as Technical Advisor for Phase 1 of the project, which was constructed from Miami, FL, to West Palm Beach, FL.

To date, Urban has conducted eleven (11) field visits of the Project to observe ongoing construction, and has continued to receive construction progress documents and monthly updates from Brightline staff. Construction and development of the Project is advancing as planned and has been largely unaffected by COVID-19. We anticipate no adverse impact on the construction timeline due to COVID-19. Based upon our ongoing observations, there are no material changes in our analyses, assessments, findings, and conclusions contained in our Report.

Further, we understand that Brightline is progressing on a number of new construction initiatives: (i) the construction of two inline stations in Aventura and Boca Raton, as well as an expected third station at PortMiami subject to final agreement; (ii) an 18-mile extension in Orlando connecting to a new station to be constructed in Disney World; and (iii) rail enhancements and rolling stock capacity additions that will allow for the dispatch of more trains at a greater frequency than initially contemplated. Urban will incorporate details and reviews of these undertakings in its reports going forward.

Very truly yours,
URBAN ENGINEERS, INC.

James A. Bilella, II, PE
Vice President, General Manager of Facilities Design

November 9, 2020

Jeff Swiatek
Chief Financial Officer
Brightline Trains Florida LLC
161 NW 6th Street, Suite 900
Miami, FL 33136

Dear Mr. Swiatek:

I am writing in regard to the Brightline Trains Technical Advisor's Report (TAR or "our Report") for Phase 2 prepared by Urban Engineers, Inc. ("Urban") on behalf of Brightline Trains Florida LLC ("Brightline") and dated March 7, 2019. With respect to our Report, I note the following:

Urban was retained to conduct a TAR on the Brightline Intercity Passenger Rail Project – Phase 2 (the "Project") from West Palm Beach, FL to Orlando International Airport, Orlando, FL. The TAR provides an objective, due diligence evaluation to inform potential creditors and investors with the various components of the Project including: project scope, schedule, budget, procurement of design, construction, materials, rolling stock, and other project contracts.

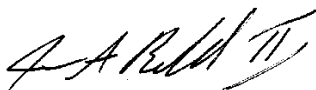
The assessments and findings contained in the TAR were prepared based upon engineering and construction parameters, assumptions and conditions we considered relevant and reasonable as of the date of our Report. The basis of our Report was obtained from plans, specifications, and data provided by Brightline, field observations by Urban, interviews of Brightline staff, as well as publicly available and other third-party information. Additionally, Urban drew upon its observations and knowledge as Technical Advisor for Phase 1 of the project, which was constructed, from Miami, FL to West Palm Beach, FL.

To date, Urban has conducted ten (10) monthly field visits of the Project to observe ongoing construction, as well as receiving construction progress documents and updates from Brightline staff. Based upon our ongoing observations, there are no material changes in our analyses, assessments, findings, and conclusions contained in our Report.

Further, we understand that Brightline is progressing on two new construction initiatives: (i) the construction of two inline stations in Aventura and Boca Raton as well as an expected third station at PortMiami subject to final agreement, and (ii) rail enhancements and rolling stock capacity additions that will allow for the dispatch of more trains at a greater frequency than initially contemplated. Urban will incorporate the rail enhancements and rolling stock additions into the reporting as part of the existing project and begin to report on the inline station initiatives in a new section of the report going forward.

Very truly yours,

URBAN ENGINEERS, INC.



James A. Bilella II, PE
Vice President

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TECHNICAL ADVISOR REPORT

The Technical Advisor's delivery to the Company of its Technical Advisor's Report ("TAR") dated March 1, 2019 for inclusion by reference in this Limited Remarketing Memorandum was premised on the Company's agreement to direct the readers' attention to the Conditions of Technical Advisor's Report. The Report is expressly subject to the qualifications, assumptions made, procedures followed, matters considered and any limitations on the scope of work contained therein and the Conditions of TAR.

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Technical Advisor's Report

Revision 2

March 7, 2019

- Confidential & Proprietary -

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I. Executive Summary

A. Overview

Urban Engineers, Inc. (Urban) has been retained to conduct a Technical Advisor Report (TAR) on the VTUSA intercity passenger rail project (the “Project”). The TAR provides an objective, due diligence evaluation to inform potential creditors and investors with the various components of the Project including: project scope, schedule, and budget; procurement of design, construction, materials, rolling stock, and other project contracts.

The TAR was originally issued in March 2018 and over subsequent time VTUSA has adjusted certain project parameters to better facilitate efficient project performance. Revision 1 was issued in October 2018 and reflected a change to a multiple contract procurement strategy. This Revision 2 to the TAR presents the current project scope, cost and schedule and Urban’s comments on the VTUSA project.

Virgin Trains USA (VTUSA) is the business entity created to design, develop, acquire, construct, install, equip, own, and operate a 235-mile intercity passenger rail service formerly known as “Brightline” between downtown Miami and Orlando International Airport with additional stops in the West Palm Beach and Fort Lauderdale central business districts (the Project). Any references to “Brightline” in this report are carryovers from the previous branding and will henceforth become VTUSA. The Project is currently substantially complete for the 67-mile segment between Miami and West Palm Beach (“Phase I”). This segment and the 129-mile segment between West Palm Beach and Cocoa are within the right-of-way (ROW) of the Florida East Coast Railroad (FECR). The remaining 39-mile segment of the Project, i.e., the segment between Cocoa and Orlando, will be constructed almost exclusively within the existing ROW along State Road 528 through leases and easements with Florida Department of Transportation (FDOT), Central Florida Expressway (CFX), and Greater Orlando Aviation Authority (GOAA).

The VTUSA team has undertaken an extensive effort to coordinate the planning and development of the Project with affected municipalities, governmental regulatory agencies, private and public transportation facility owners, businesses, and the general public. VTUSA has already achieved a significant milestone with commencement of initial revenue service between West Palm Beach (WPB), Fort Lauderdale (FLL), and Miami (MIA). The WPB-FLL service began in January 2018, and MIA service became operational in May 2018 servicing all 67 miles.

B. Approach to Technical Advisors Report

Urban performed the due-diligence and has prepared the TAR using the following approach and data sources:

- Obtain documentation and information from the VTUSA Project Management Team;
- Review by subject matter experts of the studies, designs, plans, schedules, budgets, contracts, and other analyses provided by VTUSA Project Management team;
- Evaluation of documentation and information for completeness, integration, correlation, and core assumptions;
- Interviews and discussion with key VTUSA management, including a site visit to the project’s alignment;
- Evaluation of the Project, as currently planned, against industry standards and other benchmarks.

A list of the key extended VTUSA personnel and others consulted with is included as Exhibit 6 to this report.

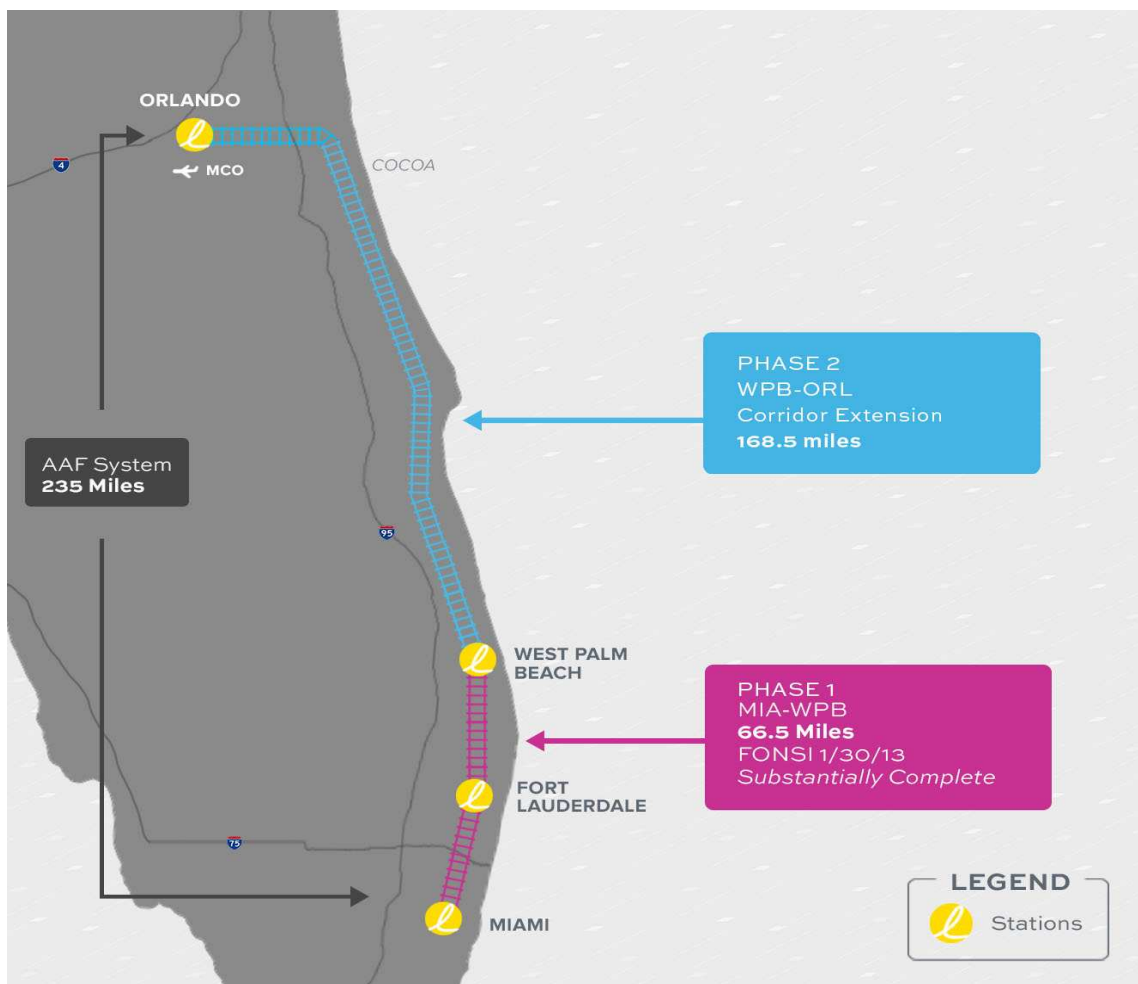
C. Project Goals and Description

VTUSA is developing a privately owned and operated express intercity passenger rail service running 235 miles between Miami and Orlando, Florida with intermediate stops in Fort Lauderdale (FLL) and West Palm Beach (WPB). VTUSA’s system is being built on existing transportation corridors including 195 miles of an existing rail corridor that is presently utilized for freight rail service by the Florida East Coast Railway, and approximately 40 miles of an existing highway corridor that will connect directly to the Orlando International Airport.

VTUSA’s passenger rail system will address the critical need for an alternate transportation mode that responds to the continued growth in population, households, employment, and tourism in Florida. When fully operational, VTUSA’s service will offer 16 daily departures from Miami and Orlando at a total travel time of approximately three hours (Miami – Orlando) with train speeds of up to 125 miles per hour, which provides fast, dependable transportation within the growing regions of Southeast and Central Florida.

The construction will enhance the signal and train control systems, including the implementation of Positive Train Control (“PTC”), for both new passenger operations and the existing freight operations. The completed system will improve the energy efficiency of rail operations and reduce air pollutant emissions. Both construction and operations will create jobs, promote economic development, and have other positive economic benefits in the region.

The VTUSA system is being developed in two phases at a total overall cost of approximately \$3.4 billion including rail infrastructure, stations, and rolling stock.



Phase I (Miami to WPB) is substantially complete and commenced initial revenue service between WPB and FLL in January 2018, with Miami service initiated in May 2018. Construction on this phase included infrastructure improvements in the existing 67-mile FECR rail right-of-way corridor, with stations in downtown WPB, FLL, and Miami.

Phase II will extend the system 168 miles from WPB to Orlando. This phase includes an East/West segment of approximately 35 miles of new rail construction from Orlando International Airport to Cocoa, as well as

improvements to 129 miles in the existing FECR North/South rail right-of-way from Cocoa to WPB along Florida's east coast.

The project also includes construction of a new Vehicle Maintenance Facility (VMF) and supporting rail yard on the Greater Orlando Airport Authority (GOAA) property, fit out of the recently completed Intermodal Transfer Facility, and a 3.5-mile South/North infrastructure alignment all on the airport property.

D. Management and Organization

VTUSA's organization structure and plan for Phase II leverages key managers who were involved on Phase 1 and additional industry hires with extensive experience in the successful delivery of major civil engineering projects. VTUSA will also utilize its existing relationship with HNTB to fill defined roles on the project management team, such that there is an approximately equal distribution of direct hire and seconded personnel. VTUSA plans to engage a 39-person Project Management Team and has identified key organizational staff in Section III of this report. The VTUSA Organizational Chart can be found as Exhibit 4 attached to this report.

VTUSA, as a private entity, utilizes nimble, market driven practices that it has found to be effective in the management of large capital projects. Phase I of the project utilized similar practices, resulting in an enviable delivery cycle duration of less than 3 years. While there is not a reliance on producing comprehensive and exhaustive policy and practices narratives, VTUSA has memorialized their management approach and guidance in documents such as an Estimator's Methodology Memorandum, Global Specifications, Bidding Procedures, and construction contracts, all of which contain the salient directives on how the project will be managed and controlled. VTUSA has the unique owner-contractor relationship in the private sector that gives them the flexibility to address issues to their satisfaction. The professional staff members are empowered to utilize their prior successful experience in managing and implementing programs based upon their best judgement and industry practices in similar undertakings.

The Phase II Project is being managed directly by a VTUSA project management team (PM Team) recruited during the latter stages of the South Segment construction. The PM Team is comprised of longtime construction industry professionals with experience on \$1 billion + projects. The team also has rail and Florida construction experience. An extensive review of contracting protocols; contract and specification language; and quality assurance, schedule management, safety, and cost control procedures has been undertaken and implemented for the North Segment project. These procedures will form the VTUSA standard for construction projects, with the expectation that the Phase II Project and all future projects will be managed in accordance with state-of-the-art global industry practice.

Competitive bidding is the basis of contractor selection. Bidders are invited based on a pre-qualification process that considers:

- Proven successful relevant experience, as evidenced by references from prior customers, in the type of work required by the particular contract.
- Financial strength relevant to the size of the contract being sought.
- The experience of the proposed personnel to be assigned to the project by the contractor.
- The contractor's track record for safety, schedule performance, claim and legal activity, and quality of work.

The Phase II Project is divided into ten bid packages:

1. Rolling Stock (\$150.7 million total, of which \$32.6 million has been expended through December 31, 2018 leaving \$118.2 million to complete). This contract consists of the furnishing of three additional trainsets to accommodate the expanded service represented by completion of the North Segment. Following this delivery, the rolling stock fleet will consist of eight five-car trains. This contract was awarded to Siemens USA based on direct negotiations. Siemens has provided the rolling stock currently in use on the South

- Segment, and the value of the North Segment contract was informed by the values previously established. The value stated is the executed lump sum contract already underway.
2. Signal System Engineering and Supply (\$87.3 million of which \$8.9 million has been expended by December 31, 2018 leaving \$78.4 million to complete. This lump sum contract consists of system engineering and component supply for the North Segment railroad signal system, including Positive Train Control. The work is a continuation of the South Segment contract, and is already underway. Alstom holds this contract.
 3. Early works fiber bypass (\$12.9 million, of which \$9.7 million has been expended by December 31, 2018 leaving \$3.2 million to complete). This contract consists of the relocation of multiple third-party lessee's fiber in a certain 24-mile zone where the current ducts conflict with the North Segment construction. This contract work was completed in November 2018, prior to the holiday moratorium on fiber cutovers. The work was performed by Hypower, Inc., which successfully managed similar scope of work for VTUSA on the South Segment.
 4. Vehicle Maintenance Facility (VMF) Sitework (\$8.9 million). This contract consists of mass clearing and grading of the 60-acre site at Orlando International Airport. After a competitive process with three invited bidders, VTUSA has negotiated a final contract with the low bidder Hubbard Construction Company. The contract is ready for immediate execution.
 5. VMF Building (\$45.8 million). This contract consists of construction of this 138,000SF heavy maintenance building, including final trackwork. Bids have been received and an award has been made to Wharton Smith, Inc. The final contract has been prepared and is ready for immediate execution.
 6. Orlando Station Tenant Improvements (\$17.3 million, of which \$10.3M has been expended by December 31, 2018 leaving \$7M to complete). This contract consists of the interior fit out of the station building shell constructed by the Greater Orlando Aviation Authority (GOAA). The contract is not on the critical path for completion of the North Segment, and will not be bid until late 2019. The value was established based on an estimate prepared by a contractor active in similar work on the GOAA premises.
 7. GOAA Rail Alignment (\$88.69 million). This contract consists of the construction, from completed engineering drawings and VTUSA conditions and specifications for the work, of the 3.5 miles of new rail infrastructure within the urban core of the airport. The work also includes the preparation for a future light rail corridor, in exchange for the rail line easement. After a competitive process with three invited bidders, VTUSA has negotiated a final contract with the low bidder Middlesex Construction Corporation. The contract is ready for immediate execution.
 8. East West (EW) Rail Alignment (\$462.4 million). This contract consists of the construction, from completed engineering drawings and VTUSA conditions and specifications for the work, of 35 miles of new rail infrastructure between Orlando International Airport and Cocoa, FL. After a competitive bidding process with two invited bidders, VTUSA has negotiated a final contract with the low bidder Granite Construction Company. The contract is ready for immediate execution.
 9. North South (NS) Rail Alignment (\$680.6 million). This contract consists of the construction, from completed engineering drawings and VTUSA conditions and specifications for the work, of 129 miles of upgraded rail infrastructure in an existing freight corridor between Cocoa and West Palm Beach, FL. After a competitive bidding process with two invited bidders, VTUSA has negotiated a final contract with the low evaluated bidder HSR Constructors, a joint venture of Herzog, Stacy & Witbeck, and Railworks, for the work. The contract is ready for immediate execution.
 10. Loxahatchee River Bridge (\$15.0 million). This contract will consist of the structural and mechanical upgrade of an existing movable (basculer) rail bridge. The contract is not on the critical path for completion of the North Segment, and will be bid in fall, 2019. The machinery and structural fabrication bids have been received, and the contract is ready for execution with G&G Structural, Inc of Russellville AL. The value was established based on the actual bid for the machinery/structural package plus an allowance for the installation work.

VTUSA expects to complete the entire project and be in operation from Miami to Orlando by July, 2022 based on a May, 2019 notice to proceed (NTP) date which is contingent upon project financial close. The construction

schedule is 36 months from NTP to substantial completion, and another 2 months of testing before revenue service start.

E. Required Permits

The Federal Railroad Administration went through an extensive NEPA process for the entire corridor from Miami to Orlando. The first segment from WPB to Miami received a Finding of No Significant Impact (“FONSI”) in 2012. For the extension to Orlando, a Final Environmental Impact Statement (“FEIS”) was issued in August 2015, and this process culminated in the receipt of a Record of Decision (“ROD”) from the FRA in late 2017.

VTUSA has been proactive in identifying and securing the multitude of permits required for the project. The remaining 168-mile corridor to be constructed traverses several jurisdictions and VTUSA has been working with these municipalities throughout the design period to establish communications and respond to any concerns or comments. Most of the required permits have been secured, and the ones remaining are not expected to impact the project schedule. A summary of the current permitting status is included in Section III of this report.

F. Procurement Strategy

In Phase I of the project, VTUSA attempted to obtain cost benefit through direct contracting with known rail and transit specialty firms. This resulted in the engagement of several design consultants, one rolling stock supplier, three or more primary construction firms, and one system/signal supply/install team. The contract administration associated with these various consultants/contractors was jointly managed by administrative staff from VTUSA and HNTB personnel.

As noted, VTUSA has completed a comprehensive bid process for the Phase II work. These bid packages represent a total of \$1.51 billion, of which firm prices have been received aggregating \$1.48 billion, or 98% of the expected total. In addition to the values incorporated in bid packages, **other costs to complete** include \$21 million for roadway protection services, \$9.44 million for utility relocations, \$7 million for work trains, \$18.11 million for tools, spare parts, and ancillary materials, \$11.03 million for operating supplies and equipment, \$27.35 million for professional services, \$58.32 million for project management, \$229.15 million for track materials, and \$173 million for contingency. These items, when added to the aggregate of the expected bid packages, represent the \$2.07 billion in total cost to complete.

VTUSA intends to directly purchase the bulk track materials for the rail infrastructure component of the project. Among other materials, VTUSA successfully delivered the rail, ballast, ties, tie hardware, and switches to the contractor for the Phase I project.

G. Budget and Schedule

VTUSA has established a total project construction cost of \$3,357 million for both Phases I and II (excluding finance and pre-opening costs and land contribution). The total project construction costs are summarized below:

<i>\$ in millions</i>	Phase I	Phase II	Total Project
Rail Infrastructure	\$555	\$1,879	\$2,434
Buildings and Stations	\$257	\$83	\$340
Rolling Stock	\$259	\$151	\$410
Contingency	\$0	\$173	\$173
Total	\$1,071	\$2,286	\$3,357

As of December 31, 2018, \$217 million of Phase II costs have been expended.

VTUSA Phase II rail infrastructure construction budget was developed through actual competitive bidding results. Bulk rail material pricing took into consideration supplier quotations as well as the Phase I project pricing.

VTUSA has prepared an Estimator’s Methodology Memorandum (EMM), Miami to Orlando Financial Model, Construction Cost Detail, Phase II Budget Summary Workbook, Risk Register, Rolling Stock Contracts, Insurance Report, Final Draft fixed price/schedule Construction Agreements, Expedited Dispute Resolution Bond, and Global Specifications to substantiate the budget development. The EMM also defines the sources of cost data, estimating assumptions, approach to contingencies, and escalation used to estimate the Phase II budget.

VTUSA prefers to utilize a single Master Program Schedule for the overall Phase II program to encourage ownership, buy-in of all parties, consistency in the critical project scheduling effort, and ability to clearly identify a program-level critical path. The Master Program Schedule is informed by the detailed critical path baseline schedules of each of the contractors. These baseline schedules form part of the contract for each bid package. The general contractor for each package will have sole responsibility for the schedule development and maintenance, subject to VTUSA’s oversight and approval. VTUSA management has determined that there is efficiency in self-maintenance of the Master Schedule, with coding setup and assistance from outside scheduling experts. The maintenance is to be provided by VTUSA’s Project Controls staff.

Final Budget and Master Schedule developments are essentially complete, with start pending financial close.

H. Identified Risks and Assessment

VTUSA maintains a Risk Register for the project that captures specific risks and opportunities, with estimated probabilities and cost/schedule impacts. In total, VTUSA has identified \$138.49 million in risks, which represent the allocated component of project contingency included in the budget. Unallocated risk (from project unknowns) of \$34.51 million is calculated as percentages of each project component and forms the remainder of the project contingency. The total project contingency is thus reported as \$173 million.

Through the current review, Urban has evaluated potential risks that are summarized below and discussed in more detail in section IV of the report.

Management and Organization

- VTUSA is ultimately responsible for managing a wide variety of stakeholders, contractors, and suppliers and as such has created a logical and complete organizational structure necessary to manage the Phase II construction project. VTUSA has outlined but not yet established written organization and project management plans or definition as to roles, responsibilities, processes, and procedures that a public owner may have. While this risk is mitigated by the experience of the project management team members, consideration should be given to further developing a more formalized Policy & Procedural Plan (“PPP”) to more clearly and effectively guide VTUSA’s management of the project. VTUSA management has indicated that they expect to develop such a plan as they move forward with the project. Urban concludes that with a formalized PPP, VTUSA has the requisite organizational structure and expertise in place to effectively manage the Phase II project.

Site conditions

- Since the East/West alignment between Cocoa and Orlando will represent new construction within an existing transportation corridor using different construction approaches, there are inherent geotechnical and environmental risks. There is also the requirement to coordinate with additional stakeholders than experienced in Phase 1, including FDOT, CFX, and GOAA. The geotechnical risk has been mitigated though VTUSA’s comprehensive ground investigation study, which provided evaluation of underground

conditions at 200-foot intervals along the ROW and at all bridge locations. VTUSA has also accounted for the ground and environmental risks through a fair agreement to share the risks of over-excavation (of poor material) and pile depths with the contractors through a unit price scheme. This alleviates the need for the contractor to consider the worst case in their own risk assessment. Moreover, VTUSA has covered the impact of increased excavation and deeper piles and other geotechnical risks for each work zone within its Risk Register, incorporated in the Contingency provision.

Engineering

VTUSA has advanced design and engineering to Release-for-Construction (RFC) documentation, which reduces the risk of budget and schedule variances. Relative to grade crossings along the remaining North/South alignment, VTUSA has prepared plans enabling grade crossing construction entirely within the ROW. While this is an effective risk mitigation for the larger picture, it could result in more complicated construction processes. Discussions are underway with several of the Treasure Coast counties that would trade grade crossing improvements for project support. An agreement has been made with Martin County.

Permits and approvals

- Crossing improvement design has been confirmed as acceptable by the FRA, and FDOT has affirmed that the crossing designs meet state requirements. Therefore, this is not a risk.
- The continued legal actions filed against the US DOT and FRA by Indian River County along the planned VTUSA alignment could potentially require additional money and time. VTUSA has reached a settlement agreement with Martin County and the CARE (Citizens Against Rail Expansion) group, leaving Indian River County as the sole remaining organized opponent litigating against the project. VTUSA continues to pursue discussions that would achieve rapprochement with Indian River County, and does not anticipate that they will delay the project.

Right-of-Way

- VTUSA has obtained all the necessary right of way access along the east-west corridor from Orlando to Cocoa. This consists of Agreements with the three major landowners in this corridor: a long-term easement with the Greater Orlando Aviation Authority (GOAA); purchase of an easement from the Central Florida Expressway Authority (CFX); and a long-term lease from the Florida Department of Transportation (FDOT). This has been supplemented by a series of smaller parcels that have been purchased, and in total comprise all the requirements for VTUSA to run its service through this corridor. As a result, there is no risk for VTUSA to construct the improvements along the entire corridor

Procurement strategy (materials, construction, rolling stock, rolling stock maintenance)

- By utilizing a select competitive bidding strategy, VTUSA is achieving competitive tension in the marketplace while limiting competition to high quality firms with demonstrated experience in the bid package scope of work. For example, the HSR joint venture was the successful bidder for the Zone 4 contract that includes the modifications to the FECR alignment. HSR consists of Herzog, Stacy & Witbeck, and Railworks, who have collectively and individually worked on over 100 rail projects in active corridors over the last 10 years. By bidding this contract, VTUSA got a competitive price and also a contractor with strong rail experience. This creates greater confidence, predictability, and safety in the project outcome. The higher confidence by FECR results in less interference and better schedule performance. This value is enhanced on account of the ability to take full benefit of lessons learned from the Phase I work. Likewise, for the Vehicle Maintenance Facility bidding, VTUSA selected three bidders with strong Central Florida industrial building construction experience. After a competitive bidding process guaranteeing VTUSA a competitive price, Wharton Smith Inc. (WS) was selected. WS is a specialist in building construction, providing confidence that the work will be carried out by experienced, local hands.

- A limited amount of special trackwork components (switch points and moveable frog points on two No. 32.7 turnouts and guardrails on FECR standard No. 24 turnouts) have not in the past been available domestically and therefore creating exposure on availability due to Buy America requirements. However, extensive discussions with the special track supplier Voestalpine Nortrak have resulted in a modified design that is 100% Buy America compliant, removing any exposure to non-compliance.
- Heavy use of prefabricated pre-stressed bridge components and signal system components may put a burden on fabricators and suppliers. This poses schedule risk as lead times may be longer than anticipated. This is mitigated by the incorporation of multiple prefabricated systems in the bridge design, including precast deck FIB's (Post tensioned girders) of various depths and sizes, steel plate girders, precast concrete box girders, and precast deck slabs. These are manufactured by a variety of suppliers, reducing dependence on any one.

Costs/Budgets

- VTUSA has developed a detailed capital budget for the various components of the Phase II project. These budgets were developed with lump sum competitive bid pricing inputs from the primary contractors, protected by liquidated damages clauses. Nevertheless, there are certain owner risks that remain, including but not limited to overruns in measurable quantities, unanticipated material cost escalation, owner interference with the contractor's work, variance in price from certain allowances, change in law including new tariffs, and force majeure events. While these items have been estimated and incorporated in the risk register and contingency for the project, unanticipated large variances in projections could cause costs to be higher than expected or schedule to be extended.

Schedule

- VTUSA has completed the baseline schedule development that integrated the diverse components of the project into a management tool to plan, monitor, and control the project. They have elected to manage the project to the schedule's early start dates in order to obtain optimum performances in construction. Being realistic about the nature of construction, VTUSA has identified the possibility of delays and has reserved costs to carry the project overhead for an extended period of four months. Nevertheless, their focus is on achieving completion and beginning revenue operations as planned. Urban believes that this is a sound approach.
- Relative to the plan for relocating fiber along the FECR alignment, the work was performed HyPower, Inc. There is a risk that the new fiber must be placed in service before removing the existing fiber. Though this risk is mitigated by the Phase 1 experience where Hypower was also the relocation contractor, and by an early works program for fiber relocation completed by Hypower in a certain critical area (milepost 190-214) where existing service directly conflicts with Phase II construction, failure to execute this work in ahead of the advancing rail infrastructure work could delay construction.

Liquidity and certainty of completion

- As demonstrated in Phase I, VTUSA and their parent sponsor has the ability to fund selected elements of the project as necessary during the course of construction. While this resolves some degree of liquidity concerns, it is not their chosen method of financing. Having 100% Performance and Payment bonds backing the prime contractors for Phase II provides another level of assurance to address potential areas of non-performance or default. Further, the nature of surety arrangements provides additional assurance that the project, as envisioned, will ultimately be completed. Lastly, the inclusion of retainage provisions in all contracts, as well as VTUSA's contingency provision provides added financial security to address issues of non-compliance or default.
- VTUSA will require the contractors to provide 100% Performance and Payment Bonds. Nevertheless, if issues develop that jeopardize the progression or delivery of work (construction or vehicle delivery), the

project could be impacted in both cost and schedule while negotiating remedial actions by the surety. Countering this concern, VTUSA has analyzed termination scenarios at various points of the project that result in adequate protection from retention, contingency, and a liquid component of the performance bond.

I. Overall Finding

Phase II of the project is primarily Infrastructure construction which has similar characteristics to the portion of the project that has been successfully completed (Phase I). VTUSA has recognized that Phase II is a large and complex project, covering a wide geographic area and, as such, has expanded management to service four work zones, while managing multiple primary contractors. The plan to use primary contractors who are well regarded and experienced in their respective fields and have successfully delivered large capital projects for a variety of owners, particularly in the rail industry, and to mobilize its own highly experienced project management team, provides VTUSA a high degree of confidence in being able to complete the project within budget and on schedule. In addition to having a robust internal organization made up of 39 senior-level, experienced staff, VTUSA will supplement their expertise through the use of HNTB, who is a recognized rail engineering and project management consultant. Finally, VTUSA has engaged CAA-Icon, a project management firm with which Fortress has had long success, to provide audit, control, and reporting functions that provides an additional level of oversight.

Through the use of an active Risk Register, VTUSA has identified many of the uncertainties associated with the project. In this regard, VTUSA has also included in their total project budget a contingency provision of \$173 million to cover risks or uncertainties that may develop during the progression of the construction and rolling stock deliveries. While no Risk Register should ever be considered complete or all-encompassing, Urban has objectively evaluated this document and the project and concludes that most risks have been considered.

As a private entity, VTUSA can utilize highly responsive management techniques to control project budget and schedule. As an example, VTUSA can set high expectations of performance by all participants, and to quickly replace underperformers. Due to the multiple prime contractor delivery, contractor underperformance can be pinpointed to the source and effectively mitigated without contaminating the overall project. VTUSA has established a single point of responsibility for streamlined oversight and management efficiency. VTUSA also can negotiate change orders in an expedited manner to maintain schedule efficiency, utilizing the contingency provisions included in the overall project budget. Unlike many public agencies, VTUSA can influence timely and proactive management strategies and decisions, consistent with the overall projections for cost and schedule.

Urban believes that VTUSA has developed a reasonable and realistic work plan and organization to effectively manage this large and complex project within current budget and schedule projections. That being said VTUSA will need to provide consistent and focused oversight management of the contractors that are being relied upon to deliver most of the project. Urban finds that the project is consistent with industry standards and sees no reason that VTUSA should not be considered favorably.

II. Project Overview

Background

Virgin Trains USA (“VTUSA”) is currently developing a 235-mile intercity passenger railroad system that will connect Orlando and Miami, Florida, with intermediate stops in FLL and WPB. VTUSA is being advanced as a private initiative and will fulfill several public policy objectives by reducing the State of Florida’s dependence on fossil fuels, relieving transportation congestion in the region, providing multi-modal transportation opportunities and improving air quality. The system is being developed in two phases. Phase I includes the 67-mile WPB to Miami segment within the existing rail right-of-way along the Florida East Coast Railway (FECR) corridor, with stations in downtown WPB, FLL, and Miami. Phase II, the primary subject of this report, includes the infrastructure extension from WPB to Orlando. Phase II consists of 129 miles of improvements similar to Phase I between WPB and Cocoa, and 39-miles of greenfield alignment from Cocoa to Orlando.

VTUSA is being built with three speed thresholds that will result in a trip time of approximately one hour from WPB to Miami, and approximately three hours fifteen minutes from Orlando to Miami (including stops in WPB and FLL):

- Maximum 79 mph from WPB to Miami (FRA Class 4 track)
- Maximum 110 mph from WPB to Cocoa (FRA Class 6 track)
- Maximum 125 mph from Cocoa to Orlando International Airport (FRA Class 7 track)

Project Description

Phase I: This part of the system, now in revenue service, represents the major reconstruction of the 67-mile WPB to Miami within the existing rail right-of-way of the FECR corridor. Stations are located in downtown WPB, FLL, and Miami. Initial service between WPB and FLL commenced on January 13, 2018 and service into Miami station commenced in May 2018. The Phase I scope of work included the rehabilitation of existing class IV mainline track and the construction of a second mainline track to FRA Class V standards, allowing 60 mph for freight and 79 mph for passenger service. This section of track will be maintained to Class IV Standards. The current service is establishing the trendsetting VTUSA brand for comfortable, convenient, high quality transportation that will be replicated in Phase II.

The components of Phase I included:

1) Infrastructure

- Rehabilitation of existing track and construction of new track, including interlockings;
- Rehabilitation and/or construction of 11 bridges, including the rehabilitation of 1 moveable bridge and a new viaduct;
- Rehabilitation of 164 existing grade crossings, and the closure of 4 grade crossings, and implementation of quiet zone elements;
- Upgrades to the existing signal/communication system including the implementation of an Automatic Train Control (ATC) signal/communication system and providing the basis for the implementation of the federally-mandated Positive Train Control (PTC) overlay system is in the process of installation and will be completed in accordance with Federal Railroad Administration requirements. Improvements to grade crossing design and safety: the grade crossing design concepts for Phase 1 were developed through a Field Diagnostics review performed in 2014 by members of VTUSA, FEC, the Florida Department of Transportation, the Federal Railroad Administration, and local municipalities along the corridor. The concepts resulting from the field reviews at each crossing were then advanced into final designs in accordance with the applicable standards of AREMA, FDOT, and the Manual of Uniform Traffic Control Devices (MUTCD).

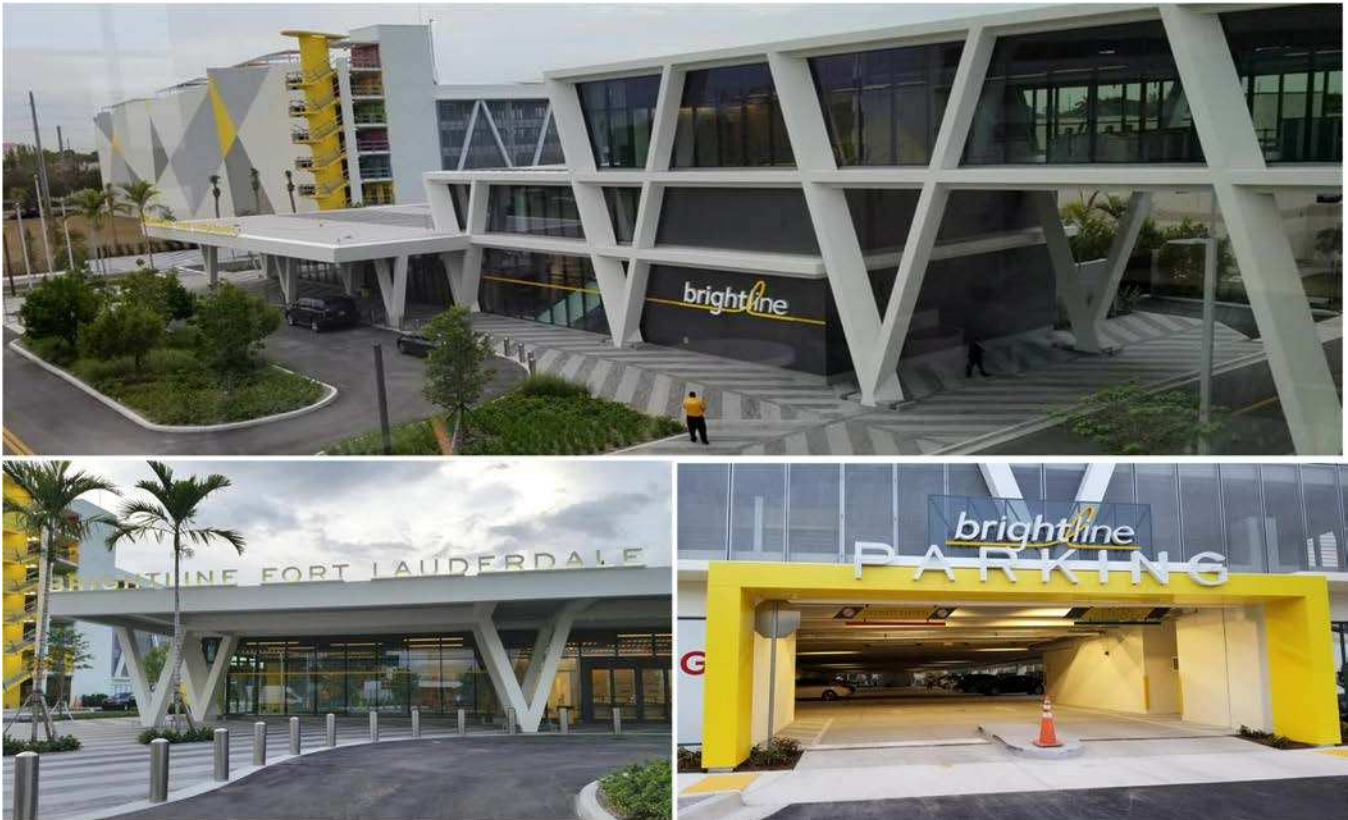
- Quiet zones. The entirety of the Phase I segment from WPB to Miami is also being equipped with Quiet Zone supplemental safety measures (SSM's) that are currently being installed. As part of its launch effort, VTUSA has undertaken an extensive public outreach campaign that has been supplemented with electronic warning signs at certain crossings as well as the deployment of safety ambassadors during initial start-up.

2) Stations/Facilities

The Phase I facilities consist of a vehicle maintenance and storage shop/yard, and three new passenger stations. The Running Repair Facility (RRF, also named Workshop B) is currently in operations just north of West Palm Beach. Newly constructed stations at WPB, FLL and MiamiCentral are in operation and carrying revenue passengers. MiamiCentral functions as a multi-modal transit hub that connects several existing services including Metrorail, Metromover, and ultimately, Tri-rail.

The RRF is a maintenance and service facility covering 12 acres with an approximate 42,000 square foot train maintenance shed that allows for servicing and maintenance of two trainsets, simultaneously. The site also has facilities for offices, training, parts storage, repair shops, and fuel storage. The facility is complete and currently supporting ongoing vehicle maintenance, operations, and training.

The WPB and FLL Stations are each approximately 60,000 square feet, two story facilities, offering a center track platform to support operations at the surface rail lines. Both stations are in operation.



Fort Lauderdale Station and Parking Garage



West Palm Beach Station and Passenger Lounge

The Miami station terminal, known as MiamiCentral, is the southern terminus of the VTUSA route located in downtown Miami. Platforms and tracks are elevated to the third-story of the structure with retail and station support space on the first two stories. The northern portion of the station (500 foot platforms) is complete and open to the public. The southern half of the station and platforms (also 500 feet in length) is not needed for the WPB to Miami service, but is nevertheless expected to be completed in 2019, well before they are needed for the Phase II project. Mixed-use real estate development in Miami includes three overbuild, high-rise buildings designated for commercial and residential use and are not part of the VTUSA Phase II development.



Aerial of Miami Central Station



Miami Station Lobby Entrance



Miami Station Passenger Lounge

3) Rolling Stock

VTUSA purchased rolling stock (locomotives and passenger railcars) from Siemens Industries, Inc. The rolling stock was manufactured at Siemen’s plant facility in Sacramento, CA. The rolling stock is comprised of a total of five train sets, each consisting of two Siemens SC-44 Charger diesel-electric passenger locomotives (one at each end of the train) and four passenger cars for each train set. All five trainsets have been delivered to the RRF in WPB, where they were tested and commissioned. They are currently in use for the WPB-MIA service.



VTUSA Trains at the Fort Lauderdale Station



Select (Premium) Class Coach Interior



Smart (Standard) Class Coach Interior

Phase II – This part of the system, currently mobilizing for construction, will extend service 168 miles between WPB and Orlando. Construction is expected to commence in July 2019.

Infrastructure

For project management purposes, the Phase II rail infrastructure construction has four component parts (also referred to as zones):

- i. Zone 1 is building related work. It includes construction of a new Vehicle Maintenance Facility and supporting rail yard on Greater Orlando Airport Authority (GOAA) property. Zone 1 also includes the interior finish and fit out of the recently completed GOAA Intermodal Transfer Facility (ITF), which will serve as the Orlando station. At this location, patrons will be able to conveniently transfer to/from flights at Orlando International Airport via an already in-service people mover or to Central Florida destinations via roadway systems. In the future, patrons will also be able to connect to local rail transit systems, which have been planned for in the ITF facility.
- ii. Zone 2 is a south-north infrastructure alignment of 3.5 miles of double track through the urban core of Orlando International Airport.
- iii. Zone 3 is an east-west infrastructure corridor of 35 miles of rail construction from Orlando International Airport to Cocoa. This is an entirely new rail alignment requiring grade-separated facilities that will support operations at speeds of 125 MPH.
- iv. Zone 4 represents improvements to 129 miles of the existing rail right-of-way along Florida’s east coast (FECR corridor) from Cocoa to West Palm Beach. This zone is very similar in character to the Phase I construction program.

As previously described in this document, there are a total of 10 bid packages that will be executed to complete the work in these four zones. Eight of these ten have already been bid and awarded. A project Location Map showing the 235-mile corridor is shown in Figure 1 below. The Map includes both Phase I (67 miles) and Phase II (168 miles).



Rolling Stock

The Phase II project will include expanding the existing rolling stock fleet from five 4-car trainsets to eight 5-car trainsets. VTUSA will also be purchasing an additional SC-44 Charger locomotive for operational redundancy. The rolling stock has been purchased from Siemens Industry, Inc. and will be manufactured at Siemen's plant facility in Sacramento, CA.

Project Development

Planning

Planning for Phase II commenced in 2013. Completed or nearly completed activities include route planning; land acquisition; environmental studies; permitting and legal entitlement for the project; engineering design for civil, rail and signal systems; value engineering; and stakeholder approval (including the Greater Orlando Aviation Authority, the Central Florida Expressway Authority, the Florida Department of Transportation, Florida East Coast Railway, the St. Johns River Water Management District, the South Florida Water Management District, and the Orange County Environmental Protection Department. The remaining required approvals are the US Coast Guard Section 9 Permit for impacts to marine navigation and the St. Johns River Water Management District permits for four bridges in Brevard County; South Florida Water Management District permit for the Loxahatchee movable bridge, and minor modifications to several already issued permits. Approvals are not expected to delay the Phase II project.

Engineering (infrastructure, stations, rolling stock)

Engineering for the Phase II project has progressed to an advanced state, such that the construction effort was accurately priced and regulatory and stakeholder final reviews are complete. Comments from these reviews have been received and addressed through plan modification. Final, Released for Construction (RFC) documents have been prepared and issued and conformed documents are being prepared and will be issued in the near future. Meanwhile, limited construction has begun with the relocation of protected species; purchase of long lead materials; and utility locate and relocation.

Engineering design has been managed by VTUSA. The overall task was divided into numerous design packages, as follows:

- Track, civil, and crossings design for the 65.23 mile section (existing FECR corridor) from WPB to the St Lucie/Indian River County Line, by AECOM.
- Track, civil, and crossings design for the 63.44 mile section (existing FECR corridor) from the St Lucie/Indian River County Line to the Cocoa curve, by Transystems.
- Bridge design for the 18 fixed bridges in the above two segments (existing FECR corridor), by Bergmann & Associates.
- Bridge design for the two movable bridges in the above two segments (FECR corridor), by Transystems.
- Track, civil, crossings, and bridge design for the 39-mile section (green-field alignment) from the Cocoa Curve to Orlando International Airport, by HNTB.
- Design Criteria Report for the VMF site and buildings, by TY Lin International.
- Signal system engineering for the entire corridor, including Positive Train Control (PTC), by Alstom.
- Preliminary design, Orlando Station tenant improvements, concepts and theme: Rockwell Group. Preliminary architectural design: Borrelli & Associates.
- Rolling stock. Interior and exterior architecture: Rockwell Group. Engineering Design: Siemens Industries, Inc.

These firms are all highly experienced, leaders in the rail industry. As noted above, their work is nearly complete. However, they have each been contracted to provide post design services to respond to contractor queries and develop solutions for field problems that arise during construction.

Civil/Drainage/Geotechnical

Work in this category will include:

- Gopher tortoise relocation
- Clearing and grubbing
- Fiber trench excavation
- In the Zone 4 (FECR) alignment:
 - 641,000 CY of excavation
 - 276,000 CY of embankment
 - 293,000 LF of track shift
 - 207,000 tons of sub ballast
 - 1.7M SY of grading
 - 88,000 SF temporary sheet pile wall
 - 34,000 SF retaining wall (“T” wall)
 - 17,000 SF soldier pile wall
 - 16 bridges totaling 42,000SF
- In the Zone 3 (EW) alignment:
 - 2,100,000 CY excavation
 - 4,400,000 CY of embankment
 - 718,000 SY of sub ballast
 - 955,000 SF of MSE wall
 - 39,000 LF of drainage culvert
 - 8,300 LF of new water/sewer pipe
 - 8,900 LF of old pipe removal
 - 18 bridges totaling 169,000 SF
 - 3 underpasses totaling 47,000 SF
- In the Zone 2 (GOAA) alignment:
 - 10 bridges totaling 85,000 SF
 - 1 underpass of 8,500 SF
 - 3 trenches totaling 78,000 SF
- In the VMF:
 - 138,000 SF industrial and office building and heavy maintenance drop table
 - 62 acres site development
 - Fuel Farm
 - Train Wash facility
 - Wheel Truing Facility

Extensive geotechnical work was performed to support the civil engineering design and construction. In the East/West corridor, borings were taken approximately every 200 feet. This was not necessary in the North/South corridor due to the existing railroad ROW compaction. In both the North/South and East/West corridor, borings were taken at pier locations for every bridge.

Track

Track work includes:

- 1,700,000 tons of ballast
- 1,900,000 LF of rail
- 440,000 concrete ties
- 45,000 timber ties
- 13,000 steel ties

- Associated track hardware
- 44 No. 10 switches
- 12 No. 20 switches
- 76 No. 24 switches
- 2 No. 32.7 switches

The above includes the North/South, East/West, and VMF related track work.

Bridges/Structures

In total, there are 50 bridges and structures on the Phase II project. This includes:

- 3 concrete trenches
 - 2,460 LF comprising 77,616 SF of trench area
- 4 underpasses
 - 1,167 LF comprising 55,813 SF of underpass area
- 43 bridges
 - 3 roadway bridges
 - 1 moveable bridge
 - 39 fixed railway bridges
 - 9,488 LF of bridge comprising 296,264 SF of bridge deck
- 1,207 concrete piles
 - 106,000 LF
- 22,000 LF of steel piles
- 44,000 LF of micro-piles

By comparison, the Phase I project included 12 bridges totaling 1,725 LF, and comprising 51,750 SF of deck area. One of these bridges was movable.

The bridges include a variety of designs, encompassing precast deck girder, precast box girder, steel girder, and concrete slab structures. The underpasses are typically combi-wall structures (steel pipe/sheet pile) walls. The concrete trenches are cast in place supported on micropiles under existing bridges. The movable bridge is at Jupiter. In general, the scope of the movable bridge work includes movable span machinery, superstructure replacement and rehabilitation of approach spans.

Grade Crossings/Quiet Zones

There are 155 grade crossings in the Phase II project. This includes:

- 33 total replacements
- 47 major rehabilitations
- 73 modest rehabilitations
- 2 minor rehabilitations

The grade crossing design concepts for Phase II were developed through a Field Diagnostics review performed in 2014 by members of VTUSA, FEC, the Florida Department of Transportation, the Federal Railroad Administration, and local municipalities along the corridor. The concepts resulting from the field reviews at each crossing were then advanced into final design in accordance with the applicable standards of AREMA, FDOT, and the Manual of Uniform Traffic Control Devices (“MUTCD”).

The segment of the corridor from WPB to Cocoa includes “Sealed Corridor” designs that will be implemented in sections of the project where there are grade crossings through which VTUSA will exceed speeds of 79 mph, up to a maximum of 110 mph. The signal control system at sealed corridor grade crossings includes a vital radio control

communication between the approaching train and the crossing. This system will alert the train of any issues in the crossing, allowing the train to slow down on its approach to prevent incidents. Crossings within the sealed corridor are also being equipped with a radar-based Vehicle Presence Detection system that will delay the descent of exit gates and allow vehicles to depart the crossing in advance of a train approach, as well as send a notification to the approaching train.

The FRA has approved all grade crossing layouts for Phase II. This includes two different layouts within Indian River, St. Lucie, and Martin Counties. Through these counties, where roadway permits may not be forthcoming, VTUSA has prepared crossing designs with roadway approach work that is contained entirely within the existing FEC right of way. These designs provide a roadway profile through the crossing that is equal to or better than the existing. Should these counties indicate they will provide roadway permits well in advance of construction, VTUSA has an alternate design available.

Signal Systems/Positive Train Control

The entire signal system for the North/South corridor is being updated for both Phase I (completed) and Phase II. The 67-mile Phase I corridor is operating as Automatic Train Control per agreement with the FRA. The ATC system was installed from south to north, and is now being overlaid with Positive Train Control working from south to north within the Federal mandate. When the Phase II signal system is installed, the Phase I will already be in PTC. Therefore, the Phase II system will be implemented as PTC from inception to ensure the continuity of the PTC territory.

In Phase I, Alstom was responsible for ATC cutover. As the wayside signal system installation was provided by the general contractor, a divided responsibility existed. In an important lesson learned from Phase I, the Phase II program requires the general contractor to perform ATC cutover, eliminating most of the divided responsibility and removing the PTC overlay from the critical path of the project until late in the program.

Maintenance Facility

The Phase I operation is utilizing a Running Repair Facility (RRF) in West Palm Beach, constructed within the Phase I project and now completed and operating.

Below is an aerial photograph of the RRF. It shows the maintenance shed, administrative facilities, and the five commissioned train sets.



In Phase II, a 138,000 SF vehicle maintenance facility (VMF) will be constructed on a 60-acre site under long term lease from the Greater Orlando Aviation Authority. This facility includes:

- 60,064 SF of maintenance area
- 5,089 SF wheel truing facility
- 5,104 SF of facility area
- 1,600 SF of dock area
- 9,537 SF of administrative offices area
- 4,483 SF of commissary
- 11,605 SF of parts storage area
- 16,619 SF truck shop
- 4,019 SF of locomotive shop
- 6,000 SF train wash facility
- 60,000 gal diesel fuel farm
- 32,300 feet (6.12 miles) of track for train storage and maintenance

Stations

The Phase I project includes the three completed stations noted in the project overview, at Miami, Fort Lauderdale, and West Palm Beach. All three stations are in use for revenue service.

The Orlando station is a 36,000 SF space within the newly completed Intermodal Transfer Facility (ITF) that is part of the new South Terminal complex at Orlando International Airport. The ITF includes space as developed specifically for VTUSA, including ticketing, baggage hold, Grab & Go food service, lounge areas, back office administrative space, dedicated IT space, and train boarding platforms. The ITF is a stunning architectural facility is anticipated to service multiple modes of at-grade transit. Portions of the ITF are currently in use by the airport. The photograph below shows the ITF taken from the public highway.



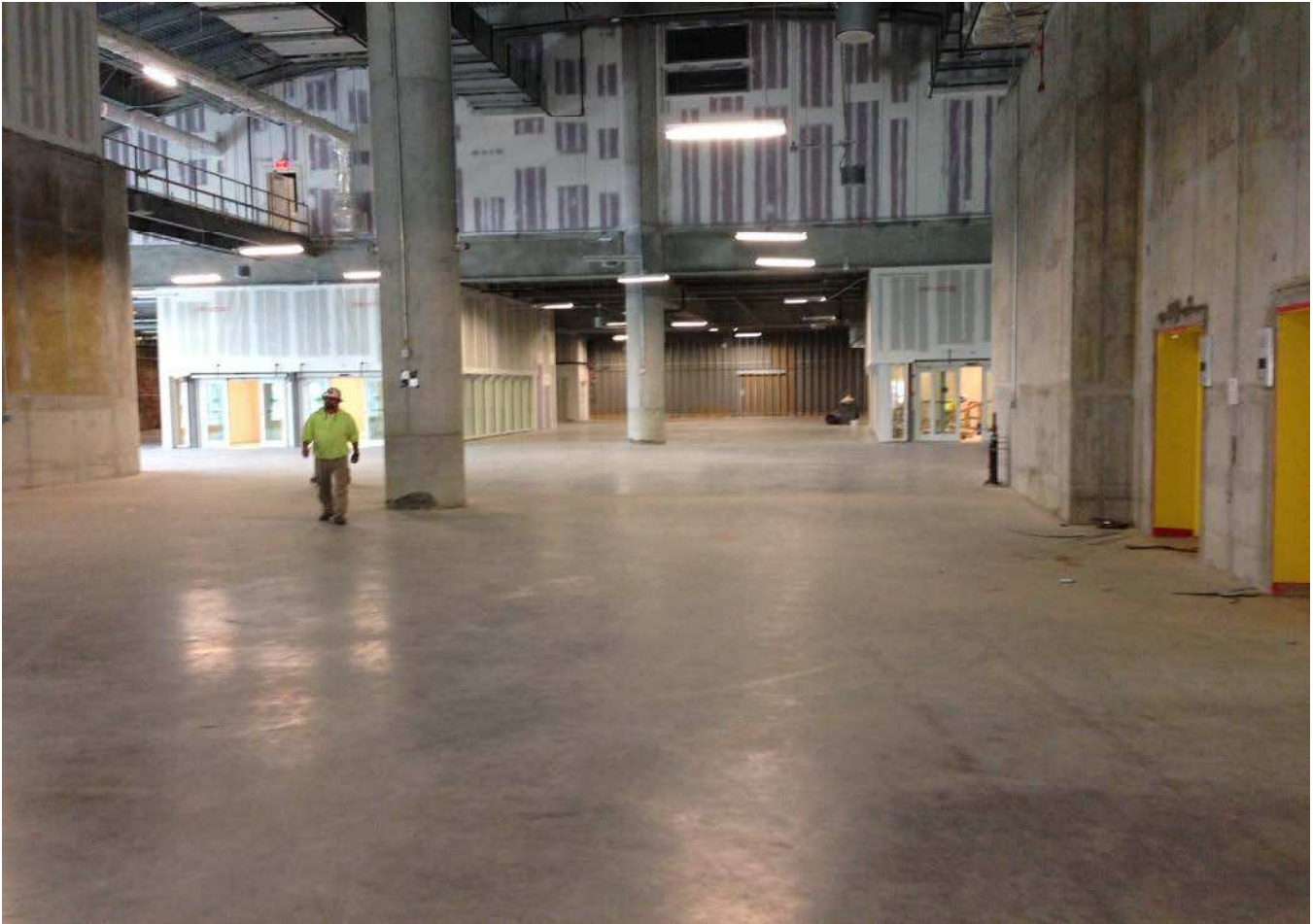
The Intermodal Transfer Facility Exterior



ITF Common Area

The ITF is a spacious and welcoming facility that connects travelers to the VTUSA system from other multiple modes of transportation. The photograph above shows the attention to detail and finishes in the common corridor of the facility.

The Phase II project will include the fit-out of this existing shelled space with mechanical and electrical distribution; interior demising walls; floor, ceiling, and wall finishes; lighting; ticket counters; and furniture, fixtures, and equipment. The photograph below shows the completed VTUSA shell ready for interior fit-out and finishes.



Newly constructed VTUSA area of the ITF ready for interior construction

Rolling Stock

The Phase I project included the purchase and delivery of ten Siemens SC-44 Charger diesel-electric passenger locomotives and 20 passenger coaches.

The Phase II project will include the addition of 7 of the SC-44 Charger locomotives and 20 passenger coaches. The Retail/Café Cars will be ordered at a later date and are not part of the current project budget. A picture of the interior of the retail/café car is provided below:



Interior of new VTUSA Retail/Café Car

III. Project Implementation Plan

Organizational Structure/Capacity

Description of Organization

Project Management

VTUSA will control the management of the Phase II project directly. The organization structure and plan for Phase II takes full account of lessons learned from the Phase I work through the retention of key managers, who will be supplemented by key industry hires with extensive experience in the successful delivery of major civil engineering projects. VTUSA will also utilize its existing relationship with HNTB to fill certain roles on the project management team.

The VTUSA project management team is charged with:

- Setting and continuously communicating the project strategy and goals to the various consultants and contractors, the existing operating freight railroad, the many regulatory, financial, and community stakeholders, and the public. The project management team leadership will consistently identify the common goal and insist on this priority over any competing objectives. VTUSA senior management will lead with integrity and a can-do, positive attitude.
- Assuring that the project is structured and operated so as to ensure the safety of the workforce, the existing rail operations, and the traveling public. Their goal is zero incidents.
- Delivering the project within the established budget, the project schedule, and in compliance with all of the requirements established within the project documents.
- Managing the wide variety of stakeholders in a manner that is considerate, respectful, and transparent. The project management team will find the path of compromise to enable achievement of this vital transportation asset while acting at all times with consideration for stakeholder concerns.

Accordingly, VTUSA envisions a 39-person project management team as depicted in the organizational chart attached as Exhibit 4. The Team is led by Michael Cegelis, Adrian Share, PE, and Scott Gammon, PE. They are working closely together to achieve the goals outlined above.

Michael is a 40-year construction industry veteran whose history of major projects includes the \$3.5B Tappan Zee Bridge replacement in New York, the \$1.9B San Francisco Oakland Bay Bridge self-anchored suspension span, the \$400M Woodrow Wilson Bridge in Washington, DC (the world's largest bascule bridge), and the \$1.3B Queensferry Crossing in Scotland. He also has long experience in the Florida construction industry. Michael brings a deep understanding of the success factors for the controlled delivery of large and multi-disciplined infrastructure projects with numerous stakeholders. He will have overall responsibility for the Phase II project.

Adrian is a 30+ year industry veteran whose project experience includes the management of Phase I of the rail infrastructure for the VTUSA project, where his involvement spanned conception through final delivery. He has worked with HNTB, AW, and Alstom and has established strong relationships with the existing freight railroad and key individuals at the FRA, and has a full understanding of the conditions and requirements under which the project will be delivered. Adrian has overseen the now substantially complete Phase II design and engineering work, and has stewarded the Phase I and II projects through the entitlements process. His industry experience also includes leadership roles on multi discipline projects in rail, highway and aviation projects including the advancement of four initiatives to bring High Speed Rail to Florida. Adrian will have responsibility for the design and engineering aspects of Phase II, and will bring his direct Phase I experience and lessons learned to the Phase II project.

Scott is a 25-year construction industry veteran with wide ranging heavy civil engineering project experience. He has bachelors and master's degrees in Civil Engineering. His project experience includes fixed, movable, and rail bridges; foundations; earthworks and embankments; retaining walls; marine works; and rail track works. Scott's railroad experience includes projects for the BNSF, Norfolk Southern, UPRR, Kansas City Southern, and Kansas

City Terminal Railway. He will have direct responsibility for the construction operations for the Phase II project, including day-to-day management of the contractor.

Director of Safety Wayne Blalock is a Phase I veteran with 25 years' experience on the FECR freight railroad corridor. He fully understands the requirements and operating rules of the FECR, OSHA, and the FRA. Wayne will review, edit and ultimately accept the Contractor's Safety Program (CSP). The CSP will address compliance with both OSHA and FRA requirements. Wayne and his team of two safety managers will assure that the CSP is followed.

Alex Velasquez and Enma Ortiz make up the financial management team for the project. They are former FECCI employees and fully familiar with the financial systems of the company and its PM Web software. Both are also veterans of the Phase 1 project, and familiar with the various vendors and contractors that will be part of the Phase 2 project.

Paul Vitucci, PE will have overall responsibility for Quality Management for the Phase 2 project. Paul has a bachelor's degree in Mechanical Engineering and an MBA, and over 40 years' experience in the construction industry as a quality management professional. He has extensive experience in the writing, reviewing, execution, and oversight of the quality function. Paul's project experience includes a wide variety of civil engineering, marine, specialty bridge, building, and military projects. He will have responsibility to review, critique, and edit the contractor's Quality Management Plan (QMP). The contractors will each provide Quality Control (QC), and the VTUSA PM Team will provide Quality Assurance (QA). The Quality Manager will at all times know the status of, and have access to, the documentation assuring that the project requirements have been met. In addition, a budget has been provided for over-testing so that randomly and upon any suspicion, the PM Team can confirm for itself the veracity of the contractor's QC program.

Rick Zimmerman, DBIA will have overall responsibility for Project Controls. Rick will have overall responsibility for vital functions including schedule, cost, and risk. The director of project controls is responsible for overall management of time and risk in the execution of the work. He will have the key role of monitoring schedule performance on the project. The director of project controls will at all times have independent ability to definitively establish status vs plan, and the impacts on completion dates, if any. He will be the point person for risk administration, and will manage a robust and ongoing program of identification and management of exposures. This will be tracked through the formal risk register (See preliminary version attached as Appendix G). As the contractors will be required to provide updated schedules for billing purposes, two schedulers covering the four work zones will independently verify progress. Using the robust scheduling software P6, VTUSA will assertively manage the contractor's schedule to identify (and resist as appropriate) logic changes, float suppression, and other claim supporting techniques. Rick has Bachelors and Master's Degrees in construction science, and 33 years of construction experience in the heavy civil markets including extensive rail and bridge projects.

Jerome Hall, EIT, is the Office Engineer in VTUSA's Orlando PM team HQ. Jerome assists with a wide variety of tasks that facilitate and improve the productivity of the office, including: spreadsheet development and management, document control, engineering layout and planning, fleet management, systems management, report writing, etc. He holds a Bachelor's degree in civil engineering.

Bryan Williams is the Zone 1 Project Manager, encompassing three construction contracts: The Vehicle Maintenance Facility Early Sitework, the design build VMF Building and site completion, and the Orlando Station Tenant Improvements. He has direct responsibility for managing the contractors for this zone, overseeing both OSHA and FRA safety programs; completing the work on time, within budget, and to all project requirements. Bryan will closely coordinate all construction activity with the Greater Orlando Aviation Authority (GOAA), the landlord for all work in this zone. He has a bachelor's degree in Engineering Technology and 33 years of building and tenant finish construction in the Central Florida market.

Don Jello is the Project Manager for Zone 2 (GOAA rail alignment), encompassing 3.5 miles of intricate rail corridor construction within the confines of the Orlando International Airport. He has direct responsibility for managing the contractor for this zone, overseeing both OSHA and FRA safety programs; completing the work on time, within budget, and to all project requirements. Don will closely coordinate all construction activity with GOAA, the landlord for all work in this zone. He has over 30 years of heavy civil construction experience including heavy civil projects encompassing bridges, dry and wet utilities, earthmoving and wall construction, airport facilities, and military construction – all components of the Phase 2 project.

Andy Murray, PE, is the Project Manager for Zone 3 (EW Rail Alignment), encompassing 35 miles of greenfield rail corridor construction through VTUSA easements from GOAA, the Central Florida Expressway Authority (CFX), and the Florida Department of Transportation (FDOT). He has direct responsibility for managing the contractor for this zone, overseeing both OSHA and FRA safety programs; completing the work on time, within budget, and to all project requirements. Andy will closely coordinate all construction activity with GOAA, CFX, and FDOT. He has over 40 years of construction experience including extensive works at Orlando International and numerous other airports, DOT's and private clients.

John Blaine is the Zone 4 (North South FECR Rail Corridor) Project Manager. He has direct responsibility for managing the general contractor for this zone, overseeing the roadway worker protection program; and integrating and coordinating the signal, grade crossing, 3rd party and railroad fiber, bridge, and other construction activities with the critical ongoing freight rail operation. He will assure that the Zone 4 work is completed on time and within budget; that all project requirements are met; and that the safety of the construction workforce, railway personnel, and the general public is never compromised. John has extensive railway construction experience. He and his field team are all veterans of the Phase 1 project, and will bring first hand lessons learned to the Phase 2 project. John's team has a deep understanding of the character of the work, the interface procedures and rules of FECR, the methods and procedures of accessing and undertaking the work, and the physical characteristics of the project alignment.

John's support team in Zone 4 includes Charles Stone (FECR AVP rail engineering), Cory Cutlip (FECR Bridge Engineering), Carl Ross (FECR logistics coordinator), Natasha Richardson (FECR signals coordinator), Richard Johnson (FECR track inspector), Sheldon Showalter (project engineer), Derick Rodriguez (track inspector), Jeff Arnold (structures inspector), and Michael Johnson (signals inspector). This entire 10-person team worked together in the successful delivery of the Phase 1 project, on work very similar in character to Phase 2. Thus, all lessons learned and experience from the Phase 1 project is brought forward to the Phase 2 effort.

Matt Cegelis is responsible for logistics and procurement of the Owner Supplied Material program. He manages the agreements with the various rail material vendors, and coordinates the shipping methods, destinations, and delivery time with the construction schedules within all four work zones. Matt had this identical role on the Phase 1 project, and brings the knowledge of the vendors, the rail/truck modes of shipping of materials, the incoterms, the policies and procedures of the freight rail companies, and the physical characteristics of the FECR rail corridor. Matt has a Bachelor of Science degree in Industrial Engineering.

Josh Bair, PE; Scott Dean, PE, Jim Egnot, PE, and David McGee are project wide experts in the fields of track, structures, signal systems engineering, and signal systems installation, respectively. They are each responsible for coordinating and resolving issues between design and the construction across all four work zones in their specialty fields, as a resource to the Zone PM's and teams. They are all veterans of the Phase 1 project and are intimately familiar with the FECR infrastructure. They have had management roles for the design of the project, and have deep understanding of the design objectives, constraints, and requirements.

Note that the zone teams will have the responsibility to manage the contractor with hands on resources in the field. These teams, consisting of 15 VTUSA personnel assisted by 5 FECR people, were set up to correspond with the contractor's work zones. PM Team personnel will be located at the point of the work to observe the level and quality of effort, solve problems, manage interfaces with the operating freight railroad, manage changes, and report progress and issues.

The project organization was internally developed by the PM Team leadership and benefitted from the input of key individuals within VTUSA, including the CEO, the Chief Financial Officer, and the project team itself.

Delivery will be driven by four project zone teams as seen in the organizational chart, representing geographic areas of construction and reporting to the senior vice president of construction. These teams will:

- Closely manage status against plan, removing roadblocks to progress. The zone teams will assist schedulers with accurate updating of progress.
- Perform quality assurance, including that the contractor submits, maintains, and executes the work in accordance with its Quality Management Program. The zone teams assure that the work conforms with all requirements.
- Administer and manage change to the contract as required, using skill and experience to minimize its impact.

Note that the zone teams will have the responsibility to manage the contractor with hands on resources in the field. These teams were set up to correspond with the contract work zones and bid packages. PM Team personnel will be located at the point of the work to observe the level and quality of effort, solve problems, manage interfaces with the operating freight railroad, manage change, and report progress and issues.

The project zone teams will be reinforced by the Technical Support and the Consultant Teams (depicted on the chart left of the zone teams). The Technical Support Team includes full time experts in the specialty areas of track, structures, signals, and utilities. All of these individuals are veterans of the Phase I project. They have established working relationships with each other, the existing freight railroad and infrastructure, the design, and the various grade crossing and utility conditions. The Consultant Team are the designers of the project, with whom arrangements have been made for post design services as needed. Together, the Technical Support and Consultant Teams are intended as a point of interface between the design and the execution. They will quickly and competently manage issues and solve technical problems, allowing the work to progress efficiently.

