

Resolution No. 16-10  
[Series Resolution]

RESOLUTION SUPPLEMENTING RESOLUTION NO. 16-9 OF THE VIRGINIA PORT AUTHORITY AND AUTHORIZING THE ISSUANCE OF UP TO \$350,000,000 PORT FACILITIES REVENUE REFUNDING BONDS, SERIES 2016, FOR THE PURPOSE OF DEFEASING ALL OUTSTANDING BONDS ISSUED UNDER HERETOFORE ADOPTED RESOLUTION NO. 97-5, TERMINATING ALL OUTSTANDING EQUIPMENT LEASES ISSUED UNDER RESOLUTION NO. 97-5 AND TERMINATING RESOLUTION 97-5 AND THE TRUST ESTATE CREATED THEREBY (INCLUDING THE IMPLEMENTATION OF AN ALTERNATIVE FORM OF PREPAYMENT AS PART OF THE DEFEASANCE); DIRECTING THE TRANSFER AND DEPOSIT OF VARIOUS FUNDS MADE AVAILABLE ON ACCOUNT OF THE AFORESAID DEFEASANCE; ESTABLISHING GUIDELINES AND STANDARDS AND DELEGATING TO THE EXECUTIVE DIRECTOR OF THE AUTHORITY RESPONSIBILITY FOR FIXING THE PRINCIPAL AMOUNT, THE MATURITY DATES, THE INTEREST RATES, THE REDEMPTION PROVISIONS AND OTHER DETAILS OF SUCH REVENUE REFUNDING BONDS; PROVIDING FOR THE APPLICATION OF PROCEEDS THEREOF AND FOR THE AWARD OF SAID REVENUE REFUNDING BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF BOND PURCHASE AGREEMENTS WITH RESPECT TO SAID REVENUE REFUNDING BONDS; DIRECTING THE AUTHENTICATION AND DELIVERY OF SAID REVENUE REFUNDING BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE AGREEMENT; AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT RELATING TO SAID REVENUE REFUNDING BONDS, AND APPROVING AN OFFICIAL STATEMENT RELATING THERETO; AUTHORIZING AN ESCROW DEPOSIT AGREEMENT FOR THE PURPOSE OF SAID DEFEASANCE; AUTHORIZING THE TERMINATION OF THE SERVICE AGREEMENT WITH VIRGINIA INTERNATIONAL TERMINALS, LLC, AND THE EXECUTION AND DELIVERY OF A PAYMENT AGREEMENT WITH VIRGINIA INTERNATIONAL TERMINALS, LLC.

WHEREAS, the Virginia Port Authority (the “Authority”) acting by its Board of Commissioners (the “Board”) has heretofore adopted Resolution No. 16-9 (the “Bond Resolution”), which in Section 208 authorizes the issuance of the Series 2016 Bonds (as hereinafter defined); and

WHEREAS, the Authority has issued, and there are currently outstanding in the aggregate principal amount of \$245,505,000, multiple series of its Port Facilities Revenue Bonds and Port Facilities Revenue Refunding Bonds (collectively, the “Outstanding Bonds”) issued under its Resolution No. 97-5, as supplemented and amended (the “1997 Resolution”); and

WHEREAS, the Authority has issued, and there are currently outstanding in the aggregate principal amount of \$14,158,674.96, its Master Equipment Leases (collectively, the “Outstanding Equipment Leases” and together with the Outstanding Bonds, the “Obligations To Be Refunded”) under the 1997 Resolution; and

WHEREAS, the Authority has determined that it is necessary and desirable to defease the Outstanding Bonds and to terminate the Outstanding Equipment Leases so that upon the defeasance of the Outstanding Bonds and the termination of the Outstanding Equipment Leases, the 1997 Resolution may be rescinded and terminated pursuant to Section 1201(a) thereof and the estate pledged to the trustee thereunder may cease, terminate and become void; and

WHEREAS, the Authority has determined to refund and defease the Outstanding Bonds and terminate the Outstanding Equipment Leases to the extent possible from unencumbered cash and investments on hand together with the proceeds from the issuance and sale of revenue refunding bonds pursuant to Section 208 of the Bond Resolution in an aggregate principal amount not to exceed \$350,000,000 in two or more series, one to be designated the "Virginia Port Authority Port Facilities Revenue Refunding Bonds, Series 2016A (Taxable)" (the "Series 2016A Bonds"), the other to be designated the "Virginia Port Authority Port Facilities Revenue Refunding Bonds, Series 2016B (AMT)" (the "Series 2016B Bonds"), and any others to be designated as the Executive Director shall so determine in a Series Certificate delivered at closing of the issuance and sale of the Series 2016 Bonds (the "Closing Date") (collectively, the "Series 2016 Bonds"); and

