NEW ISSUE
BOOK-ENTRY-ONLY

PRELIMINARY LIMITED OFFERING MEMORANDUM
DATED NOVEMBER 14, 2017

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 with the Federal Tax Certificate for the Series 2017 Bonds pertaining to the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), Bond Counsel is of the opinion that (i) interest on the Series 2017 Bonds is excludable from gross income for purposes of federal income taxation under existing laws as enacted and construed on the date hereof (except for interest on any Series 2017 Bonds while held by a substantial user of the South Segment Project or a related person as defined in Section 147(a) of the Code), (ii) interest on the Series 2017 Bonds will be a preference item for purposes of determining individual and corporate federal alternative minimum tax, and (iii) the Series 2017 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. See "TAX MATTERS" herein.

FLORIDA DEVELOPMENT FINANCE CORPORATION

$600,000,000*
Florida Development Finance Corporation
Surface Transportation Facility Revenue Bonds
(Brightline Passenger Rail Project — South Segment), Series 2017

Dated: Date of Delivery

Due: As shown on inside cover

The Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Passenger Rail Project — South Segment), Series 2017 (the "Series 2017 Bonds") will be issued by the Florida Development Finance Corporation (the "Issuer"), pursuant to an Indenture of Trust, to be dated as of December 1, 2017 (the "Indenture"), between the Issuer and Deutsche Bank National Trust Company, as trustee (the "Trustee"). The proceeds of the Series 2017 Bonds are being loaned to All Aboard Florida — Operations LLC (d/b/a Brightline Operations), 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 and operation of a privately owned and operated intercity passenger rail system and related facilities, with stations located in West Palm Beach, Fort Lauderdale and Miami, Florida, as more particularly described herein (the "South Segment Project") and (b) pay certain costs in connection with the issuance the Series 2017 Bonds.

Interest on the Series 2017 Bonds from their date of delivery is payable semi-annually on each January 1 and July 1, commencing on July 1, 2018, until maturity or conversion to another interest rate mode, and on the mandatory tender date at the end of the Term Rate Period. The Series 2017 Bonds will bear interest at the initial Term Rate set forth on the inside cover page during the initial Term Rate Period described herein, and thereafter may be converted to another Term Rate Period or the Fixed Rate Mode as described herein. The Series 2017 Bonds are subject to optional, extraordinary mandatory redemption and mandatory sinking fund redemption prior to maturity as described herein.

The Series 2017 Bonds are being issued as fully registered bonds in denominations of $100,000 and integral multiples of $5,000 in excess thereof and, when issued, the Series 2017 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 2017 Bonds. Purchases of beneficial interests in the Series 2017 Bonds will be made in book-entry form only, and purchasers will not receive certificates representing their interests in the Series 2017 Bonds except as described herein.

This Limited Offering Memorandum is generally intended to provide disclosure to the purchasers of the Series 2017 Bonds only with respect to the initial Term Rate Period described herein. In the event the Company, at the end of the initial Term Rate Period described herein, elects to have any Series 2017 Bonds continue to bear interest at a Term Rate, or elects to convert any such Series 2017 Bonds to bear interest at a Fixed Rate, the Issuer expects to circulate or cause to be circulated, a revised disclosure document relating thereto.

The Underwriter is offering the Series 2017 Bonds only to "qualified institutional buyers" under Rule 144A of the Securities Act of 1933, as amended (the "Securities Act"). Please see "NOTICE TO INVESTORS," "DESCRIPTION OF THE SERIES 2017 BONDS—General" and "APPENDIX J—FORM OF INVESTOR LETTER" for additional information about eligible offerees and transfer restrictions.

Investing in the Series 2017 Bonds involves a high degree of risk. See "RISK FACTORS" for additional information. Investors should read this Limited Offering 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 South Segment Project and the terms of the offering, including the merits and risks involved.

THE SERIES 2017 BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER PAYABLE FROM AND SECURED SOLELY BY THE TRUST ESTATE AND THE COLLATERAL. THE SERIES 2017 BONDS DO NOT CONSTITUTE INDEBTEDNESS OF THE ISSUER, THE STATE OF FLORIDA (THE "STATE"), THE COUNTIES OF BROWARD, MIAMI-DADE OR PALM BEACH (COLLECTIVELY, THE "SERIES 2017 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 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 2017 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 2017 BONDS. NO COVENANT OR AGREEMENT CONTAINED IN THE SERIES 2017 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 2017 BONDS BE LIABLE PERSONALLY ON THE SERIES 2017 BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE SERIES 2017 BONDS. THE ISSUER HAS NO TAXING POWER.

The Series 2017 Bonds are offered when, as and if issued and delivered and accepted by the Underwriter and 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, Broad and Cassel 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 Underwriter by its special counsel, Mayer Brown LLP, Chicago, Illinois. It is expected that delivery of the Series 2017 Bonds will be made through the facilities of DTC on or about December __, 2017.

Morgan Stanley

_____, 2017

* Preliminary, subject to change.

$600,000,000*
Florida Development Finance Corporation
Surface Transportation Facility Revenue Bonds
(Brightline Passenger Rail Project – South Segment), Series 2017

Due January 1, 2047*

Initial Interest Rate Mode: Term Rate

Term Rate: _____%
Term Rate Period: Date of Delivery through and including _____, 202_
First Interest Payment Date: July 1, 2018
Mandatory Tender Date: _____, 202_
Price: _____% CUSIP Number+: _____

---

* Preliminary, subject to change.

+ Copyright 2017, American Bankers Association. CUSIP® is a registered trademark of the American Bankers Association. The CUSIP data herein are provided by Standard & Poor's, CUSIP Service Bureau, a division of the McGraw-Hill Companies, Inc. The CUSIP numbers are not intended to create a database and do not serve in any way as a substitute for CUSIP Service. CUSIP numbers have been assigned by an independent company not affiliated with the Issuer or the Company and are provided solely for convenience and reference. The CUSIP numbers for the Series 2017 Bonds of a specific maturity are subject to change after the issuance of the Series 2017 Bonds. None of the Issuer, the Company, the Trustee or the Underwriter takes any responsibility for the accuracy of such CUSIP numbers.

Brightline train at West Palm Beach Station.

TABLE OF CONTENTS

APPENDICES

NOTICE TO INVESTORS

No dealer, broker, salesman or other person has been authorized by the Company, the Issuer, the Underwriter or any other person described herein to give any information or to make any representations, other than those contained in this Limited Offering 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 Underwriter or any such other person. This Limited Offering 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 2017 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 Underwriter 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 Offering 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 Underwriter has provided the following sentence for inclusion in this Limited Offering Memorandum: The Underwriter has reviewed the information in this Limited Offering Memorandum in accordance with, and as part of, their responsibilities to investors under federal securities laws as applied to the facts and circumstances of the transaction, but the Underwriter does 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 Offering Memorandum except the statements made under ''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 Offering Memorandum. Except for the execution and delivery of documents required to effect the issuance of the Series 2017 Bonds, neither the Issuer, nor its attorneys or advisors, has otherwise assisted in the public offer, sale or distribution of the Series 2017 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 Offering Memorandum or otherwise made in connection with the offer, sale and distribution of the Series 2017 Bonds.

The Series 2017 Bonds have not been registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the ''Securities Act''). Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the Series 2017 Bonds or passed upon the accuracy or adequacy of this Limited Offering Memorandum. Any representation to the contrary is a criminal offense.

The Indenture for the Series 2017 Bonds provides that, upon sale or transfer of a Series 2017 Bond, each purchaser or transferee shall be deemed to have certified, acknowledged and represented to the Trustee, the Company, 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 2017 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 2017 Bond and agrees to be bound by the transfer restrictions applicable to such Series 2017 Bond set forth in the Indenture. A legend will be printed on the face of each Series 2017 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 2017 Bonds an investment grade rating, without any form of third-party credit enhancement.

Investing in the Series 2017 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 offering, including the merits and risks involved. None of the Company, the Issuer or the Underwriter or any of their representatives or affiliates is making any representation regarding the legality of an investment by you under applicable investment or similar laws. You should not construe anything in this Limited Offering Memorandum as legal, business or tax advice and you should consult with your own advisors as to legal, tax, business, financial and related aspects of the Series 2017 Bonds.

The order and placement of information in this Limited Offering Memorandum, including appendices, are not an indication of relevance, materiality or relative importance, and this Limited Offering Memorandum, including the

appendices, must be read in its entirety. The captions and headings in this Limited Offering 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 Offering Memorandum.

This Limited Offering 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 initial offering period from the principal offices of the Underwriter in New York, New York and thereafter, executed copies may be obtained from the principal offices of the Trustee in Jersey City, New Jersey.

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 THIS OFFERING, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2017 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

INDUSTRY AND MARKET DATA

The Company obtained the market and competitive position data used in this Limited Offering Memorandum from its own research, surveys or studies conducted by third parties and industry or general publications. 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 Underwriter have independently verified such data and neither the Company nor the Underwriter 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.

FORWARD-LOOKING STATEMENTS

The statements contained in this Limited Offering 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 ''believes,'' ''expects,'' ''may,'' ''will,'' ''should,'' ''seeks,'' ''approximately,'' ''intends,'' ''plans,'' ''estimates'' and ''anticipates'' 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. 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, even if it becomes clear that the forward-looking statements contained herein will not be realized.

When considering forward-looking statements, you should keep in mind the risks set forth under the headings ''Risk Factors,'' ''Litigation and other cautionary statements included in this Limited Offering 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 2017 Bonds or the Project and does not contain all of the information you should consider before making an investment decision with respect to the Series 2017 Bonds. You should read the entire Limited Offering Memorandum, especially the risks set forth under the heading "RISK FACTORS," and complete your own examination of us and the terms of the Series 2017 Bonds before making an investment decision. In addition, this Limited Offering Memorandum contains discussion of certain conclusions and analyses contained in the South Segment Project Ridership and Revenue Study, as defined herein, and South Segment Project Operations and Maintenance and Ancillary Revenue Report, as defined herein, conducted by Louis Berger U.S., Inc. ("LB"). Any discussion herein of such Ridership and Revenue Study and Operations and Maintenance and Ancillary Revenue Report or its conclusions or analyses are expressly qualified by reference to the full text of the report. You should read carefully the Ridership and Revenue Study and the Operations and Maintenance and Ancillary Revenue Report, which are included elsewhere in this Limited Offering Memorandum. You should read the more detailed information appearing or incorporated by reference in this Limited Offering Memorandum and the documents summarized, described or set forth herein in their entirety for a more complete understanding about the Project, the offering and the terms of and security and sources of payment for the Series 2017 Bonds. Terms used in this Summary and not defined in this Summary are defined in "APPENDIX A — DEFINITIONS OF TERMS."

THE SERIES 2017 BONDS

Bonds Offered. . . . . Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Passenger Rail Project – South Segment), Series 2017, in the aggregate principal amount of $600,000,000* (the ''Series 2017 Bonds''). The Series 2017 Bonds are being issued as fully registered bonds in denominations of $100,000 and integral multiples of $5,000 in excess thereof. See ''DESCRIPTION OF THE SERIES 2017 BONDS.''

Interest. . . . . The Series 2017 Bonds will bear interest at the initial Term Rate shown on the inside cover page of this Limited Offering Memorandum during the initial Term Rate Period described herein, and thereafter may be converted to another Term Rate Period or the Fixed Rate Mode as described herein. Interest on the Series 2017 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, 2018, until maturity, redemption or conversion to another interest rate mode, and on the mandatory tender date at the end of the Term Rate Period.

Mandatory Tender Date. . . . . The Series 2017 Bonds will be subject to mandatory tender for purchase on the Mandatory Tender Date set forth on the inside cover page of this Limited Offering Memorandum.

Maturity Date. . . . . The Series 2017 Bonds will mature on the date set forth on the inside cover page of this Limited Offering Memorandum.

Optional Redemption. . . . . *Make-Whole Redemption*. During the initial Term Rate Period, the Series 2017 Bonds are subject to redemption at the option of the Company, in whole (but not in part) at any time prior to January 1, 20__ (the ''First Premium Call Date''), at a redemption price equal to the principal amount redeemed, plus the Make-Whole Redemption Price, plus interest accrued to but not including the redemption date.

Optional Redemption in Whole. During the initial Term Rate Period, the Series 2017 Bonds are subject to redemption at the option of the Company, in whole (but not in part) at any time on or after the First Premium Call Date to, but not including, January 1, 20__ (the ''First Par

* Preliminary, subject to change.

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.

''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, 20__ through and including December 31, 20__. .	___%
January 1, 20__ through and including December 31, 20__. .	___
January 1, 20__ through and including December 31, 20__. .	___
January 1, 20__ through and including December 31, 20__. .	___

Optional Redemption at Par. During the initial Term Rate Period, the Series 2017 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 2017 Bonds in book-entry form, in accordance with the procedures of DTC) at any time on or after the First Par Call Date at a redemption price equal to the principal amount redeemed, plus interest accrued to but not including the redemption date.

Extraordinary Mandatory Redemption. . . . . The Series 2017 Bonds are subject to extraordinary mandatory redemption as described under ''DESCRIPTION OF THE SERIES 2017 BONDS—Redemption—Extraordinary Mandatory Redemption.''

Mandatory Sinking Fund Redemption. . . . . The Series 2017 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	Principal Amount

Book-Entry-Only System . . . . . DTC will act as the securities depository for the Series 2017 Bonds. The Series 2017 Bonds will be issued 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 2017 Bond certificates will be issued for the Series 2017 Bonds and will be deposited with DTC. For more information, see ''APPENDIX I—Book-Entry-Only System.''

Special, Limited Obligations. . . . . The Series 2017 Bonds are special, limited obligations of the Issuer 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 2017 Bonds may not look to any assets, revenues or other sources of payment of the Issuer for repayment of the Series 2017 Bonds. The only sources of repayment of the Series 2017 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 2017 Bonds do not constitute an indebtedness of the Issuer, the State, the Series

	2017 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 2017 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 Series 2017 Counties, or any other political subdivision of the State is pledged to the payment of the principal of or interest on the Series 2017 Bonds. The Issuer has no taxing power. No covenant or agreement contained in the Series 2017 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 2017 Bonds be liable personally on the Series 2017 Bonds or be subject to any personal liability or accountability by reason of the issuance of the Series 2017 Bonds. The Company will be the sole revenue source for the repayment of the Series 2017 Bonds. No affiliate or equityholder of the Company will have any liabilities with respect to the Series 2017 Bonds and neither their credit nor their assets will support the Series 2017 Bonds. The Company will operate as a special purpose entity and will have no business or assets except in connection with the Project as described herein.
Eligible Investors	The Underwriter is offering the Series 2017 Bonds only to qualified institutional buyers under Rule 144A of the Securities Act. Please see ''NOTICE TO INVESTORS'' for additional information about eligible offerees and transfer restrictions.
No Ratings	No rating has been obtained in connection with the issuance of the Series 2017 Bonds. Prospective purchasers are advised to consult with their advisors as to the risks of purchasing unrated bonds and the effect thereof on the ability, if any, of a purchaser to resell unrated bonds.

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 initially in West Palm Beach, Fort Lauderdale and Miami, Florida, as more particularly described herein (the ''Project''). Proceeds of the Series 2017 Bonds will only be expended to pay or reimburse a portion of the costs of the South Segment Project located in the Series 2017 Counties. The Company has invested approximately $1.8 billion in the development and construction of the South Segment Project. This amount includes corridor and station land with an appraised value of approximately $699 million, $605 million in rail infrastructure, $267 million in new rolling stock assets, and $259 million in stations. Amounts were funded by a combination of cash and assets from Florida East Coast Industries, LLC (''FECI''), the indirect parent company of the Company, and third party debt and vendor financing.
The Company.	All Aboard Florida – Operations LLC (d/b/a Brightline Operations), a Delaware limited liability company, will complete development of and own, operate and manage the Project. The Company does not expect to have any employees. The Company intends to rely on All Aboard Florida Operations Management LLC, 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 more information.
Construction	Construction of the South Segment Project (Miami to West Palm Beach) is nearing completion. The Company expects to commence initial service between West Palm Beach and Fort Lauderdale in the fourth quarter of 2017 and full scale revenue service between West Palm Beach and Miami in the first quarter of 2018.
Operations and Maintenance	The Company intends for the Manager to manage the Project's passenger rail and hospitality operations, sales and marketing, IT, finance, accounting, human resources, legal and right-of-way. See ''THE PROJECT—Operations and Maintenance'' for more information. In addition, the Company has contracted with certain entities, including Florida East Coast Dispatch 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 ''THIRD PARTY AGREEMENTS'' for more information.
Rolling Stock	Currently, the Company is in possession of five trainsets built by Siemens, each of which is comprised of two locomotives and four coaches for a total capacity of 240 passengers per train. The trainsets are vendor financed by Siemens, which financing will be repaid in full on the Closing Date. See ''ESTIMATED SOURCES AND USES OF FUNDS.''

FINANCING FOR THE SOUTH SEGMENT PROJECT

Senior Debt.	The initial senior debt to be incurred in connection with the financing or refinancing of the South Segment Project will be comprised solely of the Series 2017 Bonds, which will be issued pursuant to the Indenture. The proceeds of the Series 2017 Bonds will be loaned to the Company pursuant to the Senior Loan Agreement, between the Company and the Issuer, and 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, to pay or reimburse certain costs of the South Segment 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 2017 Bonds and agrees to comply with various covenants for the benefit of the Trustee and the Owners of the Series 2017 Bonds.
Equity Contributions.	As part of the overall transactions occurring concurrently with the issuance of the Series 2017 Bonds, FECI is contributing, directly or indirectly, approximately $194 million in equity to the Company (including approximately $100 million in cash currently in a construction account that was funded by the 12.00 / 12.75% Senior Secured PIK Toggle Notes due 2019 issued by AAF Holdings LLC and AAF Finance Company (the ''PIK Toggle Notes'')). FECI's total equity contribution will be used to fund reserve accounts required under the Series 2017 Bonds, to fund remaining construction for the South Segment Project of approximately $74 million, to pay costs and expenses in connection with this offering, and for other general corporate purposes.

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 equally and ratably secured by the Trust Estate and the Collateral, upon execution of a Supplemental Indenture, without consent of the Owners of the Series 2017 Bonds pursuant to the Indenture. Additional Parity Bonds may be issued only to refund outstanding Series 2017 Bonds.
Additional Senior Indebtedness . .	The Company may issue Permitted Additional Senior Indebtedness to refund outstanding Series 2017 Bonds and to provide additional working capital, which will be payable pro rata with the Series 2017 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.

SECURITY FOR THE SERIES 2017 BONDS

Security Interests	The payment of the Series 2017 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 2017 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 2017 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 2017 Rebate Fund and any Defeasance Escrow Account; (c) any right, title or interest of the Issuer 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 in and to all funds deposited from time to time and earnings thereon in the Series 2017 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 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 of the Indenture. The Collateral under the Collateral Agency Agreement and the other Security Documents includes (i) the Company's real property interests to be mortgaged at Closing, as set forth in ''SECURITY FOR THE SERIES 2017 BONDS—Mortgages,'' (ii) substantially all personal property of the Company, whether now owned or hereafter acquired, including rolling stock, the Series 2017 Project Revenues and the Series 2017 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 2017 BONDS—Collateral Generally.'' The Distribution Account and any amounts on deposit therein shall not be Collateral. See ''SERIES 2017 PROJECT ACCOUNTS AND FLOW OF FUNDS.''
Mortgages	At Closing, Mortgages will be filed with respect to the Company's interest in the following portion of the Collateral: (i) the Company's easement interest in the portion of the Shared Corridor located in the Series 2017 Counties, (ii) the Company's 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 (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.
Debt Service Reserve Account . . .	The Series 2017 Debt Service Reserve Account will be funded on the Closing Date in an amount equal to the Series 2017 Debt Service Reserve Requirement (which is an amount equal to $15 million*, or six months' interest payments on the Series 2017 Bonds) in the form of a direct or indirect cash equity contribution from FECI. 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 Series 2017 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 Series 2017 Debt Service Reserve Requirement. Moneys in the Series 2017 Debt Service Reserve Account will be used to pay debt service on the Series 2017 Bonds on the date such debt service is due when sufficient funds for that purpose are otherwise not available. See ''SERIES 2017 PROJECT ACCOUNTS AND FLOW OF FUNDS—Description of Series 2017 Project Accounts—Debt Service Reserve Account.''
Ramp-Up Reserve Account	The Ramp-Up Reserve Account will be funded on the Closing Date in an amount equal to $24 million in the form of a direct or indirect cash equity contribution from FECI. Moneys in the Ramp-Up Reserve Account will be transferred from time to time (A) by the Collateral Agent (without the

* Preliminary, subject to change.

	requirement of a Funds Transfer Certificate and without further direction by the Company) to the Series 2017 Interest Sub-Account or the Series 2017 Principal Sub-Account in such amounts as are required to enable the payment of any debt service on the Series 2017 Bonds then due and payable or to make the transfers required by clauses Fifth and Sixth set forth in ''SERIES 2017 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) as directed by the Company pursuant to a Funds Transfer Certificate, to the Operating Account 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 Account, the Revenue Account or other accounts available therefor in accordance with the Collateral Agency Agreement. Following the first Calculation Date to occur after the third anniversary of the Closing Date as of which the Total DSCR is not less than 1.75:1.00, if the Company delivers to the Collateral Agent a certificate of a Responsible Officer of the Company confirming such Total DSCR calculation as of the immediately preceding Calculation Date, the Collateral Agent will transfer all remaining funds on deposit in the Ramp-Up Reserve Account (A) first, to the Series 2017 O&M Reserve Account, in an amount equal to the O&M Reserve Requirement applicable on such date, and (B) second, all remaining funds to the Revenue Account, and thereafter the Ramp-Up Reserve Account shall be closed.
Series 2017 Funded Interest Account	The Series 2017 Funded Interest Account of the Series 2017 Debt Service Fund established under the Indenture on the Closing Date will be funded on the Closing Date in an amount equal to $30 million*, or twelve months' interest payments on the Series 2017 Bonds, in the form of a direct or indirect cash equity contribution from FECI. Moneys on deposit in the Series 2017 Funded Interest Account will be used, prior to the application of any other funds in the Series 2017 Debt Service Fund, to pay interest on the Series 2017 Bonds on July 1, 2018 and January 1, 2019.
Other Accounts and Flow of Funds	For a description of all the funds and 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 2017 BONDS—Indenture'' and ''SERIES 2017 PROJECT ACCOUNTS AND FLOW OF FUNDS.''
	ADVISOR REPORTS
Ridership and Revenue Study . . .	Louis Berger U.S., Inc. (''LB'') was engaged to prepare a report (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 Offering Memorandum. Matters addressed in the Ridership and Revenue Study are based on various assumptions and methodologies and are subject to certain qualifications. Reference is hereby made to the entire Ridership and Revenue Study for such important opinions, projections, qualifications and assumptions.

* Preliminary, subject to change.

Operations and Maintenance and Ancillary Revenue Report. . . . .

LB was also engaged to prepare a report (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 Offering 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.

RISK FACTORS

Risk Factors . . . . . .

Investing in the Series 2017 Bonds involves a high degree of risk. A number of risks could affect the payments to be made on the Series 2017 Bonds and the market value of the Series 2017 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 Offering Memorandum and the documents incorporated by reference in this Limited Offering 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 2017 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 Offering Memorandum and additional information in the form of the complete documents summarized herein (copies of which are available as described in this Limited Offering Memorandum) before deciding whether to invest in the Series 2017 Bonds.

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 relating to the economic development of 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 South Segment 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 have a total of five directors, that at least three of the directors shall be bankers and that one director shall be an economic development specialist. 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 Offering Memorandum, which includes the cover page, body, inside cover page and appendices, is to provide information in connection with the issuance by the Issuer of the Series 2017 Bonds in an aggregate principal amount of $600,000,000*. The Series 2017 Bonds will be issued pursuant to an Indenture of Trust, to be dated as of December 1, 2017 (the ''Indenture''), between the Issuer and the Trustee. Capitalized terms used but not defined in the front portion of this Limited Offering Memorandum have the meanings set forth in ''APPENDIX A—DEFINITIONS OF TERMS'' attached hereto.