Finally, the PM Team will include strong managers in the areas of safety, finance, project controls, quality control, financial control, and contract administration/procurement, as seen on the right-hand side of the chart. These teams support the zone teams with specialist knowledge.

The total management effort encompasses 1,678-man months, and the cost of this effort represents approximately 3% of the total project cost. VTUSA is well prepared to efficiently and successfully manage this project.

The Consultant Team are the designers of the project, with whom arrangements have been made for post design services as needed. Together, the Technical Support and Consultant Teams are intended as a point of interface between the design and the execution. They review all drawings and specifications for the work. Since September of 2017 this team has met regularly to review and modify the specifications for the Phase II project, considering lessons learned. As Phase II moves forward, they will quickly and competently manage issues and solve technical problems, allowing the work to progress efficiently.

The VTUSA rail operations team is responsible for the overall management of the VTUSA service. They provide both oversight and support to the PM Team described above.

VTUSA is functioning as a private entity and utilizes practices that it has found to be effective. There is not a reliance on producing comprehensive and exhaustive policy and practices narratives for the project. However, VTUSA does memorialize their management approach and guidance in a variety of standalone documents. They have shared with Urban the Estimator’s Methodology Memorandum, Global Specifications, and Construction Agreements, all of which contain the salient directives on how the project will be managed and controlled. Phase I of the project was managed in a similar manner and elements of it have already been placed in operation, so there is proven success in VTUSA’s approach. Although not every possibility or circumstance is covered in the

documents reviewed, VTUSA has the unique owner-contractor relationship in the private sector that gives them the flexibility to address issues to their satisfaction. The professional staff employed is empowered to utilize their prior successful experience in managing and implementing programs based upon their best judgement and industry practices in similar undertakings.

Environmental Review/NEPA Process/ROD

The FRA issued a Record of Decision (ROD) for Phase II of the Project on December 15, 2017. The ROD documents the U.S. Department of Transportation (DOT) Federal Railroad Administration's (FRA) decision with regard to the VTUSA System Intercity Passenger Rail Project between West Palm Beach and Orlando, Florida. The FRA considered the information and analysis included in the Draft and Final Environmental Impact Statements (DEIS and FEIS) for the Project, along with public and agency comments. The ROD documents VTUSA's compliance with the National Environmental Policy Act of 1969 (NEPA).

The FRA is the lead federal agency responsible for conducting the NEPA environmental review process for the project. FRA manages financial assistance programs for rail capital investments and has certain safety oversight responsibilities with respect to railroad operations.

Approvals by several federal agencies, including the FRA, U.S. Army Corps of Engineers (USACE), U.S. Coast Guard (USCG), Federal Aviation Administration (FAA), Federal Highway Administration (FHWA), U.S. Fish and Wildlife Service (USFWS), and the National Marine Fisheries Service (NMFS) are necessary to implement the Project.

An Environmental Impact Statement (EIS) is a document required by NEPA that describes the environmental effects of a project to inform decision-makers and the public. NEPA is a federal environmental law that facilitates public disclosures and establishes policies for federal agencies to study a reasonable range of alternatives and assess environmental impacts of projects. An EIS must be prepared by a federal agency for any major federal action significantly affecting or with the potential to significantly affect the quality of the natural and built environment.

FRA and VTUSA conducted an environmental review of Phase I in 2012/2013, including preparing and issuing both an Environmental Assessment (EA) and a Finding of No Significant Impact (FONSI). FRA concluded that Phase I has independent utility (that is, it could be advanced and serve a transportation need even if Phase II were not constructed). Because of the environmental review process conducted for Phase I, VTUSA was authorized to construct Phase I of the Project.

The FRA has analyzed the cumulative effects of completing both phases of the Project from Orlando to Miami, although the impacts exclusively from Phase I have already been addressed. The FRA concluded that it was important to provide a comprehensive look at the environmental impacts of both phases in one environmental document.

The FRA, as the lead agency for the NEPA review process for the Project, issued a Finding of No Significant Impact (FONSI) for Phase I on January 30, 2013. Subsequently, on April 15, 2013, FRA published in the Federal Register a Notice of Intent to prepare an Environmental Impact Statement. The FRA issued the Draft EIS on September 19, 2014. FRA issued the Final EIS on August 4, 2015.

The U.S. Army Corps of Engineers reviewed the request for VTUSA to obtain a permit authorizing the filling of wetlands in association with Phase II of the VTUSA Passenger Rail Service Project. This permit required the concurrence of the US Fish & Wildlife Service (USFWS), the South Florida Water Management District, the St. Johns River Water Management District, the Advisory Council on Historic Preservation, and the State of Florida Historic Preservation Office. The USFWS issued its Biological Opinion October 1, 2015. This document outlines the anticipated environmental effects of the project, particularly on endangered and threatened species. The Service issued a revised Biological Opinion on October 9, 2015 to include additional species and clarification of project details. The Corps of Engineers issued its Section 404 Permit on April 5, 2018.

In 2015, FRA issued a Final Environmental Impact Statement (FEIS) outlining the potential impacts of Phase II of the Project. VTUSA suspended the RRIF process while they explored other funding sources and the FRA did not issue a ROD at that time. Because the FEIS was issued in 2015, FRA performed a re-examination to determine whether VTUSA’s proposed design modifications, or any changes or new circumstances would require FRA to issue a Supplemental EIS. FRA determined that the minor changes since the publication of the FEIS did not warrant a Supplemental EIS and has issued this ROD to complete the NEPA process.

A key document that is in place for Phase II because of the environmental review is a Programmatic Agreement that is executed among the following parties: FRA, Army Corps of Engineers, US Coast Guard, the State Historic Preservation Office, and the Advisory Council on Historic Preservation. This Agreement primarily addresses the treatment of historic bridges and requirements for archaeological monitoring throughout the corridor.

ROW Access

The proposed VTUSA north-south alignment falls within the Right-of-Way of FECR, which was a two-track corridor in the past. The new VTUSA construction will re-establish the two-track corridor with improvements. There is no need to secure additional ROW in the north-south alignment. FECR has granted VTUSA a perpetual passenger easement for the required ROW, and the two parties have also executed Joint Use Agreement and Construction Agreements that establish the rights and privileges to construct and operate the VTUSA services. The instances of grade crossings are handled by agreements with the respective parties but VTUSA has anticipated and prepared plans so that selected grade crossings can be fully constructed within the shared FECR Corridor.

VTUSA has obtained all the necessary right of way access along the East/West corridor from Orlando to Cocoa. This consists of Agreements with the three major landowners in this corridor; an easement from the Greater Orlando Aviation Authority (GOAA); purchase of an easement from the Central Florida Expressway Authority (CFX); and a lease from the Florida Department of Transportation (FDOT). This has been supplemented by a series of smaller parcels that have been purchased, and in total comprise all the requirements for VTUSA to run its service in this corridor.

Permitting

VTUSA has developed a plan to identify and comply with regulatory requirements applicable to the project including the permitting requirements related to the system. Various consultants have been retained to provide services needed to support the VTUSA team with that effort. John Wood Group PLC (Wood) has been engaged to lead that effort and coordinate the services being completed by those other consultants to obtain the permits.

The table below lists the activities within the North/South corridor and the East/West corridor for which VTUSA has obtained or is actively pursuing permits. This permit chart is current through February 28, 2019.

NEPA Documents	
Document	Status
FRA MIA – WPB ENVIRONMENTAL ASSESSMENT /FONSI	Complete Jan 2013
FRA MIA – WPB SUPPLEMENTAL EA/ WPB REPAIR FACILITY	Complete Jan 2015
FRA WPB – ORL FINAL ENVIRONMENTAL IMPACT STATEMENT	Complete Aug 2015
USACOE – WPB-Orlando Record of Decision	March 23,2018
FRA WPB-Orlando Record of Decision	December 15, 2017

Permit Approvals – Rail Infrastructure (none required for WPB Repair Facility)

Miami to West Palm Beach	Status
South Florida Water Management District – Environmental Resources Permit (Track)	Complete – Dec 2012
South Florida Water Management District – Environmental Resources Permit (Fiber Optic Cable)	Complete – Nov 2014
Miami-Dade County – Class I Coastal Resource Permit (Track)	Complete – Oct 2013
Broward County – Environmental Resource Individual Permit (Track)	Complete – Oct 2013
Broward County – Environmental Resource Individual Permit (Fiber Optic Cable – Water Crossings)	Complete – Dec 2014
USACE – Section 408 Concurrence (Bridges in EA: C-15, C-14, C-12, C-11, C-9, C-8, C-7, Tarpon)	Complete – Mar 2014
USACE – Nationwide Permit Application 404 (Bridges in EA: C-15, C-14, C-12, C-11, C-9, C-8, C-7, Tarpon)	Complete – Nov 2015
USACE – Subaqueous Permit (Fiber Optic Cable: All Bridges/Wetlands)	Complete – Dec 2014
South Florida Water Management District – ERP (Bridges – EIS) C-51; C-16; Hillsboro; Middle River North Fork; Middle River South Fork; Oleta River Br; Arch Creek Br	Complete – Nov 2014
USACE – Nationwide Permit Application 404 (Bridges – EIS) C-51; C-16; Hillsboro; Middle River North Fork; Middle River South Fork; Oleta River Br; Arch Creek Br	Complete – Nov 2015
Broward County – Hillsboro Br; Middle River North Fork; Middle River South Fork;	Complete – Oct 2013
Miami Dade County – Oleta River Br; Arch Creek Br	Complete – Oct 2013
US Coast Guard – USCG Permit – Hillsboro Bridge modified	Complete – Aug 2016
West Palm Beach to St. Lucie (Zone 4b)	Status
South Florida Water Management District – Exemption Letters for Upland Double Tracking	Complete - March 2017
South Florida Water Management District – ERP (Fiber Optic Cable: All Bridges/Track/Wetlands)	Complete - January 2015
South Florida Water Management District – ERP (Track Expansion/Bridges: Moores, Warner, Rio Waterway, 1 - Salerno, 2 - Salerno Tributaries to Manatee Creeks 1&2)	Complete - August 2016
South Florida Water Management District - ROW for Fiber Optic	Complete - October 2015
USACE – Sections 10 (alteration to navigable rivers), 404 (dredge and fill), and 106 (historic preservation) Permit.	Complete – April 2018
USACE – Subaqueous Permit (Fiber Optic Cable for all Bridges)	Complete – April 2018
South Florida Water Management District – St. Lucie River Movable Bridge. Exemption expected for St. Lucie based on rehab scope, elimination of walkway. PERMIT MAY BE REQUIRED PURSUANT TO NEGOTIATED AGREEMENT WITH MARTIN COUNTY.	The St. Lucie River Bridge Improvements have been deferred pursuant to a discussion with Martin County, City of Stuart, and FECR about a replacement rather than a rehabilitation. It is expected that no work will be undertaken on the St. Lucie Bridge in the Phase 2 project, therefore no permit is necessary.
South Florida Water Management District – Loxahatchee River Movable Bridge. Permit required for small craft nav span, walkway, girder replacement, and temporary trestle.	Permit application submitted December 20, 2018. Permit review complete; awaiting a subaqueous confirmation by the WMD (cannot be undertaken until growing season – April 2019) for the permit to be issued.
USCG Movable Bridges – No permit required. Need letter of authorization for temporary closure.	To be filed when details are known. ~ 2 week turnaround.

South Florida Water Management District –ROW permits to cross SFWMD infrastructure at Earman River (MP 291.86), unnamed tributary (MP 266.86), unnamed tributary (Mile Post 259.95), Moores Creek (Mile Post 241.22) and Taylor Creek (Mile Post 240.1)	Submitted August 31, 2018, review ongoing, permit subject to close-out of Hillsboro Bridge in Phase 1.
South Florida Water Management District, minor mods for temporary trestles at Taylor Creek, Moores Creek, RIO Waterway, Salerno Canal, Salerno Waterway, Manatee Tributary, Manatee Creek, and Earman River.	Issued September 10, 2018
St. Lucie to Cocoa (Zone 4a)	Status
Saint Johns River Water Management District – Exemption Letter – (Track: Upland Double Tracking)	Complete - October 2013
Saint Johns River Water Management District – ERP (Fiber Optic Cable: All Bridges/Track/Wetlands)	Complete – October 2015
Saint Johns River Water Management District – ERP (Track/Bridges: All Except 4 Historic Bridges)	Complete – June 2017
Saint Johns River Water Management District – ERP (Historic Bridges: Eau Gallie, Crane, Turkey, Sebastian), plus minor mods for temporary trestles for North, Main, South, Goat, and Horse.	Submitted to SJRWMD August 15, 2018. RAI response by VTUSA Nov 1, 2018. Expect permits by May 2019. This work has been deferred for budget purposes and this permit will not delay construction start.
USACE – Sections 10 (alteration to navigable rivers), 404 (dredge and fill), 408, and 106 (historic preservation) Permit. Track/Bridges: All Except Historic Bridges	Complete – April 2018
US Coast Guard – USCG Section 9 Bridge Permits (Historic Bridges: Eau Gallie, Crane, Turkey, Sebastian). Sebastian and Crane submitted 9/1/2018, Turkey and Eau Gallie submitted September 24, 2018. Bridge Advisory Group proceedings are complete and have been APPROVED by the USCG, clearing the way for Section 9 permit approvals.	Submitted September, 2018. Bridge Advisory Group proceedings approved by the USCG October 11, 2018. Final Section 9 permit pending SJRWMD issuance of the ERP. This work has been deferred for budget purposes and this permit will not delay construction start.
GOAA (Zone 2)	Status
South Florida Water Management District –ERP (Track/Bridges on OIA)	Complete – May 2016
USACE – Permit Modification 404/408 Permit (Track in OIA)	Complete – June 2016
USACE – GOAA Permit Modification for Terminal Portion of PE-01 (Track near existing terminals)	Complete – June 2016
Eagle Disturbance Permit (North Parking Area)	Permit issued October 24, 2018, monitoring required.
Federal Aviation Administration – Airport Layout Plan	Complete - September 2015
Jeff Fuqua Boulevard to SR-520 (CFX Section Zone 3a)	Status
Orange County Environmental Protection Division – Conservation Area Impact (CAI) Permit – SR 528 corridor	Approved – June 19, 2018, Issued July 17, 2018
Orange County Environmental Protection Division – Conservation Area Impact (CAI) Permit – Deseret Borrow Pit	Approved by Orange County Commission on October 30, permit issued.
South Florida Water Management District –ERP (Track/Bridges on OIA)	Complete – January 2017
South Florida Water Management District – ERP (Track/Bridges on CFX)	Complete – May 2017
St. Johns River Water Management District – ERP (Track / Bridges on CFX)	Complete – December 2017
USACE –404/408 Permit (Track in OIA)	Complete – May 2018
USACE – 404/408 Permit (Track on CFX)	Complete – April 2018
FAA Permits off GOAA Property	Deed of Release granted September 25, 2015. Minor modifications to the legal

	description are being requested but will not delay release of escrow or start of construction.
St. Johns River Water Management District – minor mods to ERP for bridge trestles at Econ River, Second Creek, Jim Creek, Taylor Creek, and St, Johns River.	Submittal November 30, 2018, 2018; approval expected imminently.
South Florida Water Management District – minor mods to ERP for bridge trestle at Carlsbad Swamp. 4-6 weeks	Submitted September 1, 2018; approval expected imminently..
SR-520 to Cocoa (FDOT Section Zone 3b)	Status
St. Johns River Water Management District – ERP (Track / Bridges)	Complete – December 2017
USACE – Sections 10 (alteration to navigable rivers), 404 (dredge and fill), and 106 (historic preservation) Permit.	Complete – April, 2018
USCG Section 9 Bridge Permit – St. Johns River Bridge	Complete – April 2018
FHWA – I-95 Air Rights agreement	FHWA Approved 12/29/2016
Vehicle Maintenance Facility	Status
Orange County – Air Quality Exemption	Complete – November 2015
South Florida Water Management District – ERP Modification	Complete – May 2017
USACE – 404/408 Permit (GOAA Modification)	Complete – April 2018
VTUSA Airport Layout Plan – Air Space Analysis –FAA	Complete – September 2015
GOAA Staging Area Airport Layout Plan-submitted to FAA	Complete – May 2018
Phase 2 all Zones	Status
US Department of Transportation Record of Decision	Complete December 2017
US Army Corps of Engineers Record of Decision	Complete – March 2018

As can be observed from the table above, nearly all critical permits necessary to start construction of the Phase II project have been secured. This includes the two Records of Decision, the USACE Section 404 permits, the USCG Section 9 permit for the St. Johns River Bridge, and most of the Water Management District Permits. The remaining permits include:

- USCG Section 9 permits for the Eau Gallie, Sebastian, Turkey Creek, and Crane Creek Bridges. These have been applied, and the public notice period is over. A key milestone in the USCG permitting process is the completion of the Bridge Advisory Group proceedings as mandated by the Programmatic Agreement. This process is now complete and was formally approved by the USCG on October 11, 2018. The USCG has completed its review and permit issuance is pending the SJRWMD ERP. Since the work on these bridges is not currently part of the Ph 2 project or budget, this permit is not needed for start of construction.
- St. Johns River Water Management District Environmental Resource Permits (ERP's) for Eau Gallie, Sebastian, Turkey Creek, and Crane Creek Bridges; and minor mods to existing ERP's for temporary works at Horse Creek, Goat Creek, and North, Main, and South Canal bridge sites. This application has been submitted and reviewed by the SJRWMD, and requests for additional information (RAI) have been issued by the District. Responses to the RAI's have been submitted, and VTUSA believes issuance of the permits is imminent. Since the work on these bridges is not currently part of the Ph 2 project or budget, this permit is not needed for start of construction.
- South Florida Water Management District ERP for Loxahatchee River (movable) Bridge. This permit is dictated by minor changes to river shadowing and temporary trestles. USCG Section 9 permit is NOT required. The application was submitted on December 20, 2018. The WMD review is complete, but requires an in-water inspection of sea grass that cannot take place until the growing season begins in April 2019. The permit is required by November 1, 2019. VTUSA does not believe the issuance of this permit will delay the work.
- South Florida Water Management District right of way permits to cross SFWMD infrastructure at Earman River (MP 291.86), unnamed tributary (MP 266.86), unnamed tributary (Mile Post 259.95), Moores Creek

(Mile Post 241.22) and Taylor Creek (Mile Post 240.1). This application was submitted August 31, 2018. Review is ongoing, permit issuance is subject to close-out of Hillsboro Bridge in Phase 1. This permit is not required until Q3 2019, when bridge work is scheduled to begin at these sites. VTUSA expects to have this permit in hand well in advance of the need.

- Orange County Conservation Area Impact (CAI) permit for the borrow pit. This permit approval is recommended by the Orange County Environmental Protection Division, and was approved by the County Commission at their October 30, 2018 meeting.
- Clearing of Gopher Tortoises is required by Florida State Law prior to construction start of any part of the project. The permits are issued following submission of an accredited survey locating each tortoise burrow on the construction site. The permit allows trapping or excavation of the tortoises, and relocation to a State certified recipient site. Construction must begin within 90 days of the survey, or a re-survey is required. Therefore, these permits have not yet been obtained. The process is routine and is not expected to delay the project.

These permits, all in process, are the only known remaining ones that impact construction activities. VTUSA does not contemplate any remaining entitlement risk to the project.

Engineering

Design and engineering work for Phase I is complete except for as-built documentation, which is currently underway.

As indicated by the status of permitting outlined above, the design work for Phase II is in an advanced state of completion (~ 98% overall). The project plans, permit applications, and related documentation have been reviewed by Urban pursuant to this TA report. The following is a synopsis of the state of design completion by zone:

Zone 1 VMF and Orlando Station

The VMF is located on an approximately 60-acre site on Orlando International Airport property about 1.5 miles southwest of the Orlando Station. The lease arrangement has been concluded. Geotechnical investigations have been undertaken (by PSI), and the Design Criteria Report and the Preliminary Engineering Submittal have both been completed by TY Lin International. Based on the current experience in the Running Repair Facility (RRF) that is already operational in West Palm Beach, program changes were made by TY Lin to update these documents. This updated package was completed in April 2018. TY Lin was also commissioned to complete the site/civil engineering package for an early works bid package. This package was completed, and bids were received from 3 contractors. A letter of intent has been issued to Hubbard Construction Company, and construction is ready to begin pending financial close and NTP. Further design of the VMF building will be conducted by TY Lin in conjunction with the Construction Management at Risk (CMAR) contract.

The site engineering work will be contracted directly by VTUSA and developed with supervision by VTUSA and input from Wharton Smith Inc., the CMAR contractor. This work will begin upon issuance of the notice to proceed (NTP) to enable a building foundation construction start dovetailing with the early works building pad preparation four months following NTP.

The Orlando Station shell construction is complete. VTUSA work to complete the station is limited to tenant improvements, featuring modular branded relaxation and working spaces, styled ceiling paneling, and directive signage. The interior design for this area is 33% complete (by Borelli & Associates), sufficient to obtain competent cost estimates.

Zone 2 GOAA

Design for Zone 2 is 100% complete (by HNTB).

Zone 3 East/West Orlando International Airport-Cocoa

Design for Zone 3 is 100% complete (by HNTB).

Zone 4 North/South Cocoa-West Palm Beach

Design for Zone 4 is parceled as follows:

- Cocoa- Indian River/St. Lucie County Line (~ 64 miles): Track, roadway, and grade crossings; Release for Construction (RFC) documents are complete (by design consultant, Transystems). Some changes to the design are expected resulting from Brevard and Indian River County requests for minor improvements to certain grade crossings, and to incorporate certain FECR requested changes. These changes are being incorporated into the design package and will be provided to the general contractor for time and cost impact analysis.
- Indian River/St. Lucie County Line – West Palm Beach (~ 65 miles): Track, roadway, and grade crossings; Release for Construction (RFC) documents are complete (by design consultant, AECOM). Some changes to the design are expected resulting from Martin County requests for minor improvements to certain grade crossings, and to incorporate certain FECR requested changes. These changes are being incorporated into the design package and will be provided to the general contractor for time and cost impact analysis.
- Zone 4 Fixed Bridges – Quantity 14, (by design consultant, Bergmann): RFC documents are complete.
- Zone 4 Loxahatchee River Movable Bridge (by design consultant, Transystems): Fab & Machinery documents are complete, bids have been received, and G&G Steel of Russelville AL has been selected. Contract award is pending NTP. RFC documents will be complete in July, and the general construction bids will be due in September 2019. Work on the project will take 24 months, with completion scheduled by November 2021. The scope of these improvements will not impact the existing waterway clearance envelope.
- Signal System, Zones 1-4 (by Alstom): 50% complete. This design has been commissioned, and production of signal houses is underway. The Phase II concept will follow the Phase I system, also designed by Alstom.
- Fiber optic system for third-party carriers (by Hypower): 80% complete. This represents final layout of the trench corridor and laterals. Hypower will also construct the improvements as a sub to HSR.

Rolling Stock

The rolling stock design is 100% complete for the locomotives and coaches, which are identical to the Phase I equipment. In addition to locomotives and passenger cars, VTUSA will ultimately purchase café/retail cars for each train set.

Contracting/Procurement

Infrastructure

In Phase I of the project, VTUSA separately engaged several primary contractor teams to lead the construction elements of the project. More specifically:

- General Contractor Archer Western led the construction of the track, grade crossings, structures, wayside signal systems, and installation of signal houses from just north of the West Palm Beach RRF to Miami Station. Archer Western's contract also included the construction of the RRF.
- Moss led the construction efforts at both the WPB and FLL Stations.
- Suffolk Construction Company led the construction efforts at Miami Station, extending into work associated with the over-build of several office buildings in the immediate vicinity of the train station.
- Signal System design, cutovers between control points, and testing was led by Alstom.
- Third Party fiber relocation was performed by Hypower.
- Siemens was engaged to manufacture and deliver the rail vehicles to support operations for the south end (Phase I) of the project. Siemens contract also called for the continued support of operations and maintenance activities from the newly built Operation & Maintenance Facility in WPB.

While most of these contracts and the associated contractors worked well for Phase I of the project, VTUSA encountered some challenges in coordinating and integrating work amongst the various contractors.

As such, VTUSA has taken steps to avoid these issues in the Phase II work:

- The third-party fiber relocation work will be within the general contractor’s scope of responsibility. This removes VTUSA from the daily coordination process between these contractors whose work overlaps the same geography and enables a comprehensive advanced planning of the interface.
- The signal system delivery process has been revised. The cutover to the new ATC system will now be the responsibility of the general contractor, removing VTUSA from the intensive coordination process between contractor and Alstom. The selected contractor HSR will install the wayside system and the signal boxes supplied by Alstom, and cutover the system to enable FECR freight traffic. Alstom will follow behind the rail infrastructure improvements to make the cutover to Positive Train Control (PTC). The PTC cutover is therefore off the critical path until the end of the project.

The main terms of the construction contracts are similar across most bid packages. They include:

1. Performance Security is 100% P&P bond for each contract (except Rolling Stock and Signal Systems) with Expedited Dispute Resolution (EDR), liquidity rider, and mobilization payment rider. EDR provision calls for a quick JAM’s (originally Judicial Arbitration and Mediation Services) sponsored arbitration; within 60 days of default notification. Liquidity rider enables demand for up to \$11M from surety, in cash, within 5 days of declaration of default. Mobilization payment rider allows for demand of unearned mobilization payments within 5 days of declaration of default.
2. Relief Events
 - a. Entitlements to the contractor for extension of time
 - i. Force Majeure – time only
 - ii. Neglect of VTUSA/the Engineer – time only
 - iii. Delay by a separate contractor of VTUSA – time only
 - iv. Delays caused by VTUSA (includes an interference by FECR that is longer than 24 hours – non-cumulative) – time and TRO reimbursement
 1. Following notice by contractor that such acts cause delay
 2. Only to the extent Critical Path is affected
 - v. A VTUSA authorized delay
 - b. Entitlements to the contractor for increases in price
 - i. Must demonstrate that the scope of work incorporated into the contract does not include the scope of work actually required to be constructed.
 - ii. Provision for field directives
 - iii. Provision to authorize minor changes
 - iv. Notice of entitlement to an increase in price must be provided within 10 days of the event, and then substantiated within 15 more (total 25 days). Any event of change prior to 25 days before the current date can be refused by the Owner.
3. Dispute Resolution
 - a. Escalation through management levels
 - b. Legal action in court in Miami-Dade County
4. Conditions Precedent to Payment
 - a. Updated CPM Schedule Submission
 - b. Daily Quality Control Documents and inspection reports
 - c. Waiver of lien conditioned upon receipt of current payment request
 - d. Unconditional waiver of lien for all past payments

- e. Submission of record drawings for all completed work areas

Other Contracts and Agreements

VTUSA intends to directly purchase the bulk track materials for the rail infrastructure component of the project. Among other materials, VTUSA delivered the rail, ballast, ties, tie hardware, and special track to the contractor for the Phase I project. VTUSA will resume this role in Phase II. Standards for these track materials are to be Buy America certified, and have been carefully chosen by track engineers at FECR and HNTB who share the goal of lasting and superior railroad infrastructure. VTUSA has carefully selected materials for the system that are Buy America compliant and will address any variances as they become discovered.

VTUSA has estimated the bulk rail material quantities needed to complete the project based on the completed design, track chart, and anticipated delivery methods established in conjunction with the contractor HSR. HSR has also quantified the bulk rail materials, and an extensive reconciliation process was undertaken resulting in adjustments and ultimately, agreement. These reconciled quantities provide the basis for the estimate. Quantities of rail were calculated by the stationing provided in the track plans, while ballast tonnage is a function of that calculation. Due consideration was made for the character of the work and in particular the track shifting operations. Ties are also calculated from the rail quantity, but only after that quantity was reduced by the summed length of grade crossings and switches.

The first phase of the project allowed VTUSA to create solid relationships with industry suppliers, some with whom they have established agreements. Pricing from the first phase, supplier estimates, and lessons learned regarding the risk of certain materials have allowed VTUSA to develop a budget structure for the material required to complete construction. A summary of the various professional services and design contracts that VTUSA has in place is provided in the table below:

Consultant	Services
Wood	Environmental Permitting & Engineering
AECOM	Civil, Track & Roadway Design Zone 4b
Alstom	Train Control System (PTC) Design, signal house supply and commissioning
Bergmann & Associates	Bridge Design, Zone 4
Bio-Tech	Environmental Assessment & Permitting
Borelli & Associates	VMF preliminary design, Zone 1a, and Orlando Station Interior Architecture, Zone 1b
HNTB	Design Engineer, Zones 2 & 3 , extension of staff all zones
Hypower	Third-party carrier fiber system design
Janus Research	Historic and Archeological Resource Consult
Louis Berger Group	Ridership Study
Rockwell Group	Brand Development and Train Visual Design
SNC – Lavalin	Rolling Stock Regulatory Compliance
Transystems	Civil, Track, & Roadway Design, Zone 4a; Movable Bridge Design
T.Y. Lin International	Vehicle Maintenance Facility Preliminary Engineering & Design Criteria, VMF Final engineering, and site civil final engineering
Washington Economic Group	Economic Analyses

Stations

As earlier noted, Phase I of the project has three stations. The Miami Central, WPB and FLL Stations are complete and in service.

Phase II of the project has one passenger station at Orlando International Airport. VTUSA has a long-term lease with Orlando International Airport operator Greater Orlando Aviation Authority (GOAA) for this station, which will be within the Intermodal Transfer Facility at the new South Terminal. The VTUSA Orlando Station lease began upon GOAA receipt of the certificate of occupancy on November 1, 2017. The core ITF building contract included all structure, exterior envelope (exterior walls, glazing, roofing), all vertical transportation (elevators and escalators), all fire egress paths including fire stairs and exits from the VTUSA lease spaces, and the main plant facilities for mechanical, electrical, fire protection, plumbing, and IT systems.

The interior finishes for the Orlando Station are the same selections used at the FLL, WPB, and Miami Central Stations. The build-out of the ITF is expected to take less than one-year. The work is anticipated to start in 2020.

Rolling Stock

Additional rolling stock is being procured under an exclusive agreement with Siemens, who successfully manufactured and delivered the vehicles to support Phase I of the project. Negotiations with Siemens continue, with the expectation of a firm fixed price agreement and a fixed delivery schedule to be in place in the next few months.

VTUSA currently owns five train sets that are commissioned and in operation. They were custom-built in Sacramento, CA by Siemens Industries, Inc. These trains are composed of two locomotives and four coaches with total capacity of 240 passengers for service between Miami, FLL, and WPB. For service to Orlando, an additional three train sets will be procured plus an extra locomotive for redundancy. In addition, to accommodate the increased demand anticipated in a Miami-Fort Lauderdale-West Palm Beach-Orlando service, all trains in the entire fleet will be expanded to 5 coaches with a total capacity of 300 passengers per trainset.

Budget

Urban has examined and reviewed the Construction Cost Detail (provided by VTUSA); Draft Estimator's Methodology Memorandum; Miami to Orlando Financial Model; Construction Cost Detail; Phase II Budget Summary Workbook; Schedule of Owner Purchased Materials; Risk Register; Rolling Stock contracts; Insurance Report; Draft fixed price/fixed schedule construction agreement; Draft Travelers Convertible Performance Bond; and Global Specifications. The review focused on adherence to principles of credible cost estimating and standard professional practices of the cost estimating field.

VTUSA provided construction cost details for the entire project, Phase I and Phase II.

VTUSA has established a total project construction cost of \$3,357 million for both Phases I and II (excluding finance and pre-opening costs and land contribution).

The total project construction costs are summarized in the table below:

Rail Infrastructure	\$555	\$1,879	\$2,434
Buildings and Stations	\$257	\$83	\$340
Rolling Stock	\$259	\$151	\$410
Contingency	\$0	\$173	\$173
Total	\$1,071	\$2,286	\$3,357

Phase I is complete, therefore, the Phase II budget is the focus of this review.

As part of the documentation provided for the review, VTUSA included an Estimator’s Methodology Memorandum (EMM). The EMM defines the sources of cost data, estimating assumptions, approach to contingencies, and escalation used to estimate the Phase II budget. The EMM indicates the VTUSA Phase II Total Construction budget was developed from the bidding results for the project. It also took into consideration supplier quotations received by VTUSA for Phase II. The EMM is a PDF document attached to this report as Exhibit 5.

The EMM indicates that VTUSA grouped the budgeted costs into a Work Breakdown Structure (WBS). The Phase II Construction Budget Recap below was provided by VTUSA:

Virgin Trains USA - Phase 2 Construction - Recap

Cat.	Description	Spend Through Dec 2018	Current Estimate CTC (from 1/1/2018)	Estimate at Completion (EAC)	% of total CTC	% of total EAC
001	Land/Entitlements	68,542,181	17,994,350	86,536,531	0.9%	3.8%
002	Rail infrastructure	29,974,904	1,600,730,199	1,630,705,103	77.4%	71.3%
003	Building construction	10,290,175	61,794,234	72,084,409	3.0%	3.2%
004	Operating supplies & equipment	-	11,028,540	11,028,540	0.5%	0.5%
005	Professional fees	68,168,498	27,347,133	95,515,630	1.3%	4.2%
006	Project management	7,645,277	58,321,571	65,966,848	2.8%	2.9%
007	Rolling stock	32,608,376	118,112,472	150,720,848	5.7%	6.6%
	SUBTOTAL CAPITAL COSTS	217,229,411	1,895,328,498	2,112,557,909	91.6%	92.4%
010	Contingency	-	173,000,000	173,000,000	8.4%	7.6%
	TOTAL CAPITAL COSTS	217,229,411	2,068,328,498	2,285,557,909	100.0%	100.0%

Land/Entitlements

VTUSA has indicated that the costs for land purchases are actual costs, with exception of four small lots, and all payments have been made. The costs for easement acquisitions are also actual costs included in agreements with GOAA, CFX, and FDOT. In addition, cost associated with environmental mitigation parcels, impact fees, property demolition costs, real estate taxes, and transaction costs associated with professional services needed to generate documents needed for the land transactions, are primarily based on actual cost paid or agreed planned cost. The Land/Entitlements cost accounts for approximately 3.8% of the Phase II Total Construction Cost.

Rail Infrastructure

The Rail Infrastructure cost category includes the following: all construction costs, including signal distribution fiber relocation; all civil works and installation of all bulk rail and track materials; owner purchased materials and work trains; allowance for rehabilitation of two movable bridges; signal engineering, purchase of hardware, software engineering, configuration, fabrication and commissioning of signal houses; relocation of leased fiber assets; and other utility relocation costs. The Rail Infrastructure cost accounts for approximately 71.3% of the Phase II Total Construction Cost.

Building Construction

The Building Construction cost category consists of the costs associated with the MCO Intermodal Transfer Facility, the Orlando Station Tenant Improvements fit-out, and the Vehicle Maintenance Facility. The amounts in the VTUSA budget were developed using cost that have been incurred and paid, detailed cost estimates based on the schematic design utilizing various techniques including parametric and bottom up estimating, estimates provided by Wharton Smith (general contractor for the VMF), and T&G Constructors (an experienced tenant fitout contractor at Orlando Airport) with updated cost based on subcontractor quotation, and reconciled estimates for items priced by VTUSA. The Building Construction cost accounts for approximately 3.2% of the Phase II Total Construction Cost.

Operating Supplies and Equipment

After the build-out at the Orlando Station completes, VTUSA will contract directly with specialty vendors to install security turnstiles, baggage X-ray equipment, other security equipment, luggage scales, check-in kiosk equipment, information display screens, kitchen equipment and small wares, PA speakers and cabling, IT equipment, racks and cabling, office furnishings, and retail merchandizing hardware. VTUSA has the final costs for these items from the Fort Lauderdale and West Palm Beach stations, and using the detail in those costs, has developed budgets for the Orlando Station work. The Operating Supplies and Equipment cost accounts for approximately 0.5% of the Phase II Total Construction Cost.

Professional Fees

The cost in this category includes all the professional services that VTUSA has used and plans to utilize to complete the Phase II project. The profession fees for Orlando Station, Infrastructure, VMF, and Rolling Stock includes Environmental Consultants, Legal, Survey, and Engineering. Many of these costs are actuals, and a reasonable estimate of remaining work has been included, based on cost for similar items in Phase I. The Professional Fees cost accounts for approximately 4.2% of the Phase II Total Construction Cost.

Project Management

VTUSA will manage the Phase II project and have based the organizational structure and plan based on lessons learned from the Phase I project. The VTUSA Phase II Project Management (PM) Team will consist of VTUSA personnel from the Phase I project, additional direct hires, and seconded personnel by agreement with HNTB. Thus, the costs in this section have been based on a ground-up, detailed cost estimate, and appear to be appropriate for the Phase II project. VTUSA has also benchmarked the overall project management cost against another major project

and found PM costs were just less than 3% of the overall project. The budgeted Project Management costs account for approximately 2.9% of the Phase II Total Construction Cost.

Rolling Stock

Phase II will purchase an additional three train sets to accommodate the anticipated demand increase when service to Orlando is added. The five added train sets will consist of two locomotives and seven coaches. In addition, the train sets purchased for Phase I will be increased to seven coaches. VTUSA will continue to contract with the Phase I supplier, Siemens, for consistency of experience and quality. The cost for the additions to the VTUSA rolling stock fleet is based on pricing indications from ongoing negotiations with Siemens Industries, Inc., and as informed by actual costs from Phase I. The rolling stock budget includes procurement, manufacturing, and furnishing the additional fleet. The budget also includes spare parts and tools, maintenance mobilization costs, ancillary equipment, cameras, onboard Wi-Fi equipment, and exterior and interior signage and decals. The Rolling Stock cost accounts for approximately 6.6% of the Phase II Total Construction Cost.

Contingency

The total combined Allocated and Unallocated Contingency, based on the Phase II budget summary provided by VTUSA, is 7.6% of the Phase II Total Construction Cost, not including the Contingency. Urban is aware that several industry standards recommend an aggregate of Contingency of approximately 10% at the Pre-Construction stage of project development. However, given that all but two minor contracts comprising some 2% of the overall bid value have been issued letters of intent on a lump sum basis, the provided amount is deemed reasonable.

Since, VTUSA has indicated that majority of the costs are based on actual or agreed to costs, similar cost from suppliers utilized in Phase I, and costs resulting from the bid results and evaluations, the Phase II Cost Estimate includes the required elements to establish a sound project budget. Thus, it appears by the documentation provided by Brightline, that the key requirements to establish the Total Project Cost have been appropriately addressed.

Inflation

Brightline's contracts with the general contractors and Siemens account for a majority of the total project cost. Inherently, Brightline transfers the risk of inflation associated contractor's scope of work to the contractor, with the exception of the materials being supplied by Brightline. The EMM indicates that adequate provision has been made for escalation for cost items not included in either the general or Siemens contracts.

Regarding other cost components, the EMM indicates that a combination of a cost estimate provided by an experienced tenant improvement contractor, combined with actual finish material unit costs from Phase I was used to establish the allowance for the Orlando Station tenant improvements. Those costs were then escalated by 2.5% to establish a 2018 base year cost, and were further escalated at 3% per year to establish the basis for year of expenditure.

Professional service contracts were executed in 2014 for the Orlando Station interior design and the signal systems engineering, hardware supply, and testing, covering both Phase I and II. The values of these contracts were also escalated to account for inflation to a 2018 base year. The Orlando Station contract has a 15% escalation provision, and the signals system value for Phase II has been established as a lump sum through re-negotiation of the contract with Alstom.

As noted previously and also in the EMM, Project Management costs, operating supplies and equipment, bulk rail materials, Orlando Station tenant improvement costs, VMF equipment costs, and FF&E for Orlando Station and the VMF have inflation applied at an annual rate of 3% from a base year of 2018 through the year of expenditure (YOE). The YOE for the costs is based on Brightline's current project schedule.

VTUSA has utilized a reasonable escalation rate, but given current and predicted market trends, this rate could exceed the assumed rate. It is recommended that VTUSA focus on quickly executing contracts that have large costs associated, in addition to time the sensitive procurements, especially for more volatile commodities, such as steel

rails. Costs for contractor services will also likely escalate at a higher rate, given current labor shortages and the potential development of a national infrastructure program; therefore, execution of large services contracts should also be expedited.

The summary below provides further information for the scope, documents, and estimating resources used to develop the budgets for Infrastructure, Stations, and Rolling stock.

Infrastructure

The following table (provided by VTUSA) provides detail of the infrastructure budget:

Virgin Trains USA - Category 2: Rail Infrastructure

Description	Spend Through 12/31/2018 Total	Current Estimate CTC	Total Current Estimate
Sub-total bulk materials	\$ 4,090,420	\$ 229,151,692	\$ 233,242,112
Sub-total structures	\$ 2,324,013	\$ 232,316,335	\$ 234,640,348
Sub-total grade crossings	\$ -	\$ 62,745,119	\$ 62,745,119
Sub-total civil	\$ 306,277	\$ 307,835,272	\$ 308,141,549
Sub-total track	\$ -	\$ 74,600,292	\$ 74,600,292
Sub-total signals	\$ 8,883,101	\$ 267,971,302	\$ 276,854,403
Sub-total utilities	\$ 12,177,512	\$ 56,878,504	\$ 69,056,016
Sub-total general conditions	\$ 413,430	\$ 283,540,509	\$ 283,953,939
Sub-total Allowances	\$ 1,469,353	\$ 48,920,912	\$ 50,390,265
Sub-total Other	\$ 310,798	\$ 36,770,262	\$ 37,081,060
SUBTOTAL	\$ 29,974,904	\$ 1,600,730,199	\$ 1,630,705,103
Land	\$ 68,542,181	\$ 17,994,350	\$ 86,536,531
Project Management, Professional Fees	\$ 73,217,689	\$ 79,230,417	\$ 152,448,107
TOTAL	\$ 171,734,774	\$ 1,697,954,966	\$ 1,869,689,740

Construction

The Phase II rail infrastructure construction costs, provided by VTUSA, are based on the bid pricing received and evaluated at the time of this report. The price includes all construction costs, wayside signal distribution, fiber relocation, all civil works, and installation of the bulk rail and track materials provided by VTUSA.

Bulk Materials

As executed in Phase I, VTUSA will be providing the track materials for the rail infrastructure. Materials will include rail, ballast, ties, tie hardware, and switches, like what was done for Phase I. As noted previously in this document, VTUSA and the contractors have independently estimated the rail material quantities, based on the nearly complete design, and have undergone an extensive reconciliation process to mutually agree the quantities. The reconciled quantities and anticipated material deliveries by VTUSA provide the basis of estimate. Pricing for the rail materials is based on actual quotations from suppliers, escalated to purchase years of 2019 and 2020. Also, to note, the Florida Revenue Act provides a general exemption from sales tax for railroad materials used in the construction, repair, or maintenance of railways. The provision, which is applicable to the project, defines railroad materials as rails, ties, ballasts, communication equipment, signal equipment, power transmission equipment, and any other track materials.

Movable Bridges

The Loxahatchee River movable bridge is not yet fully designed, and bids have not been received. A cost allowance has been provided for this work within the infrastructure budget. The bridge has been assessed to determine the

required rehabilitation scope, and HNTB, Transystems, and VTUSA have worked together to establish the allowance (\$15M) that is being carried in the budget.

Signal System

The signal system can be divided into three components; systems engineering and fabrication; wayside system installation; and signal system cutover, testing, and commissioning. The systems engineering and fabrication will be provided under an extension of the Phase I contract with Alstom, as adjusted pursuant to negotiation between the parties. The wayside system installation and cutover to ATC is included in the contractors’ price proposals. The signal system cutover, testing, and commissioning to PTC is part of the Alstom lump sum contract that covers Phase I and Phase II.

As previously noted, the signal system delivery process has been revised. The cutover to the new ATC system will now be the responsibility of the general contractor, removing VTUSA from the intensive coordination process between contractor and Alstom. The selected contractor HSR will install the wayside system and the signal boxes supplied by Alstom, and cutover the system to enable FECR freight traffic. Alstom will follow behind the rail infrastructure improvements to make the cutover to Positive Train Control (PTC). The PTC cutover is therefore off the critical path until the end of the project.

Also, an early milestone has been incorporated within the HSR Zone 4 contract for a Test Track segment at the southern end of the interface between Phase I and Phase II project limits. This will enable the complete testing of the protocols for both ATC and PTC cutover, and is expected to improve efficiency and overall schedule performance.

Fiber Relocation

The required relocation of fiber for third party carriers for Phase II is similar to Phase I. VTUSA contracted directly with Hypower in Phase I. This proved to be a logistical challenge, as significant overlaps occurred between track and fiber work. Therefore, the Phase II fiber relocation will be included in HSR’s scope, allowing total control of the logistics and interface to be managed by one organization.

Utility Relocations

Affected utilities along the corridor include overhead power, communications, gas, water, drainage, and wastewater on the East/West corridor. HNTB has quantified the work associated with relocating the utilities and have consulted with the utility owners to develop cost estimates for the work, which is included in the total project costs. Minimal, if any, utility relocation is anticipated in the North/South segment, which was also the case with Phase I.

Buildings and Stations

The following table (provided by VTUSA) is a detail of the Orlando Station:

Virgin Trains USA - Category 3: Building Construction

Description	Spend Through 12/31/2018 Total	Zone 1 VMF CTC - Hubbard+Wharton Smith Bids	Orlando Station CTC	Total CTC	Total Current Estimate
Sub-total Construction	\$ 10,290,175	\$ 54,794,234	\$ 7,000,000	\$ 61,794,234	\$ 72,084,409
Operating Supplies & Equipment	\$ -			\$ 11,028,540	\$ 11,028,540
Professional Fees	\$ 2,596,086			\$ 6,438,286	\$ 9,034,372
TOTAL BUILDING CONSTRUCTION	\$ 12,886,261	\$ 54,794,234	\$ 7,000,000	\$ 79,261,060	\$ 92,147,321

MCO Intermodal Transfer Facility (ITF)

The amounts in the VTUSA budget for the ITF base building have been incurred and paid and represent a negotiated settlement with GOAA for increased costs of the ITF building, liquidated in cash, and minor payments to GOAA

for receiving, protecting, and installing tenant improvement type work to enable a building certificate of occupancy, including platform lighting, and tactile strips.

Vehicle Maintenance Facility (VMF)

The VMF budget includes the actual bid costs from Hubbard Construction for the early works site development and Wharton Smith, Inc. for site work completion, track work west of a defined location at the east end of the VMF site, tracks across Boggy Creek, the Maintenance Building, the Train Wash Building, the Wheel Truing Building, a 60,000-gallon diesel fuel storage farm, on-site roadways, and parking.

Orlando Station Tenant Improvements Fit-Out

VTUSA engaged an experienced contractor to prepare a detailed cost estimate based on the schematic design. The estimating contractor was provided the 100% design from the Fort Lauderdale and West Palm Beach Stations, which contain similar finishes as those proposed for the Orlando Station. This provided a reference basis for the details not yet developed in the schematic design. The estimating contractor utilized various techniques including parametric and bottom up to develop the estimate. The estimating contractor included costs for staffing, general conditions, and contractor fee, as well as an 8% contingency (separate from the overall project contingency). This work will be competitively bid to experienced tenant contractors operating on the GOAA premises in 2020.

Station Operating Supplies and Equipment

After the build-out at the Orlando Station completes, VTUSA will contract directly with specialty vendors to install security turnstiles, baggage X-ray equipment, other security equipment, luggage scales, check-in kiosk equipment, information display screens, kitchen equipment and small wares, PA speakers and cabling, IT equipment, racks and cabling, office furnishings, and retail merchandizing hardware. VTUSA has the final costs for these items from the Fort Lauderdale and West Palm Beach stations, and using the detail in those costs, has developed budgets for the Orlando Station work.

Rolling Stock

VTUSA is providing the safest, most modern and passenger-centric rolling stock operating on any intercity corridor in the United States. VTUSA currently owns five train sets, which were custom-built in Sacramento, CA by Siemens USA. These trains are composed of two locomotives and four coaches with total capacity of 240 passengers for service between Miami, Fort Lauderdale, and West Palm Beach. For service to Orlando, an additional three train sets will be procured. To accommodate the increased demand anticipated in a Miami-Fort Lauderdale-West Palm Beach-Orlando service, all trains in the entire fleet will be expanded to 5 coaches. The cost for the additions to VTUSA's rolling stock fleet is based on actual signed agreement between Siemens USA and VTUSA.

Procurement for the trainsets began in March of 2012 when VTUSA sent solicitations to all major domestic and international manufacturers of rolling stock. Specifications were based on desired frequency, travel time, ridership and revenue projections, but the type of rolling stock was left to the discretion of the manufacturers. A total of 14 manufacturers were approached and, after receiving responses from 13, VTUSA issued formal RFPs to two suppliers: GE/Alstom and Siemens. After GE/Alstom withdrew their proposal, VTUSA met with the FRA to review Siemens' proposal, and a Limited Notice-to-Proceed was signed with Siemens soon thereafter. Details of the contract, including delivery time, pricing, ADA, and Buy America compliance were laid out. Production of trainsets began in June 2015.

The rolling stock budget represents both direct manufacturing costs and the associated costs of procuring, commissioning, and furnishing the expanded train fleet. These costs include spare parts and tools, maintenance mobilization costs, ancillary equipment, cameras, onboard Wi-Fi equipment, and exterior and interior signage and decals. For consistency of experience and quality, VTUSA will use the same vendors to furnish the trains in Phase II as were involved with the first five trainsets in the fleet. VTUSA's experience with these vendors provides a strong baseline for establishing and managing Phase II costs.

Ancillary equipment in the rolling stock budget includes food and beverage carts and other owner-supplied equipment. The pricing and quantities of these items correlate to the expanded fleet size and generally align with the Phase I purchases.

Schedule

Master Program Schedule

VTUSA has developed a preliminary Master Program Schedule for the project. For this continuing effort, VTUSA is providing P6 subnetworks representing permitting activities, utility relocations, owner supplied material procurement, signal and train control, and commissioning. The following description was obtained from the Project Management Institute, “The major output of the planning process is the project Master Schedule. This is a graphic presentation of all project related activities necessary to produce required output. The project Master Schedule and the thought process behind it are the keys to a successful project. They allow the project manager to effectively coordinate and facilitate the efforts of the entire project team for the life of the project. This schedule is dynamic in that it will undoubtedly be modified as the project proceeds and unanticipated changes in scope, logic, or timing are required.”

Please see Exhibit 8 for the Master Program Schedule.

VTUSA will continue to develop and update the Master Program Schedule for the Phase II work. The Master Program Schedule will be updated monthly based on the monthly updates from each of the general contractors. This will be facilitated through a common coding process, where VTUSA’s project controls department can import certain rollup items within the detailed status schedules prepared by the contractors.

To date, a significant amount of schedule data has been organized and preliminary Critical Path Method (CPM) schedules have been produced by the successful contractors as part of their bid submissions. These schedules have been upgraded to the contractual baselines by the contractors in the post-bid period, against which all future progress will be statused. The baseline schedules are a part of the construction contract.

VTUSA has defined work zones to divide the linear project into manageable sections that are being treated as separate projects with dedicated management staff. As a result, there is a significant amount of concurrent work planned on the project. Within each work zone there has been an orderly organization of work by various construction trades that follows a logical sequence. Crews are sequenced through the work zones completing one location after another until all of a specific trade (e.g. pile driving) is complete. This approach to the schedule indicates a thoughtful attention to the level of labor and equipment resource usage. In addition, this approach enables the contractor to selectively add resources to optimize progress and recover from performance shortfalls. The work plan calls for a five-day work week with customary holidays.

Recognizing that the Master Schedule is a work in progress, there are several key components that need to be added to make it a useful tool to plan and monitor the project. It is anticipated that the following items will be incorporated into the Master Schedule before it becomes the project baseline schedule.

- Further definition on the signals installation, testing and cutover process as well as the simulation runs
- Utility relocations necessary to construct the project
- Procurement of owner supplied materials and equipment
- Relocation of Jet Port Drive and the approach landing lights
- Rolling stock manufacture, delivery and acceptance testing/commissioning

It has been stated by VTUSA (within the Global Specifications) that monthly contractor progress payments will be based on quantity of work completed and measured, and that the price-loaded schedule will be utilized primarily for cash flow projections.

The schedule information reviewed to date is consistent with that objective of completing the project in 36 months from the Notice-to-Proceed date. It is recognized that time is of the essence and an early completion schedule and construction is desired. However, from a practical viewpoint, it is prudent to expect uncertainties to effect construction performance. The magnitude of delays to be expected is undeterminable now but various approaches to gauge relative uncertainties are available. To the extent such uncertain future project events could serve to threaten schedule performance during execution, VTUSA has specified implementation of a contemporaneous Time Impact Analysis (“TIA”) process to proactively evaluate such impacts and estimate effect on the overall program.

Since the Master Schedule remains a work in progress, it is important to analyze the project objectives and be prepared to react to unforeseen events in a reasonable manner. It is judicious to acknowledge that there are probabilities to events which may cause delays or disruptions to the orderly plan. The number and magnitude of those events is unknown, but it is wise to reserve time and money to cover the potential impediments.

One method to gauge the project is to compare the historical performance and anticipated schedule to other projects of a similar nature. There is no comparable private U. S. high speed intercity transit project that can be used to judge the planned VTUSA construction. VTUSA is unique in that it is the only higher speed intercity passenger rail project constructed and operated by a private owner. One may expect that the imperative of a private project versus a public works project is different and the motive for timely completion is paramount. Other recent projects constructed nationally are either transit agency or supported by federal funding such as AMTRAK. The construction management and operation of the public agency projects differs from the private project in several ways. Therefore, a direct comparison is not appropriate.

The construction approach in a public works environment versus a private environment has several different aspects. Agencies frequently have dedicated funding sources and long-range plans for multiple projects. The challenge to the agency becomes prioritizing and executing long-range construction plans within the funding stream. The variability and changes to any construction project may have ripples to other future projects but usually does not have drastic effects to the current project. This contrasts with private financing where there is a single project and the funding source is by the owner. Cost growth and the time cost of money is a prime concern to the private owner and as such there are objectives initiated to mitigate the risks. That is not to say that they are not concerns in the public works realm, but they are doubly important when the owner is spending their own money.

The VTUSA project, as compared to similar public works transit projects, has the distinction of allowing a more fluid and optimized delivery as a private sector project. The benefits include:

- The initial schedule compresses the time of construction by allowing for extra work hours.
- Set high expectations of performance by all participants and underperformers can be replaced easily
- Diversification of contracts is not a priority and there can be benefits realized by a single point of responsibility i.e. the construction contractor
- A smaller management organization is typical in a private project as compared to a public works project
- There is an ability to negotiate cost and schedule elements to VTUSA’s satisfaction
- There is an ability to initiate creative ideas and implement them on an expedited basis
- Quick and timely decisions can be made

These elements can contribute to efficiency on the project. However, it is still important to be cognizant of the factors that could cause delays. Many publicly-funded projects have established formal processes to conduct risk assessments on new transit projects. The outcome is the development and management of reasonable provisions for cost and time Contingencies that are reflective of the risk profile of the project. With respect to the schedule, several studies suggest that it is reasonable to capture a 20-25% factor for schedule slippage leading into construction. The root causes for this suggested schedule Contingency are numerous and varied, but Urban believes it is prudent to recognize that the targeted substantial completion of the VTUSA Phase II project could be delayed beyond the planned date.

Further, VTUSA should be prepared to absorb some level of extra costs for additional overhead time from delayed performance on the project. Given that the project is highly motivated to initiate revenue service, it is likely that most critical issues will be addressed quickly and resolved. VTUSA has anticipated that sometimes there are difficulties in meeting schedule objectives. They have established a project management cost for project overhead if the construction were to be delayed and has set aside \$1.4 million against a potential time over run of 4 months. This appears to be a reasonable approach to mitigate uncertainties in the schedule performance.

Schedule Requirements

VTUSA has been deliberate in creation of a process to develop and monitor the construction schedules on the project. The construction contract specifies the use of Critical Path Method (CPM) schedules in electronic form to be prepared by the contractor. Specifics call for the use of Primavera P6 which is industry-standard electronic scheduling software. The contract also specifies the inclusion of subcontractor work, material purchases, and work by others to be included and organized within a VTUSA-approved Work Breakdown Structure (WBS). The initial baseline schedule and all subsequent schedule updates are to be submitted to VTUSA for review and acceptance. VTUSA management decisions on courses of action are dependent on timely and accurate schedule reporting.

Progress updates and reporting will be required monthly. The Contractors will submit a written narrative report with the Monthly Progress Schedule made during the reporting period. The report will include a description of the progress of the critical path activities; a description of the near-critical paths; the actual Work completed; plans for the forthcoming period; a description of problem areas, both current and anticipated; delaying factors and their impact; explanations of corrective actions taken or planned; and any newly planned activities or changes in sequence or logic. The Contractors will identify and discuss any changes or shifts in the critical path.

Revisions and change orders can affect project performance. VTUSA has established that the contractor is to provide schedule revisions in response to changes to the contract. When change orders are issued, the changes will be reflected as new activities in the project schedules and the magnitude of changes affecting the project illustrated. As previously noted, VTUSA has specified the application of a contemporaneous TIA process to evaluate the effect of changes.

The Contractors will be required to produce an initial cost-loaded schedule to establish a cash drawdown for the remainder of the project. Monthly progress estimates will be prepared using a detailed Schedule of Values (SOV) breakdown and will form the basis of invoicing and payment history tracking for the project. The SOV will comprise a series of discrete observable and quantifiable activities that will be evaluated and progressed monthly as a mechanism to assign value to the completed work in place. The SOV will be used in conjunction with the updated construction schedule to gauge construction progress and as a second means to measure performance.

IV. Risks and Assessment

VTUSA maintains an active Risk Register for the project that includes ratings on the probability of risk occurrence, as well as the potential cost impact if a particular risk were to be realized. Relating to their ongoing risk management activities, VTUSA continues to evaluate a reasonable level of cost Contingency to maintain on the project as protection from uncertainties, whether they have been defined on the Risk Register or are for true unforeseen conditions or events. Urban believes the risk management practices being employed by VTUSA are consistent and reasonable for an owner or primary vested stakeholder managing a project such as this.

Environmental/Regulatory

Environmental/ NEPA/Regulatory (FRA)

The FRA provides oversight and regulatory authority over the opening and operations of a passenger rail system. In Phase I of the project, the VTUSA staff has admirably kept the FRA engaged in the progression of planning, design, and construction leading up to the initial revenue operations date that occurred in January 2018. FRA, as a vested stakeholder, regularly met with, provided guidance and ultimately approved the start of passenger rail service between WPB and MIA. It is with this learned experience with the FRA, that VTUSA should be poised to continue the oversight and proactive interaction ultimately leading to the approval of passenger rail operations north of WPB and into Orlando Station that is planned for Phase II of the project. Although VTUSA's proven experience and working relationships with FRA should minimize the risks associated with regulatory approval for the sections and phases of the project yet to achieve such approval, there remain some risks, as summarized in the bullets below:

- Any adverse incidents in the Phase I operating section may heighten concern about the safety of the passenger rail service, and potentially allow FRA to assertively interject themselves into the project. In the worst-case scenario, FRA may ask VTUSA to make adjustments to operations or the Right-of-Way around the operating railroad. Obviously, this risk, while minor in probability, could potentially have material cost and schedule impacts.
- The continued legal actions filed against the US DOT and FRA by municipalities along the planned VTUSA alignment could potentially require a revisit of the NEPA approval, which could require revisiting the project's locally preferred alternative ("LPA" or planned alignment). While Urban believes that the probability associated with this risk is low based on the project prevailing in several previous legal matters, the risk, if realized, could result in significant schedule and cost impacts.
- Positive Train Control (PTC) must be in place and fully operational before the start of passenger revenue service in Phase II. The rules and expectations for approval of PTC by the FRA are still being vetted. PTC has not been implemented in the United States for passenger trains expected to travel at the speed projected for VTUSA in Phase II. There is a potential delay associated with this review process that VTUSA hopes to overcome by completing the installation and testing of the PTC system on a specially planned test track, well in advance of planned revenue operations. The risk is medium to high that a schedule impact could be realized.

Management

As a private, opportunistic entity, VTUSA has not established a written organization and project management plans or definition as to roles, responsibilities, processes, and procedures that a public owner may have. While this risk is mitigated by the experience of the PM Team members, consideration should be given to further developing a more formalized Policy & Procedural Plan to more clearly and effectively guide VTUSA's management of the project. The risk is that without expressed guidance or policy, and despite clear personnel assignments, certain management responsibilities or roles could be unintentionally be missed or appear ambiguous. While this administrative or requirements risk appears rather insignificant from an impact standpoint, there is a medium chance that failure to address these plans and procedures could result in schedule delays when needing to react, rather than be proactive.

Engineering

Permitting

As noted in Section III, Project Implementation Plan, the project has already received ROD's from the FRA and the USACOE, as well as the USACOE Section 404 permits. It has also received the approval of the main aspects of the project from the South Florida and St. Johns River Water Management Districts. VTUSA management believes that the remaining permits will not impact the overall construction schedule.

Infrastructure

Civil/Drainage/Geotechnical

The civil construction portion of this project includes over 1.3 million CY of excavation and 6.7 million CY of embankment construction. This is a fill project that will require the purchase and import of several million CY of suitable fill material. VTUSA has executed an agreement with Deseret Ranch for obtaining approximately 3 million CY of material. This agreement has been reviewed by Urban and, combined with the successful permitting of the site, represents a key step in the preparation for the Phase II work. The agreement demonstrates VTUSA's resolve to control the factors for success of the work.

VTUSA is also anticipating using material generated from alignment cuts and storm water pond excavation. However, there is still a need for approximately 1 million CY of material. At the time of this writing VTUSA has signed a letter of intent to purchase a 234-acre site in Brevard County that will provide the needed additional fill, and is expecting a signed contract for that purchase imminently. This removes any risk of shortage of fill material for the project.

There are 13 utility relocations that must be performed along the east-west corridor. VTUSA has been working with the utility companies to progress the utilities own engineering of these relocations. However, engineering plans and costs have not been finalized, nor have schedules for this work. Therefore, these utilities present a schedule and cost risk exposure.

Track construction will be a major component of the project. VTUSA relied on the use FECR's work trains on Phase I and encountered adverse schedule and cost impacts because of availability of work train equipment and forces. VTUSA has expressed their intent to obtain, through purchase or lease, dedicated work trains and crew for the track construction and rehabilitation work to mitigate that risk on Phase II.

Track construction for the new second mainline and rehabilitation of existing track will require substantial quantities of track materials including rail, ties, OTM and special trackwork. VTUSA has contracted with Vosloh-Rocla to establish a concrete tie manufacturing facility in Ft. Pierce, FL, to mitigate availability risk. Rail and OTM should not pose a substantial availability risk except that some special trackwork materials may have a longer lead time and/or pose delivery challenges. Material availability risks for track materials can and likely will be mitigated through early procurement and, if necessary, re-sequencing of certain track construction activities.

Availability to work in the existing FECR ROW is dependent on obtaining suitable Roadway Worker Protection (RWP). This issue impacted Phase I construction significantly and contributed to delays and additional costs. VTUSA has learned important lessons from Phase I in this regard. The Construction Agreement with FECR provides more direct control over the RWP to VTUSA that will mitigate this risk in Phase II. Track tie-ins signal cutover present some risk stemming from coordination with FECR. VTUSA has learned from Phase I on this item as well, and plans to establish a working test track with full access by FECR locomotives. This will enable greater planning and coordination that will mitigate the risk in Phase II. RWP and coordination risk between VTUSA and FECR is further mitigated by several facts: VTUSA is working to better pre-plan and coordinate construction activities with FECR operations; FECR has a much better understanding and comfort level of the VTUSA project, construction approach, and requirements than they did during Phase I; the Phase II work has been planned to better align track work with signal work and cutovers and available work windows; there are longer daytime work

windows available due to freight operations shifting to nighttime hours; and there is less freight traffic on the more northern sections of FECR.

The new construction and rehabilitation of bridges, walls, and tunnels presents several risks. It is possible that the rehabilitation of existing structures may require more extensive work because of unforeseen conditions. This is especially true of the movable bridge rehabilitation work, which is being budgeted as an allowance base on limited engineering. Risk may be exacerbated at water crossings where work may be subject to restrictions on time and permitted methodology for executing the work. Bridge, wall, tunnel and other structural work faces exposure to unforeseen geotechnical conditions. This risk is mitigated by the adequate extent of geotechnical investigation and analysis, inclusion of Contingency dollars to alleviate the risk, and by the language in the contract that limits the conditions whereby an unforeseen condition results in a change to the price/schedule.

Heavy use of prefabricated pre-stressed bridge components may put a burden on local fabricators and suppliers. This poses schedule risk as lead times may be longer than anticipated.

Access to portions of the ROW for structures construction and rehabilitation may be a challenge in some areas because of remote location, adjacent land ownership and use, limitations on track and right of way access windows. These access concerns pose risk to schedule and cost. VTUSA is working to mitigate these risks through close coordination and substantial pre-planning with FECR, HSR, and stakeholders.

Signal system improvements and implementation of VTUSA's selected PTC compliant train control system presents risk. Signal system design plans have been produced and a submission has been made, however Shop Drawings need to be produced. Risk exposure on signal design is partially mitigated by VTUSA's continued use of Alstom, who performed the signal design and testing work on Phase I, for the Phase II signal design. However some risk remains in implementing PTC compliant train control for the new passenger service that will operate at this higher speed. The work associated with systems integration, testing, and validation of this new vital overlay system poses cost and schedule risk. Cutovers were a difficulty in Phase I and resulted in schedule delays. To mitigate this risk, VTUSA is planning two test tracks, one each at the 110 MPH and 125 MPH track speeds, to verify the PTC and establish protocols for the cutover work. Also, the work is being planned to better align signal, track and other related work, with ATC cutover now being the responsibility of the general contractor. Availability of signal system components and materials can pose a schedule risk because of potentially long lead times.

Structural items of concern that may involve some project risk include the following:

- For the reuse of existing structures:
 - Levels of previous deterioration may be greater than initially anticipated, which may require greater amounts of effort and cost to resolve (potential schedule and budget risks).
 - Plans for the existing movable bridges call for continuing use of existing piers and some superstructure elements. As noted above, the reuse of existing structures poses several schedule and budget risks.
- The potential for challenges with material and equipment delivery to remote areas will require extensive coordination with FECR service along the corridor. This may result in scheduling issues due to reduced productivity from the limited windows to perform work. This is mitigated by the ongoing re-scheduling of freight service to nighttime hours in response to the initiation of the VTUSA service in the WPB-Miami corridor.
- The use of Ultra High Performance Concrete (UHPC) will pose some risk due to the volatility of the material cost due to limited available suppliers of the steel fiber and cement.
- Provisions to accommodate current and future utilities (conduit, duct banks) are recommended for all new structures.
- Material suppliers should be aware of risks of reactivity within the proposed concrete components. Aggregate and other components used in the concrete mix should be confirmed to not cause Alkali Silica or Alkali Aggregate Reactivity. This is a common cause of premature concrete deterioration.

Stations

Phase I stations are complete or near complete and pose no risk to overall completion. These facilities are fully owned and operated by VTUSA.

Phase II station is a tenant fit out within the recently completed intermodal facility at the new Orlando south terminal. The design and construction duration is significantly shorter than infrastructure improvements and should not be on the overall project critical path if properly sequenced. The lease with GOAA is fully executed. The construction cost is nominal compared to the overall project cost will minimal risks for over-runs

Rolling stock

Phase I rolling stock has been procured and is in operation today.

Phase II rolling stock purchase agreement has been executed. While many of details and issues were worked out on the phase I purchase, the rolling stock are highly complex pieces of machinery that take a long time to assemble and test.

Contracting/Procurement

As a private corporation, VTUSA has great flexibility in the means for which it procures and contracts for goods and services. Unlike a public agency that is typically associated with passenger transit and is required to use open and competitive procurement methods, VTUSA can use whatever means it believes are prudent to obtain fair and reasonable contract terms and conditions.

For bulk track material purchases associated with the project (both Phases I and II), VTUSA has opted to procure directly from existing suppliers and distributors who have been successfully used along the Florida East Coast Railway (FECR). This decision assures use of materials that are consistent with the existing railroad infrastructure along the FECR corridor that have proven to be sustainable with routine maintenance. Also, these proven suppliers have typically granted VTUSA reasonable pricing, particularly due to the large volumes it is purchasing. By procuring many non-specialized materials independently and in advance of construction; rather than including the need to procure the materials within construction contracts, VTUSA believes it has obtained competitive pricing, eliminated risk premiums that the contractor would likely include, and eliminated contractor markup and sales taxes on the material supply. Urban believes this to be a prudent and reasonable approach.