WHEREAS, the Authority has determined that it is necessary and desirable to terminate the Service Agreement, by and between the Authority and Virginia International Terminals, LLC ("VIT"), dated June 1, 1997, as amended and restated (the "Service Agreement"), simultaneously with the issuance and sale of the Series 2016 Bonds; and

WHEREAS, there has been presented to the Board a proposed Payment Agreement, by and between the Authority and VIT, to be dated of even date with the issuance and sale of the Series 2016 Bonds, together with a Joinder To Payment Agreement, executed by HRCP II, L.L.C. (collectively, the "Payment Agreement"), which Payment Agreement will satisfy the obligations of the Authority pursuant to Section 718(b) of the Bond Resolution; and

WHEREAS, there has also been presented to the Board the following: (i) a proposed Preliminary Official Statement describing the Series 2016 Bonds, the security therefor, and the Authority and its operations (the "Preliminary Official Statement"), (ii) the form of the hereinafter-defined Bond Purchase Agreement, (iii) the form of a proposed Escrow Deposit Agreement to be entered into with an escrow agent, pursuant to which a portion of the proceeds of the Series 2016 Bonds will be invested in Defeasance Obligations (as such term is defined in the 1997 Resolution) that mature in amounts and pay interest at rates sufficient to pay, when due, all of the outstanding principal, redemption premium, and interest on the Outstanding Bonds (the "Escrow Deposit Agreement"), and (iv) the form of a Continuing Disclosure Agreement as set forth in an Appendix to the Preliminary Official Statement (collectively, the "Refunding Documents"); and

WHEREAS, Morgan Stanley & Co. LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated (collectively, the "Co-Senior Managing Underwriters") have presented to the Board the form of a proposed Bond Purchase Agreement between the Co-Senior Managing Underwriters and the Authority, by which the Co-Senior Managing Underwriters anticipate making a proposal for the sale by the Authority, and the purchase by the Co-Senior Managing Underwriters, of all or a portion of the Series 2016 Bonds (the "Bond Purchase Agreement"); and

WHEREAS, the Board has duly reviewed and considered the forms of the Payment Agreement and the Refunding Documents and has determined that each is in acceptable form; and

WHEREAS, the Board has found and determined that the issuance and sale of the Series 2016 Bonds on the terms contemplated hereby are in conformity with the purposes of the Authority set forth in the Act and are in the public interest and otherwise beneficial to the Commonwealth of Virginia; and

WHEREAS, Section 208 of the Bond Resolution contemplates that the Board will fix or provide for in this Series Resolution the aggregate principal amount of the Series 2016 Bonds, the maturity dates, the interest rates, the redemption provisions and other details thereof and provide for the application of the proceeds thereof; and

WHEREAS, the Board has determined that it is necessary to delegate to the Executive Director the authority to approve the sale of the Series 2016 Bonds and the details of the Series 2016 Bonds that cannot be determined except under actual market conditions as they exist at the time of the issuance of the Series 2016 Bonds, but subject to the parameters established hereby.

NOW, THEREFORE, IT IS RESOLVED by the Board of the Authority, as follows:

Section 1. Authorization of Bonds. (a) Pursuant to Section 208 of the Bond Resolution, the Authority is hereby authorized to issue the Series 2016 Bonds in an aggregate principal amount not to exceed \$350,000,000 for the purpose of providing funds, with other funds available therefor, (i) to defease the Outstanding Bonds issued under the 1997 Resolution, (ii) to terminate the Outstanding Equipment Leases issued under the 1997 Resolution, (iii) to make certain deposits to the credit of the Series 2016A and 2016B Debt Service Reserve Accounts (as herein defined) and any other Debt Service Reserve Accounts established for any additional Series 2016 Bonds, if necessary as determined by the Executive Director in a Series Certificate executed and delivered on the Closing Date, and (iv) to pay the costs incident to the issuance of the Series 2016 Bonds. The Series 2016 Bonds shall mature no later than July 1, 2051.