The Series 2017 Bonds are being issued by the Issuer to fund a loan to the Company to enable the Company to: (a) pay or reimburse a portion of the costs of the design, development, acquisition, construction, installation, equipping, ownership and operation of a privately owned and operated intercity passenger rail system and related facilities, with stations located in West Palm Beach, Fort Lauderdale and Miami, Florida, as more particularly described herein (the ''South Segment Project'') and (b) pay certain costs in connection with the issuance the Series 2017 Bonds.

* Preliminary, subject to change.

DESCRIPTION OF THE SERIES 2017 BONDS

General

The Series 2017 Bonds are being issued in the aggregate principal amount of $600,000,000*, and will mature on January 1, 2047*. The Series 2017 Bonds will be subject to redemption and mandatory tender for purchase prior to maturity as described below. The Series 2017 Bonds are being issued as fully registered bonds in denominations of $100,000 and integral multiples of $5,000 in excess thereof. The Series 2017 Bonds will be issued in book-entry form pursuant to the book-entry-only system described herein. Beneficial Owners of the Series 2017 Bonds will not receive physical delivery of any Series 2017 Bond certificates.

The Series 2017 Bonds will be dated their date of initial delivery and during the initial Term Rate Period described herein will bear interest from that date at the initial Term Rate set forth on the inside cover page of this Limited Offering Memorandum.

Interest on the Series 2017 Bonds is payable semi-annually on January 1 and July 1 of each year, commencing on July 1, 2018, until maturity or conversion to another interest rate mode, and on the mandatory tender date at the end of the Term Rate Period. Interest on the Series 2017 Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

This Limited Offering Memorandum describes the provisions of the Series 2017 Bonds only when the Series 2017 Bonds bear interest at the initial Term Rate for the initial Term Rate Period. There are significant differences in the terms of the Series 2017 Bonds not described in this Limited Offering Memorandum in any succeeding Term Rate Period and following a conversion to a new Term Rate for a new Term Rate Period or to a Fixed Rate, and this Limited Offering Memorandum should not be relied upon during any succeeding Term Rate Period or Fixed Rate Period.

THE UNDERWRITER IS OFFERING THE SERIES 2017 BONDS ONLY TO "QUALIFIED INSTITUTIONAL BUYERS" UNDER RULE 144A OF THE SECURITIES ACT. PLEASE SEE "NOTICE TO INVESTORS" FOR ADDITIONAL INFORMATION ABOUT ELIGIBLE OFFEREES AND TRANSFER RESTRICTIONS.

Investing in the Series 2017 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 Offering 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 South Segment Project and the terms of the offering, 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 2017 Bonds may not look to any assets, revenues or other sources of payment of the Issuer for repayment of the Series 2017 Bonds. The only sources of repayment of the Series 2017 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 2017 BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER PAYABLE FROM AND SECURED SOLELY BY THE TRUST ESTATE AND THE COLLATERAL. THE SERIES 2017 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE STATE, THE COUNTIES OF BROWARD, MIAMI-DADE, OR PALM BEACH (COLLECTIVELY, THE "SERIES 2017 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 2017 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 SERIES 2017 COUNTIES, OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2017 BONDS. NO COVENANT OR AGREEMENT CONTAINED IN THE SERIES 2017 BONDS OR THE INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER

* Preliminary, subject to change.

OF THE GOVERNING BODY OF THE ISSUER NOR SHALL ANY OFFICIAL EXECUTING SUCH SERIES 2017 BONDS BE LIABLE PERSONALLY ON THE SERIES 2017 BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE SERIES 2017 BONDS. THE ISSUER HAS NO TAXING POWER.

Redemption of Series 2017 Bonds Prior to Maturity

The Series 2017 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.

During the initial Term Rate Period, the Series 2017 Bonds are subject to redemption at the option of the Company, in whole (but not in part) at any time prior to January 1, 20__ (the ''First Premium Call Date''), at a redemption price equal to the principal amount redeemed, plus the Make-Whole Redemption Price, plus interest accrued to but not including the redemption date.

The ''Make-Whole Redemption Price'' is equal to _____.

Optional Redemption in Whole.

During the initial Term Rate Period, the Series 2017 Bonds are subject to redemption at the option of the Company, in whole (but not in part) at any time on or after the First Premium Call Date to, but not including, January 1, 20__ (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. ''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, 20__ through and including December 31, 20__	_____%
January 1, 20__ through and including December 31, 20__	_____
January 1, 20__ through and including December 31, 20__	_____
January 1, 20__ through and including December 31, 20__	_____

Optional Redemption at Par.

During the initial Term Rate Period, the Series 2017 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 2017 Bonds in book-entry form, in accordance with the procedures of DTC) at any time on or after the First Par Call Date at a redemption price equal to the principal amount redeemed, plus interest accrued to but not including the redemption date.

Extraordinary Mandatory Redemption

The Series 2017 Bonds are subject to extraordinary mandatory redemption, pro rata with any Additional Senior Indebtedness in accordance with the applicable Secured 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 South Segment 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 South Segment 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 Independent Engineer concurring with such officer's certificate). Such redemption will be in whole or in part, and if in part, by lot as selected by the Company (provided that Series 2017 Bonds may be redeemed only in Authorized Denominations), at a redemption price of par plus accrued interest to, but not including, the redemption date.

Mandatory Sinking Fund Redemption

The Series 2017 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	Principal Amount

Payment of the Series 2017 Bonds

The principal, purchase price and Redemption Price of, and interest on, the Series 2017 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 2017 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 2017 Bonds at the designated payment office of the Trustee in Jersey City, New Jersey. Interest on the Series 2017 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 2017 Bonds in book-entry form, to DTC in immediately available funds and disbursement of such funds to owners of beneficial interests in Series 2017 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 2017 Bond and the Trustee. The ''Record Date'' for the Series 2017 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 2017 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 2017 Bonds are held under the book-entry system, the principal and purchase price of, interest on and Redemption Price of the Series 2017 Bonds will be paid by wire transfer to DTC, as securities depository, or its nominee.

Notice of Redemption

Notice of redemption identifying the Series 2017 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 2017 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 2017 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 2017 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 Company. Such request shall specify the principal amount of the Series 2017 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 2017 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 2017 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 2017 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 2017 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 2017 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 2017 Bond (having been sent notice from the Trustee, DTC, a Direct Participant or otherwise) to notify the Beneficial Owner of the Series 2017 Bonds Bond so affected, will not affect the validity of the redemption of such Series 2017 Bond.

Conversion

On the last day of the initial Term Rate Period, the Company may convert all or a portion of the Series 2017 Bonds either to bear interest at a new Term Rate for a new Term Rate Period or to bear interest at a Fixed Rate. On any Business Day which is at least 20 days before the proposed Conversion Date, the Company shall give written notice to the Notice Parties stating that the Series 2017 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 mail a notice of such proposed conversion to the Owners of the Series 2017 Bonds stating that the Series 2017 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 Series 2017 Bonds for purchase on such proposed Conversion Date.

Mandatory Tender

The Series 2017 Bonds while bearing interest at a Term Rate are subject to mandatory tender for purchase at a price of par plus accrued interest on the last day of the then applicable Term Rate Period. The initial Term Rate Period for the Series 2017 Bonds will end on January 1, 20 , and accordingly the Series 2017 Bonds will be subject to mandatory tender for purchase on such date. The payment of the purchase price of any Series 2017 Bonds subject to mandatory tender for purchase will be made from the proceeds of the remarketing of such Series 2017 Bonds and, if necessary, available funds from the Company. **The Company does not expect to provide any third-party liquidity support to pay the purchase price of any of the Series 2017 Bonds.**

Notice of mandatory tender shall state the purchase date and that the applicable Series 2017 Bonds are subject to mandatory tender on the purchase date at the applicable purchase price. Any such notice of mandatory tender for purchase shall be given by the Trustee by mail to the Owners of the Series 2017 Bonds subject to purchase at their addresses shown on the books of registry.

If any Owner of a Series 2017 Bond that is subject to mandatory tender for purchase at the end of the then applicable Term Rate Period has failed to make the required delivery of such Series 2017 Bond to the Trustee, then to the extent there are on deposit with the Trustee on or before the purchase date amounts sufficient to pay the purchase price of such Series 2017 Bond, such Series 2017 Bond will cease to constitute or represent the right to payment of principal or interest thereon and will represent only the right to payment of the purchase price payable on such purchase date upon presentation and surrender of such Series 2017 Bond in the manner provided in the Indenture.

Book-Entry-Only System

The Series 2017 Bonds will be registered in the name of Cede & Co., as nominee for DTC. Purchases of beneficial interests in the Series 2017 Bonds will be made only in book-entry form. Purchasers of beneficial interests in the Series 2017 Bonds (the ''Beneficial Owners'') will not receive physical delivery of certificates representing their interest in the Series 2017 Bonds. Interest on the Series 2017 Bonds, together with principal of the Series 2017 Bonds, will be paid by the Trustee directly to DTC, so long as DTC or its nominee is the registered owner of the Series 2017 Bonds. The final disbursement of such payments to Beneficial Owners of the Series 2017 Bonds will be the responsibility of DTC's Direct and Indirect Participants, all as defined and more fully described herein. See ''APPENDIX I—BOOK ENTRY ONLY SYSTEM.''

SECURITY AND SOURCES OF REPAYMENT FOR THE SERIES 2017 BONDS

Sources of Payment Generally

The Series 2017 Bonds will be issued pursuant to the Issuer Act, and will be secured under the Security Documents. The Series 2017 Bonds will be special, limited obligations of the Issuer and 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 2017 Bonds and other amounts required by the Indenture. The principal and purchase price of and interest on the Series 2017 Bonds will be payable from amounts on deposit in the Revenue Account under the Collateral Agency Agreement, except that (i) interest on the Series 2017 Bonds payable on July 1, 2018 and January 1, 2019 will be paid from the Series 2017 Funded Interest Account under the Indenture, (ii) debt service on the Series 2017 Bonds may be payable from the 2017 Debt Service Reserve Account under the Collateral Agency Agreement and (iii) debt service on the Series 2017 Bonds may initially 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 2017 Bonds may not look to any assets, revenues or other sources of payment of the Issuer for repayment of the Series 2017 Bonds. The only sources of repayment of the Series 2017 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 2017 BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER PAYABLE FROM AND SECURED SOLELY BY THE TRUST ESTATE AND THE COLLATERAL. THE SERIES 2017 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE STATE, THE SERIES 2017 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 2017 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 SERIES 2017 COUNTIES, OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2017 BONDS. NO COVENANT OR AGREEMENT CONTAINED IN THE SERIES 2017 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 2017 BONDS BE LIABLE PERSONALLY ON THE SERIES 2017 BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE SERIES 2017 BONDS. THE ISSUER HAS NO TAXING POWER.

The Company will be the sole revenue source for the repayment of the Series 2017 Bonds. No affiliate or equityholder of the Company will have any liabilities with respect to the Series 2017 Bonds and neither their credit nor their assets will support the Series 2017 Bonds. The Company will operate as a special purpose entity and will have no business or assets except as described herein.

Indenture

General

The Issuer and Trustee will enter into the Indenture pursuant to which the Series 2017 Bonds will be issued. For more information relating to the terms of the Indenture, see ''APPENDIX B—FORM OF INDENTURE.''

Trust Estate

The Issuer, in order to secure the payment of the Series 2017 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 2017 Rebate Fund and (ii) any Defeasance Escrow Account;

(c) any right, title or interest of the Issuer 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 in and to all funds deposited from time to time and earnings thereon in the Series 2017 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 will be created under the Indenture in connection with the financing of the South Segment Project, including for the payment of principal of and interest on the Series 2017 Bonds when due. Such funds and accounts include the Series 2017 Debt Service Fund and the Series 2017 Rebate Fund described below.

Series 2017 Debt Service Fund. The Trustee will create the Series 2017 Debt Service Fund with a Series 2017 Interest Account, a Series 2017 Principal Account, a Series 2017 Redemption Account and a Series 2017 Funded Interest Account. Moneys will be transferred to the Series 2017 Debt Service Fund pursuant to the Indenture and the Collateral Agency Agreement. Moneys on deposit in the Series 2017 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 2017 Bonds.

If on any Interest Payment Date the funds on deposit in the Series 2017 Interest Account are not sufficient to pay the Interest Payment in full on such Interest Payment Date, the Trustee shall transfer moneys from the Series 2017 Principal Account sufficient to make such payment. If on any Debt Service Payment Date there exists both (i) funds on deposit in the Series 2017 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 Series 2017 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 Series 2017 Interest Account to the Series 2017 Principal Account as necessary to provide for such principal payment in full.

Series 2017 Funded Interest Account. The Trustee will create the Series 2017 Funded Interest Account. The Series 2017 Funded Interest Account will be funded on the Closing Date in an amount equal to $30 million*, or twelve months' interest payments on the Series 2017 Bonds, in the form of a direct or indirect cash equity contribution from FECI. Moneys on deposit in the Series 2017 Funded Interest Account will be applied by the Trustee, prior to the application of any other funds in the Series 2017 Debt Service Fund, to pay interest on the Series 2017 Bonds on July 1, 2018 and January 1, 2019.

Series 2017 Rebate Fund. The Series 2017 Rebate Fund will be 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 2017 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 2017 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 2017 Rebate Fund is not a portion of the Trust Estate and is not subject to any lien under the Indenture.

Additional Parity 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 with the Series 2017 Bonds without consent of the Owners of the Series 2017 Bonds. See ''ADDITIONAL INDEBTEDNESS'' below.

Collateral Generally

The Company's obligations with respect to the Series 2017 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 to be mortgaged at Closing, as set forth in ''—Mortgages'' below, (ii) substantially all personal property of the Company, whether now owned or hereafter acquired, including rolling stock, the Series 2017 Project Revenues and the Series 2017 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'').

Series 2017 Debt Service Reserve Account

The Series 2017 Debt Service Reserve Account is created for the benefit of the Owners of the Series 2017 Bonds. The Series 2017 Debt Service Reserve Account will be funded on the Closing Date in an amount equal to the Series 2017 Debt Service Reserve Requirement (which is an amount equal to $15 million*, or six months' interest payments on the Series 2017 Bonds) in the form of a direct or indirect cash equity contribution from FECI. 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 Series 2017 Debt Service Reserve Account in accordance with the provisions set forth under ''SERIES 2017 PROJECT ACCOUNTS AND FLOW OF FUNDS—Flow of Funds'' below as is necessary to maintain the Series 2017 Debt Service Reserve Requirement with respect to the Series 2017 Bonds. In lieu of or in addition to cash or investments, at any time the Company may cause to be deposited to the credit of the Series 2017 Debt Service Reserve Account a Qualified Reserve Account Credit Instrument, as described below under ''SERIES 2017 PROJECT ACCOUNTS AND FLOW OF FUNDS—Series 2017 Project Accounts—Description of Series 2017 Project Accounts—Debt Service Reserve Account.''

Amounts in the Series 2017 Debt Service Reserve Account will be used to pay debt service on the Series 2017 Bonds on the date such debt service is due when insufficient funds for that purpose are available in the applicable interest or principal sub-account under the Collateral Agency Agreement, together with funds in the Series 2017 Funded Interest Account, the Series 2017 Principal Account or the Series 2017 Interest Account (as applicable) held under the Indenture. Amounts in the Series 2017 Debt Service Reserve Account are pledged solely to the Owners of the Series 2017 Bonds.

* Preliminary, subject to change.

Moneys on deposit in the Series 2017 Debt Service Reserve Account will in all cases be applied by the Collateral Agent in accordance with the Collateral Agency Agreement. See ''SERIES 2017 PROJECT ACCOUNTS AND FLOW OF FUNDS—Series 2017 Project Accounts—Description of Series 2017 Project Accounts—Debt Service Reserve Account'' and ''APPENDIX D—FORM OF COLLATERAL AGENCY, INTERCREDITOR AND ACCOUNTS AGREEMENT.''

Security Agreement

The Company and the Collateral Agent will enter into a Security Agreement, pursuant to which the Company will grant to the Collateral Agent, for the benefit of the Secured Parties, 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. Such Collateral includes the Company's right, title and interest in and to all Series 2017 Project Revenues, moneys in all Series 2017 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 2017 Bonds and under the Senior Loan Agreement will not be secured by the Distribution Account or the Series 2017 Rebate Fund.

Pledge Agreement

The Pledgor and the Collateral Agent will enter into a Pledge Agreement, pursuant to which the Pledgor will pledge to the Collateral Agent, for the benefit of the Secured Parties, 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.

Mortgages

At Closing, Mortgages will be filed with respect to the Company's interest in the following portion of the Collateral: (i) the Company's easement interest in the portion of the Shared Corridor located in the Series 2017 Counties, (ii) the Company's 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 (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.

Surveys

Certain surveys relating to the owned real property included in the Collateral will not be obtained until after the Closing Date. See ''RISK FACTORS—Risks Related to this Offering.''

Collateral Agency Agreement

The Collateral Agency Agreement will be entered into by the Company, the Collateral Agent, the Trustee, the Account Bank and each other Secured Party that becomes a party thereto.

Pursuant to the terms of the Collateral Agency Agreement, Deutsche Bank National Trust Company will be 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 Series 2017 Project Accounts will be established at the Account Bank. The Company will pledge and grant to the Collateral Agent, for the benefit of the Secured Parties, a security interest in and lien on such Series 2017 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 Series 2017 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 Series 2017 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 ''SERIES 2017 PROJECT ACCOUNTS AND FLOW OF FUNDS—Series 2017 Project Accounts'' for a further description of the Series 2017 Project Accounts and ''APPENDIX D—FORM OF 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 $2,000,000 per year except for Permitted Sales and Dispositions, as provided in the Senior Loan Agreement. See ''APPENDIX C—FORM OF 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—FORM OF 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 2017 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 2017 Bonds and under the Senior Loan Agreement. The Company also may incur other Permitted Indebtedness. See ''ADDITIONAL INDEBTEDNESS'' below and ''APPENDIX C—FORM OF SENIOR LOAN AGREEMENT.''

ADDITIONAL INDEBTEDNESS

General

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 ratably and equally secured by the Trust Estate and the Collateral (other than the Series 2017 Debt Service Reserve Account) with the Series 2017 Bonds upon execution of a Supplemental Indenture without consent of the Owners of the Series 2017 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.

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 2017 Bonds. Permitted Additional Senior Indebtedness will be payable pro rata with the Series 2017 Bonds pursuant to the Collateral Agency Agreement, and may at the option of the Company be secured by all the Collateral (other than the Series 2017 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 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 2017 Bonds. Any such Permitted Subordinated Debt will be subordinate in all respects with respect to the security for the Series 2017 Bonds. See ''SERIES 2017 PROJECT ACCOUNTS AND FLOW OF FUNDS—Flow of Funds.''

Additional Parity Bonds and Permitted Additional Senior Indebtedness

The Issuer may issue Additional Parity Bonds pursuant to the Indenture, on the written 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 2017 Bonds, solely if any of the following conditions are met:

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 in each bond year through the final maturity of the Senior Indebtedness Outstanding prior to such refunding or defeasance.

Other Senior Indebtedness

Permitted Additional Senior Indebtedness also may be issued in order to provide working capital to the Company in a cumulative aggregate principal amount not to exceed $50 million.

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 2017 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—FORM OF 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 material contained in this section or elsewhere in this Limited Offering Memorandum other than in the section entitled "THE ISSUER." The Issuer is not responsible for providing any purchaser of the Series 2017 Bonds with any information relating to the Series 2017 Bonds or any of the parties or transactions referred to in this Limited Offering Memorandum or for the accuracy or completeness of any such information obtained by any purchaser.

The information in this section and elsewhere in this Limited Offering Memorandum is based on certain assumptions and projections regarding the Project. 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 regarding the future ridership and revenue for the Project, and these estimates may prove to be inaccurate. Actual results could differ from the projections and other estimates contained in this Limited Offering Memorandum."

General

The Company is developing a privately owned and operated express, intercity passenger rail infrastructure project initially running 67 miles between Miami and West Palm Beach, Florida, which is one of the most heavily-traveled corridors in the United States. The Project includes three railway stations owned by the Company in the core downtown regions of Miami, Fort Lauderdale and West Palm Beach, new track infrastructure and rolling stock. In addition, the Company is pursuing several growth initiatives, including the extension of its service to Orlando, where a new station located at Orlando International Airport will be leased by the Company, as well as potential further extensions to other large population centers in the State of Florida such as Tampa and Jacksonville. Ultimately, the Company believes that several major travel markets throughout the U.S. represent opportunities for it to introduce new, modern, high speed rail systems as a faster, safer, cleaner, more reliable and more productive alternative to driving on the increasingly congested road systems or flying.

The proceeds of this offering will be used to pay or reimburse a portion of the costs of the design, development, acquisition, construction, installation, equipping, ownership and operation of the South Segment Project, which will connect Miami with West Palm Beach, including the railway stations in Miami, Fort Lauderdale and West Palm Beach, but excluding related transit-oriented real estate development.

The Company's passenger rail service will run along a rail corridor that is presently utilized for freight rail service by FECR and runs through some of the most densely populated regions of the State, including the downtown regions of Miami, Fort Lauderdale and West Palm Beach. The Company believes that the dynamics of the Southeast Florida travel market, combined with the Company's use of existing transportation corridors and rail infrastructure to build the Company's system, makes the South Segment Project one of the most feasible and economically attractive passenger rail infrastructure projects in the United States.

The Company anticipates a high level of demand for its service given the large number of travelers within the Southeast Florida corridor and the current lack of convenient, reliable, uncongested and cost-effective travel alternatives. According to the 2016 INRIX Global Traffic Scorecard, Southeast Florida ranks globally as the tenth most congested urban areas in terms of peak hours spent in congestion and fifth within the U.S. for traffic congestion.[1] 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 introduction of a new intercity express passenger rail system such as the South Segment Project. The passenger service is scheduled to begin in the fourth quarter of 2017 with service between West Palm Beach and Fort Lauderdale. The Company expects to commence full scale revenue service in the first quarter of 2018, including 32 daily departures (16 round trips) between Miami and West Palm Beach. Each trainset is comprised of two locomotives and four coaches for a total capacity of 240 passengers per train. The express trains will be able to make the 67 mile trip from Miami to West Palm Beach in approximately one hour while offering on board amenities to passengers. With train speeds of up to 79 miles per hour, the South Segment Project is expected to provide fast, dependable transportation within the growing region of Southeast Florida. Based on comprehensive third-party market studies and its internal forecasts, the Company expects passenger rail operations to carry approximately 2.94 million passengers annually by 2020 and to be profitable with multiple opportunities for growth. The Company's senior management team responsible for the Project is comprised of seasoned executives,

[1] Data Source: LB's analysis of the 2016 INRIX Global Traffic Scorecard.

some of whom have over 30 years of experience in the development of complex projects involving passenger rail transportation and other customer-centric and hospitality industries, as well as a strong track record of successfully launching and growing major businesses.

In addition, because of the high number of passengers expected to pass through the Company's downtown stations, there are several attractive retail, residential and commercial transit-oriented real estate development opportunities at or near the Company's owned station sites. FECI and its affiliates are pursuing these development opportunities. Although these transit-oriented development projects will not constitute Collateral for the Series 2017 Bonds, the Company believes they may contribute to increased ridership. FECI is expected to invest directly or indirectly approximately $350 million of equity in transit oriented development opportunities.

Construction on the South Segment Project is nearing completion. Trainsets are fully delivered and actively undergoing testing. Track infrastructure is nearing completion with installation of signaling underway. The Company has invested approximately $1.8 billion in the development and construction of the South Segment Project. This amount includes corridor and station land with an appraised value of approximately $699 million, $605 million in rail infrastructure, $267 million in new rolling stock assets, and $259 million in stations. Amounts were funded by a combination of cash and assets from FECI and third party debt and vendor financing. The Company has contracted with certain entities, including DispatchCo, a 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 passenger trains have priority over freight trains.

The Company has entered into an agreement with Siemens for all repairs and maintenance on the rolling stock, subject to certain limited exceptions set forth in the Siemens Maintenance Agreement. 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 being performed at the Company's running repair facility in West Palm Beach.

The South Segment Project has received support from local, state and federal authorities given the long-acknowledged demand for an alternative to car travel. In total, the rail operations for the South Segment Project are expected to generate total revenue of approximately $142 million and EBITDA of approximately $77 million for the full year 2020 (the projected first stabilized year of operations after a two year ramp-up period). See ''PROJECTED DEBT SERVICE COVERAGE.''