In Phase I of the project, VTUSA attempted to obtain cost benefit through direct contracting with known rail & transit specialty firms. This resulted in the engagement of several design consultants, one rail vehicle supplier, three or more primary construction firms, and one system/signal supply/install team for Phase I of the project. The Contract Administration associated with these various consultants/contractors was jointly managed by administrative staff from VTUSA and HNTB personnel. In retrospect, VTUSA has found that the coordination of several contractors along the Phase I alignment was sometimes challenging. Accordingly, it has consolidated most work for each zone into a single general contract, with the off-critical path PTC overlay the notable exception.

For the remaining procurements and resultant administration associated with the contracts, Urban believes that VTUSA, supported through their extension of staff agreement with HNTB, has the expertise, resources, and ability to successfully manage the contracts and contractors. However, the following list of risks should be recognized and mitigated or managed to avoid increases to scope, cost, or schedule:

- VTUSA requires the contractor to provide 100% Performance and Payment Bonds by a highly-rated surety. Nevertheless, if issues develop that jeopardize the progression or delivery of work (construction or vehicle delivery) resulting in default, the project could be impacted in both cost and schedule while negotiating remedial decisions actions by the surety. Since the chosen firms are very reputable contractors, the probability of this risk is low, but the impacts could be high. VTUSA is also carrying a Contingency

provision and has included retainage requirements in the general contracts to provide additional protection for issues of non-performance or default.

- Urban failed to see any provisions for Schedule Contingency in the information provided to date. The revenue start date assumes that little to any float will be needed, which seems somewhat impractical. It would be prudent to include some amount of contingency time in addition to the contingency provision of costs for the extended overhead as part of the base budget. Due to complexity of construction of nearly 168 miles of infrastructure over an approximate three-year period, Urban believes there is a medium to high risk of some schedule delay that would extend the project beyond the planned revenue date.

Contractor Capacity/Capabilities

The Zone 4 general contractor HSR consists of Herzog, Stacy & Witbeck, and Railworks, who have collectively and individually worked on over 100 rail projects in active corridors over the last 10 years. The three partners have joint and several responsibility for the performance of the work and have a combined net worth of \$441.6M as of December 31, 2017. Projects in which one or more of the partners have had a contracting role include the Sunrail commuter line in Orlando, both phases 1 and 2; the 46 mile double track of the SFRTA (TriRail) corridor in South Florida, the Dallas Area Rapid Transit Oak Cliff Line, the Southern California Regional Rail grade crossing upgrades, Sonoma Marin Commuter Rail (40 miles including maintaining existing freight operations); Utah Transit Authority (44 miles of commuter rail in an existing freight corridor); and many others. They are rail specialist contractors, are familiar with the FECR freight operations, and have provided a team that is just completing a major extension to the Sunrail system in Central Florida.

The Zone 3 general contractor Granite Construction Company is a publicly traded, national civil engineering contractor with a major Central Florida presence. They are one of the partners in SGL, which is underway with the \$2.3B I-4 ultimate project. Their rail experience includes the \$1.3B Houston Rapid Transit, the \$278M SFRTA Segment 5 double tracking, and the \$185M Reno Re-TRAC trench project. Granite has a net worth of \$992M. Granite's experience profile meets the components of the Zone 3 contract, where there is a call for major earthworks experience, wall building, bridge building, and track construction.

The Zone 2 general contractor Middlesex Corporation has extensive experience on the Orlando International Airport campus, which is the location of the Zone 2 contract. Having completed 19 civil infrastructure projects on the property, they are highly respected by the stakeholder GOAA. Middlesex also has strong rail experience, including the 20-mile Amtrak double track between Albany and Schenectady, NY; the Sunrail Phase 2 project in Orlando, and the \$1.1B Green Line extension in Boston. Middlesex' net worth is \$62M.

The Zone 1 general contractor Wharton Smith has strong industrial building experience in Central Florida, including the USDA inspection facility at Orlando International Airport, the Tampa Bay seawater desalination facility, the Transportation Services Facility for Volusia County Schools, the Lakeland Water Treatment Plant and Wellfield, and many others.

Urban believes that VTUSA is contracting with a strong portfolio of contractors with extensive experience on projects relevant to their contract on the Phase 2 project.

Performance Security

- Contingency. The total combined Allocated and Unallocated Contingency based on the Phase II budget summary provided by VTUSA is 7.6% of the construction cost. Several industry references recommend that the aggregate of Allocated and Unallocated Contingency at this phase of project development be approximately 10%. Considering the risk profile for the project, and the fact that the construction budget is based on actual bid pricing, Urban believes that VTUSA has included a reasonable Contingency provision for the current stage of project development.

- **Retainage.** The construction contracts state that retainage will be withheld at a rate of 10% through fiftieth percentile of construction completion, then 5% afterwards, for a net of 7.5% retained at the end of each contract, which Urban believes to be reasonable.
- **Demand Bonds.** VTUSA has provided the Travelers Expedited Dispute Resolution boilerplate. The boilerplate provides an option for a portion of the Performance Bond to be paid upon demand.
- **Payment/Performance Bonds.** VTUSA has indicated that a 100% payment bond and a 100% performance bond is required by each contractor, which is reasonable.
- **Contingent assignment.** The construction contracts gives VTUSA the option prior to, or in the event of Termination for Cause to take over the work utilizing the contractor's equipment. Financial protections and liquidity include the retention (10% to 50%, 5% thereafter), a call on the liquid portion of the bond, and the Contingency provision. Failure of the surety to respond would result in a replacement scenario. With the protections expected in the contract, VTUSA could pay a premium in cost to complete ranging from 30% to 72% without exceeding budget, depending on the percentage of completion. In an extreme case after termination, the Project Management Team could take over as contractor for the work. As a note, the VTUSA PM Team will be comprised of personnel from the civil engineering/construction community that have individually and collectively run projects similar in size and complexity to this project. VTUSA personnel are duly licensed in the State of Florida in the category required for this project: Certified General Contractor (unlimited).
- **Liquidated Damages.** The construction contracts stipulate that liquidated damages (LD's) are assessed by scope group and are capped at 5% -12% of the contract price, which is reasonable.

Cash Disbursement Schedules

A Cash Flow Statement was included in the Miami to Orlando Financial Model provided by VTUSA.

Potential Default Scenarios

The construction contracts between VTUSA and the contractors state that default can occur for the following reasons: failure to stay on schedule; failure to meet specifications; bankruptcy and/or reorganization; failure to supply quantity/quality of labor; failure to pay subcontractors, materialmen, or labor; failure to abide by the law; and breach of any part of the contract provisions (as amplified and clarified in the Agreement at Article 15). One of the remedies available to VTUSA for Default is Termination for Cause. Section G provides a detailed evaluation of the default scenarios.

Additional Insurance

Exhibit U of the draft agreement provided by VTUSA indicates the contractor minimum insurance requirements. The insurance requirements include employer's liability, commercial general liability, automobile liability, excess liability, professional liability, railroad protective, contractor's equipment, and general insurance provisions.

Budget

Potential for Budget Over-runs

All projects of the magnitude and complexity of the Phase II project will have high potential, or almost certainty of having budget over-runs. Given, the lessons learned by the over-runs experienced in Phase I and the dual estimation and reconciliation efforts of VTUSA, the budget over-runs should be minimal. It is anticipated that the total contingency will adequately cover the costs associated with potential budget over-runs. In addition, VTUSA has indicated a Value Engineering (VE) exercise was performed for various components of the project, including the VMF site, the Cargo Road ramps, the micro-piles, track configurations, borrow transport, rail materials delivery, and other items. Numerous VE recommendations have been incorporated. Performing the VE review provides

another level of detailed review that identifies areas for unforeseen scope growth that can be addressed in the final stages of design.

Schedule

The Baseline Master Schedule has been developed and incorporates the schedule input from the construction contractors. There remain possibilities that the aggressive objectives of the project may not be met in some instances. Under performance in critical areas could prove inadequate to achieve the time objective desired by VTUSA. However, VTUSA is very active in managing, addressing and overcoming performance shortfalls. In addition, the baseline construction schedule has a significant amount of concurrent work that is sequenced by trade. Controlling the volume of work with the need for materials, labor and equipment is a very challenging task. Maintaining the tight schedule with the burden of managing a project 168 miles long without encountering delays is improbable. The schedules reviewed do not address any contingency time and therefore the Revenue Date remains July, 2022 as indicated in the Estimators Methodology Memo. It would be prudent to include some amount of contingency time in addition to the provided costs for the extended overhead for that time as part of the base budget.

Weather

The project location in Florida is subject to named storm events that could also be accompanied by flooding. During the construction stage, an approaching hurricane requires preparation activities that suspend progress, and there is the potential for some damage to the work in process. Exhibit S of the construction contract dictates detailed hurricane planning protocol based on the Florida East Coast Railway's 125-year history of operating rail trains on this corridor. The railroad was built before any significant settlement of the Florida coast had occurred. The chosen alignment took full advantage of a beneficial feature in the topography, the Florida Atlantic Coastal Ridge. This limestone ridge ranges from 4-20' above the surrounding land. As a result, the railroad is situated as ideally as possible to resist flooding.

The Global Specification requires the contractor to incorporate 10-year weather patterns into the project schedule, but a force majeure claim could be made for an event outside of that parameter.

At grade rail infrastructure is strongly resistant to wind damage. The vulnerabilities include the grade crossing gates and loss of power. The hurricane protocol requires grade crossing gates to be removed and secured in an approaching storm. Standby battery vaults are provided in permanent housing at most grade crossings, to enable quick recovery of the railroad even in the event of significant damage to the power infrastructure. While bridge damage could occur from rising water, the right of way is far enough inland that it is reasonably protected from wave action. This asset class is highly resilient and while hurricanes are always a threat, the railroad is far less vulnerable than the surrounding buildings and infrastructure.

Default Evaluation

VTUSA has selected multiple primary contractors for the Phase II project. VTUSA is also contracting with Siemens Industries, Inc. for the manufacturing and delivery of rolling stock to augment the existing fleet and to be used for Operations when the project extends into Orlando (Phase II).

While the contractors that VTUSA have selected are fully capable of performing the work required for Phase II, failure of any of these contractors to perform or deliver any scope item, task, or segment of the Project could have an impact on the overall schedule and budget. Although it is unlikely that these large, experienced contractors, undertaking work that is 100% designed, would be unable to complete their work and therefore be in default, VTUSA has developed a number of safeguards and risk mitigation measures in its contracts. These measures will ensure sufficient liquidity for Project completion within the schedule and budget. These events can be covered through several funding mechanisms including contingencies, retainage, liquidated damages, demand bonds, payment and performance bonds, and expedited-dispute-resolution bonds.

The current VTUSA work plan, calls for multiple construction crews concurrently working in each of the four work zones included in Phase II of the project. By breaking the project into these work zones, VTUSA should be better able to exert regular analysis of work progression against the schedule and budget, while continuously evaluating quality assurance and safety issues. Having weekly meetings with the contractor teams, and the detailed monthly schedule update review will enable VTUSA to minimize the opportunity for unforeseen conditions or events becoming crises and leading to significant budget or schedule implications. Proactive management should reduce the opportunities for the possibility of a cascading number of events or issues growing to become detrimental to the project's overall success, by promptly addressing issues as they occur. Unlike a publicly-funded project, as a private entity, VTUSA management will have the ability to promptly and decisively act when issues arise that jeopardize the project delivery.

The contractors for the project have the backing of executive management and strong financial portfolios appropriate to their contract scope and value. These contractors are strongly reliant on the successful progression and completion of all projects, as their firm's identity and corporate image would be negatively impacted by news of any acts of non-performance, poor quality, lack of responsiveness, or default scenarios. Thus, there is strength in contracting with firms have this type of proven reputation and core strength.

To address situational issues and/or lack of progression, VTUSA requires all contractors to have 100% Performance and Payment bonds, underwritten by highly-rated and reputable bonding agencies (e.g. a template Performance Bond from "Travelers" to be used for most contracts was evaluated). The terms of these bonds will provide for the bonding company to become engaged in remedial response to any indications of contractor default, including the possibility of taking on the responsibility for completion of the contract, if necessary. This bonding plan is regularly and effectively used in the capital infrastructure industry and provides a proven and reliable means of protection for VTUSA.

VTUSA's General Conditions included in the contracts also provides an established process for addressing potential change order issues, and working with the contractor to promptly authorize reasonable change orders, when necessary. This process is strengthened by the experienced team of Project Management staff members that VTUSA has in place, who recognize the importance of addressing unforeseen and change issues as soon as they become known. Further, being a private entity, VTUSA should be able to avoid the situation where an ever-expanded group of potential changes becomes detrimental to the project.

VTUSA's contracts include targeted and specific Liquidated Damage (LD) provisions. These penalty provision have proven to be largely effective in the capital infrastructure project industry, although, it will be imperative for VTUSA to maintain accurate records and files to support all time delays or slippages, as these records may need to support assessments of LD's.

Lastly, the contracts and General Conditions outline a regimented process of steps to be taken by both VTUSA and the contractors in the event of any indication of contract breach, including steps for a VTUSA request for a contractor recovery plan and steps leading up to a potential default or termination declaration. Both making these measures clearly known to the contractors prior to execution of the agreements, VTUSA has further demonstrated a process to avoid issues becoming crises, and worse yet, leading to default scenarios.

VTUSA has analyzed its position with respect to default by each contractor at various stages of completion of the project to determine both the adequacy of performance security and liquidity needed for the rail infrastructure component of the project.

Under the terms of the Expedited Dispute Resolution Bond Form that VTUSA is requiring from the contractors, VTUSA has provided the following default analysis that has been reviewed by Urban and includes the following options:

To determine both the adequacy of performance security and liquidity needed for any non-performing contractor, VTUSA performed the following three potential default scenarios:

- **Scenario 1 - Default at 25% complete:** reflects a contractor default occurring at 25% complete, month 15 of construction. A delay of two months is assumed for this scenario.
- **Scenario 2 - Default at 50% complete:** reflects a contractor default occurring at 50% complete, month 22 of construction. A delay of two months is assumed for this scenario.
- **Scenario 3 - Default at 75% complete:** reflects a contractor default occurring at 75% complete, month 28 of construction. A delay of two months is assumed for this scenario.

Costs associated with these scenarios include:

- ✓ Procurement costs for a new contractor and reassigning subcontractors;
- ✓ Accelerated costs from delay in securing new contractor/schedule slippage from current contractor;
- ✓ Potential costs associated with repairing/re-doing substandard work depending on reason for default;
- ✓ Potential costs associated with subcontractor payments;
- ✓ Default due to subcontractor failure could result in additional costs for procurements being accrued;
- ✓ Liquidated damages for the schedule delay period

A complete detail of the default scenarios is included in Exhibit 9.

This default analysis will be maintained and monitored by VTUSA throughout the project as part of the risk management process. Urban believes the default analysis fairly demonstrates the liquidity necessary to address default scenarios at various points in the project.

While the possibility of contractor default is always an important element of evaluation and consideration, for the reasons stated above, Urban believes there is no evidence of increased risk pertaining to contractor default. The multiple prime strategy is an effective default risk mitigator, as the probability of multiple contractors defaulting becomes increasingly low. Moreover, any one default does not contaminate the entire project, and the damage can be contained and more easily addressed than if there were a single prime contractor for the work. Further, VTUSA has proactively embedded several excellent measures in their contracting plan to reduce the probability and impact of any contractor adverse performance or default.

V. Summary of Findings

VTUSA is a private entity and is relatively unique in the passenger rail industry, having the ability to use its corporate structure and management practices to their advantage. As an example, VTUSA has the ability to set high expectations of performance by all participants and underperformers can be replaced easily. VTUSA has established effective and streamlined oversight and management efficiency. VTUSA also can negotiate change orders, when necessary, in an expedited manner to maintain schedule efficiency, by using the Contingency provisions included in the overall project budget. Unlike many public agencies, VTUSA can influence timely and proactive management strategies and decisions, consistent with the overall projections for cost and schedule.

Urban believes that VTUSA has developed a reasonable and realistic work plan and organization to effectively manage this large and complex project within current budget and schedule projections. That being said, like any sizable infrastructure project, VTUSA will need to remain focused and provide consistent oversight and management of the contractors, who are being relied upon to deliver most of the project. Based on our review of VTUSA, the Phase II construction and contracting plan, key personnel and other information, Urban finds that the project is consistent with industry standards and sees no reason that VTUSA should not be considered favorably.

VI. Appendix

Appendices

- Exhibit 1, List of Acronyms
- Exhibit 2, List of Documents Reviewed
- Exhibit 3, VTUSA Executive Management Team
- Exhibit 4, VTUSA Organization Chart (PDF document attached)
- Exhibit 5, Estimator's Methodology Memorandum (PDF document attached)
- Exhibit 6, List of Personnel Consulted
- Exhibit 7, Technical Advisor's Qualifications and Resumes (PDF document attached)
- Exhibit 8, Master Program Schedule
- Exhibit 9, Default Scenarios

A. Exhibit 1*List of Acronyms*

APM	Automated People Mover
ATC	Automatic Train Control
AMEC	AMEC Environmental & Infrastructure, Inc.
AREMA	American Railway Engineering & MOW Association
B.A.	Bachelor of Arts
BLS	Bureau of Labor Statistics
BMP	Bridge Management Plan
CO	Certificate of Occupancy
CY	Cubic Yard
CFX	Central Florida Expressway
CPM	Critical Path Method
CSP	Contractor's Safety Plan
DEP	Department of Environmental Protection
DEMM	Design Estimator's Methodology Memorandum
EA	Environmental Assessment
EIS	Environmental Impact Statement
EPD	Environmental Protection Division
ERP	Environmental Resource Permits
EATC	Enhanced Automatic Train Control
EVMS	Earned Value Management System
FAA	Federal Aviation Administration
FIB	Florida I-Beam
FL	Florida
FF&E	Furniture, Fixtures, and Equipment
FLL	Ft. Lauderdale Station
FOC	Fiber Optic Cable
FRA	Federal Railroad Administration
FTA	Federal Transit Administration
FDOT	Florida Department of Transportation
FECI	Florida East Cost Industries
FECR	Florida East Coast Railway
FEIS	Final Environmental Impact Statement
FHWA	Federal Highway Administration
FIB	Florida I Beam
FONSI	Finding of No Significant Impact
GOAA	Greater Orlando Airport Authority
HR	Human Resources
HDD	Horizontal Directional Drill
HSR	High Speed Rail
HNTB	HNTB Corporation
HVAC	Heating, Ventilation, Air Conditioning
IT	Information Technology
ITF	Intermodal Transfer Facility
ITCS	Incremental Train Control System
KEOLIS	Keolis North America
LD's	Liquidated Damages
LLC	Limited Liability Company
LLP	Limited Liability Partnership

LNTP	Limited Notice-to-Proceed
LPA	Local Preferred Alternative
MBA	Masters of Business Administration
MCO	Orlando International Airport
MPH	Miles per Hour
MSE	Mechanically Stabilized Earth
NEPA	National Environmental Policy Act
NMFA	National Marine Fisheries Service
NTP	Notice-to-Proceed
NYSE	New York Stock Exchange
OIA	Orlando International Airport
OPM	Other Purchased Material
OTM	Other Track Material
PA	Public Address System
PDF	Portable Document Format
PE	Professional Engineer
PM	Project Management
PPI	Proper Price Index
psi	Pounds per Square Inch
PTC	Positive Train Control
QA	Quality Assurance
QC	Quality Control
QMP	Quality Management Plan
RFC	Request for Comment
ROD	Record of Decision
ROW	Right of Way
RRF	Running Repair Facility
RSD	Revenue Service Date
RWP	Roadway Worker Protection
RRIF	Railroad Rehabilitation and Improvement Financing
SF	Square Feet
SNCF	French National Railway Corporation
SHRM	Society for Human Resource Management
SFWMD	South Florida Water Management District
SJWMD	St. Johns Water Management District
SOV	Schedule of Values
SYSTRA	Systra Consulting
TA	Technical Advisor (Urban Engineers, Inc.)
TIA	Time Impact Analysis
US DOT	United States Department of Transportation
UHPC	Ultra-High Performance Concrete
USCG	U.S. Coast Guard
USACE	U.S. Army Corps of Engineers
USFWS	U.S. Fish and Wildlife Service
VE	Value Engineering
VMF	Vehicle Maintenance Facility
WBS	Work Breakdown Structure
WPB	West Palm Beach Station
YOE	Year of Expenditure

B. Exhibit 2

List of Documents Reviewed

Estimators Methodology Memo February 24, 2019

Appendices combined Estimator Methodology Memo February 24, 2019

Engineering Plans Airport

- C01_VOLUME_1_RFC_TRACK_AND_DRAINAGE_PLANS
- C01_VOLUME_2_RFC_CIVIL_AND_ROADWAY_PLANS
- C01_VOLUME_3_RFC_SUPER,_SUB,_FOUNDATION,_&_WALLS

Engineering Plans CFX

- 2017-03-17_C02 Volume 1 Plan Set RFC-3
- 2017-03-17_C02 Volume 2 Plan Set RFC-3
- VTUSA EW-C02 Ready for RFC 2 Super, Sub, Foundation & Walls_09-09-16

Engineering Plans FDOT

- C03E Final Volume 1_4-25-16
- C03E Final Volume 2_4-25-16
- C03 Final Design Report
- VTUSA EW-C03E FINAL Super, Sub, Foundation & Walls_06-10-16
- VTUSA EW-C03W FINAL Super, Sub, Foundation & Walls_06-10-16
- C03W RFC Vol1_4.11.16
- VTUSA EW-C03E Final Calcs_Vol 1_12-22-17
- VTUSA EW-C03E Final Calcs_Vol 2_12-20-17
- VTUSA EW-C03E Final Calcs_Vol 3_12-22-17
- VTUSA EW-C03E FINAL Super, Sub, Foundation & Walls_12-22-17
- VTUSA EW-C03E Volume 1_12-22-17
- VTUSA EW-C03E Volume 2_12-22-17
- VTUSA EW-C03W Final Calcs_Vol 1_12-22-17
- VTUSA EW-C03W Final Calcs_Vol 2_12-22-17
- VTUSA EW-C03W Final Calcs_Vol 3_12-22-17
- VTUSA EW-C03W FINAL Super, Sub, Foundation & Walls_12-22-17
- VTUSA EW-C03W Volume 1_12-22-17
- VTUSA EW-C03W Volume 2_12-22-17
- Attachment B_Combined File
- Attachment C_Revised Appendix 8
- C03E_Drainage_Report
- C03W_Drainage_Report

Construction Section 8

- C08 Package 2- 90% plans Eau Gallie and Sebastian (79 sheets)
- C08 Pre_Final 10202015_combined (95 sheets)
- C08 Turkey Progress Set 012216 (25 sheets)
- C08_30% Avenue C (2 sheets)
- C08_Crane Creek_Progress_07282016 (30 sheets)
- C08 Track Design Report

Construction Section 9

- C09 100% Plans Submittal

- C09 – Multiple Bridges Along N-S Corridor, Cocoa (MP 170.3) to West Palm Beach (MP 229.00) - 100% Plans Submittal (147 sheets)
- C09 Track Design Report

East-West Construction Section:

- C01 Airport – Volume 3 RFC, Super, Sub, Foundation and Wall plans (542 sheets)
- C01 Airport – Volume 3 Revision Sheets (6 sheets)
- C02 Orange County – Volume 3 RFC, Super, Sub, Foundation and Wall plans (450 sheets)
- C03E Brevard County – Volume 3 RFC, Super, Sub, Foundation and Wall plans (212 sheets)
- C03W Orange and Brevard County – Volume 3 RFC, Super, Sub, Foundation and Wall plans (216 sheets)

VTUSA Track Design Criteria v1.3

FECR Engineering Standards

VTUSA At-Grade Crossing Design Criteria

VTUSA Drainage Design Criteria

VTUSA Structures Design Criteria v1.2

VTUSA Track Design Criteria v1.3

C10 Wall Map

North-South VTUSA Track Improvement Limits

CROSSINGS 2018

Vehicle Maintenance Facility

- 01_151030 TY Lin VTUSA Orlando VMF - Final PE Submittal_Design Criteria Report
- 02a_151106 TY Lin VTUSA Orlando VMF - Final PE Submittal_Plans
- 02b_151116 TY Lin VTUSA Orlando VMF - Maintenance Equipment Plans
- 04b_160318 TY Lin Orlando VMF - Review Track Layout for Track 5 Add_Wheel Truer Building Relocate_Track 8 Deletion_Compared to Previous
- 05_160324 TY Lin Orlando VMF - Revised Entrance Gate and Eastern Access Road
- 06_151106 TY Lin VTUSA Orlando VMF - Final PE Submittal_Plans_Maintenance Building Floor Plan_8-Car future 10-Car

Risk & Opportunity Register February 19, 2019

195 Agreements with third parties

ORLANDO SCHEMATIC PRESENTATION

Maintenance UA 10.1 and 10.2

Various Infrastructure Organization 2017

VTUSA Management resumes

Management Plan 12-2-17

VTUSA Project Benefits 12-2-17

VTUSA Revenue and Ridership Study Report

Rolling Stock

- Bills of Sale
- Maintenance Terms and Conditions
- Vehicle Terms and Conditions

AON Insurance Report 11-10-17 Final

111 Procurement agreements

Ph 2 Budget Tracking February 23, 2019

Exhibit D and Global specs 2017_11_28

C. Exhibit 3

VTUSA Executive Management Team

Patrick Goddard

President and Chief Operating Officer

Patrick Goddard has served as President and Chief Operating Officer since December 2017, and prior to that served as Chief Operating Officer since March 2017, and prior to that served as Executive Vice President of Operations from October 2016 to March 2017. Mr. Goddard is responsible for all aspects of VTUSA, including safety, development, commercial, operations and the guest experience. Prior to joining the Company, Mr. Goddard was the Chief Operating Officer for Trust Hospitality LLC from January 2011 to September 2016, in charge of the business for a portfolio of more than 35 properties and has extensive experience with opening new hotels, many of which have been entrepreneurial and start-up ventures launched in South Florida. Prior to that, Mr. Goddard was the President and Managing Director of Ocean Blue Hospitality, LLC, a consultancy firm that specialized in hotel openings and sales, marketing and revenue management for independent hotels. While there, Mr. Goddard repositioned the Cleveland Hotel and also worked on the Grand Beach Hotel, Savoy Hotel and the Raleigh, among others. Mr. Goddard also held management positions with Rosewood Hotels & Resorts, L.L.C. and Loews Hotels & Co, as well as Hilton Hotels & Resorts, Jurys Inns Hotel Group and other independent hotels and restaurants in Europe. Mr. Goddard holds a Higher Diploma Hospitality Management from Dublin Institute of Technology and also holds a Bachelor of Science Strategic Management from Trinity College Dublin.

Ravneet Bhandari

Chief Commercial Officer

Ravneet Bhandari has served as Chief Commercial Officer since June 2018. Mr. Bhandari is responsible for the Company's revenue generation and consumer-facing endeavors, including the marketing, revenue management, sales, business development and strategic partnership departments. Prior to joining the Company, he served as Chief Executive Officer and co-founder of LodgIQ, LLC, a technology startup that develops revenue management software, from September 2015 to June 2018 and the Chief Commercial Officer at Nor1, Inc., which provides machine learning based merchandizing software, from October 2012 to August 2015. Mr. Bhandari holds a Bachelor of Arts in Economics from the University of Delhi, India and also holds a dual Master of Business Administration in Marketing and Finance from ESSEC Business School in France.

Jeff Swiatek

Chief Financial Officer

Jeff Swiatek has served as Chief Financial Officer since June 2018. Mr. Swiatek oversees the financial aspects of the development and operations of the Company. Prior to joining the Company, Jeff served in various senior roles at American International Group, Inc. ("AIG"), a multinational finance and insurance corporation, from 2002 to 2018. Prior to AIG, he worked in the investment banking department of Goldman Sachs Group, Inc., a multinational investment bank and financial services company, from 1998 to 2001. Mr. Swiatek holds a Bachelor of Arts in Economics and Asian Studies from Dartmouth College and also holds a Master of Business Administration degree from the University of Chicago Booth School of Business.

Myles Tobin

General Counsel

Myles Tobin has served as General Counsel since June 2014. He is responsible for directing the Company's legal affairs and providing counsel on all significant legal issues. Prior to joining the Company, Mr. Tobin served as partner in Fletcher and Sippel LLC, a Chicago law firm, from 2002 to June 2014. He also previously served as Vice President of U.S. Legal Affairs for the Canadian National Railway Company ("CN"), a Canadian freight railway company, from 1998 to 2002. Prior to its merger with CN, Mr. Tobin served as General Counsel of Illinois Central Railroad, a railroad in the central United States. Mr. Tobin also served as counsel for the Chicago and North Western Transportation Company, a railroad in the Midwestern United States. Mr. Tobin holds a Juris Doctorate degree from Northwestern University School of Law and also holds a Bachelor of Arts in Political Science from Northwestern University. He is admitted to practice law in the Supreme Court of the United States, the courts of the State of Illinois, the Seventh Circuit Court of Appeals and numerous other state and federal courts.

Michael Cegelis

Executive Vice President of Infrastructure Development

Michael Cegelis has served as Executive Vice President of Infrastructure Development since September 2017. Mr. Cegelis is responsible for overseeing the infrastructure development of the Company's future expansions, including the North Segment. He previously served as senior vice president at American Bridge Company, Inc., an engineering firm that specializes in building and renovating bridges and other large civil engineering projects, from May 1995 to September 2017. Mr. Cegelis holds a Bachelor of Science from Indiana University of Pennsylvania, undertook graduate studies in the MBA program at Rollins College, and

completed an executive education program at the Massachusetts Institute of Technology. Mr. Cegelis is a Certified General Contractor, unrestricted, in the State of Florida, license number CGC 1525076.

Scott Sanders***Executive Vice President of Development and Construction***

Scott Sanders has served as Executive Vice President of Development and Construction since March 2014. Mr. Sanders is responsible for the overall design and construction of station infrastructure for the Miami, Fort Lauderdale and West Palm Beach stations, as well as the Company's transit-oriented development program throughout South Florida. Prior to joining the Company, he was Senior Vice President of Design and Construction for MGM Hospitality, LLC ("MGM Hospitality"), an operator of hotels, resorts and residences around the globe, from 2008 to March 2014. Prior to MGM Hospitality, he served as Vice President of Strategic Programming & Design for The St. Joe Company, a land development company, from 2001 to 2008. Mr. Sanders holds a Bachelor of Science in Architecture from Texas Tech University and is a member of the American Institute of Architects.

Adrian Share***Executive Vice President of Rail Infrastructure***

Adrian Share has served as Executive Vice President of Rail Infrastructure since January 2015. Mr. Share is responsible for overseeing the design, engineering and construction of the rail system and station platforms, and managing the team of engineers and contractors who will complete the system improvements for the Florida passenger rail system. He previously served as Florida District Leader and Program Manager at HNTB Corporation, an architecture, civil engineering consulting and construction management firm, from 2010 to January 2015. Mr. Share also served as the Florida High Speed Rail Project Manager from 2008 to 2011. Mr. Share holds a Bachelor of Science in Civil Engineering from Tulane University and also holds a Master of Business Administration from Northeastern University. He is a Professional Engineer in Florida and previously served as the Chair of the Transportation Committee of the Florida Institute of Consulting Engineers.

Olivier Picq***Chief Transportation Officer***

Olivier Picq has served as Chief Transportation Officer since July 2015. Mr. Picq is responsible for planning and implementing the train operating strategy to meet the performance goals of the Company, including compliance with all applicable federal regulations to support safe and efficient train service. Mr. Picq previously worked as project director for the French railroads in various capacities over the past 20 years, including at KEOLIS North America, a subsidiary of the Société nationale des chemins de fer français ("SNCF"), the French national railroad company, from March 2013 to July 2015 and SNCF from April 2010 to March 2013. Mr. Picq holds a postgraduate diploma in Mathematics and Econometrics from the School of Economics (France) and also holds a postgraduate diploma in Engineering and Economics (France).

Tom Rutkowski***Chief Mechanical Officer***

Tom Rutkowski has served as Chief Mechanical Officer since November 2014. Mr. Rutkowski is responsible for the design and delivery of our rolling stock fleet for the Florida passenger rail system, as well as the design and delivery of the West Palm Beach and Orlando vehicle maintenance facilities. Prior to joining the Company, Mr. Rutkowski served for 17 years at the New Jersey Transit Corporation, the state-owned public transportation system that serves New Jersey along with portions of New York and Pennsylvania, most recently in the position of General Superintendent – Equipment from August 2007 to November 2014.

Oscar Suarez***VP of Station Operations***

Mr. Suarez is responsible for managing all activities and operations relating to the development, preparation, and dissemination of procedures, standards, directives, and overall services for station operations. He is also responsible for providing strategic direction for all food and beverage services in stations and onboard trains. Prior to joining VTUSA, Mr. Suarez was General Manager of The Langford Hotel, a luxury boutique hotel in Miami. He was previously the Director of Operations of Polaris World Resorts, a holiday resort company with seven resorts centered on golf courses designed by Jack Nicklaus, and Director of Operations for BLT Steak. Mr. Suarez also worked as Assistant General Manager for Lago Mar Resort & Club in Fort Lauderdale, and held an array of various hotel operations roles with the Diplomat Resort & Spa in Hollywood, Loews Miami Beach, and Sonesta Hotels. Mr. Suarez earned a B.A. in Hospitality Management from Florida International University and holds a culinary arts degree from Johnson & Wales University.

Robert Gatchell***Director Safety and Security***

Mr. Gatchell VTUSA's system-wide initiatives to ensure employee, guest, and facility Safety and Security, oversees the development and implementation of crisis management plans, and works closely with all government and law enforcement entities in furtherance of the organization's Safety and Security objectives. Mr. Gatchell brings over 17 years of experience in law enforcement with several years of specialized experience in homeland security and emergency management. Prior to joining VTUSA in August of 2016, he was a sworn law enforcement officer for the New Jersey Transit Police Department and for 8 years served as the Emergency Management Coordinator for NJ TRANSIT, the 3rd largest—and only statewide—public transportation agency in the United States. In that role, he was responsible for the overall preparedness for the agency in the areas of counter terrorism, safety initiatives, response, recovery, mitigation, and emergency planning and operations. Mr. Gatchell attended Massachusetts College of Pharmacy and Allied Health Sciences as well as several leadership and homeland security programs.

In addition to the PM and executive teams that make up VTUSA, the following personnel are engaged in key management activities for Florida East Coast Industries (FECI), the parent organization to VTUSA:

- ***Husein Cumber*** – Mr. Cumber is Executive Vice President for corporate development at FECI. With respect to VTUSA, he is responsible for guiding this major capital Project from initial concept through development.
- ***Kolleen O. P. Cobb*** – Ms. Cobb is Executive Vice President and General Counsel of FECI. With respect to VTUSA, Ms. Cobb focuses on corporate governance, land and asset sales and acquisitions, financing, commercial leases, and joint-venture transactions.
- ***Jose M. Gonzalez*** – Mr. Gonzalez is Vice President at FECI. For VTUSA, his responsibilities include the acquisition and entitlement of land, including the permitting efforts to be coordinated in connection with the infrastructure work within the ROW and for the state.

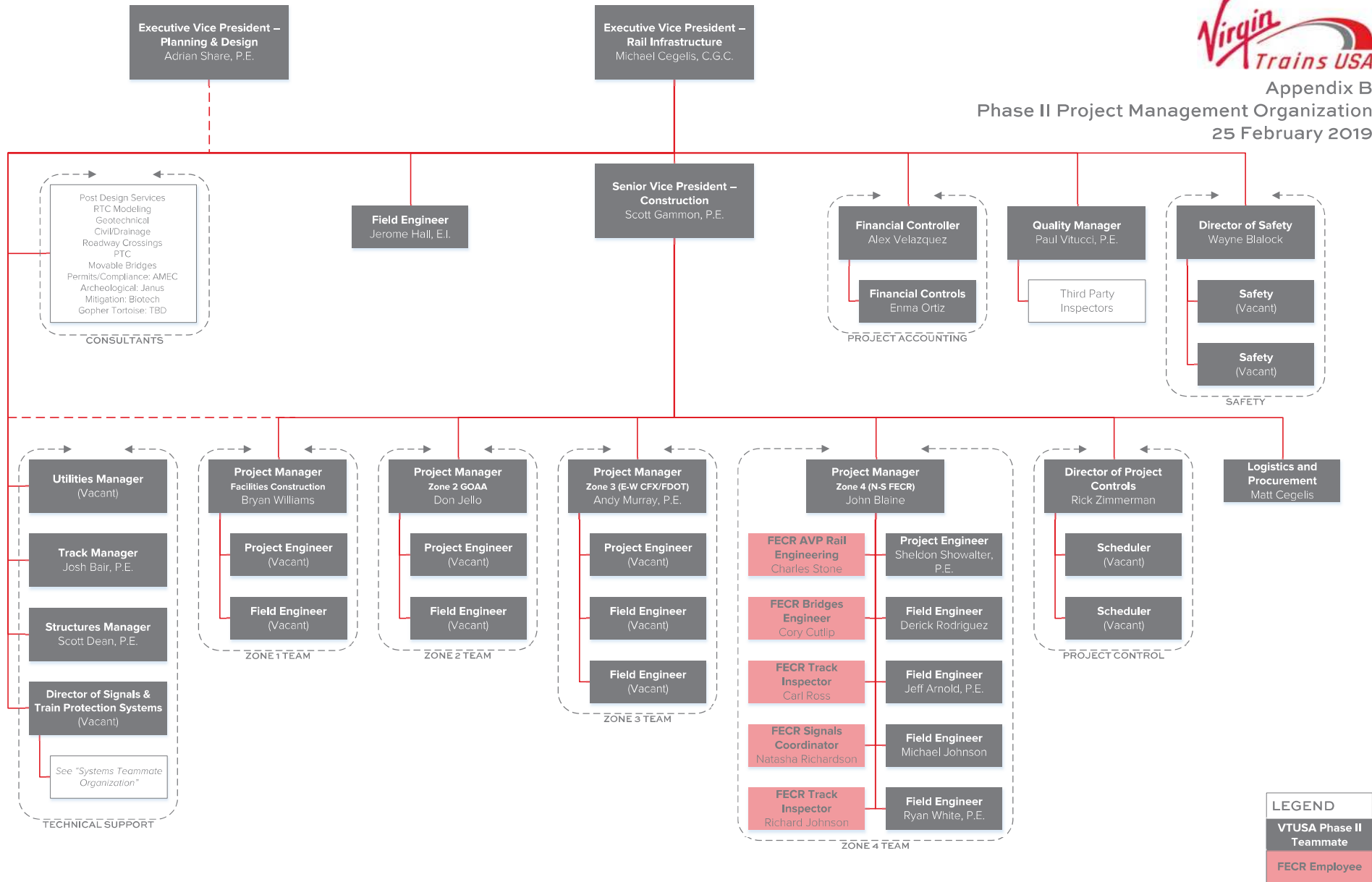
D. Exhibit 4

VTUSA Project Management Organization Chart

See attached PDF document of Exhibit 4



Appendix B
Phase II Project Management Organization
25 February 2019

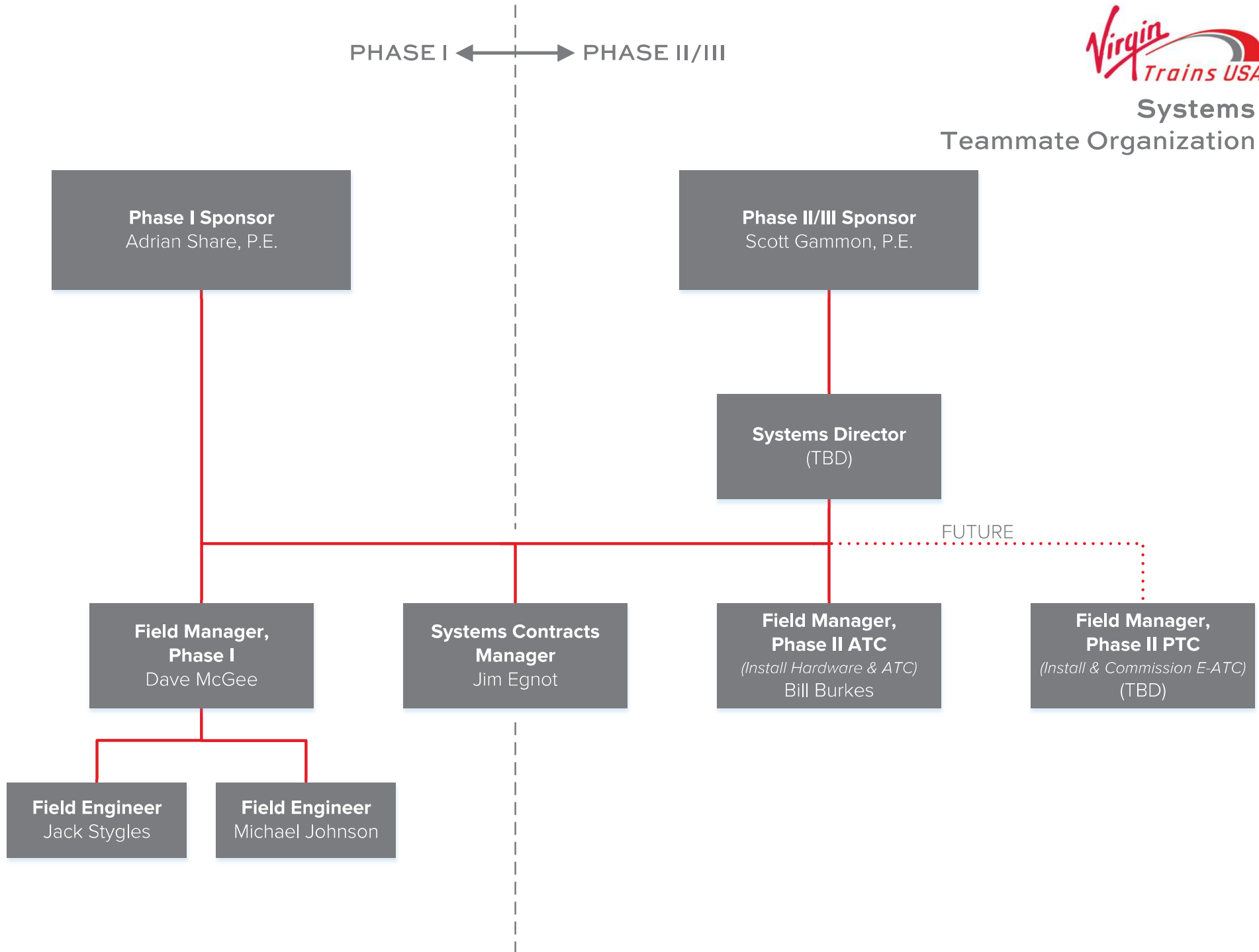


LEGEND
VTUSA Phase II Teammate
FECR Employee



Systems Teammate Organization

PHASE I ← → PHASE II/III



E. Exhibit 5

Estimator's Methodology Memorandum

See attached PDF document for Exhibit 5



Estimator's Methodology Memorandum

February 25, 2018

- Confidential & Proprietary -

Virgin Trains USA System Map



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I. Introduction and Project Description

Project Scope

Virgin Trains USA (VTUSA) is currently developing a 235-mile intercity passenger railroad system that will connect Orlando and Miami, Florida, with intermediate stops in Ft. Lauderdale and West Palm Beach (“the System”). The System is being advanced as a private initiative and will fulfill several public policy objectives by, among other things, reducing the State of Florida’s dependence on fossil fuels, relieving transportation congestion in the region, providing multi-modal transportation opportunities and improving air quality as a result.

The System is being developed in two phases. Phase 1 includes the 67-mile West Palm Beach (WPB) to Miami segment within the existing rail right-of-way along the Florida East Coast Railway (FECR) corridor, with stations in downtown West Palm Beach, Fort Lauderdale and Miami. The existing system between Miami and West Palm Beach is currently maintained to FRA class IV track standards, permitting 60 mph freight operations. The scope of work requires the Contractor to rehabilitate the existing Mainline track and construct the proposed second Mainline track to FRA Class V standards, allowing 70 mph for freight and 79 mph for passenger, although this section of track will be maintained to Class IV Standards. Phase 1 is now complete and operational for revenue service between Miami and WPB.

Phase 2 of the project consists of 168 miles from West Palm Beach to Orlando. The work is divided into four component parts, called zones: 1) Building projects including a Vehicle Maintenance Facility and interior finish of the already-constructed Orlando Airport Station; 2) A south-north alignment of 3.5 miles of double track through the Orlando International Airport; 3) the east-west corridor of 35.5 miles of new rail construction from Orlando International Airport to Cocoa, and 4) 129 miles in the existing rail right-of-way along Florida’s east coast (FEC corridor) from Cocoa to West Palm Beach. Following is a further description of The Phase 2 infrastructure improvements:

Zone 1 – VMF and Orlando Station Buildings

Zone 1 is primarily building work and is further subdivided into zones 1a.1, 1a.2 and 1b.

Zone 1a.1 includes the Vehicle Maintenance Facility site development work. Ground investigations have revealed large muck pockets in some areas that will need to be removed or bridged. Site work also includes removal of now unused rapid infiltration basins (RIBs).

Zone 1a.2 includes the Vehicle Maintenance Facility (VMF) at Orlando International Airport, located at the south end of the property. This approximately 138,000 SF facility will serve as the primary heavy maintenance facility for the VTUSA fleet. It will be equipped with overhead cranes for the movement of heavy equipment and rolling stock components, pits for undercarriage access, a locomotive shop, a bogie shop, parts storage and workshops, a commissary, and offices. Other facilities on site include a wheel truing facility, a train wash facility, and a fuel farm. Zone 1a.2 includes final site grading and building footprint preparation, foundations, superstructure, exterior skin and roof, interior construction and FF&E, equipment installation, and completion of site circulation roadways and parking facilities. Zone 1a.2 also includes grading, sub-ballast, ballast, switches, and all track work within the established site definition for the VMF (please see Exhibit A attached).

Zone 1b includes the tenant fit-out of the ITF, which will serve as VTUSA’s Orlando Station. This work includes approximately 40,000SF of finish work for newly completed shelled space plus final outfitting of the train platform. The shell already includes primary mechanical and electrical trunks, stairways, and escalators. Finish scope in 1b includes mechanical and electrical distribution and fixtures, flooring, ceilings,

restroom construction, ticket counter millwork, signage, and back-of-house including offices, conference room, luggage holds, and employee welfare facilities.

Zone 2 GOAA Alignment (3.5 miles)

Zone 2 construction includes about 3.5 miles of primarily double track construction within Greater Orlando Airport Authority (GOAA) property limits. Generally north-south in alignment, the work includes track proceeding from the ITF southwards to the VMF, and northwards to approximately the Florida State Road 528 corridor (SR-528). The area north of the ITF will be in close proximity to MCO airport circulation roadways. It will thread over two baggage tug roads and beneath four Automated People Mover (APM) bridges and three aircraft taxiway bridges. There is also a new roadway ramp at Cargo Road to replace an existing roadway structure that will be demolished to enable the rail construction. Utilities including gas, water, wastewater, communication lines, drainage, and power will be relocated for the construction of Zone 2. This zone also encompasses areas within the airside secure area of MCO and will require special worker badging and security. Quantities include 14 structures, 85,000SF of MSE wall, 1,200CY of cast in place retaining wall, 180,000CY of excavation (including unsuitable material), and 400,000 CY of embankment.

Zone 3 East-West Alignment (35.5 Miles)

Zone 3 construction is further subdivided into zones 3a and 3b. Zone 3a represents the CFX right of way (ROW) alignment and Zone 3b represents the FDOT ROW. Zone 3 extends for 35.5 miles from the Orlando International Airport's Jeff Fuqua Boulevard/SR 528 interchange through the curve in Cocoa at US Route 1 that connects the East-West Alignment to the North-South Corridor ("the Cocoa Curve"). The scope of work in this zone is new construction of Class VII track, near the SR-528 ROW. The construction is characterized by heavy excavation and embankment fills, extensive wall construction, bridge construction, drainage installations, signal and PTC installations, and high voltage power and gas utility relocations.

Quantities include approximately 525,000CY of excavation including unsuitable material, 5M CY of embankment fill, 1.2M SF of MSE retaining wall, 2,000CY of cast in place concrete retaining wall, 18 new bridges, 3 underpasses, and 62 track miles of Class VII (service up to 125MPH) rail construction.

Zone 4 WPB-Cocoa (129 miles existing rail right of way)

Zone 4 is further subdivided into zones 4a and 4b. Zone 4a represents the 64-mile section from the Cocoa Curve south to the Indian River/St. Lucie County Line. Zone 4b represents the 65-mile alignment from the Indian River/St. Lucie County Line to West Palm Beach. All the zone 4 work falls within the ROW of FECR. Occupation of the ROW is governed by the Construction Agreement (Shared Infrastructure) executed between the parties on June 30, 2017. This agreement gives AAF the right to construct the improvements for the project. All improvements will be paid for by AAF.

The Zone 4 work is similar in character to the Phase 1 work that VTUSA is now completing, and therefore is well understood by the parties embarking on Phase 2. The work includes the upgrade of 129 miles of existing track from Class IV to Class VI (allowing service up to 110MPH), the shift of 298,000LF (56 miles) of existing track, the construction of 100 miles of new Class VI track within the existing right of way, the rehabilitation of 28 miles of existing sidings, the installation of approximately 40 new turnouts and crossovers and relocation of another 40, the relocation of fiber duct parallel to the ROW, the installation of new signal systems including Positive Train Control, the construction of second main track, modification/replacement of surfaces and the upgrade of crossing signal protection at 155 locations, the addition of a second bridge at 7 locations, replacement with a double track bridge at 7 locations, and rehabilitation of the movable bridge at the Loxahatchee River.

Institutional and Organizational Context

VTUSA is developing a privately owned and operated express intercity passenger rail service between Miami and Orlando. The Company is a wholly-owned, indirect subsidiary of Florida East Coast Industries,

LLC (FECI), a diversified transportation, infrastructure, and commercial real estate company. The Company is a limited liability company duly formed under the laws of the State of Delaware as of December 13, 2007. The Company established (and received trademark approval for) the brand name "Brightline" and has integrated the brand name into all its operational and commercial activities. In September 2018, Brightline entered into a licensing agreement to allow use of the name Virgin Trains USA (VTUSA). In this memorandum, except as otherwise indicated or as the context otherwise requires, "VTUSA" refers to the company and the "System" refers to the privately owned and operated express intercity passenger rail service between Miami and Orlando.

Entities Performing Administrative/management, Professional Services, Construction

Project Management

VTUSA will control the management of the Phase 2 project directly. The organization structure and plan for Phase 2 takes full account of lessons learned from the Phase 1 work through the retention of key managers, who will be supplemented by key industry hires with extensive experience in the successful delivery of major civil engineering projects. VTUSA will also utilize its existing relationship with HNTB to certain roles on the project management team.

The VTUSA project management team is charged with:

- Setting and continuously communicating the project strategy and goals to the various consultants and contractors, the existing operating freight railroad, the many regulatory, financial, and community stakeholders, and the public. The project management team leadership will consistently identify the common goal and insist on this priority over any competing objectives. VTUSA senior management will lead with integrity and a can-do, positive attitude.
- Assuring that the project is structured and operated to ensure the safety of the workforce, the existing rail operations, and the traveling public. The goal is zero incidents.
- Delivering the project within the established budget (herein submitted), the project schedule, and in compliance with all the requirements established within the project documents.
- Managing the wide variety of stakeholders in a manner that is considerate, respectful, and transparent. The project management team will always find the path of compromise to enable achievement of this vital transportation asset while acting with consideration for stakeholder concerns.

Accordingly, VTUSA envisions a 39-person project management team as depicted in the organizational chart attached as Exhibit B.

The team is led by Executive Vice President Michael Cegelis. Michael is a 40-year construction industry veteran whose history of major projects includes the \$3.5B Tappan Zee Bridge replacement in New York, the \$1.9B San Francisco Oakland Bay Bridge self-anchored suspension span, the \$400M Woodrow Wilson Bridge in Washington, DC (the world's largest bascule bridge), and the \$1.3B Queensferry Crossing in Scotland. He also has long experience in the Florida construction industry. Michael brings a deep understanding of the success factors for the controlled delivery of large and multi-disciplined infrastructure projects with numerous stakeholders.

Adrian Share, PE is EVP of Planning and Design, with responsibility for management of professional services. Adrian is a 30+ year industry veteran whose project experience includes the management of Phase I of the rail infrastructure for the VTUSA project, where his involvement spanned conception through final delivery. He has established strong relationships with the existing freight railroad and key individuals at the FRA, and has a full understanding of the conditions and requirements under which the project will be delivered. Adrian has overseen the now substantially complete Phase II design and engineering work, and

has stewarded the Phase I and II projects through the entitlements process. His industry experience also includes leadership roles on multi discipline projects in rail, highway and aviation projects including the advancement of four initiatives to bring High Speed Rail to Florida.

Scott Gammon, PE will have direct responsibility for the construction operations for the Phase II project, including overall management of the Zone teams. Scott is a 25-year construction industry veteran with wide ranging heavy civil engineering project experience. He has bachelors and master's degrees in Civil Engineering. His project experience includes fixed, movable, and rail bridges; foundations; earthworks and embankments; retaining walls; marine works; and rail track works. Scott's railroad experience includes projects for the BNSF, Norfolk Southern, UPRR, Kansas City Southern, and Kansas City Terminal Railway.

Director of Safety Wayne Blalock is a Phase I veteran with 25 years' experience on the FECR freight railroad corridor. He fully understands the requirements and operating rules of the FECR, OSHA, and the FRA. Wayne will review, edit and ultimately accept the Contractor's Safety Program (CSP). The CSP will address compliance with both OSHA and FRA requirements. Wayne and his team of two safety managers will assure that the CSP is followed.

Alex Velasquez and Enma Ortiz make up the financial management team for the project. They are former FECI employees and fully familiar with the financial systems of the company and its PM Web software. Both are also veterans of the Phase 1 project, and familiar with the various vendors and contractors that will be part of the Phase 2 project.

Paul Vitucci, PE will have overall responsibility for Quality Management for the Phase 2 project. Paul has a bachelor's degree in Mechanical Engineering and an MBA, and over 40 years' experience in the construction industry as a quality management professional. He has extensive experience in the writing, reviewing, execution, and oversight of the quality function. Paul's project experience includes a wide variety of civil engineering, marine, specialty bridge, building, and military projects. He will have responsibility to review, critique, and edit the contractor's Quality Management Plan (QMP). The contractors will each provide Quality Control (QC), and the VTUSA PM Team will provide Quality Assurance (QA). The Quality Manager will always know the status of, and have access to, the documentation assuring that the project requirements have been met. In addition, a budget has been provided for over-testing so that randomly and upon any suspicion, the PM Team can confirm for itself the veracity of the contractor's QC program.

Rick Zimmerman, DBIA will have overall responsibility for Project Controls. Rick will have overall responsibility for vital functions including schedule, cost, and risk. The director of project controls is responsible for overall management of time and risk in the execution of the work. He will have the key role of monitoring schedule performance on the project. The director of project controls will always have independent ability to definitively establish status vs plan, and the impacts on completion dates, if any. He will be the point person for risk administration, and will manage a robust and ongoing program of identification and management of exposures. This will be tracked through the formal risk register (See preliminary version attached as Appendix G). As the contractors will be required to provide updated schedules for billing purposes, two schedulers covering the four work zones will independently verify progress. Using the robust scheduling software P6, VTUSA will assertively manage the contractor's schedule to identify (and resist as appropriate) logic changes, float suppression, and other claim supporting techniques. Rick has bachelors and master's degrees in construction science, and 33 years of construction experience in the heavy civil markets including extensive rail and bridge projects.

Jerome Hall, EIT, is the Office Engineer in VTUSA's Orlando PM team HQ. Jerome assists with a wide variety of tasks that facilitate and improve the productivity of the office, including: spreadsheet

development and management, document control, engineering layout and planning, fleet management, systems management, report writing, etc. He holds a bachelor's degree in civil engineering.

Bryan Williams is the Zone 1 Project Manager, encompassing three construction contracts: The Vehicle Maintenance Facility Early Sitework, the design build VMF Building and site completion, and the Orlando Station Tenant Improvements. He has direct responsibility for managing the contractors for this zone, overseeing both OSHA and FRA safety programs; completing the work on time, within budget, and to all project requirements. Bryan will closely coordinate all construction activity with the Greater Orlando Aviation Authority (GOAA), the landlord for all work in this zone. He has a bachelor's degree in Engineering Technology and 33 years of building and tenant finish construction in the Central Florida market.

Don Jello is the Project Manager for Zone 2 (GOAA rail alignment), encompassing 3.5 miles of intricate rail corridor construction within the confines of the Orlando International Airport. He has direct responsibility for managing the contractor for this zone, overseeing both OSHA and FRA safety programs; completing the work on time, within budget, and to all project requirements. Don will closely coordinate all construction activity with GOAA, the landlord for all work in this zone. He has over 30 years of heavy civil construction experience including heavy civil projects encompassing bridges, dry and wet utilities, earthmoving and wall construction, airport facilities, and military construction – all components of the Phase 2 project.

Andy Murray, PE, is the Project Manager for Zone 3 (EW Rail Alignment), encompassing 35 miles of greenfield rail corridor construction through VTUSA easements from GOAA, the Central Florida Expressway Authority (CFX), and the Florida Department of Transportation (FDOT). He has direct responsibility for managing the contractor for this zone, overseeing both OSHA and FRA safety programs; completing the work on time, within budget, and to all project requirements. Andy will closely coordinate all construction activity with GOAA, CFX, and FDOT. He has over 40 years of construction experience including extensive works at Orlando International and numerous other airports, DOT's and private clients.

John Blaine is the Zone 4 (North South FECR Rail Corridor) Project Manager. He has direct responsibility for managing the general contractor for this zone, overseeing the roadway worker protection program; and integrating and coordinating the signal, grade crossing, 3rd party and railroad fiber, bridge, and other construction activities with the critical ongoing freight rail operation. He will assure that the Zone 4 work is completed on time and within budget; that all project requirements are met; and that the safety of the construction workforce, railway personnel, and the general public is never compromised. John has extensive railway construction experience. He and his field team are all veterans of the Phase 1 project, and will bring first hand lessons learned to the Phase 2 project. John's team has a deep understanding of the character of the work, the interface procedures and rules of FECR, the methods and procedures of accessing and undertaking the work, and the physical characteristics of the project alignment.

John's support team in Zone 4 includes Charles Stone (FECR AVP rail engineering), Cory Cutlip (FECR Bridge Engineering), Carl Ross (FECR logistics coordinator), Natasha Richardson (FECR signals coordinator), Richard Johnson (FECR track inspector), Sheldon Showalter (project engineer), Derick Rodriguez (track inspector), Jeff Arnold (structures inspector), and Michael Johnson (signals inspector). This entire 10-person team worked together in the successful delivery of the Phase 1 project, on work very similar in character to Phase 2. Thus, all lessons learned and experience from the Phase 1 project is brought forward to the Phase 2 effort.

Matt Cegelis is responsible for logistics and procurement of the Owner Supplied Material program. He manages the agreements with the various rail material vendors, and coordinates the shipping methods, destinations, and delivery time with the construction schedules within all four work zones. Matt had this identical role on the Phase 1 project, and brings the knowledge of the vendors, the rail/truck modes of

shipping of materials, the incoterms, the policies and procedures of the freight rail companies, and the physical characteristics of the FECR rail corridor. Matt has a Bachelor of Science degree in Industrial Engineering.

Josh Bair, PE; Scott Dean, PE, Jim Egnot, PE, and David McGee are project wide experts in the fields of track, structures, signal systems engineering, and signal systems installation, respectively. They are each responsible for coordinating and resolving issues between design and the construction across all four work zones in their specialty fields, as a resource to the Zone PM's and teams. They are all veterans of the Phase 1 project and are intimately familiar with the FECR infrastructure. They have had management roles for the design of the project, and have deep understanding of the design objectives, constraints, and requirements.

The project organization was internally developed by the PM Team leadership, and benefitted from the input of key individuals within VTUSA, including the CEO, the Chief Financial Officer, and the project team itself.

Delivery will be driven by four project zone teams as seen in the organizational chart, representing geographic areas of construction and reporting to the senior vice president of construction. These teams will:

- Closely manage status against plan, removing roadblocks to progress. The zone teams will assist schedulers with accurate updating of progress.
- Perform quality assurance, including that the contractor submits, maintains, and executes the work in accordance with its Quality Management Program. The zone teams assure that the work conforms with all requirements.
- Administer and manage change to the contract as required, using skill and experience to minimize its impact.

Note that the zone teams will have the responsibility to manage the contractor with hands on resources in the field. These teams, consisting of 20 people, were set up to correspond with the contract work zones and bid packages. PM Team personnel will be located at the point of the work to observe the level and quality of effort, solve problems, manage interfaces with the operating freight railroad, manage change, and report progress and issues.

The project zone teams will be reinforced by the Technical Support and the Consultant Teams (depicted on the chart left of the zone teams). The Technical Support Team includes full time experts in the specialty areas of track, structures, signals, and utilities. All these individuals are veterans of the Phase I project. They have established working relationships with each other, the existing freight railroad and infrastructure, the design, and the various grade crossing and utility conditions. The Consultant Team are the designers of the project, with whom arrangements have been made for post design services as needed. Together, the Technical Support and Consultant Teams are intended as a point of interface between the design and the execution. They will quickly and competently manage issues and solve technical problems, allowing the work to progress efficiently.

Finally, the PM Team will include strong managers in the areas of safety, finance, project controls, quality control, financial control, and contract administration/procurement, as seen on the right-hand side of the chart. These teams support the zone teams with specialist knowledge.

The total management effort encompasses 1,777-man months, and the cost of this effort represents approximately 3% of the total project cost. VTUSA is well prepared to efficiently and successfully manage this project.

Professional Services

VTUSA has supplemented the internal team with highly experienced professionals who have specific knowledge and expertise. The firms engaged in the development of the system are listed below.

CONSULTANT	SERVICES
<i>JOHN WOOD GROUP PLC</i>	Environmental permitting and engineering
<i>AECOM</i>	Civil Track, & Roadway Design, Zone 4b
<i>ARCHER WESTERN CONSTRUCTION, LLC</i>	Preconstruction consulting
<i>ALSTOM/GE</i>	Train Control System (PTC) Design and supply
<i>BERGMANN AND ASSOCIATES</i>	Bridge Design Zone 4
<i>BIO-TECH</i>	Environmental assessment and permitting
<i>BORRELLI & ASSOCIATES</i>	Orlando Station Interior Architecture, Zone 1b
<i>HNTB</i>	Design engineer, Zones 2 & 3 (GOAA & E-W); project Management support, all zones
<i>JANUS RESEARCH</i>	Historic and archaeological resource consulting
<i>KIMLEY HORN AND ASSOCIATES</i>	Traffic and parking analyses and pedestrian circulation modeling
<i>LOUIS BERGER GROUP</i>	Ridership and revenue study
<i>ROCKWELL GROUP</i>	Brand development and train visual design
<i>SIEMENS</i>	Rolling Stock Manufacturer
<i>SNC – LAVALIN</i>	Rolling Stock regulatory compliance
<i>TRANSYSTEMS</i>	Civil, Track, and Roadway Design, Zone 4a (Northern section), movable bridge design
<i>T. Y. LIN INTERNATIONAL</i>	Vehicle Maintenance Facility Preliminary Engineering and Design Criteria, Zone 1a, final civil design for VMF (Zone 1.a.1), final design VMF
<i>WASHINGTON ECONOMIC GROUP</i>	Economic analyses

Construction

The VTUSA PM Team has organized the construction project into 7 bid packages (not including the Rolling Stock, Signal System Engineering & Supply, and Early Works):

Bid Package	Zone	Name	Approx. Value	Bidders (successful shown in green)	Bid Date
C201.A.1	1	VMF Site	\$8.9M	Hubbard, Middlesex, Jr. Davis	June 27, 2018
C201.A.2	1	VMF Building	\$45.85M	Dana B. Kenyon, Wharton Smith, Moss	August 29, 2018
C201.B	1	Orlando Station Tenant Improvements	\$7.0M	Not yet determined	June 30, 2020
C202	2	Orlando International Airport Alignment	\$88.62M	Granite, Hubbard, Middlesex	October 5, 2018
C203	3	EW Alignment	\$462.41M	Granite, Archer Western	July 3, 2018
C204	4	NS Alignment	\$680.63M	Herzog/Railworks/Stacy & Witbeck, Archer Western	July 24, 2018
C204.B	4	Movable Bridges	\$15.0M	TBD	May 30, 2019

The zones are described in more detail in Section II below.

In addition to the bid packages outlined above, construction cost to complete also includes the following items under the direct responsibility of VTUSA:

Item	Approx. Value
Bulk Materials	\$229.15M
Signal Systems Engineering, Supply, and PTC Testing	\$81.38M
Third Party Utilities	\$9.45M
Work Trains	\$7.0M
Roadway Worker Protection	\$21.0M
Early works fiber bypass	\$3.27M
Restitution Bonds	\$1.1M
Aircraft Lighting System Relocation	\$0.72M
QA Testing	1.0M
Contingency	\$173.0M

Together, the above represents the estimated construction cost to complete for the project and are carried in Budget Categories 2 (Rail Infrastructure), 3 (Buildings), and 10 (Contingency). This overall budget is further described in Section II.

Project Schedule, Major Phases, Year of Anticipated Completion

The Phase 2 project schedule has been established as 36 months from notice to proceed through substantial completion, plus a 2-month LNTP period for mobilization. Substantial Completion is defined as ready for rail service, enabling the start of commissioning works. An additional 2 months is provided for rolling stock testing and commissioning, upon which revenue service will begin. Work will generally be underway in all parts of the 168-mile corridor throughout the schedule. Despite this, the work has been carefully sequenced and planned to optimize resources and therefore cost and schedule.

In Zone 4, for example, an early works Third Party fiber relocation has been completed between Mileposts 190 and 214, in the Melbourne-Sebastian area. This critical work was accelerated to be complete before the holiday moratorium. In this 24-mile segment, the fiber crosses 5 waterways requiring boring operations. Taking advantage of this early works package, the remaining construction will proceed in three headings: from Milepost 211.60 northward to MP 169.76 (Malabar to Cocoa); MP 298.67 Northward to MP 260.71 (West Palm Beach to Stuart), and MP 211.60 Southward to MP 256.76 Malabar to Stuart). The headings are further divided into subheadings and reaches. These divisions of work are organized to optimize crew placements and equipment, yet still result in the minimum duration possible and enable the follow-on PTC cutover with maximum efficiency.

Likewise, the rail bridge construction will be undertaken on a separate sequence from the track construction, enabling bridge improvements to have been completed as the track work catches up in the headings sequence described above.

Based on the Phase 1 experience, signal system cutover will be managed differently in Phase 2. In Phase 1, the cutover required the coordination of multiple parties under VTUSA management, including the general contractor and the signal systems engineer/supplier/tester as well as several subcontractors under those parties. In Phase 2, the general contractor will have turnkey responsibility to cutover to the new Automatic Train Control (ATC) system, placing all responsibility under one party. This enables the EATC system (Positive Train Control, or PTC) to be removed from the critical path of construction work, and rather to be treated as an ATC-EATC system upgrade. It is expected that this will significantly streamline coordination and improve efficiency and schedule predictability.

HSR, a joint venture of Herzog, Stacy & Witbeck, and Railworks, has been selected as general contractor for Zone 4 after a competition with Archer Western. HSR has extensive rail construction experience both

collectively and individually. All three partners are rail specialist contractors, and together they represent the industry leadership for in-service rail corridor modifications. They have completed over 100 such projects in the last ten years. Moreover, HSR has proposed a strong team of personnel with long rail experience including recent assignments on the SunRail Phase 2 project in Orlando. HSR has also demonstrated a high service and integrity culture and an in depth understanding of the details and practicalities of this unique work, and VTUSA has confidence that their involvement will result in a good relationship with the Florida East Coast Railway and a successful Phase 2 project. The contract with HSR is ready for signature.

In the Zone 3 east-west alignment, the construction is largely characterized by earthwork, wall, and bridge construction. The primary source of borrow material is a pit that has been secured south of State Road 528, just west of the intersection with State Road 520 and west of the St. Johns River. A secondary pit has been secured through a land purchase at I-95 and SR 528. These pits, along with ponds to be excavated along the right of way, will serve nearly the entire east-west corridor. Enabling efficient earth hauling operations is a key cost driver, and off-road trucks offer important cost advantages.

Granite Construction Company is the selected contractor for Zone 3 after a competition with Archer Western. Granite is one of the nation's largest civil contractors, operating nationwide. They are publicly traded, financially strong, and have demonstrated that they identify with, and intend to be responsive to the project goals. Granite has extensive experience relevant to the Zone 3 project. The contract with Granite is ready for signature.

Zone 2 covers work on the Orlando International Airport property. This work involves traffic phasing for baggage tug operations, significant drainage modifications, and extensive work near other infrastructure assets. This work must therefore begin at the project outset and proceed concurrently with the other zones.