(b) Subject to the provisions of Section 6 of this Resolution, the Series 2016 Bonds will be issued in fully registered form, in the name of Cede & Co., a nominee of The Depository Trust Company, New York, New York (“DTC”), and immobilized in the custody of DTC or otherwise as may be permitted by DTC’s rules. One Series 2016A Bond and one Series 2016B Bond will be issued for the original principal amount of each maturity of each series respectively. Beneficial owners will not receive physical delivery of the Series 2016 Bonds. Individual purchases of Series 2016 Bonds may be made in book-entry form only in original principal amounts of \$5,000 and integral multiples of \$5,000. Payments of the principal of and premium, if any, and interest on the Series 2016 Bonds will be made to DTC or its nominee as registered owner of the Series 2016 Bonds on the applicable payment date.

So long as Cede & Co., or its successor, as nominee, is the registered owner of the Series 2016 Bonds, references in the Bond Resolution or this Series Resolution to the Holders of the

Series 2016 Bonds mean Cede & Co. and do not mean the beneficial owners of the Series 2016 Bonds.

Replacement Series 2016 Bonds (the “Replacement Bonds”) will be issued directly to beneficial owners of Series 2016 Bonds rather than to DTC, or its nominee, but only in the event that:

- (1) DTC determines not to continue to act as securities depository for the Series 2016 Bonds;
- (2) the Authority has advised DTC of its determination that DTC is incapable of discharging its duties; or
- (3) the Authority has determined that it is in the best interests of the beneficial owners of the Series 2016 Bonds not to continue the book-entry system of transfer.

Upon occurrence of the events described in clause (1) or (2), the Authority will attempt to locate another qualified securities depository. If DTC makes the determination described in clause (1) and the Authority fails to locate another qualified securities depository to replace DTC, the Authority will execute, and the Bond Registrar will authenticate and deliver to the Participants (as defined in DTC’s rules), the Replacement Bonds to which such Participants are entitled. In the event the Authority makes the determination described in clause (2) or (3) (the Bond Registrar has no obligation to make any investigation to determine the occurrence of any events that would permit the Authority to make any such determination), and if the determination under clause (2) has also been made, and the Authority has failed to locate another qualified securities depository and has made provisions to notify the beneficial owners of the Series 2016 Bonds by mailing an appropriate notice to DTC, the Authority will execute, and the Bond Registrar will authenticate and deliver to the Participants, the appropriate Replacement Bonds to which Participants are entitled. The Bond Registrar is entitled to rely on the records provided by DTC as to the Participants entitled to receive Replacement Bonds.

The Series 2016 Bonds will be issued substantially in the form set forth in Section 202 of the Bond Resolution, with appropriate variations, omissions and insertions as may be permitted or required by the Bond Resolution and this Series Resolution. There may be endorsed on the Series 2016 Bonds such legend or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law.

(c) The Series 2016 Bonds shall be issued in such principal amount; shall be dated a date that is on or before the date of their delivery; shall be Current Interest and/or Capital Appreciation Serial Bonds and/or Term Bonds; shall mature not later than the dates specified in Section 1(a) hereof, subject to mandatory sinking fund redemption with such Amortization Requirements and to the right of prior redemption; and shall bear interest payable on January 1 and July 1 in each year commencing on January 1, 2017 at such rates per annum no one of which shall exceed six percent (6.00%) per annum, all as may be determined by a Series Certificate of the Executive Director executed and delivered on the Closing Date.

(d) Pursuant to the Bond Resolution, the Authority hereby makes or confirms the following appointments:

(i) as Trustee under the Bond Resolution, Wells Fargo Bank, National Association, Columbia, Maryland;

(ii) as Paying Agent and Bond Registrar for the Series 2016 Bonds, Wells Fargo Bank, National Association, Columbia, Maryland;

(iii) as Escrow Agent under the Escrow Deposit Agreement for the Outstanding Bonds, U.S. Bank, National Association, Richmond, Virginia;

(iv) as Depositary for amounts deposited to the Operating Account referred to in Section 504(a) of the Bond Resolution, Bank of America, Norfolk, Virginia;

(v) as Depositary for amounts deposited to the Senior Obligations Fund referred to in Section 511 of the Bond Resolution, Bank of America, Norfolk, Virginia;

(vi) as Depositary for amounts deposited to the Residual Fund referred to in Section 512 of the Bond Resolution, Bank of America, Norfolk, Virginia; and

(vii) as Verification Agent for purposes of providing an independent confirmation of the sufficiency and yield of the Defeasance Obligations credited to the escrow created under the Escrow Deposit Agreement, The Arbitrage Group, Inc., Tuscaloosa, Alabama.