The Company has all necessary permits and licenses to operate its passenger rail service between Miami and West Palm Beach, subject to final approvals from the FRA and other local agencies, which are expected prior to commencement of the full service schedule in the first quarter of 2018.

Passenger Rail Service

The Company's South Segment Project passenger rail service will offer leisure, business, and personal travelers fast, reliable, convenient and comfortable travel within Southeast Florida. As a part of the South Segment Project's full operating schedule, the Company expects 32 daily departures (16 round trips) for the Miami to West Palm Beach service. The South Segment Project's express trains will be able to travel at speeds of up to 79 mph, making the 67 mile trip from Miami to West Palm Beach in approximately one hour, while offering onboard amenities to passengers. 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 Company expects that its passenger rail service will be used by a diverse mix of leisure travelers, business travelers, both domestic and international, and Florida residents transiting in Southeast Florida. Such a diversity of ridership will decrease the Company's dependency on any one type of traveler, and will also allow the Company to maximize revenues by achieving higher load factors throughout the Company's daily departure schedules, including in off-peak times. To accommodate passengers' schedules, the Company will offer daily departures from Miami and West Palm Beach each hour between approximately 6 a.m. and 9 p.m. Passengers will enjoy WiFi (provided in stations and on board at no charge) and high-quality food, beverage and retail offerings available in the stations and on board the trains. Ancillary amenities intended to enhance the Company's passenger rail service will be offered at stations such as business centers with print and copy services. Leisure travelers will have the option to purchase integrated travel packages for fast and easy connections to major travel destinations in Miami, Fort Lauderdale and West Palm Beach.

Brand and Market Positioning

Branding and marketing for the South Segment Project is led by a seasoned management team with direct experience in leading large consumer centric businesses and launching new transportation products and companies. The Company's brand positioning will highlight the benefits of train travel, including convenience, reliability, safety and affordability, especially when compared to the challenges of traveling to the cities covered by the Company's service along the Company's corridor by car. The Company's marketing approach will be designed to increase revenues in two ways: through direct-to-consumer channels and through relationships with wholesalers and travel partners within the overall travel trade industry. As part of the Company's branding and marketing strategy, it will utilize a CRM (Customer Relationship Management) technology solution to understand passengers' usage and preferences so the Company can adjust its marketing and services accordingly. In addition, the Company has engaged the Rockwell Group, a world-class international branding company, to assist in developing its consumer brand and market positioning in order to best appeal to each travel market along the Miami to West Palm Beach corridor and has engaged C+K, an international marketing and advertising firm, to develop strategies and content for the launching and consumer awareness building of the Company's new brand and product.

Ticket Sales and Distribution

The Company expects ticket sales to account for approximately 76% of the Company's passenger rail revenue starting in 2020 (the Company's expected first year of stabilized operations). Tickets will be offered through multiple distribution channels, including direct sales to travelers over the internet and through mobile devices or at ticket machines at the Company's stations (which the Company refers to as its ''retail'' channel), and sales through wholesalers and travel partners (which the Company refers to as its ''wholesale'' channel). For the retail channel, the Company is designing 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 will employ search engine optimization technology to direct customers to its website for ticket purchases. Through its wholesale channel, the Company expects to develop partnerships and affiliations with a variety of travel partners and wholesalers to integrate the Company's tickets into travel packages that are presold to the leisure market.

Advanced ticket sales commenced in October 2017 with strong reception. The Company expects to pre-sell approximately 20% of its projected 2018 ticket revenue prior to the launch of full-scale revenue service in the first quarter of 2018.

Tickets will be available for purchase prior to the date of travel, and as late as minutes before departure. Travelers will be 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 will be demand-driven and based on the day and time of departure. The Company expects to utilize a yield management system (in conjunction with the Company's CRM discussed above) that allows 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.

Ancillary Revenue Opportunities

In addition to ticket revenues, at stabilized operations (expected in 2020), the Company expects to generate approximately 24% of its revenue through a number of ancillary sources intended to support and enhance its passenger rail service, including advertising, food and beverage sales, merchandise sales, sponsorships and marketing affiliations, and commissions from the Company's travel partners, and through ground transportation extensions. The Company's trains and stations will provide opportunity for advertisers to reach a large and captive audience. The Company expects to sell advertising space on video screens, monitors, kiosks, collateral and displays at each station and on board the Company's fleet of trains and ground transportation facilities. The Company is also actively pursuing long-term partnerships and sponsorships with a variety of organizations, including financial institutions and technology companies who would seek to associate themselves through naming rights or other relationships with the speed and connectivity of the Company's state-of-the-art, express passenger rail system. In addition, the Company expects to generate revenues through travel packaging relationships with third parties such as 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. Finally, the Company expects

to generate additional revenues for its passenger rail service through à la carte offerings of high-quality food beverage options, retail merchandise, and business services. Private reserved trains for conventions and groups outside normal scheduled services would also be available for charter.

Rolling Stock

The Company currently is in possession of five trainsets built by Siemens. The purchase price for these five trainsets was approximately $267 million, with the purchase price vendor financed by Siemens, which financing is to be repaid on the Closing Date.

Each trainset consists of two diesel-electric locomotives and four stainless steel coaches and has a total capacity of 240 passengers per train. This dual locomotive arrangement will enable trains to achieve top speeds of 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. 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 and will be similar in size 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 anticipates having three active trainsets, leaving one spare trainset available for private charter service and one to be utilized in rotation to allow rolling stock to be monitored, inspected, serviced and maintained without adversely impacting regularly scheduled service.

The Company's rolling stock vendor contracts will give it (or its affiliate) the option to purchase additional passenger cars and locomotives to accommodate increased ridership. As ridership ramps up, additional coaches will be added to the trains, such that each train will be comprised of two locomotives, six coaches and a café car for a total capacity of 356 passengers per train.

Brightline trains at West Palm Beach maintenance facility.

The Project's trains and stations are designed to be compliant with regulations specified by 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 Project's locomotives also 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 Federal Passenger Rail Investment and Improvement Act (PRIIA) mandate. The Project's rolling stock complies with FRA regulations, including Crash Energy Management (CEM) and the new Positive Train Control (PTC) requirements, which require a centrally monitored and controlled network to bring trains safely to a stop if certain operating safety parameters are exceeded. Installing PTC systems allow 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 as a cost of the Project 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 as a cost of the Project and delivered to Siemens for installation.

Operations and Maintenance

The Company anticipates beginning initial passenger rail operations in the fourth quarter of 2017, full scale revenue service in the first quarter of 2018 and, based on other passenger rail projects, achieving full ramp-up ridership in the third full year of operations. The Company intends for its affiliate, All Aboard Florida Operations Management LLC, or the ''Manager,'' to manage passenger rail and hospitality operations, sales and marketing, IT, finance, accounting, human resources, legal and right-of-way functions. See ''COMPANY AND AFFILIATES—Management Agreement'' for more information.

As described in more detail below under ''THIRD PARTY AGREEMENTS,'' the Company has contracted with certain entities, including DispatchCo, a joint venture between FECR and the Company, for dispatch services and with 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 executed a maintenance agreement with Siemens, the rolling stock provider, for all warranty repairs and maintenance on the rolling stock, thereby making these large costs more easily predictable. The maintenance for the rolling stock will be performed at a running repair facility in West Palm Beach. Chief Mechanical Officer Tom Rutkowski will provide oversight and management of the Siemens contract.

LB has prepared the Operations and Maintenance and Ancillary Revenue Report that is included as Appendix F to this Limited Offering 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.

Employees

The Company does not expect to 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. Initially, employees will be subcontracted to the Manager pursuant to an agreement with FECI Holding Corp., a subsidiary of FECI.

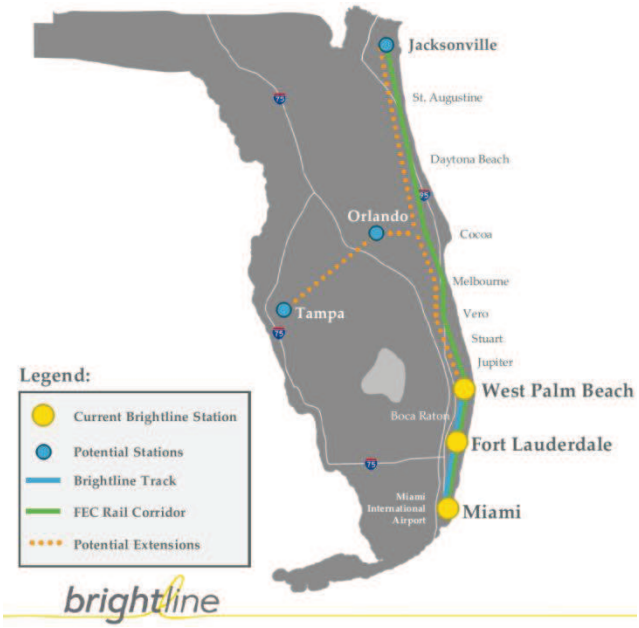
At stabilized operations, the Company expects the Manager to have 203 full-time equivalent employees (FTE's), of which rail operations is expected to have approximately 68 FTE's, including onboard staff and maintenance support staff. Each train will be staffed with an engineer, a train manager/conductor and two onboard attendants. The maintenance facilities will be staffed with the Chief Mechanical Officer, facility manager, facility engineer, train readiness managers, train cleaning staff and custodians.

Stations and hospitality operations is expected to have approximately 99 FTE's, including station managers, station engineers, safety and security staff, ticket counter/guest services agents, public area attendants and baggage agents, in-station café attendants and commissary employees.

Project operations have approximately 36 FTE's responsible for sales and marketing, finance, information technology, human resources, legal and safety. Project operations will be based in Miami. None of the Project operations employees are covered by any collective bargaining agreements.

Stations

Construction on the Fort Lauderdale and West Palm Beach stations has been completed in all material respects and construction on the Miami station is nearing completion. All of the Company's station locations are in regions with dense populations, near major travel destinations and with multiple connections to local commuter rail and public ground transportation. The Company believes these strategically located stations will help attract passengers because of their proximity to key destinations, accessibility by passengers and close connectivity to other transportation systems.



More than 130,000 square feet of retail space is located at or proximate to the South Segment Project's stations. FECI, the Company's parent company and one of the largest real estate developers in South Florida, is actively developing this retail space to create a premium experience. Key tenants, including national top-tier food and beverage, fashion, fitness and life-style brands, are in advanced negotiations to lease space.

Miami

The Miami station location is on a site in downtown Miami, near the city's government center area and surrounded by major employment centers and with convenient parking nearby. The station site is only blocks from major destinations, including PortMiami (the world's largest passenger cruise port), the American Airlines Arena (home of the Miami Heat NBA team), two new museums and the Adrienne Arsht Center for the Performing Arts (Miami-Dade County's primary opera house, theatre and classical music concert hall). The site currently is a hub for multiple modes of public transportation and is a location stop for Miami's Metrorail (a 22-mile metropolitan rail system that includes service to the Miami International Airport) and Metromover (a free, elevated people mover for easy access to downtown Miami and Brickell Avenue sites) as well as Miami-Dade County's municipal bus service. In addition, the Company has entered into development and operating agreements to link the Miami station with Tri-Rail.

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 will consist 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 area and security functions. The station's mezzanine level comprises of the primary concourse for passengers to directly connect to other modes of transportation such as Metrorail and the Metromover.

Fort Lauderdale and West Palm Beach

In Fort Lauderdale, the Company's station location is 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 and the expected future site of the city's WAVE electric streetcar system.

In West Palm Beach, the Company's station location is 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 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 rail, will allow level boarding 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.

Management Team

The senior management team for the Project, as well as the management of its parent company FECI, is comprised of seasoned executives, some of whom have over 30 years of experience in the development of complex projects, as well as a strong track record of successfully launching and growing major businesses, including those involving passenger rail transportation and other customer-centric and hospitality industries. In addition, the management team in previous executive positions has developed a wide range of other projects both within and outside of Florida, including Denver Union Station, numerous resorts and theme park developments. The senior management team will be made available to the Company for the Project by the Manager, pursuant to a General Operations, Management and Administrative Services Agreement. See ''COMPANY AND AFFILIATES—Management Agreement.''

Project Management Team

DAVE HOWARD, *Chief Executive Officer*

Dave Howard is responsible for all aspects of the passenger rail business, including all operational functions and the guest experience.

Mr. Howard is an executive with more than 20 years of experience in sports and entertainment, leading the business operations of large venues and major league sports organizations. He has held leadership roles in the development of new or substantially rebuilt facilities, with experience spanning Major League Baseball, National Basketball Association, National Hockey League, Women's National Basketball Association, American Hockey League, National Basketball Association D-League and Minor League Baseball operations.

Mr. Howard was President of MSG Sports where he ran the business operations of the New York Knicks, New York Rangers, New York Liberty and Madison Square Garden's NCAA Basketball and other sports events. Mr. Howard was President during the third and final construction phase and the grand reopening of the transformed Madison Square Garden. Prior to MSG Sports, Mr. Howard ran the business operations of the New York Mets, where he worked for more than two decades and was the lead business executive in the design, development, launch and operation of Citi Field.

Prior to joining the Company, Mr. Howard was the Co-Founder and Principal in Howard & Sergi, LLC, where he consulted and advised team owners and senior executives on guest experience-related strategic planning, design, contracting, organizational structure and operations.

Mr. Howard holds a Bachelor of Arts degree in Economics from Dartmouth College and received his law degree from Fordham Law School.

P. MICHAEL REININGER, *Executive Director*

After serving as President of the Company for more than five years, P. Michael Reininger is now responsible for the new development and growth opportunities as it relates to expansion of the Project. Mr. Reininger brings to the Company an extensive background in creating and delivering new, large-scale hospitality and transportation businesses and real estate developments.

Prior to joining the Company in 2012, Mr. Reininger was managing partner for the Union Station Neighborhood Company in Denver, Colorado, where he led the efforts for planning and delivery of the redevelopment of Denver's Union Station as a model transit-oriented urban center; integrating multiple forms of public transit with new multi-use real estate development. He also managed the development of several major projects during a 12-year tenure with subsidiaries of The Walt Disney Company, including creation of the Disney Vacation Club, the resort component of

Disneyland Paris and the creation of the Disney Cruise Line. Mr. Reininger previously served as Executive Vice President and Chief Development Officer for AECOM and Senior Vice President of Creative Services and Corporate Marketing for the St. Joe Company.

Mr. Reininger holds a Bachelor's degree in Architecture, Design Specialization from Texas Tech University and Executive Certifications in Resort and Hotel Master Planning, Financial Engineering and Business Management from the Harvard University School of Design, Harvard Business School and the Wharton School of the University of Pennsylvania.

PATRICK GODDARD, *Chief Operating Officer*

Patrick Goddard is responsible for all Project operations, which include station operations, transportation, safety and security and mechanical operations.

Prior to joining the Company, Mr. Goddard was the Chief Operating Officer for Trust Hospitality, 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, 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 and Loews Hotels, as well as Hilton Hotels, Jurys Hotels and other independent hotels and restaurants in Europe.

HEATHER ENDERBY, *Chief Financial Officer*

As Chief Financial Officer, Heather Enderby is charged with all financial aspects of the Project's development and operations. Ms. Enderby brings nearly more than 30 years of accounting and financial leadership experience in the private sector, as well as in public accounting.

Prior to joining the Company, Ms. Enderby served for 17 years at Ryder System, Inc., a Fortune 500 and NYSE-listed company. During the last seven years, Ms. Enderby was the Vice President and Chief Financial Officer of Ryder's $4.5 billion Global Fleet Management Solutions Division. Ms. Enderby also served as Senior Vice President of Corporate Finance for MasTec, Inc., a $4 billion NYSE-listed company. Prior to working with Ryder and MasTec, Ms. Enderby worked for 10 years in audit and consulting for Deloitte & Touche LLP.

Ms. Enderby holds a Bachelor's of Accounting Science Degree and Honors Degree in Accounting Science from the University of South Africa.

M. BRUCE SNYDER, *Chief Financial Officer of FECI*

As Chief Financial Officer for FECI, Mr Snyder is responsible for FECI's and its subsidiaries' capital markets activities and financial planning, reporting and analysis.

A seasoned executive with extensive experience overseeing finance organizations, Mr Snyder most recently served as Senior Vice President of Finance and Accounting for New York-based real estate and development firm Related Companies. He also held leadership positions with global mining leader Rio Tinto including Chief Financial Officer of Rio Tinto Palabora Mining Company and Chief Financial Officer of Rio Tinto Minerals, overseeing strategic planning, finance, accounting, compliance and business planning for the $4 billion global minerals mining and production company. His career has also included executive positions with the St. Joe Company, CarrAmerica Realty, and Charles E. Smith Cos.

Ms. Snyder holds a Bachelor's Degree in Accounting from The George Washington University, an MBA in Finance and Investment from The George Washington University and Executive Certifications from the Duke University Fuqua School of Business, Business Leadership and Development Program.

JULIE EDWARDS, *Chief Marketing Officer*

As Chief Marketing Officer, Julie Edwards is responsible for driving marketing strategy and program innovation toward the launch of the Project. Ms. Edwards will also oversee the development and execution of the Project's comprehensive marketing and communications plan and provide strategic leadership to achieve the Project's marketing goals.

Ms. Edwards has a deep understanding of traditional and innovative marketing strategies and brings more than 25 years of in-depth marketing and branding expertise to the Company. Prior to joining the Company, Ms. Edwards worked as a lead consultant for 11 years in the building and rebranding of NAVTEQ, now Nokia, where she assisted in growing the brand. During her 10 years at Walt Disney Parks and Resorts, she developed strategic partnerships and led cross-marketing efforts at Walt Disney World, Disneyland and Disneyland Paris. As a marketing and branding consultant, she lead marketing efforts at Cedar Fair Entertainment and other leading theme parks and resort brands around the world.

Ms. Edwards holds a Bachelor's Degree in Business Administration from the University of Kentucky.

TED HUTCHINS, ***Chief Information Officer***

As Chief Information Officer, Ted Hutchins is responsible for the strategic and operational planning and implementation of IT-related endeavors for the Project, including all functions of a seamless integrated technology system.

Mr. Hutchins brings more than 20 years of experience managing and overseeing the information and operational functions of major airlines. Prior to joining the Company in March of 2014, Mr. Hutchins served as Vice President of Technology at Porter Airlines, in addition to serving for 11 years at AirTran Airways as Senior Director and Chief Technologist. During his tenure at AirTran, Mr. Hutchins was responsible for overseeing and streamlining various aspects of the airline's operations, including managing the IT team, creating and implementing new technological advancements and IT disaster recovery plans, developing and sustaining partnerships, as well as managing an operating budget of $32 million.

Mr. Hutchins holds a Master's of Business Administration (MBA) from Purdue University, and graduated with a Bachelor's Degree in Computer Science from Alma College.

ADRIAN B. SHARE, P.E., ***Executive Vice President of Rail Infrastructure***

As Executive Vice President of Rail Infrastructure, Adrian 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 Project. Mr. Share will also be responsible for managing the budget and schedule, implementation of Positive Train Control and environmental oversight for the Project.

With more than 30 years in the transportation industry, Mr. Share brings extensive passenger rail experience and leadership to the Company. He previously served as HNTB Corporation Florida District Leader and Program Manager for the company. While at HNTB Corporation, Mr. Share also served as the Florida High Speed Rail Project Manager, where he assisted the Florida Department of Transportation (''FDOT'') in its application and strategic planning process for the Orlando-Miami and Tampa-Orlando-Miami segments. Mr. Share also worked on dozens of infrastructure projects, ranging from bridges to toll lanes to highways, while at HNTB Corporation.

Mr. Share holds a Bachelor's in Civil Engineering from Tulane University and a Master's of Business Administration from Northeastern University. He is a Professional Engineer in Florida (1999) and previously served as the Chair of the Transportation Committee of the Florida Institute of Consulting Engineers (FICE) and has led several of its subcommittees over the past decade. In 2012, Mr. Share was awarded the prestigious Ben Watts Partnership Award by FDOT.

SCOTT SANDERS, ***Executive Vice President of Development and Construction***

As Executive Vice President of Development and Construction, Scott 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 Project's transit-oriented development program throughout South Florida.

With more than 25 years of experience in real estate development, Mr. Sanders has managed a number of award-winning projects from conception to completion. Prior to joining the Company in March of 2014, Mr. Sanders served as Senior Vice President of Design and Construction for MGM Hospitality, where he oversaw the development of luxury hotels both in the United States and internationally – specifically, he led the delivery of technical services associated with the development of more than 25 properties around the world. Mr. Sanders also previously served as Vice President of Strategic Programming & Design for The St. Joe Company, where he led the development of the company's strategies related to branding, customer segmentation, marketing services, product design and product positioning for all of its initiatives in Northwest Florida.

Mr. Sanders holds a Bachelor's in Architecture from Texas Tech University, and he is a member of the American Institute of Architects.

MYLES L. TOBIN, ESQ., *General Counsel*

As General Counsel, Myles Lloyd Tobin is responsible for directing the Project's legal affairs and providing counsel on all significant legal issues. He has more than 38 years of legal expertise in mergers and acquisitions, railroad regulatory compliance and commercial transactions. Most recently, Mr. Tobin served as partner in the Chicago law firm of Fletcher and Sippel LLC where he represented Fortune 1000 companies. He also previously served as Vice President of U.S. Legal Affairs for Canadian National Railway, where he counseled senior executives and directed the legal affairs for 40 U.S. subsidiaries ranging from land acquisition companies, bulk terminals and equipment leasing companies to several large and medium-sized railroads, including Illinois Central, Grand Trunk Western and Chicago Central & Pacific. Prior to Canadian National Railway's merger with Illinois Central Railroad, Mr. Tobin served Illinois Central for nine years, ultimately as General Counsel. Mr. Tobin also served as counsel for the Chicago and North Western Transportation Company where he handled corporate and regulatory activities.

Mr. Tobin holds a Juris Doctorate degree from Northwestern University School of Law and a Bachelor's Degree in Political Science from Northwestern University. He is admitted to practice law in the U.S. Supreme Court, the courts of the State of Illinois, the Seventh Circuit Court of Appeals and numerous other state and federal courts.

DAVID HELFMAN, *Vice President, Corporate Partnership*

David Helfman, a former sports industry executive, is responsible for identifying and generating strategic corporate partnerships for the Company.

Mr. Helfman has built a distinguished career in sports sales, most recently serving as the Director of Corporate Partnerships for the Miami Dolphins. Prior to the Dolphins, Helfman also served as the Director of Corporate Partnerships for the Miami Heat between 2008 and 2014 and as Marketing Solutions Manager for the Florida Panthers three years prior. His hospitality orientation and passion for people is well-suited for the Company's customer-centric mission.

Mr. Helfman holds a Master's in Sports Business Administration and a Master's in Business Administration from the University of Central Florida. He also holds a Bachelor's Degree in Arts, Psychology from the University of Florida.

TOM RUTKOWSKI, *Chief Mechanical Officer*

As Chief Mechanical Officer, Tom is responsible for the design and delivery of the rolling stock fleet for the Project, as well as the design and delivery of the West Palm Beach and Orlando vehicle maintenance facilities. Tom will be responsible for running the two maintenance facilities and managing the Siemens Maintenance Agreement once revenue service commences.

Prior to joining the Company in 2014, Mr. Rutkowski served for 17 years at New Jersey Transit, most recently in the position of General Superintendent – Equipment, where he managed an 87-acre maintenance complex and the maintenance for 205 diesel and electric locomotives and 1,115 passenger coaches. Mr. Rutkowski also worked on the Acela program as Supervisor – Service & Inspection.

Mr. Rutkowski attended Rutgers University School of Engineering in New Jersey.

OLIVIER PICQ, *Chief Transportation Officer*

As Chief Transportation Officer, 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 SNCF, the French National Railroad company, and at its subsidiary SYSTRA and KEOLIS America. Olivier has a proven track record of success in high-speed rail operations, program management, financial agreements, commercial and marketing activities, traffic forecasts, and business modeling. He commissioned multiple high-speed rail projects in France, South Korea, Taiwan, Spain, Germany, Switzerland, Belgium and Great Britain and worked on planning multiple high-speed rail projects in the United States, including Texas, California and Florida.

Olivier attended the Paris School of Economics (France) and holds a Master's degree of Engineering from Aix-Marseille (France).

Environmental

As a landowner, railroad operator and developer of related infrastructure, the Company will be 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 and remediation of soil and groundwater. 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.