After a competition between Hubbard, Granite, and Middlesex, Middlesex Construction has been selected as general contractor for Zone 2. Middlesex has civil engineering construction operations in New England and Florida, and has completed 19 projects on the GOAA Campus. This familiarity streamlines the procedural aspects of working on the airport property, including utility locates and procedures, interface procedures, Air Operations Area procedures, badging, access routes, etc. Middlesex also demonstrated aggressiveness in the ATC (Alternative Technical Concepts) component of the VTUSA bidding procedures, suggesting several modifications that drove down cost and reduced risk. The contract with Middlesex is ready for signature.

Zone 1 includes the VMF and its associated site and track work. There are significant muck removal operations that must take place, and an entire building construction sequence dictates that this zone also be improved concurrently with the other zones.

Zone 1 is divided into three bid packages.

Hubbard Construction Company has been selected as general contractor for the VMF early sitework, after winning the bid against Middlesex and Jr. Davis. Hubbard is one of Central Florida's largest site development and civil contractors, and is highly experienced with Central Florida's unique conditions that include deep muck pockets, surcharge compaction methods, seasonal rain conditions requiring extensive water control operations. They are also experienced and knowledgeable of the Orlando Airport property. The contract with Hubbard is ready for signature.

Wharton Smith, Inc. has been selected as contractor for the VMF building after a competition with Moss Construction. Wharton Smith is based in Central Florida and specializes in industrial construction, with significant experience that is relevant to their role on the VMF facility. Their projects have included manufacturing buildings, fleet maintenance facilities, and water and wastewater treatment facilities. Like

the other successful bidders' profile, they are performance focused with a culture of customer satisfaction. Based on their track record, their strong assigned personnel team, and our interactions with them to date, VTUSA is confident that they will successfully deliver the VMF building works. The contract with Wharton Smith is ready for signature.

The Orlando Station Tenant Improvements will be bid in 2020.

The overall schedule for the project is 36 months (NTP-Substantial Completion), plus a 1-month LNTP period for mobilization. Design and permitting for the project are complete. Based on an April, 2019 Limited Notice to Proceed, substantial completion would be May, 2022 and systems testing completion/start of revenue service would be July, 2022.

Although both the Zone 3 and Zone 4 packages have 36-month schedules, the critical focus will be the Zone 4 work which requires sequential bridgebuilding, coordination with existing freight rail operations, extensive fiber and signal cutover works, 155 grade crossing replacements, and extensive track shifting operations.

Please see the master program schedule attached as Appendix H.

Originally, VTUSA intended to negotiate with a sole source contractor for the entirety of the Phase 2 work. While this has the theoretical advantage in lower oversight costs, it was impossible to assure that the investors and lenders were receiving best value for money. VTUSA believed the prices offered by the original sole source contractor were above market, and was unsuccessful in achieving reductions despite months of attempts. VTUSA was also concerned about its entire fate resting on one relationship, from both financial (a default affects all zones) and operational (a bad relationship affects all zones, and the sole source concept has negative consequences in contractor responsiveness).

For these and other reasons, the PM Team embarked on a revised approach of tendering the work in bid packages. The team elected to use a competitive bid from a qualified short list procedure. A full package of procurement documentation has been developed for each bid package. The primary goal is a sustainable process for both Phase 2 and other future VTUSA projects, that assures the investors of best value. The documentation packages consist of:

1. Letters of interest. These were in some cases augmented by an interview process, with result of this step being a shortlist of experienced bidders.
2. An Invitation to Bid.
3. The prospective Agreement, including exhibits.
4. Addenda.
5. Plans and specifications (bid build), or design criteria report (CMAR)
6. Permits.
7. Third Party Agreements (GOAA, CFX, FDOT, FECR).
8. Non-contractual reference materials.
9. Bid forms.

This process has already shown significant benefits, with both savings over the sole contractor pricing and greater responsiveness to the project goals. The potential of interface risk has been studied and is not expected to be material, for the following reasons:

1. The bid packages are well defined, with linear demarcation points between contracts defined by station equations.
2. The signal system engineering is common throughout the project. Alstom is developing the ATC configurable logic for the entire system (all zones), and supplying the signal bungalows, hardware, and installed logic. The contractor for each bid package will install this system and commission it

for ATC operation. In a process concurrent and off-line to the construction, Alstom will also develop the PTC overlay in a separate box (two box system), that plugs into the operating environment (the configurable logic) that they also designed. This process eliminates signal system gaps.

3. Rail material procurement and delivery is common throughout the project. VTUSA purchases and delivers all materials to agreed points, where they are received by the contractor to distribute and install.
4. The character of each of the seven bid packages is unique. Zone 1 VMF and Orlando Station tenant improvements are building construction contracts. Zone 2 GOAA has unique requirements emanating from the fact that the rail alignment is located within an active airport environment. Zone 3 is wide open civil engineering work, with stakeholders (CFX and FDOT) that are both highway operators. Zone 4 is intricate construction within an active freight corridor, where close coordination with the railroad, roadway worker protection, and FRA oversight are paramount. The movable bridges in Zone 4 requires the unique expertise of contractors who have a specialty in this type of mechanical construction.
5. The sole contractor concept still required multiple interfaces between VTUSA and the Contractor, because the contractor had to respond to the above delineated differences with their own unique teams. While there could have been one high level interface, multiple teams on both sides were still required and the incremental increase to go to multiple contractors is not significant.

Based on the experience of the PM Team, the less than satisfactory results of the sole source process, the early results of the multiple bid package process, and the desire to create a repeatable and defensible process for future projects, VTUSA believes this approach is the best alternative in support of its goals.

Status of Project Support and Approvals

Project Support

Since VTUSA was announced in March 2012, the service has garnered significant support from elected officials, community leaders, business groups, the hospitality community, and other constituencies throughout the state. To date, thousands of people have expressed their support for this service and believe it will be transformative for Florida, both in terms of mobility and economic impact.

VTUSA has garnered bipartisan support throughout all levels of government. At the federal level, VTUSA has received support from more than 20 current and former members of Congress, including:

- Congressman Bill Shuster, Transportation and Infrastructure Committee Chairman
- Congressman Jeff Denham, Chair of the Transportation Subcommittee on Railroads, Pipelines and Hazardous Materials
- Congresswoman Debbie Wasserman Schultz
- Congressman Vern Buchanan
- Congressman Theodore Deutch
- Congressman Mario Diaz Balart
- Congressman Carlos Curbelo
- Congresswoman Lois Frankel
- Congressman Alan Grayson
- Congressman Alcee Hastings
- Congressman Thomas Rooney
- Congresswoman Ileana Ros-Leighton
- Congressman Dennis Ross

- Congressman Daniel Webster
- Congresswoman Frederica Wilson
- Former Congresswoman Corrine Brown, Former Ranking Member of the Transportation Subcommittee on Railroads, Pipelines and Hazardous Materials
- Former Congressman Joe Garcia
- Former Congressman John Mica, Former House of Representatives Transportation and Infrastructure Committee Chairman
- Former Congressman Trey Radel
- Former Congressman David Rivera
- Former Congressman Steve Southerland

More than 18 cities, counties, and governing boards have also passed resolutions of support or expressed support for VTUSA. They include:

- City of West Palm Beach
- City of Fort Lauderdale
- City of Hialeah
- City of West Miami
- City of Coral Gables
- City of North Miami Beach
- City of Aventura
- City of Miami Springs
- City of Hallandale Beach
- City of Dania Beach
- City of Hollywood
- City of Orlando
- City of Maitland
- City of Winter Park
- Orange County
- Seminole County
- Osceola County
- Port Canaveral Board of Commissioners

The business community has expressed tremendous support for VTUSA. From chambers to the hospitality industry to the commercial and development community, VTUSA has received more than 35 resolutions or letters of support. Some highlighted organizations include:

- Florida Chamber/Coalition of Florida Chambers
- Greater Miami & The Beaches Hotel Association
- Greater Fort Lauderdale Convention & Visitor Bureau
- Miami Greater Miami Convention & Visitors Bureau
- Discover the Palm Beaches
- Palm Beach County Hotel & Lodging Association
- Latin Builders Association
- Associated Builders & Contractors - Florida East Coast Chapter
- The Miami-Dade Beacon Council
- Las Olas Boulevard Merchants Association
- Chamber of Commerce of the Palm Beaches
- Central Florida Partnership
- Orlando Regional Chamber of Commerce

- Fort Lauderdale Downtown Development Authority
- Greater Fort Lauderdale Chamber of Commerce
- Aventura Marketing Council
- Coral Gables Chamber of Commerce
- Miami Dade Chamber of Commerce
- Broward Alliance
- Miami Downtown Development Authority
- Miami Beach Chamber of Commerce
- West Palm Beach Downtown Development Authority
- African American Council of Christian Clergy
- ETC of Central Florida
- 100 Black Men of Orlando
- Hispanic Chamber of Commerce
- Greater Miami Chamber of Commerce
- Delray Beach Downtown Development Authority
- Palm Beach Economic Council
- Broward County Metropolitan Planning Organization

Representatives of several higher education institutions have also publicly expressed their support for VTUSA. They include:

- John Hitt, President, University of Central Florida
- Dr. Rosalyn Artis, Former President, Florida Memorial University
- Donna Shalala, Former President, University of Miami

Members of the public throughout the state, country and world are also supportive of VTUSA.

Project Approvals

VTUSA started the environmental permitting process in August 2012. Since then, the team has proactively engaged federal, state, and local agencies to discuss and identify their environmental resources and/or concerns within the area of the Project. Extensive interface has been ongoing with FRA, USACE, U.S. Coast Guard, DEP, SFWMD and SJWMD, as well as the Counties through which we will operate. All permits have been applied for, with the vast majority granted or issued as of this writing.

Further to the completed environmental review, protecting Florida's endangered wildlife and habitat is critical to VTUSA. As such, team members are also actively engaged with many of the State's environmental groups, including Everglades Foundation, National Parks Conservation Association, Audubon Society, and 1,000 Friends of Florida. VTUSA routinely meets with communities and representatives to apprise them of the status of the Project and to solicit their views on issues of interest.

A list of relevant environmental documents and their status is listed in the table below.

NEPA Documents	
Document	Status
FRA MIA – WPB ENVIRONMENTAL ASSESSMENT /FONSI	Complete Jan 2013
FRA MIA – WPB SUPPLEMENTAL EA/ WPB REPAIR FACILITY	Complete Jan 2015
FRA WPB – ORL FINAL ENVIRONMENTAL IMPACT STATEMENT	Complete Aug 2015
USACOE – WPB-Orlando Record of Decision	March 23,2018
FRA WPB-Orlando Record of Decision	December 15, 2017
Permit Approvals – Rail Infrastructure (none required for WPB Repair Facility)	
Miami to West Palm Beach	Status
South Florida Water Management District – Environmental Resources Permit (Track)	Complete – Dec 2012
South Florida Water Management District – Environmental Resources Permit (Fiber Optic Cable)	Complete – Nov 2014
Miami-Dade County – Class I Coastal Resource Permit (Track)	Complete – Oct 2013
Broward County – Environmental Resource Individual Permit (Track)	Complete – Oct 2013
Broward County – Environmental Resource Individual Permit (Fiber Optic Cable – Water Crossings)	Complete – Dec 2014
USACE – Section 408 Concurrence (Bridges in EA: C-15, C-14, C-12, C-11, C-9, C-8, C-7, Tarpon)	Complete – Mar 2014
USACE – Nationwide Permit Application 404 (Bridges in EA: C-15, C-14, C-12, C-11, C-9, C-8, C-7, Tarpon)	Complete – Nov 2015
USACE – Subaqueous Permit (Fiber Optic Cable: All Bridges/Wetlands)	Complete – Dec 2014
South Florida Water Management District – ERP (Bridges – EIS) C-51; C-16; Hillsboro; Middle River North Fork; Middle River South Fork; Oleta River Br; Arch Creek Br	Complete – Nov 2014
USACE – Nationwide Permit Application 404 (Bridges – EIS) C-51; C-16; Hillsboro; Middle River North Fork; Middle River South Fork; Oleta River Br; Arch Creek Br	Complete – Nov 2015
Broward County – Hillsboro Br; Middle River North Fork; Middle River South Fork;	Complete – Oct 2013
Miami Dade County – Oleta River Br; Arch Creek Br	Complete – Oct 2013
US Coast Guard – USCG Permit – Hillsboro Bridge modified	Complete – Aug 2016
West Palm Beach to St. Lucie (Zone 4b)	Status
South Florida Water Management District – Exemption Letters Track: Upland Double Tracking	Complete - (1) October 2013 (2) March 2017
South Florida Water Management District – ERP (Fiber Optic Cable: All Bridges/Track/Wetlands)	Complete - January 2015
South Florida Water Management District – ERP (Track Expansion/Bridges: Moores, Warner, Rio Waterway, 1 - Salerno, 2 - Salerno Tributaries to Manatee Creeks 1&2)	Complete - August 2016
South Florida Water Management District - ROW for Fiber Optic	Complete - October 2015
USACE – Sections 10 (alteration to navigable rivers), 404 (dredge and fill), and 106 (historic preservation) Permit.	Complete – April 2018
USACE – Subaqueous Permit (Fiber Optic Cable for all Bridges)	Complete – April 2018
South Florida Water Management District – St. Lucie River Movable Bridge.PERMIT MAY BE REQUIRED PURSUANT TO NEGOTIATED AGREEMENT WITH MARTIN COUNTY.	The St. Lucie River Bridge Improvements have been deferred pursuant to a discussion with Martin County, City of Stuart, and FECR about a replacement rather than a rehabilitation. It is expected that no work will

	be undertaken on the St. Lucie Bridge in the Phase 2 project, therefore no permit is necessary.
South Florida Water Management District – Loxahatchee River Movable Bridge. Permit required for small craft nav span, walkway, girder replacement, and temporary trestle.	Permit application submitted December 20, 2018. Permit review complete; awaiting a subaqueous confirmation by the WMD (cannot be undertaken until growing season – April 2019) for the permit to be issued.
USCG Movable Bridges – No permit required. Need letter of authorization for temporary closure.	To be filed when details are known. ~ 2 week turnaround.
South Florida Water Management District –ROW permits to cross SFWMD infrastructure at Earman River (MP 291.86), unnamed tributary (MP 266.86), unnamed tributary (Mile Post 259.95), Moores Creek (Mile Post 241.22) and Taylor Creek (Mile Post 240.1)	Submitted August 31, 2018, review ongoing, permit subject to close-out of Hillsboro Bridge in Phase 1. Also need as built
South Florida Water Management District, minor mods for temporary trestles at Taylor Creek, Moores Creek, RIO Waterway, Salerno Canal, Salerno Waterway, Manatee Tributary, Manatee Creek, and Earman River.	Issued September 10, 2018
St. Lucie to Cocoa (Zone 4a)	
Status	
Saint Johns River Water Management District – Exemption Letter – (Track: Upland Double Tracking)	Complete - October 2013
Saint Johns River Water Management District – ERP (Fiber Optic Cable: All Bridges/Track/Wetlands)	Complete – October 2015
Saint Johns River Water Management District – ERP (Track/Bridges: All Except 4 Historic Bridges)	Complete – June 2017
Saint Johns River Water Management District – ERP (Historic Bridges: Eau Gallie, Crane, Turkey, Sebastian), plus minor mods for temporary trestles for North, Main, South, Goat, and Horse.	Submitted to SJRWMD August 15, 2018. RAI response by VTUSA Nov 1, 2018. Expect permits by May 2019. This work has been deferred for budget purposes and this permit will not delay construction start.
USACE – Sections 10 (alteration to navigable rivers), 404 (dredge and fill), 408, and 106 (historic preservation) Permit. Track/Bridges: All Except Historic Bridges	Complete – April 2018
US Coast Guard – USCG Section 9 Bridge Permits (Historic Bridges: Eau Gallie, Crane, Turkey, Sebastian). Sebastian and Crane submitted 9/1/2018, Turkey and Eau Gallie submitted September 24, 2018. Bridge Advisory Group proceedings are complete and have been APPROVED by the USCG, clearing the way for Section 9 permit approvals.	Submitted September, 2018. Bridge Advisory Group proceedings approved by the USCG October 11, 2018. Final Section 9 permit pending SJRWMD issuance of the ERP. This work has been deferred for budget purposes and this permit will not delay construction start.
GOAA (Zone 2)	
Status	
South Florida Water Management District –ERP (Track/Bridges on OIA)	Complete – May 2016
USACE – Permit Modification 404/408 Permit (Track in OIA)	Complete – June 2016
USACE – GOAA Permit Modification for Terminal Portion of PE-01 (Track near existing terminals)	Complete – June 2016

Eagle Disturbance Permit (North Parking Area)	Permit issued October 24, 2018, monitoring required.
Federal Aviation Administration – Airport Layout Plan	Complete - September 2015
Jeff Fuqua Boulevard to SR-520 (CFX Section Zone 3a)	Status
Orange County Environmental Protection Division – Conservation Area Impact (CAI) Permit – SR 528 corridor	Approved – June 19, 2018, Issued July 17, 2018
Orange County Environmental Protection Division – Conservation Area Impact (CAI) Permit – Deseret Borrow Pit	Approved by Orange County Commission on October 30, 2018; permit issued.
South Florida Water Management District –ERP (Track/Bridges on OIA)	Complete – January 2017
South Florida Water Management District – ERP (Track/Bridges on CFX)	Complete – May 2017
St. Johns River Water Management District – ERP (Track / Bridges on CFX)	Complete – December 2017
USACE – 404/408 Permit (Track in OIA)	Complete – May 2018
USACE – 404/408 Permit (Track on CFX)	Complete – April 2018
FAA Permits off GOAA Property	Deed of Release granted September 25, 2015. Minor modifications to the legal description are being requested but will not delay release of escrow or start of construction.
St. Johns River Water Management District – minor mods to ERP for bridge trestles at Econ River, Second Creek, Jim Creek, Taylor Creek, and St, Johns River.	Submittal November 30, 2018, 2018; approval expected imminently.
South Florida Water Management District – minor mods to ERP for bridge trestle at Carlsbad Swamp. 4-6 weeks	Submitted November 28, 2018; approval expected imminently.
SR-520 to Cocoa (FDOT Section Zone 3b)	Status
St. Johns River Water Management District – ERP (Track / Bridges)	Complete – December 2017
USACE – Sections 10 (alteration to navigable rivers), 404 (dredge and fill), and 106 (historic preservation) Permit.	Complete – April, 2018
USCG Section 9 Bridge Permit – St. Johns River Bridge	Complete – April 2018
FHWA – I-95 Air Rights agreement	FHWA Approved 12/29/2016
Vehicle Maintenance Facility	Status
Orange County – Air Quality Exemption	Complete – November 2015
South Florida Water Management District – ERP Modification	Complete – May 2017
USACE – 404/408 Permit (GOAA Modification)	Complete – April 2018
VTUSA Airport Layout Plan – Air Space Analysis –FAA	Complete – September 2015
GOAA Staging Area Airport Layout Plan-submitted to FAA	Complete – May 2018
Phase 2 all Zones	Status
US Department of Transportation Record of Decision	Complete December 2017
US Army Corps of Engineers Record of Decision	Complete – March 2018

Status and Timing of Funding Sources

Funding for the project will come from Private Activity Bonds, and additional equity to be contributed. Financing is expected to be completed by April 2019.

Year of Base Year Dollars

The project base year for budgeting purposes is 2018. An escalation factor has been added for years 2019, 2020, 2021, and 2022 spend.

Overall Cost Limits

The budget provided contemplates all costs, reserves, and contingencies required to complete construction and commence revenue service on the full system.

II. Project Technical Baseline

As indicated by the status of permitting outlined above, the design work is in an advanced state of completion – about 98% overall. A complete set of project plans, permit applications, and related documentation is available by link. The following is a synopsis of the state of design completion by zone:

Zone 1 VMF and Orlando Station

The VMF is located on an approximately 60-acre site on Orlando International Airport property about 1.5 miles southwest of the Orlando Station. The lease arrangement has been concluded. Geotechnical investigations have been undertaken (by PSI), the Design Criteria Report and the Preliminary Engineering Submittal have both been completed by TY Lin International. Based on the current experience in the Running Repair Facility that is already operational in West Palm Beach, program changes were completed by TY Lin and an updated package was issued in April, 2018. Following a design build bid process for the VMF project and ensuing negotiations, VTUSA determined that risk premiums included by the bidders were unreasonably high. As a result, we are proceeding with a CM at risk (CMAR) contract with the chosen bidder using the DB bid amount (adjusted for scope) as the not-to-exceed value. This is expected to generate additional savings in the out-turn price. Further design of the VMF will be conducted by TY Lin as they offer the retain the best knowledge of the project as a result of their prior work on the project. Design is currently at the 30% level.

The Orlando Station shell construction is now complete. VTUSA work to complete the station is limited to tenant improvements, featuring modular branded relaxation and working spaces, styled ceiling paneling, and directive signage. The interior design for this area is 33% complete (by Borelli & Associates), sufficient to obtain competent cost estimates.

Zone 2 GOAA

Design for Zone 2 is 100% complete (by HNTB).

Zone 3 East West Orlando International Airport-Cocoa

Design for Zone 3 is 100% complete (by HNTB). The documents are in final review by CFX and FDOT, and comments have been received and are being negotiated or incorporated.

Zone 4 N-S Cocoa-West Palm Beach

Design for Zone 4 is parceled as follows:

- Cocoa- Indian River/St. Lucie County Line (~64 miles): Track, roadway, signals, crossings, and fiber optics; 100% complete (by Transsystems)
- Indian River/St. Lucie County Line – West Palm Beach (~65 miles): track, roadway, signals, crossings, and fiber optics; 100% complete (by URS – now AECOM)
- Zone 4 Fixed Bridges – Qty 18, (by Bergmann): 100% complete.
- Zone 4 Movable Bridge – Qty 1, (by Transsystems): 60% complete.

III. Estimating Methodologies and Standard Cost Categories

VTUSA has established a ten-category main Work Breakdown Structure (WBS), based on the particular components and subcategories of this project. The estimate for this project, and therefore the methodology narrative that follows, is built up around the VTUSA WBS. To report in the FRA format, VTUSA has created a mapping protocol to populate the Standard Cost Categories as shown in Appendix C.

Category 001 - Land/Entitlements

Land acquisition is essentially complete, with some mitigation credits that have been agreed and contracted not required to be financially closed until construction begins. A few minor parcels for signal houses also remain to be purchased, as described below. Therefore, costs are established with a high degree of confidence. Following is the explanation and support for each of the sub-categories:

- Land purchases – these are actual costs for purchases of parcels executed by VTUSA and which along with the easements and leases that follow, comprise the necessary land to accommodate the passenger rail corridor and supporting infrastructure elements (e.g. drainage, utilities, and access ways). Land acquisitions are complete except for four small lots aggregating 10,500SF of land area that may be required for signal houses by the FDOT mandated narrower ROW corridor, and all payments have been made.
- Easement acquisitions – these are actual costs included in agreements with the Greater Orlando Aviation Authority (GOAA), the Central Florida Expressway Authority (CFX) and the Florida Department of Transportation (FDOT) for long term easements that accommodate the relevant passenger rail corridor and supporting infrastructure elements contained within land owned by these agencies. The agreement's status is as follows:
 - GOAA. The GOAA Agreement is an easement comprising the rail corridor, and a long-term lease for the Orlando Station and the land for the Vehicle Maintenance Facility. The agreement finalized and executed, and rent is currently being paid for these facilities. In addition, VTUSA has arranged to lease 5,000SF of shell space adjacent to the Orlando Station as the location for its project management offices, and currently occupies this space. The GOAA properties are in escrow pending financial close, which is required by December 2018.
 - CFX. The CFX agreement is a purchase of a permanent 50' easement along with a license to occupy an additional 50' with slope treatment. The easement has a 50-year term with a 49-year renewal provision. The agreement has been finalized and executed. This covers the Zone 3 (EW) alignment from Narcoossee Road to SR 520.
 - FDOT. VTUSA has executed a lease for a 60' wide strip from FDOT for the eastern end of Zone 3 (EW) corridor, from SR 520 to the Cocoa curve. The lease has a 50-year term with a 49-year renewal provision. This agreement is finalized and has been released from escrow. Easement acquisition costs are all agreed, and payments have been made.
- Transaction Costs – actual costs incurred in payment for professional services or fees required to create the necessary documents that are executable for the land transactions required for the establishment of the passenger rail corridor.
- Real estate taxes – self- explanatory
- Impact fees – this is the actual cost incurred by VTUSA as part of the deal with the Florida Department of Transportation that allows the accommodation of the passenger rail corridor within land owned by FDOT. This cost has been agreed and paid.
- Environmental mitigation parcels – these are actual or planned costs for obtainment of parcels of land require to achieve the mitigation commitments to which VTUSA has agreed with the relevant permitting agencies, including the South Florida Water Management District, the St Johns River

Water Management District, the Army Corps of Engineers, and Orange County, FL. VTUSA has agreements in place for ALL the parcels that are required. Each of these agreements has terms agreed to with the owners of the individual parcels. Final payments must be made on the mitigation tracts and credits in conjunction with the start of construction.

- Demolition – costs incurred for demolition of properties that must be removed to accommodate the passenger rail corridor. These are actual costs incurred primarily in the segment of property acquired around I-95.

Category 002 - Rail Infrastructure (Zones 2-4)

The cost of rail infrastructure provided herein as Attachment I has been established from several items:

1. The actual accepted bid for Zone 2 (GOAA Alignment) from Middlesex Construction, with provisions for landscaping and a utility allowance, and allowances for scope reduction and delay in award.
2. The actual accepted bid for Zone 3 (EW Alignment) from Granite Construction Company, adjusted by targets also agreed with the successful contractor and allowances for scope reduction and delay in award. This includes signal distribution, fiber relocation, all civil works and installation of all bulk rail and track materials, provided or to be provided by VTUSA.
3. The actual accepted bid for Zone 4 (N-S Alignment) from the HSR JV, adjusted by allowances for scope reduction and delay in award.
4. A detailed estimate of **owner purchased materials** and work trains.
5. An ALLOWANCE for the rehabilitation of **the Loxahatchee movable bridge** within the Zone 4 bid. This work will be competitively bid in fall 2019.
6. Contracts with GE Alstom for **signal engineering**, purchase of hardware, software engineering, configuration, fabrication and commissioning of signal houses.
7. A detailed estimate for other **utility relocation** costs.
8. A detailed estimate for work trains, to be operated by VTUSA.
9. An allowance for Roadway Worker Protection, or EIC's, as required by VTUSA and FECR Roadway Worker Protection Manuals and the 49 CFR Part 214 Roadway Workplace Safety.
10. The cost of restitution bonds.
11. The estimated cost of the Aircraft Runway Lighting System relocation, to be constructed by GOAA.
12. An allowance for QA testing (over and above QC testing provided by the contractor).

Construction Costs

As a preface to the estimating methodology, it is noted that the basis of the construction bids is lump sum. To best apportion risk, there are some measurable quantities incorporated within the contracts, including stormwater prevention, sub-ballast, T-wall backfill, unsuitable material excavation and pile length. Performance including labor, materials, equipment, subcontracting, and overhead costs, as well as productivity and schedule, are the risk of the contractor. Thus, the contractor's price is firm regardless of the methodologies described herewith and can be relied upon by VTUSA with the exceptions and clarifications noted.

All of the contractors bidding the various bid packages are utilizing the "Engineering Build-up Estimating" method (as described in the FRA document *Capital Cost Estimating, Guidance for Sponsors*) for most of the work under its contract. It has quantified materials from nearly completed design documents, determined the methods of construction and the attendant temporary works and equipment, established numbers and sizes of work crews, estimated productivity, strategically solicited and received proposals from subcontractors for certain components of the work, and estimated the job overhead that will be necessary to support the work (management, job-wide equipment, temporary offices, insurance and bonds, non-productive labor, escalation, etc.; also known as general conditions).

Each of these items was then priced based on quotations from suppliers, subcontractors, equipment vendors, and the contractors' own knowledge of the preceding as well as labor costs. The contractors will each then add a risk contingency and a fee, resulting in their final price that is now incorporated into the estimate provided in Attachment I.

For example, there are approximately 1.2 million SF of MSE wall in Zones 2 & 3 of the project, spread over a 39-mile right of way. There is small risk in the quantity because the walls are shown on the drawings and in a spreadsheet developed from the design model, and the specifications for the walls, straps, backfill material, and compaction are established. Material prices are obtained from the market, and the contractors' judgement on the actual buy price is applied. The contractor developed an optimization of: the lower productivity of multiple work fronts with an accelerated schedule against the higher productivity of one crew with an extended schedule. They considered the overall project schedule and the criticality of this particular item. This resulted in a plan for the number of work fronts, which allowed equipment, labor, and management to be estimated. An identical process was followed for all aspects of the project. In some cases, subcontractor proposals were sought for items also priced by the contractor, providing an option for the contractor to sublet or self-perform. In other cases, the contractor has no capability or intention of self-performing, placing greater importance on obtaining competitive quotations and securing "hard" pricing.

The successful bidders HSR, Granite, and Middlesex, are all highly experienced with this type of estimating and with this type of work, generating a high level of confidence in the price.

Owner Purchased Materials and Construction Trains

VTUSA intends to provide the vast bulk of track materials for the rail infrastructure component of the service. Among other materials, VTUSA delivered the rail, ballast, ties, tie hardware, and switches to the contractor for the first phase of construction. VTUSA will resume this role in the second phase. Standards for these track materials are FRA Buy America certified, and have been carefully chosen by track engineers at FECR and HNTB who share the goal of lasting and superior railroad infrastructure.

VTUSA has estimated the bulk rail material quantities needed to complete the project based on the nearly complete design, track chart, and anticipated delivery methods based on discussion with the bidding contractors (Appendix D). The successful bidders also estimated the bulk material quantities, which were then reconciled with VTUSA's internal estimate. These reconciled quantities provide the basis for the estimate. Quantities of rail were calculated by the stationing provided in the track plans, while ballast tonnage is a function of that calculation. Due consideration has been made for the character of the work and, in particular, the track shifting operations. Ties are also calculated from the rail quantity, but only after that quantity has been reduced by the summed length of grade crossings and switches.

The first phase of the project allowed VTUSA to create solid relationships with industry suppliers, some with whom we have established agreements. Agreements for ballast material, concrete ties, track hardware, and rail material are in place, with pricing known subject only to escalation indexing. Prices for other materials, including special track, wood ties, and steel ties were estimated based on actual costs from the first phase, supplemented by supplier estimates. Exposure to VTUSA that remains includes escalation, shipping of ballast and ties, and final pricing for the special track, wood ties, and steel ties. The escalation exposure is estimated within the bulk materials budget, and the other exposures are incorporated in the risk register. Lessons learned regarding the risk of certain materials have allowed VTUSA to develop a budget structure for the material required to complete construction.

Unit prices included in the cost of the project presented herein are reflected in year of expenditure (YOE) dollars. Escalation is calculated at 3% (compounded) per year, unless negotiated rates already include inflation.

Three or more construction trains will be required to support the Phase 2 work. Each train consists of a locomotive and crew. Hopper and gondola cars carrying ballast and other materials will be hauled by the construction train locomotives. Rail trains carrying 1,600' rail strings will also be hauled by the construction trains. VTUSA has estimated the cost of providing construction trains as a self-perform activity. Also, FECR and the contractor HSR are other possibilities being investigated. The value carried represents the VTUSA estimate. Additional funds have been provided within the risk register to cover the possibility of a contracted FECR construction train.

Movable Bridge Rehabilitation

The rehabilitation of the Loxahatchee River movable bridge (Jupiter, FL) is within the Phase 2 scope. The machinery and fabrication package for the bascule bridge is fully designed and has been bid. The remainder of design is nearing completion. The budget for this item is based on the actual bid for fabrication and supply of the bascule bridge, plus an allowance for the installation and construction work. Permits are required for this work from the South Florida Water Management District, and have been applied for with expected issue in the late Spring 2019. The construction will take 22 months. The long lead structural/machinery package has been awarded to G&G Structural Steel from Russelville, AL. The construction work will be bid in Q3 2019, with assignment of the fab package to the successful contractor. Work is scheduled to begin in October, 2019, for a Q3 2021 completion.

The Loxahatchee Bridge scope includes bascule span superstructure and all machinery replacement, and approach superstructure framing replacement. This work requires a SFWMD ERP permit, triggered mainly by the need for temporary trestles during the construction phase. The permit application was submitted December 20, 2018, and is expected to be issued by late spring 2019.

VTUSA retains the risk of the actual price variance from the allowance amount. Therefore, this is an item within the risk register for the project and is thus covered by appropriate contingency.

It was previously planned to also make improvements to the St. Lucie River movable bridge. This project did not improve trip time or improve the navigational system. As a result, we have been engaged in a discussion with a variety of stakeholders, including Martin County, the town of Stuart, FDOT, and FECR about a permanent replacement of the bridge with a higher level vertical lift bridge. This future project would be double track, would greatly reduce bridge openings since it would raise clearance by ~12', and would substantially improve navigation by increasing horizontal clearance. The prospect of bridge replacement relegated any current spend to throw-away status, therefore it made sense to eliminate the rehab component of the project.

VTUSA retains the risk of the actual price variance from the allowance amount. Therefore, this is an item within the risk register for the project and is thus covered by appropriate contingency.

Signal Engineering and Fabrication

Signal system installation is undertaken in three components: 1) System engineering and fabrication, 2) ATC wayside system installation, testing, and cutover, and 3) PTC signal systems overlay, testing, and commissioning.

- 1) System engineering and fabrication. The work including system engineering, equipment procurement, programming, fabrication, integration, and delivery of signal houses will be provided under an extension of the original contract with Alstom, the provider of Phase 1 services. Alstom will develop and supply the ATC system logic package and radar vehicle presence detection systems as "box 1" of a 2-box delivery system ("box 2" described below). This supply package is fully factory tested before delivery. The general contractor installs and commissions that system in step 2. This differs from Phase 1 in that Alstom had responsibility to commission and test the ATC

system. The cutover process is integrally tied to construction progress. Delays and resequencing of grade crossing work caused by a variety of reasons (permits, FECR related interference, software glitches, priority shifts, material delivery issues) often caused expensive disruption to work crew, equipment, and Employee in Charge assignments in Phase 1, which will be greatly reduced by this change in approach.

The value of this work within the estimate was established by lump sum contract as modified by a change in scope and time currently in negotiation with Alstom.

- 2) The installation of the wayside signal system wiring, Alstom-provided signal houses, vehicle detection system, cantilevers and gate assemblies for grade crossings, signal bridges and mast ladder platforms for wayside signaling systems; and testing and commissioning of the turnkey system is all included within the scope of the general contract, and therefore within its lump sum value. In Phase 2, this work will be performed by HRW, a joint venture subcontractor to HSR. HRW is a joint venture of Herzog Technologies, Railworks, and Wabtec (the Herzog and Railworks entities are affiliates of the general contract JV partners, and Wabtec performed the wayside signal work on Phase 1).

The FECR freight service will operate under the as-cutover new ATC system in the interim between steps 2 and 3.

- 3) The upgrade to PTC is undertaken by Alstom on a turnkey basis. The PTC logic is contained in "box 2, which is a plug-in to the "box 1" ATC system. This will involve factory development and testing of "box 2" to upgrade the ATC system to PTC, and the field installation, testing, and commissioning. This work is generally off the critical path of the project, and requires no significant construction works. It is an overlay on the now-operational ATC system, and is expected to be completed in blocks in a south to north sequence.

PTC will be fully implemented prior to the initiation of passenger revenue service, as required.

Alstom remains a prime contractor to VTUSA. Despite the now-separated and non-dependent installation sequence between the ATC and PTC systems, all activities of both installation processes will be tracked within VTUSA's master program schedule.

A 14-mile test track beginning at WPB and moving north is a part of the scope of work of the Zone 4 contractor, with an interim milestone of 16 months from NTP. This will allow the testing of the ATC cutover process, the PTC upgrade, and the rolling stock commissioning well in advance of the mainline cutover. With this added component in the Phase 2 work plan, an early fine-tuning and perfection of the procedures of commissioning are enabled.

Fiber Relocation

The fiber re-location work for Phase 2 is similar to Phase 1. This was contracted directly by VTUSA in Phase 1 but will be part of the general contractor's scope in Phase 2. This item will be included in the risk of the contractor.

As noted previously, an early works fiber bypass between mileposts 190 and 214 has been completed. This enables a starting point for the Zone 4 construction.

The remainder of the 3rd party fiber will be the responsibility of the general contractor.

Other Utility Relocation

There are a variety of other utilities to be relocated. These include overhead power line relocation, gas, communications, water, drainage, and wastewater; especially in Zones 2 and 3. This work has been quantified by the design engineer HNTB, and cost estimates have been prepared in consultation with the utility owners.

All the above is guided by the assumptions, ground rules, and clarifications that are included in Section IV. The assumptions limit and define certain risks. The risks that are retained by VTUSA are incorporated within the Risk Register (Appendix G) and are therefore included in contingency.

Category 003 – Building Construction

The estimate for Building Construction is comprised of:

1. The actual awarded bid cost of the VMF early sitework package, from Hubbard Construction Company.
2. The actual bid cost of the VMF building with adjustments made for a decrease in scope, from Wharton Smith, Inc.
3. The estimated cost of the Orlando Station Tenant Improvements based on a guidance estimate prepared by an experienced Orlando Airport tenant improvement contractor.
4. Bulk materials for the track work and work trains are included in the rail infrastructure budget.

MCO Intermodal Transfer Facility – base building costs

GOAA has obtained Certificate of Occupancy (CO) for the Intermodal Transfer Facility (ITF) building in which the VTUSA Orlando Station lease initiated in Q4/2017 (most capital costs of the ITF shell were borne by GOAA and are included in the VTUSA lease). The core ITF building contract included all structure, exterior envelope (exterior walls, glazing, roofing), all vertical transportation (elevators and escalators), all fire egress paths including fire stairs and exits from the VTUSA lease spaces, and the main plant facilities for mechanical, electrical, fire protection, plumbing, and IT systems. The following work is complete and in general, is included in the lease payments of VTUSA to GOAA.

Main Hold Room – Level 4

- Two main air handling units and main trunk line installed and commissioned. Downstream distribution, mechanical grilles, final test/balance, and small local fan coil units needed to support back-of-house areas are in the TI estimate.
- Code minimum Fire Sprinkler distribution, which will only require modification for the TI layout.
- Code Fire Alarm system which will be expanded for the TI layout.
- Code Lighting which will be modified and expanded for the TI layout.

Platform – Level 3

- Platform surface complete with all storm drainage.
- 2' wide tactile ADA edge strip installed at all boarding edges (3 total).
- Fall protection rail/screen at the 4th platform edge (non-boarding).
- 50% of the final LED pole lighting which provided adequate lighting for CO – the other 50% are in the estimate of station costs herein.
- 100% of the fire alarm devices, mounted on the light poles so no additional costs required in this estimate.
- 100% of the security cameras, mounted on the light poles so no additional costs in this estimate.
- 100% of the public-address speakers on the platform so no additional costs in this estimate.
- All platform ceiling finishes are in the building envelope already completed by GOAA.

Luggage Room – Ground Floor Level

- This roughly 4,000 sf room has all final lighting, fire alarms, and fire sprinklers installed for CO. Only minor adjustments within the TI budget are required for these systems.

The amounts included in the VTUSA budget for the ITF base building have already been incurred and paid, and represent a negotiated settlement with GOAA for increased costs of the ITF building, liquidated in cash, and minor payments to GOAA for receiving, protecting, and installing tenant improvement type work to enable a building certificate of occupancy, including platform lighting, and tactile strips.

MCO Station Tenant Improvements Fit-out (Contract C201B)

The starting basis of this estimate was the work in place by GOAA. Connections for all systems were confirmed during the ITF design phase as required to serve the VTUSA TI leased space. All work outlined above has been completed by GOAA, so the Tenant Improvements includes only those costs necessary to finish the building as outlined below.

While many of the Orlando station expenses, including furniture, fixtures, and equipment were estimated by scaling the average costs of the three southern stations upwards using square footage ratios, there were several exceptions to this methodology. Decals and signs for the Orlando station are forecast to cost \$100,000, an increase from the \$35,000 budgeted for each of the in-line stations. This contemplates the square footage of the walls to be decorated with decals and the large amount of glass that will need to be covered with protective vinyl. Lastly, building signage is estimated to cost \$300,000, accounting for the increased metal work required because of the lack of canopy over the platform.

- VTUSA solicited a contractor to prepare a detailed cost estimate in October 2017, based on Schematic Design (SD) Documents prepared by Rockwell Group. The contractor that prepared the estimate has a successful history of delivering TI projects of similar quality within the Orlando market, and specifically has long experience at Orlando International Airport.
- To supplement this package and assist in the estimating for trades not yet defined in the SD drawing package, VTUSA provided the 100% CDs for the Fort Lauderdale station to the estimating contractor. This enabled a good understanding of the scope of mechanical, electrical, and plumbing trades, which was addressed within their estimate.
- The interior finishes for the Orlando station are the same selections used at the Fort Lauderdale and West Palm Beach stations. Those material costs were known unit costs, comprised over 80% of the interior surfaces to be completed, and were provided to the estimating contractor. Material costs provided included:
 - Floor tile
 - Wall Tile
 - Back Painted Glass
 - Metal Wall Panels
 - Solid Surface Wall Panels (Corian)
- The estimating contractor prepared area take-offs of these materials and applied known material rates, coupled with current labor rates as the method of estimating these materials.
- For the other interior finishes, encompassing less than 20% of the finished areas, the estimating contractor used the Rockwell drawings and specifications to perform detailed area take-offs. Material quotes were received from vendors when the specifications allowed, resulting in realistic material costs per square foot. Current subcontractor labor rates were used to provide a full Base Year estimate for these scopes.
- Historical subcontractor costs based on detailed area and quantity take-offs were used as basis of the estimate for the following trades:
 - Interior drywall partitions
 - Hollow metal doors and frames

- Toilet partitions and toilet accessories
- Millwork
- The 100% CDs from the completed stations in Miami, Ft. Lauderdale, and West Palm Beach for the mechanical, electrical, plumbing, fire, and information technology trades were reviewed by the estimating contractor with each of the sub trades and appropriate costs per SF were included in the estimate.
- Staffing plan for the project was agreed with VTUSA and General Conditions costs in the estimate covering the agreed staff required for project duration.
- Contractor's fee as a % of cost of work is customary for this type/size of job and as agreed in the estimate.
- Given the schematic documents as the basis of the estimate, an 8% contingency is carried within the contractor estimate for his use. This is separate from the Owner contingency in the overall budget.
- 2.5% escalation was added to all components of the estimate where actual material past unit costs were utilized, based on a relatively flat cost market in Central Florida from 2015 to bring to the project Base Year 2018 dollars.
- Since the build out of the TI is less than a one-year build, the work is contemplated to start in 2020. An additional 6.1% escalation (3% per year compounded) is carried at the end of the estimate (3% per annum) to establish Year of Expenditure (YOE) costs.

As noted previously, the Orlando Station TI work will be a separate bid package. Borelli and Associates has been selected as architect/engineer for this work. They have completed design to a 30% stage for the pricing exercise described above. As this work is of shorter duration than the other project components, Borelli will not be given a notice to proceed with final design until after financial close. It is expected that the TI work will be bid in early 2020, with a 12Mo duration. This will allow completion well in advance of training requirements for the future station staff.

Station Signage

Also included in the Category 3 budget is the cost of Owner provided signage. This cost is carried outside the contractor estimate and methodology for establishing this budget is as follows:

- Fort Lauderdale Station signage costs are finalized for material and install costs. This final cost was used as starting point for the signage budget.
- The signage package at Fort Lauderdale was part of a larger signage purchase that included West Palm Beach and Miami Stations. As such, the actual sign costs at Fort Lauderdale were increased by 10% to establish the Orlando signage budget in 2018 Project Base year dollars.
- Since the TI is less than a one-year build, this work is contemplated to start in 2020. An additional 6.1% escalation is carried at the end of the estimate (3% per annum) to establish YOE costs.

VMF Construction

VMF Sitework and Trackwork

The VMF is an approximate 60-acre site, and as such the sitework is a significant component of the work. The VMF sitework includes the following major categories:

- Trackwork
- Earthwork (Clearing, Demucking, Excavation and Grading)
- Site Drainage/Stormwater Management
- Roadway/Hardscape (Site Roads, Train Tarmac/Grade Crossings, Parking Lots, Sidewalks & Site Fencing)
- Box Culvert
- Roadway Signage and Markings

- Site Electrical
- Wayside Power
- Generator
- Site Security
- Guard House
- Equipment (Sanding Unit and Dump Stations)
- Grassing

VMF Building Construction

The VMF building contains multiple functions in an approximately 138,000 SF facility that will serve as the primary heavy maintenance facility for the VTUSA fleet. The building will be equipped with overhead cranes for the movement of heavy equipment and rolling stock components, pits for undercarriage access, a locomotive shop, a bogie shop, parts storage and workshops, a commissary, and offices. Other facilities on site include a wheel truing facility, a train wash facility, and a fuel farm. The work scope includes foundations, superstructure, exterior skin and roof, interior construction and FF&E, and equipment installation.

Early Sitework Package (C201A.1)

The VMF is a ground-up build on land that is vacant today. The site is low and partly forested, requires relocation of a City of Orlando force main, construction of a site fence for the Conserv II wastewater treatment plant, a de-mucking and surcharge operation, and removal of unused portions of a water treatment facility that will be part of the project costs. Because of the extensive site development work, the skill differentiation of the sitework from the building work, and the long duration of surcharge required, the VTUSA PM team elected to make a separate bid package for this scope. TY Lin was commissioned to complete a 100% design package for this scope, which was incorporated into a bid package. 3 contractors were shortlisted, and bids were received on June 27, 2018. As previously noted, Hubbard Construction was the low bidder at \$8.7M for this package. An allowance of \$237,000 has been made for the cost of delay in award.

The early works package includes surcharge placement, retention pond excavation and armoring stone placement, and rough grading for the site.

VMF Building Package (C201A.2)

The VMF building was intended to be procured on a design build basis. 6 contractors were interviewed and a shortlisted, and 3 were selected for final bidding. Bids were received on August 29, 2018 from Moss and Wharton Smith, Dana B. Kenyon having dropped out. The bid package incorporated the updated design criteria report, specifications, contract and exhibits, and design layouts. Wharton Smith was selected after a detailed bid analysis and interviews with both bidders. During the analysis it became clear that both bidders ascribed a high level of risk to the design build approach. In the ensuing negotiations it was agreed that a Construction Management – At Risk (CMAR) delivery would result in significant savings to VTUSA, and could be undertaken under the concept that the not-to-exceed price had been established by the DB bids. On this basis we are proceeding to finalize a contract with Wharton Smith, wherein we will agree on fixed fee and general conditions and proceed to bid the sub trade packages. Though the cost carried in the budget is based on the not-to-exceed established by the DB bid, it is expected that additional savings are possible.

The C201A.2 contract sitework completion includes the surcharge removal; sub ballast, ballast, and track installation; final grading; permanent OUC rail crossing; and parking and roadway works. The building work includes the three structures on the site (Maintenance Building, Train Wash Building, and Wheel Truing Building), and a fuel storage farm with a capacity of 60,000 gallons of diesel. The C201A.2 contract also includes equipment installation. VTUSA prepared a detailed matrix of equipment and furnishings

within the VMF, identifying the responsible party for procurement and installation of each item (Appendix E). This clarified and improved the accuracy of the equipment component of the VMF estimate included herein. The contractor purchased equipment is included in Cat 3 Building Construction costs, while the owner purchased items are included in Cat 4 Operating Supplies and Equipment.

A general arrangement drawing of the VMF site and buildings is included in Exhibit A attached.

Category 004 – Operating Supplies and Equipment

Upon completion of the TI build-out by the contractor, the following items are installed at the Orlando Station through direct contracts that VTUSA will hold with specialty vendors:

- Security Turnstiles, baggage X-ray Equipment, other security equipment
- Luggage Scales
- Check-in kiosk equipment
- Information display screens at platform and hold room
- Kitchen equipment and smallwares at the hold room (Good to Go)
- PA speakers and cabling (other than those installed by GOAA at platform)
- IT equipment, racks, and cabling
- Office furnishings in back-of-house areas
- Retail merchandizing hardware

VTUSA has final costs for these items, as the install is complete at the Fort Lauderdale and West Palm Beach stations. Using the detail in those costs, VTUSA Operations has developed line item budgets for the Orlando Station install, contemplating historic unit costs and revised quantities.

This estimate based on actual cost units from the existing stations was increased by 2.5% to reflect anticipated 2018 Project Base year costs. Since the build-out window of the TI is less than one-year, this work is expected to start in 2020. An additional 6.1% escalation has been included (3% per annum) to establish YOY costs.

Furnishings, Fixtures, and Equipment (FF&E) for both the Orlando Station and the VMF have been estimated based on actual counts of items from interior design drawings (Appendix F) and from the detailed VMF equipment list owner purchased items identified in Appendix E.

Category 005 – Professional Fees

Orlando Station Professional Fees

VTUSA negotiated the contract for the architect and engineering fees associated with the Orlando Station TI fit-out in 2015 with Borrelli Partners in Orlando, using Matern Engineering as their Mechanical, Electrical, and Plumbing consulting firm. Borrelli has extensive prior experience in GOAA TI work. Matern was GOAA's engineer, supporting the ITF Core/Shell building, and is intimately familiar with the required design scope to support the TI.

A portion of the original fees from Borrelli were expended to support the work completed by GOAA to assure that the constructed facility supported the future TI needs and to assure that the portion of the TI work installed by GOAA was performed correctly. Borrelli also assisted VTUSA in presenting the project and receiving approval from GOAA's Design Review Committee in early 2016. The balance of Borrelli's contract plus a 15% increase in that remaining fee is carried to establish a 2018 Project Base year budget. This 15% increase covers inflation to 2018 dollars and the inefficiencies of restarting the remaining effort to complete the Design Development, Construction Documentation, and Construction Administration. The

restart of the work is anticipated to begin in 2019 to allow for final bidding of the work and permitting thru the City of Orlando. Escalation of an additional 3% is carried to establish YOE cost.

Infrastructure Professional Fees

The costs in this category contemplate all the professional services that VTUSA has used and plans to utilize to complete the Phase 2 project. As the corridor is almost completely designed and permitted, the majority of the costs in this category are based on actual incurred costs. Details of each sub-category follow:

- Environmental Consultants – costs in this category have been used for professional services required to obtain necessary environmental approvals for the Phase 2 segment. This includes all the work associated with the completion of the Final Environmental Impact Statement (FEIS) prepared in accordance with the National Environmental Protection Act (NEPA); the preparation of the Programmatic Agreement that VTUSA will be subject to for archaeological monitoring, historic bridge documentation, and other terms required per this agreement; and the documentation and preparation of permit documents with the multiple agencies with jurisdiction along the passenger rail corridor, including the South Florida Water Management District, the St. Johns River Water Management District, the Army Corps of Engineers, and several county and other local permits.

Most of these costs are actuals, and a reasonable estimate of remaining work has been included based on expenditures for similar tasks in Phase 1.

- Legal – costs in this category have been used for legal fees required to prepare or review documents in support of the advancement of the Phase 2 project. Types of documents include contracts, land transactions, and permits. Other legal services include counsel required to address issues during the construction period that are typical of similar projects.
- Survey – these costs are for survey work that has been required in the following major categories: production and support of environmental documents, including permits and wetlands delineation; land acquisitions, leases, and easements; and engineering survey work for production of design documents. Most of the costs in this category have already been incurred and are actuals. A reasonable budget, established for remaining work required, is consistent with what has been experienced with Phase 1.
- Engineering- the majority of these costs are actual costs incurred with engineering firms to achieve the substantial or full completion of all required design documents for the Phase 2 project. The costs remaining that have been budgeted are in the following areas:
 - Final design completion where not yet fully completed (e.g. movable bridges, and finalization of all engineering documents within the to Release for Construction (RFC) status. These costs are all contracted.
 - Post design services – these are budgets established for typical post design work and are also based on experience with Phase 1. VTUSA has negotiated rates with the various firms involved.
 - As needed services – budgets have been included for services reasonably anticipated to be required during the construction phase, including permit support, updates to RTC models, and other general consulting needs.
 - Independent Engineer – budget assumed for an independent engineer to monitor progress that is likely to be required to support the financing of the Phase 2 project.
 - Signal systems integration - work scope was estimated on the basis of the out-turn value of the Phase 1 contract with Wabtec, and includes the integration of the signal system with dispatch computers in Jacksonville.

- GOAA OAR- the cost of GOAA's Owner Authorized Representative. These are fees paid to GOAA to cover their costs of integrating the rail system into the GOAA infrastructure.
- CAA-Icon – the cost of an independent operational audit of VTUSA's PM Team, and for ongoing project controls and reporting services.

VMF Professional Fees

The Professional Fees budgeted for the VMF are based on a detailed proposal from TY Lin after a competition with Jacobs Engineering. The scope of work includes final architectural and engineering design, and construction administration. In addition, vehicle maintenance facility expert Pennino & Associates has been retained to advise and provide industrial process design.

Rolling Stock Professional Fees

Rockwell design was commissioned to prepare the concept architecture for the trains. This included the exterior color scheme, interior finishes and design, and branding. This work is complete and was incorporated in the Phase 1 rolling stock, and will also carry forward to the Phase 2 equipment.

During the manufacturing and commissioning process that is now complete for the Phase 1 train fleet, VTUSA engaged the services of SNC-Lavalin, an international consultancy with expertise in rolling stock regulatory compliance. SNC-Lavalin also provided expertise for the engineering phase of the project, bringing the firm's extensive experience to design the functionality and safety of the equipment design. VTUSA, Siemens, SNC-Lavalin, and the FRA met regularly to review the equipment design at various stages, establishing a productive and cooperative feedback mechanism. During manufacturing, SNC-Lavalin represented VTUSA at many of the first article inspections of components and subcomponents prior to installation on the train, upholding VTUSA's strict quality standards. And finally, during the period of testing and commissioning, SNC-Lavalin supported VTUSA during critical tests that demonstrated the acceptability of the new rolling stock fleet.

Professional fees related to the rolling stock consist of a continuation of SNC-Lavalin's scope of work in providing on-site manufacturing oversight in Sacramento, CA and on-site commissioning support in Florida. The value of this scope is based on a proposal from SNC-Lavalin and is included in the budget.

Category 006 - Project Management

Management of the overall project will be tasked to a Project Management Team (PM Team) led by VTUSA and consisting of selected direct hire personnel supported by personnel seconded from HNTB.

The PM team has managed all engineering and bidding processes, and will manage the direct purchase and delivery of track materials and the work of a variety of consulting engineers and specialists, the prime general contractors, and the coordination with the stakeholders (lenders and equity technical advisors, FECR, GOAA, CFX, FDOT, US Army Corps of Engineers, US Coast Guard, Deseret Ranch, St. Johns and South Florida Water Management Districts, Orange County Environmental Services Division, US Fish and Wildlife Service, Florida Fish and Wildlife Commission, and each of the impacted counties, cities, and neighborhoods along the right of way. The PM Team will also oversee safety, maintain financial and schedule controls, provide quality assurance, and maintain the Master Program Schedule,

The project schedule was established in conjunction with the contractor at 36 months. This program was developed on a ground-up basis, following an establishment of the required sequence of work as informed by the now-completed Phase 1 project. The schedule considers current market conditions and resources available, including labor, equipment, subcontractors, and material delivery times. It represents an optimization of time and cost. A faster or slower schedule would have increased costs.

VTUSA used the “Engineering Build-up Estimating” method (as described in the FRA document *Capital Cost Estimating, Guidance for Sponsors*) to estimate the project management cost. The starting point is the PM organizational structure, which was developed internally based on work zone planning and the established bid packages for the work, the needs of the project as informed by Phase 1, and the experience of the project team. This structure is depicted graphically in Appendix B, Phase 2 Project Management Organization, and more fully described in Section I, part 3 of this document.

With organization, personnel, and schedule established, VTUSA built a monthly matrix of personnel needs. VTUSA estimated the cost by position from known values: the statutory and benefit burdens based on actual costs by individual salary; the other employment costs, including relocation, travel, computers, and phones; the needed support resources, including office costs, vehicles, software, utilities, moving, office machines, and furniture; the home office support costs; and the costs for FECR personnel support. The staff peak of 39 persons includes 25 direct hires, 9 seconded personnel from HNTB, and 5 from FECR.

The Project Management costs associated specifically with the Orlando Station TI scope is a component of a larger PM cost matrix, and the allocation of the manpower projected to support the overall Phase II project is proportioned across the components of the project based on staffing counts, staffing levels, and durations that staff is required to support each component.

Category 007 - Rolling Stock

VTUSA is providing the safest, most modern and passenger-centric rolling stock operating on any intercity corridor in the United States. VTUSA currently owns five train sets, which were custom-built in Sacramento, CA by Siemens USA. These trains are composed of two locomotives and four coaches with total capacity of 235 passengers per segment between Miami, Fort Lauderdale, and West Palm Beach. For service to Orlando, an additional three train sets will be procured. To accommodate the increased demand anticipated in a Miami-Fort Lauderdale-West Palm Beach-Orlando service, all trains in the entire fleet will be expanded to 5 coaches. The cost for the additions to VTUSA's rolling stock fleet is based on actual signed agreement between Siemens USA and VTUSA.

Procurement for the trainsets began in March of 2012 when VTUSA sent solicitations to all major domestic and international manufacturers of rolling stock. Specifications were based on desired frequency, travel time, ridership and revenue projections, but the type of rolling stock was left to the discretion of the manufacturers. A total of 14 manufacturers were approached and, after receiving responses from 13, VTUSA issued formal RFPs to two suppliers: GE/Alstom and Siemens. After GE/Alstom withdrew their proposal, VTUSA met with the FRA to review Siemens' proposal, and a Limited Notice-to-Proceed was signed with Siemens soon thereafter. Details of the contract, including delivery time, pricing, ADA, and Buy America compliance were laid out. Production of trainsets began in June 2015.

The rolling stock budget represents both direct manufacturing costs and the associated costs of procuring, commissioning, and furnishing the expanded train fleet. These costs include spare parts and tools, maintenance mobilization costs, ancillary equipment, cameras, onboard Wi-Fi equipment, and exterior and interior signage and decals. For consistency of experience and quality, VTUSA will use the same vendors to furnish the trains in Phase II as were involved with the first five trainsets in the fleet. VTUSA has negotiated a firm, fixed price with Siemens for the Phase 2 Rolling Stock, which is the basis for the project budget.

Ancillary equipment in the rolling stock budget includes food and beverage carts and other owner-supplied equipment. The pricing and quantities of these items correlate to the expanded fleet size and generally align with the Phase I purchases.

Maintenance mobilization is a cost established in the Siemens Maintenance Terms and Conditions agreement and provides for the establishment of the Orlando Vehicle Maintenance Facility as the primary location of contracted maintenance services. This cost includes the relocation of certain equipment from the existing West Palm Beach Running Repair Facility and the ramp-up of maintenance capabilities in the new Orlando site.

Category 008 - Not Used

This category was originally for Start Up costs, including pre-operating costs primarily comprising of direct labor hired prior to operations start, marketing and operational set-up and readiness such as fuel, utilities, testing of facilities, equipment, etc.

Start-up costs also include additional capital costs associated with expanding of the technology platform (i.e. reservation systems primarily) to extend the train service into Orlando.

This category is now part of the Operating Cost budget and is no longer used in the capital cost estimate system.

Category 009 - Finance and Administration

This category covers loan origination fees, capitalized interest, credit risk premium, and reserves. The cost was estimated by VTUSA's CFO based on the expected loan quantum and terms.

Category 010 – Contingency

VTUSA has developed a system for the provisioning for risks and opportunities on the project; i.e. costs or savings that develop after execution of the construction contracts. This system advised the establishment of contingency for the project.

Contingency has been developed in two categories: allocated and unallocated. Allocated contingency covers specifically identified risks. Unallocated contingency covers unknown and unanticipated risks.

Allocated Contingency

Allocated contingency is developed through the risk-opportunity register, attached as Appendix G. This document captures both risks and opportunities identified, documented, and quantified by the management team through the bidding process. The quantification is the estimated amount if the risk or opportunity actually materializes. This amount is multiplied by a probability of occurrence that is also assigned by the team, resulting in a probability distribution. The net amount of risk minus opportunity totals in the probability distribution is the allocated contingency amount.

Allocated contingency is carried in the PM Web budget as a line item. If an item of risk or opportunity materializes that was foreseen in the risk-opportunity register, the associated costs are charged to the allocated contingency line item regardless of cost. It is likely that the cost will exceed the amount allocated for the relevant line item, but other risks that do not materialize should balance ones that do.

Unallocated Contingency

Unallocated contingency is an amount, determined by the PM Team and approved by the VTUSA management, that is established to cover unknowns. The quantum is established based on the experience

of the PM Team and the decision of the investors.

Unallocated contingency is carried in the PM Web budget as a line item. If an item of risk or opportunity materializes that was not foreseen, the cost is charged to the line item where it occurs. Upon the decision of the PM Team, an amount equal to the materialized cost may be transferred from unallocated contingency to that line item. If an item of opportunity occurs that was not foreseen, the savings is transferred from the line item where it occurred to unallocated contingency. Note that opportunity does not include better than expected performance. Rather, it is an event of chance that changes the project, i.e. elimination of a tax, an unanticipated grant, etc.

IV. Supporting Assumptions

Estimate Inclusions and Exclusion

The Comprehensive Estimate Submitted Herewith Includes:

- a. The cost of land
 - a. Acquisition
 - b. Easements
 - c. Mitigation tracts
 - d. Mitigation bank credits
- b. The cost of all rail infrastructure
 - a. Coordination with the host railroad
 - b. Land clearing and grubbing
 - c. Drainage construction
 - d. Embankment and wall construction
 - e. Ballast, ties, track, and OTM
 - f. Flagging and safety
 - g. New and reconstructed bridges
 - h. New and reconstructed grade crossings
 - i. Relocated utilities
 - j. New signal system including PTC
- c. The cost of associated building construction
 - a. Orlando Station tenant buildout - ~ 40,000SF (shell and platform already constructed)
 - b. Vehicle maintenance facility (VMF) at Orlando International Airport ~ 138,000SF, including heavy maintenance, train wash, fuel farm, and wheel truing facilities
 - i. Site clearing, demucking, grading
 - ii. Site road networks and parking
 - iii. VMF and yard rail sidings
 - iv. Building construction
 - v. landscaping
- d. The cost of operating supplies and equipment
 - a. Orlando Station
 - i. FF&E
 - ii. Information technology networks
 - iii. Ticket counters, kiosks, and *Good to Go* food service
 - iv. Monitors, video walls, and turnstiles
 - v. Security cameras
 - vi. Rapiscan baggage scanning equipment
 - b. VMF
 - i. FF&E
 - ii. Information technology networks

- iii. Shop equipment
 - iv. Commissary equipment
- e. The cost of professional services
 - a. Permitting
 - b. Space planning and interior design
 - c. Architecture and engineering
 - d. Environmental design and monitoring
 - e. Archeological consulting
 - f. Independent Engineer for FRA peer review
 - g. Signal system design & engineering
 - h. Legal consulting
 - i. Traffic consulting
- f. The cost of Project Management
 - a. Staff and salaries; direct and seconded professionals, including all attendant costs
 - b. Home office support
 - c. Post design services
 - d. Temporary offices
 - e. Software and networks
 - f. Testing services
 - g. Insurance
- g. The cost of rolling stock
 - a. Locomotives, passenger coaches, and retail cars
 - b. Compliance engineering
 - c. Spare parts and tools
 - d. Ancillary equipment
- h. Finance and administration costs
 - a. Capitalized interest
 - b. Loan fees
 - c. Credit risk premiums
 - d. Reserves
- i. Contingency
 - a. Allocated contingency based on risk register
 - b. Unallocated contingency by line item

Estimate Does Not Include:

- a. Corporate overhead
- b. Pre-opening costs
- c. Phase 1 costs

Methods for Inflating Historical Unit Costs

The components of the estimate provided herein are not, with minor exceptions noted below, based on historical unit costs. Rather, costs have been estimated in current day dollars from the ground up and/or are provided as offers in current day costs.

Historical unit costs were used to estimate a portion of the Orlando Station tenant improvement costs and FF&E. Note that use of historical unit costs for the Orlando Station was limited to:

- Interior drywall partitions
- Hollow metal doors and frames
- Toilet partitions and toilet accessories
- Millwork

- Security Turnstiles, baggage X-ray Equipment, other security equipment
- Luggage Scales
- Check-in kiosk equipment
- Information display screens at platform and hold room
- Kitchen equipment and smallwares at the hold room (Good to Go)
- PA speakers and cabling (other than those installed by GOAA at platform)
- IT equipment, racks, and cabling
- Office furnishings in back-of-house areas
- Retail merchandizing hardware

The historical basis was the average of the same costs for the three stations recently completed in Miami, Ft. Lauderdale, and West Palm Beach. These projects were contracted in 2015. A 2.5% factor was added to the actual unit costs to escalate them to the 2018 Project Base year.

The above items represent a total value of less than \$4M, and therefore the escalation factors used to establish 2018 Base Year costs are not material components of the overall cost of the project.

Two professional services contracts that were executed in 2014 have continuing application to the Phase 2 contract. This includes the Orlando Station interior architecture, with Borrelli & Associates; and the signal systems engineering, hardware supply, and testing, with GE Alstom. In the case of Borrelli, the work was delayed along with the Phase 2 construction. Though the agreement is a lump sum, a 15% escalation has been provided to account for inflation to the 2018 Base Year as well as restart fees. The total amount of this contract is about \$500,000. In the case of GE Alstom, \$60M of their original \$90M contract was applicable to Phase 2. Based on current negotiations, we expect the actual Phase 2 costs to be about \$81M, and this amount has been incorporated in the estimate.

All other costs were based on actual bid prices, supplier quotations, and minor allowances.

Methods for Calculating Inflation

Significant portions of the costs contained herein are based on lump sum offers from vendors, contractors and professional services firms. In these cases, future escalation risk resides with the contractor or professional services firm, and therefore no provision has been made.

Some bulk material agreements incorporate escalation based on a representative basket of indices. In these cases, escalation has been incorporated at 3% per year, compounded. Additionally, an item in the risk register incorporates the possibility that 3% would be insufficient.

For all costs that will be incurred on a year of expenditure basis, which includes project management, operating supplies and equipment, bulk materials costs (rail, ballast, special track, OTM), Orlando Station tenant improvement costs, VMF equipment costs, and FF&E for both Orlando Station and VMF, amounts have been escalated 3% per year from the 2018 Base Year through the YOE.

Methods for Calculating Contingency

Please see Category 10 under Section III, Estimating Methodologies, for a description of how contingency has been estimated.

V. Limitations

There are few major civil engineering projects, including successful ones, that are completed without lessons learned (please see Appendix J for summary of lessons learned by VTUSA in Phase 1 of the

project). Frequently these lessons relate to lack of information (limiting factors) at the time. Some of this could or should have been able to be identified in advance of the start of construction, and other information deficiencies could not have been foreseen (lack of geotechnical information would be a known deficiency; a sudden copper price increase due to strikes in Chile most likely could not have been foreseen). Within the subset of limiting factors that were or should have been identified, some lacking information should have been obtained, and some was too expensive or not practical to obtain (undertaking a ground investigation at each pier location is practical, doing one at each pile location is not).

VTUSA has undertaken a comprehensive study and investigation of this project over the 5-year planning process to assure that factors with the potential to materially impact cost or schedule are fully understood, engineered, and incorporated within the project price and schedule. Over \$217M, or about 9.5% of project cost for the Phase 2 project has already been expended to study, entitle, and enable price certainty of the project. This investment has included over \$68M in engineering and environmental study and \$68M in land purchases. To optimize and mitigate unknowns, a multi-year collaboration between Owner, Engineer, and Preconstruction Services Contractor (OEC Collaboration) has been undertaken. This has included options evaluation, risk identification and mitigation, permit acquisition, coordination with stakeholders including the Greater Orlando Aviation Authority (GOAA), the Central Florida Expressway Authority (CFX), the Florida Department of Transportation (FDOT), the US Army Corps of Engineers USACOE), the US Coast Guard (USCG), the Federal Railway Administration (FRA), and other entities. Examples of limitations recognized and mitigated include:

- The original delivery concept of Design Build for the East West component would have left unknowns with respect to stakeholder interface (especially how GOAA, CFX, and FDOT would have evaluated and commented on the final design). Thus, full engineering design was commissioned and completed, eliminating this large unknown.
- The large borrow requirement for embankment fills (over 5M CY) resulted in price and schedule uncertainty for the project. Thus, an agreement was negotiated and executed with a major landowner for a source of borrow at a price certain, thus eliminating this large unknown.
- The OEC collaboration previously referenced identified high cost crossings and the potential for greater unknowns at the Hwy 417 and I-95 interchanges with the 528 Expressway. Thus, a far less risky crossing south of the interchanges in both locations was investigated and the potential for land purchase found feasible. The necessary land was purchased resulting in a more optimized project and elimination of unknowns.
- The existing FECR bridges in Brevard County are reaching the end of their useful life. To eliminate the unknowns inherent in rehabilitation projects, VTUSA took the decision to proceed with full replacement of these bridges, and commissioned the design and permitting accordingly.
- The unknowns of working with the host railroad became lessons learned from Phase 1 of the project, where protocols and procedures were developed and fine-tuned. To eliminate this unknown for the Phase 2 project, an agreement (*Construction Agreement – Shared Infrastructure*) was negotiated and executed between FECR and VTUSA.