Section 2. Debt Service Reserve Account. (a) Pursuant to Section 508 of the Bond Resolution, there is hereby created with the Trustee a Debt Service Reserve Account for each of the Series 2016A Bonds and the Series 2016B Bonds designated, respectively, "Series 2016A Debt Service Reserve Account" and "Series 2016B Debt Service Reserve Account". So long as the Series 2016A Bonds are outstanding, the Series 2016A Debt Service Reserve Account shall be maintained in an amount equal to fifty percent (50%) of the maximum Principal and Interest Requirements for the applicable Bond Year for the Series 2016A Bonds (the "Series 2016A Reserve Account Requirement"). So long as the Series 2016B Bonds are outstanding, the Series 2016B Debt Service Reserve Account shall be maintained in amount equal to fifty percent (50%) of the maximum Principal and Interest Requirements for the applicable Bond Year for the Series 2016B Bonds (the "Series 2016B Reserve Account Requirement").

(b) On the Closing Date, any money held in any Debt Service Reserve Account (as such term is defined in the 1997 Resolution) previously funded from the proceeds of the Outstanding Bonds shall be transferred by the trustee under the 1997 Resolution (the "1997 Trustee") to the credit of the Series 2016B Debt Service Reserve Account up to the amount of the Series 2016B Reserve Account Requirement. Any excess money in any Debt Service Reserve Account previously funded from the proceeds of the Outstanding Bonds remaining after the aforesaid transfer shall be applied as directed by the Executive Director in a Series Certificate executed and delivered on the Closing Date. In lieu of the foregoing transfers, a lesser amount may

be used to acquire any instrument permitted by the Bond Resolution to satisfy such Series 2016B Reserve Account Requirement, and the excess amount shall be deposited in accordance with the directions contained in the Executive Director's Series Certificate executed and delivered on the Closing Date.

(c) If additional Series of 2016 Bonds have been designated by the Executive Director in a Series Certificate executed and delivered on the Closing Date, then additional Debt Service Reserve Accounts may be established therefor in accordance with the terms of the Bond Resolution and funded in accordance with the directions contained in the Executive Director's Series Certificate executed and delivered on the Closing Date.

Section 3. Revenue Stabilization Fund. (a) Pursuant to Section 509 of the Bond Resolution, a special fund has been created with the Trustee and designated the "Virginia Port Authority Series 2016 Bonds Revenue Stabilization Fund" (the "Revenue Stabilization Fund"). On the Closing Date, the following transfers shall be made to the credit of the Revenue Stabilization Fund:

(i) Any money held in the Debt Service Reserve Account (as such term is defined in the 1997 Resolution) previously funded from cash of the Authority shall be transferred by the 1997 Trustee to the credit of the VIT Operating Account to meet the Liquidity Reserve Requirement, as such terms are defined in the Payment Agreement, and any excess remaining, if any, shall be transferred to the Revenue Stabilization Fund;

(ii) The Authority shall then cause the 1997 Trustee to transfer any money then held by it in VIT's Capital and Extraordinary Maintenance Account (as that term is defined in the Service Agreement) to the Authority, and the Authority shall deposit such amount, if any, as may be required to the VIT Operating Account to meet the Liquidity Reserve Requirement, as such terms are defined in the Payment Agreement. The Authority shall deposit any excess after satisfying the Liquidity Reserve Requirement as aforesaid to its Operating Account to meet its Liquidity Reserve Requirement, and the Authority shall transfer the remaining balance, if any, to the credit of the Revenue Stabilization Fund; and

(iii) To the extent that the amount of the Authority's CE Reserve (as such term is defined in the 1997 Resolution) is greater than the Authority's Liquidity Reserve Requirement under the Bond Resolution, the excess shall be transferred by the Authority on the Closing Date to the credit of the Revenue Stabilization Fund.

Section 4. Optional Redemption. The Series 2016 Bonds may be subject to optional redemption as market conditions shall dictate at the time of sale upon the payment of such redemption premiums, if any, as such market conditions shall dictate; provided that the Executive Director has approved such optional redemption as evidenced in the Executive Director's Series Certificate executed and delivered on the Closing Date.

Section 5. Terms of Purchase. The Executive Director is hereby authorized, if the Authority's Financial Advisor shall so recommend, to accept an offer of the Underwriters in the form of the Bond Purchase Agreement, to purchase all, or a portion of, the Series 2016 Bonds at a

price representing a discount from the initial public offering prices of the Series 2016 Bonds equal to the sum of:

- (i) the amount of net original issue discount and original issue premium, if any, and
- (ii) the amount of the underwriters' discount, not to exceed seven-tenths of one percent (0.70%) of the par amount of the Series 2016 Bonds, plus accrued interest, if any, upon the terms and conditions set forth in the Bond Purchase Agreement.