Insurance

The Company's comprehensive insurance program for the South Segment Project includes the following coverages:

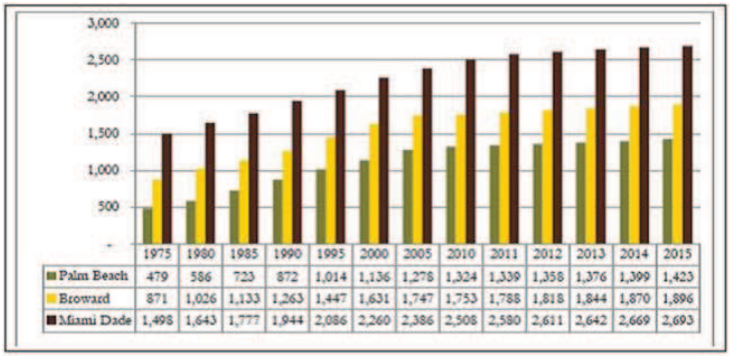
- *Professional Liability*: Protective errors and omissions insurance will be maintained for the Project. This protects against defenses and damages caused by errors in rendering of professional services by the Design and Construction teams.
- *Pollution Legal Liability*: Insurance to protect against 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 will be maintained for the Project.
- *Contractors Pollution Liability*: Insurance to pay those sums that the insured or any contractor (or subcontractor) becomes legally obligated to pay as damages because of bodily injury, property damage, environmental damage (including mold), emergency response expense, and associated defense costs, arising out of a pollution incident caused by the Company's work will also be maintained.
- *General and Rail Excess Liability*: Liability insurance coverage will be maintained, including defense costs that the Company may be legally obligated to pay as 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 rail insurance will have a minimum $295 million combined single limit for bodily injury, personal injury and property damage per occurrence, which limit may be provided by a combination of primary and excess/umbrella coverage.
- *Property and Casualty*: Property insurance will also be maintained 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 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.
- *Corporate*: Various other policies are expected to be in place, including workers compensation, pollution liability, cyber security, food borne illness, crime and fiduciary liability, auto liability and director and officer protection.

The Company believes the insurance coverages are sufficient for the South Segment Project.

Travel Market for the Project

With an estimated population of 6.01 million residents in 2015, South Florida now ranks as the fourth most populous urbanized area in the United States. The Southeast Florida region represents the most densely populated area within Florida.[2] Main cities in the region include Miami, Fort Lauderdale, Pompano Beach, Boca Raton, and West Palm Beach in Southeast Florida. Just under one half of the regional population resides in Miami-Dade County, over 30% live in Broward County and nearly 25% reside in Palm Beach County. As shown in the charts below, the metropolitan areas within the Series 2017 Counties have experienced average annual population and employment gains of 1.9% per year and 2.7% per year since 1975.

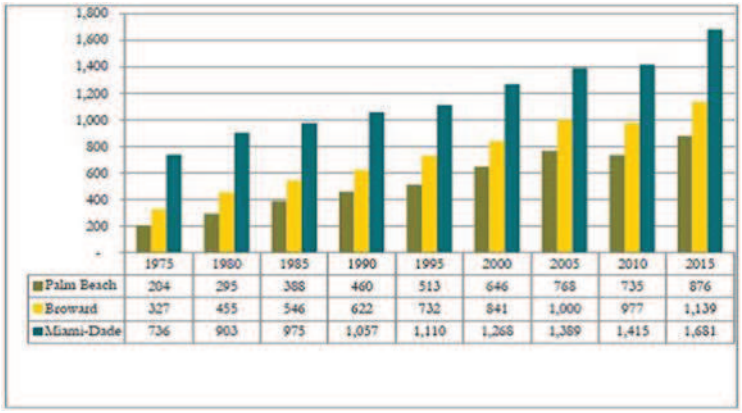
Population, 1975-2015 (In Thousands)



	1975	1980	1985	1990	1995	2000	2005	2010	2011	2012	2013	2014	2015
Palm Beach	479	586	723	872	1,014	1,136	1,278	1,324	1,339	1,358	1,376	1,399	1,423
Broward	871	1,026	1,133	1,263	1,447	1,631	1,747	1,753	1,788	1,818	1,844	1,870	1,896
Miami Dade	1,498	1,643	1,777	1,944	2,086	2,260	2,386	2,508	2,580	2,611	2,642	2,669	2,693

Source: Louis Berger, 2017, from data provided by Woods & Poole Economics, 2017

Employment, 1975-2015 (In Thousands)



	1975	1980	1985	1990	1995	2000	2005	2010	2015
Palm Beach	204	295	388	460	513	646	768	735	876
Broward	327	455	546	622	732	841	1,000	977	1,139
Miami-Dade	736	903	975	1,057	1,110	1,268	1,389	1,415	1,681

Source: Louis Berger, 2017, from data provided by Woods & Poole Economics, 2017

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 busiest airport in Florida with approximately 44.5 million passengers annually. Known as the gateway to Latin America, Miami is the second largest international tourist destination in the United States[3] and home to PortMiami, the largest passenger cruise port in the world (followed by Port Canaveral and Port Everglades, both in Florida).[4]

Overall, a total of 14.6% of overseas non-resident travelers enter the United States through one of two main South Florida airports: Miami International Airport (12.4%) and Fort Lauderdale International Airport (2.2%).

Existing Modes of Travel

Today, automobiles represent the dominant mode of intercity travel in Southeast Florida. The two main routes by auto between Miami and West Palm Beach are the I-95 interstate highway and Florida's Turnpike. Driving times

[2] Data Source: 2010 U.S. Census.

[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.

between Miami and West Palm Beach are estimated at approximately one hour 17 minutes on 1-95 and one hour and 27 minutes on Florida's Turnpike during non-peak hours and substantially longer during peak periods. Driving times between Miami and Fort Lauderdale are estimated at approximately 35 minutes and approximately 50 minutes between Fort Lauderdale and West Palm Beach during non-peak hours and substantially longer during peak periods. According to the 2016 INRIX Global Traffic Scorecard, Southeast Florida ranks globally as the tenth most congested urban area in terms of peak hours spent in traffic congestion and fifth within the U.S. for traffic congestion.[5] State and local agencies have been active in evaluating alternatives to relieve 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 metropolitan planning organizations 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.''

Other modes of transportation available to travelers in the region include rail, bus and shared ride. Tri-Rail, a commuter rail line run by South Florida Regional Transportation Authority (SFRTA) links Miami, Fort Lauderdale and West Palm Beach. Total travel times on Tri-Rail's service are approximately two hours.

[5] Data Source: LB's analysis of the 2016 INRIX Global Traffic Scorecard.

PASSENGER RIDERSHIP ESTIMATES FOR THE SOUTH SEGMENT PROJECT

The Company commissioned LB to develop the Ridership and Revenue Study, which provides an independent overview of ridership and revenue for the South Segment Project corridor, consisting of trips between West Palm Beach, Fort Lauderdale, and Miami.

Each year, travelers make hundreds of millions of trips between the communities in Southeast Florida that will be served by the South Segment Project, making the region one of the most actively traveled areas in the United States. The South Segment Project will operate on an existing transportation corridor 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.).

Overview of the Investment Grade Study Process

The ridership and fare revenue forecasts presented in the Ridership and Revenue Study are characterized as being investment-grade with respect to accuracy, reliability and credibility.[6] 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.
- 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 South Segment Project based on current travel, transport system and economic growth data.
- The adoption of conservative assumptions regarding factors affecting the South Segment Project 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).

---

[6] The key features noted in this summary of the Ridership and Revenue Study 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 South Segment Project usage may prove inaccurate. Changes from these assumptions could produce lower or higher ridership than the estimates summarized herein.

LB segmented its technical approach and analysis into four distinct areas of study outlined below. Each of these study areas are discussed in greater detail within their respective chapters of the Ridership and Revenue Study.

- Market assessment.
- Travel demand model development and calibration.
- Ridership and revenue forecast.
- Sensitivity testing.

Study Process

To determine the extent and magnitude of the demand for a new mode of intercity travel in Southeast Florida, LB 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 South Segment Project stations. To identify the addressable market, LB gathered extensive data on current levels of travel between the city pairs by mode, trip purpose, and time (time of day, day of week). LB 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 365 million intercity trips per year in areas reasonably served by the South Segment Project 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. The Ridership and Revenue Study outlines the assumptions and data sources LB used to establish the highway, rail, and air travel network. The study 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, LB 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, LB expects the overall number of trips between the cities in Southeast Florida to grow by 0.74% 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 South Segment Project system is an entirely new type of service for the region whose unique features can only be tested in hypothetical scenarios that place the South Segment Project against other competing modes. The current state-of-the-practice uses mode choice stated preference survey 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. LB 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 LB study team employed best practices in discrete choice analysis and network travel demand forecasting to determine diversions from existing modes of travel to the South Segment Project and ridership volumes on the South Segment Project system by city-pair segment. The stated preference 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 South Segment Project ridership forecast.

- *Sensitivity Testing* – The Ridership and Revenue Study 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.

The Ridership and Revenue 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. LB evaluated the following studies and used them as benchmarking references for the findings in its analysis:

- *Florida Overland Express*: Public-private partnership between FDOT and Florida Overland Express 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.
- *Florida Intercity Passenger Rail Vision Plan*: FDOT prepared the plan in 2006. The plan builds upon previous studies exploring the potential of high speed rail to assist in meeting the State's mobility needs.

Overview of the South Segment Project Rail Service

Special features of the South Segment Project service include the following:

- *Travel time savings*: Substantial time savings to current users of auto, bus and traditional rail.
- *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, with good intermodal connectivity (i.e. connections to Metrorail, Metromover, Tri-Rail – with direct connection to Miami International Airport – Broward County Transit, and The WAVE Streetcar,), parking and ridesharing services available.

In addition to the travel time savings offered by the South Segment 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.

Proposed Route and Stations

Planned improvements to the transit network will also bring value added to the South Segment Project and enhance its ridership by offering added convenience and potential for travel time savings. For instance, in Fort Lauderdale the WAVE Streetcar 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 Fort Lauderdale station, with anticipated daily boardings of over 1,300 passengers per day.[7] The service includes a proposed extension to Fort Lauderdale Airport.

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 (44.5 million passengers in 2016) and ranks second in the United States in terms of international passenger count, with 21.2 million international passengers annually. A total of 14.6% of overseas non-resident travelers enter the United States through one of the two main South Florida airports: Miami International Airport (12.4%) and Fort Lauderdale International Airport (2.2%).

Travel within Southeast Florida is primarily by automobile. Between Miami and West Palm Beach Florida's Turnpike runs parallel with I-95. Driving from Miami to West Palm Beach takes about 1 hour 17 minutes on the I-95

[7] Data Source: Downtown Transit Circulator Project Alternatives Analysis /Environmental Assessment, 2012.

and 1 hour 27 minutes on the Turnpike under free flow traffic conditions. Driving time with free flow conditions between Miami and Fort Lauderdale is about 35 minutes and about 50 minutes from Fort Lauderdale to West Palm Beach. During congested peak periods it is not uncommon for these travel times to increase by 30 to 100 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, total travel times of approximately two hours, and an annual ridership of 4.2 million.

According to the 2016 INRIX Global Traffic Scorecard, South Florida highways are among 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 States.[8] 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 metropolitan planning offices 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.''[9] 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.[10] 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,[11] 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.
- 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.

Key Assumptions

In order to develop a conservative approach for forecasting the South Segment Project ridership that is appropriate for evaluation by lenders and investors during the planning stage of project development, LB made several key assumptions, as follows:

- The forecast study area is limited to the extent of metropolitan 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 the Ridership and Revenue Study, this is the basis for establishing the size of the candidate market at over 365 million trips per year for the journey between the three cities in Southeast Florida.
- 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, LB developed the estimates using third-party

[8] Data Source: LB's analysis of the 2016 INRIX Global Traffic Scorecard.

[9] Data Source: FDOT, August 2006

[10] Data Source: FDOT, March 2006

[11] Data Source: FDOT, March 2009

vendor provided mobile-phone based location data of trips carried out between origins and destinations within the addressable market geography. The data was adjusted downward to account for captive auto users. Trip tables for other modes of travel were based on information obtained from relevant planning agencies and operators.

- The South Segment Project fares assumed in the modeling process were provided by the Company and validated by LB. 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).
- Growth estimates for the South Florida auto market are based on the growth rates modeled in the Southeast Florida Regional Planning Model, maintained by FDOT. 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. Rail forecasts for Tri-Rail were developed using trend lines based on official historical data. These are conservative assumptions for the 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 the South Segment Project 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.
- The South Segment Project 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 the South Segment Project. LB's 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 United States. As a novel form of transportation in Florida, the South Segment Project 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 the South Segment Project usage are subject to uncertainty and may prove inaccurate. Changes from these assumptions could produce lower or higher ridership than the estimates contained in this report. Please see LB's disclaimer for more information.

Key Findings and Ridership and Revenue Forecast

The Ridership and Revenue Study found that introduction of the South Segment Project service would complement existing modes of travel and draw a substantial number of business and non-business travelers. Station locations offered by the South Segment Project in Miami, Ft. Lauderdale, and West Palm Beach will provide an alternative source of transportation for travelers with origins or destinations at or near these urban cores. The study resulted in the following key findings:

- *Substantial "Addressable Market"* – Hundreds of millions of trips are taken annually between the three Southeast Florida cities that will be served by the South Segment Project. LB's study included a determination of the portion of these total trips that both originate and terminate within a defined distance of a South Segment Project station. The South Segment Project addressable market is assumed to include only those trips beginning and ending within a 20-minute drive of a South Segment Project station. Based upon detailed analysis, LB concluded that the addressable market for the South Segment Project intercity service amounts to over 365 million trips made by individuals in Southeast Florida annually.
- *Demonstrated Market Demographic Growth* – In the past 40 years, population in Southeast Florida has grown by an annual average of 1.9% and employment has grown by an annual average of 2.7%. In recent years, the areas within ten miles of the South Segment Project stations have shown growth in both population and employment.

- *No Comparable Service* – The South Segment Project can provide travel time savings of 25% to 50% when compared to existing surface modes (auto, bus and rail). There is no comparable service to the South Segment Project for intercity travel in the existing market.
- *Established Willingness to Pay* – The fares used in the Ridership and Revenue Study are backed up by two primary research efforts – a stated preference survey and a pricing research study commissioned by the Company – which confirmed willingness to pay for the South Segment Project 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 United States.
- *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

LB prepared estimates for annual ridership and farebox revenue for the South Florida market of the South Segment Project service, which is comprised of three intercity trips: Miami – Fort Lauderdale, Miami-West Palm Beach, and Fort Lauderdale – West Palm Beach. 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 2020, the first year after stabilized ridership is achieved.

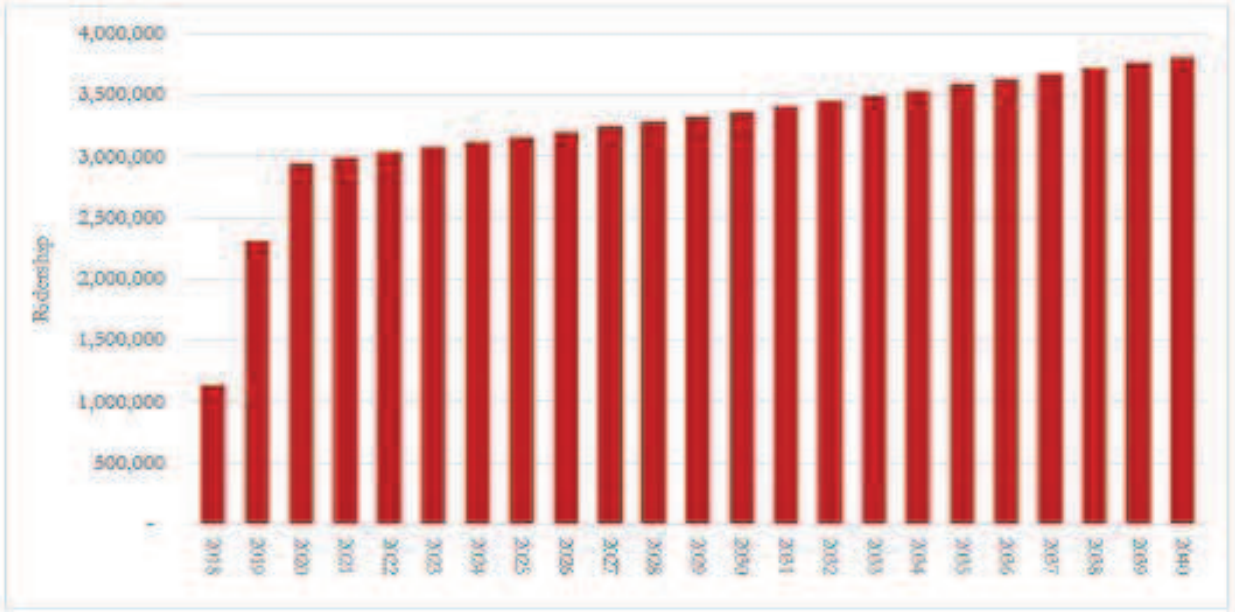
South Segment Project Ridership and Revenue Forecast, 2020 (2016 $)

Ridership	2,936,800
Fare Revenue	$96,046,300

Ridership and revenue for the initial years of the South Segment Project is expected to start at relatively low levels and grow to a stabilized volume by 2020. 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 has made substantial investment in marketing, pre-launch ticket sales, and corporate block sales prior to the anticipated commencement of full scale revenue service in the first quarter of 2018. LB assumed, therefore, ridership volumes of 5% of forecasted volumes in 2017 (reflecting 30% of forecasted volumes prorated to partial year of operation), 40% of forecasted volumes in 2018, and 80% of forecasted volumes in 2019. The Company expects to commence full scale revenue service in the first quarter of 2018.

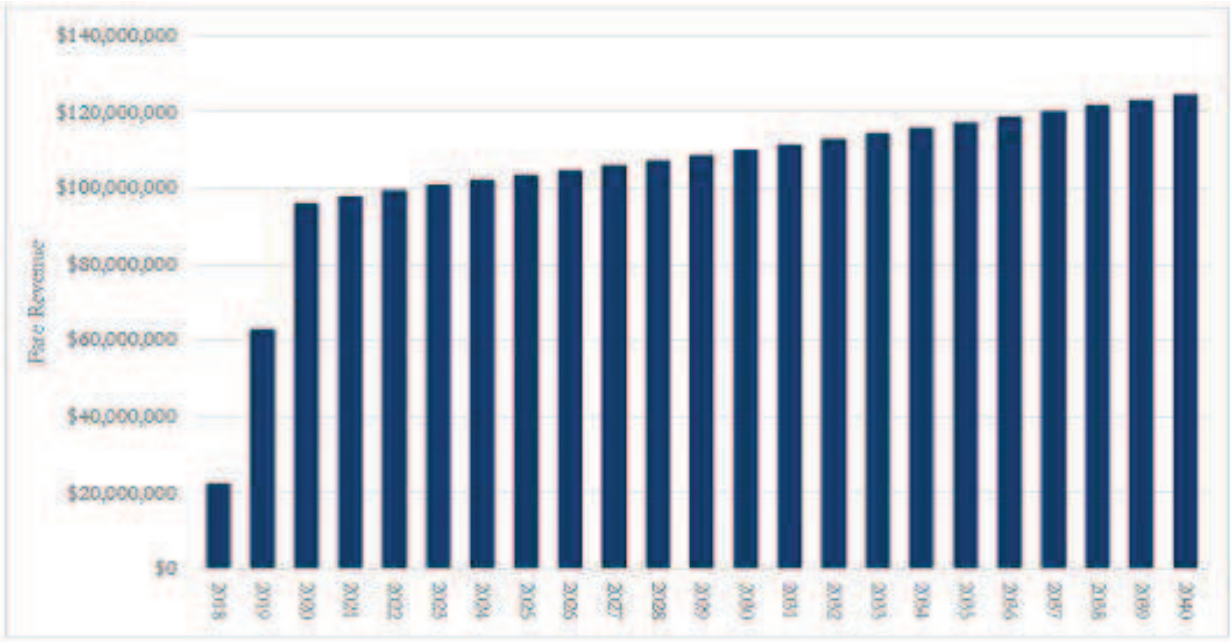
Ridership and revenue is summarized in the two figures below. The values for 2018 and 2019 account for ramp-up reductions.

South Segment Project Annual Ridership Forecast, 2018-2040



Source: Louis Berger U.S., Inc., 2017

South Segment Project Fare Revenue Forecast, 2018-2040, 2018-2040 (2016 $)

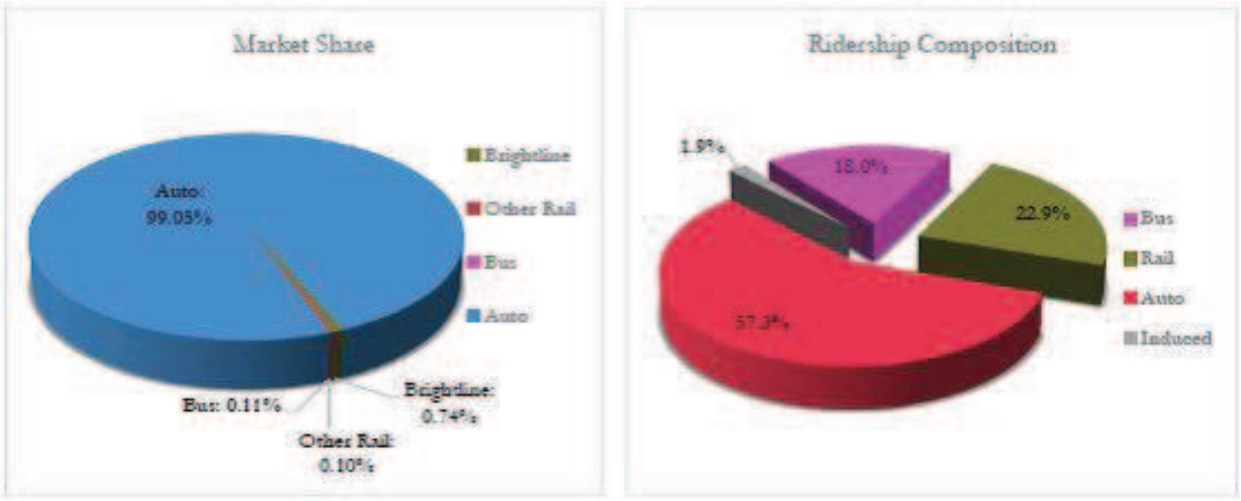


Source: Louis Berger U.S., Inc. 2017

Estimated Market Share

The forecast indicates that after the initial ramp-up period, the South Segment Project will serve approximately 0.74% of the overall market for South Florida.

South Segment Project South Florida Market Share and Ridership Composition, 2020



Source: Louis Berger U.S., Inc., 2017

Forecast Sensitivity Testing

LB conducted a series of sensitivity tests to evaluate the impact that changes in key input variables have on the ridership and revenue forecast. The table below presents the key assumptions that were altered and the corresponding impact on ridership and revenues for the South Florida market. The impacts summarized in the table are expected based on the magnitude and nature of change in the assumptions.

Sensitivity Test Results, Ridership and Revenue % Change, 2020

Sensitivity Test (Assumptions modified)	Test (% decrease / increase)	Ridership Effect	Revenue Effect
South Segment Project Travel Time	10% decrease	3.6%	4.0%
	10% increase	-3.5%	-3.8%
South Segment Project Frequency	20% decrease	-3.7%	-3.9%
	20% increase	3.8%	4.0%
Station Access Costs (e.g. taxi fare, parking fees)	20% decrease	5.2%	5.3%
	20% increase	-4.9%	-5.0%
Intercity Travel Time by Auto	20% decrease	-10.4%	-10.9%
	20% increase	11.9%	12.6%
Intercity Travel time by Auto and Station Access Time	20% decrease	-1.3%	-1.5%
	20% increase	1.7%	2.0%
Auto Fuel Prices	Low: $1.78 (-35%)	-3.3%	-3.5%
	High: $4.95 (+79%)	7.9%	8.4%

Source: Louis Berger U.S., Inc., 2017

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.