Despite these significant efforts, unknowns inevitably remain. These have been identified and quantified to the extent possible through the Risk Register, attached as Appendix G.

VI. Estimate Checks

VTUSA has undertaken internal checks to validate the rail infrastructure, building construction, and project management, and rolling stock portions of the cost estimate (Categories 2, 3, 6, & 7) through a variety of methods. These sections comprise 84% of the estimated cost of the project. When combined with Category 1 Land cost, which has been largely spent or committed, checks have been provided for about 88% of the project cost.

1. Category 2 Rail Infrastructure. This component of the estimate is based on actual bid pricing for Zones 2, 3, and 4. This provided comparison pricing with competitive tension, but VTUSA further checked this pricing as described below. Bulk Materials pricing was based on supplier quotations. Construction trains estimates were internal based on secured quotes for locomotives and labor estimates prepared by VTUSA from known personnel costs for current VTUSA crews. The movable bridge was priced in conjunction with HNTB and Transystems, and is an allowance. Utilities were priced based on discreet identification of the work and estimates obtained from the utilities. The Alstom signal systems work was priced based on a negotiated fixed price amendment to the existing contract.
 - a. The quantities provided by the successful bidders were reconciled with VTUSA and HNTB developed quantities.
 - b. Selected sections of the E-W component (Zones 2 & 3), including structures and walls, were cross-checked against FDOT bid tabs for statewide projects for the first 6 months of 2017, using the reconciled quantities.
 - c. An independent estimate prepared by a joint venture of American Bridge-Hubbard for the E-W (Zones 2 & 3) was available to VTUSA; resulting from an offer they made for the project in 2014. The estimate was adjusted for changes in quantities resulting from design changes after the offer to serve as a comparison to the bids for these zones.
 - d. The N-S component (Zone 4) was checked against the actual cost of the Phase 1 construction on a cost per mile basis. To maximize the accuracy of this comparison, the cost and length of the bridges in both the Phase 1 actuals and Phase 2 estimate were removed, and the grade crossings adjusted for quantities.
 - e. The entire rail infrastructure number was compared to prior guidance estimates provided by the Preconstruction Services Contractor over the prior 2 years.
2. Category 3 Building Construction. This component of the estimate is comprised of the VMF and the Orlando Station Tenant Improvements. The VMF estimate is comprised of actual bids for the site development and the building construction. The Orlando Station Tenant Improvement costs were based on a budget prepared by a building contractor (T&G Constructors) active in the Orlando International Airport.
 - a. The two VMF building construction bids serve as a check against each other.
 - b. The Orlando station costs were compared to the cost/SF for the recently completed in-line stations at West Palm Beach and Ft. Lauderdale and were within 6.5% of the actual costs.
3. Category 5 Professional Fees. This estimate was developed from actual expended costs plus estimated costs to complete.
 - a. The total number for Professional Fees comprises 4.2%% of capital cost, in line with professional fees for other major civil engineering projects.
 - b. Over 70% of this budget has already been expended generating a high level of predictability in the overall budget for this item.
4. Category 6 Project Management. This was an internally developed (from the ground up and based on the established project organization) estimate.
 - a. This number comprises 2.9% of the capital cost to complete. It is comparable to the actual project management cost of the Queensferry Crossing in Scotland, which was 2.96%

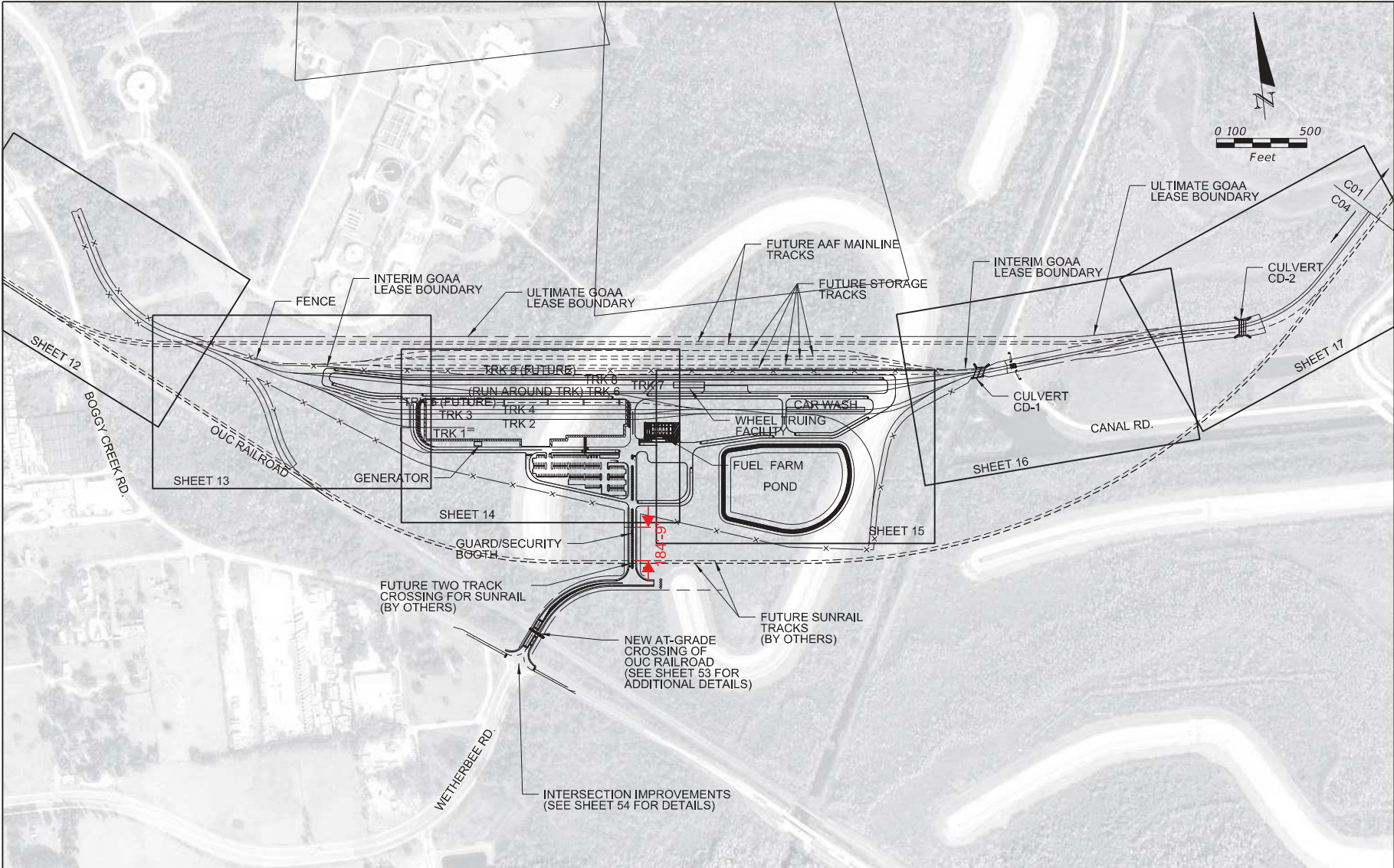
(actual costs provided by the owner). This includes the cost of the Owner Controlled Insurance Program.

5. Category 7 Rolling Stock. This estimate is based on option pricing provided by Siemens.
 - a. This number comprises 6.6% of the capital cost.
 - b. Pricing from Siemens included a fixed amount for Phase 1 trains, and the actual contract value for Phase 2 trains.

VII. Appendix

- A. Zone 1a (VMF) Site Plan**
- B. Project Management Organization (in order to avoid duplication within this document, please see Exhibit 4 of the TA report)**
- C. Cost mapping Protocol**
- D. Bulk Materials (Owner Purchase) Estimate**
- E. VMF Equipment Schedule/Responsibility Matrix**
- F. Orlando Station Operating Supplies & Equipment Schedule/Estimate**
- G. Risk Register**
- H. Master Program Schedule (in order to avoid duplication within this document, please see Exhibit 8 of the TA report)**
- I. Estimate**
- J. Lessons Learned Ph 1**

Appendix A, Zone 1a Site Plan
Vehicle Maintenance Facility



REVISIONS		T.Y. LIN INTERNATIONAL 225 E. ROBINSON STREET, SUITE 490 ORLANDO, FL 32801 CERTIFICATE OF AUTHORIZATION NO. 00002017 ENGINEER OF RECORD: TRUNG NGUYEN, P.E. NO.: 64597	ALL ABOARD FLORIDA			ORLANDO VEHICLE MAINTENANCE FACILITY (VMF) KEY PLAN SHEET	SCALE: AS SHOWN	SHEET NO.
DATE	DESCRIPTION		AAF CONTRACT	SECTION	COUNTY			
			C04	PE04 PHASE II	ORANGE	10/30/2015	11	

Appendix C

Virgin Trains USA

Cost Mapping Protocol, FRA SCC to Brightline WBS



FRA MAIN WORKSHEET		BRIGHTLINE WORKSHEET	
Grantee Name			
Project Name and Location: Rail Project A, Two cities with rural in-between			
Current Phase : Final Design, Ready to Procure Construction			
Standard Cost Category		Brightline Work Breakdown Structure (WBS)	
10	Guideway & Track Elements	002	Rail infrastructure
10.010	Guideway: At-grade exclusive right-of-way		
10.020	Guideway: At-grade semi-exclusive (allows cross-traffic)		
10.030	Guideway: At-grade in mixed traffic		
10.040	Guideway: Aerial structure		
10.041	Bridges	002.239 - 002.241	Roadway Bridges, fixed and Movable
10.042	Viaduct		
10.043	Other Structure	002.243 - 002.244	Underpasses, demolition
10.044	Unspecified		
10.050	Guideway: Built-up fill		
10.060	Guideway: Underground cut & cover		
10.061	Cut & Cover Guideway Soft Soils		
10.062	Cut & Cover Guideway Hard Soils		
10.063	Cut & Cover Guideway Vent Soft Soils		
10.064	Cut & Cover Guideway Vent Hard Soils		
10.065	Unspecified		
10.070	Guideway: Underground tunnel		
10.071	Bored Earth Open		
10.072	Bored Earth Close		
10.073	Bored Earth Mixed Shield		
10.074	Bored Earth Mixes Shield SEM		
10.075	Rock Drill & Blast		
10.076	Rock Boring Machine		
10.077	Sunken Tunnel		
10.078	Unspecified		
10.080	Guideway: Retained cut or fill		
10.090	Track: Direct fixation		
10.100	Track: Embedded		
10.110	Track: Ballasted	002.230-.238-002.254-.255, 002.262-.264	Ballast, concrete ties, rail, fasteners special track, new track, rehab track, demurrage, work trains, flagging
10.120	Track: Special (switches, turnouts)		
10.130	Track: Vibration & Noise Dampening		
10.140	Special Structures		
20	Stations, Stops, Terminals, Intermodels	003	Building construction
20.010	At-Grade Station, Stop, Shelter, Mall, Terminal, Platform		
20.020	Aerial station, stop, shelter, mall, terminal, platform		MCO
20.030	Underground station, stop, shelter, mall, terminal, platform		
20.031	Cut and Cover		
20.032	Bored Earth Soft Soils		
20.033	Bored Rock Hard Soils		
20.034	Unspecified		
20.040	Major stations, landings, terminals: Intermodal, ferry, trolley, etc.		
20.050	Joint development		
20.060	Automobile parking multi-story structure		
20.070	Elevators, escalators		
20.071	Elevators		
20.072	Escalators		
20.073	Unspecified		
20.080	Passenger Overpass		
20.090	Underground Interconnecting Tunnel		
20.091	Cut and Cover		
20.092	Bored Earth Soft Soils		
20.093	Bored Rock Hard Soils		
20.094	Unspecified		
20.100	Signage and Graphics		
30	Support Facilities: Yards, Shops, Admin. Bldgs		VMF
30.010	Administration Building: Office, sales, storage, revenue counting		
30.011	Administrative Building		
30.012	Central Control Facility		
30.013	Central Revenue Counting Facility		
30.014	Unspecified		
30.020	Light Maintenance Facility		
30.030	Heavy Maintenance Facility		VMF
30.040	Storage or Maintenance of Way Building		
30.050	Yard and Yard Track		
40	Sitework & Special Conditions	002, 001	Rail infrastructure/ Land/Entitlements
40.010	Demolition, Clearing, Earthwork	002.249, 002.250	Clearing & Grubbing, Earthwork
40.020	Site Utilities, Utility Relocation	002.260, 002.261	Relocation, Fiber
40.021	Urban Replacement In-Kind Public Utilities		
40.022	Urban Replacement In-Kind Private Utilities		

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 Virgin Trains USA
 Cost Mapping Protocol, FRA SCC to Brightline WBS



FRA MAIN WORKSHEET		BRIGHTLINE WORKSHEET	
Grantee Name			
Project Name and Location: Rail Project A, Two cities with rural in-between			
Current Phase : Final Design, Ready to Procure Construction			
Standard Cost Category		Brightline Work Breakdown Structure (WBS)	
40.023	Urban Replacement Betterment Public Utilities		
40.024	Urban Replacement Betterment Private Utilities		
40.025	Suburban Replacement In-Kind Public Utilities		
40.026	Suburban Replacement In-Kind Private Utilities		
40.027	Suburban Replacement Betterment Public Utilities		
40.028	Suburban Replacement Betterment Private Utilities		
40.029	Unspecified		
40.030	Haz. mat'l, contam'd soil removal/mitigation, ground water treatments		
40.031	HazMat Abatement		
40.032	Contaminated Soil Removal		
40.033	Ground Water Treatment		
40.034	Unspecified		
40.040	Environmental mitigation, e.g. wetlands, historic/archeologic, pa	001.120	Environmental Mitigation Parcels
40.050	Site structures including retaining walls, sound walls	002.242	Wall/Retaining Structure
40.051	Mechanically Stabilized Earth Walls		
40.052	Concrete Walls		
40.053	Other Walls		
40.054	Unspecified		
40.060	Pedestrian / bike access and accommodation, landscaping		
40.070	Automobile, bus, van accessways including roads, parking lots		
40.071	Surface Parking Lot		
40.072	Auto Access		
40.073	Bus Access		
40.074	Bus Parking and Berthing		
40.075	Unspecified		
40.080	Temporary Facilities and other indirect costs during construction		
40.081	Roadway Changes		
40.082	Third-Party Work		
40.083	Mobilization		
40.084	Maintenance of Traffic (Railroad reroute, shutdown, reschedule, stage, phase, worker-protect, work-around)		
40.085	Unallocated Indirect Costs		
40.086	Unspecified		
50	Systems	002, 007	Rail infrastructure/Rolling Stock
50.010	Train control and signals		
50.011	Train Control - Wayside	002.256-002.259	Wayside, Signal Houses and Signal Testing
50.012	Train Control - On Board Systems	007.744-007.746	PTC,Cab Signals, Radios
50.013	Train Control - Centralized Systems		
50.014	Unspecified		
50.020	Traffic signals and crossing protection		
50.030	Traction power supply: substations		
50.040	Traction power distribution: catenary and third rail		
50.041	Catenary		
50.042	Third Rail		
50.043	Power Distribution and Connections		
50.044	Unspecified		
50.050	Communications		
50.051	Wired		
50.052	Radio Based		
50.053	Unspecified		
50.060	Fare collection system and equipment		
50.061	Central Revenue Counting Systems		
50.062	Revenue Collection - In Station		
50.063	Revenue Collection - On Vehicle		
50.064	Unspecified		
50.070	Central Control System	002.258	Signal Back Office
51	Construction Subtotal (10-50)		
60	Row, Land, Existing Improvements	001	Land/Entitlements
60.010	Purchase or lease of real estate	001.113- 001.121	Land Purchase/Temporary Construction Leases
60.011	Full Takes		
60.012	Part Takes		
60.013	Easement Acquisitions	001.114	Easement Acquisitions
60.014	Other Rights		
60.015	Donated Value		
60.016	Unspecified		
60.020	Relocation of existing households and businesses		
60.021	Residential (Owners)		
60.022	Residential (Tenants)		
60.023	Business (Owners and Tenants)		
60.024	Others (Personal Property Moves)		

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 Virgin Trains USA
 Cost Mapping Protocol, FRA SCC to Brightline WBS



FRA MAIN WORKSHEET		BRIGHTLINE WORKSHEET	
Grantee Name			
Project Name and Location: Rail Project A, Two cities with rural in-between			
Current Phase : Final Design, Ready to Procure Construction			
Standard Cost Category		Brightline Work Breakdown Structure (WBS)	
60.025	Unspecified		
60.030	Services		
60.031	Property Management	001.119	Security/ Maintenance Costs
60.032	Agency		
60.033	Contractor R/W Services (Title/Appraisal, etc)		
60.034	Legal Services	001.115	Transaction Acquisition Costs
60.035	Unspecified		
60.040	Other Real Estate Costs	001,116-001.118	Impact Fees, Permit fees and taxes
70	Vehicles	007	Rolling stock
70.060	Non-revenue vehicles		
70.061	Maintenance of Way Vehicles		
70.062	Automobiles		
70.063	Trucks		
70.064	Unspecified		
70.070	Spare parts/ Rotable Components	007.742	Spare Parts
70.080	Intercity Passenger Rail		
70.081	Diesel Locomotive	007.739	Locomotives
70.082	Cab Car		
70.083	Bi-Level Coach		
70.084	Single Level Coach	007.740	Coaches
70.085	DMU		
70.086	EMU		
70.087	Unspecified	007.747-007.751, 007.752	Food carts, luggage, safety appliances, VTIM, cab camera, decals & signage
80	Professional Services	005, 006, 008	Professional fees/Project Management/Start-Up Costs
80.000	Planning and Concept Design	005.530- 005.531	Archeological, traffic studies
80.010	Preliminary Engineering		
80.020	Final Design		
80.030	Project Management for Design and Construction	006.630	Third Party Staff SG&A
80.031	Agency Project Management		
80.032	Project Management Oversight Support	006.630	Third Party Staff SG&A
80.033	Agency Force Account		
80.034	Unspecified		
80.040	Construction Administration & Management	006.624-006.629; 632, 633	Direct Staff Payroll, office expenses, travel, Indirect Staff, site office and PM expenses and misc. expenses
80.050	Professional Liability and other Non-Construction Insurance		
80.060	Legal; Permits; Review Fees by other agencies, cities, etc.	005.533	Legal
80.070	Surveys, Testing, Investigation, Inspection	005.534	Survey
80.080	Start up	008.001- 008.004	Website Development, Professional Fees, Turntiles, IT
80.081	Training/Start-up	007.753-007.754	Maintenance Mobilization, RS compliance
80.082	Safety Certification		
80.083	Off-Site Vehicle Testing, Test Runs		
80.084	Commissioning		
80.085	Unspecified		
80.090	Other		
81	Subtotal (10-80)		
90	Unallocated Contingency	010	Contingency
91	Subtotal (10-90)		
100	Finance Charges	009	Finance & administration
101	Total Project Costs (10-100)		
Allocated Contingency as % of Base Yr Dollars w/o Contingency			
Unallocated Contingency as % of Base Yr Dollars w/o Contingency			
Total Contingency as % of Base Yr Dollars w/o Contingency			



Material	Vendor	UOM	Unit \$:	Baseline QTY Zone 1 (VMF):	Baseline QTY Zone 2 (GOAA):	Baseline QTY Zone 3 (E/W):	Baseline QTY Zone 4 (N/S):	Total QTY:	Baseline Cost Zone 1 (VMF):	Baseline Cost Zone 2 (GOAA):	Baseline Cost Zone 3 (E/W):	Baseline Cost Zone 4 (N/S):	Total Cost:	Budget Category:	Comments:
Rail (136RE) IHH 1,600' Strings	SDI	LF	\$ 24.00	60,800	78,000	628,000	1,520,000	2,286,800	\$ 1,459,200	\$ 1,872,000	\$ 15,072,000	\$ 36,480,000	\$ 54,883,200.00	1. Rail	
Ballast #3 Granite	Aggregate	Ton	\$ 43.96	32,000	55,000	510,000	1,170,000	1,767,000	\$ 1,406,651	\$ 2,417,681	\$ 22,418,498	\$ 51,430,671	\$ 77,673,500.58	2. Aggregate	
Mainline AAF Concrete Tie	Rocla	Ea	\$ 90.00	-	17,250	104,000	258,750	380,000	\$ -	\$ 1,552,500	\$ 9,360,000	\$ 23,287,500	\$ 34,200,000.00	3. Ties	
Mainline Fastener	Vossloh	Tie	\$ 32.00	-	17,250	104,000	258,750	380,000	\$ -	\$ 552,000	\$ 3,328,000	\$ 8,280,000	\$ 12,160,000.00	4. Tie Hardware	
Low Profile Tie	Rocla	Ea	\$ 100.00	-	-	-	19,000	19,000	\$ -	\$ -	\$ -	\$ 1,900,000	\$ 1,900,000.00	3. Ties	
Low Profile Fastener	Vossloh	Tie	\$ 31.00	-	-	-	19,000	19,000	\$ -	\$ -	\$ -	\$ 589,000	\$ 589,000.00	4. Tie Hardware	
Retrofit Fastener	Vossloh	Tie	\$ 34.00	-	-	-	70,000	70,000	\$ -	\$ -	\$ -	\$ 2,380,000	\$ 2,380,000.00	4. Tie Hardware	
Under Tie Pads	Pandrol	Tie	\$ 64.00	-	-	5,200	5,000	10,200	\$ -	\$ -	\$ 332,800	\$ 320,000	\$ 652,800.00	4. Tie Hardware	
10' Timber Tie	Stella-Jones	Ea	\$ 160.00	-	-	-	19,000	19,000	\$ -	\$ -	\$ -	\$ 3,040,000	\$ 3,040,000.00	3. Ties	
8'6" Timber Tie	Stella-Jones	Ea	\$ 80.00	150	-	-	10,150	10,300	\$ 12,000	\$ -	\$ -	\$ 812,000	\$ 824,000.00	3. Ties	
M10 Steel Tie and Fasteners	Narsteo	Ea	\$ 111.93	14,000	-	-	13,000	27,000	\$ 1,567,020	\$ -	\$ -	\$ 1,455,090	\$ 3,022,110.00	3. Ties	
No. 10 TO, Timber	Voestalpine	Ea	\$ 94,907.00	1	-	-	9	10	\$ 94,907	\$ -	\$ -	\$ 854,163	\$ 949,070.00	5. Special Track	
No. 10 TO, Concrete	Voestalpine	Ea	\$ 114,079.00	-	2	-	47	49	\$ -	\$ 228,158	\$ -	\$ 5,361,713	\$ 5,589,871.00	5. Special Track	
No. 10 TO, Steel	Voestalpine	Ea	\$ 97,645.00	20	-	-	-	20	\$ 1,952,900	\$ -	\$ -	\$ -	\$ 1,952,900.00	5. Special Track	
No. 15 TO, Concrete	Voestalpine	Ea	\$ 196,489.00	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	5. Special Track	
No. 20 TO, Concrete	Voestalpine	Ea	\$ 207,665.00	-	-	-	3	3	\$ -	\$ -	\$ -	\$ 622,995	\$ 622,995.00	5. Special Track	
No. 24 TO, Concrete	Voestalpine	Ea	\$ 233,295.00	-	-	-	4	4	\$ -	\$ -	\$ -	\$ 933,196	\$ 933,196.00	5. Special Track	
No. 32.7 TO, Concrete	Voestalpine	Ea	\$ 571,742.00	-	-	2	-	2	\$ -	\$ -	\$ 1,143,484	\$ -	\$ 1,143,484.00	5. Special Track	
No. 10 XO, Concrete	Voestalpine	Ea	\$ 210,753.00	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	5. Special Track	
No. 15 XO, Steel	Voestalpine	Ea	\$ 392,978.00	2	-	-	-	2	\$ 421,506	\$ -	\$ -	\$ -	\$ 421,506.00	5. Special Track	
No. 20 XO, Concrete	Voestalpine	Ea	\$ 410,014.00	-	3	-	-	3	\$ -	\$ 1,230,042	\$ -	\$ 410,014	\$ 1,640,056.00	5. Special Track	
No. 24 XO, Concrete	Voestalpine	Ea	\$ 445,383.00	-	-	-	24	24	\$ -	\$ -	\$ -	\$ 10,689,192	\$ 10,689,192.00	5. Special Track	
Electric Lock Switch Stand	G&B Spec	Ea	\$ 700.00	-	-	-	18	18	\$ -	\$ -	\$ -	\$ 12,600	\$ 12,600.00	5. Special Track	
Hand Throw Switch Stand	Voestalpine	Ea	\$ 1,700.00	25	-	-	33	58	\$ 42,500	\$ -	\$ -	\$ 56,100	\$ 98,600.00	5. Special Track	
Lift Derail	Voestalpine	Ea	\$ 6,581.00	-	-	-	26	26	\$ -	\$ -	\$ -	\$ 171,106	\$ 171,106.00	7. Miscellaneous	
Split Derail	Voestalpine	Ea	\$ 19,478.00	-	-	-	25	25	\$ -	\$ -	\$ -	\$ 486,950	\$ 486,950.00	7. Miscellaneous	
Bumping Posts	HJ, Skelton	Ea	\$ 50,000.00	-	-	-	2	2	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000.00	7. Miscellaneous	
Dual Track Lubricators	Lube Spec	Ea	\$ 20,000.00	-	2	-	1	18	\$ -	\$ 40,000	\$ 20,000	\$ 300,000	\$ 360,000.00	7. Miscellaneous	
Rail Grinding	Loram	Ea	\$ 655,555.00	-	-	-	1	1	\$ -	\$ -	\$ -	\$ 655,555	\$ 655,555.00	1. Rail	
Transportation Logistics		Ea	\$ 1,000,000.00	-	-	-	1	1	\$ -	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000.00		
Fiber material (3rd party)		Ea	\$ 11,000,000.00	-	-	-	1	1	\$ -	\$ -	\$ -	\$ 11,000,000	\$ 11,000,000.00		
Total				107,000	167,507	1,351,203	3,362,858	4,988,568	\$ 7,056,684	\$ 7,892,381	\$ 51,674,782	\$ 162,527,845	\$ 229,151,691.58		0



A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z
1	Deleted	Equipment ID	Location	Big	Room Label	Item Description	Furnished By	Installed By	Condition	Required Qty	From WIP	Unit Cost	Estimated	Comments	Future Equipment Cost	Delta Budget Difference	Column1								
2	2	Deferred 1	N	Maintenance	Heavy Repair Truck	Electric Sissor Lifts	BrightlineVendor	N/A	Electrical	1		\$ 40,000.00	\$ 40,000.00	Standard Sissor Lift		\$ 40,000.00	Delta Budget had one (1) Lift for								
3			N	Maintenance	Heavy Repair Truck	Electric Articulating Boom Lift	BrightlineVendor	N/A	Electrical	1		\$ 80,000.00	\$ 80,000.00	Boom Lift		\$ 80,000.00	Delta Budget had zero (0) for								
4			N	Maintenance	Heavy Repair Truck	Work Platform (Used on Finished Floor and Ball)	BrightlineVendor	N/A	Electrical	2	2	\$ -	\$ -												
5	7	Deferred 7	N	Maintenance	Heavy Repair Truck	Rolling Stair Platform (Floor Height/Coast)	BrightlineVendor	N/A	N/A	7		\$ 2,400.00	\$ 16,800.00												
6			N	Maintenance	Heavy Repair Truck	Rolling Stair Platform (Platform to Roof Height)	BrightlineVendor	N/A	N/A	2	2	\$ 2,400.00	\$ 4,800.00			\$ 4,800.00	Delta Budget had zero (0) for								
7			N	Maintenance	Service and Inspection	3 CY Hopper - Recycling	BrightlineVendor	N/A	N/A	4		\$ 1,200.00	\$ 4,800.00	Leak Proof, Self-Dumping											
8			N	Maintenance	Service and Inspection	3 CY Hopper - Trash	BrightlineVendor	N/A	N/A	4		\$ 1,200.00	\$ 4,800.00	Leak Proof, Self-Dumping											
9			S	Maintenance	Boogie Repair	Hammable Liquids Locker	BrightlineVendor	N/A	N/A	1		\$ 1,300.00	\$ 1,300.00												
10	9	Deferred AB	S	Maintenance	Boogie Repair - Boogie Storage	Boogie Storage Rack for Coaches (2 per rack)	Contractor	N/A	N/A	0		\$ 7,500.00	\$ -												
11	9	Deferred AB	S	Maintenance	Boogie Repair - Boogie Storage	Boogie Storage Rack for Locomotives (2 Per Rack)	BrightlineVendor	Contractor	N/A	0		\$ 7,500.00	\$ -												
12	9	Deferred AB	S	Maintenance	Boogie Repair - Frame Rotator/Maintenance	Boogie Frame Rotator	BrightlineVendor	BrightlineVendor	Electrical	0		\$ 400,000.00	\$ -												
13	9	Deferred AB	S	Maintenance	Boogie Repair - Large Parts	Assembly Stand for Bogies	BrightlineVendor	N/A	N/A	0		\$ 120,000.00	\$ -												
14	9	Deferred AB	S	Maintenance	Boogie Repair - Large Parts	Boogie Wash-in Booth	BrightlineVendor	Contractor	Plumbing Ventilation	0		\$ 48,000.00	\$ -	Work area with walkway grating and raised mat											
15	Deleted		E	AS-1	Commissary	Custom Chiller with 80" x 80" Pre-Engineered Freezer with 36" Door, Recessed Slab Model	Contractor	Contractor	Per Manu.	0		\$ -	\$ -												
17	9	Deferred AB	S	Maintenance	Boogie Repair - Large Parts	Fluorinated Track Segment	BrightlineVendor	Contractor	N/A	0		\$ 12,000.00	\$ -												
18	9	Deferred AB	S	Maintenance	Boogie Repair - Large Parts	Fluorinated Track Segment with GuideRail for Gear Box	BrightlineVendor	Contractor	N/A	0		\$ 14,400.00	\$ -												
19	9	Deferred AB	S	Maintenance	Boogie Repair - Large Parts	Wheel set Shaft with Pallet (Coach)	BrightlineVendor	Contractor	N/A	0		\$ 27,000.00	\$ -												
20	9	Deferred AB	S	Maintenance	Boogie Repair - Large Parts	Wheel set Shaft with Pallet (Locomotive)	BrightlineVendor	Contractor	N/A	0		\$ 36,000.00	\$ -												
21	9	Deferred AB	S	Maintenance	Boogie Repair - Small Parts	Boogie Frame Lifting Jack	BrightlineVendor	BrightlineVendor	N/A	0		\$ 33,600.00	\$ -												
22	9	Deferred AB	S	Maintenance	Boogie Repair - Traction Motor	Assembly Stand Traction Motor	BrightlineVendor	BrightlineVendor	N/A	0		\$ 7,800.00	\$ -												
23	9	Deferred AB	S	Maintenance	Boogie Repair - Traction Motor	Oven for Traction Motor Drying	BrightlineVendor	BrightlineVendor	Electrical Ventilation	0		\$ 70,000.00	\$ -												
24	9	Deferred AB	S	Maintenance	Boogie Repair - Wheel set	Assembly Device - Turntable with Clamps	BrightlineVendor	BrightlineVendor	Electrical	0		\$ 18,000.00	\$ -												
25	9	Deferred AB	S	Maintenance	Boogie Repair - Wheel set	Paper Booth with Exhaust System	BrightlineVendor	BrightlineVendor	Electrical Ventilation	0		\$ 336,000.00	\$ -												
26	12	Deferred AB	S	Maintenance	Commissary	136" Wide x 96" High x 42" deep Pallet Rack (1000 lbs/capacity 30,000 lbs.)	BrightlineVendor	Contractor	N/A	0		\$ 4,000.00	\$ -												
27	9	Deferred AB	S	Maintenance	Commissary	54" wide x 96" high x 42" deep Pallet Rack (1000 lbs/capacity 30,000 lbs.)	BrightlineVendor	Contractor	N/A	0		\$ 300.00	\$ -												
28	9	Deferred AB	S	Maintenance	Commissary	60" X 72" Stainless Steel Rolling Pallet Table	BrightlineVendor	N/A	N/A	0		\$ 900.00	\$ -												
29	9	Deferred AB	S	Maintenance	Commissary	AM Chiller 12x12x12 400-207 Pre-Engineered Chiller with 36" Door, Recessed Slab Model	BrightlineVendor	BrightlineVendor	Plumbing	0		\$ 27,000.00	\$ -												
30	9	Deferred AB	S	Maintenance	Commissary	Chiller Beer and Wine, 106" x 74" 17442 Pre-Engineered Chiller with 36" Door, Recessed Slab Model	BrightlineVendor	BrightlineVendor	Plumbing	0		\$ 17,000.00	\$ -												
31	9	Deferred AB	S	Maintenance	Commissary	Commercial Dishwasher	BrightlineVendor	Contractor	Plumbing	0		\$ 5,000.00	\$ -												
32	9	Deferred AB	S	Maintenance	Commissary	Custom Fabricated Commissary Cart Delivery Vehicle	BrightlineVendor	N/A	N/A	0		\$ 75,000.00	\$ -	Taylor Turn FT-3000 with Custom Max. Light and Custom Reel											
33	9	Deferred AB	S	Maintenance	Commissary	Rolling Chiller 10'x7'3" x 12x10' Pre-Engineered Chiller with 36" Door, Recessed Slab Model	BrightlineVendor	BrightlineVendor	Plumbing	0		\$ 15,000.00	\$ -												
34	9	Deferred AB	S	Maintenance	Commissary	12'x12' Chiller 12x12' x 10' Pre-Engineered Chiller with 36" Door, Recessed Slab Model	BrightlineVendor	BrightlineVendor	Plumbing	0		\$ 32,000.00	\$ -												
35	9	Deferred AB	S	Maintenance	Commissary	Pallet Jack (4,500 lb capacity powered)	BrightlineVendor	N/A	Electrical	0		\$ 4,200.00	\$ -	Similar to Yale Chase MFR045VG											
36	9	Deferred AB	S	Maintenance	Commissary	Pressure Washer	BrightlineVendor	Contractor	Per Manu.	0		\$ 2,500.00	\$ -												
37	9	Deferred AB	S	Maintenance	Commissary	Rolling Stair Ladder for Storing Shelves	BrightlineVendor	N/A	N/A	0		\$ 400.00	\$ -												
38	14	Deferred AB	S	Maintenance	Commissary	Wire Shelving for Chiller (21" WxD, Length Varies, 86.5" Deep)	BrightlineVendor	BrightlineVendor	N/A	0		\$ 200.00	\$ -	Manufacturer: Metco Model Super Adjustable Super Frezer											
39	9	Deferred AB	S	Maintenance	Machine Shop	14" Vertical Band Saw	BrightlineVendor	Contractor	Electrical	0		\$ 8,000.00	\$ -												
40	9	Deferred AB	S	Maintenance	Machine Shop	17" Drill Press, Pedestal Type	BrightlineVendor	Contractor	Electrical	0		\$ 22,000.00	\$ -												
41	9	Deferred AB	S	Maintenance	Machine Shop	20 Ton InFrame Hydraulic Press	BrightlineVendor	Contractor	Electrical	0		\$ 90,000.00	\$ -												
42	9	Deferred AB	S	Maintenance	Machine Shop	8" Grinder with Pedestal	BrightlineVendor	Contractor	Electrical	0		\$ 2,600.00	\$ -												
43	9	Deferred AB	S	Maintenance	Machine Shop	Bench Lathe	BrightlineVendor	Contractor	Electrical	0		\$ 8,000.00	\$ -												
44	9	Deferred AB	S	Maintenance	Machine Shop	Cartonizer Rack	BrightlineVendor	Contractor	N/A	0		\$ 2,800.00	\$ -												
45	9	Deferred AB	S	Maintenance	Machine Shop	Cut Off Saw	BrightlineVendor	Contractor	Electrical	0		\$ 2,000.00	\$ -												
46	9	Deferred AB	S	Maintenance	Machine Shop	Layout Table	BrightlineVendor	N/A	N/A	0		\$ 1,700.00	\$ -												
47	9	Deferred AB	S	Maintenance	Machine Shop	Modular Small Parts Storage Cabinet	BrightlineVendor	Contractor	N/A	0		\$ 550.00	\$ -												
48	9	Deferred AB	S	Maintenance	Machine Shop	Parts Washer, Degreaser	BrightlineVendor	Contractor	N/A	0		\$ 6,400.00	\$ -												
49	9	Deferred AB	S	Maintenance	Machine Shop	Pipe Throater	BrightlineVendor	Contractor	Electrical	0		\$ 8,000.00	\$ -												
50	9	Deferred AB	S	Maintenance	Machine Shop	Portable Fume Exhaust Cart	BrightlineVendor	N/A	N/A	0		\$ 9,000.00	\$ -	Dust Unit											
51	9	Deferred AB	S	Maintenance	Machine Shop	Portable Weld Screen	BrightlineVendor	N/A	N/A	0		\$ 400.00	\$ -												
52	9	Deferred AB	S	Maintenance	Machine Shop	Power Hack Saw/Plat Cutter	BrightlineVendor	Contractor	Electrical	0		\$ 2,700.00	\$ -												
53	9	Deferred AB	S	Maintenance	Machine Shop	Stool	BrightlineVendor	BrightlineVendor	N/A	0		\$ 100.00	\$ -												
54	9	Deferred AB	S	Maintenance	Machine Shop	Ultrasonic Cleaner	BrightlineVendor	Contractor	Electrical	0		\$ 6,000.00	\$ -												
55	11B	Deferred AB	S	Maintenance	Parts Storage	108" wide x 180" high x 42" deep Pallet Rack (1000 lbs/capacity 30,000 lbs.)	BrightlineVendor	Contractor	N/A	0		\$ 750.00	\$ -												
56	Deleted		E	AS-1	Commissary	Custom Chiller with 80" x 80" Pre-Engineered Freezer with 36" Door, Recessed Slab Model	Contractor	Contractor	Per Manu.	0		\$ -	\$ -												
57	9	Deferred AB	S	Maintenance	Parts Storage	12" Shop Ladders	BrightlineVendor	N/A	N/A	0		\$ 100.00	\$ -												
58	Deleted		E	AS-1	Commissary	Custom Chiller with 80" x 80" Pre-Engineered Freezer with 36" Door, Recessed Slab Model	Contractor	Contractor	Per Manu.	0		\$ -	\$ -												
59	94	Deferred AB	S	Maintenance	Parts Storage	45" W x 59" H Modular Drawer Storage	BrightlineVendor	N/A	N/A	0		\$ 2,200.00	\$ -												
60	9	Deferred AB	S	Maintenance	Parts Storage	6 foot Shop Ladders	BrightlineVendor	N/A	N/A	0		\$ 300.00	\$ -												
61	9	Deferred AB	S	Maintenance	Parts Storage	Articulating Forklift	BrightlineVendor	N/A	N/A	0		\$ 95,000.00	\$ -	Landoll Dredt S150AC											
62	9	Deferred AB	S	Maintenance	Parts Storage	Electric Pallet Truck	BrightlineVendor	N/A	N/A	0		\$ 8,400.00	\$ -												
63	9	Deferred AB	S	Maintenance	Parts Storage	Queue Rack	BrightlineVendor	Contractor	N/A	0		\$ 1,000.00	\$ -												
64	Deleted		E	AS-1	Commissary	Custom Chiller with 80" x 80" Pre-Engineered Freezer with 36" Door, Recessed Slab Model	Contractor	Contractor	Per Manu.	0		\$ -	\$ -												
65	9	Deferred AB	S	Maintenance	Parts Storage	Pallet Jack	BrightlineVendor	N/A	N/A	0		\$ 750.00	\$ -												
67	9	Deferred AB	S	Maintenance	Parts Storage	Pressure Forklift (10,000 lb, capacity)	BrightlineVendor	N/A	N/A	0	1	\$ -	\$ -	Relocated from WPB											



A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	
Deleted	Equipment ID	Location	BLDG	Room Label	Item Description	Furnished By	Installed By	Construction	Req'd Qty	Quantity	Unit Cost	Extended	Comments	Future Equipment Cost	Like Budget Difference	Column1									
68	1	Deferred AB	S	Maintenance Parts Storage-High Value Storage	Two Tier Shelving System	Brightline/Vendor	Contractor	N/A	0		\$ 144,000.00	\$ -													
69	1	Deferred AB	S	Maintenance Sanitation Workshop	Cleaning Device for Sewage Tank	Brightline/Vendor	Contractor	Electrical	0		\$ 48,828.00	\$ -													
70	1	Deferred AB	S	Maintenance Sanitation Workshop	Cleaning Machine for Toilet Room	Brightline/Vendor	Contractor	Electrical	0		\$ 18,718.00	\$ -													
71	1	Deferred AB	S	Maintenance Sanitation Workshop	Ultrasonic Cleaner	Brightline/Vendor	Contractor	Plumbing	0		\$ 6,000.00	\$ -													
72	9	Deferred AB	SE	Maintenance Break Room1 (Maintenance)	Chairs (Dining)	Brightline/Vendor	N/A	N/A	0		\$ 200.00	\$ -													
73	9	Deferred AB	SE	Maintenance Break Room1 (Maintenance)	Convection Microwave Oven	Brightline/Vendor	Contractor	Electrical	0		\$ 4,000.00	\$ -													
74	9	Deferred AB	SE	Maintenance Break Room1 (Maintenance)	Industrial Size Refrigerator	Brightline/Vendor	N/A	Plumbing	0		\$ 750.00	\$ -													
75	1	Deferred AB	SE	Maintenance Break Room1 (Maintenance)	Refrigerated Water Dispenser	Brightline/Vendor	N/A	Electrical	0		\$ 150.00	\$ -													
76	9	Deferred AB	SE	Maintenance Break Room1 (Maintenance)	Tables (Dining)	Brightline/Vendor	N/A	N/A	0		\$ 1,000.00	\$ -		\$ 2,000.00											
77	12	Deferred AB	SE	Maintenance Break Room2 (Office Staff)	Chairs (Dining)	Brightline/Vendor	N/A	N/A	0		\$ 200.00	\$ -													
78	9	Deferred AB	SE	Maintenance Break Room2 (Office Staff)	Convection Microwave Oven	Brightline/Vendor	Contractor	Electrical	0		\$ 4,000.00	\$ -													
79	1	Deferred AB	SE	Maintenance Break Room2 (Office Staff)	Industrial Size Refrigerator	Brightline/Vendor	N/A	Plumbing	0		\$ 750.00	\$ -													
80	1	Deferred AB	SE	Maintenance Break Room2 (Office Staff)	Refrigerated Water Dispenser	Brightline/Vendor	N/A	Electrical	0		\$ 150.00	\$ -													
81	9	Deferred AB	SE	Maintenance Break Room2 (Office Staff)	Tables (Dining)	Brightline/Vendor	N/A	N/A	0		\$ 1,000.00	\$ -		\$ 2,000.00											
82	1	Deferred AB	SE	Maintenance Crew Room	80" LCD Television (Job Board Posting)	Brightline/Vendor	Brightline/Vendor	Electrical	0		\$ 1,000.00	\$ -													
83	1	Deferred AB	SE	Maintenance Crew Room	80" LCD Television (wall mount)	Brightline/Vendor	Brightline/Vendor	Electrical	0		\$ 2,000.00	\$ -													
84	14	Deferred AB	SE	Maintenance Crew Room	Chairs (Office)	Brightline/Vendor	N/A	N/A	0		\$ 300.00	\$ -													
85	1	Deferred AB	SE	Maintenance Crew Room	Integrated Audio/Visual System, Control, Speakers, Etc	Brightline/Vendor	Brightline/Vendor	Electrical	0		\$ 5,000.00	\$ -													
86	8	Deferred AB	SE	Maintenance Crew Room	Tables (Classroom Style)	Brightline/Vendor	N/A	N/A	0		\$ 3,000.00	\$ -													
87	14	Deferred AB	SE	Maintenance Facilities Storage	Medium Duty Storage Shelving	Brightline/Vendor	N/A	N/A	0		\$ 800.00	\$ -													
88	2	Deferred AB	SC	Maintenance Interior Cleaning Supplies	Cleaning Chemical Dispenser	Brightline/Vendor	Contractor	Electrical	0		\$ 400.00	\$ -													
89	14	Deferred AB	SE	Maintenance Interior Cleaning Supplies	Medium Duty Storage Shelving	Brightline/Vendor	N/A	N/A	0		\$ 800.00	\$ -													
90	2	Deferred AB	SE	Maintenance Janitor	Cleaning Chemical Dispenser	Brightline/Vendor	Contractor	Electrical	0		\$ 400.00	\$ -													
91	1	Deferred AB	SE	Maintenance Janitor	Medium Duty Storage Shelving	Brightline/Vendor	N/A	N/A	0		\$ 800.00	\$ -													
92	1	Deferred AB	E	A-1-1 Commissary	Custom Chiller with 80" x 80" Pre-Engineered Freezer with 30" Door, Recessed Slab Model	Contractor	Contractor	Per Mansu.	0		\$ -	\$ -													
93	Deleted		E	A-1-1 Commissary	74" x 18-3.5" Pre-Engineered Chiller with 30" Door, Recessed Slab Model	Contractor	Contractor	Per Mansu.	0		\$ -	\$ -													
94	Deleted		E	A-1-1 Commissary	74" x 18-6.5" Pre-Engineered Chiller with 30" Door, Recessed Slab Model	Contractor	Contractor	Per Mansu.	0		\$ -	\$ -													
95	Deleted		E	A-1-1 Commissary	Model	Contractor	Contractor	Per Mansu.	0		\$ -	\$ -													
96	10	Deferred AB	SE	Maintenance Maintenance Conference Room	Chairs (Office)	Brightline/Vendor	N/A	N/A	0		\$ 300.00	\$ -													
97	1	Deferred AB	SE	Maintenance Maintenance Conference Room	Conference Table	Brightline/Vendor	N/A	N/A	0		\$ 3,000.00	\$ -													
98	17	Deferred AB	SE	Maintenance Maintenance Men's Locker Room	Uniform Delivery Lockers	Brightline/Vendor	Brightline/Vendor	N/A	0		\$ -	\$ -													
99	9	Deferred AB	SE	Maintenance Maintenance Office (multiple rooms)	Office Type "02" Furniture	Brightline/Vendor	Brightline/Vendor	N/A	0		\$ 3,000.00	\$ -													
100	4	Deferred AB	SE	Maintenance Maintenance Office (multiple rooms)	Office Type "W1" Furniture	Brightline/Vendor	Brightline/Vendor	N/A	0		\$ 2,000.00	\$ -													
101	12	Deferred AB	SE	Maintenance Maintenance Office (multiple rooms)	Office Type "W2" Furniture	Brightline/Vendor	Brightline/Vendor	N/A	0		\$ 1,500.00	\$ -													
102	1	Deferred AB	SE	Maintenance Maintenance Training Room	80" LCD Monitor (wall mount)	Brightline/Vendor	Brightline/Vendor	Electrical	0		\$ 2,000.00	\$ -													
103	13	Deferred AB	SE	Maintenance Maintenance Training Room	Chairs (Classroom Style)	Brightline/Vendor	N/A	N/A	0		\$ 200.00	\$ -													
104	27	Deferred AB	SE	Maintenance Maintenance Training Room	Tables (Classroom Style)	Brightline/Vendor	N/A	N/A	0		\$ 500.00	\$ -													
105	Deleted		M	A-1-2 Conference Room	Chairs (Office)	Contractor	Contractor	Per Mansu.	0		\$ -	\$ -													
106	Deleted		M	A-1-2 Conference Room	Conference Table	Contractor	Contractor	Per Mansu.	0		\$ -	\$ -													
107	8	Deferred AB	SE	Maintenance Maintenance Women's Locker Room	Uniform Delivery Lockers	Brightline/Vendor	Brightline/Vendor	N/A	0		\$ -	\$ -													
108	13	Deferred AB	SE	Maintenance Maintenance Work Room File Storage	Lateral File Cabinets	Brightline/Vendor	N/A	N/A	0		\$ 1,200.00	\$ -													
109	1	Deferred AB	SE	Maintenance Operations Conference Room	50" LCD Television	Brightline/Vendor	Brightline/Vendor	Electrical	0		\$ 1,000.00	\$ -													
110	10	Deferred AB	SE	Maintenance Operations Conference Room	Chairs (Office)	Brightline/Vendor	N/A	N/A	0		\$ 300.00	\$ -													
111	4	Deferred AB	SE	Maintenance Operations Conference Room	Conference Table	Brightline/Vendor	N/A	N/A	0		\$ 3,000.00	\$ -													
112	Deleted		M	A-1-2 Conference Room	80" LCD Television (wall mount)	Contractor	Contractor	Per Mansu.	0		\$ -	\$ -													
113	Deleted		M	A-1-2 Conference Room	Integrated Audio/Visual System, Control, Speakers, Etc	Contractor	Contractor	Per Mansu.	0		\$ -	\$ -													
114	8	Deferred AB	SE	Maintenance Operations Cozy Room	Lateral File Cabinets	Brightline/Vendor	N/A	N/A	0		\$ 1,200.00	\$ -													
115	1	Deferred AB	SE	Maintenance Operations Crisis Room	50" LCD Television	Brightline/Vendor	Brightline/Vendor	Electrical	0		\$ 1,000.00	\$ -													
116	8	Deferred AB	SE	Maintenance Operations Crisis Room	Chairs (Office)	Brightline/Vendor	N/A	N/A	0		\$ 300.00	\$ -													
117	1	Deferred AB	SE	Maintenance Operations Crisis Room	Conference Table	Brightline/Vendor	N/A	N/A	0		\$ 3,000.00	\$ -													
118	1	Deferred AB	SE	Maintenance Operations Men's Locker Room	Uniform Delivery Lockers	Brightline/Vendor	Brightline/Vendor	N/A	10		\$ -	\$ -													
119	7	Deferred AB	SE	Maintenance Operations Office (multiple rooms)	Office Type "02" Furniture	Brightline/Vendor	Brightline/Vendor	N/A	0		\$ 3,000.00	\$ -													
120	8	Deferred AB	SE	Maintenance Operations Office (multiple rooms)	Office Type "W1" Furniture	Brightline/Vendor	Brightline/Vendor	N/A	0		\$ 2,000.00	\$ -													
121	10	Deferred AB	SE	Maintenance Operations Office (multiple rooms)	Office Type "W2" Furniture	Brightline/Vendor	Brightline/Vendor	N/A	0		\$ 1,500.00	\$ -													
122	1	Deferred AB	SE	Maintenance Operations Training Room	80" LCD Television (wall mount)	Brightline/Vendor	Brightline/Vendor	Electrical	0		\$ 2,000.00	\$ -													
123	26	Deferred AB	SE	Maintenance Operations Training Room	Chairs (Classroom Style)	Brightline/Vendor	N/A	N/A	0		\$ 200.00	\$ -													
124	17	Deferred AB	SE	Maintenance Operations Training Room	Tables (Classroom Style)	Brightline/Vendor	N/A	N/A	0		\$ 500.00	\$ -													
125	8	Deferred AB	SE	Maintenance Operations Training Storage	Medium Duty Storage Shelving	Brightline/Vendor	N/A	N/A	0		\$ 800.00	\$ -													
126	7	Deferred AB	SE	Maintenance Operations Women's Locker Room	Uniform Delivery Lockers	Brightline/Vendor	Brightline/Vendor	N/A	0		\$ -	\$ -													
127	1	Deferred AB	SE	Maintenance Security	Office Type "02" Furniture	Brightline/Vendor	Brightline/Vendor	N/A	0		\$ 3,000.00	\$ -													
128	9	Deferred AB	SW	Maintenance Airplane Storage	Cylinder Storage (large ventless)	Brightline/Vendor	N/A	N/A	0		\$ 1,000.00	\$ -													
129	Deleted		E	A-1-1 Parts Storage-High Value Storage	Medium Duty Storage Shelving	Contractor	Contractor	Per Mansu.	0		\$ 800.00	\$ -													
130	1	Deferred AB	SW	Maintenance Compactor Trash	20 YD Compactor - Cardboard	Brightline/Vendor	Brightline/Vendor	Electrical	0		\$ 35,000.00	\$ -													
131	1	Deferred AB	SW	Maintenance Compactor Trash	20 YD Compactor - Trash	Brightline/Vendor	Brightline/Vendor	Electrical	0		\$ 35,000.00	\$ -													
132	1	Deferred AB	SW	Maintenance Facility Vehicle Storage	Disc Mower	Brightline/Vendor	N/A	N/A	0		\$ 11,000.00	\$ -													



A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z
1	Deleted	Equipment ID	Location	Flag	Room Label	Item Description	Furnished By	Installed By	Contractor	Quantity	Unit Cost	Estimated	Comments	Future Equipment Cost	Miss Budget Difference	Column									
118	2	Deferred All	SW	Maintenance	Facility Vehicle Storage	Floor Scrubber (36" Width Model)	BrightlineVendor	N/A	Electrical	0	\$ 2,300.00	\$ -													
119	3	Deferred All	SW	Maintenance	Facility Vehicle Storage	Floor Scrubber (36" Width Model)	BrightlineVendor	N/A	Plumbing	0	\$ 8,000.00	\$ -													
120	3	Deferred All	SW	Maintenance	Facility Vehicle Storage	Floor Scrubber (Rolling Model)	BrightlineVendor	N/A	Electrical	0	\$ 46,000.00	\$ -													
121	3	Deferred All	SW	Maintenance	Storage Tracks	Yard Utility Vehicle	BrightlineVendor	N/A	N/A	0	\$ 15,000.00	\$ -													
122	3	Deferred All	SW	Maintenance	Storage Tracks	Front-End Loader with Towing	BrightlineVendor	N/A	N/A	0	\$ 67,000.00	\$ -	Kubota VMH080R012 4800 LBS Cab and Front Loader												
142	3	Deferred All	SW	Maintenance	Locomotive Shop	MOBILE WORKBENCH (31" W x 42" D x 12" H) SINGLE STAR ACCESS FRONT	BrightlineVendor	N/A	N/A	0	\$ 20,000.00	\$ -	Fix guards on three sides with removable top on the back.												
143	4	Deferred All	SW	Maintenance	Locomotive Shop	Rolling Stair Platform (Floor Height/Loos)	BrightlineVendor	N/A	N/A	0	\$ 2,400.00	\$ -													
144	3	Deferred All	SW	Maintenance	Oxygen Storage	Oxygen Storage Cage (vertical)	BrightlineVendor	N/A	N/A	0	\$ 1,000.00	\$ -	30" Width - 9 Vertical												
145			N/A	Wheel Truer	Wheel Truer	Chip Bin	BrightlineVendor	BrightlineVendor	Electrical	1	\$ -	\$ -	Included in Wheel Profile												
146			N/A	Wheel Truer	Wheel Truer	Wheel Profile Machine with Chip Bin Conveyor	BrightlineVendor	BrightlineVendor	Electrical	1	\$ 2,000,000.00	\$ 2,000,000.00													
147			N/A	Wheel Truer	Wheel Truer	Work Bench with vice and stool	BrightlineVendor	N/A	N/A	1	\$ 1,000.00	\$ 1,000.00													
148			N	Maintenance	Heavy Repair Track	Electric Utility Cart	CMO	CMO	Electrical	0	\$ 20,000.00	\$ -		\$ 20,000.00											
149			N	Maintenance	Heavy Repair Track	Fiber Bin	CMO	CMO	Industrial Waste	1	\$ -	\$ -													
149			S	Maintenance	AC Workshop	A/C Test Stand	CMO	CMO	Electrical	1	\$ -	\$ -													
149	Deleted		A	A-5-1	Lube Oil	3000 Gallon Bulk Tank - Biodiesel Mix	Contractor	Contractor	Per Mans.	0	\$ 18,000.00	\$ -													
150			S	Maintenance	AC Workshop	Shelf for A/C Units	CMO	CMO	N/A	2	\$ -	\$ -													
151			S	Maintenance	AC Workshop	Special Tools	CMO	CMO	N/A	1	\$ -	\$ -													
152			S	Maintenance	AC Workshop	Transportation Rack	CMO	CMO	N/A	4	\$ -	\$ -													
153	Deleted		L	A-5-1	Lunch Room	Industrial Size Refrigerator	Contractor	Contractor	Per Mans.	0	\$ 750.00	\$ -													
154	Deleted		L	A-5-1	Lunch Room	Convection Microwave Oven	Contractor	Contractor	Per Mans.	0	\$ 400.00	\$ -													
155	Deleted		L	A-5-1	Lunch Room	Refrigerated Water Dispenser	Contractor	Contractor	Per Mans.	0	\$ 150.00	\$ -													
156	Deleted		L	A-5-1	Lunch Room	Chairs (Dining)	Contractor	Contractor	Per Mans.	0	\$ -	\$ -	Verify who is going to purchase												
157	Deleted		L	A-5-1	Lunch Room	Tables (Dining)	Contractor	Contractor	Per Mans.	0	\$ -	\$ -	Verify who is going to purchase												
158	Deleted		A	A-5-1	Lube Oil	500 Gallon Mixing Tank - Biodiesel Concentrate	Contractor	Contractor	Per Mans.	0	\$ 10,000.00	\$ -													
159			S	Maintenance	Boogie Repair - Brakes	18" D x 144" W x 72" H Open Shelf Unit (width)	CMO	CMO	N/A	1	\$ -	\$ -													
160			S	Maintenance	Boogie Repair - Brakes	2-Door Storage Cabinet	CMO	CMO	N/A	2	\$ -	\$ -													
161			S	Maintenance	Boogie Repair - Brakes	Brake Caliper Test Bench	CMO	CMO	N/A	1	\$ -	\$ -													
162			S	Maintenance	Boogie Repair - Brakes	Brake Test Bench	CMO	CMO	N/A	1	\$ -	\$ -													
163			S	Maintenance	Boogie Repair - Brakes	Damper Testing Machine	CMO	CMO	Electrical	1	\$ -	\$ -													
164			S	Maintenance	Boogie Repair - Brakes	Special Tools - Brake	CMO	CMO	N/A	1	\$ -	\$ -													
165			S	Maintenance	Boogie Repair - Brakes	Testing Primary Suspension	CMO	CMO	N/A	1	\$ -	\$ -													
166			S	Maintenance	Boogie Repair - Brakes	Tool Cabinet	CMO	CMO	N/A	1	\$ -	\$ -													
167			S	Maintenance	Boogie Repair - Brakes	Work Bench with Vice	CMO	CMO	N/A	4	\$ -	\$ -													
168			S	Maintenance	Boogie Repair - Frame Rotator/Measurement	2-Door Storage Cabinet	CMO	CMO	N/A	1	\$ -	\$ -													
169			S	Maintenance	Boogie Repair - Frame Rotator/Measurement	Boogie Measuring Tool	CMO	CMO	Electrical	1	\$ -	\$ -													
170			S	Maintenance	Boogie Repair - Frame Rotator/Measurement	Work Bench with Vice	CMO	CMO	N/A	1	\$ -	\$ -													
171			S	Maintenance	Boogie Repair - Gear Box	18" D x 144" W x 72" H Open Shelf Unit (width)	CMO	CMO	N/A	1	\$ -	\$ -													
172			S	Maintenance	Boogie Repair - Gear Box	2-Door Storage Cabinet	CMO	CMO	N/A	2	\$ -	\$ -													
173			S	Maintenance	Boogie Repair - Gear Box	Special Tools - Gear Box	CMO	CMO	N/A	1	\$ -	\$ -													
174			S	Maintenance	Boogie Repair - Gear Box	Tool Cabinet	CMO	CMO	N/A	1	\$ -	\$ -													
175			S	Maintenance	Boogie Repair - Gear Box	Work Bench with Vice	CMO	CMO	N/A	4	\$ -	\$ -													
176			S	Maintenance	Boogie Repair - Large Parts	18" D x 72" W x 72" H Open Shelf Unit	CMO	CMO	N/A	1	\$ -	\$ -													
177			S	Maintenance	Boogie Repair - Large Parts	2-Door Storage Cabinet	CMO	CMO	N/A	2	\$ -	\$ -													
178			S	Maintenance	Boogie Repair - Large Parts	Balancing Machine	CMO	CMO	Electrical	1	\$ -	\$ -													
179			S	Maintenance	Boogie Repair - Large Parts	Bearing Pulley and Press	CMO	CMO	Electrical	1	\$ -	\$ -													
180			S	Maintenance	Boogie Repair - Large Parts	Boogie Adjustment	CMO	CMO	Electrical	1	\$ -	\$ -													
181			S	Maintenance	Boogie Repair - Large Parts	High Pressure Cleaner	CMO	CMO	Plumbing	1	\$ -	\$ -													
182			S	Maintenance	Boogie Repair - Large Parts	Hydraulic Press	CMO	CMO	Electrical	1	\$ -	\$ -													
183			S	Maintenance	Boogie Repair - Large Parts	Work Bench with Vice	CMO	CMO	N/A	1	\$ -	\$ -													
184			S	Maintenance	Boogie Repair - Small Parts	2-Door Storage Cabinet	CMO	CMO	N/A	1	\$ -	\$ -													
185			S	Maintenance	Boogie Repair - Small Parts	Work Bench with Vice	CMO	CMO	N/A	1	\$ -	\$ -													
186			S	Maintenance	Boogie Repair - Traction Motor	18" D x 72" W x 72" H Open Shelf Unit	CMO	CMO	N/A	3	\$ -	\$ -													
187			S	Maintenance	Boogie Repair - Traction Motor	2-Door Storage Cabinet	CMO	CMO	N/A	3	\$ -	\$ -													
188			S	Maintenance	Boogie Repair - Traction Motor	DC Tester	CMO	CMO	Electrical	1	\$ -	\$ -													
189			S	Maintenance	Boogie Repair - Traction Motor	Earthing Cable with 3 Poles	CMO	CMO	Electrical	2	\$ -	\$ -													
190			S	Maintenance	Boogie Repair - Traction Motor	Earthing Rod	CMO	CMO	N/A	2	\$ -	\$ -													
191			S	Maintenance	Boogie Repair - Traction Motor	High Pressure Cleaner	CMO	CMO	Plumbing	1	\$ -	\$ -													
192			S	Maintenance	Boogie Repair - Traction Motor	Motor Test Stand	CMO	CMO	Electrical	1	\$ -	\$ -													
193			S	Maintenance	Boogie Repair - Traction Motor	Special Tools - Motor	CMO	CMO	N/A	1	\$ -	\$ -													
194			S	Maintenance	Boogie Repair - Traction Motor	Tool Cabinet	CMO	CMO	N/A	1	\$ -	\$ -													
195			S	Maintenance	Boogie Repair - Traction Motor	Work Bench with Vice	CMO	CMO	N/A	5	\$ -	\$ -													
196			S	Maintenance	Boogie Repair - Wheelset	2-Door Storage Cabinet	CMO	CMO	N/A	1	\$ -	\$ -													
197			S	Maintenance	Boogie Repair - Wheelset	Cotter	CMO	CMO	N/A	1	\$ -	\$ -													
198			S	Maintenance	Boogie Repair - Wheelset	Magnetic Test Stand	CMO	CMO	Electrical	1	\$ -	\$ -													



A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z	
1	Deleted	Equipment ID	Location	Flag	Room Label	Item Description	Furnished By	Installed By	Contractor	Construction Required	Qty	Relocated From VMF	Unit Cost	Estimated	Comments	Future Equipment Cost	Miss Budget Difference	Column								
205		S	Maintenance - Bogie Repair - Wheelset		YFE Station	CMD	CMD	N/A		1																
206		S	Maintenance - Bogie Repair - Wheelset		Routing Device For Wheelset Adj	CMD	CMD	Electrical		1			\$ 36,000.00	\$ 36,000.00												
210		S	Maintenance - Bogie Repair - Wheelset		Special Tools	CMD	CMD	N/A		1																
211		S	Maintenance - Bogie Repair - Wheelset		Ultrasonic Test Stand	CMD	CMD	Electrical		1																
213		S	Maintenance - Bogie Repair - Wheelset		Work Bench With Vise	CMD	CMD	N/A		1																
217		S	Maintenance - Electronic Repair		18" D x 72" W x 72" H Open Shelf Unit	CMD	CMD	N/A		1																
218		S	Maintenance - Electronic Repair		2-Door Storage Cabinet	CMD	CMD	N/A		2																
219		S	Maintenance - Electronic Repair		Electronic Measuring and Diagnostic Equipment	CMD	CMD	Electrical		1																
222		S	Maintenance - Electronic Repair		Electronic Work Bench	CMD	CMD	N/A		1																
223		S	Maintenance - Electronic Repair		Inkjet Printer	CMD	CMD	N/A		1																
224		S	Maintenance - Electronic Repair		Soldering Station with Fume Extraction Hood	CMD	CMD	Electrical Ventilation		1																
227		S	Maintenance - Electronic Repair		Tool Locker	CMD	CMD	N/A		1																
228		S	Maintenance - Electronic Repair		Ultrasonic Cleaner	CMD	CMD	Electrical		1																
229		S	Maintenance - Electronic Repair		Work Bench With Vise	CMD	CMD	N/A		2																
231		S	Maintenance - Machine Shop		18" D x 72" W x 72" H Open Shelf Unit	CMD	CMD	N/A		1																
233		S	Maintenance - Machine Shop		2-Door Storage Cabinet	CMD	CMD	N/A		2																
235		S	Maintenance - Machine Shop		HVAC Recovery, Recycling, Evac, and Recharge Mach.	CMD	CMD	Electrical		1																
237		S	Maintenance - Machine Shop		PNR Drill Machine with Accessories	CMD	CMD	Electrical		1																
238		S	Maintenance - Machine Shop		Set of Standard Tools	CMD	CMD	N/A		1																
239		S	Maintenance - Machine Shop		Tool Locker	CMD	CMD	N/A		1																
240		S	Maintenance - Machine Shop		Welding Machine MIG E	CMD	CMD	Electrical		1																
241		S	Maintenance - Machine Shop		Working Table with Exhaust Hood	CMD	CMD	Ventilation		1																
242		S	Maintenance - Machine Shop		Work Bench With Vise	CMD	CMD	N/A		4																
243		S	Maintenance - Sanitation Workshop		Cleaning Device for Water Tank	CMD	CMD	Electrical Plumbing		1																
244		S	Maintenance - Sanitation Workshop		Machine for Descaling of Water Pipe System	CMD	CMD	Electrical Plumbing		1																
245		S	Maintenance - Sanitation Workshop		Picking Bath	CMD	CMD	Electrical Plumbing		1																
247		S	Maintenance - Sanitation Workshop		Special Tools	CMD	CMD	N/A		1																
248		S	Maintenance - Sanitation Workshop		Vacuum Toilet Stand	CMD	CMD	Electrical Plumbing		1																
249		N	Maintenance - Heavy Repair Truck		Drop Table	Contractor	Contractor	Structural		1			\$ 25,000.00	\$ 25,000.00												
249		N	Maintenance - Service and Inspection		5T Bridge Crane	Contractor	Contractor	Per Manu.		1			\$ 250,000.00	\$ 250,000.00												
249		N	Maintenance - Heavy Repair Truck		Compressed Air Receptacle (Floor) with In-Line Dryer	Contractor	Contractor	Per Manu.		1			\$ 1,000.00	\$ 1,000.00												
249		N	Maintenance - Heavy Repair Truck		Compressed Air Reel	Contractor	Contractor	Per Manu.		17			\$ 1,200.00	\$ 20,400.00												
249		N	Maintenance - Heavy Repair Truck		Eyewash/Shower Station	Contractor	Contractor	Per Manu.		4			\$ -	\$ -	Assumed Included in MEP Estimate											
249		N	Maintenance - Heavy Repair Truck		Non-Portable Hose Reel	Contractor	Contractor	Per Manu.		17			\$ 1,200.00	\$ 20,400.00												
249		N	Maintenance - Heavy Repair Truck		Wayside Power Supply Cabinet (R00A)	Contractor	Contractor	Per Manu.		1			\$ -	\$ -	Assumed Included in MEP Estimate											
249		N	Maintenance - Service and Inspection		Compressed Air Receptacle (Floor) with In-Line Dryer	Contractor	Contractor	Per Manu.		2			\$ 1,000.00	\$ 2,000.00												
249		N	Maintenance - Service and Inspection		Compressed Air Reel	Contractor	Contractor	Per Manu.		33			\$ 1,200.00	\$ 39,600.00												
249		N	Maintenance - Service and Inspection		Eyewash/Shower Station	Contractor	Contractor	Per Manu.		8			\$ -	\$ -	Assumed Included in MEP Estimate											
249		N	Maintenance - Service and Inspection		Fall Protection System (cable)	Contractor	Contractor	Per Manu.		2			\$ 15,000.00	\$ 30,000.00												
249		N	Maintenance - Storage Trucks		Fuel Cranes	Contractor	Contractor	Per Manu.		4			\$ -	\$ -	Assumed Included in MEP Estimate											
249		N	Maintenance - Service and Inspection		Main Engine Oil Reel and Dispensing Wand	Contractor	Contractor	Per Manu.		2			\$ 2,400.00	\$ 4,800.00												
249		N	Maintenance - Service and Inspection		Non-Portable Hose Reel	Contractor	Contractor	Per Manu.		55			\$ 1,200.00	\$ 66,000.00												
249		N	Maintenance - Service and Inspection		Non-Portable Hose Reel (Toilet Room)	Contractor	Contractor	Per Manu.		40			\$ 1,200.00	\$ 48,000.00												
249		N	Maintenance - Storage Trucks		Urea Reel and Dispensing Wand	Contractor	Contractor	Per Manu.		4			\$ -	\$ -	Assumed Included in MEP Estimate											
249		N	Maintenance - Service and Inspection		Wayside Power Supply Cabinet (R00A)	Contractor	Contractor	Per Manu.		2			\$ -	\$ -	Verify if MCP Included											
249		N	Maintenance - Service and Inspection		Weldable Wire Fluid Reel and Dispensing Wand	Contractor	Contractor	Per Manu.		4			\$ 2,000.00	\$ 8,000.00												
249		S	Maintenance - Bogie Repair		Compressed Air Reel	Contractor	Contractor	Per Manu.		14			\$ 1,200.00	\$ 16,800.00												
249		S	Maintenance - Bogie Repair		Eyewash/Shower Station	Contractor	Contractor	Per Manu.		6			\$ -	\$ -												
249		S	Maintenance - Commissary		RF Cabinet	Contractor	Contractor	Per Manu.		1			\$ 1,000.00	\$ 1,000.00	Micro-Intact Model DR-714-142-8184											
249		S	Maintenance - Commissary/Receiving Docs		Recessed Deck L/R	Contractor	Contractor	Per Manu.		1			\$ 25,000.00	\$ 25,000.00												
249		S	Maintenance - Machine Shop		Water Air Reel	Contractor	Contractor	Per Manu.		2			\$ 2,000.00	\$ 4,000.00	Decurt if Included in MEP Estimate											
249		S	Maintenance - Parts Loading Deck		Recessed Deck L/R	Contractor	Contractor	Per Manu.		1			\$ 25,000.00	\$ 25,000.00												
249		S	Maintenance - Parts Storage		In-Ground Sinks (5,000 Bl. capacity)	Contractor	Contractor	Per Manu.		1			\$ 2,800.00	\$ 2,800.00												
249		SE	Maintenance - Facilities Storage		Water Air/Electrical Reel	Contractor	Contractor	Per Manu.		1			\$ -	\$ -	Included in MEP Estimate											
249		SE	Maintenance - Maintenance Men's Locker Room		24" Full-Height Lockers	Contractor	Contractor	Per Manu.		133			\$ 750.00	\$ 99,750.00												
249		SE	Maintenance - Maintenance Men's Locker Room		Uniform Laundry Lockers	Contractor	Contractor	Per Manu.		3			\$ 300.00	\$ 900.00												
249		SE	Maintenance - Maintenance Training Room		Integrated Audio/Visual System, Control, Speakers, Etc	Contractor	Contractor	Per Manu.		1			\$ 5,000.00	\$ 5,000.00												
249		SE	Maintenance - Maintenance Women's Locker Room		24" Full-Height Lockers	Contractor	Contractor	Per Manu.		82			\$ 750.00	\$ 61,500.00												
249		SE	Maintenance - Maintenance Women's Locker Room		Uniform Laundry Lockers	Contractor	Contractor	Per Manu.		3			\$ 300.00	\$ 900.00												
249		SE	Maintenance - Mechanical Room		Boiler	Contractor	Contractor	Per Manu.		1			\$ -	\$ -	Assumed Included in MEP Estimate											
249		SE	Maintenance - Mechanical Room		Domestic Cold Water Pump	Contractor	Contractor	Per Manu.		2			\$ -	\$ -	Assumed Included in MEP Estimate											
249		SE	Maintenance - Mechanical Room		Domestic Hot Water Pump	Contractor	Contractor	Per Manu.		2			\$ -	\$ -	Assumed Included in MEP Estimate											
249		SE	Maintenance - Operations Men's Locker Room		18" Full-Height Lockers	Contractor	Contractor	Per Manu.		75			\$ 750.00	\$ 56,250.00												
249		SE	Maintenance - Operations Men's Locker Room		Uniform Laundry Lockers	Contractor	Contractor	Per Manu.		3			\$ 300.00	\$ 900.00												