Section 6. Approval of Bond Purchase Agreement. The form of the Bond Purchase Agreement presented at this meeting relating to the offering and sale of the Series 2016 Bonds to the Underwriters and the execution and delivery thereof by the Authority are hereby authorized, and if the Executive Director shall accept the offer of the Underwriters, the Bond Purchase Agreement shall be executed in the manner therein set forth to evidence the acceptance by the Authority of such offer, with such changes, insertions and omissions as may be approved by the Executive Director, the execution of the Bond Purchase Agreement by the Executive Director to be conclusive evidence of the Authority's approval of any such changes, insertions and omissions.

The Executive Director is hereby further authorized to execute any other bond purchase agreements or bond modification agreements deemed necessary by him, on the advice of the Authority's Financial Advisor and the Authority's Bond Counsel, in order to effectuate the private placement of all, or any portion of, the Series 2016 Bonds. In the event that a private placement of all or any portion of the Series 2016 Bonds shall occur, the Executive Director, acting on the advice of the Authority's Bond Counsel, is hereby authorized in a Series Certificate executed and delivered on the Closing Date to provide for any amendment to the registration provisions of this Resolution set forth in Section 1(b).

Section 7. Approval of Official Statement. The Preliminary Official Statement in the form presented to this Board is approved, with such changes, insertions and omissions as may be determined by the Executive Director. The use and distribution by the Underwriters of the Preliminary Official Statement in connection with the offering of the Series 2016 Bonds, prior to the availability of the Official Statement, are hereby authorized. The Executive Director is hereby authorized to deem the Preliminary Official Statement final for purposes of Rule 15c2-12 of the Securities Exchange Act of 1934, and the distribution of such Preliminary Official Statement shall be conclusive evidence that the Authority has deemed such Preliminary Official Statement final. The Chairman or Vice Chairman of the Board and the Executive Director of the Authority are hereby authorized and directed to execute and deliver to the Underwriters for their use and distribution in making a public offering of the Series 2016 Bonds (but only upon the terms and conditions set forth herein and in the Bond Purchase Agreement) a final Official Statement, together with any amendment or supplement to such final Official Statement as may be necessary to comply with the Bond Purchase Agreement, which in the case of such final Official Statement shall be substantially in the form of the Preliminary Official Statement approved by the Board, with such changes, insertions and omissions as the Chairman or Vice Chairman of the Board and the Executive Director of the Authority may approve, and which in the case of any such

amendment or supplement shall be in such form as the Chairman or Vice Chairman of the Board and the Executive Director of the Authority may approve. The execution and delivery by the Chairman or Vice Chairman and the Executive Director of the final Official Statement or any such amendment or supplement thereto shall be conclusive evidence that the Authority has approved any such changes, insertions and omissions, amendment or supplement, as the case may be.

Section 8. Approval of Other Refunding Documents. The Board approves the form of the Refunding Documents. The Executive Director is hereby authorized to execute and deliver the other Refunding Documents, such Documents to be in substantially the form presented to this meeting, with such changes, insertions and omissions as may be approved by the Executive Director, and his execution of such Documents to be conclusive evidence of such approval.

Section 9. Execution of the Bonds. The Series 2016 Bonds shall be executed with the original or facsimile signature of the Executive Director and the original signature of the Secretary of the Authority, and the seal of the Authority shall be impressed, or a facsimile of the seal of the Authority shall be imprinted, on the Series 2016 Bonds. The Series 2016 Bonds shall be authenticated by the Bond Registrar and shall be delivered by the Trustee to or for the account of the Underwriters upon receipt of the purchase price set forth in the Bond Purchase Agreement accepted by the Executive Director.