Management Agreement

The Company will enter into a general operations, management and administrative services agreement (the ''Management Agreement'') with the Manager which will provide for the day-to-day management and operation of the Company. Initially, employees will be subcontracted to the Manager pursuant to an agreement with FECI Holding Corp., a subsidiary of FECI. The Management Agreement will require 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: 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 providing financial and accounting management services. The Manager will be responsible for the Company's day-to-day management and operations and will perform (or cause 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 will expire on the tenth anniversary of the Management Agreement, 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.

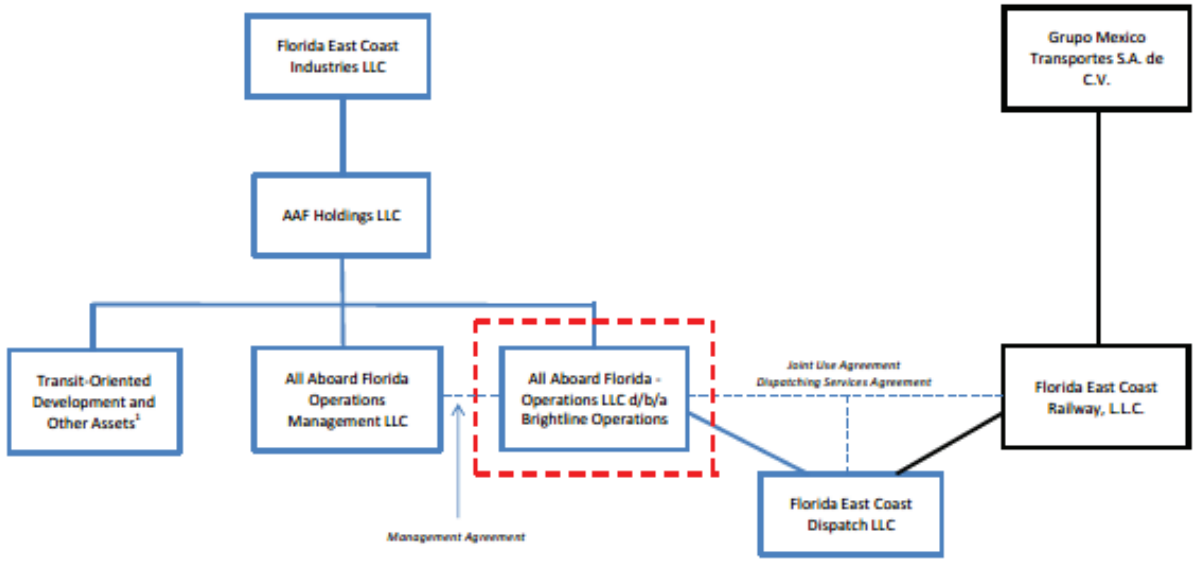
The Company will pay the Manager an arm's length charge equal to the costs incurred with respect to the services provided plus an annual premium equal to $500,000 and will also reimburse the Manager for certain expenses.

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 and its affiliates, including FECI. The chart is for illustrative purposes only and does not reflect all entities or ownership amounts.



1 The transit oriented development assets are not included in the Collateral.

History and Current Operations of FECI

The Company is an indirect wholly-owned subsidiary of FECI, a diversified transportation, infrastructure and commercial real estate company and one of Florida's oldest and largest businesses. FECI 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 in to 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 50% of the State's population lives along FECI's rail corridor. Today, FECI, together with its subsidiaries, owns substantial assets in key markets along Florida's east coast. Within Florida, FECI'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 commercial development. FECI has extensive experience in quickly and efficiently navigating the necessary entitlements, permits and approvals needed to develop real estate in Florida.

FECI Principal Shareholders

FECI is a private company beneficially owned by certain private equity funds managed by affiliates of Fortress Investment Group LLC (''Fortress''), which acquired FECI in May 2007. Fortress is a leading global investment management firm with approximately $36.1 billion of assets under management as of September 30, 2017. Fortress offers a range of alternative and traditional investment products and was founded in 1998. On February 14, 2017, SoftBank and Fortress announced that they have entered into a definitive merger agreement under which SoftBank intends to acquire Fortress.

THIRD PARTY AGREEMENTS

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

Acquisition of FECR by GMexico

On June 30, 2017, the parent company of FECR was acquired by GMexico Transportes, S.A. de C.V. As a result, FECR is now a subsidiary of Grupo Mexico, 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.

Second Amended and Restated Joint Use Agreement

The Second Amended and Restated Joint Use Agreement (Shared Infrastructure), 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.

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 FECR will continue to be responsible for track and signal maintenance along 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.

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, of which failure to obtain or maintain results in a default.

Dispatching Services Agreement

At the closing of the sale of FECR referred to above, FECR and the Company formed a 50-50 joint venture named Florida East Coast Dispatch LLC (''DispatchCo''). 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. DispatchCo is responsible for providing dispatch services to each of FECR and the Company under a Dispatching Services Agreement. Each of the Company and FECR will bear 50% of DispatchCo's dispatching and its general and administrative expenses, as well as 50% of a monthly service fee.

Siemens Maintenance Agreement

On December 31, 2014, the Company executed a contract with Siemens for all warranty repairs and maintenance on the rolling stock. This 30-year contract is terminable by the Company without penalty after 14 years, or with an

early termination penalty between commencement of passenger services and fourteen years. 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 begin on the commencement of passenger revenue service 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.

The maintenance for the rolling stock is being performed at the company owned and built running repair facility in West Palm Beach.

Other Contracts

Construction on the South Segment Project is nearing completion, and has been performed under construction contracts with leading firms. The majority of these contracts contain fixed-price, time-certain terms with payment and performance bonds and guarantees. The Company's contracting strategy includes multiple safeguards to mitigate cost and timing overruns.

SERIES 2017 PROJECT ACCOUNTS AND FLOW OF FUNDS

General

Various Accounts, including the Series 2017 Project Accounts, will be created under the Indenture and the Collateral Agency Agreement in relation to the financing and operation of the South Segment 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 2017 BONDS—Indenture—Funds and Accounts to be Established under the Indenture'' herein.

Series 2017 Project Accounts

The following Series 2017 Project Accounts will be established and created at the Account Bank in accordance with the Collateral Agency Agreement:

(a) the Revenue Account, including the Series 2017 Interest Sub-Account and the Series 2017 Principal Sub-Account;

(b) the Loss Proceeds Account;

(c) the Series 2017 Debt Service Reserve Account;

(d) the Series 2017 Major Maintenance Reserve Account, including the Non-Completed Work Sub-Account;

(e) the Series 2017 O&M Reserve Account;

(f) the Ramp-Up Reserve Account;

(g) the Mandatory Prepayment Account, including the Series 2017 PABs Mandatory Prepayment Sub-Account;

(h) the Capital Projects Account; and

(i) the Equity Lock-Up Account.

In addition to these Series 2017 Project Accounts, the Company will also establish the Operating Account and the Equity Funded Account with the Deposit Account Bank, and such accounts will be maintained in the name of the Company. Each of the Operating Account and the Equity Funded Account will also constitute a Series 2017 Project Account and will be subject to an Account Control Agreement with the Deposit Account Bank. All of the Series 2017 Project Accounts will be under the control of the Collateral Agent (in the case of the Operating Account and the Equity Funded 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 in the Collateral Agency Agreement , the Company shall not have any right to withdraw funds from any Series 2017 Project Account (and in the case of the Operating Account and the Equity Funded Account, to direct the Deposit Account Bank in accordance with the terms of the Account Control Agreements).

The Company will also establish 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 will not be a Series 2017 Project Account and will not constitute Collateral.

Description of Series 2017 Project Accounts

The following is a description of each of the Series 2017 Project Accounts:

Revenue Account

Except for amounts to be deposited in other Series 2017 Project Accounts in accordance with the Collateral Agency Agreement, all Series 2017 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 Series 2017 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 the ''—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 Series 2017 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 Series 2017 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 Series 2017 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 Series 2017 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.

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 Series 2017 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 South Segment Project or any portion thereof, except that, to the extent that (A) such proceeds exceed the amount required to Restore the South Segment 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 South Segment 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 (together with, in the case of clauses (A) and (B) immediately above, a certificate signed by a Responsible Officer of the Independent Engineer concurring with such certificate of the Company), 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.

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.

Debt Service Reserve Account

The Series 2017 Debt Service Reserve Account will be established solely for the benefit of the Owners of the Series 2017 Bonds 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 Additional Parity Bonds, any other Additional Senior Indebtedness Holders, any other Secured Party or any other Person. The Series 2017 Debt Service Reserve Account will be funded on the Closing Date in an amount equal to the Series 2017 Debt Service Reserve Requirement in the form of a direct or indirect cash equity contribution from FECI. 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 Series 2017 Debt Service Reserve Account.

Except as provided below, moneys on deposit in the Series 2017 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 2017 Bonds, the funds on deposit in the Series 2017 Interest Sub-Account or the Series 2017 Principal Sub-Account (as applicable) together with funds in the Series 2017 Funded Interest Account, the Series 2017 Interest Account or the Series 2017 Principal Account of the Series 2017 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 2017 Bonds and the transfers contemplated in the last paragraph of ''—Description of Series 2017 Project Accounts—Revenue Account'') are insufficient to pay the principal, redemption price or interest on the Series 2017 Bonds on the applicable Interest Payment Date or Principal Payment Date, funds on deposit in the Series 2017 Debt Service Reserve Account will be transferred to the Series 2017 Interest Account or the Series 2017 Principal Account, as applicable, for payment of interest or principal due and payable on the Series 2017 Bonds on the next Interest Payment Date or Principal Payment Date as applicable; and

(b) Following the taking of an Enforcement Action, moneys in the Series 2017 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 2017 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 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 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 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 Series 2017 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 2017 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 Series 2017 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. The Company 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.

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 Series 2017 Major Maintenance Reserve Account (up to the aggregate amount of such costs) will be transferred to the Operating Account in accordance with ‘‘—Operating Account 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 Series 2017 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 2017 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 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 the 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 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 Series 2017 Major Maintenance Reserve Account) 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 Series 2017 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 ''—Description of Series 2017 Project Accounts—Revenue Account.''

Following an Enforcement Action, monies in any Major Maintenance Service Reserve Account (including the Series 2017 Major Maintenance Reserve Account) shall be applied in the manner described in ''—Flow of Funds—Application of Proceeds.''

O&M Reserve Account

The Series 2017 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 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'') 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 ''—Flow of Funds—Revenue Account'' below. Available moneys in the Series 2017 O&M Reserve Account will be used to pay O&M Expenditures in the event other moneys are not available therefor in the Operating Account, the Revenue Account, the Major Maintenance 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.

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 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 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 Series 2017 O&M Reserve Account) 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 Series 2017 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 ''—Description of Series 2017 Project Accounts—Revenue Account.''

Following an Enforcement Action, monies in any O&M Reserve Account (including the Series 2017 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 will be funded on the Closing Date in an amount equal to $24.0 million in the form of a direct or indirect cash equity contribution from FECI (the ''Ramp-Up Reserve Requirement'').

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 2017 Interest Sub-Account or the Series 2017 Principal Sub-Account in such amounts as are required to enable the payment of any debt service on the Series 2017 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) as directed by the Company pursuant to a Funds Transfer Certificate, to the Operating Account 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 Account, the Revenue Account or other accounts available therefor in accordance with the Collateral Agency Agreement.

Following the first Calculation Date to occur after the third anniversary of the Closing Date as of which the Total DSCR is not less than 1.75:1.00, if the Company delivers to the Collateral Agent a certificate of a Responsible Officer of the Company 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 2017 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.

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 2017 PABs Mandatory Prepayment Sub-Account to repay the Series 2017 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 Company, will be deposited into the Series 2017 PABs Mandatory Prepayment Sub-Account for the prepayment of the Series 2017 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 2017 PABs Mandatory Prepayment Sub-Account to the Trustee for prepayment of the Series 2017 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) 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, the Series 2017 PABs Mandatory Prepayment Sub-Account shall be pledged solely as collateral to secure the Series 2017 Bonds and shall be established solely for the benefit of the Owners of the Series 2017 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 2017 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).

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; *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.

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 Account and Equity Funded Account

Series 2017 Project Revenues received by the Company will be transferred into the Operating Account from time to time in accordance with the provisions set forth in clause Second under ''—Flow of Funds—Revenue Account'' below. Except when a Secured Obligation Event of Default has occurred and is continuing, the Company may make withdrawals from, and write checks against, the Operating Account without having to comply with any conditions, other than that such amounts must be applied towards O&M Expenditures. Funds may be deposited into the Equity Funded Account from Additional Equity Contributions to be used by the Company for any purpose. 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 Series 2017 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 Series 2017 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 Series 2017 Project Accounts; Secured Obligation Event of Default

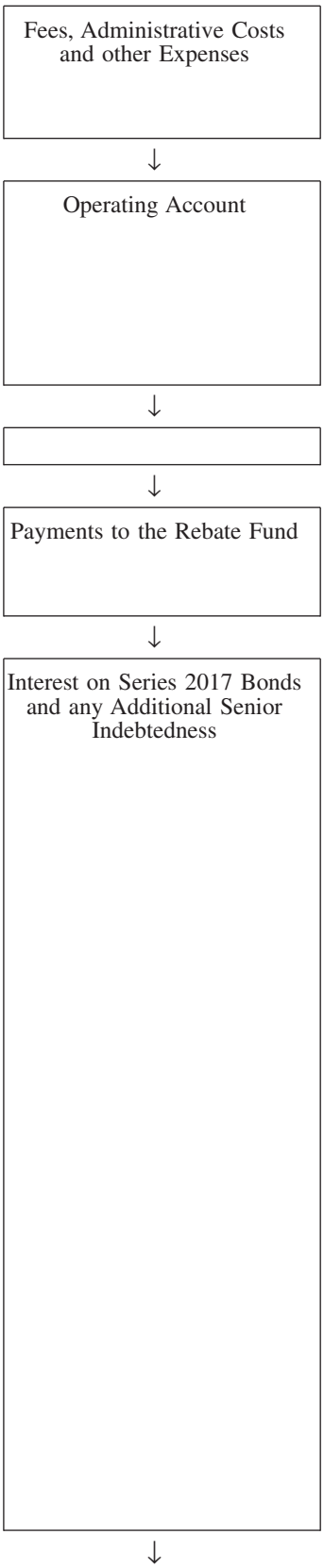
Except as provided under the subheadings ''—Revenue Account,'' ''—Debt Service Reserve Account,'' ''—Major Maintenance Reserve Account,'' ''—O&M Reserve Account,'' ''—Ramp-Up Reserve Account,'' and ''—Equity Lock-Up Account'' under the heading ''—Description of Series 2017 Project Accounts'' above, each withdrawal or transfer of funds from the Series 2017 Project Accounts (other than from the Operating Account and Equity Funded 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 Series 2017 Project Account (other than the Operating Account and the Equity Funded 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 Series 2017 Project Accounts and to take such action or refrain from taking such action with respect to such funds and Series 2017 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 Series 2017 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 Series 2017 Project Accounts will be applied in the order and manner set forth in ''—Flow of Funds—Revenue Account'' (as applicable).

Flow of Funds

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 ''—Series 2017 Project Accounts—Description of Series 2017 Project Accounts—Revenue Account.'' Subject to ''—Withdrawal and Application of Funds; Priority of Transfers from Series 2017 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 – FORM OF COLLATERAL AGENCY, INTERCREDITOR AND ACCOUNTS AGREEMENT.''



First, on each Transfer Date (or any other date when due and payable), 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 Operating Account, an amount equal to, together with amounts then on deposit therein, the projected O&M Expenditures for the period ending on the immediately succeeding Transfer Date as set forth in a certificate of a Responsible Officer of the Company; *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;

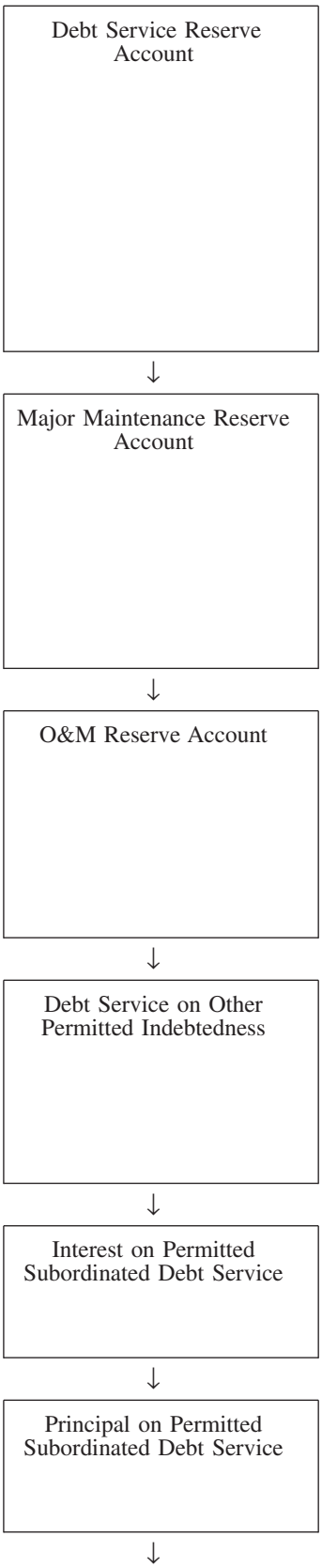
Third, [Reserved];

Fourth, on each Transfer Date, pro rata to any payments then due and payable by the Company to the Series 2017 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 2017 Interest Sub-Account, an amount equal to one-sixth (1/6) of the amount of interest payable on the Series 2017 Bonds on the next Interest Payment Date; provided that, no such transfers shall be required to be made until the amounts in the Series 2017 Funded Interest Account have been depleted, (ii) 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 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 under the Collateral Agency Agreement 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 2017 Interest-Sub Account shall be transferred to the Series 2017 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 such Senior Indebtedness due on the applicable Senior Indebtedness or Purchase Money Debt on the next Interest Payment Date;

Principal of Series 2017 Bonds and any Additional Senior Indebtedness	Sixth, on each Transfer Date (and on any other date that such amounts become due and payable), pro rata, for the payment of principal on the Senior Indebtedness and any Purchase Money Debt as follows: (i) with respect to the Series 2017 Bonds, (a) so long as such Bonds are in the Term Rate Mode, no deposits shall be made under this clause Sixth except on the Transfer Date immediately preceding the Principal Payment Date that constitutes the final maturity date or date of any mandatory sinking fund redemption for the Series 2017 Bonds as set forth below in this clause Sixth, and (b) upon conversion to the Fixed Rate Mode, to the Series 2017 Principal Sub-Account in an amount equal to the amount of principal due on the next Principal Payment Date divided by the total number of months between Principal Payment Dates, and (ii) to any other principal payment account established under the Collateral Agency Agreement for Additional Senior Indebtedness and Purchase Money Debt, if any, an amount equal to the amount of principal due on the next Principal Payment Date divided by the total number of months between Principal 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; plus, in each case, any deficiency from a prior Transfer Date; provided, that (w) with respect to the Series 2017 Bonds in the Term Rate Mode, the deposit on the Transfer Date occurring immediately before the Principal Payment Date constituting the final maturity date or date of any mandatory sinking fund redemption for such Bonds will equal the amount required to pay the principal payment due on the final maturity date or date of such mandatory sinking fund redemption for the Series 2017 Bonds (taking into account the amount then on deposit in the Series 2017 Principal Sub-Account and the Series 2017 Principal Account), (x) with respect to the Series 2017 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 2017 Bonds (taking into account the amount then on deposit in the Series 2017 Principal Sub-Account and the Series 2017 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 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 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 2017 Principal Sub-Account (if any) shall be transferred to the Series 2017 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 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;

↓


Debt Service Reserve Account
Seventh, (A) on each Transfer Date, pro rata, to the Series 2017 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 Series 2017 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
Ninth, (A) on each Transfer Date, pro rata, to the Series 2017 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
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;
Interest on Permitted Subordinated Debt Service
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;
Principal on Permitted Subordinated Debt Service
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;

Voluntary Prepayments or Optional Redemptions of Series 2017 Bonds	Thirteenth, on the last day of each Fiscal Quarter, at the Company's option, (A) for repayment of the Series 2017 Bonds, such amounts as the Company will deem appropriate to optionally prepay such then Outstanding Series 2017 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	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.

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 under the Secured Obligation Documents and to the payments then due and payable by the Company to the Series 2017 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 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 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 Company to the Series 2017 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 the 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 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 2017 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 Series 2017 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.

ESTIMATED SOURCES AND USES OF FUNDS

The Company has invested approximately $1.8 billion in the development and construction of the South Segment Project. This amount includes corridor and station land with an appraised value of approximately $699 million, $605 million in rail infrastructure, $267 million in new rolling stock assets, and $259 million in stations. Amounts were funded by a combination of cash and assets from FECI and third party debt and vendor financing.

The proceeds from the issuance of the Series 2017 Bonds are being used by the Company to pay or reimburse a portion of the costs of the design, development, acquisition, construction, installation, equipping, ownership and operation of the South Segment Project, and to pay certain costs in connection with the issuance the Series 2017 Bonds. As part of the overall transactions occurring concurrently with the issuance of the Series 2017 Bonds, FECI is contributing, directly or indirectly, approximately $194 million in equity to the Company (including approximately $100 million in cash currently in a construction account that was funded by the PIK Toggle Notes). FECI's total equity contribution will be used to fund reserve accounts required under the Series 2017 Bonds, to fund remaining construction for the South Segment Project, to pay costs and expenses in connection with this offering, and for other general corporate purposes.

Substantially concurrently with the Closing of the Series 2017 Bonds, all amounts owing under each of the PIK Toggle Notes and the Rolling Stock Credit Facility are being repaid.

Further detail regarding sources and uses of funds follows below (preliminary amounts subject to change):

$ millions	**TOTAL**
Sources of Funds:	
Series 2017 Bonds	$600.0
Contributed Equity	193.9
Total Sources	**$793.9**
Uses of Funds:	
Redeem PIK Toggle Notes[(1)]	$534.3
Repay Rolling Stock Credit Facility	98.8
Total Redemption of Existing Debt	**$633.1**
Rail Infrastructure	29.8
Stations	43.1
Rolling Stock	1.4
Remaining Payments for Completed Construction	**$ 74.3**
Funded Interest	30.0
Ramp Up Reserve	24.0
Debt Service Reserve	15.0
Financing Fees & Expenses	17.5
Total Reserves, Fees & Expenses	**$ 86.5**
Total Uses	**$793.9**

(1) Amount includes approximately $504.5 million of principal, $15.1 million of redemption premium and $14.7 million of accrued and unpaid interest.

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 loan the proceeds to approved applicants to finance and refinance projects relating to the economic development of 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 South Segment 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 have a total of five directors, that at least three of the directors shall be bankers, and that one Director shall be an economic development specialist. 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 2017 Bonds will be special, limited obligations of the Issuer as described in the section captioned ''SECURITY AND SOURCES OF REPAYMENT FOR THE SERIES 2017 BONDS.''

The Issuer has not participated in the preparation of this Limited Offering Memorandum and makes no representation with respect to the accuracy or completeness of any of the material contained in this Limited Offering Memorandum other than in this section entitled ''THE ISSUER.'' The Issuer is not responsible for providing any purchaser of the Series 2017 Bonds with any information relating to the Series 2017 Bonds or any of the parties or transactions referred to in this Limited Offering 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 MSRB, is serving as financial advisor to the Issuer in connection with the issuance of the Series 2017 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 2017 Bonds, is merely a conduit for payment, in that the Series 2017 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 2017 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 Issuer has not been a party to any other financing involving the Company or, to the Issuer's knowledge, any person or entity related to the Company.

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.

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 and which the Company believes are reasonable. 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 Offering Memorandum.

The Projected Debt Service Coverage for the Project is based on a number of estimates and assumptions that, while presented with numerical specificity and considered reasonable by the Company, are inherently subject to significant business, economic, 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 to any person 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 table outlines the projected cash flows and Projected Debt Service Coverage Ratios for the Project. All amounts are in millions except for total passenger and ratio amounts.