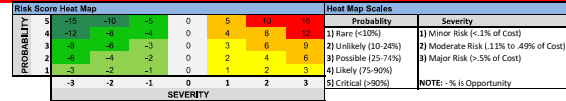
Category	Description	Qty.	Unit Cost	Cost
	MCO Permit Fee	1	\$45,000	\$45,000
	Building Signage	-	-	\$300,000
	Furniture & Fixtures	-	-	\$475,000
	Furniture BOH	-	-	\$120,000
	Landscaping- Interior	-	-	\$70,000
	Artwork and Accessories	-	-	\$60,000
	Good to Go Smallwares	-	-	\$30,000
	PA System	-	-	\$10,000
	Speakers	-	-	\$60,000
	Cabling	-	-	\$80,000
	Retail Merchandise hardware	-	-	\$10,000
	Site Signage (wayfinding)	-	-	\$150,000
	Site Sound System (Headend)	-	-	\$45,000
	Headend / PA System	-	-	\$50,000
	Building Maintenance Equipment	-	-	\$60,000
	Kitchen Equipment	-	-	\$150,000
	Golf Carts	-	-	\$60,000
	Commissary delivery vehicle	-	-	\$35,000
	Decals/ Signs/ Creative (Marketing)	-	-	\$100,000
		-	-	
FF&E				\$1,910,000
	Network Wiring	1	\$100,000	\$100,000
	Network Security Appliance MX100	1	\$20,000	\$20,000
	Network Security Appliance MX65	1	\$1,450	\$1,450
	48 Port Network Switches	4	\$13,420	\$53,680
	24 Port Network Switches	3	\$7,700	\$23,100
	8 Port Network Switch	1	\$1,600	\$1,600
	Patch Cables	1	\$5,000	\$5,000
	Rack & Parts	3	\$2,000	\$6,000
	Rack UPS w/Smart Card	3	\$1,800	\$5,400
	PDU	6	\$400	\$2,400
	Security Camera for MDF	1	\$1,900	\$1,900
Network				\$220,530
	Borelli (balance)	1	\$530,000	\$530,000
Professional Fees				\$530,000
	Ticket Counter Inserts	4	\$6,500	\$26,000
	Scales	2	\$4,000	\$8,000
	Scanners	4	\$500	\$2,000
	Scanner Stands	4	\$129	\$516
	iPad Pros	4	\$1,000	\$4,000
	iPad Pro Enclosure	4	\$150	\$600
	BOCA Printers	4	\$3,200	\$12,800
	Credit Card Readers	4	\$500	\$2,000
	Credit Card Stands	4	\$100	\$400
	UPS	4	\$350	\$1,400
	UPS Smart Card	4	\$300	\$1,200
	USB Power Source	4	\$30	\$120



Category	Description	Qty.	Unit Cost	Cost
Ticket Counters				\$59,036
	Kiosk Inserts	6	\$4,000	\$24,000
	Scanners	6	\$400	\$2,400
	Touch Screen	6	\$575	\$3,450
	Credit Card Reader	6	\$500	\$3,000
	Credit Card Stand	6	\$100	\$600
	PC	6	\$900	\$5,400
	BOCA Printer	6	\$3,200	\$19,200
	Monitor	6	\$300	\$1,800
	UPS	6	\$350	\$2,100
	UPS Smart Card	6	\$300	\$1,800
Kiosk				\$63,750
	IPad Pros	3	\$1,000	\$3,000
	IPad Pro Enclosure (Heckler)	3	\$150	\$450
	Scanners	3	\$500	\$1,500
	Scanner Stand (Heckler)	3	\$129	\$387
	Credit Card Reader	3	\$500	\$1,500
	Credit Card Stand	3	\$100	\$300
	UPS	2	\$350	\$700
	UPS Smart Card	2	\$300	\$600
Good2Go				\$8,437
	ON5	60	\$1,675	\$100,500
	ON5s	50	\$1,675	\$83,750
	ON6s	7	\$2,975	\$20,825
	3rd Party Mounts	3	\$700	\$2,100
	Banner Special Mounts	2	\$10,000	\$20,000
	Installation	117	\$1,000	\$117,000
Videri Monitors				\$344,175
	NanoLumens	1	\$150,000	\$150,000
	ANC Player	2	\$1,500	\$3,000
	ANC Server	1	\$5,000	\$5,000
	3rd Party Calibration	1	\$3,000	\$3,000
Video Walls				\$161,000
	IER Turnstiles	1	\$600,000	\$600,000
Turnstiles				\$600,000
	Workstation	6	\$2,500	\$15,000
	Printers	3	\$750	\$2,250
	Televisions	6	\$2,000	\$12,000
	muFIDS Integration - ComNet	1	\$50,000	\$50,000
Workstations (BOH)				\$79,250
	OB3 Cognify cameras	55	\$ 2,314	\$ 127,250
	OB3 Cabling infrastructure and labor	1	\$ 42,414	\$ 42,414
Cameras				\$169,664
	RONIN System	6	\$ 22,000	\$ 132,000
	Ground Delivery Orlando Station	1	\$ 1,200	\$ 1,200
	Delivery Insurance	1	\$ 150	\$ 150
	Installation of RONIN in Orlando	1	\$ 27,000	\$ 27,000
	Construction Management Support	1	\$ 5,000	\$ 5,000
	Training Operator and Admin	1	\$ 7,500	\$ 7,500
Ronin				\$172,850
	Rapiscan System-Misc.	3	\$ 31,847	\$ 95,540
	Rapiscan System-ORL	2	\$ 65,538	\$ 131,076
Rapiscan				\$226,616
Radio integration		1	\$96,820	\$96,820
Total MCO				\$4,642,128

Virgin Trains USA
Appendix G
Risk & Opportunity Register

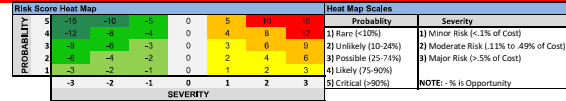
Contract Data		Location	Cost	TRO (Daily)
Project	Bl. Phase II - West Palm Beach to Orlando	Program	\$ 808,780,000.00	\$ 74,648
Segment	Program	Z1	\$ 72,800,000.00	\$ 8,100.00
Revision Date	2/18/2019	Z2	\$ 91,250,000.00	\$ 10,120.00
		Z3	\$ 462,410,000.00	\$ 48,219.00
		Z4	\$ 672,040,000.00	\$ 79,500.00
		Total	\$ 2,167,260,000.00	\$ 220,587.00



Risk ID	Zone	Category	Description	Type	Variable 1	Unit	Variable 2	Unit	Unit Cost	Direct Total	TRO BL Total	TRO Contractor Total	Days	Probability	Risk \$	Probability of Occurrence	Severity of Impact	Computed Risk Score Probability x Severity	Notes			
1	4	ROW	Due to the need for undercutting associated with keeping work in the ROW at approximately 1/3 of the 80 grade crossings in Martin, St. and IR counties, we may encounter shallow utilities that are not included in the price.	Direct Cost	30.00	Each - Utility Conflicts	1.00	Multiplier	\$	50,000.00	\$ 1,500,000.00	\$ -	\$ -	150	50.0%	\$ 750,000	3	1	3			
				TRO Brightline	-	Each - Utility Conflicts	5.00	Days/Each	\$	74,648.00												
				TRO Contractor	-	Each - Utility Conflicts	5.00	Days/Each	\$	8,100.00												
				Schedule	30.00	Each - Utility Conflicts	5.00	Days/Each														
2	4	FECR	RR operations interfere with the contractor creating an obligation on the part of Brightline.	Direct Cost	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	-	40.0%	\$ 2,985,920	3	2	6			
				TRO Brightline	100.00	Interferences	1.00	Days/Each	\$	74,648.00	\$ 7,464,800.00	\$ -	\$ -	-	-							
				TRO Contractor	-	-	-	-	-	\$	8,100.00					100						
				Schedule	100.00	Interferences	1.00	Days/Each														
3	4	FECR	FECR has requested BNSF box beams instead of CBX	Direct Cost	4,309.00	LF - Box Beams	1.00	Multiplier	\$	100.00	\$ 430,900.00	\$ -	\$ -	-	0.0%	\$ -	1	0	0			
				TRO Brightline	-	-	-	-	-													
				TRO Contractor	-	-	-	-	-													
				Schedule	-	-	-	-	-													
4	4	FECR	Designed project has variation from the track chart agreed by Brightline and FECR.	Direct Cost	29.80	Each - Variation	1.00	Multiplier	\$	1,896,551.72	\$ 54,999,999.88	\$ -	\$ -	-	30.0%	\$ 16,500,000	3	3	9			
				TRO Brightline	-	-	-	-	-													
				TRO Contractor	-	-	-	-	-													
				Schedule	-	-	-	-	-													
5	P	Materials Escalation	Materials agreements generally incorporate escalation indices, which cannot be predicted. 3% has been provided within the bulk materials budget, but actual could exceed the 3%.	Direct Cost	0.50%	% - Material Purchases	1.00	Multiplier	\$	219,000,000.00	\$ 1,095,000.00	\$ -	\$ -	-	100.0%	\$ 1,095,000	5	1	5			
				TRO Brightline	-	-	-	-	-													
				TRO Contractor	-	-	-	-	-													
				Schedule	-	-	-	-	-													
6	P	Material Quantities	Estimated quantities for bulk materials could be exceeded	Direct Cost	1.00%	% - Material Purchases	1.00	Multiplier	\$	219,000,000.00	\$ 2,190,000.00	\$ -	\$ -	-	100.0%	\$ 2,190,000	5	2	10			
				TRO Brightline	-	-	-	-	-													
				TRO Contractor	-	-	-	-	-													
				Schedule	-	-	-	-	-													
7	P	Materials Pricing	Pricing for special track, steel & wood ties & hardware could exceed estimate amounts	Direct Cost	5.00%	% - Material Purchases	1.00	Multiplier	\$	45,415,100.00	\$ 2,270,755.00	\$ -	\$ -	-	100.0%	\$ 2,270,755	5	2	10			
				TRO Brightline	-	-	-	-	-													
				TRO Contractor	-	-	-	-	-													
				Schedule	-	-	-	-	-													
8	P	Materials Storage	Storage space for ties limited to 110,000. Due to ongoing production, there will be 165,833 ties in the yard by the time we start consuming on 2/17/2019	Direct Cost	45,833.00	Ties to store	1.00	Multiplier	\$	4.00	\$ 183,332.00	\$ -	\$ -	-	75.0%	\$ 137,499	4	1	4			
				TRO Brightline	-	-	-	-	-													
				TRO Contractor	-	-	-	-	-													
				Schedule	-	-	-	-	-													
9	4	Work Train Pricing	FECR work train price proposal significantly higher than estimated self-performed cost	Direct Cost	1.00	Each - FECR vs. BL differential	1.00	Multiplier	\$	6,000,000.00	\$ 6,000,000.00	\$ -	\$ -	-	60.0%	\$ 3,600,000	3	2	6			
				TRO Brightline	-	-	-	-	-													
				TRO Contractor	-	-	-	-	-													
				Schedule	-	-	-	-	-													
10	4	Rail/FECR	New rail provided only on track 2 and sidings. Might be required that all rail be replaced.	Direct Cost	179,000.00	LF furnish + install	1.00	Multiplier	\$	35.00	\$ 6,265,000.00	\$ -	\$ -	-	50.0%	\$ 3,132,500	3	2	6			
				TRO Brightline	-	-	-	-	-													
				TRO Contractor	-	-	-	-	-													
				Schedule	-	-	-	-	-													
11	4	Movable Bridges	The \$25M allowance for rehabilitation of the movable bridges at Loxahatchee and Jupiter inlets, which was developed from a scope description and field inspection, is inadequate.	Direct Cost	150%	% - overrun	1.00	Multiplier	\$	25,000,000.00	\$ 37,500,000.00	\$ -	\$ -	60	48.3%	\$ 18,125,000	3	3	9	Reduced by \$10M in 1/19/2019 cost cutting		
				TRO Brightline	-	-	-	-	-													
				TRO Contractor	-	-	-	-	-													
				Schedule	60.00	Days Delay	1.00	Multiplier	\$	2,900.00	\$ 700,000.00	\$ -	\$ -	-								
12	P	Protected Species	Tortoise relocation. Monitoring for this is included in professional fees, but relocation is included as an allowance item only.	Direct Cost	1,750.00	EA - tortoises	-	-	\$	-	\$ -	\$ -	\$ -	-	50.0%	\$ 350,000	3	1	3			
				TRO Brightline	-	-	-	-	-													
				TRO Contractor	-	-	-	-	-													
				Schedule	-	-	-	-	-													
13	1	Fuel Escalation	Shared risk allocation for fuel escalation, ±10% band, BL owns outside band	Direct Cost	-	-	-	-	\$	-	\$ -	\$ -	\$ -	-	30.0%	\$ -	3	0	0			
				TRO Brightline	-	-	-	-	-													
				TRO Contractor	-	-	-	-	-													
				Schedule	-	-	-	-	-													
14	1	Geotech	Unanticipated ground conditions. This risk includes greater volumes of unsuitable material than anticipated.	Direct Cost	100%	% of Budget Quantity	28,000.00	CY - Unsuitable	\$	24.25	\$ 679,000.00	\$ -	\$ -	30	30.0%	\$ 203,700	3	1	3			
				TRO Brightline	-	-	-	-	-													
				TRO Contractor	-	-	-	-	-													
				Schedule	30.00	Days Production	1.00	Multiplier	\$	21.00	\$ 1,458,500.00	\$ -	\$ -	-								
15	2	Geotech	Unanticipated ground conditions. This risk includes greater volumes of unsuitable material than anticipated.	Direct Cost	100%	% of Budget Quantity	69,500.00	CY - Unsuitable	\$	21.00	\$ 1,458,500.00	\$ -	\$ -	30	30.0%	\$ 437,850	3	1	3			
				TRO Brightline	-	-	-	-	-													
				TRO Contractor	-	-	-	-	-													
				Schedule	30.00	Days Production	1.00	Multiplier	\$	21.00	\$ 6,300,000.00	\$ -	\$ -	-								
16	3	Geotech	Unanticipated ground conditions. This risk includes greater volumes of unsuitable material than anticipated.	Direct Cost	100%	% of Budget Quantity	300,000.00	CY - Unsuitable	\$	21.00	\$ 6,300,000.00	\$ -	\$ -	30	30.0%	\$ 1,890,000	3	1	3			
				TRO Brightline	-	-	-	-	-													
				TRO Contractor	-	-	-	-	-													
				Schedule	30.00	Days Production	1.00	Multiplier	\$	21.00	\$ 6,300,000.00	\$ -	\$ -	-								
17a	2	Geotech	Unanticipated ground conditions. This risk includes higher foundation cost on structures.	Direct Cost	1.00	LS - Piling Cost	50%	Half of total	\$	8,000,000.00	\$ 4,000,000.00	\$ -	\$ -	-	30.0%	\$ 1,200,000	3	1	3			
				TRO Brightline	-	-	-	-	-													
				TRO Contractor	-	-	-	-	-													
				Schedule	30.00	Days Production	1.00	Multiplier	\$	20,000,000.00	\$ 10,000,000.00	\$ -	\$ -	-								
17b	3	Geotech	Unanticipated ground conditions. This risk includes higher foundation cost on structures.	Direct Cost	1.00	LS - Piling Cost	50%	Half of total	\$	12,000,000.00	\$ 6,000,000.00	\$ -	\$ -	-	30.0%	\$ 3,000,000	3	2	6			
				TRO Brightline	-	-	-	-	-													
				TRO Contractor	-	-	-	-	-													
				Schedule	1.00	LS - Piling Cost	50%	Half of total	\$	12,000,000.00	\$ 6,000,000.00	\$ -	\$ -	-								
17c	4	Geotech	Unanticipated ground conditions. This risk includes higher foundation cost on structures.	Direct Cost	1.00	LS - Piling Cost	50%	Half of total	\$	12,000,000.00	\$ 6,000,000.00	\$ -	\$ -	-	30.0%	\$ 1,800,000	3	1	3			
				TRO Brightline	-	-	-	-	-													
				TRO Contractor	-	-	-	-	-													
				Schedule	-	-	-	-	-													

Virgin Trains USA
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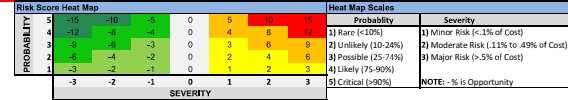
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Segment	Program	Z1	\$ 72,600,000.00	\$ 6,700.00
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		Z3	\$ 462,410,000.00	\$ 48,219.00
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		Total	\$ 2,167,260,000.00	\$ 220,587.00



Risk ID	Zone	Category	Description	Type	Variable 1	Unit	Variable 2	Unit	Unit Cost	Direct Total	TRO BL Total	TRO Contractor Total	Days	Probability	Risk \$	Probability of Occurrence	Severity of Impact	Computed Risk Score Probability x Severity	Notes
			Also likely need ERPs from SFWMD.	TRO Contractor	-	-	-	-	\$ -			\$ -							
				Schedule	60.00	Days Delay	-	1.00	Multiplier	\$ -			60						
36	4	Bridge start dates	CG Permits required for navigable waterway bridges: Eau Gallie, Sebastian, Crane, Turkey. Bridge Advisory Group Proceedings are predecessor to CG Permit.	TRO Brightline	60.00	Days	-	1.00	Multiplier	\$ 74,648.00	\$ -	\$ 4,478,880.00		40.0%	\$ 1,791,552	3	1	3	
				TRO Contractor	-	-	-	-	\$ -			\$ -							
				Schedule	60.00	Days Delay	-	1.00	Multiplier	\$ -			60						
37	4	Bridge start dates	Minor med permits for trestles are in process, not in hand. Could delay construction start.	TRO Brightline	30.00	Days	-	1.00	Multiplier	\$ 74,648.00	\$ -	\$ 2,239,440.00		40.0%	\$ 895,776	3	1	3	
				TRO Contractor	-	-	-	-	\$ -			\$ -							
				Schedule	30.00	Days Delay	-	1.00	Multiplier	\$ -			30						
38	3	Borrow site permitting	Brightline is in discussions with Deseret Ranch about a 2nd borrow pit located west of Dallas Road at approximately Station 6006+00, about 5 miles west of the current borrow pit at approximately Station 6280+00. This pit would provide needed fill material (avoiding of late borrow) in a location more efficient for the western side of the EW alignment. Brightline anticipates.	TRO Brightline	500,000.00	CY	-	0.07	15CY/TRK x 1HR (1/15)	\$ 100.00	\$ 3,333,333.33	\$ -		50.0%	\$ 1,666,667	3	1	3	
				TRO Contractor	-	-	-	-	\$ -			\$ -							
				Schedule	-	-	-	-	\$ -										
38a	2	Utilities	In the E/W corridor there are 13 utilities that will be relocated by their owners at Brightline cost. Budget is based on estimated amounts for utility relocations. BL is obligated to pay actual costs.	TRO Brightline	50%	Overrun utility relocation	-	1.00	Multiplier	\$ 3,000,000.00	\$ 1,500,000.00	\$ -		100.0%	\$ 1,500,000	5	1	5	
				TRO Contractor	-	-	-	-	\$ -			\$ -							
				Schedule	-	-	-	-	\$ -										
38b	3	Utilities	In the E/W corridor there are 13 utilities that will be relocated by their owners at Brightline cost. Budget is based on estimated amounts for utility relocations. BL is obligated to pay actual costs.	TRO Brightline	50%	Overrun utility relocation	-	1.00	Multiplier	\$ 6,302,055.00	\$ 3,151,027.50	\$ -		100.0%	\$ 3,151,028	5	2	10	
				TRO Contractor	-	-	-	-	\$ -			\$ -							
				Schedule	-	-	-	-	\$ -										
40	P	Positive Train Control	PTC is required for opening of Phase 2. PTC has not been implemented for passenger trains at this speed, protocols and interpretations by FRA are not well established.	TRO Brightline	180.00	Days	-	1.00	Multiplier	\$ 74,648.00	\$ 13,436,640.00	\$ -		75.0%	\$ 10,077,480	4	2	8	
				TRO Contractor	-	-	-	-	\$ -			\$ -							
				Schedule	180.00	Days	-	1.00	Multiplier	\$ -			180						
41	P	WT conductors/engineers	May need double the size of crews (from 6-12) to cover for sick days, PTO, vacation	TRO Brightline	2.00	Man	-	3.00	Years	\$ 150,000.00	\$ 900,000.00	\$ -		50.0%	\$ 900,000	3	1	3	
				TRO Contractor	-	-	-	-	\$ -			\$ -							
				Schedule	2.00	Man	-	2.00	Years	\$ 150,000.00	\$ 600,000.00								
				Schedule	2.00	Man	-	1.00	Years	\$ 150,000.00	\$ 300,000.00								
42	P	OSM	Private cars may not be available - Need peak of 250 cars. Normal price \$3000/Car. May have to pay up to \$1,000 for half of those in order to meet the demand for 12 months	TRO Brightline	125.00	Cars (1/2 of 250)	-	12.00	Months @ premium	\$ 700.00	\$ 1,050,000.00	\$ -		50.0%	\$ 525,000	3	1	3	
				TRO Contractor	-	-	-	-	\$ -			\$ -							
				Schedule	-	-	-	-	\$ -										
43	4	Demurrage	Allow 7 days to unload each car, means 5 days of demurrage each car	TRO Brightline	17,000.00	Cars	-	5.00	Days/Each	\$ 40.00	\$ 3,400,000.00	\$ -		50.0%	\$ 1,700,000	3	1	3	
				TRO Contractor	-	-	-	-	\$ -			\$ -							
				Schedule	-	-	-	-	\$ -										
44	1	Train Wash	Design is for an open air train wash. Orange County DEP says will have to be closed, although Tri-Rail's and SunRail's are both open.	TRO Brightline	7,500.00	SF - (500' long x 15' wide)	-	1.00	Multiplier	\$ 40.00	\$ 300,000.00	\$ -		50.0%	\$ 150,000	3	1	3	
				TRO Contractor	-	-	-	-	\$ -			\$ -							
				Schedule	-	-	-	-	\$ -										
45	P	Steel tariffs civil	New tariffs on steel. Quantity 114M lbs. Current price \$0.55/LB - assume 20% increase.	TRO Brightline	114,000,000.00	LBS - Civil	-	20%	Increase	\$ 0.55	\$ 12,540,000.00	\$ -		20.0%	\$ 2,508,000	1	2	2	
				TRO Contractor	-	-	-	-	\$ -			\$ -							
				Schedule	-	-	-	-	\$ -										
46	P	Steel tariffs Rail	New tariffs on steel. Quantity 104.3M lbs. Current price \$0.40/LB - assume 20% increase.	TRO Brightline	104,300,000.00	LBS - Rail	-	20%	Increase	\$ 0.40	\$ 8,344,000.00	\$ -		20.0%	\$ 1,668,800	1	1	1	
				TRO Contractor	-	-	-	-	\$ -			\$ -							
				Schedule	-	-	-	-	\$ -										
47	P	Steel tariffs building	New tariffs on steel. Quantity 6M lbs. Current price \$0.55/LB - assume 20% increase.	TRO Brightline	6,000,000.00	LBS - Building	-	30%	Increase	\$ 0.55	\$ 990,000.00	\$ -		20.0%	\$ 198,000	1	1	1	
				TRO Contractor	-	-	-	-	\$ -			\$ -							
				Schedule	-	-	-	-	\$ -										
48	P	Steel tariffs RS	New tariffs on steel. Quantity 5.9M lbs. - 270,000 lbs./Loco x 75% steel x 11 Loco, plus 120,000 lbs./coach x 50 at 60% x \$0.55/lb. x 20% increase	TRO Brightline	5,827,500.00	LBS - RS	-	20%	Increase	\$ 0.85	\$ 641,025.00	\$ -		100.0%	\$ 641,025	5	1	5	
				TRO Contractor	-	-	-	-	\$ -			\$ -							
				Schedule	-	-	-	-	\$ -										
49	P	Davis Bacon	Davis Bacon now applies to project. DB included in all bid packages except C201A,1 and C203. \$700M aggregate contract amounts for contracts that did not include and have not been bid. x 25% labor and assume half is non-compliant. x 20% increase. Also add 1 administrator at \$75k x 1.4 x 3 yrs.	TRO Brightline	1.00	Administrator	-	3.00	Years	\$ 105,000.00	\$ 315,000.00	\$ -		50.0%	\$ 8,907,500	3	2	6	
				TRO Contractor	-	-	-	-	\$ -			\$ -							
				Schedule	-	-	-	-	\$ -										
50	4	Archeological	Finds of Archeological remains means monitor time and TRO	TRO Brightline	20.00	Days	-	1.00	Multiplier	\$ 1,000.00	\$ 20,000.00	\$ 1,492,960.00		100.0%	\$ 1,512,960	5	1	5	
				TRO Contractor	-	-	-	-	\$ -			\$ -							
				Schedule	-	-	-	-	\$ -										
51	4	North Canal Bridge	May have to replace the existing bridge	TRO Brightline	1,267.00	SF	-	1.00	Multiplier	\$ 761.00	\$ 964,167.00	\$ -		75.0%	\$ 723,140	4	1	4	
				TRO Contractor	-	-	-	-	\$ -			\$ -							
				Schedule	-	-	-	-	\$ -										
52	P	Change in Law	Could include change in permit requirements, change in taxes	TRO Brightline	1%	% of construction cost	-	1.00	Multiplier	\$ 1,222,500,000.00	\$ 12,225,000.00	\$ -		10.0%	\$ 1,222,500	1	1	1	
				TRO Contractor	-	-	-	-	\$ -			\$ -							

Virgin Trains USA
Appendix G
Risk & Opportunity Register

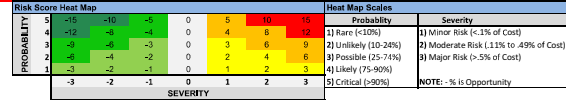
Contract Data		Location	Cost	TRO (Daily)
Project	B: Phase II - West Palm Beach to Orlando	Program	\$ 808,780,000.00	\$ 74,648
Segment	Program	Z1	\$ 72,800,000.00	\$ 8,100.00
Revision Date	2/18/2019	Z2	\$ 91,250,000.00	\$ 10,120.00
		Z3	\$ 462,410,000.00	\$ 48,219.00
		Z4	\$ 672,040,000.00	\$ 79,500.00
		Total	\$ 2,167,260,000.00	\$ 220,587.00



RISKS																						
Risk ID	Zone	Category	Description	Type	Variable 1	Unit	Variable 2	Unit	Unit Cost	Direct Total	TRO BL Total	TRO Contractor Total	Days	Probability	Risk \$	Probability of Occurrence	Severity of Impact	Computed Risk Score Probability x Severity	Notes			
53	P	Insurance	Deductibles; GL \$100K; BR Up to \$7.5M; Environmental \$250K; PL \$250K	Schedule	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
				Direct Cost	1.00	LS- Deductibles	1.00	Multiplier	\$	10,000,000.00	\$ 10,000,000.00	\$ -	\$ -	-	-	50.0%	\$ 5,000,000	3	2	6		
				TRO Brightline	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				TRO Contractor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				Schedule	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
54	P	Geotech	Differing Subsurface Conditions. Covering risk of unforeseeable ground conditions in excess of amounts provided for measurable quantity exposure.	Direct Cost	1.00	LS- DSC Exposure	1.00	Multiplier	\$	5,000,000.00	\$ 5,000,000.00	\$ -	\$ -	-	-	50.0%	\$ 2,500,000	3	2	6		
				TRO Brightline	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				TRO Contractor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				Schedule	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				Direct Cost	1.00	LS	1.00	Multiplier	\$	12,000,000.00	\$ 12,000,000.00	\$ -	\$ -	-	-	-	100.0%	\$ 12,000,000	5	3	15	
55		Legal	Settlement with McJIR County. An offer has been made to the two counties that would result in an expenditure of ~\$12M in exchange for dropping of outstanding lawsuit and support of the project.	TRO Brightline	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
				TRO Contractor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
				Schedule	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
				Direct Cost	1.00	LS	1.00	Multiplier	\$	12,000,000.00	\$ 12,000,000.00	\$ -	\$ -	-	-	-	100.0%	\$ 12,000,000	5	3	15	
				Schedule	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Risks										\$ 274,727,666.71	\$ 44,788,800.00	\$ 14,729,910.00	1,110		\$ 138,494,911.88							

Virgin Trains USA
Appendix G
Risk & Opportunity Register

Contract Data		Location	Cost	TRO (Daily)
Project	B: Phase II - West Palm Beach to Orlando	Program	\$ 808,760,000.00	\$ 74,618
Segment	Program	Z1	\$ 72,600,000.00	\$ 6,100.00
Revision Date	2/10/2019	Z2	\$ 91,250,000.00	\$ 10,120.00
		Z3	\$ 462,410,000.00	\$ 48,219.00
		Z4	\$ 672,040,000.00	\$ 79,500.00
		Total	\$ 2,167,260,000.00	\$ 220,587.00



RISKS

Risk ID	Zone	Category	Description	Type	Variable 1	Unit	Variable 2	Unit	Unit Cost	Direct Total	TRO BL Total	TRO Contractor Total	Days	Probability	Risk \$	Probability of Occurrence	Severity of Impact	Computed Risk Score Probability x Severity	Notes
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OPPORTUNITIES

Opp. ID	Zone	Category	Description	Type	Variable 1	Unit	Variable 2	Unit	Unit Cost	Direct Total	TRO BL Total	TRO Contractor Total	Days	Probability	Risk \$	Probability of Occurrence	Severity of Impact	Computed Risk Score Probability x Severity	Notes
1	4	ROW	Pricing for grade crossings includes costs associated with keeping all work within the ROW (undercutting, sequencing equipment). There will be a savings if we are able to convince the counties that it is in their best interest allow work outside the ROW. This cost would be incurred in about 1/3 of the 80 grade crossings in Martin, St. and Bt counties, at approximately \$100k	Direct Cost	30.00	EA - Crossing	1.00	Multiplier	\$	(100,000.00)	\$ (3,000,000.00)	\$ -	-	0.0%	\$ -	1	0	0	Past the point of being able to reasonably implement this
				TRO Brighline															
				TRO Contractor															
				Schedule															
2	4	ROW	Pricing for Sebastian River Bridge includes lifting from a trestle on the east side of the bridge over live track, if we can gain the WMD/County approval to build a trestle on the west side, outside the ROW, there will be a savings (smaller crane, time)	Direct Cost	132.00	Days - Bridge TRO	1.00	Multiplier	\$	(10,000.00)	\$ (1,320,000.00)	\$ -	-	0.0%	\$ -	1	0	0	This was accomplished and the savings have been realized within the bids.
				TRO Brighline															
				TRO Contractor															
				Schedule															
3	P	OSM	We have included the cost of system cars for the delivery of OSM in the price. If we lease the cars (will require an advance commitment), there will be a savings.	Direct Cost	-					\$ -	\$ -	\$ -	-	0.0%	\$ -	1	0	0	
				TRO Brighline															
				TRO Contractor															
				Schedule															
4	4	Material unloading	If we purchase a rail car unloading machine, we will reduce ballast unloading time from 40 mins per 100 tons to 6 mins per 100 tons. Also, this will allow use of aggregate cars, saving further \$.	Direct Cost	1.00	LS	1.00	Multiplier	\$	1,000,000.00	\$ 1,000,000.00	\$ 100,000.00	-	0.0%	\$ -	1	0	0	
				TRO Brighline	1.00	LS	1.00	Multiplier	\$	100,000.00	\$ -	\$ -	-	0.0%	\$ -	1	0	0	
				TRO Contractor						\$ -	\$ -	\$ -	-	0.0%	\$ -	1	0	0	
				Schedule															
5	4	Deferred No 24 crossovers	We agreed to provide 8 x No 24 crossovers at MP186.35, 204.65, 217.95, and 209.55. Brighline now does not believe these are required.	Direct Cost	6.00	EA - No. 24	1.00	Multiplier	\$	(450,000.00)	\$ (3,600,000.00)	\$ -	-	0.0%	\$ -	1	0	0	Now part of overall risk outlined in item #4
				TRO Brighline															
				TRO Contractor															
				Schedule															
6	P	Rolling Stock	Option price expired but we may be able to negotiate to keep those rates.	Direct Cost	1.00	LS	1.00	Multiplier	\$	(32,889.00)	\$ (32,889.00)	\$ -	-	0.0%	\$ -	1	0	0	Price \$278.812M vs \$237.023M 1-23-2018 NOW ASSUME RS PRICING IS CORRECT
				TRO Brighline															
				TRO Contractor															
				Schedule															
7	4	Flagging	Flagging is priced as an allowance. Assumption made was that in the case of flagging for Alston, there will be no improvement over Ph1 performance	Direct Cost	25.00%	% - cost for Flagging	1.00	Multiplier	\$	(3,045,000.00)	\$ (761,250.00)	\$ -	-	0.0%	\$ -	1	0	0	Allowance has been reduced by \$5M based on pricing from HSR
				TRO Brighline															
				TRO Contractor															
				Schedule															
8	4	Turkey Creek Bridge	Entire bridge slated to be replaced. By observation on 2/27/2018, foundations (concrete caps to mud line on timber piles) appear in excellent condition. Reseaching replacing superstructure only.	Direct Cost	1.00	LS	1.00	Multiplier	\$	2,000,000.00	\$ (2,000,000.00)	\$ -	-	0.0%	\$ -	1	0	0	Past the point of being able to reasonably implement this
				TRO Brighline															
				TRO Contractor															
				Schedule															
9	2	Borrow	BL has potentially located a source of borrow in closer proximity to the need in the eastern portion of the corridor	Direct Cost	1.00	LS	1.00	Multiplier	\$	5,850,000.00	\$ (5,850,000.00)	\$ -	-	0.0%	\$ -	1	0	0	This was accomplished and the savings have been realized within the bids.
				TRO Brighline															
				TRO Contractor															
				Schedule															
Total Opportunities:										\$ (15,564,139.00)	\$ 100,000.00	\$ -	-	0.0%	\$ -	1	0	0	

SUMMARY	
Total Risks	\$ 138,494,912
Total Opportunities	\$ -
Net Risk	\$ 138,494,912
Unallocated Risk	\$ 34,505,088
Total Risk (Contingency)	\$ 173,000,000

Appendix I - Virgin Trains - Phase 2 Construction Estimate



Cat.	Description	Actual Spend through 12/31/2017	Actual Spend 1/1/2018-12/31/2018	Spend Through Dec 2018	Current Estimate CTC (from 1/1/2018)	Estimate at Completion (EAC)	% of total CTC	% of total EAC
001	Land/Entitlements	67,115,617	1,426,564	68,542,181	17,994,350	86,536,531	0.9%	3.8%
002	Rail infrastructure	15,363,483	14,611,421	29,974,904	1,600,730,199	1,630,705,103	77.4%	71.3%
003	Building construction	10,269,077	21,098	10,290,175	61,794,234	72,084,409	3.0%	3.2%
004	Operating supplies & equipment	-	-	-	11,028,540	11,028,540	0.5%	0.5%
005	Professional fees	61,828,418	6,340,080	68,168,498	27,347,133	95,515,630	1.3%	4.2%
006	Project management	2,856,504	4,788,773	7,645,277	58,321,571	65,966,848	2.8%	2.9%
007	Rolling stock	7,608,376	25,000,000	32,608,376	118,112,472	150,720,848	5.7%	6.6%
	SUBTOTAL CAPITAL COSTS	165,041,474	52,187,937	217,229,411	1,895,328,498	2,112,557,909	91.6%	92.4%
010	Contingency	-	-	-	173,000,000	173,000,000	8.4%	7.6%
	TOTAL CAPITAL COSTS	165,041,474	52,187,937	217,229,411	2,068,328,498	2,285,557,909	100.0%	100.0%
009	Finance & administration	-	-	-	174,000,000	174,000,000		
	TOTAL	165,041,474	52,187,937	217,229,411	2,242,328,498	2,459,557,909		



1. **Materials delivery and logistics**
 - a. Work train – get our own work train(s) and dedicated crew.
 - b. Materials storing and staging – identify locations we can store materials to avoid demurrage
 - c. Trucking versus moves by train – no longer mandated to move by train
 - d. Types of cars used to transport ballast: optimize for unloading based on type of work (gondolas, hoppers, automated)
2. **Dispatching of trains into work zones** – FDC provides BL with input on how trains are sent through the corridor
3. **Favorable freight train schedule** – substantially larger work windows available north of WPB.
4. **Flagging protection restrictions and protocols** – contract directly instead of through FEC
5. **Build master schedule around signal cutovers.** focus on the track work without enough attention paid to planning of cutovers.
6. **Handoff of signals installation** – split scope in Phase 1 is now consolidated for delivery of ATC under one contractor
7. **PTC process with FRA.** Lessons learned will assist in planning with FRA to streamline approvals
8. **Test track.** Much was learned with setting up a test track that will not be replicated
9. **Less dense corridor, less crossings per mile, more rural work environment.** Will help expedite work in the north-south corridor substantially.
10. **Overlap of fiber relocation and start up of track work** – early work in Phase 2 advancing fiber will get ahead of track work minimizing opportunity for overlap
11. **Fiber relocation** – much less dense corridor, substantially reduced number of tie-ins for carriers will reduce schedule conflicts and reliance on third party scheduling for cutovers.
12. **Resolution of all bridge permit issues in advance of construction start** – Phase 1 started without 7 bridge permits in hand. One bridge permit was substantially delayed including public input that changed the design.
13. **Quality of contractor personnel, resource and equipment availability.** Contractor did not staff properly in expectation of continuation of Phase 2 that did not materialize.
14. **Proper master schedule and monitoring thereof** - very poorly scheduled work practices by contractor in Phase 1 will be addressed in Phase 2.
15. **Construction Agreement with FEC.** Will help on multiple fronts

F. Exhibit 6*List of Personnel Consulted*

During the course of this evaluation, the Technical Advisor interacted and received information, documentation, and support from a host of personnel representing the VTUSA project. These individuals include:

- VTUSA Personnel
 - Michael Cegelis, Executive VP, Rail Infrastructure – Construction
 - Scott Gammon, Senior VP, Construction
 - Adrian Share, Executive VP, Planning & Design
 - Myles Tobin, General Counsel

- Florida East Coast Industries
 - Husein Cumber, Executive VP, Corporate Development

G. Exhibit 7

Technical Advisor's Qualifications and Resumes

Urban Engineers, Inc. (Urban) is a multi-discipline professional consulting firm providing expert planning, engineering, construction management, and project management services to a wide range of clients throughout the United States. Urban is extremely well-qualified to provide objective and independent project oversight services to VTUSA due to our diverse experience in providing transportation design, construction, and project management services, particular as it relates to large commuter rail programs. Our corporate resume includes many projects where we have supported or worked directly for project owners, associated stakeholders, or funding partners through the entire life of the project, beginning with conceptual planning, through the environmental and design process, into construction, and ultimately preparing for startup and operations. During many of our construction support engagements, our active involvement includes management, inspection, quality control, progress payments, cost and schedule control, and document control. These proven qualifications allow Urban to be at the forefront of engineering companies nationwide, with many assignments resulting from successful referrals or experience with project owners.

Urban was previously engaged by VTUSA to provide independent and objective technical support and oversight services for the new passenger rail project, Phase I (the South Segment extending from just north of West Palm Beach to Miami). Because Urban provided construction-related services to VTUSA on Phase I and has a familiarity with the project, the firm was asked to serve in the role of Technical Advisor for purposes of this report.

Having worked on numerous large and complex capital projects supporting the nation's rail and transit transportation modes throughout our 55-year history, Urban is extremely qualified to objectively and independently evaluate the VTUSA project as it relates to scope, cost, and schedule projections, with an analytical approach to risks that potentially could impact the project's goals.

Before engaging in the Technical Advisor assignment, Urban carefully selected a team of proven experts in a group of technical disciplines to evaluate the documentation, information, and assumptions provided by VTUSA to support the project. A summary of the background of these individuals is provided below:

See attached PDF document (Exhibit 7) of Urban's resumes

William T. Thomsen, PE

Senior Vice President, Program Management



WHY SELECTED

- **30+ Years of Professional Experience**

REGISTRATIONS/ MEMBERSHIPS

- Professional Engineer: PA, NY, NJ, MD
- American Society of Civil Engineers, Past President, "Transportation Engineer of the Year"
- APTA National Board of Directors, BMBG, Past Chairman CPS Construction Committee
- CMAA, SAME, APWA, TRB-Construction Management Committee
- New York Building Congress-Transportation and Infrastructure Committee
- Adjunct Prof. / Civil Engineering Advisory Board - Temple University; Numerous Publications

EDUCATION

MS, Engineering Management

BS, Civil and Environmental Engineering

RECORD OF PROFESSIONAL EXPERIENCE

Mr. Thomsen serves as President & CEO of Urban Engineers of New York D.P.C and has played a key role in the growth of the firm's Program Management Oversight division and is a national leader in the management of large-scale projects, including New York City's high-profile One World Trade Center, LA Metro, East Side Access, and Second Avenue Subway. The latter two are the largest public works projects in America. Mr. Thomsen has performed project and construction management, design, construction, value engineering, construction claims support, and expert witness services.

LACMTA Project Management Oversight (PMO), FTA, Los Angeles, CA - Project Manager for an in-depth evaluation of the Metro Red Line Subway Tunnels (MOS1). The study reviewed and evaluated the structural integrity and safety of a 3.5-mile segment of twin-bored transit tunnels. The study was commissioned in response to questions of potential construction deficiencies. A series of testing programs, both destructive and nondestructive, were performed. A final report was delivered to the LACMTA and presented publicly, which proved the tunnel's capacity under extreme static and seismic loading. This evaluation has been said to be the most comprehensive review ever performed on a subway construction project.

Metropolitan Transportation Authority (MTA) and New York City Department of Transportation (NYCDOT) PMO, FTA, New York, NY - Mr. Thomsen serves as Program Director for the Project Management Oversight Program to monitor the progress of all FTA-funded transit projects in New York City above lower Manhattan for FTA Region 2. The PMO Team serves as an extension of FTA's staff in assessing the grantee's project management, construction management, and technical capacity in executing major rail car procurement projects. The total value of these programs is approximately \$30 billion in transit projects for the MTA, which included New York City Transit (NYCT), Long Island Rail Road (LIRR), the East Side Access (ESA) Project, the Second Avenue Subway (SAS), and several projects for NYCDOT. Mr. Thomsen led the readiness review and evaluations on the successful implementation of the two largest Full Funding Grant Agreements (FFGA) ever developed by the FTA - the ESA and the SAS projects.

Integrity Monitoring Freedom Tower Project, Port Authority of New York and New Jersey (PANYNJ), New York City, NY - Mr. Thomsen served as Managing Director for Engineering for the Fortress Monitoring Group (FMG) for the Integrity Monitoring of the Freedom Tower Project. FMG is a Joint Venture of Engineers, Investigators and Accountants. Mr. Thomsen was integrally involved in the formation of FMG and serves as a JV Principal. This assignment provides the PANYNJ with expert advice in monitoring the implementation of Design and Construction activities to accomplish the reconstruction of the Freedom Tower (Tower 1). This building is planned as one of the tallest buildings in the United States upon its completion and will take more than 5 years to construct and cost over \$2 Billion. He provides leadership and guidance for all engineering activities, studies and investigations associated with FMG's efforts in engineering monitoring.

Program Management Services for PATH Repairs and Recovery Related to Damage from Super Storm Sandy, Port Authority of New York and New Jersey (PANYNJ), New York, NY - Joint Venture Principal responsible for the contractual delivery of services to PATH for the project. Professional staff included Program Managers, Project Engineers, Project Coordinators, Technical Writers, etc. engaged in the preparation of Project Management Plans for this \$1.3B program funded by Federal Transit Administration. Urban assisted PATH in scoping the work, documenting policy and procedures, and grant compliance.

Baltimore Metro Section C, Baltimore, MD - Division Manager for PMO services for the Federal Transit Administration. This is a 1.7-mile, twin-bored tunnel extension to the Baltimore Metro Subway with a total estimated construction cost of approximately \$354 million. In this capacity, he has also recently served as the FTA's representative in a Disputes Review Board Hearing attempting to resolve various disputes on this project. Also participated and monitored the Geotechnical Specialty Consultant Board's actions during the tunneling program on the Baltimore Metro to overcome problems associated with gasoline-contaminated soil. As a result of the Alternative Dispute Resolution techniques used on the NE-01-01 Contract, over \$35 million in construction change orders and claims were resolved without the need for court action.

A-Train Commuter Rail Project, Denton County Transportation Authority, Lewisville TX - Mr. Thomsen served as a Technical Advisor and Principal on the Joint Venture Control Board for the Joint Venture "ON Track 2010" Program Managers and owners representative overseeing engineering and construction of a 21-mile-long commuter rail project that included five stations, park-and-rides, and an operations and maintenance facility. The JV performed all duties during construction to manage schedule, quality assurance, and oversight of contractor quality control program, needed to implement the project successfully, including interface with the FRA and assistance in creating required plans, procedures, and forms. The total cost for the project was estimated at \$193 million.

Project Management Oversight, Dallas Area Rapid Transit (DART), Dallas TX - Project Manager for oversight of the DART North Central Corridor Light Rail Build out, providing project management oversight services for review and monitoring of the FTA-funded DART and Railtran (Trinity Railway Express) Major Capital Projects. The DART project included a \$517 million LRT expansion program along the North Central Corridor between the existing Park Lane Station in Dallas and Plano, Texas, and the \$184 million DART/FWTA Trinity Railway Express Commuter Rail expansion between Dallas and Fort Worth, Texas. Both projects were completed on time and within budget.

Keystone Corridor Improvement Program, Pennsylvania Department Of Transportation (PENNDOT) and Amtrak, Philadelphia PA - PennDOT and Amtrak entered into a contract to implement a \$145 million infrastructure improvement program to provide high-speed rail service from Philadelphia to Harrisburg. Mr. Thomsen served as the Project Director and Principal for Phase One, and oversaw the successful implementation to plan and fund the corridor improvements. Urban provided oversight of Amtrak's infrastructure improvements. The program included installation of concrete ties and continuous welded rail (CWR), interlocking upgrades, catenary and systems upgrades, station improvements, and structure rehabilitations. The program was achieved on time and under budget, and was recognized by the Engineers Week Council of the Pennsylvania Society of Professional Engineers as notable, and received an award.

Utah Transit Authority, PMO for University Ave Line- Salt Lake City, UT - Program Director for the oversight services to perform a special investigation of the University Ave Line Design-Build Project that is a new LRT extension from downtown to Rice-Eccles Stadium; the site of the opening and closing ceremonies for the Olympic games. This review was conducted to determine if the grantee would be able to complete the project within the time frame required to open service for the 2002 Winter Olympic Games. A detailed review of the schedule, scope of work, budget, and possible constraints was performed and recommendations provided. A follow-up report was performed to evaluate project progress and any concerns. The project opened on time and within budget

Management of Transit Construction Projects (MTCP), NTI, Various locations Nationwide - Since its inception, Mr. Thomsen has served as the Project Director/Principal for all course instruction at the National Transit Institute (NTI) provided by Urban. Urban has participated in numerous multi-year contracts dating back to 1997 when Mr. Thomsen, co-authored the initial MTCP course and presented the pilot along with other Urban transit construction experts. This MTCP course, as developed, has become the most popular of all NTI offerings and remains a key element of continuing education for grantees around the country in the Project Management Planning process. Mr. Thomsen, with Urban employees, have also developed and delivered the following additional courses related to Transit Professional Training:

- "QA and QC in Transit Projects"
- "Risk Assessments for Transit Capital Projects"
- "Change Order Procedures for Transit Projects"

Urban has a long-term relationship with NTI and is continuing to provide assistance with course updates and delivery based upon the industry's training needs.

James A. Bilella, PE

Vice President, General Manager of Facility Design



WHY SELECTED

- **25+ Years of Professional Experience**
- **New Construction & Historical Renovations**
- **Experienced in all aspects of MEP Design Management**

REGISTRATIONS/ MEMBERSHIPS

- Professional Engineer: AL, CA, CO, CT, DC, DE, FL, GA, IL, MA, MD, ME, MI, MO, NE, NJ, NH, NY, OH, PA, RI, TN, TX, VA, VT, WV
- Institute of Electrical and Electronic Engineers (IEEE)
- Illuminating Engineering Society of N. America (IESNA)
- American Society of Heating, Refrigeration & Air Conditioning Engineers (ASHRAE)
- American Association of Museums (AAM)
- Delaware Valley Green Building Council (DVGBC)
- Construction Owners Association of America (COAA)
- International Code Council (ICC)

EDUCATION

BS, 1999, Drexel University, Electrical Engineering

OSHA, 40-Hour, Hazardous Waste Operations/Response, 1995

FHWA, Using the National ITS Architecture for Development, 1999

Illuminating Engineering Society, ED-150 Intermediate Ltg, 2000

The Light Brigade, 2003, Fiber Optic Design, Installation & Maintenance

Certificate, 2008, NFPA Fire Alarm

RECORD OF PROFESSIONAL EXPERIENCE

Mr. Bilella is General Manager of Facility Design, managing all mechanical, electrical, and plumbing (MEP) engineering services, as well as fire protection and IT systems design. He is skilled in the management of multidiscipline projects. His background includes design, system and equipment selection, project field administration, specification writing, feasibility and conditions reports. Major projects include public and private educational institutions, museums, housing development, financial and corporate centers, shopping malls, hotels, and transportation-related facilities. Mr. Bilella's experience includes:

Santa Clara Valley Transportation Authority (VTA), SCADA and TVM Network Separation Project, Santa Clara, CA – Principal for the walkthrough and field assessment of 65 communications cabinets at sites including Reamwood Station, McKee Station, San Jose Station, Ayer Station, as well as Signals Room/Bungalows. Project includes field investigation, data gathering, and the generation of a feasibility report for providing a separate and secure compartment for IT equipment including fiber patching, termination facilities, and battery backed UPS. Project also includes the design for separate data from the SCADA and TVM networks by analyzing interconnected devices and other system modifications.

Santa Clara Valley Transportation Authority (VTA), Ring #1 Stations' Public Address Systems Upgrade, Santa Clara, CA – Principal for the existing conditions assessment and design for the upgrade to the public address system at the Ring #1 stations. Field survey of the existing fiber optic network and public address systems at 12 stations; a physical inspection of the backbone fiber cable plant; site investigation and assessment of the existing communication cabinets and termination locations for as-built state of equipment placement, connectivity and condition at 12 stations; and design and prepare as-built drawings for the upgrade the public address system equipment and cabling.

New Jersey Turnpike Authority (NJTA), Garden State Parkway South Maintenance Facility Rehabilitation, Statewide, NJ – Principal for new, multi-use maintenance buildings, renovated maintenance buildings, administration buildings, shops, as well as salt and material storage facilities for five NJTA Facilities Maintenance Districts servicing the Garden State Parkway South. Design consisted of MEP/FP systems and structural, electrical site work, lighting/power, emergency generators, communications systems and new services for electrical, water, sanitary, and natural gas. Construction cost is \$75 million.

Niagara Falls Bridge Commission (NFBC), Lewiston Maintenance Facility Expansion, Lewiston, NY – Principal for the new maintenance facility to be located on the 21.8 acre vacant parcel of land located at the corner of Upper Mountain Road and Military Road. The new facilities include offices, locker rooms, mechanics garage, materials storage, salt storage and vehicle storage. The approximate 21,000 SF maintenance facility will serve as the main hub for Lewiston Plaza maintenance activities, as well as for staff training and meeting purposes.

Southeastern Pennsylvania Transportation Authority (SEPTA), Wayne Junction Station Improvement Project, Philadelphia, PA – Principal for the \$17 million renovations of the historic commuter rail station, which included rehabilitation of the station's platforms, waiting and ticketing room building, canopies, walking tunnel, and systems design for SEPTA's "Smart Station" requirements. Wayne Junction Historic District is listed in the National Register of Historic Places and was awarded the 2015 Grand Jury Award for Preservation Achievement by The Preservation Alliance of Greater Philadelphia.

Southeastern Pennsylvania Transportation Authority (SEPTA), 69th St. Station Improvements, Upper Darby, PA – Principal for the MEP renovations to the existing restrooms located at the Blue Line Fare Entrance and at the west side of the main terminal waiting area. This included new plumbing, HVAC, fire protection, and electrical systems, as well as integration with the station's existing systems. The project required the relocation of plumbing fixtures to meet current ADA standards and for the reworked entrances for improved public access.

Southeastern Pennsylvania Transportation Authority (SEPTA), Suburban Station Improvements, Philadelphia, PA – Principal for the MEP renovation and addition design to existing employee locker rooms. The work included new HVAC, fire protection, and electrical systems as well as integration with the existing locker room and station.

Norfolk Southern Railroad, Bellevue Yard Administration Building, Bellevue, OH – Principal for a 14,000 SF new Administrative Office Building with an office wing, large training room and locker rooms. The design incorporates energy recovery ventilation units and high-efficiency condensing type boilers.

Norfolk Southern Railroad, Conway Yard Dispatch and Lab Facility, Pittsburgh, PA – Principal for the new two-floor rail yard Train Dispatch and Lab testing facility. Design includes energy recovery systems for the separate Training, Lab research and Locker room areas.

Norfolk Southern Railroad, Chattanooga East Welfare Dispatch Building, Chattanooga, TN – Principal for the new 5,800 SF building to house the chemistry testing labs and employee welfare facilities. The locker room HVAC utilizes energy recovery to pre-temper make-up air distributed through a VAV heating and air conditioning system to maintain proper building pressurization when lab exhaust hoods are operational and individual room temperature control.

General Services Administration (GSA), Maude R. Toulson Federal Building and U.S. Post Office, Building Engineering Report (BER), Salisbury, MD – Principal for the development of a Building Engineering Report (BER) for the 32,674 SF, two-story masonry building that houses a post office, District Court for the State of Maryland, and unused office space. The BER report identified existing condition deficiencies in various building systems and components and made recommendations for repair or maintenance of the building's exterior, roof, interior architecture, electrical, fire and life safety, plumbing and HVAC systems.

Philadelphia Housing Authority, Repurpose of Historic School, Property Condition Assessment, CICADA Architecture/Planning, Inc., Philadelphia, PA – Principal for the property condition assessment of this historic, 3 ½ story stone building located in Strawberry Mansion. Built in 1900, the building is being repurposed into 40 senior residential units. Under our open-end contract, Urban provided an assessment of the building structure, HVAC system, electric power and lighting system, fire alarm, plumbing, and fire protection systems. Analysis included approximate equipment age, condition, efficiency, life expectancy, and anticipated remaining useful life. The building is listed on the National Register of Historic Places.

Engines 5, 11, 12, 44 and 69, Property Condition Assessments, City of Philadelphia, Philadelphia, PA – Principal for the property condition assessments for various fire stations within the City of Philadelphia. Tasks include site investigation, interviews and consultations with Department of Public Property's facilities management staff, review of existing drawings, and submission of final evaluation report.

Gettysburg Regional Airport (GRA), Facility Condition Assessment-Main Hangar, Susquehanna Area Regional Airport Authority (SARAA), Gettysburg, PA – Principal for the facilities condition assessment for the 9,000 SF main hangar at the Gettysburg Regional Airport, which included mechanical, electrical, plumbing, life safety, civil, and structural engineering services. The scope of work included a walkthrough of the existing building facilities, preparation of an existing conditions report, and recommendations for repairs and upgrades as needed.

866 United Nations Plaza, Existing Conditions Assessment, New York, NY – Principal for the existing conditions assessment of 866 United Nations Plaza. Responsible for overseeing site inspections of the existing mechanical, electrical, plumbing, and life safety systems and the preparation of an assessment report. Inspections and report evaluated central equipment serving the entire building as well as the major distribution equipment.

2301 Chestnut Street and 2300 Ionic Street, Property Condition Assessment, S. Harris Ltd, Philadelphia, PA – Principal for a Property Condition Assessment (PCA) of the mechanical, electrical, plumbing, elevator and life safety systems in the properties located at 2301 Chestnut Street and 2300 Ionic Street in Philadelphia. The Chestnut

Street building is a four-story office building of approximately 128,000 SF. The Ionic Street building is a two-story office building of approximately 11,000 SF.

New Jersey Department of Transportation (NJDOT) Arc Flash Hazard Assessment, Statewide, NJ – Principal for an Arc Flash Hazard Study for all electrical equipment under the control of NJDOT. Developing a program that provides NJDOT employees with safety knowledge and awareness of potential arc flash hazards. Due to the large number of facilities spread throughout New Jersey, this project is being performed in three phases:

- Phase 1 – Immediate Assessment and Interim Implementation: This phase will provide an immediate determination of the presence of arc flash hazard at each of the NJDOT facilities.
- Phase 2 – Detailed Assessment and Long Term Implementation: This phase will include a more detailed assessment of NJDOT equipment (15,000 pieces of equipment) with a longer term implementation period.
- Phase 3 – Arc Flash Safety Program: This phase is defined as the maintenance and training period, where periodic reviews of the equipment occur, and NJDOT personnel will be trained in the recognition of label hazards and PPE requirements.

Revised contract specifications by providing NJDOT with standard language to insert into future design and construction contracts so that arc flash studies and associated labeling are performed as part of construction or renovation projects under their purview. Coordinating the retrieval of information from single line diagrams, electrical floor plans, and equipment drawings. Overseeing the creating of a Labeling Database that will log equipment information in order to track compliance with NFPA 70E and OSHA. Overseeing the analysis to label the equipment with the appropriate PPE Category Level. The project is currently ongoing. The anticipated total fee for this project is ~\$1.5 million.

Nassau Inter-County Express Company (NICE), Arc Flash Safety Program, Garden City, NY – Principal for the full arc flash analysis of the existing electrical systems at four (4) facilities totaling one million square feet, including: Garden City Maintenance Facility, Rockville Bus Depot, Paratransit Maintenance Facility, and New Hempstead Bus Terminal.

Amtrak, Union Station, Wayside Power, Chicago, IL – Principal for the electrical engineering design to provide three 400A wayside power connections for tracks 32, 34, and 36 at Amtrak's Union Station. Project consisted of the installation of a new 1,000kVA unit substation, conduit and junction boxes, reconfiguration of primary power feed from the existing 12.47kV switchboard, and trenching and core drilling to route feeders to the wayside power cabinets.

Amtrak, Maintenance of Way, Generator Replacement, Hamden, CT – Principal for the generator replacement for the Hamden MOW (maintenance of way) facility which includes offices, a maintenance facility, and a communications room. The 250 kW generator will enable the Hamden MOW to maintain functions critical to the operation of the facility through a variety of conditions. Additionally, the generator is vital to the operation of the railroad as all of the communications on the Springfield line go through the Hamden MOW.

Amtrak, Back-Up Generator System for the 16th Street 4kv Substation, Los Angeles, CA – Principal for the back-up generator system for the 16th street 4.16kV substation in Los Angeles, CA. Back-up power will be provided by relocating the existing 1,280kW generator located at the Progressive Maintenance Facility (PMF) to the existing substation. In order to power the substation, the generator's existing 480V alternator will be replaced with a 4,160V alternator. The existing electrically controlled medium voltage breakers will be controlled by a programmable logic controller (PLC) based automatic throw-over (ATO) which will be installed in the existing substation to transfer between utility and generator sources automatically.

Maryland Transit Administration (MTA), The Baltimore Red Line Review, MD – Principal for the MEP/FP design analysis, constructability study and code review for The Baltimore Red Line Project. The proposed project is a 14-mile mass transit light rail line connecting various stations in the Baltimore Metropolitan area with direct connections to existing subway, trains and local bus services.

Maryland Transit Administration (MTA) Corridor City Transitway Review, MD – Principal for the MEP/FP design analysis, constructability study and code review for the Corridor Cities Transitway project including various station platforms, operations and maintenance building, administration building, fiber and communications, and utilities. The proposed project is a high-quality Bus Rapid Transit (BRT) line operating along a 9-mile corridor (Phase I) and a 6-mile future extension (Phase II).

Theodore Smith

Estimator



WHY SELECTED

- 19 years of professional experience

REGISTRATIONS/ MEMBERSHIPS

- CMAA

EDUCATION

- MS, 2006, Villanova University, Civil Engineering, Structural and Geotechnical Focus
- BS, 1998, Pennsylvania State University, Civil Engineering, Construction Management, Structural, and Geotechnical Focus

CERTIFICATIONS/ TRAINING

- Value Engineering (NHI)
- E.I.T. / F.E. Certification
- Operations Engineering Analysis (AAM)
- Management for Young Leaders (AAM)
- Effective Supervisory Management Training (LMI)
- Supervisory and Leadership Training (MEA)
- Primavera Expedition Training (RAA)
- McCosker/Trueline Training
- Microsoft Access Training
- Analyzing Construction Schedules (SII)
- Construction Delay Claims In Pennsylvania (LES)
- Computer Science Courses (VU)

RECORD OF PROFESSIONAL EXPERIENCE

URBAN ENGINEERS, INC., Philadelphia, PA

Senior Estimator / Scheduler, (2014-Present)

- Perform constructability, value engineering, schedule, and estimate reviews for clients of designs developed by other design firms as well as designs developed by Urban. Develop estimates and schedules. Participate in proposal presentations to clients. Participate in design coordination with clients and multiple design firms.

Projects

- SEPTA – Norristown Line Stabilization. The project is for the construction of retaining walls along the Norristown Line between Miquon and Norristown. The major project elements are the construction of three soldier pile walls between the railroad tracks and the Schuylkill River and construction of a causeway due to the limited access along the land side of the walls. The project is located in Montgomery County, PA. The estimated project construction cost is \$6 million. (2016)
- SEPTA – Villanova Station Improvements, Phase 2. The project is located in Delaware County, PA. The estimated project construction cost is \$15 million. (2016)
- Various PennDOT Highway and Bridge Capital Projects for Districts 3-0 and 5-0. (2014-2016)
- Philadelphia Regional Port Authority – Tioga Marine Terminal Warehouse (Estimate). The purpose of the project is to construct a new warehouse at the Tioga Marine Terminal in order to increase warehouse capacity and rail loading capacity. The major project elements are the installation of a 1,000-ft x 150-ft fabric building, construction of a 131-ft wide elevated concrete slab and loading dock area for the length of the building, construction of building support walls, installation of lighting and relocation of existing site utilities. The building scope also includes electrical, a backup generator, lighting, sprinkler system and ventilation system. The project is located in Philadelphia County, PA. The estimated project construction cost is \$10 million. (2017)

CONTI ENTERPRISES, INC., Edison, NJ

Estimator, (2005-2014)

- Estimated construction means and methods for determining costs, interacted with clients, project managers, superintendents, subcontractors, and design engineers to develop and maintain detailed project schedules, and worked with project teams to plan out and coordinate construction activities. Developed and evaluated conceptual designs for estimates and final designs for construction with design consultants, based on prior experience with false work, safety provisions, bridge support, and support of excavation, bridge jacking, bridge girder erection plans and demolition plans. In addition to Estimator, performed roles of Project Engineer and Scheduler for heavy civil construction projects. Named "Most Valuable Estimator", recognizing outstanding contribution to estimating department. Consulted with owners and investors, on global scale, successfully marketing company's capabilities. Interpreted components of projects, determining labor, equipment and materials needed for construction by design, utilized construction plans and specifications. Ensured quality quotes by providing subcontractors and vendors with complete scopes and timely information. Lead teams, effectively creating environments where innovative means, methods and alternatives are formulated, improving constructability and safety and resulting in reducing costs and exposure to dangerous situations while

keeping to intended design. Involved design consultants, subcontractors, and vendors in development stage of design, enabling multifaceted input on how to apply specialized services, trades and products to various project elements. Improved constructability and function during estimating and construction phases by developing value engineering design alternatives for permanent project features. Planned out and oversaw progress of construction activities for excavation, utility installation, pile installation, bridge construction, retaining wall construction, demolition, retrofitting structures, support of excavation, false work installation, tieback installation, road construction, implementation of maintenance of traffic measures, and erosion control measure installation.