Section 10. Application of Proceeds. (a) The proceeds of the Series 2016 Bonds shall be applied by the Trustee, pursuant to written instructions from the Authority or its authorized representative, as follows:

(i) an amount sufficient in accordance with the report of the Verification Agent shall be transferred to the Escrow Agent for deposit, together with other available funds and investments on hand, and applied by the Escrow Agent as required by the Escrow Deposit Agreement to defease the Outstanding Bonds;

(ii) an amount sufficient to terminate the Outstanding Equipment Leases shall be transferred to the Escrow Agent and satisfy all obligations of the Authority due thereunder;

(iii) an amount equal to the Series 2016A Reserve Account Requirement shall be deposited to the credit of the Series 2016A Debt Service Reserve Account;

(iv) if necessary as determined by the Executive Director in a Series Certificate executed and delivered on the Closing Date, an amount equal to all or any portion of the Series 2016B Reserve Account Requirement shall be deposited to the credit of the Series 2016B Debt Service Reserve Account;

(v) if any additional Series of 2016 Bonds has been authorized by the Executive Director in a Series Certificate executed and delivered on the Closing Date, an amount equal to the Reserve Account Requirement for such Series, if any; and

(vi) the balance of such proceeds shall be deposited to the Authority's Operating Account to be used by the Authority to pay the cost of issuance of the Series 2016 Bonds.

Section 11. Defeasance and/or Tender Offer. The investment of available funds of the Authority in Government Obligations in accordance with the provisions of the Escrow Deposit Agreement between the Authority and the Escrow Agent in order to provide for the defeasance of the Outstanding Bonds issued under the 1997 Resolution is hereby authorized. Upon such investment and the confirmation thereof by the Escrow Agent, and upon termination of the Outstanding Leases and the confirmation thereof by the Trustee, the Executive Director is hereby authorized to take any and all action deemed necessary by him, on the advice of Bond Counsel, to terminate Resolution 97-5 and to void and terminate the trust estate created thereby.

In the event that the Executive Director can negotiate more favorable terms of prepayment of all or a portion of the Outstanding Bonds with any holder thereof when compared to effectuating a defeasance of such Outstanding Bonds pursuant to the terms hereof, the Executive Director is hereby authorized and empowered on behalf of the Authority to effectuate such alternative form of prepayment on the advice of the Authority's Financial Advisor. In connection with any such alternative prepayment, if at all, the Executive Director is authorized to execute a dealer manager agreement and approve and deliver an information statement or offer to purchase and any such documents and notices related thereto, each in such form as may be recommended by the Authority's Bond Counsel and the Authority's Financial Advisor, in the event that such an agreement and/or related documents and notices are determined by the Executive Director and/or an affected holder of the Outstanding Bonds to be necessary or desirable in accomplishing such an alternative form of prepayment.

Section 12. Tax Covenant. The Authority covenants that it will comply with the provisions of the Internal Revenue Code of 1986, as amended, so that interest on the Series 2016B Bonds will remain exempt from existing Federal income taxes to which it is subject on the date of the issuance of such Series 2016B Bonds.

Section 13. Termination of Service Agreement Authorized; Approval of Payment Agreement. The Executive Director is hereby authorized to terminate the Service Agreement on the Closing Date. The Executive Director is hereby authorized to execute and deliver the Payment Agreement with VIT on the Closing Date, such agreement to be in substantially the form presented at this meeting with such changes, insertions and omissions as may be approved by the Executive Director, his execution of such agreement to be conclusive evidence of his approval of any such changes, insertions and omissions. The Authority hereby authorizes the execution and delivery of the Payment Agreement on behalf of VIT by the Chief Operations Officer of VIT. The Authority hereby further authorizes the execution and delivery of the Joinder to Payment Agreement on behalf of HRCP II, L.L.C. by VIT, as its sole member, by the Chief Operations Officer of VIT.

Section 14. Bond Insurance. The Executive Director is hereby authorized to negotiate and accept a commitment and to pay the premium for a municipal bond insurance policy (which may cover one or more maturities of the Series 2016 Bonds) from a municipal bond insurer and to negotiate and agree to such terms and conditions with such insurer as he deems necessary or proper after consultation with Authority's Financial Advisor and Bond Counsel.

Section 15. Ratification; Further Action. The actions previously taken by the officers and staff of the Authority are hereby ratified and confirmed. The officers and staff of the Authority are hereby authorized to take such actions, and deliver such additional documents and certificates, as they may in their discretion deem necessary or proper in connection with the issuance of the Series 2016 Bonds.

Section 16. Other Definitions. All capitalized terms not otherwise defined herein shall have the meanings given to them in the Bond Resolution.

Section 17. Effective Date. This Series Resolution shall take effect immediately upon its adoption.

[END OF RESOLUTION]

**PASSED AND ADOPTED** this 21st day of September, 2016.

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John G. Milliken  
Chairman

Attest:

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Debra J. McNulty  
Clerk