$ millions (except total passenger and ratio amounts)	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Total passengers	1,133,754	2,308,475	2,936,802	2,988,011	3,039,219	3,079,472	3,119,725	3,159,978	3,200,231	3,240,483
Revenue										
Fare revenue	$ 32.6	$ 82.0	$ 107.3	$ 112.2	$ 117.4	$ 122.3	$ 127.3	$ 132.6	$ 138.0	$ 143.7
Ancillary revenue	23.9	30.3	34.4	35.4	36.4	37.4	38.4	39.5	40.6	41.7
Total revenue	**$ 56.5**	**$ 112.3**	**$ 141.6**	**$ 147.6**	**$ 153.7**	**$ 159.6**	**$ 165.7**	**$ 172.1**	**$ 178.6**	**$ 185.4**
O&M Expenditures										
Direct labor	$ (19.5)	$ (19.9)	$ (20.3)	$ (20.7)	$ (21.1)	$ (21.5)	$ (22.0)	$ (22.4)	$ (22.9)	$ (23.3)
Fuel	(3.6)	(3.7)	(3.7)	(4.3)	(4.4)	(5.0)	(5.1)	(5.5)	(5.6)	(5.7)
Maintenance of way	(5.6)	(5.7)	(5.8)	(6.0)	(6.1)	(6.2)	(6.3)	(6.5)	(6.6)	(6.7)
Maintenance of equipment	(5.6)	(6.2)	(6.9)	(6.7)	(6.9)	(5.2)	(5.4)	(9.0)	(10.3)	(10.4)
Other operating expenses	(21.6)	(21.1)	(23.7)	(24.3)	(24.9)	(25.6)	(26.2)	(26.9)	(27.6)	(28.3)
Insurance	(3.8)	(4.1)	(4.2)	(4.3)	(4.4)	(4.5)	(4.6)	(4.7)	(4.7)	(4.8)
Total O&M Expenditures	**$ (59.7)**	**$ (60.8)**	**$ (64.7)**	**$ (66.2)**	**$ (67.8)**	**$ (68.0)**	**$ (69.6)**	**$ (74.9)**	**$ (77.7)**	**$ (79.3)**
EBITDA[1]	**$ (3.2)**	**$ 51.5**	**$ 77.0**	**$ 81.4**	**$ 86.0**	**$ 91.7**	**$ 96.2**	**$ 97.1**	**$ 100.9**	**$ 106.1**
Capital Expenditures										
Rolling stock maintenance	—	(0.1)	(0.7)	(1.7)	(2.1)	(4.9)	(4.8)	(1.7)	(2.7)	(2.2)
Infrastructure & other maintenance	(1.8)	(3.5)	(3.6)	(3.6)	(3.7)	(3.8)	(3.9)	(3.9)	(4.0)	(4.1)
Free Cash Flow from Operations	**$ (5.0)**	**$ 47.9**	**$ 72.8**	**$ 76.1**	**$ 80.2**	**$ 82.9**	**$ 87.4**	**$ 91.4**	**$ 94.2**	**$ 99.8**
Ramp-up Reserve Balance	**24.0**	**19.0**	**19.0**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Cash Available for Debt Service	**$ 19.0**	**$ 66.9**	**$ 91.7**	**$ 76.1**	**$ 80.2**	**$ 82.9**	**$ 87.4**	**$ 91.4**	**$ 94.2**	**$ 99.8**
Debt Service										
Series 2017 Bonds – Interest	(30.0)	(30.0)	(30.0)	(30.0)	(30.0)	(30.0)	(30.0)	(30.0)	(30.0)	(30.0)
Funded Interest	30.0	—	—	—	—	—	—	—	—	—
Debt Service, net	**—**	**(30.0)**	**(30.0)**	**(30.0)**	**(30.0)**	**(30.0)**	**(30.0)**	**(30.0)**	**(30.0)**	**(30.0)**
Draw on Ramp-up Reserve	**5.0**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Cash flow after debt service	**$ 0.0**	**$ 17.9**	**$ 42.8**	**$ 46.1**	**$ 50.2**	**$ 52.9**	**$ 57.4**	**$ 61.4**	**$ 64.2**	**$ 69.8**
Debt Service Coverage[2]	**n/a**	**2.2x**	**3.1x**	**2.5x**	**2.7x**	**2.8x**	**2.9x**	**3.0x**	**3.1x**	**3.3x**

(1) The financial measures EBITDA, Free Cash Flow from Operations, Cash Available for Debt Service and Cash flow after debt service 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. Free Cash Flow from Operations is defined as EBITDA minus Rolling stock maintenance capex and Infrastructure and other maintenance capex. Cash Available for Debt Service is defined as Free Cash Flow from Operations plus Ramp-up Reserve Balance. Cash flow after debt service is defined as Cash Available for Debt Service minus Series 2017 Bonds - Interest plus Funded interest reserve and Draw on Ramp-up Reserve. 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) Debt Service Coverage includes Ramp-up Reserve Balance in the amount of $24.0 million in 2018 and $19.0 million in each of 2019 and 2020.

Notes and Assumptions:

The Project is assumed to commence full scale revenue service in the first quarter of 2018 and achieve stabilized operation in 2020, the third year of operation. At fully stabilized operations, the Company expects that approximately three million passengers will use the Company's service. Fare revenues presented are derived from the Ridership and Revenue Study (2016 dollars), increased for an assumed 2.8% annual inflation rate.

The projected debt service coverage includes ramp-up reserves through the ramp-up period; and cash flow after debt service excludes the ramp-up reserve. The ramp-up reserve will be released in 2020.

Direct labor for the project includes costs paid to the Manager for all salaries, employee benefits and other compensation of those employees providing management, operating, maintenance, legal, accounting, finance, IT, human resources, revenue management, sales and marketing services.

Maintenance of equipment includes the amount expected to be paid to Siemens under the maintenance contract for the maintenance of the rolling stock.

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 passenger trains.

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.

Operating and maintenance expenses for 2020 (first year of stabilized operations) are based on management's estimates and the executed Siemens Maintenance Agreement. These estimates were reviewed by LB (see the Operations and Management and Ancillary Revenue Report included as Appendix F to this Limited Offering Memorandum). Operating and maintenance expenses were adjusted during the ramp-up period based on volume and lower maintenance costs as a result of the capital investment being made into rail infrastructure and stations. For future years after 2020, operating and maintenance expenses were adjusted for inflation and to reflect certain cost increases related to passenger volume (i.e. food & beverage expenses).

RISK FACTORS

A purchase of the Series 2017 Bonds involves significant risks. Some of these risks are described below. You should carefully consider these risks, as well as other information contained in this Limited Offering Memorandum before deciding to purchase any of the Series 2017 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, you may lose all or part of your investment in the Series 2017 Bonds.

Risks Related to the Company's Business

The Company currently has no revenues or cash flows and has never constructed or managed a passenger railroad. There can be no guarantee that the Company will achieve profitability and generate positive operating cash flows in the future.

The Company has never independently constructed or managed a passenger railroad. The Company will be subject to all the risks inherent in the establishment of a passenger railroad. In addition, 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 Project. The Company does not currently expect to receive any significant cash flows from operations until the first quarter of 2018. In addition, the Company's current projections of future revenues are based on numerous assumptions that may prove to be inaccurate. 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. 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 breaches of agreements. In addition, 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 2017 Bonds.

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 2017 Bonds.

The Project is the only business activity that the Company intends to undertake and will 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 South Segment Project is not operational 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 2017 Bonds.

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

The South Segment Project is subject to the operating risks described herein, including, but not limited to, the Company's ability to attract passengers, pre-sell tickets through a wholesale channel or generate revenues from ancillary sources. Accordingly, there are many risks associated with the South Segment 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 2017 Bonds.

Investors' ability to evaluate the Company's prospects will be limited because the Company does not have any operating history.

The Company's lack of operating history may limit the ability of investors to evaluate the Company's prospects because of:

- lack of historical financial data;
- unproven potential to generate profits; and
- 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.

If the Company is unable to use budgeted contingencies, or if such contingencies 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 operational costs as they are incurred could negatively affect the South Segment Project and could adversely affect Company's ability to pay debt service on the Series 2017 Bonds.

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

Given the localized nature of the South Segment 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 South Segment Project's passengers. The condition of international economies, including the Caribbean, South America, Europe and Asian economies, 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 South Segment Project will compete directly with other modes of transportation, including cars, buses and other passenger rail services. 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 2017 Bonds.

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

Fuel prices and supplies are influenced significantly by international, political and economic circumstances. 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 ridership, 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 2017 Bonds.

The Company is relying on estimates of third-party consultants regarding the future ridership and revenue, operations and maintenance costs and ancillary revenue of the Company's proposed passenger rail service to build 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 Offering Memorandum.

The projections and other estimates relating to the South Segment Project contained elsewhere in this Limited Offering Memorandum have not been prepared in compliance with the published guidelines of the American Institute of Certified Public Accountants. The Company is relying on LB 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 Company's projections are based. 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. Experience from actual operation of the railroad and construction of the South Segment Project may identify new or unexpected conditions that could reduce production below, or increase capital or operating costs above, current estimates for the South Segment Project. 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 2017 Bonds. If actual results are less favorable than the projections or the estimates and assumptions contained in the Ridership and Revenue Study or Operations and Maintenance and Ancillary Revenue Report, or the Company's estimates of capital and operating costs turn out to be inaccurate, the South Segment 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 Offering Memorandum with respect to the South Segment Project on information supplied by Louis Berger U.S., Inc. 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 West Palm Beach corridor and the revenue and ridership forecasts included in this Limited Offering Memorandum may prove to be inaccurate or incomplete, including as a result of changes in market trends or passenger preferences. Accordingly, you should not place undue reliance on such data when making your 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 Offering Memorandum, the Company's estimates of the South Segment 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 2017 Bonds.

The Company may not be able to maintain the required permits, consents, approvals, licenses, entitlements and other authorizations for certain components of the operation of the South Segment Project, which could have a material adverse effect on the Company.

In particular, the Company will be required to maintain certain approvals for the operation of the South Segment Project. 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. 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 maintain the needed governmental permits, approvals and authorizations and failure to maintain any of these permits, approvals or authorizations could have a material adverse effect on the Company's business, financial condition, operating results, cash flows, liquidity and prospects. If the Company does not maintain these approvals, licenses, permits, entitlements, consents or other authorizations in a timely manner or on favorable terms and conditions or at all, the Company's ability to operate the South Segment Project may be materially adversely affected, thereby materially impairing the Company's ability to pay debt service on the Series 2017 Bonds.

Laws and regulations governing operation of the South Segment 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 to, or delay the Company's ability to operate the South Segment Project.

The Company is subject to governmental regulations relating to the South Segment Project, which could impose significant costs on the South Segment Project and could impede operation of the South Segment 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 Positive Train Control system (''PTC'') be completed by December 31, 2015 on main lines that carry certain hazardous materials and on lines that have commuter or passenger operations. The Surface Transportation Extension Act of 2015 amended the Rail Safety Improvement Act to require implementation of PTC by the end of 2018, which deadline may be extended to December 31, 2020, provided certain other criteria are satisfied. However, even if either the regulatory requirements or the implementation date are further revised, the rule will continue to impose significant new costs on the Company and the rail industry. Noncompliance with these and other applicable laws or regulations could affect operations, erode public confidence in the Company and can subject the Company to fines, penalties and other legal or regulatory sanctions.

In addition, under the Americans with Disabilities Act (''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 compliance including removal of access barriers, and non-compliance could result in the imposition fines or in private litigants winning damages. Although the Company believes that the Project's trains and stations 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 properties and operations are subject to federal and state 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, and 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 2017 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 212.08(7)(bbb) (2013) and/or Florida Statute 341.840 (2013) could subject the Project to sales taxes that are 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, Senate Bill 572 entitled the ''High Speed Passenger Rail Safety Act'' was recently filed in the Florida Senate and proposes to shift responsibility for certain construction and maintenance costs associated with at grade rail crossings from local government entities to rail companies. In addition, the proposed legislation would impose certain fines and penalties, in an amount not to exceed $10,000 for each violation of the Rail Safety Act or rules adopted in relation to the Act. Similar legislation was filed in the Florida Senate in January 2017; however, the House companion bills died without receiving a hearing from the House Transportation and Infrastructure Subcommittee.

Based on the current decision of the Surface Transportation Board, a federal economic regulatory agency that is charged with resolving railroad rate and service disputes and reviewing proposed railroad mergers, that the Project is not subject to its regulatory jurisdiction under Title 49 of the United States Code, there are no Surface Transportation Board regulatory laws or issues that could impact claims of the Owners of Series 2017 Bonds. However, if the Surface Transportation Board 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 Surface Transportation Board would be subject to public comment and an independent analysis by the Surface Transportation Board of the viability of the railroad. The Surface Transportation Board 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 Surface Transportation Board 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 Surface Transportation Board 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 Surface Transportation Board might also require an environmental review separate or different from that review currently being 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. While not likely, there is also a risk of denial or conditions so costly that the Project does not proceed at all. The Surface Transportation Board 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.

The Company's operating assets are 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. 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. The occurrence of a major natural disaster 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 2017 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. 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, 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, please 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 2017 Bonds, the insurance proceeds may not be sufficient to satisfy all of

the secured obligations, including the Series 2017 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.

There are no assurances that Company's operations will extend beyond the South Segment Project.

There are no assurances that the North Segment Project will commence operations in 2020, 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 Project 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 Project at all.

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.

The Company is dependent on third-party suppliers for the success of the South Segment 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 equipment may impede the Company's ability to operate South Segment 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 2017 Bonds.

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 corridor. The Company owns the permanent, perpetual and exclusive rights, privileges and easement over and across all of the real property within FECR's main line right-of-way located in 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 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 is constructing incremental infrastructure at its Miami station that will allow the South Florida Regional Transportation Authority (SFRTA) to provide commuter rail service. The Company estimates the cost for this additional construction to be approximately $80 million. The Company has entered into an agreement with

SFRTA that will obligate the public agency to reimburse the incremental infrastructure costs over a fixed period of time. 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 annually according to the funding schedule. There is a risk that a public agency's revenues will not provide coverage for its funding commitments in a future fiscal year.

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 us.

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 Company 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 Company 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 2017 Bonds.

If the Company 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. Departures by members of 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, and, in particular the Company's passenger rail service.

Incidents involving rail services, and, in particular the Company's passenger rail service, media coverage thereof, as well as adverse media publicity concerning the rail industry in general, could impact demand for the Company's service. If the Company experiences any equipment failures, delays, temporary cancellations of schedules, collisions, derailments, 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 on the Company's passenger rail line, 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 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, the development of the Project and operations 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, 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.

At any time, the Company may be responsible for remediation costs or other liabilities (including liability for 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 or 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.

While the Company currently does not anticipate that any known environmental liability or obligation will cause the Company to incur material costs outside of the current development budget for the Project or result in material delays, undiscovered contamination, changes in law or governmental enforcement or oversight, 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 more recent attacks on the transportation systems in Madrid and London, and 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 direct targets or indirect casualties 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 2017 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, cyber-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 no 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 no 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 2017 Bonds, which in turn could have an adverse impact on the value of, and trading prices for, the Series 2017 Bonds.

The Company is not providing all of the information that would be required if this offering were being registered with the Securities and Exchange Commission.

This Limited Offering Memorandum does not include all of the information that would be required if the Company were registering this offering of the Series 2017 Bonds with the Securities and Exchange Commission. Among the information not included is three years of audited financial statements of the Company, unaudited interim financial statements covering historical comparative interim periods of the Company 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 to evaluate making an investment in the Series 2017 Bonds. Further, there is no assurance that the Company's financial information as set forth in this Limited Offering 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 2017 Bonds.

Risks Related to this Offering

The Company does not currently have any revenue and may not be able to generate sufficient cash to service the Series 2017 Bonds or the Company's other 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 newly formed company, formed for the purpose of developing and operating the Project and has limited revenue. The Company will not have any significant revenue until the Project is operational and the Company begins collecting fares from riders. The Company's ability to make scheduled payments on or to refinance the Company's debt obligations or remarket the Series 2017 Bonds depends on the Company's financial condition and operating performance, which will be subject to consummation of the Project, profitability of the Project and prevailing economic and competitive conditions and to certain financial, business and other factors beyond the Company's control as well as the commercial viability of the Project, which will be substantially dependent upon its completion, commissioning and successful operation. There can be no guarantee that the Company will be able to commission or sustain successful operation of the Project, or that the Company will achieve Project completion or commercial viability. 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 2017 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, the Company may be forced to reduce or delay investments or capital expenditures, or to sell assets, seek additional capital or restructure or refinance the Series 2017 Loan and the Series 2017 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 may not have access to sufficient funds to remarket the Series 2017 Bonds at the end of the initial Term Rate Period. Under the Indenture, failure to pay the purchase price of the Series 2017 Bonds at the end of the initial Term Rate Period will be a default that could result in the acceleration of the payment of all principal and interest on the Series 2017 Bonds.

The Series 2017 Bonds are subject to mandatory tender at the end of the initial Term Rate Period. The Company expects to fund this mandatory tender with the proceeds of a remarketing of the Series 2017 Bonds. However, there is no assurance that the Company will be successful in its efforts to remarket the Series 2017 Bonds the end of the initial Term Rate Period. In addition, any remarketing of the Series 2017 Bonds will have 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, which could adversely affect the Company's ability to satisfy its obligations under the Senior Loan Agreement to pay debt service on the Series 2017 Bonds and could impair the Company's financial condition in the future.

On an as adjusted basis, after giving effect to the sale of the Series 2017 Bonds and the intended use of proceeds, as of the closing of the Series 2017 Bonds, the total indebtedness of the Company (excluding letters of credit) will be approximately $600 million*.

The Company's substantial indebtedness could have important consequences for you, 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.

In addition to the issuance of the Bonds, the Company may incur additional debt, which could further enhance the risks associated with the Company's ability to pay debt service on the 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 would increase. Furthermore, any Additional Parity Bonds or Additional Senior Secured Indebtedness will be secured equally and ratably with the Series 2017 Bonds, thereby having the effect of diluting the security interest in the Collateral securing the Series 2017 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 will contain restrictions that will limit the Company's activities.

The Senior Loan Agreement will contain various covenants that limit the Company's ability to engage in specified types of transactions. The Senior Loan Agreement will limit the Company's ability to, among other things:

- 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 substantially similar to those that would be available on an arm's length basis with unaffiliated third parties;

* Preliminary, subject to change.

- 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 2017 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—FORM SENIOR LOAN AGREEMENT.''

The value of the Collateral securing the Series 2017 Bonds may not be sufficient to satisfy the Company's obligations under the Senior Loan Agreement and the Series 2017 Bonds.

No appraisal of the overall value of the Collateral securing the Series 2017 Bonds has been made in connection with this offering, or will be made upon completion of the Project. The fair market value of the Collateral securing the Series 2017 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 2017 Bonds would be dependent on numerous factors, including, but not limited to, the actual fair market value of the Collateral securing the Series 2017 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 2017 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 2017 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 2017 Bonds may not be sufficient to pay the Company's obligations under the Series 2017 Bonds. Based on the current decision of the Surface Transportation Board that the Project is not subject to the jurisdiction or regulation by the Surface Transportation Board, there are no Surface Transportation Board regulations that would treat the Project differently than any other foreclosure, liquidation, bankruptcy or similar proceeding. If the Surface Transportation Board 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 Surface Transportation Board 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 Surface Transportation Board. No foreclosure could occur prior to action approving the termination of service by the bankruptcy court. The proceeding before the Surface Transportation Board would be subject to public comment and an independent analysis by the Surface Transportation Board of the viability of the railroad.

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 2017 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 2017 Bonds, those parties holding such liens or rights have or may exercise rights and remedies with respect to the Collateral securing the Series 2017 Bonds that

could adversely affect the value of the Collateral securing the Series 2017 Bonds and the ability of the Collateral Agent, the Trustee or the holders of the Series 2017 Bonds to realize or foreclose on the Collateral securing the Series 2017 Bonds.

If the proceeds of any sale of the Collateral securing the Series 2017 Bonds are not sufficient to repay all amounts due on the Series 2017 Bonds, the holders of the Series 2017 Bonds (to the extent not repaid from the proceeds of the sale of Collateral securing the Series 2017 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 2017 Bonds.

Parties who have provided services or supplies in connection with the construction of the Project may have a lien on the Project senior to the security interests securing the Series 2017 Bonds.

Florida law provides design professionals, contractors, subcontractors 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 full, 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 2017 Bonds until they are paid in full. 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 2017 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 2017 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 2017 BONDS.'' If an event of default occurs and the Series 2017 Bonds are accelerated, the Series 2017 Bonds will rank equally with the holders of other unsubordinated and unsecured indebtedness of the relevant entity with respect to such excluded property.

Rights of holders of the Series 2017 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 2017 Bonds if such actions are not undertaken. Specifically, the recording of some or all of the mortgages over the real property intended to constitute Collateral for the Series 2017 Bonds may not occur by the time of completion of the offering. The recordation of such mortgages may be subject to delays as a result of illegible legal descriptions or delays at the county recording office. In addition, applicable law requires that certain property and rights acquired after the grant of a general security interest, such as real property, equipment 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 2017 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, and that the necessary action will be taken to properly perfect the security interest in such after-acquired Collateral. Neither the trustee nor the Collateral Agent has an obligation to monitor the acquisition of additional property or rights that constitute Collateral or the perfection of any security interest. 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 2017 Bonds against third parties.

Lien searches on certain of the real property, including some real property to be subject to a Mortgage at Closing, have not been and will not be conducted, if at all, prior to Closing.

The Company will (i) conduct lien searches on (a) the owned real property or air rights underlying the stations located at Miami, West Palm Beach and Fort Lauderdale which is to be subject to a Mortgage at Closing, (b) the leased real property underlying the three parking garages (or portion thereof) used in connection with the Miami, West Palm Beach and Fort Lauderdale stations which is to be subject to a Mortgage at Closing and (c) the leased real property underlying the West Palm Beach Repair Facility which is to be subject to a Mortgage at Closing and which

title search may not be available until after Closing and (ii) conduct more limited lien searches with respect to certain portions of the Shared Corridor located in the Series 2017 Counties, which is to be subject to a Mortgage at Closing. The Company will not conduct lien searches on any other real property in which the Company holds an interest and the Company cannot guarantee that if such lien searches were to have been conducted including those to be obtained after Closing that such lien searches would not reveal any prior liens on such other real property which lien could be significant, prior to the lien of the Mortgage, or have an adverse effect on the ability of the Collateral Agent to realize or foreclose upon such Collateral.

Title insurance policies will only be obtained on the owned real property comprising the stations located at West Palm Beach and Fort Lauderdale built on fee-owned land and on the station located in Miami built within the owned air rights and no title insurance policies will be obtained for any other real property interest.

Title insurance policies will only be obtained on the owned real property comprising the stations located at West Palm Beach and Fort Lauderdale built on fee-owned land and on the station located in Miami built within the owned air rights and no title insurance policies will be obtained for any other real property interest. 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.

Surveys will only be obtained post closing for the owned real property comprising the stations located at West Palm Beach and Fort Lauderdale built on fee-owned land and on the station located in Miami built within the owned air rights.

''As-built'' surveys will be obtained for the owned real property (i) comprising the stations located at West Palm Beach and Fort Lauderdale built on fee-owned land within 120 days after Closing and (ii) comprising the station located in Miami built within the owned air rights within 120 days after the Borrower's receipt of a certificate of occupancy as to the entirety of such station. Surveys will not be obtained in connection with any other real property interest. Accordingly, we 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 which, if such matters exist, could adversely affect the value or utility of such property securing the Series 2017 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 intended to be mortgaged as security for the Series 2017 Bonds, (ii) include all real property owned, leased or otherwise held by the Company intended to constitute Collateral or (iii) do not include real property not owned, lease 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 2017 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 2017 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 2017 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 2017 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 state law, practicability and lease provisions.

Several states have laws that prohibit more than one ''judicial action'' or ''one form of action'' to enforce a mortgage obligation, and some courts have construed the term ''judicial action'' broadly. In addition, the Collateral Agent may be required to foreclose first on real property located in states where such ''one action'' rules apply (and where non-judicial foreclosure is permitted) before foreclosing on properties located in states where judicial foreclosure is the only permitted method of foreclosure. As a result of the foregoing considerations, among others, the ability of the Collateral Agent to realize upon the mortgages may be limited by the application of state laws.

In addition, 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 is located. Certain of such real property constituting Collateral for the Series 2017 Bonds is held pursuant to leases (including garage leases and the lease for the West Palm Beach running repair facility), easement agreements (including with respect to aerial rights) 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 2017 Bonds.