Transit Estimates

- PANYNJ – New York and New Jersey Facilities Cleaning Operations In Tunnels E&F To Remove Surface Salt Residue From Latent Hurricane Sandy Damage, NY and NJ. \$4M. 2014.
- MTA – Manhattan Structures II and Facilities Fit-Out for the East Side Access Project, Contract CM012(R), New York, NY. \$952M. 2012.
- Sound Transit – Link Light Rail From the Current SeaTac Airport Station to South 200th Street in the City of SeaTac, WA. \$169M. 2012.
- MTA – Furnishing and Installing Finishes and Systems Number 7 (Flushing) Line Extension "A" Division (IRT) in the Borough of Manhattan Contract C-26505, New York, NY. \$514M. 2011.
- MTA – Construction of Part of Second Avenue Subway Route 132A 86th Street Station Cavern Mining and Heavy Civil Structural in the Borough of Manhattan "B" Division, Contract C-26008. \$302M, New York, NY. 2011.
- USACE New Orleans District – West Bank and Vicinity, New Orleans, Louisiana, Hurricane Protection Project, Lake Cataouache, St. Charles Parish, LA WBV-75 Western Tie-In BNSF Railroad. \$4M. 2011.
- CSX Transportation – Manville, NJ Proposed Double Track Project MP QA 54 to Port Reading Junction. \$3M. 2009.
- MTA – 50th Street Ventilation Facility for East Side Access Project, Contract CM013, Borough of Manhattan, New York, NY. \$94M. 2009.
- NJT – Final Design and Construction of Pennsauken Transfer Phase 1 Riverline Station. \$2M. 2009.
- CSX Transportation – Trenton Line Clearance Improvement Project (TLCIP) – Contract #1. \$10M. 2009.
- MTA – Construction of Part of Second Avenue Subway Route 132A 96th Street Station Heavy Civil Structural and Utility Relocation in the Borough of Manhattan "B" Division, Contract C-26005, New York, NY. \$325M. 2008.
- TBTA – Replacement of the Bronx Approach and Miscellaneous Repairs to the Queens Approach at the Bronx-Whitestone Bridge. \$192M. 2008.
- NYSDOT Reconstruction of NY Route 120 Over Saw Mill River Parkway, Metro-North Railroad and Railroad Street. Chappaqua, NY (Westchester County). \$18M. 2008.
- Conrail – North Jersey Terminal Capacity Improvement Infrastructure Project in Newark (Essex County) and Elizabeth (Union County), NJ. \$15M. 2006.
- PANYNJ – Wheel Truing Facility, Harrison, NJ. \$9M. 2006.
- CSX Transportation – Rhawn Street Clearance Project, Trenton Subdivision, MP Q.A. 11.26. 2006.

ALLAN A. MYERS, a Division of American Infrastructure, Worcester, PA

Estimator, 2003-2005

- Performed estimate takeoffs for various scopes of work. Reviewed and incorporated historical data into cost and production figures. Utilized HCSS, AutoCAD and Agtek. Determined estimate requirements by reviewing proposals, drawings and resources needs. Constructed pre-bid schedules, providing information so that cash flow would be considered, equipment and manpower needs were understood and proper amount of staffing cost would be incorporated in bid. Schedules assisted in determining if premium over time could be avoided to meet milestones and thus increased bid costs would be avoided. Assisted purchasing department with orders and subcontracts, including delivery time frames and subcontractor resource requirements, enabling timely delivery from vendors and ensuring subcontractor's scopes were clear and part of contract requirements. Estimating pre-bid scheduling for projects \$500K to over \$100M.

Project Scheduler, 2002-2003

- Constructed and maintained multiple project schedules, including DOT and WTP. Developed resource utilization reports per project and division. Prepared schedule analysis portfolios, assisting with dispute resolutions and mitigations. Assisted project teams with startup and continued to support teams through life of project. Ensured smooth project execution by assisting purchasing department with orders and subcontracts, including delivery requirements, subcontractor resources requirements and time frames for work. Scheduling for projects \$500K to over \$100M.

Project Engineer, 2000-2002

- Handled PENNDOT work and coordinated construction and subcontractors. Performed project management, scheduling, documentation (tracking and updating), cost analysis and estimation. Wrote proposals, modified designs and oversaw survey calculations and layouts. Pre-bid scheduling for projects \$500K to over \$100M.

Career Track Engineer, 1998 - 2000

- Served as Project Management Documentation Systems Administrator. Utilized and instructed employees on use of Primavera Project Planner and Expedition, Lynx Digital Photo Documentation Systems, ImageTool Scanning Technologies and Equipment Blue Book Rates. Handled projects over \$2M, including documentation, scheduling and coordinating. Utilized McCosker/True Line Accounting Software, HCSS HeavyBid and Agtek. Estimating for projects from \$500K to \$30M.

Transit Projects

- PENNDOT – S.R. 202, Section 405, U.S. Route 202 Reconstruction and Railroad Bridges Over SR 76 and South Gulph Road, Chester & Montgomery Counties, PA. \$44M. 2001.
- PENNDOT – S.R. 72 (Fruitville Pike) Over Amtrak. Lancaster County, PA.

Burton G. Kohlman, PSP

Project Scheduling Manager



WHY SELECTED

- **45 years of professional experience**

REGISTRATIONS/ MEMBERSHIPS

- OSHA 40 Hour Hazardous Waste Operations
- Emergency Response Training
- OSHA 8 Hour Refresher Course
- AACE Planning & Scheduling Professional
- American Society of Highway Engineers
- American Society of Civil Engineers
- Articles Published - Scheduling, Delay Claims, & Litigation for Pennsylvania Bar Association, Construction Litigation Committee, 1990

EDUCATION

BS, 1979, Drexel University, Civil Engineering

Certificate, 1997, Dale Carnegie Course

RECORD OF PROFESSIONAL EXPERIENCE

Mr. Kohlman has extensive experience, including more than two decades working with Urban Engineers (Urban) in critical path method (CPM) scheduling, design, construction management, claims analysis and mitigation, and computer applications. This experience comes from working on major airport, highway, marine, bridge, railroad structure, transit, and building projects, in addition to working on site layouts for heavy construction, project coordination between government agencies and private industry, and multi-phase projects. Further, he has extensive knowledge and experience with computer software applications for spreadsheets, databases, word processing, project management, and computer aided design drawings. For example, Mr. Kohlman has worked extensively with Primavera Project Planner, a scheduling software, since 1984. He has also used other software scheduling programs such as Open Plan and Microsoft Project.

As Vice President of Scheduling at Urban and a certified Planning and Scheduling Professional (PSP), Mr. Kohlman provides direction, guidance, and training for Urban's Construction Services Practice on scheduling, cost control, and project administration. He also supervises claims management and a staff of schedulers working on multiple highway construction management assignments. Mr. Kohlman's duties include making project assignments; training; construction management program development; schedule quality assurance and quality control; identifying appropriate schedule techniques and uses; developing workaround plans; client interface; attending meetings; and issue negotiations. He has been responsible for scheduling and contractor progress payment requisitions for building construction and rehabilitation projects, such as computer centers, state tax revenue headquarters, psychiatric hospitals, and government regulatory facilities (weights and measures).

Mr. Kohlman has also conducted formal training sessions for entry level personnel and professional growth in CPM scheduling techniques and claims management. He has conducted presentations and training seminars in the use of CPM scheduling in claims evaluation for the Pennsylvania Bar Association in Hershey, Pittsburgh, and Philadelphia, PA. Mr. Kohlman has also conducted presentations in the use of CPM schedules for the American Public Works Association. Mr. Kohlman's experience includes:

Project Management Oversight Experience

Schedule Engineer for the FTA's PMOC Program in Region 4. Projects included MARTA's (Atlanta, GA) North Line Extension; and MDTA's (Miami, FL) Palmetto Extension, East-West Corridor, and North Line Extension Projects. MARTA's North Line Extension was a \$463.2 million heavy rail project that included a 2.3-mile, double-track extension, underground station with parking garage, elevated station with parking garage, and the acquisition of 56 railcars. The assignments involved conducting site visits and producing spot reports detailing an evaluation of the grantee's compliance with its management plan and the effectiveness of that plan. It also included interviewing management personnel to investigate and monitor the effectiveness of project controls. 1995-1997

Metropolitan Transit Authority (MTA), Federal Transit Administration, New York, NY - Project Schedule Engineer responsible for evaluating the grantee's project controls methodology. Services include in-depth analysis and schedule characterization for integrated contracts leading to new transit services. Conducted monthly reviews of schedule updates and meetings with the MTA to discuss status, trends, and alternate approaches to the program. Led a schedule risk assessment evaluation, documenting potential risks and their time and cost implications. This was done utilizing statistical methods and probabilities. The

results are used to develop a management plan with contingency reserves. These services are used on two MTA projects. **East Side Access (ESA)** is a \$11.0 billion new alignment for Long Island Rail Road that begins at the Harold Interlocking in Queens and runs under the East River to a new terminal station situated under Grand Central Station with eight tracks. **Second Avenue Subway (SAS)** is a \$4.5 billion new subway line under Second Avenue. This work is the first of a four phase program that provides service from 96th Street to 63rd Street. The work involves two 22' diameter tunnel boring machines, drilling and blasting caverns, track, systems, three stations, platforms, and entrances.

Tri-County Commuter Rail Authority (Tri-Rail), Federal Transit Administration, Pompano Beach, FL - Tri-Rail's Double Tracking Program involved the addition of 58.18 miles of a second track to its commuter rail system at a cost of \$390.7 million. Included signal system upgrades; modifying and renovating stations, constructing new bridges, and reconstructing existing bridges. Also included constructing a new maintenance and storage facility; installing automated grade crossing warning/protection/surveillance system for 72 grade crossings; and acquiring additional revenue vehicles. The assignment involved conducting a field trip to evaluate Tri-Rail's capability and capacity through its program manuals, including the project management plan. Also involved providing and evaluating the program status in conjunction with the program schedule and the budget.

Regional Transportation District (RTD), Federal Transit Administration, Denver, CO - Project Engineer on the Regional Transportation District's West Corridor Light Rail Transit (LRT) Project. This project is in the preliminary engineering/EIS phase with an estimated cost to complete of \$624 million. The double-tracked, 11-mile West Corridor LRT will extend from the Denver Union Terminal in lower downtown Denver to just east of the City of Golden. The assignment included conducting a field trip and performing an evaluation of the RTD's technical capability and capacity for schedule control; reviewing project documentation, including the project management plan; evaluating monthly schedule and monthly status reports to the Federal Transit Administration; and monitoring activities during this phase of the project.

Federal Transit Administration and Dallas Area Rapid Transit (FTA & DART), Fort Worth and Dallas, TX - Served as Senior Schedule Engineer for the FTA. Provided project management oversight services for review and monitoring of the FTA-funded DART and Railtran (Trinity Railway Express) major capital projects. This included the \$517 million DART North Central Corridor Build-out Project in Dallas and the \$184 million DART/FWTA Trinity Railway Express Expansion between Dallas and Fort Worth. The DART/FWTA Trinity Railway Express connects the central business districts of Dallas and Fort Worth and several mid-city communities. It is 25 miles of rail between South Irving and the Texas & Pacific Station in downtown Fort Worth. The assignment was performing an evaluation of DART's capability and capacity through its program manuals. It involved reviewing the agencies project management plan, rail fleet management plan, regulatory (FRA/FTA) reviews, design reviews, and construction oversight. It also involved conducting site visits and producing spot reports detailing an evaluation of the effectiveness and compliance to the grantee's management plan. Used interviews with management personnel to investigate and monitor the effectiveness of project controls.

Project Management Oversight, Utah Transit Authority, University Avenue Line, Salt Lake City, UT - Schedule Engineer for oversight services to perform a special investigation of a design/build project that was a new LRT extension from downtown to the site of the opening and closing ceremonies for the Olympics. Conducted a site visit and interviewed project participants to assess the grantee's capability and capacity. This initial review and follow-up review was conducted to determine if the grantee would be able to complete the project within the timeframe required to open service for the 2002 Winter Olympics. A detailed review of schedule, scope of work, budget, and possible constraints was performed and recommendations were provided. It opened on time and within budget on December 15, 2001 as projected.

Resort Corridor Monorail Extension, Federal Transit Administration, Las Vegas, Nevada - Schedule Engineer responsible for spot reports on the 3.1-mile extension project of the Resort Corridor Monorail System into downtown Las Vegas. The \$440 million project was to extend a four-mile-long, privately funded section, currently under construction. The monorail is the first of its kind in the country that serves as a public transit system. The extension, which was to run from Sahara Avenue to Freemont Street, will be built with federal and private funds. The monorail is a design/build/operate/maintain project that will be managed by the Las Vegas Monorail Company, a non-profit organization to be appointed by the Governor of Nevada after construction completion. Total cost of the system is estimated to be over \$1 billion.

Integrity Monitor, Freedom Tower (1WTC) New York City, NY - Project Schedule Engineer on an integrity monitoring assignment responsible for evaluating the project controls methodology. Services include in-depth analysis and schedule characterization for integrated contracts leading to new 1,776-foot, high rise tower at the World Trade

Center site. Conducts monthly reviews of schedule updates and meetings with the contractor to discuss status, trends, and alternate approaches to the work. Participate in claim evaluations and negotiation sessions. Also conducts schedule risk assessment evaluation, documenting potential risks and their time and cost implications for reporting to the Inspector General. This is done utilizing state-of-the-art software and statistical methods and probabilities. The results are used to analyze progress and develop contingency or alternate plans. The effort supplements the search for waste, fraud, and abuse that may be systemic to the construction industry and the evaluations, reports, and analyses are forwarded to the NYNJPA Inspector General.

Urban, as part of the FMG Team, was selected by the Port Authority of New York and New Jersey to serve as the integrity monitor for the construction of the Freedom Tower on the World Trade Center site in Lower Manhattan. In this role, FMG reports exclusively to and works closely with the Port Authority's Inspector General to design an appropriate integrity monitorship program. FMG's purpose is to prevent fraud, waste, and abuse and/or corruption; to detect it; and, if detected, to coordinate with the Inspector General on definitive and effective actions to be taken.

Meadowlands Rail Project, New Jersey Sports and Exposition Authority(NJSEA), East Rutherford, NJ -

Served as a Schedule Engineer for a new \$150 million commuter rail access and station for a professional sports complex. Responsibilities included conceptual construction packaging, master plan development, constructability review, and design monitoring. The Meadowlands Railroad and Roadway Improvement Project (MRRIP) is a multi-agency cooperative effort to provide a rail mass transportation access to the New Jersey Meadowlands Complex in East Rutherford. The initial phase of the project included constructing two new tracks, each approximately 12,300 feet in length and connecting to the Pascack Valley Line. The rail station involved constructing one island platform, approximately 950 feet in length. The platform included a waiting area for passengers, including overpasses, stairs, and elevators. To accommodate the new rail station, a highway interchange with Route 120 needed to be reconstructed. Special attention was necessary to allow both highway and rail construction while minimizing disruption to the existing Meadowlands operation. The two-track link allows customers throughout the state to travel to Meadowlands events by rail. Nine of New Jersey Transit's 11 rail lines indirectly connect with the Pascack Valley Line via Secaucus Junction. Mr. Kohlman is providing special services to NJSEA for its consideration of a new NFL football stadium and the construction of the Xanadu retail complex.

Morrisville Train Storage Yard, New Jersey Transit, Morrisville, PA - Schedule Engineer for this \$42 million

project that was located within the former Conrail's East Classification Yard in Falls Township, PA. Work on it involved constructing 12 storage tracks with a ladder track at each end of the yard, multiple crossovers and turnouts, electric switch heaters, compressed air system, elevated inspection pit track, pantograph inspection platform, caissons and catenary structures, sectionalized catenary system, signal system, and a yard lighting system. Other items included replacing the superstructure and minor substructure work on Bridge .40 over the Northeast Corridor and Bridge .50 over the Pennsylvania Canal; constructing a 7,000-SF support building for crews' quarters and offices; and constructing a yard underdrain system, paved access road, and maintenance paths. Mr. Kohlman's responsibilities included constructability review and preliminary schedule development to establish construction time; reviewing and commenting on the contractor's submitted baseline schedule; and monthly updates. Also responsible for monitoring and reports on the schedule progress; evaluating workaround plans; claim mitigation; and participating in job meetings to discuss and evaluate issues with schedule involvement. In addition, the bridge construction necessitated careful planning and evaluations because of the proximity of Amtrak's North East Corridor and the need to limit service disruptions. This assignment required close coordination and attentiveness to the needs of New Jersey Transit, the contractor, and other railroads.

University City Commuter Rail Station, City of Philadelphia, Department of Public Property, Philadelphia, PA -

Provided scheduling services for this project that consisted of erecting a new, multi-level commuter station serving the Southeastern Pennsylvania Transportation Authority's (SEPTA's) Regional Rail Lines. Work included constructing/relocating a new track structure and associated catenary systems. Reviewed and commented on contractor's critical path method schedule and updates; coordinated multiple prime contractors for track and catenary realignment as well as station and platform construction between "live" railroad tracks; and developed several schedule workaround plans to mitigate multiple sets of problems that were encountered during construction.

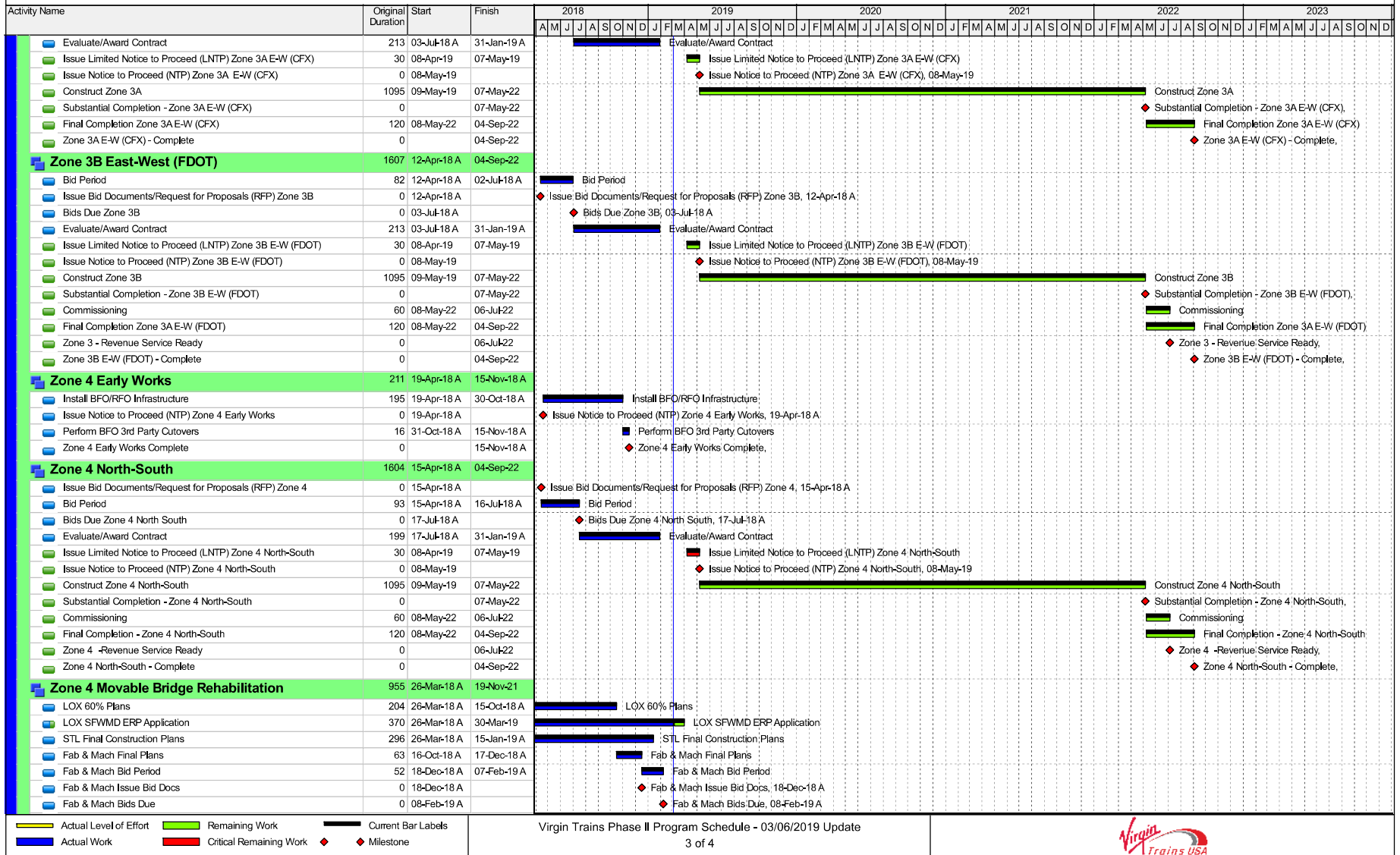
Center City Commuter Rail Connection, City of Philadelphia, Philadelphia, PA -

Schedule Engineer for constructing a four-track, cut-and-cover commuter railroad tunnel through Center City Philadelphia. This \$350 million project integrated two independent railroads into a regional commuter facility. Responsibilities included schedule and cost control on system-wide contracts, including track, traction power, signals, and communications, as well as some physical tunnel contracts. The project control team interfaced with city and federal agencies on a regular basis to monitor and report on status.

H. Exhibit 8

Master Program Schedule

The Master Program Schedule is attached.



I. Exhibit 9

Default Scenarios

The default scenario calculations are attached.

Exhibit 9
 Virgin Trains USA
 Default Scenarios
 Updated February 24, 2019



Assumptions:

Debt service cost/day	\$ 239,255
VTUSA TRO	\$ 74,648

Contract C201A1 VMF Sitework \$'000s	Critical Path:		No	
	25%	50%	75%	
Default Point (% complete)				
Default Point (months complete)	1.50	3.00	4.50	
Contract value	\$ 8,900	\$ 8,900	\$ 8,900	
Cost to Complete at point of default	\$ 6,675	\$ 4,450	\$ 2,225	
Contract Schedule (Months)	6.00	6.00	6.00	
Scenario A, EDR Ruling Contrary to Brightline:				
Liquidity needed to cover below cost:				
Estimated Fees (retendering, mobilization) ⁽¹⁾	1% \$ 89	1% \$ 89	1% \$ 89	
120 days Brightline TRO ⁽²⁾	-	-	-	
120 days of contractor TRO ⁽³⁾	240	240	240	
Premium for replacement contractor	15% 1,001	20% 890	20% 445	
120 days debt service ⁽⁴⁾	-	-	-	
Subtotal of Additional Cost	\$ 1,330	\$ 1,219	\$ 774	
Brightline's available funds:				
Contingencies ⁽⁵⁾	\$ 129,750	\$ 86,500	\$ 43,250	
Retainage ⁽⁶⁾	223	445	556	
Brightline's Liquidity	\$ 129,750	\$ 86,500	\$ 43,250	
Excess Liquidity ⁽⁷⁾	\$ 128,420	\$ 85,281	\$ 42,476	
Scenario B, EDR Ruling in favor of Brightline:				
Performance Security Analysis				
	25%	50%	75%	
Additional cost as a result of default:				
75 days Brightline TRO	\$ -	\$ -	\$ -	
75 days debt service	-	-	-	
Sub total of additional cost	-	-	-	
Revised Cost to Complete	\$ 6,675	\$ 4,450	\$ 2,225	
Brightline's available funds:				
Contingencies ⁽⁵⁾	\$ 129,750	\$ 86,500	\$ 43,250	
Liquidated damages 75 days	\$ 5,000 \$ 375	\$ 375	\$ 375	
Cash Collateral Account or Retainage ⁽⁶⁾	\$ - 223	445	668	
100% Payment and Performance Bond	\$ 8,900	\$ 8,900	\$ 8,900	
Subtotal of Available Funds	\$ 139,248	\$ 96,220	\$ 53,193	
Excess Liquidity ⁽⁷⁾	\$ 132,573	\$ 91,770	\$ 50,968	

- (1) Under the terms of the Expedited Dispute Resolution (EDR) Bond Form we are stipulating in our bid documents, there is a JAMS based adjudication process that is completed within 75 days of notice of default.
- (2) These costs are the estimate of four months of TRO (time related overhead) for Brightline staff, ongoing office costs, ongoing professional fees, and other overheads. It only applies to contracts on the critical path.
- (3) These costs are the estimate of four months of the contractor's TRO, which may be payable in the event of an adverse EDR decision.
- (4) Debt service is calculated based on outstanding debt quantum, in accordance with the tab "Cost of Debt" in this worksheet. It only applies to contracts on the critical path.
- (5) Contingency is based on the entire contingency amount carried in the project budget, \$183M.
- (6) Retainage is stipulated in the bid documentation as 10% until 50% complete, and 5% thereafter, resulting in a total of 7.5% by the end of the project. In this scenario, retainage is a temporary cash benefit to Brightline, as it must ultimately be accounted for in final closeout.
- (7) Based on only this contract going into default. See last sheet for scenario with all contracts going into default.

Exhibit 9
 Virgin Trains USA
 Default Scenarios
 Updated February 24, 2019



Assumptions:
 Debt service cost/day \$ 239,255
 VTUSA TRO \$ 74,648

Contract C201A2 VMF Building \$'000s	Critical Path:		No	
	25%	50%	75%	
Default Point (% complete)				
Default Point (months complete)	5.50	12.00	18.50	
Contract value	\$ 46,000	\$ 46,000	\$ 46,000	
Cost to Complete at point of default	\$ 34,500	\$ 23,000	\$ 11,500	
Contract Schedule (Months)	26.00	26.00	26.00	
Scenario A, EDR Ruling Adverse to Brightline:				
Liquidity needed to cover below cost:				
Estimated Fees (retendering, mobilization) ⁽¹⁾	1% \$ 460	1% \$ 460	1% \$ 460	
120 days Brightline TRO ⁽²⁾	-	-	-	
120 days of contractor TRO ⁽³⁾	972	972	972	
Premium for replacement contractor	15% 5,175	20% 4,600	20% 2,300	
120 days debt service ⁽⁴⁾	-	-	-	
Subtotal of Additional Cost	\$ 6,607	\$ 6,032	\$ 3,732	
Brightline's available funds:				
Contingencies ⁽⁵⁾	\$ 137,250	\$ 91,500	\$ 45,750	
Cash Collateral Account or Retainage ⁽⁶⁾	\$ 5,000 5,000	5,000	5,000	
Brightline's Liquidity	\$ 137,250	\$ 91,500	\$ 45,750	
Excess Liquidity ⁽⁷⁾	\$ 130,643	\$ 85,468	\$ 42,018	
Scenario B, EDR Ruling in favor of Brightline:				
Performance Security Analysis				
	25%	50%	75%	
Additional cost as a result of default:				
75 days Brightline TRO	-	-	-	
75 days debt service	-	-	-	
Sub total of additional cost	-	-	-	
Revised Cost to Complete	\$ 34,500	\$ 23,000	\$ 11,500	
Brightline's available funds:				
Contingencies ⁽⁵⁾	\$ 137,250	\$ 91,500	\$ 45,750	
Liquidated damages 75 days	\$ 12,000 \$ 900	\$ 900	\$ 900	
Cash Collateral Account or Retainage ⁽⁶⁾	\$ 5,000 5,000	5,000	5,000	
100% Payment and Performance Bond	\$ 46,000	\$ 46,000	\$ 46,000	
Subtotal of Available Funds	\$ 189,150	\$ 143,400	\$ 97,650	
Excess Liquidity ⁽⁷⁾	\$ 154,650	\$ 120,400	\$ 86,150	

- (1) Under the terms of the Expedited Dispute Resolution (EDR) Bond Form we are stipulating in our bid documents, there is a JAMS based adjudication process that is completed within 75 days of notice of default.
- (2) These costs are the estimate of four months of TRO (time related overhead) for Brightline staff, ongoing office costs, ongoing professional fees, and other overheads. It only applies to contracts on the critical path.
- (3) These costs are the estimate of four months of the contractor's TRO, which may be payable in the event of an adverse EDR decision.
- (4) Debt service is calculated based on outstanding debt quantum, in accordance with the tab "Cost of Debt" in this worksheet. It only applies to contracts on the critical path.
- (5) Contingency is based on the entire contingency amount carried in the project budget, \$183M.
- (6) Retainage is stipulated in the bid documentation as 10% until 50% complete, and 5% thereafter, resulting in a total of 7.5% by the end of the project. In this scenario, retainage is a temporary cash benefit to Brightline, as it must ultimately be accounted for in final closeout. The Cash Collateral rider to the EDR bond allows BL to demand the collateral amount stated in the column left of the Cash Collateral/Retainage row, if that amount is greater than retention.
- (7) Based on only this contract going into default. See last sheet for scenario with all contracts going into default.



Assumptions:

Debt service cost/day	\$ 239,255
VTUSA TRO	\$ 74,648

Contract C201B Orlando Station Tenant Improvements			
	Critical Path:		No
<i>\$'000s</i>	25%	50%	75%
Default Point (% complete)			
Default Point (months complete)	5.00	9.50	11.50
Contract value	\$ 7,000	\$ 7,000	\$ 7,000
Cost to Complete at point of default	\$ 5,250	\$ 3,500	\$ 1,750
Contract Schedule (Months)	15.00	15.00	15.00
Scenario A, EDR Ruling Contrary to Brightline:			
Liquidity needed to cover below cost:			
Estimated Fees (retendering, mobilization) ⁽¹⁾	1% \$ 70	1% \$ 70	1% \$ 70
120 days Brightline TRO ⁽²⁾	-	-	-
120 days of contractor TRO ⁽³⁾	240	240	240
Premium for replacement contractor	15% 788	20% 700	20% 350
120 days debt service ⁽⁴⁾	-	-	-
Subtotal of Additional Cost	\$ 1,098	\$ 1,010	\$ 660
Brightline's available funds:			
Contingencies ⁽⁵⁾	\$ 137,250	\$ 91,500	\$ 45,750
Cash Collateral Account or Retainage ⁽⁶⁾	\$ - 175	350	481
Brightline's Liquidity	\$ 137,250	\$ 91,500	\$ 45,750
Excess Liquidity ⁽⁷⁾	\$ 136,153	\$ 90,490	\$ 45,090
Scenario B, EDR Ruling in favor of Brightline:			
Performance Security Analysis			
	25%	50%	75%
Additional cost as a result of default:			
75 days Brightline TRO	-	-	-
75 days debt service	-	-	-
Sub total of additional cost	-	-	-
Revised Cost to Complete	\$ 5,250	\$ 3,500	\$ 1,750
Brightline's available funds:			
Contingencies ⁽⁵⁾	\$ 137,250	\$ 91,500	\$ 45,750
Liquidated damages 75 days	\$ 5,000 \$ 375	\$ 375	\$ 375
Cash Collateral Account or Retainage ⁽⁶⁾	\$ - 175	350	481
100% Payment and Performance Bond	\$ 7,000	\$ 7,000	\$ 7,000
Subtotal of Available Funds	\$ 144,800	\$ 99,225	\$ 53,606
Excess Liquidity ⁽⁷⁾	\$ 139,550	\$ 95,725	\$ 51,856

- (1) Under the terms of the Expedited Dispute Resolution (EDR) Bond Form we are stipulating in our bid documents, there is a JAMS based adjudication process that is completed within 75 days of notice of default.
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- (3) These costs are the estimate of four months of the contractor's TRO, which may be payable in the event of an adverse EDR decision.
- (4) Debt service is calculated based on outstanding debt quantum, in accordance with the tab "Cost of Debt" in this worksheet. It only applies to contracts on the critical path.
- (5) Contingency is based on the entire contingency amount carried in the project budget, \$183M.
- (6) Retainage is stipulated in the bid documentation as 10% until 50% complete, and 5% thereafter, resulting in a total of 7.5% by the end of the project. In this scenario, retainage is a temporary cash benefit to Brightline, as it must ultimately be accounted for in final closeout. The Cash Collateral rider to the EDR bond allows BL to demand the collateral amount stated in the column left of the Cash Collateral/REtainage row, if that amount is greater than retention.
- (7) Based on only this contract going into default. See last sheet for scenario with all contracts going into default.



Assumptions:

Debt service cost/day	\$ 239,255
VTUSA TRO	\$ 74,648

Contract C202 Zone 2 (Orlando Airport Rail Corridor)			
	Critical Path:		No
<i>\$'000s</i>	25%	50%	75%
Default Point (% complete)			
Default Point (months complete)	7.00	18.00	26.00
Contract value	\$ 88,619	\$ 88,619	\$ 88,619
Cost to Complete at point of default	\$ 66,464	\$ 44,310	\$ 22,155
Contract Schedule (Months)	30.00	30.00	30.00
Scenario A, EDR Ruling Contrary to Brightline:			
Liquidity needed to cover below cost:			
Estimated Fees (retendering, mobilization) ⁽¹⁾	1% \$ 886	1% \$ 886	1% \$ 886
120 days Brightline TRO ⁽²⁾	-	-	-
120 days of contractor TRO ⁽³⁾	1,214	1,214	1,214
Premium for replacement contractor	15% 9,970	20% 8,862	20% 4,431
120 days debt service ⁽⁴⁾	-	-	-
Subtotal of Additional Cost	\$ 12,070	\$ 10,962	\$ 6,532
Brightline's available funds:			
Contingencies ⁽⁵⁾	\$ 137,250	\$ 91,500	\$ 45,750
Cash Collateral Account or Retainage ⁽⁶⁾	\$ 5,000 5,000	5,000	6,093
Brightline's Liquidity	\$ 137,250	\$ 91,500	\$ 45,750
Excess Liquidity ⁽⁷⁾	\$ 125,180	\$ 80,538	\$ 39,218
Scenario B, EDR Ruling in favor of Brightline:			
Performance Security Analysis			
	25%	50%	75%
Additional cost as a result of default:			
75 days Brightline TRO	-	-	-
75 days debt service	-	-	-
Sub total of additional cost	-	-	-
Revised Cost to Complete	\$ 66,464	\$ 44,310	\$ 22,155
Brightline's available funds:			
Contingencies ⁽⁵⁾	\$ 137,250	\$ 91,500	\$ 45,750
Liquidated damages 75 days	\$ 12,000 \$ 900	\$ 900	\$ 900
Cash Collateral Account or Retainage ⁽⁶⁾	\$ 5,000 5,000	5,000	6,093
100% Payment and Performance Bond	\$ 88,619	\$ 88,619	\$ 88,619
Subtotal of Available Funds	\$ 231,769	\$ 186,019	\$ 141,362
Excess Liquidity ⁽⁷⁾	\$ 165,305	\$ 141,710	\$ 119,207

(1) Under the terms of the Expedited Dispute Resolution (EDR) Bond Form we are stipulating in our bid documents, there is a JAMS based adjudication process that is completed within 75 days of notice of default.

(2) These costs are the estimate of four months of TRO (time related overhead) for Brightline staff, ongoing office costs, ongoing professional fees, and other overheads. It only applies to contracts on the critical path.

(3) These costs are the estimate of four months of the contractor's TRO, which may be payable in the event of an adverse EDR decision.

(4) Debt service is calculated based on outstanding debt quantum, in accordance with the tab "Cost of Debt" in this worksheet. It only applies to contracts on the critical path.

(5) Contingency is based on the entire contingency amount carried in the project budget, \$183M.

(6) Retainage is stipulated in the bid documentation as 10% until 50% complete, and 5% thereafter, resulting in a total of 7.5% by the end of the project. In this scenario, retainage is a temporary cash benefit to Brightline, as it must ultimately be accounted for in final closeout. The Cash Collateral rider to the EDR bond allows BL to demand the collateral amount stated in the column left of the Cash Collateral/Retainage row, if that amount is greater than retention.

(7) Based on only this contract going into default. See last sheet for scenario with all contracts going into default.



Assumptions:

Debt service cost/day	\$ 239,255
VTUSA TRO	\$ 74,648

Contract C203 Zone 3 East West Corridor			
	Critical Path:		Yes
<i>\$'000s</i>	25%	50%	75%
Default Point (% complete)			
Default Point (months complete)	3.50	8.50	25.50
Contract value	\$ 462,408	\$ 462,408	\$ 462,408
Cost to Complete at point of default	\$ 346,806	\$ 231,204	\$ 115,602
Contract Schedule (Months)	6.00	6.00	6.00
Scenario A, EDR Ruling Contrary to Brightline:			
Liquidity needed to cover below cost:			
Estimated Fees (retendering, mobilization) ⁽¹⁾	1% \$ 4,624	1% \$ 4,624	1% \$ 4,624
120 days Brightline TRO ⁽²⁾	8,958	8,958	8,958
120 days of contractor TRO ⁽³⁾	5,786	5,786	5,786
Premium for replacement contractor	15% 52,021	20% 46,241	20% 23,120
120 days debt service ⁽⁴⁾	9,570	19,140	28,711
Subtotal of Additional Cost	\$ 80,959	\$ 84,749	\$ 71,199
Brightline's available funds:			
Contingencies ⁽⁵⁾	\$ 137,250	\$ 91,500	\$ 45,750
Cash Collateral Account or Retainage ⁽⁶⁾	\$ 11,000 11,560	23,120	31,791
Brightline's Liquidity	\$ 137,250	\$ 91,500	\$ 45,750
Excess Liquidity ⁽⁷⁾	\$ 56,291	\$ 6,751	\$ (25,449)
Scenario B, EDR Ruling in favor of Brightline:			
Performance Security Analysis			
	25%	50%	75%
Additional cost as a result of default:			
75 days Brightline TRO	5,599	5,599	5,599
75 days debt service	5,981	11,963	17,944
Sub total of additional cost	11,580	17,561	23,543
Revised Cost to Complete	\$ 358,386	\$ 248,765	\$ 139,145
Brightline's available funds:			
Contingencies ⁽⁵⁾	\$ 137,250	\$ 91,500	\$ 45,750
Liquidated damages 75 days	\$ 50,000 \$ 3,750	\$ 3,750	\$ 3,750
Cash Collateral Account or Retainage ⁽⁶⁾	\$ 11,000 11,560	23,120	31,791
100% Payment and Performance Bond	\$ 462,408	\$ 462,408	\$ 462,408
Subtotal of Available Funds	\$ 614,968	\$ 580,778	\$ 543,699
Excess Liquidity ⁽⁷⁾	\$ 256,582	\$ 332,013	\$ 404,554

(1) Under the terms of the Expedited Dispute Resolution (EDR) Bond Form we are stipulating in our bid documents, there is a JAMS based adjudication process that is completed within 75 days of notice of default.

(2) These costs are the estimate of four months of TRO (time related overhead) for Brightline staff, ongoing office costs, ongoing professional fees, and other overheads. It only applies to contracts on the critical path.

(3) These costs are the estimate of four months of the contractor's TRO, which may be payable in the event of an adverse EDR decision.

(4) Debt service is calculated based on outstanding debt quantum, in accordance with the tab "Cost of Debt" in this worksheet. It only applies to contracts on the critical path.

(5) Contingency is based on the entire contingency amount carried in the project budget, \$183M.

(6) Retainage is stipulated in the bid documentation as 10% until 50% complete, and 5% thereafter, resulting in a total of 7.5% by the end of the project. In this scenario, retainage is a temporary cash benefit to Brightline, as it must ultimately be accounted for in final closeout. The Cash Collateral rider to the EDR bond allows BL to demand the collateral amount stated in the column left of the Cash Collateral/Retainage row, if that amount is greater than retention.

(7) Based on only this contract going into default. See last sheet for scenario with all contracts going into default.



Assumptions:

Debt service cost/day	\$ 239,255
VTUSA TRO	\$ 74,648

Contract C204 Zone 4 North South Rail Alignment			
	Critical Path:		Yes
<i>\$'000s</i>	25%	50%	75%
Default Point (% complete)			
Default Point (months complete)	8.00	18.00	27.50
Contract value	\$ 680,635	\$ 680,635	\$ 680,635
Cost to Complete at point of default	\$ 510,476	\$ 340,318	\$ 170,159
Contract Schedule (Months)	6.00	6.00	6.00
Scenario A, EDR Ruling Contrary to Brightline:			
Liquidity needed to cover below cost:			
Estimated Fees (retendering, mobilization) ⁽¹⁾	1% \$ 6,806	1% \$ 6,806	1% \$ 6,806
120 days Brightline TRO ⁽²⁾	8,958	8,958	8,958
120 days of contractor TRO ⁽³⁾	9,540	9,540	9,540
Premium for replacement contractor	15% 76,571	20% 68,064	20% 34,032
120 days debt service ⁽⁴⁾	9,570	19,140	28,711
Subtotal of Additional Cost	\$ 111,446	\$ 112,508	\$ 88,046
Brightline's available funds:			
Contingencies ⁽⁵⁾	\$ 137,250	\$ 91,500	\$ 45,750
Cash Collateral Account or Retainage ⁽⁶⁾	\$ 11,000 17,016	34,032	46,794
Brightline's Liquidity	\$ 137,250	\$ 91,500	\$ 45,750
Excess Liquidity ⁽⁷⁾	\$ 25,804	\$ (21,008)	\$ (42,296)
Scenario B, EDR Ruling in favor of Brightline:			
Performance Security Analysis			
	25%	50%	75%
Additional cost as a result of default:			
75 days Brightline TRO	5,599	5,599	5,599
75 days debt service	5,981	11,963	17,944
Sub total of additional cost	11,580	17,561	23,543
Revised Cost to Complete	\$ 522,056	\$ 357,879	\$ 193,701
Brightline's available funds:			
Contingencies ⁽⁵⁾	\$ 137,250	\$ 91,500	\$ 45,750
Liquidated damages 75 days	\$ 50,000 \$ 3,750	\$ 3,750	\$ 3,750
Cash Collateral Account or Retainage ⁽⁶⁾	\$ 11,000 17,016	34,032	46,794
100% Payment and Performance Bond	\$ 680,635	\$ 680,635	\$ 680,635
Subtotal of Available Funds	\$ 838,651	\$ 809,917	\$ 776,929
Excess Liquidity ⁽⁷⁾	\$ 316,595	\$ 452,038	\$ 583,227

- (1) Under the terms of the Expedited Dispute Resolution (EDR) Bond Form we are stipulating in our bid documents, there is a JAMS based adjudication process that is completed within 75 days of notice of default.
- (2) These costs are the estimate of four months of TRO (time related overhead) for Brightline staff, ongoing office costs, ongoing professional fees, and other overheads. It only applies to contracts on the critical path.
- (3) These costs are the estimate of four months of the contractor's TRO, which may be payable in the event of an adverse EDR decision.
- (4) Debt service is calculated based on outstanding debt quantum, in accordance with the tab "Cost of Debt" in this worksheet. It only applies to contracts on the critical path.
- (5) Contingency is based on the entire contingency amount carried in the project budget, \$183M.
- (6) Retainage is stipulated in the bid documentation as 10% until 50% complete, and 5% thereafter, resulting in a total of 7.5% by the end of the project. In this scenario, retainage is a temporary cash benefit to Brightline, as it must ultimately be accounted for in final closeout. The Cash Collateral rider to the EDR bond allows BL to demand the collateral amount stated in the column left of the Cash Collateral/Retainage row, if that amount is greater than retention.
- (7) Based on only this contract going into default. See last sheet for scenario with all contracts going into default.



Assumptions:

Debt service cost/day	\$ 239,255
VTUSA TRO	\$ 74,648

Contract C205 Movable Bridges \$'000s	Critical Path:		No		
	25%		50%		75%
Default Point (% complete)	3.00		12.00		21.00
Default Point (months complete)	3.00		12.00		21.00
Contract value	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Cost to Complete at point of default	\$ 11,250	\$ 7,500	\$ 7,500	\$ 3,750	\$ 3,750
Contract Schedule (Months)	6.00	6.00	6.00	6.00	6.00
Scenario A, EDR Ruling Contrary to Brightline:					
Liquidity needed to cover below cost:					
Estimated Fees (retendering, mobilization) ⁽¹⁾	1% \$ 150	1% \$ 150	1% \$ 150	1% \$ 150	1% \$ 150
120 days Brightline TRO ⁽²⁾	-	-	-	-	-
120 days of contractor TRO ⁽³⁾	720	720	720	720	720
Premium for replacement contractor	15% 1,688	20% 1,500	20% 1,500	20% 1,500	20% 1,500
120 days debt service ⁽⁴⁾	-	-	-	-	-
Subtotal of Additional Cost	\$ 2,558	\$ 2,370	\$ 2,370	\$ 1,620	\$ 1,620
Brightline's available funds:					
Contingencies ⁽⁵⁾	\$ 137,250	\$ 91,500	\$ 91,500	\$ 45,750	\$ 45,750
Cash Collateral Account or Retainage ⁽⁶⁾	\$ 1,500	1,500	1,500	1,500	1,500
Brightline's Liquidity	\$ 137,250	\$ 91,500	\$ 91,500	\$ 45,750	\$ 45,750
Excess Liquidity ⁽⁷⁾	\$ 134,693	\$ 89,130	\$ 89,130	\$ 44,130	\$ 44,130
Scenario B, EDR Ruling in favor of Brightline:					
Performance Security Analysis					
	25%		50%		75%
Additional cost as a result of default:					
75 days Brightline TRO	-	-	-	-	-
75 days debt service	-	-	-	-	-
Sub total of additional cost	-	-	-	-	-
Revised Cost to Complete	\$ 11,250	\$ 7,500	\$ 7,500	\$ 3,750	\$ 3,750
Brightline's available funds:					
Contingencies ⁽⁵⁾	\$ 137,250	\$ 91,500	\$ 91,500	\$ 45,750	\$ 45,750
Liquidated damages 75 days	\$ 5,000 \$ 375	\$ 375	\$ 375	\$ 375	\$ 375
Cash Collateral Account or Retainage ⁽⁶⁾	\$ 1,500 1,500	1,500	1,500	1,500	1,500
100% Payment and Performance Bond	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Subtotal of Available Funds	\$ 154,125	\$ 108,375	\$ 108,375	\$ 62,625	\$ 62,625
Excess Liquidity ⁽⁷⁾	\$ 142,875	\$ 100,875	\$ 100,875	\$ 58,875	\$ 58,875

(1) Under the terms of the Expedited Dispute Resolution (EDR) Bond Form we are stipulating in our bid documents, there is a JAMS based adjudication process that is completed within 75 days of notice of default.

(2) These costs are the estimate of four months of TRO (time related overhead) for Brightline staff, ongoing office costs, ongoing professional fees, and other overheads. It only applies to contracts on the critical path.

(3) These costs are the estimate of four months of the contractor's TRO, which may be payable in the event of an adverse EDR decision.

(4) Debt service is calculated based on outstanding debt quantum, in accordance with the tab "Cost of Debt" in this worksheet. It only applies to contracts on the critical path.

(5) Contingency is based on the entire contingency amount carried in the project budget, \$183M.

(6) Retainage is stipulated in the bid documentation as 10% until 50% complete, and 5% thereafter, resulting in a total of 7.5% by the end of the project. In this scenario, retainage is a temporary cash benefit to Brightline, as it must ultimately be accounted for in final closeout. The Cash Collateral rider to the EDR bond allows BL to demand the collateral amount stated in the column left of the Cash Collateral/REtainage row, if that amount is greater than retention.

(7) Based on only this contract going into default. See last sheet for scenario with all contracts going into default.



Assumptions:

Debt service cost/day	\$ 239,255
VTUSA TRO	\$ 74,648

All Contracts (Assumes all contractors default)	Critical Path:		Yes	
	25%	50%	75%	
<i>\$'000s</i>				
Default Point (% complete)				
Default Point (months complete)				
Contract value	\$ 1,308,562	\$ 1,308,562	\$ 1,308,562	
Cost to Complete at point of default	\$ 981,422	\$ 654,281	\$ 327,141	
Contract Schedule (Months)	37.00	37.00	37.00	
Scenario A, EDR Ruling Contrary to Brightline:				
Estimated Fees (retendering, mobilization) ⁽¹⁾	1% \$ 9,814	1% \$ 6,543	1% \$ 3,271	
120 days Brightline TRO ⁽²⁾	8,958	8,958	8,958	
120 days of contractor TRO ⁽³⁾	18,713	18,713	18,713	
Premium for replacement contractor	15% 196,284	20% 261,712	20% 261,712	
120 days debt service ⁽⁴⁾	9,570	19,140	28,711	
Subtotal of Additional Cost	\$ 243,339	\$ 315,066	\$ 321,365	
Brightline's available funds:				
Contingencies ⁽⁵⁾	\$ 137,250	\$ 91,500	\$ 45,750	
Cash Collateral Account or Retainage ⁽⁶⁾	\$ 33,500 33,500	65,428	89,964	
Brightline's Liquidity	\$ 137,250	\$ 91,500	\$ 45,750	
Excess Liquidity ⁽⁷⁾	\$ (106,089)	\$ (223,566)	\$ (275,615)	
Scenario B, EDR Ruling in favor of Brightline:				
Performance Security Analysis				
	25%	50%	75%	
Additional cost as a result of default:				
75 days Brightline TRO	5,599	5,599	5,599	
75 days debt service	5,981	11,963	17,944	
Sub total of additional cost	11,580	17,561	23,543	
Revised Cost to Complete	\$ 1,320,142	\$ 1,326,123	\$ 1,332,105	
Brightline's available funds:				
Contingencies ⁽⁵⁾	\$ 137,250	\$ 91,500	\$ 45,750	
Liquidated damages 75 days	\$ 139,000 \$ 10,425	\$ 10,425	\$ 10,425	
Cash Collateral Account or Retainage ⁽⁶⁾	\$ 33,500 33,500	33,500	33,500	
100% Payment and Performance Bond	\$ 1,308,562	\$ 1,308,562	\$ 1,308,562	
Subtotal of Available Funds	\$ 1,489,737	\$ 1,443,987	\$ 1,398,237	
Excess Liquidity ⁽⁷⁾	\$ 169,595	\$ 117,864	\$ 66,132	

(1) Under the terms of the Expedited Dispute Resolution (EDR) Bond Form we are stipulating in our bid documents, there is a JAMS based adjudication process that is completed within 75 days of notice of default.

(2) These costs are the estimate of four months of TRO (time related overhead) for Brightline staff, ongoing office costs, ongoing professional fees, and other overheads. It only applies to contracts on the critical path.

(3) These costs are the estimate of four months of the contractor's TRO, which may be payable in the event of an adverse EDR decision.

(4) Debt service is calculated based on outstanding debt quantum, in accordance with the tab "Cost of Debt" in this worksheet. It only applies to contracts on the critical path.

(5) Contingency is based on the entire contingency amount carried in the project budget, \$183M.

(6) Retainage is stipulated in the bid documentation as 10% until 50% complete, and 5% thereafter, resulting in a total of 7.5% by the end of the project. In this scenario, retainage is a temporary cash benefit to Brightline, as it must ultimately be accounted for in final closeout. The Cash Collateral rider to the EDR bond allows BL to demand the collateral amount stated in the column left of the Cash Collateral/Retainage row, if that amount is greater than retention.

(7) Based on only this contract going into default. See last sheet for scenario with all contracts going into default.



Assumptions:		
Debt service cost/day	\$	239,255
VTUSA TRO	\$	74,648

Zones 3&4 Default (the two largest contracts)			
<i>\$'000s</i>	Critical Path:		Yes
	25%	50%	75%
Default Point (% complete)			
Default Point (months complete)			
Contract value	\$ 1,143,043	\$ 1,143,043	\$ 1,143,043
Cost to Complete at point of default	\$ 857,282	\$ 571,522	\$ 285,761
Contract Schedule (Months)	37.00	37.00	37.00
Scenario A, EDR Ruling Contrary to Brightline:			
Liquidity needed to cover below cost:			
Estimated Fees (retendering, mobilization) ⁽¹⁾	1% \$ 11,430	1% \$ 11,430	1% \$ 11,430
120 days Brightline TRO ⁽²⁾	8,958	8,958	8,958
120 days of contractor TRO ⁽³⁾	15,326	15,326	15,326
Premium for replacement contractor	15% 128,592	20% 114,304	20% 57,152
120 days debt service ⁽⁴⁾	9,570	19,140	28,711
Subtotal of Additional Cost	\$ 173,877	\$ 169,159	\$ 121,577
Brightline's available funds:			
Contingencies ⁽⁵⁾	\$ 137,250	\$ 91,500	\$ 45,750
Cash Collateral Account or Retainage ⁽⁶⁾	\$ 22,000 28,576	57,152	78,584
Brightline's Liquidity	\$ 137,250	\$ 91,500	\$ 45,750
Excess Liquidity ⁽⁷⁾	\$ (36,627)	\$ (77,659)	\$ (75,827)
Scenario B, EDR Ruling in favor of Brightline:			
Performance Security Analysis			
	25%	50%	75%
Additional cost as a result of default:			
75 days Brightline TRO	5,599	5,599	5,599
75 days debt service	5,981	11,963	17,944
Sub total of additional cost	11,580	17,561	23,543
Revised Cost to Complete	\$ 868,862	\$ 589,083	\$ 309,303
Brightline's available funds:			
Contingencies ⁽⁵⁾	\$ 137,250	\$ 91,500	\$ 45,750
Liquidated damages 75 days	\$ 100,000 7,500	\$ 7,500	\$ 7,500
Cash Collateral Account or Retainage ⁽⁶⁾	\$ 22,000 28,576	57,152	78,584
100% Payment and Performance Bond	\$ 1,143,043	\$ 1,143,043	\$ 1,143,043
Subtotal of Available Funds	\$ 1,316,369	\$ 1,299,195	\$ 1,274,877
Excess Liquidity ⁽⁷⁾	\$ 447,507	\$ 710,112	\$ 965,574

(1) Under the terms of the Expedited Dispute Resolution (EDR) Bond Form we are stipulating in our bid documents, there is a JAMS based adjudication process that is completed within 75 days of notice of default.

(2) These costs are the estimate of four months of TRO (time related overhead) for Brightline staff, ongoing office costs, ongoing professional fees, and other overheads. It only applies to contracts on the critical path.

(3) These costs are the estimate of four months of the contractor's TRO, which may be payable in the event of an adverse EDR decision.

(4) Debt service is calculated based on outstanding debt quantum, in accordance with the tab "Cost of Debt" in this worksheet. It only applies to contracts on the critical path.

(5) Contingency is based on the entire contingency amount carried in the project budget, \$183M.

(6) Retainage is stipulated in the bid documentation as 10% until 50% complete, and 5% thereafter, resulting in a total of 7.5% by the end of the project. In this scenario, retainage is a temporary cash benefit to Brightline, as it must ultimately be accounted for in final closeout. The Cash Collateral rider to the EDR bond allows BL to demand the collateral amount stated in the column left of the Cash Collateral/Retainage row, if that amount is greater than retention.

(7) Based on only this contract going into default. See last sheet for scenario with all contracts going into default.

Conditions of Technical Advisor's Report

The TAR is expressly made subject to the following to which all those who receive the TAR (in whole or in part) and rely thereon agree:

1. Technical Advisor's opinions, recommendations and conclusions are given with the skill and care ordinarily used by members of the engineering profession practicing under similar conditions at the same time and in the same locality.

2. The TAR reflects and is an expression of the professional judgment.

3. The TAR was prepared to the best of Technical Advisor's knowledge, information, and belief as of the date of the TAR.

4. Technical Advisor's opinions, recommendations and conclusions are based entirely on and expressly limited by the scope of services Technical Advisor has been employed by the Company to perform or furnish, and applies only to facts that are within Technical Advisor's knowledge or could reasonably have been ascertained by Technical Advisor as a result of carrying out the responsibilities specifically assigned to it under its Agreement with Company.

5. Opinions, recommendations, and conclusions included in the TAR are subject to additional qualifications and limitations noted because, even under ideal circumstances, technical engineering assessments involve the application of professional judgment and opinion, and the ultimate outcome of any project is subject to factors beyond the control of the engineer performing the technical assessment

6. The TAR is not a guarantee or warranty of any specific outcome or result regarding any matter covered by the TAR.

7. Nothing in the TAR shall be construed to establish a fiduciary relationship between Technical Advisor and any person.

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APPENDIX H

SUSTAINALYTICS PRE-ISSUANCE REVIEW REPORT

(See attached)

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Brightline Holdings LLC

Type of Engagement: Green Bond Pre-Issuance Review

Date: November 2020

Engagement Team: Jonathan Laski, jonathan.laski@sustainalytics.com, (+1) 647 264 6640,
Winnie Toppo, winnie.toppo@sustainalytics.com, (+1) 647 317 3648

Introduction

In October 2019, Brightline Holdings LLC (“Brightline” or the “Company”) developed the Virgin Trains USA Green Bond Framework¹ (the “Framework”) under which it intends to issue one or more green bonds² aimed at financing or refinancing eligible green projects in the areas of Clean Transportation and Green Buildings. Sustainalytics assessed the Framework and provided a Second Party Opinion,³ dated November 2019.

In November 2020, the Company engaged Sustainalytics to review the projects (the “Nominated Projects”) that will be funded through Series 2019B of the Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds and to provide an assessment as to whether the Nominated Project complies with the Use of Proceeds, Project Selection, and Management of Proceeds sections of the Framework.

Evaluation Criteria

Sustainalytics evaluated the Nominated Project/s that will be funded through the future issuance for compliance based on whether:

1. The Nominated Project/s is/are aligned with the Use of Proceeds Eligibility Criteria outlined in the Company’s Framework; and
2. The commitments to select projects, manage proceeds, and report on allocation and impact in order to ensure that these commitments are aligned with the ones described in the Framework.

The Nominated Project/s funded by the future green bond issuance is summarized in Appendix 2.

Issuing Entity’s Responsibility

The Company is responsible for providing accurate information and documentation relating to the details of the projects that have been funded, including a description of the eligible projects within each eligible category. This information was provided to Sustainalytics to support its review. The Company is also responsible for confirming to Sustainalytics that processes for project selection and management of proceeds for the future issuance will remain aligned with the commitments described in the Framework.

Independence and Quality Control

Sustainalytics, a leading provider of ESG and corporate governance research and ratings to investors, conducted the verification of the Company’s 2020 green bond issuance. The work undertaken as part of this engagement included verification of the Nominated Projects and confirmation from relevant Company employees that the use of proceeds, processes for project selection, management of proceeds, and reporting for the upcoming green bond issuance will remain aligned with the commitments described in the Framework.

Sustainalytics has relied on the information and the facts presented by the Company with respect to the Nominated Projects. Sustainalytics is not responsible nor shall it be held liable if any of the opinions, findings,

¹This Green Bond Framework was published under the brand name Virgin Train USA LLC. Brightline was operating as Virgin Trains USA LLC pursuant to a Trade Mark License Agreement, which is no longer in effect as of August 2020. Brightline’s Green Bond Framework is available at: https://www.gobrightline.com/people-culture#social_responsibility.

² Under Florida law, private companies may work with certain government agencies to issue tax-exempt bonds on their behalf. In this case, the Florida Development Finance Corporation will issue bonds on behalf of Brightline Trains Florida LLC, a subsidiary of Brightline Holdings LLC and the borrower/obligor of the proceeds.

³ Sustainalytics’ Second-Party Opinion is available at: <https://www.sustainalytics.com/sustainable-finance/wp-content/uploads/2020/04/Virgin-Trains-USA-Green-Bond-Framework-Second-Party-Opinion.pdf>

or conclusions it has set forth herein are not correct due to incorrect or incomplete data provided by the Company.

Sustainalytics made all efforts to ensure the highest quality and rigor during its assessment process and enlisted its Sustainability Bonds Review Committee to provide oversight over the assessment of the pre-issuance review.

Conclusion

Based on the limited assurance procedures conducted,⁴ nothing has come to Sustainalytics' attention that causes us to believe that, in all material respects, Brightline's Nominated Project is not aligned with their existing Framework.

⁴ Sustainalytics limited assurance process includes reviewing the documentation relating to the details of the projects that have been funded, including description of projects, estimated and realized costs of projects, and project impact, which were provided by the Issuer. The Issuer is responsible for providing accurate information. Sustainalytics has not conducted on-site visits to projects.

Appendix 1: Use of Proceeds Eligibility Criteria

In October 2019, the Company developed its Green Bond Framework under which it may issue one or more green bonds and use the proceeds to finance and/or refinance, in whole or in part, existing and/or future projects that meet the eligibility criteria listed in two categories:

Eligible Category	Eligible Project Description
Clean Transportation	<ul style="list-style-type: none"> • Design, development, acquisition, construction, installation, equipping, ownership and operation of intercity passenger rail system and related stations and facilities • Electrification of rail system(s) • Maintenance of rolling stock and infrastructure for clean transportation • Infrastructure for “last mile” transportation options
Environmental Buildings	<ul style="list-style-type: none"> • New buildings or retrofitted existing buildings that meet regional or national third-party environmental certifications, such as Leadership in Energy and Environmental Design (LEED) at a minimum Gold standard, and/or other equivalent green building standards

Appendix 2: Summary of Nominated Projects

Brightline Trains Florida LLC, a wholly owned subsidiary of Brightline Holdings LLC, is anticipating receiving the proceeds from a Series 2019B Green Bond of up to USD 950 million, issued on its behalf by the Florida Development Finance Corporation. The proceeds raised through this green bond issuance will be used to finance the design, development, acquisition, construction, installation, equipping, ownership, operation, maintenance and administration of a privately owned and operated intercity passenger rail system and related facilities, with stations located or to be located initially in Orlando, West Palm Beach, Fort Lauderdale and Miami, Florida, as more particularly described in the Original Bond Resolution, the Prior Supplemental Bond Resolution and Resolution No. 18-05, adopted by the Florida Development Finance Corporation on August 29, 2018, authorizing the issuance of the Series 2019A Bonds. Funds will be used to finance future construction costs of the system as well as to reimburse amounts spent on its construction within the past five months.

Appendix 3: Sustainalytics’ Findings

Eligibility Criteria	Procedure Performed	Factual Findings	Error or Exceptions Identified
Use of Proceeds Criteria	Verification of the projects funded by the green bond issuance in 2020 (Appendix 2) to determine if the projects aligned with the Use of Proceeds Eligibility Criteria outlined in the Company’s Green Bond Framework (Appendix 1).	The project reviewed (Appendix 2) complied with the Use of Proceeds Eligibility Criteria.	None

Project Selection and Management of Proceeds Criteria	Verification of the projects funded by the green bond to determine if the commitments under processes for project selection and management of proceeds were consistent with the Company's Green Bond Framework.	The Company has also confirmed to Sustainalytics that the processes for project selection and management of proceeds for the future issuance are consistent with the commitments described in the Framework.	None
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Disclaimer

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The information, methodologies and opinions contained or reflected herein are proprietary of Sustainalytics and/or its third party suppliers (Third Party Data), and may be made available to third parties only in the form and format disclosed by Sustainalytics, or provided that appropriate citation and acknowledgement is ensured. They are provided for informational purposes only and (1) do not constitute an endorsement of any product or project; (2) do not constitute investment advice, financial advice or a prospectus; (3) cannot be interpreted as an offer or indication to buy or sell securities, to select a project or make any kind of business transactions; (4) do not represent an assessment of the issuer's economic performance, financial obligations nor of its creditworthiness; (5) have not and cannot be incorporated into any offering disclosure.

These are based on information made available by the issuer and therefore are not warranted as to their merchantability, completeness, accuracy, up-to-dateness or fitness for a particular purpose. The information and data are provided "as is" and reflect Sustainalytics' opinion at the date of their elaboration and publication. Sustainalytics accepts no liability for damage arising from the use of the information, data or opinions contained herein, in any manner whatsoever, except where explicitly required by law. Any reference to third party names or Third Party Data is for appropriate acknowledgement of their ownership and does not constitute a sponsorship or endorsement by such owner. A list of our third-party data providers and their respective terms of use is available on our website. For more information, visit <http://www.sustainalytics.com/legal-disclaimers>.

The issuer is fully responsible for certifying and ensuring the compliance with its commitments, for their implementation and monitoring.

About Sustainalytics, a Morningstar Company

Sustainalytics, a Morningstar Company, is a leading ESG research, ratings and data firm that supports investors around the world with the development and implementation of responsible investment strategies. The firm works with hundreds of the world's leading asset managers and pension funds who incorporate ESG and corporate governance information and assessments into their investment processes. The world's foremost issuers, from multinational corporations to financial institutions to governments, also rely on Sustainalytics for credible second-party opinions on green, social and sustainable bond frameworks. In 2020, Climate Bonds Initiative named Sustainalytics the "Largest Approved Verifier for Certified Climate Bonds" for the third consecutive year. The firm was also recognized by Environmental Finance as the "Largest External Reviewer" in 2020 for the second consecutive year. For more information, visit www.sustainalytics.com.

5th Green Bond Pioneer Awards
Climate Bonds Initiative

Largest Verifier for Certified
Climate Bonds of 2019

awarded to Sustainalytics



Climate Bonds
Asia ESG+2020 More information conference.climatebonds.net/awards



GlobalCapital
SRI Awards

Named

2015: Best SRI or Green Bond Research or Rating Firm
2017, 2018, 2019: Most Impressive Second Opinion Provider



The
Green Bond
Principles

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SUSTAINALYTICS GREEN BOND OPINION

(See attached)

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Second-Party Opinion

Virgin Trains USA Green Bond Framework



Evaluation Summary

Sustainalytics is of the opinion that the Virgin Trains USA's Green Bond Framework is credible and impactful and aligns with the Green Bond Principles 2018. This assessment is based on the following:



USE OF PROCEEDS The eligible categories for the use of proceeds are aligned with those recognized by the Green Bond Principles. Sustainalytics considers investments in clean transportation and green buildings to have positive environmental and social impacts and will help advance the UN Sustainable Development Goal (11) Sustainable cities and communities and (9) Industry, Innovation and Infrastructure.



PROJECT EVALUATION / SELECTION Virgin Trains USA's internal process for evaluating and selecting projects is in line with market practice. Its Executive Leadership Team will be responsible for evaluating and screening projects in accordance with the criteria for use of proceeds described in the Green Bond Framework. That team will also ensure compliance with all applicable laws and regulations, as well as the Company's internal policies and guidelines.



MANAGEMENT OF PROCEEDS Virgin Trains USA will maintain separate Green Bond Proceeds designated bank account(s) to manage the net proceeds from bonds issued under the Green Bond Framework. It will separately record and track the use of funds for qualifying expenditures on eligible projects. The lookback period under this Green Bond Framework is 24 months and any unallocated funds will be held in the form of cash and cash equivalents or permitted investments in high credit quality instruments in the Green Bond Proceeds designated bank and investment accounts. This is in line with market practice.



REPORTING Virgin Trains USA intends to publicly report on the allocation proceeds on an annual basis until full allocation. In addition, it is committed to providing an impact report which will provide information on various environmental metrics, such as GHG emissions avoided from roadways and list of buildings that receive third-party environmental certifications. Sustainalytics views Virgin Train USA's allocation and impact reporting to be in alignment with market practice.

Evaluation date	November 8, 2019 ¹
Issuer Location	Florida, United States

Report Sections

Introduction	2
Sustainalytics' Opinion	3
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¹ Sustainalytics completed its Second-Party Opinion on November 8, 2019. This Second-Party Opinion was updated in March 2020 to provide direct links to Virgin Trains USA's Corporate Social Responsibility Policy and Code of Conduct and Ethics. See footnotes 3, 7, 8, 9 and in one instance in Appendix 1. No other updates or changes were made to the Second-Party Opinion.

Introduction

Virgin Trains USA LLC (“Virgin Trains USA” or the “Company”) is a provider of inter-city passenger railway transportation services in the United States. It owns and operates express passenger rail systems which currently connect major population centers in the state of Florida and plans to expand to other regions of the United States.

Virgin Trains USA has developed the Green Bond Framework (the “Framework”) under which it intends to issue one or more green bonds and use the proceeds to finance and/or refinance, in whole or in part, existing and/or future projects that expand the capacity for sustainable inter-city rail transit in the United States. The Framework defines eligibility criteria in 2 areas:

1. Clean Transportation
2. Environmental Buildings

Virgin Trains USA engaged Sustainalytics to review its Green Bond Framework dated October 2019 and provide a second-party opinion on the Framework’s environmental credentials and its alignment with the Green Bond Principles 2018 (GBP).² This Framework has been published in a separate document.³

As part of this engagement, Sustainalytics held conversations with various members of Virgin Trains USA’s management team to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of Virgin Trains USA’s Green Bond Framework. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics’ opinion of the Virgin Trains USA Green Bond Framework and should be read in conjunction with that Framework.

² The Green Bond Principles are administered by the International Capital Market Association and are available at <https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>

³ The Green Bond Framework is available on Virgin Trains USA’s website at: https://www.gobrightline.com/people-culture#social_responsibility.