The track for the passenger railway was 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 2017 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 require satisfaction of certain conditions, including certain consents of the landlord or other grantor. Until such time as such items are delivered, if at all, to the extent that the requisite consents of any landlords or other grantors are 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 2017 Bonds. Further, to the extent the landlord of any lease or other grantor shall fail or refuse 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 shall not constitute Collateral securing the Series 2017 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 2017 Bonds will not be entitled to the Collateral or any recovery with respect thereto. The Company cannot assure you 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 2017 Bonds to realize upon the Collateral securing the Series 2017 Bonds will be subject to certain limitations under U.S. federal bankruptcy laws.

The ability of Owners of the Series 2017 Bonds to realize upon the Collateral securing the Series 2017 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 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 for the Series 2017 Bonds could foreclose upon or sell the collateral or whether or to what extent holders of notes 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 2017 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. Each of these special provisions for railroad bankruptcy cases could adversely affect the ability of the Owners of the Series 2017 Bonds to seek repayment of the Series 2017 Bonds or to realize on the Collateral securing the Series 2017 Bonds in a timely fashion.

In the event of a bankruptcy of the Company, holders of the Series 2017 Bonds may be deemed to have an unsecured claim to the extent that the Company's obligations in respect of the Series 2017 Bonds exceed the value of the Collateral securing the Series 2017 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 2017 Bonds is less than the outstanding amount of the Series 2017 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 2017 Bonds, the indebtedness under the Series 2017 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 2017 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 2017 Bonds are not sufficient to repay all amounts due on the Series 2017 Bonds, the Owners of the Series 2017 Bonds (to the extent not repaid from the proceeds of the sale of Collateral securing the Series 2017 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 2017 Bonds.

Holders of the Series 2017 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 2017 Bonds would cease and any prior payments would be recharacterized by the bankruptcy court as a reduction of the principal amount of the secured claim with respect to the Series 2017 Bonds. No appraisal of the value of the Collateral has been prepared in connection with this offering or will be prepared upon completion of the Project and therefore the value of the interest of the Owners of the Series 2017 Bonds in the Collateral may not equal or exceed the principal amount of the Series 2017 Bonds and accordingly holders of notes 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 2017 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 2017 Bonds, including pursuant to the mortgages, which will not be recorded until after the closing date, 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 2017 Bonds, any mortgage or security interest in other collateral perfected after the issue date of the Series 2017 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 2017 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 2017 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 2017 Bonds, subordinate claims in respect of the Series 2017 Bonds and/or require Owners of Series 2017 Bonds to return payments received and, if that occurs, Owners of the Series 2017 Bonds may not receive any payments on the Series 2017 Bonds.

Federal and state fraudulent transfer and fraudulent conveyance statutes may apply to the issuance of the Series 2017 Bonds and the granting of liens to secure the Series 2017 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 2017 Bonds or any of the liens securing the Series 2017 Bonds could be voided as a fraudulent transfer or fraudulent conveyance, if (1) the Company issued the Series 2017 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 2017 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 2017 Bonds or the granting of the liens;
- the issuance of the Series 2017 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 2017 Bonds if the Company did not substantially benefit directly or indirectly from the issuance of the Series 2017 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 2017 Bonds was a fraudulent transfer or fraudulent conveyance, the court could void the payment obligations under the Series 2017 Bonds or subordinate the Series 2017 Bonds to presently existing and future indebtedness of the Company, or require the Owners of the Series 2017 Bonds to repay any amounts received with respect to such Series 2017 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 2017 Bonds may not receive any repayment on the Series 2017 Bonds or may be required to repay any amounts received with respect to such Series 2017 Bonds.

The ability to transfer the Series 2017 Bonds may be limited by the absence of an active trading market and the requirement that Bonds be sold in the primary and secondary market only to qualified institutional buyers within the meaning of said Rule 144A, and there is no assurance that any active trading market will develop for the Series 2017 Bonds.

The Series 2017 Bonds are new issues of securities for which there is no established public market. The Underwriter has advised the Company that they currently intend to make a market in the Series 2017 Bonds as permitted by applicable laws and regulations and approved by the Issuer. However, the Underwriter is not obligated to do so, and it may discontinue any market-making activities with respect to the Series 2017 Bonds at any time without notice. The liquidity of any market for the Series 2017 Bonds will depend upon the number of holders of the Series 2017 Bonds, the Company's performance, the market for similar securities, the interest of securities dealers in making a market in the Series 2017 Bonds and other factors. If a market develops, the Series 2017 Bonds could trade at prices that may be lower than the initial offering price of the Series 2017 Bonds. If an active market does not develop or is not maintained, the price and liquidity of the Series 2017 Bonds may be adversely affected. Historically, the market for non-investment grade, nonrated debt has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the Series 2017 Bonds. The market, if any, for any of the Series 2017 Bonds may not be free from similar disruptions and any such disruptions may adversely affect the prices at which you may sell your Series 2017 Bonds. In addition, subsequent to their initial issuance, the Series 2017 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 2017 Bonds.

The Indenture, the Senior Loan Agreement and the Federal Tax Certificate for the Series 2017 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 2017 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 2017 Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2017 Bonds. See ''TAX MATTERS—Opinions.'' Neither the Issuer nor the Company is required to redeem the Series 2017 Bonds should interest thereon no longer be excludable from gross income for federal income tax purposes.

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 2017 Bonds to be subject, directly or indirectly, 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. Such legislative proposals may also affect the ability of the Company to refund or remarket the Series 2017 Bonds on a tax-exempt basis at the end of the initial Term Rate Period. The introduction or enactment of any such legislative proposals, including recently introduced tax reform legislation in Congress that would (if enacted) make significant changes to the Code, clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Series 2017 Bonds. See ''TAX MATTERS—Future Changes in Law'' herein.

Prospective purchasers of the Series 2017 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 issuance of the Series 2017 Bonds may be involved in or subject to claims, litigation or other proceedings. Such claims, if adversely determined, could have a material adverse effect on the Company, its ability to complete the Project in a timely manner or at all or on the Owners' investment in the Series 2017 Bonds.

In addition to the claims and potential claims described above, the Company may also subject to claims in the ordinary course of business during the construction of the Project by contractors, construction workers or others who

may be injured during the construction phase of the Project. Once operation of the Project has commenced, 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 of the railroad.

Any future claims or proceedings, may 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.

The Series 2017 Bonds are not expected to be rated upon issuance.

No rating has been obtained in connection with the issuance of the Series 2017 Bonds. Prospective purchasers are advised to consult with their advisors as to the risks of purchasing unrated bonds and the effect of an absence of a rating on the ability, if any, of a purchaser to resell such unrated bonds.

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 has agreed in a Disclosure Dissemination Agent Agreement, dated as of the Closing Date (the ''Disclosure Dissemination Agent Agreement''), between the Company and the Dissemination Agent, to provide certain financial information, other operating data and notices of material events for the benefit of the Owners of the Series 2017 Bonds. A form of the Disclosure Dissemination Agent Agreement is attached hereto as APPENDIX H. 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 2017 Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Series 2017 Bonds and their market price. The Company has not previously been subject to any disclosure dissemination agent agreement under Rule 15c2-12.

EXPERTS

The Ridership and Revenue Study and Operations and Maintenance and Ancillary Revenue Report conducted by Louis Berger U.S., Inc. included in this Offering Memorandum have been included in reliance on the authority of such firm as experts in their fields.

LEGAL MATTERS

The Issuer will furnish the Underwriter a transcript of certain proceedings incident to the authorization and issuance of the Series 2017 Bonds. The Issuer will also furnish, at the Company's expense, the approving legal opinion of Bond Counsel substantially in the form set forth in ''APPENDIX F — FORM OF BOND COUNSEL OPINION.''

The various legal opinions to be delivered concurrently with the delivery of the Series 2017 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 2017 Bonds are offered when, as and if executed and delivered and accepted by the Underwriter and subject to receipt of the approving legal 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 Broad and Cassel 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 Underwriter by its special counsel, Mayer Brown LLP, Chicago, Illinois.

TAX MATTERS

Opinions

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 2017 Bonds pertaining to the requirements of the Code, Bond Counsel is of the opinion that (i) interest on the Series 2017 Bonds is excludable from gross income for purposes of federal income taxation under existing laws as enacted and construed on the date hereof (except for interest on any Series 2017 Bonds while held by a substantial user of the South Segment Project or a related person as defined in Section 147(a) of the Code), (ii) interest on the Series 2017 Bonds will be a preference item for purposes of determining individual and corporate federal alternative minimum tax, and (iii) the Series 2017 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 of the substantially final form of the opinion of Bond Counsel is included in APPENDIX G hereto.

General Requirements

The Code contains various requirements pertaining to the exclusion of interest on Series 2017 Bonds from the gross income of the holders thereof, including numerous requirements pertaining to (a) use of the proceeds of the Series 2017 Bonds, (b) the maturity of, and security for, the Series 2017 Bonds, (c) the payment to the United States of certain amounts earned from the investment of proceeds of the Series 2017 Bonds, (d) the procedure for issuance of the Series 2017 Bonds, and (e) filings with the Internal Revenue Service in respect of the Series 2017 Bonds. The exclusion from gross income of the interest on the Series 2017 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 2017 Bonds and present and continuing compliance with the requirements of the Code. Failure to comply with these requirements could cause interest on the Series 2017 Bonds to become required to be included in gross income as of the date of original issuance and delivery of the Series 2017 Bonds or as of some later date.

An officer of the Issuer responsible for issuing the Series 2017 Bonds and an authorized representative of the Company have executed the Federal Tax Certificate for the Series 2017 Bonds stating the reasonable expectations of the Issuer and the Company on the date hereof as to future events that are material for purposes of Section 148 of the Code pertaining to arbitrage and certain other matters (the ''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 2017 Bonds or any moneys derived, directly or indirectly, from the use or investment thereof in a manner which would cause the Series 2017 Bonds to be ''arbitrage bonds'' as that term is defined in Section 148(a) of the Code. The Issuer and the Company have certified that the Series 2017 Bonds meet the requirements of the Code on the date hereof, and they have covenanted that the requirements of the Code will be met as long as any of the Series 2017 Bonds are outstanding. Also, the Issuer will file with the Internal Revenue Service a report of the issuance of the Series 2017 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 2017 Bonds.

Under the Indenture, the Senior Loan Agreement and the Federal Tax Certificate for the Series 2017 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 2017 Bonds for federal income tax purposes. Interest on the Series 2017 Bonds may become subject to federal income taxation retroactively to the date hereof 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 2017 Bonds.

Opinions Are Not a Guarantee

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. We have neither applied for nor received a ruling from the Internal Revenue Service with respect to these conclusions, and there is no guarantee that the Internal Revenue Service would reach the same conclusions if it were to audit the

Series 2017 Bonds. In particular, we note that, upon audit, the Internal Revenue Service could conclude that the interest on the Series 2017 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.

Future Changes in Law

From time to time, there are legislative proposals suggested, debated, introduced or pending in Congress that, if enacted into law, could alter or amend one or more of the federal tax matters described above including, without limitation, the excludability from gross income of interest on the Series 2017 Bonds, adversely affect the market price or marketability of the Series 2017 Bonds, or otherwise prevent the holders from realizing the full current benefit of the status of the interest thereon. Currently, separate bills designed to bring about comprehensive reform of the United States Tax Code are being considered in the House of Representatives and Senate. Each bill includes provisions that would directly and indirectly adversely affect the ability of issuers to issue tax-exempt bonds and could indirectly adversely affect the market price or marketability of the Series 2017 Bonds. In particular, the bill under consideration in the House of Representatives contains provisions that would eliminate the ability of issuers to issue any private activity bonds after December 31, 2017, which would eliminate the ability of the Company to effect a refunding of the Series 2017 Bonds with tax-exempt bonds. In addition, it is possible that this or other legislative proposals could limit the ability of the Company to effect a remarketing of the Series 2017 Bonds in the future. Both bills contain provisions that would significantly lower the corporate tax rate and potentially reduce the marginal tax rate for many personal income taxpayers. Neither bill as proposed affects the excludability from gross income of interest on the Series 2017 Bonds if they are issued, as expected, prior to January 1, 2018. However, it cannot be predicted whether or in what form this proposed legislation or any other such proposal may be enacted, or whether, if enacted, any such proposal would affect the Series 2017 Bonds. If enacted into law, such legislative proposals could affect the market price or marketability of the Series 2017 Bonds. Prospective purchasers of the Series 2017 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 2017 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 2017 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 2017 Bonds, under certain circumstances, to ''backup withholding'' at the rates set forth in the Code, with respect to payments on the Series 2017 Bonds and proceeds from the sale of Series 2017 Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of Series 2017 Bonds. This withholding generally applies if the owner of Series 2017 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 2017 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 issuance or delivery of the Series 2017 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 2017 Bonds or the proceedings or authority under which they are to be issued. 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 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

From time to time, the Company, the Project and the proposed issuance of the Series 2017 Bonds may be involved in or subject to claims, litigation or other proceedings. 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 Project by contractors, construction workers or others who may be injured during the construction phase of the Project. Once operation of the Project has commenced, 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.

Although no material claims or proceedings are currently pending, the 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 of the railroad.

UNDERWRITING

The Series 2017 Bonds are expected to be purchased by Morgan Stanley & Co. LLC (the ''Underwriter'') pursuant to a Bond Purchase Agreement among the Issuer, the Company and the Representative on behalf of the Underwriter. The Underwriter will agree to purchase the Series 2017 Bonds at an aggregate purchase price of $ (representing the $ aggregate original principal amount of the Series 2017 Bonds less an underwriting discount of $ plus a net original issue premium of $). The expenses associated with the issuance of the Series 2017 Bonds are being paid by the Company from proceeds of the Series 2017 Bonds and other available funds. The right of the Underwriter to receive compensation in connection with the Series 2017 Bonds is contingent upon the actual sale and delivery of the Series 2017 Bonds. The Underwriter will initially offer the Series 2017 Bonds for sale at the price or yield set forth on the inside cover of this Limited Offering Memorandum. Such price or yield may subsequently change in connection with the marketing of the Series 2017 Bonds. The Underwriter may offer and sell the Series 2017 Bonds to certain dealers (including dealers depositing the Series 2017 Bonds into investment trusts) and others at prices lower than the initial public offering price or prices set forth in this Limited Offering Memorandum. The Underwriter reserves the right to join with dealers and other investment banking firms in offering the Series 2017 Bonds for sale.

The Underwriter and its 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 Underwriter and its affiliates may have certain creditor and/or other rights against the Issuer and the Company and its affiliates in connection with such activities. In the various course of their various business activities, the Underwriter and its 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 Company (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Issuer and the Company. The Underwriter and its 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.

MISCELLANEOUS

Registration of Bonds

Registration or qualification of the offer and sale of the Series 2017 Bonds (as distinguished from registration of the ownership of the Series 2017 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 2017 Bonds for sale under the securities laws of any jurisdiction in which the Series 2017 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 2017 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 2017 Bonds, the security for and the repayment of the Series 2017 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 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 Underwriter makes any representations or warranties whatsoever with respect to the information contained herein.

The agreements of the Issuer with the holders of the Series 2017 Bonds are fully set forth in the Indenture, and neither any advertisement of the Series 2017 Bonds nor this Limited Offering Memorandum is to be construed as constituting an agreement with the purchasers of the Series 2017 Bonds. So far as any statements are made in this Limited Offering 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 2017 Bonds, but neither the failure to print such numbers on any Series 2017 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 2017 Bonds.

The preparation of this Limited Offering Memorandum and its distribution have been authorized by the Company and the Issuer. This Limited Offering 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 2017 Bond.

All Aboard Florida – Operations LLC
(d/b/a Brightline Operations)

By: _____

APPENDIX A

DEFINITIONS OF TERMS

Unless otherwise specified, capitalized terms used in the Limited Offering 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 Series 2017 Project Account that is a securities account or as the bank with respect to any Series 2017 Project Account that is a deposit account.

"**Account Control Agreement**" means one or more Account Control Agreements to be entered into among the Company, the Collateral Agent and the Deposit Account Bank in respect of each of the Operating Account and the Equity Funded 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 that is delivered, directly or indirectly, by or on behalf of FECI on or after the Closing Date and deposited to the Equity Funded Account, the Capital Projects Account, any Major Maintenance Reserve Account, any O&M Reserve Account or the Revenue Account in accordance with the Collateral Agency 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 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.

"**Additional Parity Bonds Loan Agreement**" means, for each series of Additional Parity Bonds, the 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 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 2017 Loan under the Senior Loan Agreement that is pari passu to the indebtedness constituting Series 2017 Bonds and the Series 2017 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.

"**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 2017 Bonds and the Series 2017 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 Code**" means Title 11 of the United States Code, as amended, or any similar federal or state law for the relief of debtors.

"**Beneficial Owners**" means purchasers of beneficial interests in the Series 2017 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 Purchase Agreement**" means that certain Bond Purchase Agreement entered into among the Underwriter, the Issuer and the Company.

"**Bond Resolution**" means Resolution No. 15-04 adopted by the board of directors of the Issuer on August 5, 2015, as supplemented by the Supplemental Bond Resolution adopted by the board of directors of the Issuer on October 27, 2017, authorizing the issuance of the Series 2017 Bonds.

"**Bonds**" means the Series 2017 Bonds together with the Additional Parity Bonds issued from time to time pursuant to the Indenture, if any.

"**Borrower**" or "**Company**" means All Aboard Florida – Operations LLC (d/b/a Brightline Operations), 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**" 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 and described in "SERIES 2017 PROJECT ACCOUNTS AND FLOW OF FUNDS—Series 2017 Project Accounts—Description of Series 2017 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 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.

"**Casualty Event**" shall mean an event that causes all or a portion of the South Segment Project to be damaged, destroyed or rendered unfit for normal use for any reason whatsoever, other than an Expropriation Event.

"**Closing Date**" means the date the Series 2017 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 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 that certain 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.

"**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 All Aboard Florida – Operations LLC (d/b/a Brightline Operations), a Delaware limited liability company.

"**Contractor**" means any architects, consultants, engineers, contractors, sub-contractors, suppliers or other Persons engaged by or on behalf of the Company in connection with the design, engineering, installation and construction of the South Segment 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.

"**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 the Fixed Rate, as applicable.

"**Cure Amount**" has the meaning assigned thereto in the Senior Loan Agreement.

"**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 Account**" means the Series 2017 Debt Service Reserve Account established and created pursuant to the Collateral Agency Agreement and as described in "SERIES 2017 PROJECT ACCOUNTS AND FLOW OF FUNDS—Series 2017 Project Accounts—Description of Series 2017 Project Accounts—Debt Service Reserve Account" herein and each Additional Debt Service Reserve Account.

"**Debt Service Reserve Requirement**" means (i) with respect to the Series 2017 Bonds, the Series 2017 Debt Service Reserve Requirement and (ii) with respect to any Additional Senior Indebtedness, the corresponding Additional Debt Service Reserve Requirement (if any).

"**Defeasance Escrow Account**" means an account created pursuant to Section 11.2 of the Indenture.

"**Deposit Account Bank**" means Wells Fargo Bank, N.A. or any other financial institution reasonably acceptable to the Underwriter and any replacement thereof appointed pursuant to the terms of the Collateral Agency Agreement.

"**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 Florida East Coast Dispatch LLC, 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 Calculation 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 "SERIES 2017 PROJECT ACCOUNTS AND FLOW OF FUNDS—Series 2017 Project Accounts—Description of Series 2017 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 Funded Account**" means the Equity Funded Account (account number _____) established with the Deposit Account Bank, as described in "SERIES 2017 PROJECT ACCOUNTS AND FLOW OF FUNDS—Description of Series 2017 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 "SERIES 2017 PROJECT ACCOUNTS AND FLOW OF FUNDS—Series 2017 Project Accounts—Description of Series 2017 Project Accounts—Equity Lock-Up Account" herein.

"**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 Company, is treated as a single employer under Section 414 of the Code.

"**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 2017 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 Series 2017 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 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.

"**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 South Segment Project or (ii) by which such Governmental Authority assumes custody or control of all or any portion of the South Segment 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.

"**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 Agent pursuant to Section 3.1(b) of the Indenture.

"**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 Conversion Date upon which the Bonds were converted to the Fixed Rate Mode to but not including 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 "SERIES 2017 PROJECT ACCOUNTS AND FLOW OF FUNDS—Flow of Funds" herein.

"**FRA**" means the Federal Railroad Administration.

"**Free Cash Flow**" means

(a) all Project Revenues received by the Borrower and deposited to the Revenue Account during such period (excluding any Additional Equity Contributions and any proceeds of Indebtedness); plus

(b) 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

(c) 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

(d) deposits to any Debt Service Reserve Account (excluding the initial funding of the Series 2017 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 South Segment 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.

"**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 2017 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 Indenture of Trust, dated as of December 1, 2017 between the Issuer and the Trustee, and any amendment or supplement thereto permitted thereby.

"**Independent Engineer**" means any independent construction engineer familiar with the Series 2017 Project and appropriately qualified to evaluate the construction and operation of an intercity passenger rail system and related facilities.

"**Intellectual Property**" has the meaning assigned to it in the Security Agreement.

"**Interest Payment Date**" means, with respect any Financing Obligations bearing interest semi-annually, each January 1 and July 1, and with respect to any Financing Obligations bearing interest quarterly, each January 1, April 1, July 1 and October 1, and 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 2017 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 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 1.75:1.00.

"**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 "SERIES 2017 PROJECT ACCOUNTS AND FLOW OF FUNDS—Series 2017 Project Accounts—Description of Series 2017 Project Accounts—Loss Proceeds Account" herein.

"**Major Maintenance**" means any lifecycle maintenance, repair, renewal, reconstruction or replacement work of any portion or component of the South Segment 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 Independent Engineer.

"**Major Maintenance Plan**" means the budget and schedule delivered by the Company to, and approved by, the Independent Engineer for Major Maintenance Costs.

"**Major Maintenance Reserve Account**" means the Series 2017 Major Maintenance Reserve Account created by and designated as such in the Collateral Agency Agreement and described in "SERIES 2017 PROJECT ACCOUNTS AND FLOW OF FUNDS—Series 2017 Project Accounts—Description of Series 2017 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 Series 2017 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**" means _____.

"**Management Agreement**" means the General Operations, Management and Administrative Services Agreement dated as of _____, 2017, by and among the Company and the Manager.

"**Manager**" means All Aboard Florida Operations Management LLC, 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 "SERIES 2017 PROJECT ACCOUNTS AND FLOW OF FUNDS—Series 2017 Project Accounts—Description of Series 2017 Project Accounts—Mandatory Prepayment Account" herein.

"**Mandatory Tender Date**" means 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 legality, validity or enforceability of any material Financing Document; (c) the Company's ability to observe and perform its material obligations under any Financing Document; (d) 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 (e) 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 (e) above relating to the South Segment Project.

"**Miami Station**" means those certain improvements constituting the passenger railway station located in Miami, Florida and the 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 improvements are constructed, but specifically excluding any one or more real estate interests (including, without limitation, any ground lease interest of any tenant, any other air rights parcels or any other vertical subdivision) in any other real property along the railway or at, adjacent to, above, below or near such station.

"**Mode**" means, as the context may require the Term Rate Mode or the Fixed Rate Mode.

"**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.

"**Multiemployer Plan**" means a Pension Plan which is a "multiemployer plan" as defined in Section 4001(a)(3) of ERISA.

"**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 Series 2017 Major Maintenance Reserve Sub-Account created and designated as such by the Collateral Agency Agreement and described in "SERIES 2017 PROJECT ACCOUNTS AND FLOW OF FUNDS—Series 2017 Project Accounts—Description of Series 2017 Project Accounts—Major Maintenance Reserve Account" herein.

"**North Segment Project**" means the portion of the Project running from West Palm Beach, Florida to the Orlando Station.

"**Notice Parties**" means the Issuer, the Trustee, the Remarketing Agent, and the Company.

"**O&M Expenditures**" has the meaning assigned to such term in the Senior Loan Agreement.

"**O&M Reserve Account**" means the Series 2017 O&M Reserve Account and any Additional O&M Reserve Account.

"**O&M Reserve Requirement**" with respect to (i) the Series 2017 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 Operating Account (account number _____) established with the Deposit Account Bank, as described in "SERIES 2017 PROJECT ACCOUNTS AND FLOW OF FUNDS—Description of Series 2017 Project Accounts—Operating Account 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.

"**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.

"**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.

"**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 Company or any ERISA Affiliate.