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the Green Bond Framework

Summary

Sustainalytics is of the opinion that the Green Bond Framework is credible and impactful and aligns with the four core components of the GBP. Sustainalytics highlights the following elements of Virgin Trains USA's Green Bond Framework:

- **Use of Proceeds:**
 - Proceeds from Virgin Trains USA's Green Bond(s) will be used to finance or refinance, in whole or in part, existing and future projects that provide environmental as well as social benefits to the regions served. The use of proceed categories of clean transportation and environmental buildings are recognized as impactful by the GBP.
 - Within the area of clean transportation, Virgin Trains USA will finance:
 - Design, development, acquisition, construction, installation, equipping, ownership and operation of intercity passenger rail systems and related facilities. Virgin Trains USA estimates that once its expanded Florida service achieves full operation and stabilized ridership, expected in 2023, it will result in CO2 reductions per passenger kilometer of approximately 75% compared to travel by personal transport vehicle.⁴ Sustainalytics notes that current ridership levels are well below this stabilized ridership target but, given that service commenced in 2018, accepts the ridership growth trajectory shared by Virgin Trains USA.
 - Electrification of future rail routes, including its proposed Southern California to Las Vegas line. Sustainalytics considers electric rail to deliver substantial environmental benefits.
 - Maintenance of rolling stock and infrastructure for clean transport. Sustainalytics recognizes maintenance of rolling stock as vital to the efficient operation of rail systems and, therefore, eligible use of proceeds.
 - Infrastructure for 'last mile' transportation alternatives. Virgin Trains USA will install infrastructure and develop partnerships to encourage passengers to travel to and from their stations using a variety of alternative modes of transportation including bicycle, bike share, electric scooters, car share and ride share. Sustainalytics is of the opinion that last mile transportation systems enhance the environmental benefits that rail transport systems generate.
 - Proceeds may also be directed to the construction of new buildings and/or retrofitted existing buildings that meet regional or national third-party environmental certifications, such as Leadership in Energy and Environmental Design (LEED) at a minimum Gold standard and/or other equivalent green building standards. Sustainalytics considers LEED to be a robust and credible certification, and the selected minimum levels to be aligned with market practice.
- **Project Evaluation and Selection:**
 - Virgin Trains USA's Executive Leadership Team will be responsible for evaluating and screening projects in accordance with the criteria for use of proceeds described in the Green Bond Framework. This Team will also ensure compliance with all applicable laws and regulations, as well as the Company's internal policies and guidelines.
 - The Executive Leadership Team consists of Virgin Train USA's President and leaders of its finance, legal, asset management, public relations and human resources teams.
 - The lookback period under this framework will be 24 months preceding the date of issuance of the bond.
 - Based on the clear delegation of authority, Sustainalytics considers the above process to be in line with market practice.
- **Management of Proceeds:**
 - Virgin Trains USA will maintain one or more separate Green Bond Proceeds designated bank account(s) to manage the net proceeds from each green bond issued under this Framework. It will separately record in the Company's books and track the use of such funds for qualifying expenditures on eligible projects.

⁴ This calculation is based on the following assumptions: 'Stabilized ridership' means ~80% load factor across all scheduled trains on an annual basis. 'Personal Transport Vehicle' means a vehicle with 1.5 passengers and fuel efficiency of 24 miles per gallon.

- If for any reason a part of the net proceeds has not been assigned to any eligible project, funds will be temporarily held in the form of cash and cash equivalents in the Green Bond Proceeds designated bank account or in the form of permitted investments (typically instruments backed by the full faith and credit of the US Government, obligations of agencies of governmental agencies and highly rated short-term commercial paper) in accordance with Green Bond issuance documents.
- Based on the description of processes and disclosure of intended temporary instruments, Sustainalytics considers this to be in line with market practice.
- **Reporting:**
 - Virgin Trains USA will issue an annual allocation report providing information about the distribution of net proceeds from the green bond into various Eligible Projects as well as information about the distribution of unspent net bond proceeds.
 - This report will also include environmental impact metrics such as GHG emissions removed from roadways (tCO₂e); volume of low/no emission biodiesel used; list of eligible buildings that received third-party environmental certifications; number of electric vehicle charging points installed, etc.
 - Sustainalytics views this level of disclosure, including the specified impact metrics, to be in line with market practice.

Alignment with Green Bond Principles 2018

Sustainalytics has determined that the Virgin Train USA's Green Bond Framework aligns to the four core components of the Green Bond Principles 2018. For detailed information please refer to Appendix 1: Green Bond/Green Bond Programme External Review Form.

Section 2: Sustainability Performance of the Issuer

Contribution of Framework to Issuer's sustainability strategy

Virgin Trains USA aims to offer customers an alternative to driving or flying between destinations that it serves, and such service brings with it several potential environmental benefits. By providing an alternative mode of transportation for inter-city trips, Virgin Trains USA is helping to reduce transportation-related greenhouse gas emissions. The average CO₂ emissions per passenger kilometer (p-km) in Florida by car is currently estimated to be approximately 250 grams of CO₂/p-km. Once its Florida operations are built out and load factors stabilized, Virgin Trains USA's expected CO₂ emissions per passenger kilometer will be approximately 43 grams of CO₂/p-km. For its future Southern California service, which is expected to be fully electrified and powered by renewable energy sources such as solar and wind power, CO₂ emissions per passenger kilometer are expected to be significantly less.

Sustainalytics notes positively that for its Florida operations, Virgin Trains USA utilizes the Siemens Charger locomotive, which is one of five locomotives to receive Tier 4 emission certification from the Environmental Protection Agency (EPA). Tier 4 emission standards is EPA's most stringent emission standard for nonroad engines and requires the use of Ultra Low Sulfur Diesel Fuel.⁵ This results in emission reduction of approximately 90 percent compared to trains using Tier 0 locomotives.⁶ Virgin Trains USA's services also provide social benefits such as reducing travel time and travel cost compared to travelling by air or road and providing employment in the communities it operates.

Sustainalytics considers that Virgin Trains USA is well positioned to issue Green Bonds, and that the proceeds will support reductions in transportation-related emissions from passengers who otherwise would have driven a car or flown to their destination.

Well positioned to address common environmental risks associated with the projects

Sustainalytics recognizes that expanding mass transit has the potential for environmental, social, and economic benefits. However, as is the case with most large infrastructure projects, there may be

⁵ United States Environment Protection Agency, "Regulations for Emissions from Heavy Equipment with Compression-Ignition (Diesel) Engines", (accessed on October 2019), at : <https://www.epa.gov/regulations-emissions-vehicles-and-engines/regulations-emissions-heavy-equipment-compression>

⁶ Siemens, "Clean Diesel-Electric Locomotives for Better Reliability and Efficiency", (accessed on October 2019), at: <https://assets.new.siemens.com/siemens/assets/api/uuid:d3613ee9-1d0d-43e9-aa9f-4d9e678d1ea3/factsheet-siemens-charger-loc-e.pdf>

environmental and social risks such as noise and air pollution, impact on biodiversity, worker health and safety, and community relations issues. Sustainalytics notes that Virgin Trains USA has put policies in place that outline environmental and social standards as well as a code of ethics that will govern company and employee conduct.

Virgin Trains USA is in the process of publishing its inaugural Corporate Social Responsibility Policy⁷ (CSR Policy) which illustrates its approach to managing environmental, social and governance (ESG) risks. The CSR Policy covers several ESG related topics such as reducing its environmental footprint, biodiversity and land management, employee health & safety, and community engagement:

- To minimize pollution from its operations, Virgin Trains USA, under the Environmental Policy section of its CSR Policy, commits to reduce emissions and improve the efficiency of its rail, non-rail, and yard operations, as well as to improve waste management at its facilities and encourage sustainability in its supply chain.⁸ The Company strives to promote companywide environmental awareness, including providing training on the implementation of sustainable policies.
- Virgin Trains USA also has a Biodiversity and Land Management Policy in its CSR Policy. Under this policy the Company commits to conducting detailed environmental and social impact assessments to identify and mitigate risks associated with impacts on the natural environment. Virgin Trains USA has programs in place to protect wetlands, aquatic life and wildlife. For example, the policy mentions that the Company will build fish culvert passages as well as map areas of wildlife collisions to prevent them in the future.
- Virgin Trains USA commits to ensuring a safe working environment for all employees. The Company maintains a detailed Safety Manual, which discusses safety issues at length, and offers anonymous reporting of safety and harassment infractions and commits to investigating all reported incidents.
- Regarding community relations, including pedestrian safety and public engagement, Sustainalytics notes several instances of collisions between the Company's trains and pedestrians; however, in those cases it appears that pedestrians had bypassed safety barriers or trespassed into the right-of-way. Sustainalytics recognizes Virgin Trains USA's efforts to avoid further pedestrian accidents. Virgin Trains USA launched a 'Safety Education' campaign through which it educates students and families who live along the railway corridor. Since launching the campaign in early 2018, Virgin Train USA has run over 2,500 public service announcements, trained over 500 bus drivers, and partnered with local school districts.
- Virgin Trains USA's CSR Policy also references the Company's public policy and public engagement efforts. Sustainalytics notes instances of community and local government concerns about the impacts of construction and safety in local communities but notes positive evidence of the consultative approach taken by the Company to work with stakeholders to address concerns to the extent possible.

Virgin Trains USA's Code of Business Conduct and Ethics reinforces the Company's commitment to comply with the laws and regulations applicable to its business as well as abide by its ethical standards.⁹ Based on policies and standards that Virgin Trains USA has and is putting in place, Sustainalytics is of the opinion that it is well positioned to identify and mitigate environmental and social risks associated with the projects mentioned in its Green Bond Framework.

⁷ Virgin Trains USA's Corporate Social Responsibility Policy is available at: https://www.gobrightline.com/people-culture#social_responsibility.

⁸ Virgin Trains USA's Corporate Social Responsibility Policy is available at: https://www.gobrightline.com/people-culture#social_responsibility.

⁹ Virgin Trains USA's Code of Business Conduct and Ethics is available at: https://www.gobrightline.com/people-culture#social_responsibility.

Section 3: Impact of Use of Proceeds

The two use of proceeds categories are recognized as impactful by GBP. Sustainalytics has focused on the impact that clean transport has in the local context.

Importance of Clean Transport in United States

Globally, transportation-related activities contribute 14 percent of total GHG emissions.¹⁰ This figure is substantially higher in the United States where transportation accounts for 29 percent of total emission, making transportation the largest contributor of U.S. GHG emissions.¹¹ The state of Florida, where Virgin Trains USA currently operates, has a 'Florida Transportation Plan' under which it aims to decrease transportation-related air quality pollutants and GHG emissions as well as increase energy efficiency of transportations systems.¹² The state of California, where Virgin Trains USA plans on building its new line, has set a GHG emission reduction targets of 40% below 1990 levels by 2030.¹³ The EPA estimates that an average passenger vehicle emits about 250 grams of CO₂ per kilometer¹⁴, or 125 grams of CO₂ per vehicles with two passengers. As per the data provided by Virgin Trains USA, at 82 percent load their intercity rail would emit approximately 43 grams of CO₂ per passenger kilometer, therefore making passenger rail three times more efficient. Given than almost 1/3rd of the emission in the US comes from transportation, there is an urgent need to promote clean mass transport, which includes Virgin Train USA's lines. Therefore, Sustainalytics is of the opinion that Virgin Trains USA's existing and future projects will effectively contribute towards GHG emission reductions from transportation and will help the states of Florida and California achieve their climate goals and support their transition towards a low carbon economy.

Alignment with/contribution to SDGs

The Sustainable Development Goals (SDGs) were set in September 2015 and form an agenda for achieving sustainable development by the year 2030. This green bond advances the following SDG goals and targets:

Use of Proceeds Category	SDG	SDG target
Clean Transportation	11. Sustainable Cities and Communities	11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons
Green Buildings	9. Industry, Innovation and Infrastructure	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities

¹⁰ United States Environmental Protection Agency, "Global Greenhouse Gas Emissions Data", (Accessed on October 2019), at: <https://www.epa.gov/ghgemissions/global-greenhouse-gas-emissions-data>

¹¹ United States Environmental Protection Agency, "Carbon Pollution from Transportation", (Accessed on October 2019), at: <https://www.epa.gov/transportation-air-pollution-and-climate-change/carbon-pollution-transportation#transportation>

¹² Florida Department of Transportation, "Florida Transportation Plan Overview", (Accessed on October 2019), at: <http://floridatransportationplan.com/>

¹³ Government of California, "California Climate Strategy", (Accessed on October 2019), at: <https://www.climatechange.ca.gov/>

¹⁴ United States Environmental Protection Agency, "Greenhouse Gas Emissions from a Typical Passenger Vehicle", (Accessed on October 2019) at: <https://www.epa.gov/greenvehicles/greenhouse-gas-emissions-typical-passenger-vehicle>

Conclusion

Virgin Trains USA has developed the Green Bond Framework under which it will issue bonds to finance and/or refinance clean transportation and green buildings.

Sustainalytics is of the opinion that the use of proceeds are impactful, supporting the transition to a low carbon economy.

Virgin Train USA's project selection and evaluation process, its management of proceeds, and its planned reporting processes are aligned with market practices. Based on the above, Sustainalytics is confident that Virgin Trains USA is well positioned to issue Green Bonds and that its Green Bond Framework is robust, credible, and transparent and aligned with the four core components of the GBP.

Appendices

Appendix 1: Green Bond / Green Bond Programme - External Review Form Section 1. Basic Information

Issuer name:	Virgin Trains USA LLC
Green Bond ISIN or Issuer Green Bond Framework Name, if applicable:	Virgin Trains USA LLC Green Bond Framework
Review provider's name:	Sustainalytics
Completion date of this form:	8 November 2019
Publication date of review publication:	

Section 2. Review overview

SCOPE OF REVIEW

The following may be used or adapted, where appropriate, to summarize the scope of the review.

The review assessed the following elements and confirmed their alignment with the GBPs:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Use of Proceeds | <input checked="" type="checkbox"/> Process for Project Evaluation and Selection |
| <input checked="" type="checkbox"/> Management of Proceeds | <input checked="" type="checkbox"/> Reporting |

ROLE(S) OF REVIEW PROVIDER

- | | |
|---|--|
| <input checked="" type="checkbox"/> Consultancy (incl. 2 nd opinion) | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification | <input type="checkbox"/> Rating |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

Note: In case of multiple reviews / different providers, please provide separate forms for each review.

EXECUTIVE SUMMARY OF REVIEW and/or LINK TO FULL REVIEW (*if applicable*)

Please refer to Evaluation Summary above.

Section 3. Detailed review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

1. USE OF PROCEEDS

Overall comment on section *(if applicable)*:

The eligible categories for the use of proceeds are aligned with those recognized by the Green Bond Principles. Sustainalytics considers investments in clean transportation and green buildings to have positive environmental and social impacts and will help advance key UN Sustainable Development Goals.

Use of proceeds categories as per GBP:

- | | |
|--|--|
| <input type="checkbox"/> Renewable energy | <input type="checkbox"/> Energy efficiency |
| <input type="checkbox"/> Pollution prevention and control | <input type="checkbox"/> Environmentally sustainable management of living natural resources and land use |
| <input type="checkbox"/> Terrestrial and aquatic biodiversity conservation | <input checked="" type="checkbox"/> Clean transportation |
| <input type="checkbox"/> Sustainable water and wastewater management | <input type="checkbox"/> Climate change adaptation |
| <input type="checkbox"/> Eco-efficient and/or circular economy adapted products, production technologies and processes | <input checked="" type="checkbox"/> Green buildings |
| <input type="checkbox"/> Unknown at issuance but currently expected to conform with GBP categories, or other eligible areas not yet stated in GBPs | <input type="checkbox"/> Other <i>(please specify)</i> : |

If applicable please specify the environmental taxonomy, if other than GBPs:

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section *(if applicable)*:

Virgin Trains USA's internal process of evaluating and selecting projects is in line with market practice. Its Executive Leadership Team will be responsible for evaluating and screening projects in accordance with the criteria for use of proceeds described in the Green Bond Framework, as well as ensure compliance with all applicable laws and regulations, and the Company's internal policies and guidelines. The lookback period under this Green Bond Framework is 24 months.

Evaluation and selection

- | | |
|--|---|
| <input checked="" type="checkbox"/> Credentials on the issuer's environmental sustainability objectives | <input checked="" type="checkbox"/> Documented process to determine that projects fit within defined categories |
| <input checked="" type="checkbox"/> Defined and transparent criteria for projects eligible for Green Bond proceeds | <input checked="" type="checkbox"/> Documented process to identify and manage potential ESG risks associated with the project |

- Summary criteria for project evaluation and selection publicly available Other (*please specify*):

Information on Responsibilities and Accountability

- Evaluation / Selection criteria subject to external advice or verification In-house assessment
- Other (*please specify*):

3. MANAGEMENT OF PROCEEDS

Overall comment on section (*if applicable*):

Virgin Trains USA will maintain separate Green Bond Proceeds designated bank account(s) to manage the net proceeds from bonds issued under the Green Bond Framework. It will separately record and track the use of funds for qualifying expenditures on Eligible Projects. Any unallocated funds will be held in the form of cash and cash equivalents or permitted investments in high credit quality instruments in the Green Bond Proceeds designated bank and investment accounts. This is in line with market practice.

Tracking of proceeds:

- Green Bond proceeds segregated or tracked by the issuer in an appropriate manner
- Disclosure of intended types of temporary investment instruments for unallocated proceeds
- Other (*please specify*):

Additional disclosure:

- Allocations to future investments only Allocations to both existing and future investments
- Allocation to individual disbursements Allocation to a portfolio of disbursements
- Disclosure of portfolio balance of unallocated proceeds Other (*please specify*):

4. REPORTING

Overall comment on section (*if applicable*):

Virgin Trains USA intends to report on the allocation of proceeds on an annual basis until full allocation. In addition, it is committed to providing an impact report which will provide information on various environmental metrics, such as GHG emissions avoided from roadways and list of buildings that receive third-party environmental certifications. Sustainalytics views Virgin Train USA's allocation and impact reporting to be in alignment with market practice.

Use of proceeds reporting:

- | | |
|--|--|
| <input type="checkbox"/> Project-by-project | <input checked="" type="checkbox"/> On a project portfolio basis |
| <input type="checkbox"/> Linkage to individual bond(s) | <input type="checkbox"/> Other (please specify): |

Information reported:

- | | |
|---|--|
| <input checked="" type="checkbox"/> Allocated amounts | <input type="checkbox"/> Green Bond financed share of total investment |
| <input type="checkbox"/> Other (please specify): | |

Frequency:

- | | |
|--|--------------------------------------|
| <input type="checkbox"/> Annual | <input type="checkbox"/> Semi-annual |
| <input type="checkbox"/> Other (please specify): | |

Impact reporting:

- | | |
|--|--|
| <input type="checkbox"/> Project-by-project | <input checked="" type="checkbox"/> On a project portfolio basis |
| <input type="checkbox"/> Linkage to individual bond(s) | <input type="checkbox"/> Other (please specify): |

Frequency:

- | | |
|--|--------------------------------------|
| <input checked="" type="checkbox"/> Annual | <input type="checkbox"/> Semi-annual |
| <input type="checkbox"/> Other (please specify): | |

Information reported (expected or ex-post):

- | | |
|---|---|
| <input checked="" type="checkbox"/> GHG Emissions / Savings | <input type="checkbox"/> Energy Savings |
| <input type="checkbox"/> Decrease in water use | <input checked="" type="checkbox"/> Other ESG indicators (please specify): Number of rail miles constructed; Number of rail miles in-service; Number of alternative last-mile transportation options available to passengers; Volume of low/no emission biodiesel used; List of eligible buildings that received third-party environmental certifications; Number of electric vehicles charging points installed, Number of available car-share parking spaces and bike-share stalls. |

Means of Disclosure

- | | |
|---|---|
| <input type="checkbox"/> Information published in financial report | <input type="checkbox"/> Information published in sustainability report |
| <input checked="" type="checkbox"/> Information published in ad hoc documents | <input checked="" type="checkbox"/> Other (please specify): Corporate website |

- Reporting reviewed (if yes, please specify which parts of the reporting are subject to external review):

Where appropriate, please specify name and date of publication in the useful links section.

USEFUL LINKS (e.g. to review provider methodology or credentials, to issuer's documentation, etc.)

Corporate Social Responsibility section of Virgin Trains USA's website, available at:
https://www.gobrightline.com/people-culture#social_responsibility.

SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE

Type(s) of Review provided:

- | | |
|--|--|
| <input type="checkbox"/> Consultancy (incl. 2 nd opinion) | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification / Audit | <input type="checkbox"/> Rating |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

Review provider(s):

Date of publication:

ABOUT ROLE(S) OF INDEPENDENT REVIEW PROVIDERS AS DEFINED BY THE GBP

- i. Second Party Opinion: An institution with environmental expertise, that is independent from the issuer may issue a Second Party Opinion. The institution should be independent from the issuer's adviser for its Green Bond framework, or appropriate procedures, such as information barriers, will have been implemented within the institution to ensure the independence of the Second Party Opinion. It normally entails an assessment of the alignment with the Green Bond Principles. In particular, it can include an assessment of the issuer's overarching objectives, strategy, policy and/or processes relating to environmental sustainability, and an evaluation of the environmental features of the type of projects intended for the Use of Proceeds.
- ii. Verification: An issuer can obtain independent verification against a designated set of criteria, typically pertaining to business processes and/or environmental criteria. Verification may focus on alignment with internal or external standards or claims made by the issuer. Also, evaluation of the environmentally sustainable features of underlying assets may be termed verification and may reference external criteria. Assurance or attestation regarding an issuer's internal tracking method for use of proceeds, allocation of funds from Green Bond proceeds, statement of environmental impact or alignment of reporting with the GBP, may also be termed verification.
- iii. Certification: An issuer can have its Green Bond or associated Green Bond framework or Use of Proceeds certified against a recognised external green standard or label. A standard or label defines specific criteria, and alignment with such criteria is normally tested by qualified, accredited third parties, which may verify consistency with the certification criteria.
- iv. Green Bond Scoring/Rating: An issuer can have its Green Bond, associated Green Bond framework or a key feature such as Use of Proceeds evaluated or assessed by qualified third parties, such as specialised research providers or rating agencies, according to an established scoring/rating methodology. The output may include a focus on environmental performance data, the process relative to the GBP, or another benchmark, such as a 2-degree climate change scenario. Such scoring/rating is distinct from credit ratings, which may nonetheless reflect material environmental risks.

Disclaimer

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The Opinion was drawn up with the aim to provide objective information on why the analyzed bond is considered sustainable and responsible, and is intended for investors in general, and not for a specific investor in particular. Consequently, this Opinion is for information purposes only and Sustainalytics will not accept any form of liability for the substance of the opinion and/or any liability for damage arising from the use of this Opinion and/or the information provided in it.

As the Opinion is based on information made available by the client, the information is provided “as is” and, therefore Sustainalytics does not warrant that the information presented in this Opinion is complete, accurate or up to date, nor assumes any responsibility for errors or omissions. Any reference to third party names is for appropriate acknowledgement of their ownership and does not constitute a sponsorship or endorsement by such owner.

Nothing contained in this Opinion shall be construed as to make a representation or warranty, express or implied, regarding the advisability to invest in or include companies in investable universes and/or portfolios. Furthermore, nothing contained in this Opinion shall be construed as an investment advice (as defined in the applicable jurisdiction), nor be interpreted and construed as an assessment of the economic performance and credit worthiness of the bond, nor to have focused on the effective allocation of the funds’ use of proceeds.

The client is fully responsible for certifying and ensuring its commitments’ compliance, implementation and monitoring.

Sustainalytics

Sustainalytics is a leading independent ESG and corporate governance research, ratings and analytics firm that support investors around the world with the development and implementation of responsible investment strategies. With 13 offices globally, the firm partners with institutional investors who integrate ESG information and assessments into their investment processes. Spanning 30 countries, the world's leading issuers, from multinational corporations to financial institutions to governments, turn to Sustainalytics for second-party opinions on green and sustainable bond frameworks. Sustainalytics has been certified by the Climate Bonds Standard Board as a verifier organization, and supports various stakeholders in the development and verification of their frameworks. In 2015, Global Capital awarded Sustainalytics "Best SRI or Green Bond Research or Ratings Firm" and in 2018 and 2019, named Sustainalytics the "Most Impressive Second Party Opinion Provider". The firm was recognized as the "Largest External Reviewer" by the Climate Bonds Initiative as well as Environmental Finance in 2018, and in 2019 was named the "Largest Approved Verifier for Certified Climate Bonds" by the Climate Bonds Initiative. In addition, Sustainalytics received a Special Mention Sustainable Finance Award in 2018 from The Research Institute for Environmental Finance Japan and the Minister of the Environment Award in the Japan Green Contributor category of the Japan Green Bond Awards in 2019.

For more information, visit www.sustainalytics.com

Or contact us info@sustainalytics.com



APPENDIX I-1

BOND COUNSEL OPINION

(See attached)

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June 20, 2019

Florida Development Finance Corporation
156 Tuskawilla Road, Suite 2340
Winter Springs, Florida 32708

Morgan Stanley & Co. LLC,
as Underwriter
1585 Broadway
New York, New York 10036

**Re: \$950,000,000 Florida Development Finance Corporation
Surface Transportation Facility Revenue Bonds
(Virgin Trains USA Passenger Rail Project), Series 2019B**

Ladies and Gentlemen:

We have acted as Bond Counsel to Virgin Trains USA Florida LLC (f/k/a Brightline Trains LLC, f/k/a All Aboard Florida -- Operations LLC), a Delaware limited liability company (the "Borrower"), in connection with the issuance by Florida Development Finance Corporation (the "Issuer") of its Surface Transportation Facility Revenue Bonds (Virgin Trains USA Passenger Rail Project), Series 2019B, in the aggregate principal amount of \$950,000,000 (the "Series 2019B Bonds") pursuant to the provisions of the Florida Development Finance Corporation Act, Chapter 288, Part X, Florida Statutes, as amended (the "Act"), and other applicable provisions of law, and Resolutions adopted by the Issuer on August 5, 2015, October 27, 2017, August 29, 2018 and April 5, 2019 (collectively, the "Resolution"), to accomplish the public purposes of the Act by providing funds to finance or refinance the costs of acquiring, constructing, improving and equipping a passenger rail system from Miami to Orlando, Florida (collectively, the "Project"), with proceeds of the Bonds to be spent only to finance or refinance Project Costs allocable to the portions of the Project located in the respective jurisdictions of Miami-Dade County, Florida, Broward County, Florida, Palm Beach County, Florida, Brevard County, Florida and Orange County, Florida.

We have examined the Resolution, the Bond Purchase Agreement dated June 13, 2019 (the "Bond Purchase Agreement"), among the Issuer, the Borrower and Morgan Stanley & Co. LLC, as underwriter (the "Underwriter"), the Official Statement, dated June 13, 2019, relating to the Series 2019B Bonds (the "Official Statement"), and such certified proceedings and other papers as we deem necessary to render this opinion. Capitalized terms used but not defined herein shall have the meanings given to them in the Bond Purchase Agreement.

The opinions expressed herein are supplemental to, and are subject to all qualifications and limitations contained in, our approving opinion of even date herewith pertaining to the issuance of the Series 2019B Bonds.

As to questions of fact material to our opinion, we have relied upon representations of the Issuer and the Borrower contained in the transcript of proceedings relating to the issuance of the Series 2019B Bonds and certain public record certifications of public officials, furnished to us, without undertaking to verify such facts by independent investigation, and we are not aware that any such representations are inaccurate in any material respect.

Based upon the foregoing, we are of the opinion, under existing law, that:

1. The Bond Purchase Agreement has been duly executed and delivered by the Issuer and is a legal, valid and binding obligation of the Issuer enforceable in accordance with its terms, subject to laws relating to bankruptcy, insolvency, reorganization or creditors' rights generally, to the application of equitable principles, the exercise of judicial discretion and the limitations on legal remedies against public entities in the State of Florida.
2. The Series 2019B Bonds are not subject to the registration requirements of the 1933 Act, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.
3. The statements contained in the Official Statement on the cover page and in the sections entitled "SECURITY AND SOURCES OF REPAYMENT FOR THE SERIES 2019B BONDS" (other than information concerning DTC and the book-entry system and the financial and statistical information included therein as to which no opinion is expressed) and "DESCRIPTION OF THE SERIES 2019B BONDS" (other than the information concerning DTC and the book-entry system), insofar as such statements expressly summarize certain provisions of the Indenture and the Series 2019B Bonds are accurate in all material respects. Also, the form and content of the bond counsel opinion attached as Appendix A to the Official Statement is accurate in all material respects.

This letter is furnished by us as bond counsel. No attorney-client relationship has existed or exists between our firm and the Underwriter in connection with the Series 2019B Bonds or by virtue of this letter. This letter is delivered to Morgan Stanley & Co. LLC, as underwriter, solely for its benefit and may not be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to, and may not be, relied upon by holders of the Series 2019B Bonds.

Respectfully submitted,



APPENDIX I-2

FORM OF BOND COUNSEL OPINION

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December 23, 2020

Florida Development Finance Corporation
Winter Springs, Florida

Deutsche Bank National Trust Company
as Trustee
New York, New York

The Bank of New York Mellon Trust Company, N.A.
as Co-Trustee
Jacksonville, Florida

**Re: \$950,000,000 Florida Development Finance Corporation Surface
Transportation Facility Revenue Bonds (Brightline Florida Passenger Rail
Project), Series 2019B**

Ladies and Gentlemen:

We have acted as Bond Counsel to Brightline Trains Florida LLC (f/k/a Virgin Trains USA Florida LLC), a Delaware limited liability company (together with its successors and assigns, the “Borrower”), in connection with the Conversion (as defined below) on this date to a Fixed Rate, and the remarketing on this date, of the Surface Transportation Facility Revenue Bonds (Brightline Florida Passenger Rail Project), Series 2019B, in the aggregate principal amount of \$950,000,000 (the “Series 2019B Bonds”), issued by the Florida Development Finance Corporation (the “Issuer”) pursuant to the provisions of the Florida Development Finance Corporation Act, Chapter 288, Part X, Florida Statutes, as amended (the “Act”), and other applicable provisions of law, and Resolution No. 15-04 adopted by the Board of the Issuer on August 5, 2015, as supplemented and amended by Resolution No. 17-09, adopted by the Board of the Issuer on October 27, 2017, Resolution No. 18-05 adopted by the Board of the Issuer on August 29, 2018, and Resolution No. 19-09 adopted by the Board of the Issuer on April 5, 2019 (collectively, the “Resolution”), to accomplish the public purposes of the Act by providing funds to pay or reimburse a portion of the costs of the design, development, acquisition, construction, installation, equipping, ownership, maintenance and administration of the Miami to Orlando portion of a privately owned and operated intercity passenger rail system and related facilities, with stations located or to be located initially in Orlando, West Palm Beach, Fort Lauderdale and Miami, Florida (collectively, the “Project”).

As Bond Counsel, we have reviewed a transcript of the proceedings for the remarketing of the Series 2019B Bonds on this date, including without limitation: (i) the Indenture of Trust dated as of April 18, 2019, as amended by a First Amendment to Indenture of Trust, dated as of October 20, 2020 (the “Original Indenture”), as previously amended and supplemented by that certain First Supplemental Indenture of Trust dated as of June 20, 2019 (as amended and supplemented by the First Amendment to First Supplemental Indenture dated as of June 18, 2020, the “First Supplemental Indenture,”) and by that certain Second Supplemental Indenture of Trust dated as of December 23, 2020 (the “Second Supplemental Indenture” and together with

the Original Indenture and the First Supplemental Indenture, the “Indenture”), each by and between the Issuer and Deutsche Bank National Trust Company, as trustee (the “Trustee”); (ii) the Senior Loan Agreement dated as of April 18, 2019 (the “Original Loan Agreement”), as amended and supplemented by that certain First Supplemental Senior Loan Agreement dated as of June 20, 2019 (the “First Supplemental Loan Agreement”) and by that certain Second Supplemental Senior Loan Agreement dated as of December 23, 2020 (the “Second Supplemental Senior Loan Agreement” and, together with the Original Loan Agreement and the First Supplemental Senior Loan Agreement, the “Loan Agreement”) between the Issuer and the Borrower; and (iii) the form of Series 2019B Bonds attached to the First Supplemental Indenture. We also have reviewed additional documentation included in the transcript of the proceedings for the issuance of the Series 2019B Bonds on June 20, 2019, and in the transcripts of proceedings for the remarketing of the Series 2019B Bonds on March 17, 2020 and on June 18, 2020. We also have reviewed the Act, the requirements of the Internal Revenue Code of 1986, as amended (the “Code”), and such other matters of law, documents, instruments, proceedings and opinions as we have deemed necessary to deliver this opinion. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Indenture.

The Series 2019B Bonds were issued originally on June 20, 2019 as Escrow Bonds pursuant to the First Supplemental Indenture. The proceeds of the Series 2019B Bonds were loaned to the Borrower to, upon satisfaction of the Escrow Release Conditions, finance and refinance the costs of completing the Project within the Series 2019A Counties.

We are delivering this opinion in connection with the remarketing of the Series 2019B Bonds as Released Bonds on the date hereof (the “Remarketing”) and the conversion of the Series 2019B Bonds to bear interest at a Fixed Rate to maturity (the “Conversion”).

As to questions of fact material to this opinion, we have relied upon the representations of the Borrower and the Issuer contained in the Loan Agreement, the Indenture and the Federal Tax Certificate, as applicable, and in the certified proceedings and other certifications of officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion that the Remarketing and the Conversion of the Series 2019B Bonds is permitted by the Act and the Indenture (without giving effect to the Second Supplemental Indenture) and will not, in and of themselves, adversely affect the excludability of interest on the Series 2019B Bonds from gross income for federal income tax purposes.

Please be advised that, except as otherwise specifically addressed in written opinions delivered by our firm on or prior to the date hereof, we have made no investigation and express no opinion as to whether any events have occurred (other than the Conversion and the Remarketing) or circumstances have existed since the issuance of the Series 2019B Bonds which could adversely affect the tax-exempt status of the interest thereon.

The opinions set forth above are based on existing statutes, regulations, rulings, court decisions and other relevant sources of applicable law. We do not guarantee that a particular

federal or state court or any administrative tribunal or agency would reach the same conclusion if it were to consider the question. We have neither applied for nor received a ruling from the IRS with respect to these conclusions, and there is no guarantee that the IRS would reach the same conclusions if it were to audit the Series 2019B Bonds.

Except as expressly stated above, we express no opinion as to any federal or state tax consequences of the ownership of, receipt of interest on, or disposition of, the Series 2019B Bonds. In giving the opinions related to federal income tax exemption set forth above, we have assumed the accuracy of certain representations made by the Issuer and the Borrower, which we have not independently verified, and compliance by the Issuer and the Borrower with certain covenants, that must be satisfied subsequent to the issuance of the Series 2019B Bonds. We call your attention to the fact that interest on the Bonds may be subject to federal income taxation retroactively to the date of issuance if such representations or assumptions are determined to have been inaccurate or if the Issuer or the Borrower fails to comply with such covenants. We have not undertaken to monitor compliance with such covenants or to advise any party as to changes in law or events that may take place after the date hereof that may affect the tax status of interest on the Series 2019B Bonds.

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.

Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result. Our opinion is given as of the date hereof, and we assume no obligation to revise or supplement our opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Respectfully submitted,

GREENBERG TRAURIG, P.A.

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APPENDIX J

FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT

(See attached)

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**AMENDED AND RESTATED
DISCLOSURE DISSEMINATION AGENT AGREEMENT**

This Amended and Restated Disclosure Dissemination Agent Agreement (the “Disclosure Agreement”), dated as of December 23, 2020, is executed and delivered by Brightline Trains Florida LLC (f/k/a Virgin Trains USA Florida LLC), a Delaware limited liability company (together with its successors and assigns, the “Company”), and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent (the “Disclosure Dissemination Agent” or “DAC”) for the benefit of the Holders (hereinafter defined) of the Bonds (hereinafter defined) and in order to assist the Company in processing certain continuing disclosure with respect to the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the “Rule”).

The services provided under this Disclosure Agreement solely relate to the execution of instructions received from the Company through use of the DAC system and do not constitute “advice” within the meaning of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Act”). DAC will not provide any advice or recommendation to the Company or anyone on the Company’s behalf regarding the “issuance of municipal securities” or any “municipal financial product” as defined in the Act and nothing in this Disclosure Agreement shall be interpreted to the contrary. DAC is not a “Municipal Advisor” as such term is defined in Section 15B of the Securities Exchange Act of 1934, as amended, and related rules.

RECITALS

WHEREAS, in connection with the original issuance of the Bonds, the Company and DAC entered into that certain Disclosure Dissemination Agent Agreement, dated as of June 20, 2019 (the “Original Disclosure Agreement”), whereby the Company appointed DAC as exclusive Disclosure Dissemination Agent for the benefit of the Holders of the Bonds and in order to assist the Company in processing certain continuing disclosure with respect to the Bonds in accordance with the Rule.

WHEREAS, in connection with the remarketing of the Bonds, the Company and DAC desire to amend and restate the Original Disclosure Agreement.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereby agree as follows:

SECTION 1. Definitions. Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Limited Remarketing Memorandum (hereinafter defined). The capitalized terms shall have the following meanings:

“Annual Filing Date” means the date, set in Sections 2(a) and 2(f) hereof, by which the Annual Report is to be filed with the MSRB.

“Annual Financial Information” means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

“Annual Report” means an Annual Report containing Annual Financial Information described in and consistent with Section 3 of this Disclosure Agreement.

“Audited Financial Statements” means the annual financial statements of the Company for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i)(B) of the Rule and specified in Section 3(b) of this Disclosure Agreement.

“Bonds” means the Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Florida Passenger Rail Project), Series 2019B, in the aggregate principal amount of \$950,000,000 issued pursuant to the Indenture.

“Certification” means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure required to be submitted to the MSRB under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by the Company and include the full name of the Bonds and the 9-digit CUSIP numbers for all Bonds to which the document applies.

“Disclosure Dissemination Agent” means Digital Assurance Certification, L.L.C, acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the Company pursuant to Section 9 hereof.

“Disclosure Representative” means Jeff Swiatek or his designee, or such other person as the Company shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Failure to File Event” means the Company’s failure to file an Annual Report on or before the Annual Filing Date.

“Force Majeure Event” means: (i) acts of God, war, or terrorist action; (ii) failure or shut-down of the Electronic Municipal Market Access system maintained by the MSRB; or (iii) to the extent beyond the Disclosure Dissemination Agent’s reasonable control, interruptions in telecommunications or utilities services, failure, malfunction or error of any telecommunications, computer or other electrical, mechanical or technological application, service or system, computer virus, interruptions in Internet service or

telephone service (including due to a virus, electrical delivery problem or similar occurrence) that affect Internet users generally, or in the local area in which the Disclosure Dissemination Agent or the MSRB is located, or acts of any government, regulatory or any other competent authority the effect of which is to prohibit the Disclosure Dissemination Agent from performance of its obligations under this Disclosure Agreement.

“Holder” means any person (a) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) treated as the owner of any Bonds for federal income tax purposes.

“Indenture” means the Indenture of Trust, dated as of April 18, 2019, between the Issuer and the Trustee, as supplemented by that certain First Supplemental Indenture of Trust, dated as of June 20, 2019, as amended by the First Amendment to First Supplemental Indenture of Trust, dated as of June 18, 2020, and as further supplemented by that certain Second Supplemental Indenture of Trust, dated as of December 23, 2020.

“Information” means, collectively, the Annual Reports, the Audited Financial Statements, the Notice Event notices, the Failure to File Event notices, the Voluntary Event Disclosures and the Voluntary Financial Disclosures.

“Issuer” means the Florida Development Finance Corporation.

“Limited Remarketing Memorandum” means that Limited Remarketing Memorandum prepared by the Company in connection with the Bonds, as listed in Exhibit A.

“MSRB” means the Municipal Securities Rulemaking Board, or any successor thereto, established pursuant to Section 15B(b)(1) of the Exchange Act.

“Notice Event” means any of the events enumerated in paragraph (b)(5)(i)(C) of the Rule and listed in Section 4(a) of this Disclosure Agreement.

“Trustee” means Deutsche Bank National Trust Company.

“Voluntary Event Disclosure” means information of the category specified in any of subsections (e)(vi)(1) through (e)(vi)(11) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(a) of this Disclosure Agreement.

“Voluntary Financial Disclosure” means information of the category specified in any of subsections (e)(vii)(1) through (e)(vii)(9) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(b) of this Disclosure Agreement.

SECTION 2. Provision of Annual Reports.

(a) The Company shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent, together with a copy for the Trustee, not later than the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to the MSRB not later than the 30th day of April following the end of each fiscal year of the Company, commencing with the fiscal year ending December 31, 2020. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Company of its undertaking to provide the Annual Report pursuant to Section 2(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report and the Certification no later than two (2) business days prior to the Annual Filing Date, or (ii) instruct the Disclosure Dissemination Agent in writing that the Company will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Disclosure Dissemination Agent to immediately send a Failure to File Event notice to the MSRB in substantially the form attached as Exhibit B, which may be accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 10:00 a.m. Eastern time on Annual Filing Date (or, if such Annual Filing Date falls on a Saturday, Sunday or holiday, then the first business day thereafter) for the Annual Report, a Failure to File Event shall have occurred and the Company irrevocably directs the Disclosure Dissemination Agent to immediately send a Failure to File Event notice to the MSRB in substantially the form attached as Exhibit B without reference to the anticipated filing date for the Annual Report, which may be accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(d) If Audited Financial Statements of the Company are prepared but not available prior to the Annual Filing Date, the Company shall, when the Audited Financial Statements are available, provide at such time an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certification, together with a copy for the Trustee, if any, for filing with the MSRB.

(e) The Disclosure Dissemination Agent shall:

- (i) verify the filing specifications of the MSRB each year prior to the Annual Filing Date;

- (ii) upon receipt, promptly file each Annual Report received under Sections 2(a) and 2(b) hereof with the MSRB;
- (iii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) hereof with the MSRB;
- (iv) upon receipt, promptly file the text of each Notice Event received under Sections 4(a) and 4(b)(ii) hereof with the MSRB, identifying the Notice Event as instructed by the Company pursuant to Section 4(a) or 4(b)(ii) hereof (being any of the categories set forth below) when filing pursuant to Section 4(c) of this Disclosure Agreement:
 - 1. “Principal and interest payment delinquencies;”
 - 2. “Non-Payment related defaults, if material;”
 - 3. “Unscheduled draws on debt service reserves reflecting financial difficulties;”
 - 4. “Unscheduled draws on credit enhancements reflecting financial difficulties;”
 - 5. “Substitution of credit or liquidity providers, or their failure to perform;”
 - 6. “Adverse tax opinions, IRS notices or events affecting the tax status of the security;”
 - 7. “Modifications to rights of securities holders, if material;”
 - 8. “Bond calls, if material;”
 - 9. “Defeasances;”
 - 10. “Release, substitution, or sale of property securing repayment of the securities, if material;”
 - 11. “Rating changes;”
 - 12. “Tender offers;”
 - 13. “Bankruptcy, insolvency, receivership or similar event of the obligated person;”
 - 14. “Merger, consolidation, or acquisition of the obligated person, if material;”

15. “Appointment of a successor or additional trustee, or the change of name of a trustee, if material;”
 16. “Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material;” and
 17. “Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties;”
- (v) upon receipt (or irrevocable direction pursuant to Section 2(c) of this Disclosure Agreement, as applicable), promptly file a completed copy of Exhibit B to this Disclosure Agreement with the MSRB, identifying the filing as “Failure to provide annual financial information as required” when filing pursuant to Section 2(b)(ii) or Section 2(c) of this Disclosure Agreement;
- (vi) upon receipt, promptly file the text of each Voluntary Event Disclosure received under Section 7(a) hereof with the MSRB, identifying the Voluntary Event Disclosure as instructed by the Company pursuant to Section 7(a) (being any of the categories set forth below) when filing pursuant to Section 7(a) of this Disclosure Agreement:
1. “amendment to continuing disclosure undertaking;”
 2. “change in obligated person;”
 3. “notice to investors pursuant to bond documents;”
 4. “certain communications from the Internal Revenue Service;” other than those communications included in the Rule;
 5. “secondary market purchases;”
 6. “bid for auction rate or other securities;”
 7. “capital or other financing plan;”
 8. “litigation/enforcement action;”

9. “change of tender agent, remarketing agent, or other on-going party;”
 10. “derivative or other similar transaction;” and
 11. “other event-based disclosures;”
- (vii) upon receipt, promptly file the text of each Voluntary Financial Disclosure received under Section 7(b) hereof with the MSRB, identifying the Voluntary Financial Disclosure as instructed by the Company pursuant to Section 7(b) (being any of the categories set forth below) when filing pursuant to Section 7(b) of this Disclosure Agreement:
1. “quarterly/monthly financial information;”
 2. “Timing of annual disclosure (120/150 days);”
 3. “change in fiscal year/timing of annual disclosure;”
 4. “change in accounting standard;”
 5. “interim/additional financial information/operating data;”
 6. “budget;”
 7. “investment/debt/financial policy;”
 8. “information provided to rating agency, credit/liquidity provider or other third party;”
 9. “consultant reports;” and
 10. “other financial/operating data.”
- (viii) provide the Company evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The Company 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 Disclosure Dissemination Agent, Trustee (if any) and the MSRB, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(g) Anything in this Disclosure Agreement to the contrary notwithstanding, any Information received by the Disclosure Dissemination Agent before 10:00 a.m. Eastern time on any business day that it is required to file with the MSRB pursuant to the terms of this Disclosure

Agreement and that is accompanied by a Certification and all other information required by the terms of this Disclosure Agreement will be filed by the Disclosure Dissemination Agent with the MSRB no later than 11:59 p.m. Eastern time on the same business day; provided, however, the Disclosure Dissemination Agent shall have no liability for any delay in filing with the MSRB if such delay is caused by a Force Majeure Event provided that the Disclosure Dissemination Agent uses reasonable efforts to make any such filing as soon as possible.

SECTION 3. Content of Annual Reports.

(a) Each Annual Report shall contain Annual Financial Information with respect to the Company, including historical annual operating data addressing the following topics, which are addressed on a projected basis in various tables contained in the Limited Remarketing Memorandum and referenced below in parenthesis:

- (i) Ridership data (see estimate of ridership found in the Limited Remarketing Memorandum under the heading PASSENGER RIDERSHIP ESTIMATES FOR THE PROJECT – Key Findings and Ridership and Revenue Forecast – Estimated Ridership);
- (ii) Fare data (see projection of fare revenue found in the Limited Remarketing Memorandum in the chart labeled Project Fare Revenue Forecast, 2018 – 2040 found under the heading PASSENGER RIDERSHIP ESTIMATES FOR THE PROJECT – Key Findings and Ridership and Revenue Forecast – Estimated Ridership); and
- (iii) Debt service coverage data (see projection of debt service coverage found in the Limited Remarketing Memorandum under the heading PROJECTED DEBT SERVICE COVERAGE).

(b) Audited Financial Statements, if available, will be included in the Annual Report. If audited financial statements are not available, then unaudited financial statements, prepared in accordance with GAAP as described in the Limited Remarketing Memorandum will be included in the Annual Report, if reasonably available. If and when Audited Financial Statements become available, the same will be provided pursuant to Section 2(d).

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 Company is an “obligated person” (as defined by the Rule), which have been previously filed with the Securities and Exchange Commission or available on the MSRB Internet Website. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Company will clearly identify each such document so incorporated by reference.

If the Annual Financial Information contains modified operating data or financial information different from the Annual Financial Information agreed to in the continuing disclosure undertaking related to the Bonds, the Company is required to explain, in narrative form, the reasons

for the modification and the impact of the change in the type of operating data or financial information being provided.

SECTION 4. Reporting of Notice Events.

(a) The occurrence of any of the following events with respect to the Bonds constitutes a Notice Event:

- (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 Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of Bond holders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the Company;

Note to subsection (a)(xii) of this Section 4: For the purposes of the event described in subsection (a)(xii) of this Section 4, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Company 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 Company, 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 Company.

- (xiii) The consummation of a merger, consolidation, or acquisition involving the Company or the sale of all or substantially all of the assets of the Company, 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;
- (xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and
- (xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties

Note to subsections (a)(xv) and (xvi) of this Section 4: For the purposes of the events described subsections (a)(xv) and (xvi) of this Section 4, the term “financial obligation” means: (a) a debt obligation; (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

The Company shall, in a timely manner not later than nine (9) business days after its occurrence, notify the Disclosure Dissemination Agent in writing of the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c) and shall be accompanied by a Certification. Such notice or Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Company desires to make, contain the written authorization of the Company for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Company desires

for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(b) The Disclosure Dissemination Agent is under no obligation to notify the Company or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within two business days of receipt of such notice (but in any event not later than the tenth business day after the occurrence of the Notice Event, if the Company determines that a Notice Event has occurred), instruct the Disclosure Dissemination Agent that either (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to subsection (c) of this Section 4, together with a Certification. Such Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Company desires to make, contain the written authorization of the Company for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Company desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(c) If the Disclosure Dissemination Agent has been instructed by the Company as prescribed in subsection (a) or (b)(ii) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall promptly file a notice of such occurrence with MSRB in accordance with Section 2(e)(iv) hereof. This notice may be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

SECTION 5. CUSIP Numbers. The Company will provide the Dissemination Agent with the CUSIP numbers for (i) new bonds at such time as they are issued or become subject to the Rule and (ii) any Bonds to which new CUSIP numbers are assigned in substitution for the CUSIP numbers previously assigned to such Bonds.

SECTION 6. Additional Disclosure Obligations. The Company acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Exchange Act, may apply to the Company, and that the duties and responsibilities of the Disclosure Dissemination Agent under this Disclosure Agreement do not extend to providing legal advice regarding such laws. The Company acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

SECTION 7. Voluntary Filing.

(a) The Company may instruct the Disclosure Dissemination Agent to file a Voluntary Event Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Event Disclosure (which shall be any of the categories set forth in Section 2(e)(vi) of this Disclosure Agreement), include the text of the disclosure that the Company desires to make, contain the written

authorization of the Company for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Company desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Company as prescribed in this Section 7(a) to file a Voluntary Event Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Event Disclosure with the MSRB in accordance with Section 2(e)(vi) hereof. This notice may be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-2.

(b) The Company may instruct the Disclosure Dissemination Agent to file a Voluntary Financial Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Financial Disclosure (which shall be any of the categories set forth in Section 2(e)(vii) of this Disclosure Agreement), include the text of the disclosure that the Company desires to make, contain the written authorization of the Company for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Company desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Company as prescribed in this Section 7(b) hereof to file a Voluntary Financial Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Financial Disclosure with the MSRB in accordance with Section 2(e)(vii) hereof. This notice may be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-3.

(c) The parties hereto acknowledge that the Company is not obligated pursuant to the terms of this Disclosure Agreement to file any Voluntary Event Disclosure pursuant to Section 7(a) hereof or any Voluntary Financial Disclosure pursuant to Section 7(b) hereof.

(d) Nothing in this Disclosure Agreement shall be deemed to prevent the Company from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure, in addition to that required by this Disclosure Agreement. If the Company chooses to include any information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure in addition to that which is specifically required by this Disclosure Agreement, the Company shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure.

SECTION 8. Monthly, Quarterly, and Other Reporting. Using the procedures described in Section 7 concerning additional disclosure filings, the Company shall deliver to the Disclosure Dissemination Agent the following information for filing by the Disclosure Dissemination Agent not later than the dates indicated below:

(a) *Monthly Construction Reports.* Beginning with respect to construction for the first full month after the date of the remarketing of the Series 2019B Bonds and continuing until such time as the North Segment and the New In-Line Stations have achieved substantial

completion, by not later than the 20th day of each month, a monthly construction report as of the end of the previous month prepared by the Company and approved by the Technical Advisor containing the following information: (A) executive summary; (B) the general status of construction during such month, including variances in the overall schedule and construction timeline, and changes in the overall construction budget; (C) the status of satisfying each of the “Post-Closing Actions” as described in Section 6.31 of the Senior Loan Agreement; (D) to the extent the following could reasonably be expected to result in a Material Adverse Effect in the opinion of the Technical Advisor, report on any change orders delivered during such month; (E) the occurrence of any Loss Events; (F) to the extent any of the following could reasonably be expected to result in a Material Adverse Effect in the opinion of the Technical Advisor, design, construction and manufacturing critical issues, including without limitation draws on letters of credit or bonds during such month; (G) to the extent any of the following could reasonably be expected to result in a Material Adverse Effect in the opinion of the Technical Advisor, environmental mitigation status including compliance/non-compliance reports, completed mitigation efforts, public complaints, and non-compliance issues raised by regulatory/oversight agencies; and (H) a list of activities or milestones expected to be completed during the next calendar month;

(b) *Quarterly Unaudited Financial Statements.* Beginning in respect of the Fiscal Quarter ended March 31, 2021, and for each of the first three Fiscal Quarters of each fiscal year thereafter, by not later than the 90th day following any such Fiscal Quarter, unaudited quarterly financial statements, consisting of (i) an unaudited balance sheet of the Company as at the end of such Fiscal Quarter, setting forth in comparative form the corresponding figures of the previous Fiscal Year, and (ii) unaudited condensed statements of operations and comprehensive income/(loss) for such Fiscal Quarter and the period from the beginning of the then-current Fiscal Year to the end of such Fiscal Quarter, setting forth in each case in comparative form the figures from the corresponding periods of the previous Fiscal Year, prepared in accordance with GAAP and subject to normal year-end adjustments and the absence of footnotes, together with a narrative discussion of (A) the status of any additional material construction plans concerning the Project or expansions of the Project, but only if and when such construction plans are undertaken by the Company, (B) the status of the satisfaction of the various reserve requirements and the current balances in each reserve account and reserve sub-account established and maintained by the Trustee and the Collateral Agent in connection with the Bonds and the Project, (C) a debt service schedule of the Company’s currently amortizing debt (consisting of scheduled principal and interest payments and excluding, for the avoidance of doubt, mandatory tender payments), and (D) any other material developments in respect of the operations of the Company concerning the Project;

(c) *Monthly Ridership and Revenue Reports.* Beginning with respect to operations for the first full month following the remarketing of the Bonds, by not later than the 20th day of each month following the end of such month, a report showing the ridership and revenue results for such month; and

(d) *Other Reporting.* If and to the extent the Company becomes a “Reporting Company” under the Exchange Act, the Company shall provide a copy of any 10-K, 10-Q or 8-K (but only to the extent that such 8-K filings relate to a 10-K filing, a 10-Q filing or a Reportable

Event (as defined in Section 5)) public filings made pursuant to the requirements of the Exchange Act within 5 Business Day that such filing was made.

SECTION 9. Termination of Reporting Obligation. The obligations of the Company and the Disclosure Dissemination Agent under this Disclosure Agreement shall terminate with respect to the Bonds upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the Company is no longer an obligated person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Disclosure Dissemination Agent of an opinion of counsel expert in federal securities laws to the effect that continuing disclosure is no longer required.

SECTION 10. Disclosure Dissemination Agent. The Company has appointed Digital Assurance Certification, L.L.C. as exclusive Disclosure Dissemination Agent under this Disclosure Agreement. The Company may, upon thirty days written notice to the Disclosure Dissemination Agent and the Trustee, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of the Company or DAC, the Company agrees to appoint a successor Disclosure Dissemination Agent or, alternately, agrees to assume all responsibilities of Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. Notwithstanding any replacement or appointment of a successor, the Company shall remain liable to the Disclosure Dissemination Agent until payment in full for any and all sums owed and payable to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to the Company.

SECTION 11. Remedies in Event of Default. In the event of a failure of the Company or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders' rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with this Disclosure Agreement shall not constitute a default on the Bonds or under any other document relating to the Bonds, and all rights and remedies shall be limited to those expressly stated herein.

SECTION 12. Duties, Immunities and Liabilities of Disclosure Dissemination Agent.

(a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Company has provided such information to the Disclosure Dissemination Agent as required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information or any other information, disclosures or notices provided to it by the Company and shall not be deemed to be acting in any fiduciary capacity for the Company, the Holders of the Bonds or any other party. The Disclosure Dissemination Agent shall have no responsibility for the Company's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Company has complied with this

Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon Certifications of the Company at all times.

The obligations of the Company under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the Company.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

SECTION 13. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Company and the Disclosure Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to both the Company and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Bonds and 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; provided neither the Company or the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

Notwithstanding the preceding paragraph, the Disclosure Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement which, in the opinion of counsel, are necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time by giving not less than 20 days written notice of the intent to do so together with a copy of the proposed amendment to the Company. No such amendment shall become effective if the Company shall, within 10 days following the giving of such notice, send a notice to the Disclosure Dissemination Agent in writing that it objects to such amendment.

SECTION 14. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Company, the Trustee, if any, for the Bonds, the Disclosure Dissemination Agent, the underwriter, and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 15. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Florida (other than with respect to conflicts of laws).

SECTION 16. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 17. Delivery or Performance to Occur on a Business Day. In the event that any document or report is required to be delivered or filed, or any action is required to be taken or performed, hereunder on a day that is not a Business Day, the due date thereof shall be extended to the immediately succeeding Business Day.

[Remainder of page intentionally left blank.]

The Disclosure Dissemination Agent and the Company have caused this Continuing Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

DIGITAL ASSURANCE CERTIFICATION,
L.L.C., as Disclosure Dissemination Agent

By: _____
Name: _____
Title: _____

BRIGHTLINE TRAINS FLORIDA LLC (F/K/A
VIRGIN TRAINS USA FLORIDA LLC), a
Delaware limited liability company, as Company

By: _____
Name: _____
Title: _____

EXHIBIT A

NAME AND CUSIP NUMBERS OF BONDS

Name of Issuer: Florida Development Finance Corporation

Obligated Person(s): Brightline Trains Florida LLC (f/k/a Virgin Trains USA Florida LLC)

Name of Bond Issue: Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Florida Passenger Rail Project), Series 2019B, in the aggregate principal amount of \$950,000,000

Date of Issuance: June 20, 2019

Date of Limited Remarketing Memorandum: December 11, 2020

CUSIP Numbers:

EXHIBIT B

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Florida Development Finance Corporation

Obligated Person(s): Brightline Trains Florida LLC (f/k/a Virgin Trains USA Florida LLC)

Name of Bond Issue: Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Florida Passenger Rail Project), Series 2019B, in the aggregate principal amount of \$950,000,000

Date of Issuance: June 20, 2019

Date of Limited Remarketing Memorandum: December 11, 2020

NOTICE IS HEREBY GIVEN that the Company has not provided an Annual Report with respect to the above-named Bonds as required by the Disclosure Agreement between the Company and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent. [The Company has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be filed by April 30, [_____].

Dated: _____.

Digital Assurance Certification, L.L.C., as
Disclosure Dissemination Agent, on behalf of the
Company

cc: [Company Representative]

EXHIBIT C-1

EVENT NOTICE COVER SHEET

This cover sheet and accompanying "event notice" may be sent to the MSRB, pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Issuer's and/or Other Obligated Person's Name:

Florida Development Finance Corporation

Issuer's Six-Digit CUSIP Number:

[]

or Nine-Digit CUSIP Number(s) of the bonds to which this event notice relates:

[]

Number of pages attached: []

____ Description of Notice Events (Check One):

1. ____ "Principal and interest payment delinquencies;"
2. ____ "Non-Payment related defaults, if material;"
3. ____ "Unscheduled draws on debt service reserves reflecting financial difficulties;"
4. ____ "Unscheduled draws on credit enhancements reflecting financial difficulties;"
5. ____ "Substitution of credit or liquidity providers, or their failure to perform;"
6. ____ "Adverse tax opinions, IRS notices or events affecting the tax status of the security;"
7. ____ "Modifications to rights of securities holders, if material;"
8. ____ "Bond calls, if material;"
9. ____ "Defeasances;"
10. ____ "Release, substitution, or sale of property securing repayment of the securities, if material;"
11. ____ "Rating changes;"
12. ____ "Tender offers;"
13. ____ "Bankruptcy, insolvency, receivership or similar event of the obligated person;"
14. ____ "Merger, consolidation, or acquisition of the obligated person, if material;"
15. ____ "Appointment of a successor or additional trustee, or the change of name of a trustee, if material;"
16. ____ "Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material;" and
17. ____ "Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties."

____ Failure to provide annual financial information as required.

I hereby represent that I am authorized by the Company or its agent to distribute this information publicly:

Signature:

Name: _____

Title: _____

Digital Assurance Certification, L.L.C.

390 N. Orange Avenue

Suite 1750

Orlando, FL 32801

407-515-1100

Date:

EXHIBIT C-2

VOLUNTARY EVENT DISCLOSURE COVER SHEET

This cover sheet and accompanying “voluntary event disclosure” may be sent to the MSRB, pursuant to the Amended and Restated Disclosure Dissemination Agent Agreement dated as of [●], 2020, between the Company and the DAC.

Issuer’s and/or Other Obligated Person’s Name:

Florida Development Finance Corporation

Issuer’s Six-Digit CUSIP Number:

[]

or Nine-Digit CUSIP Number(s) of the bonds to which this event notice relates:

[]

Number of pages attached: [____]

____ Description of Voluntary Event Disclosure (Check One):

- 1. ____ “amendment to continuing disclosure undertaking;”
- 2. ____ “change in obligated person;”
- 3. ____ “notice to investors pursuant to bond documents;”
- 4. ____ “certain communications from the Internal Revenue Service;”
- 5. ____ “secondary market purchases;”
- 6. ____ “bid for auction rate or other securities;”
- 7. ____ “capital or other financing plan;”
- 8. ____ “litigation/enforcement action;”
- 9. ____ “change of tender agent, remarketing agent, or other on-going party;”
- 10. ____ “derivative or other similar transaction;” and
- 11. ____ “other event-based disclosures.”

I hereby represent that I am authorized by the Company or its agent to distribute this information publicly:

Signature:

Name: _____ Title: _____

Digital Assurance Certification, L.L.C.
390 N. Orange Avenue
Suite 1750
Orlando, FL 32801
407-515-1100

Date:

EXHIBIT C-3

VOLUNTARY FINANCIAL DISCLOSURE COVER SHEET

This cover sheet and accompanying "voluntary financial disclosure" may be sent to the MSRB, pursuant to the Amended and Restated Disclosure Dissemination Agent Agreement dated as of [●], 2020, between the Company and DAC.

Issuer's and/or Other Obligated Person's Name:

Florida Development Finance Corporation

Issuer's Six-Digit CUSIP Number:

[]

or Nine-Digit CUSIP Number(s) of the bonds to which this event notice relates:

[]

Number of pages attached: [____]

____ Description of Voluntary Financial Disclosure (Check One):

1. ____ "quarterly /monthly financial information;"
2. ____ "change in fiscal year/timing of annual disclosure;"
3. ____ "change in accounting standard;"
4. ____ "interim/additional financial information/operating data;"
5. ____ "budget;"
6. ____ "investment/debt/financial policy;"
7. ____ "information provided to rating agency, credit/liquidity provider or other third party;"
8. ____ "consultant reports;" and
9. ____ "other financial/operating data."

I hereby represent that I am authorized by the Company or its agent to distribute this information publicly:

Signature:

Name: _____ Title: _____

Digital Assurance Certification, L.L.C.
390 N. Orange Avenue
Suite 1750
Orlando, FL 32801
407-515-1100

Date:

APPENDIX K

BOOK-ENTRY-ONLY SYSTEM

(See attached)

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BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Series 2019B Bonds. The Series 2019B Bonds will be remarketed as fully-registered bonds registered in the name of Cede & Co. (DTC’s nominee) or such other name as may be requested by an authorized representative of DTC. One or more fully-registered bond certificates will be remarketed for Series 2019B Bonds and will be deposited with DTC.

DTC, the world’s largest securities depository, 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 3.5 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 (“Indirect Participants” and together with the Direct Participants, the “Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Series 2019B Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2019B Bonds on DTC’s records. The ownership interest of each actual purchaser of Series 2019B Bonds (“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 through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2019B Bonds are to be accomplished by entries made on the books of Direct or Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2019B Bonds, except in the event that use of the book-entry system for the Series 2019B Bonds is discontinued.

To facilitate subsequent transfers, all Series 2019B Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2019B Bonds with DTC

and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2019B Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2019B 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 may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2019B Bonds, such as redemptions, defaults, and proposed amendments to the bond documents. For example, Beneficial Owners may wish to ascertain that the nominee holding the Series 2019B 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 notices be provided directly to them. Redemption notices shall be sent to DTC. If less than all of the Series 2019B Bonds within an issue 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 the Series 2019B Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an omnibus proxy (the "Omnibus Proxy") to the Issuer 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 2019B Bonds are credited on the Record Date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on the Series 2019B 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 Trustee or the Issuer, on the date payable 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 Trustee, the Issuer or the Company, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee. 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 2019B Bonds at any time by giving reasonable notice to the Issuer or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, bond certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered.

THE INFORMATION PROVIDED ABOVE HAS BEEN PROVIDED BY DTC. NO REPRESENTATION IS MADE BY THE ISSUER, THE COMPANY OR THE REMARKETING AGENTS AS TO THE ACCURACY OR ADEQUACY OF SUCH INFORMATION PROVIDED BY DTC OR AS TO THE ABSENCE OF MATERIAL ADVERSE CHANGES IN SUCH INFORMATION SUBSEQUENT TO THE DATE HEREOF.

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APPENDIX L

FORM OF INVESTOR LETTER

(See attached)

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INVESTOR LETTER

Florida Development Finance Corporation
Winter Springs, Florida

Deutsche Bank National Trust Company
Jersey City, New Jersey

The undersigned, an authorized representative of _____, a _____ (the “Investor”), does hereby represent and agree, as follows:

1. The Investor is being offered an opportunity to participate in a remarketing of \$950,000,000 aggregate principal amount of the Surface Transportation Facility Revenue Bonds (Brightline Florida Passenger Rail Project), Series 2019B (Green Bonds) (the “Series 2019B Bonds”) originally issued by the Florida Development Finance Corporation (the “Issuer”).

2. The Investor has authority to purchase the Series 2019B Bonds and to execute this letter and any other instruments and documents required to be executed by the Investor in connection with the purchase of the Series 2019B Bonds.

3. The undersigned is a duly appointed, qualified and acting representative of the Investor and is authorized to cause the Investor to make the certifications, representations and warranties contained herein by execution of this letter on behalf of the Investor.

4. The Investor acknowledges that the Series 2019B Bonds are not general obligations of the Issuer, but are special, limited obligations payable and secured solely as provided for in the Indenture of Trust (the “Original Indenture”) as supplemented by the First Supplemental Indenture of Trust, as amended by the First Amendment To First Supplemental Indenture of Trust (as so amended, the “First Supplemental Indenture”), and as further Supplemented by the Second Supplemental Indenture of Trust (the “Second Supplemental Indenture,” and together with the Original Indenture and First Supplemental Indenture, the “Indenture”) between the Issuer and Deutsche Bank National Trust Company, as Trustee.

5. The Investor has the ability to bear the economic risks of an investment in the Series 2019B Bonds and is either a “qualified institutional buyer” as that term is defined under Rule 144A of the Securities Act of 1933, as amended (the “Securities Act”) or an “accredited investor” within the meaning of Rule 501(a) under the Securities Act .

6. The Investor has reviewed the Preliminary Limited Remarketing Memorandum dated November 30, 2020 provided with respect to the Series 2019B Bonds. The Investor acknowledges that it has either been supplied with or been given access to information regarding the Series 2019B Bonds to which a reasonable investor would attach significance in making investment decisions. Further, the Investor has had the opportunity to ask questions and receive answers from knowledgeable individuals regarding the Series 2019B Bonds. As a result of such access to information and opportunities for questions, the Investor (as a reasonable investor) has been able to make its decision to purchase the Series 2019B Bonds.

7. The Investor is sufficiently knowledgeable and experienced in financial and business matters, including the purchase and ownership of municipal and other tax-exempt obligations, to be able

to evaluate the risks and merits of an investment in the Series 2019B Bonds, and is capable of making its own investigation in connection with its decision to purchase the Series 2019B Bonds.

8. If the Investor purchases the Series 2019B Bonds, it hereby acknowledges that the Series 2019B Bonds will only be purchased for the purpose of investment, and the Investor intends to hold the Series 2019B Bonds for its own account, without a current view to any distribution or sale of the Series 2019B Bonds. The Investor acknowledges that it may need to bear the risks of any such investment for an indefinite time, since any sale prior to maturity may not be possible. Notwithstanding the foregoing but subject to the terms of the Indenture and the restrictions on sale, assignment, negotiation and transfer set forth in paragraph 10 below, the undersigned will have the right to sell, offer for sale, pledge, transfer, convey, hypothecate, mortgage or dispose of the Series 2019B Bonds at some future date determined by the Investor.

9. The Investor acknowledges that the Series 2019B Bonds will not be listed on any stock or other securities exchange and were issued without registration under the provisions of the Securities Act, or any state securities laws.

10. The Investor agrees that, except as otherwise set forth in the Indenture, the beneficial ownership of the Series 2019B Bonds may be transferred only to a financial institution or other entity that is a “qualified institutional buyer” as that term is defined under Rule 144A of the Securities Act or an “accredited investor” within the meaning of Rule 501(a) under the Securities Act. Any transfer in violation of this requirement shall be null and void.

IN WITNESS WHEREOF, the undersigned has hereunto set its hands this _____ day of _____, 2020.

as Investor

By: _____

Its: _____

brightline



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