"**Permitted Activities**" shall have the meaning specified in Section 6.13 of the Senior Loan Agreement.

"**Permitted Additional Senior Indebtedness**" means:

(a) Indebtedness of the Company issued from time to time to provide additional working capital to the Company in a cumulative aggregate principal amount not to exceed $50,000,000; and

(b) Indebtedness of the Company, other than Additional Parity Bonds, that shall satisfy the requirements of Section 12.2(a) of the Indenture for the issuance of Additional Parity Bonds as in effect on the Closing Date, mutatis mutandis;

in each case, that shall be payable pro rata with the Series 2017 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 Company, be secured by all of the Collateral under the Collateral Agency Agreement, or may be unsecured; provided that (i) such Indebtedness may be issued to refund or refinance the Series 2017 Bonds, Additional Parity Bonds, or other outstanding Indebtedness so long as it otherwise satisfies the requirements of Section 12.2(a) of the Indenture as in effect on the Closing Date, mutatis mutandis and (ii) 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 South Segment 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 South Segment 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 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 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 or Florida Department of Transportation, or an affiliate thereof, to allow commuter rail service on the corridor, (m) for the downtown Miami property, amendments to the 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 the Miami station and the other residential, retail and office structures interconnected with the Miami station to correct any errors in the legal descriptions of the air rights granted to the entities owning the same 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. 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 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 the Senior Loan Agreement;

(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 (including portions of the Project that may be located outside of the Series 2017 Counties) or any other Permitted Business Activities; *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 $20,000,000, and (ii) such Indebtedness (other than Permitted Additional Senior 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) [Reserved];

(f) 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, 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, refinance or replace any other Indebtedness incurred pursuant to this clause (f), does not exceed $10,000,000;

(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; *provided* that the maximum notional amount of all Permitted Swap Agreements outstanding at any one time in connection with commodity risks for fuel and oil prices shall not exceed 50% of the Company's projected fuel and oil expenses for the next twelve months commencing on the date of determination;

(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 (i) the financing of insurance premiums or (ii) take-or-pay obligations contained in supply arrangements, in each case, in the ordinary course of business; *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 (i) and including all Indebtedness incurred to refund, refinance or replace any other Indebtedness incurred pursuant to this clause (i), does not exceed $10,000,000; and

(j) Permitted Subordinated Debt.

"**Permitted Investments**" means to the extent permitted by State law:

(a) 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 and Moody's;

(c) 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;

(d) 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 are rated (at the time the investment is entered into), not lower than ''A-'' by S&P and ''A3'' by Moody's, including the Trustee and Collateral Agent or any of its Affiliates, *provided* that, in connection with any repurchase agreement entered into in connection with the investment of funds held under the Indenture, the Issuer and the Trustee and 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;

(e) Fully collateralized repurchase agreements 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 (c) above; and

(f) 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 South Segment 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 South Segment 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 South Segment 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 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', warehousemens', 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 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) [Reserved];

(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 $20,000,000;

(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 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; and

(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.

"**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 unsecured 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.

"**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.

"**PIK Toggle Notes**" means the 12.00 / 12.75% Senior Secured PIK Toggle Notes due 2019 issued by AAF Holdings LLC and AAF Finance Company.

"**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 Payment Date**" means, with respect to the Series 2017 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 and operation of a privately owned and operated express, intercity passenger rail system and related facilities, with stations located initially in West Palm Beach, Fort Lauderdale and Miami, Florida, in each case as more particularly described in the Bond Resolution.

"**Purchase Money Debt**" means Indebtedness (including Capitalized Lease Obligations) of the type described in clause (d) of the definition of Permitted Indebtedness.

"**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 by and designated as such by Section 5.01 of the Collateral Agency Agreement and described in "SERIES 2017 PROJECT ACCOUNTS AND FLOW OF FUNDS—Series 2017 Project Accounts—Description of Series 2017 Project Accounts—Ramp-Up Reserve Account" herein.

"**Ramp-Up Reserve Requirement**" has the meaning set forth in Section 5.08 of the Collateral Agency Agreement.

"**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 Moneys**" mean the money deposited with the Trustee sufficient to pay the Redemption Price of all the Series 2017 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.

"**Release**" means any new or historical spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, disposing, migrating, abandoning or discarding.

"**Remarketing Agent**" means any investment banking firm or firms which shall be appointed by the Company to act as Remarketing Agent under the Indenture.

"**Required Secured Creditors**" has the meaning given such term in the Collateral Agency Agreement.

''**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.

''**Restore**'' means repairing, rebuilding or otherwise restoring the South Segment 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 ''SERIES 2017 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 (as set forth in a duly executed certificate provided by the Company to the Collateral Agent setting forth such Total DSCR);

(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; and

(v) after giving effect to the applicable transfer, the aggregate amount of funds transferred in reliance on the satisfaction of the Restricted Payment Conditions during the calendar year in which such transfer is proposed to be made does not exceed $25.0 million.

''**Revenue Account**'' means the Revenue Account created and designated as such by Section 5.01 of the Collateral Agency Agreement and described in ''SERIES 2017 PROJECT ACCOUNTS AND FLOW OF FUNDS—Series 2017 Project Accounts—Description of Series 2017 Project Accounts—Revenue Account'' herein.

''**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.

"**Rolling Stock Credit Facility**" means the credit agreement, dated as of August 18, 2014, with Siemens Financial Services, Inc., as administrative agent and lender, as amended, supplemented or otherwise modified from time to time.

"**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.

"**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 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 Account Control Agreement, the Collateral Agency Agreement, the Mortgages, 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 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 loan agreement by and between the Issuer and the Company pursuant to which the Issuer agreed to loan the entire proceeds of the Series 2017 Bonds to the Company, as the same may be amended, restated, supplemented or otherwise modified from time to time.

"**Series 2017 Bonds**" means the $600,000,000* aggregate principal amount of Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Passenger Rail Project – South Segment), Series 2017, and any Series 2017 Bond or Series 2017 Bonds issued in exchange or replacement therefor.

"**Series 2017 Counties**" means each of Miami-Dade County, Broward County and Palm Beach County, Florida.

"**Series 2017 Debt Service Fund**" means the Series 2017 Debt Service Fund created and designated as such by the Indenture.

"**Series 2017 Debt Service Reserve Account**" means the Series 2017 Debt Service Reserve Account created and designated as such by the Collateral Agency Agreement and described in "SERIES 2017 PROJECT ACCOUNTS AND FLOW OF FUNDS—Series 2017 Project Accounts—Description of Series 2017 Project Accounts—Debt Service Reserve Account" herein.

"**Series 2017 Debt Service Reserve Requirement**" means an amount equal to six months of debt service payable on the next Payment Date.

"**Series 2017 Funded Interest Account**" means the Series 2017 Funded Interest Account created and designated as such by the Indenture.

"**Series 2017 Interest Account**" means the interest account with respect to the Series 2017 Bonds created and designated as such by the Indenture.

"**Series 2017 Interest Sub-Account**" means the Series 2017 Interest Sub-Account with respect to the Series 2017 Bonds established within the Revenue Account and created and designated as such by the Collateral Agency Agreement.

"**Series 2017 Loan**" means the loan made by the Issuer to the Company on the Closing Date in an amount equal to proceeds of the Series 2017 Bonds pursuant to the Senior Loan Agreement.

"**Series 2017 Major Maintenance Reserve Account**" means the Series 2017 Major Maintenance Reserve Account established and created pursuant to Section 5.01 of the Collateral Agency Agreement and described in "SERIES 2017 PROJECT ACCOUNTS AND FLOW OF FUNDS—Series 2017 Project Accounts—Description of Series 2017 Project Accounts—Major Maintenance Reserve Account" herein.

"**Series 2017 O&M Reserve Account**" means the Series 2017 O&M Reserve Account established and created pursuant to Section 5.01 of the Collateral Agency Agreement and described in "SERIES 2017 PROJECT ACCOUNTS AND FLOW OF FUNDS—Series 2017 Project Accounts—Description of Series 2017 Project Accounts—O&M Reserve Account" herein.

"**Series 2017 PABs Mandatory Prepayment Sub-Account**" means the Series 2017 PABs Mandatory Prepayment Sub-Account with respect to the Series 2017 Bonds established within the Mandatory Prepayment

* Preliminary, subject to change.

Account created and designated as such by Section 5.01 of the Collateral Agency Agreement and described in ''SERIES 2017 PROJECT ACCOUNTS AND FLOW OF FUNDS—Series 2017 Project Accounts—Description of Series 2017 Project Accounts—Mandatory Prepayment Account'' herein.

''**Series 2017 Principal Account**'' is the principal account with respect to the Series 2017 Bonds created and designated as such by the Indenture.

''**Series 2017 Principal Sub-Account**'' means the Series 2017 Principal Sub-Account with respect to the Series 2017 Bonds established within the Revenue Account and created and designated as such by Section 5.01 of the Collateral Agency Agreement.

''**Series 2017 Project Accounts**'' means the following accounts of the Company, established pursuant to the Collateral Agency Agreement: (a) the Revenue Account, including the Series 2017 Interest Sub-Account, the Series 2017 Principal Sub-Account and any other sub-accounts created thereunder; (b) the Loss Proceeds Account; (c) the Mandatory Prepayment Account, including the Series 2017 PABs Mandatory Prepayment Sub-Account; (d) each Debt Service Reserve Account; (e) each Major Maintenance Reserve Account, including the Non-Completed Work Sub-Account; (f) each O&M Reserve Account; (g) the Ramp-Up Reserve Account, (h) the Equity Lock-Up Account; (i) the Capital Projects Account; (j) the Operating Account; (k) the Equity Funded Account; and (l) 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''.

''**Series 2017 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 Series 2017 Project Accounts, 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 South Segment 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.

''**Series 2017 Rebate Fund**'' means the Series 2017 Rebate Fund established and created pursuant to the Indenture and described in ''SECURITY AND SOURCES OF REPAYMENT FOR THE SERIES 2017 BONDS—Indenture—Funds and Accounts to be Established Under the Indenture'' herein.

''**Series 2017 Redemption Account**'' means the Series 2017 Redemption Account created and designated as such by the Indenture.

''**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.

''**Short-Term Indebtedness**'' means Indebtedness that is a current liability of the Company under GAAP.

''**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 Project**'' means the portion of the Project located in the Series 2017 Counties.

''**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.

''**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.

"**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 Closing Date to (but excluding) the last day of the initial Term Rate Mode, as set forth in Section 3.1(b) of the Indenture and, thereafter, the period from (and including) the beginning date of each successive Mode selected for the Bonds by the Borrower pursuant to Section 3.1(b) of the Indenture while it is in the Term Rate Mode to (but excluding) the commencement date of the next succeeding Term Rate Period or the Fixed Rate Period.

"**Termination Date**" means with 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 24-month period ending on a Calculation Date (or, if prior to the second anniversary of the Closing Date, or any shorter period from the Closing Date annualized for a 24-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 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 2017 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.

"**Underwriter**" means Morgan Stanley & Co. LLC.

APPENDIX B

FORM OF INDENTURE

[See attached]

APPENDIX C

FORM OF SENIOR LOAN AGREEMENT

[See attached]

APPENDIX D

FORM OF COLLATERAL AGENCY, INTERCREDITOR AND ACCOUNTS AGREEMENT

[See attached]

APPENDIX E

SOUTH SEGMENT PROJECT
RIDERSHIP AND REVENUE STUDY

Louis Berger U.S., Inc.'s delivery to the Company of its Ridership and Revenue Study for inclusion in this Limited Offering 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]

APPENDIX F

SOUTH SEGMENT PROJECT
OPERATIONS AND MAINTENANCE AND ANCILLARY REVENUE REPORT

Louis Berger U.S. Inc.'s delivery to the Company of its Operations and Maintenance and Ancillary Revenue Report for inclusion in this Limited Offering 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]

APPENDIX G

FORM OF BOND COUNSEL OPINION

[See attached]

APPENDIX H

FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT

[See attached]

APPENDIX I

BOOK-ENTRY-ONLY SYSTEM

[See attached]

APPENDIX J

FORM OF INVESTOR LETTER

[See attached]

APPENDIX B

FORM OF INDENTURE

[See attached]

INDENTURE OF TRUST

BETWEEN

FLORIDA DEVELOPMENT FINANCE CORPORATION

AND

DEUTSCHE BANK NATIONAL TRUST COMPANY,
AS TRUSTEE

DATED AS OF DECEMBER 1, 2017

PROVIDING FOR THE ISSUE OF

$600,000,000
FLORIDA DEVELOPMENT FINANCE CORPORATION
SURFACE TRANSPORTATION FACILITY REVENUE BONDS
(BRIGHTLINE PASSENGER RAIL PROJECT -- SOUTH SEGMENT), SERIES 2017

TABLE OF CONTENTS

Page

ARTICLE 1.

DEFINITIONS

ARTICLE 2.

SECURITY FOR BONDS

ARTICLE 3.

AUTHORIZATION, ISSUANCE AND DELIVERY OF BONDS

ARTICLE 4.

TERMS OF BONDS

ARTICLE 5.

FUNDS AND ACCOUNTS

ARTICLE 6.

COVENANTS OF THE ISSUER

ARTICLE 7.

DEFAULTS AND REMEDIES

ARTICLE 8.

CONCERNING THE TRUSTEE

ARTICLE 9.

SUPPLEMENTAL INDENTURES

ARTICLE 10.

AMENDMENT OF AND CERTAIN ACTIONS UNDER SENIOR LOAN AGREEMENT

ARTICLE 11.

DEFEASANCE

ARTICLE 12.

ADDITIONAL PARITY BONDS

ARTICLE 13.

MISCELLANEOUS

INDENTURE OF TRUST

This INDENTURE OF TRUST (this "Indenture") is dated as of December 1, 2017, 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").

W I T N E S S E T H:

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, All Aboard Florida – Operations LLC, d/b/a Brightline Operations, 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 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 in, among other places, West Palm Beach, Fort Lauderdale and Miami, Florida as more particularly described in the Bond Resolution, and with proceeds of the Series 2017 Bonds to be spent only for the portions of the Project located on or adjacent to the Florida East Coast Railway Corridor in Miami-Dade County, Florida, Broward County, Florida, and Palm Beach County, Florida (collectively, the "Series 2017 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 a portion of the costs of the Project through the issuance of its $600,000,000 aggregate principal amount of Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Passenger Rail Project -- South Segment), Series 2017 (the "Series 2017 Bonds"); and

WHEREAS, upon the issuance of the Series 2017 Bonds, the Issuer will lend (the "Series 2017 Loan") the proceeds thereof to the Borrower pursuant to a Senior Loan Agreement, dated as of December 1, 2017 (the "Senior Loan Agreement"), between the Issuer and the Borrower, to pay or reimburse a portion of the costs of the Project within the Series 2017 Counties; 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 2017 Bonds on portions of the Project that are located within the jurisdictional limits of the Series 2017 Counties; and (ii) may not expend proceeds of the Series 2017 Bonds to acquire any building or facility that will be, during the term of the Series 2017 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 Series 2017 Project and the issuance of the Series 2017 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 2017 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 2017 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 2017 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

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 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.

"*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, authorizing the issuance of the Series 2017 Bonds.

"*Bonds*" mean the Series 2017 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 All Aboard Florida – Operations LLC, d/b/a Brightline Operations, 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 2017 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 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 the Fixed Rate, as applicable.

"*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 in effect on the Bonds immediately preceding the Event of Default to which the Default Rate relates, 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 100 Plaza One, 8th Floor, Jersey City, New Jersey 07311, 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.

"*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.

"*Financial Advisor*" means Larson Consulting Services, LLC, Orlando, Florida, as financial advisor to the Issuer.

"*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 Payment Date*" means each January 1 and July 1, commencing on July 1, 2018 and continuing for so long as the Bonds are Outstanding, and 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 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 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 _____ __, 2017, with respect to the Series 2017 Bonds.

"*Majority Holders*" means the holders of a majority of the aggregate principal amount of the then Outstanding Bonds.

"*Mandatory Tender Date*" means 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 and Moody's;

(c) 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;

(d) 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 are rated (at the time the investment is entered into), not lower than "A-" by S&P and Moody's, including the Trustee and Collateral Agent or any of its Affiliates, provided that, in connection with any repurchase agreement entered into in connection with the investment of funds held under the Indenture, the Issuer and the Trustee and 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;

(e) Fully collateralized repurchase agreements 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 (c) above; and

(f) 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.

"*Purchase Price*" means 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.

"*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 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.

"*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 the 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.

"*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 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 2017 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(c) hereof.

"*Serial Maturities*" means the dates on which the Serial Bonds mature, as determined pursuant to Section 4.9(c) hereof.

"*Series 2017 Bonds*" means the $600,000,000 aggregate principal amount of Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Passenger Rail Project -- South Segment), Series 2017, and any Series 2017 Bond or Series 2017 Bonds issued in exchange or replacement therefor.

"*Series 2017 Counties*" means Miami-Dade County, Florida, Broward County, Florida, and Palm Beach County, Florida.

"*Series 2017 Debt Service Fund*" means the Series 2017 Debt Service Fund created and designated as such in Section 5.1 hereof.

"*Series 2017 Funded Interest Account*" means the Series 2017 Funded Interest Account created by and designated as such in Section 5.1 hereof.

"*Series 2017 Interest Account*" means the Series 2017 Interest Account created by and designated as such in Section 5.1 hereof.

"*Series 2017 Principal Account*" means the Series 2017 Principal Account created by and designated as such in Section 5.1 hereof.

"*Series 2017 Rebate Fund*" means the Series 2017 Rebate Fund created and designated as such in Section 5.1 hereof.

"*Series 2017 Redemption Account*" means the Series 2017 Redemption Account created 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 4.5 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 (but excluding) the last day of the 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 Bonds by the Borrower pursuant to Section 3.1(b) while it is in the Term Rate Mode to (but excluding) the commencement date of the next succeeding Term Rate Period or the Fixed Rate Period.

"*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.

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 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 2017 Rebate Fund and (ii) any Defeasance Escrow Account;

(c) any right, title or interest of the Issuer 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 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 2017 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 2017 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) 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*. 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 (Brightline Passenger Rail Project -- South Segment), Series 2017" (the "Series 2017 Bonds"), in the aggregate principal amount of $600,000,000, for the purpose of funding the Series 2017 Loan to the Borrower to pay or reimburse a portion of the costs of the Series 2017 Project (including certain Costs of Issuance of the Series 2017 Bonds). The Series 2017 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 July 1, 2018.

The Series 2017 Bonds shall be initially issued as Term Rate Bonds in the Term Rate Mode, bearing interest at the initial Term Rate of ____% per annum, during the initial Term Rate Period commencing on the Closing Date and ending on _____, 20__. The Series 2017 Bonds shall mature on January 1, 2047. The Series 2017 Bonds shall be subject to mandatory tender for purchase on the last day of the initial Term Rate Period as provided in Section 4.8 hereof. 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 2017 Bonds to bear interest at a new Term Rate for a new Term Rate Period or convert all or a portion of the Series 2017 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 2017 Bonds for each Term Rate Period subsequent to the initial Term Rate Period and the Fixed Rate for Series 2017 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 2017 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 2017 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.

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 either the Chairman or Vice Chairman of the Board 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 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 2017 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 2017 Bonds;

(2) Evidence that each county in which proceeds of the 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 in connection with the issuance of the Series 2017 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 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 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; 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 2017 Bonds and deliver said Series 2017 Bonds to the Underwriters, upon payment to the Collateral Agent, of the purchase price thereof. The Trustee shall be entitled to rely conclusively upon such request and authorization as to the Underwriters and the amount of such purchase price.

(b) When the documents specified above have been provided to the Trustee, when the Series 2017 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 2017 Funded Interest Account the amount specified in Section 5.2(a) of this Indenture, the Trustee shall deliver the Series 2017 Bonds to or upon the order of the Underwriters, but only upon payment of the purchase price of the Series 2017 Bonds pursuant to the terms of the Financing Documents.

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 Underwriters 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 this Indenture and upon presentation and surrender at the Designated Payment Office of the Trustee.

(b) Interest on the Bonds (other than interest paid as part of the Redemption Price of a Bond) shall be paid (i) by 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 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 4.6 Redemption of Bonds and Redemption Payments.

(a) During the initial Term Rate Period, the Series 2017 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 2017 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 Series 2017 Redemption Account of the Series 2017 Debt Service Fund, or any applicable sub-account thereof, moneys sufficient to pay the Redemption Price of the Series 2017 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 Series 2017 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 2017 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 (15^{th}) 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 of any Term Rate Bonds to the Fixed Rate Mode, 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 with 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 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 by private agreement at any price. Any purchase of Bonds by tender shall be made available to all Owners of such Bonds. 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 Series 2017 Redemption Account (excluding accrued interest, which is payable from the Series 2017 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.

Section 4.15 Remarketing. (a) The Borrower shall, not later than thirty (30) 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, and (ii) 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 10:30A.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.

(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 Series 2017 Debt Service Fund (the "Series 2017 Debt Service Fund"), and within the Series 2017 Debt Service Fund, four accounts designated (i) the "Series 2017 Interest Account" (the "Series 2017 Interest Account"), (ii) the "Series 2017 Principal Account" (the "Series 2017 Principal Account"), (iii) the "Series 2017 Redemption Account" (the "Series 2017 Redemption Account"); and (iv) the "Series 2017 Funded Interest Account" (the "Series 2017 Funded Interest Account"); and

(b) The Series 2017 Rebate Fund (the "Series 2017 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 Series 2017 Debt Service Fund.

(a) There shall be deposited into the appropriate Account of the Series 2017 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 Series 2017 Bonds; (iii) any amounts remitted or moneys transferred to such Account from the 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 2017 Funded Interest Account, $_____, which amount equals approximately twelve (12) months' interest payments on the Series 2017 Bonds, 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 2017 Funded Interest Account shall be applied by the Trustee, prior to the application of any other funds in the Series 2017 Debt Service Fund, to pay interest on the Series 2017 Bonds [on July 1, 2018 and January 1, 2019]. If on any Interest Payment Date the funds on deposit in the Series 2017 Interest Account are not sufficient to pay the Interest Payment in full on such Interest Payment Date, the Trustee shall transfer moneys from the Series 2017 Principal Account sufficient to make such payment. If on any Debt Service Payment Date there exists both (i) funds on deposit in the Series 2017 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 Series 2017 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 Series 2017 Interest Account to the Series 2017 Principal Account as necessary to provide for such principal payment in full.

(c) Moneys in each Account of the Series 2017 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 Series 2017 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 Series 2017 Bonds, and (B) moneys held in such Account of the Series 2017 Debt Service Fund following an acceleration of the Series 2017 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 2017 Rebate Fund. The Series 2017 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 2017 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 2017 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 2017 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 2017 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 2017 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 2017 Debt Service Fund, and any other Fund or Account created hereunder (excluding the Series 2017 Rebate Fund and any Defeasance Escrow Account), shall be held by the Trustee, for the benefit of the Owners of the Bonds as specified in this Indenture. The Series 2017 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.

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 Series 2017 Debt Service Fund 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.

(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 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 2017 Bonds or the Additional Parity Bonds, if any, the proceeds of the Series 2017 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 2017 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 2017 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 2017 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 2017 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 2017 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 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 2017 Bonds, any Additional Parity Bonds issued pursuant to Article 12 herein or any Permitted Additional Senior Indebtedness.

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 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 2017 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 2017 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 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 Underwriters 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 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, 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 Majority Holders with the consent of the Issuer and, so long as no Event of Default has occurred and is continuing, the Borrower or (ii) the Issuer at the direction of the Borrower, so long as no Event of Default has occurred and is continuing, 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 of the Issuer and attested by its Executive Director 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 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 2017 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 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;

(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 add additional covenants to the covenants and agreements of the Borrower set forth therein;

(b) to cure any ambiguity, or to cure, correct or supplement any defect, mistake, error, omission or inconsistent provision contained therein;

(c) 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;

(d) to facilitate the receipt of moneys;

(e) to facilitate the conversion of any portion of the Bonds to a different Mode;

(f) to establish additional funds, accounts or subaccounts necessary or useful in connection with the Project;

(g) 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

(h) 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 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 2017 Loan, a change in the maturity date of the Series 2017 Loan, a change in the Interest Payment Date for the Series 2017 Loan or a change in the prepayment provisions applicable to the Series 2017 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 Additional Parity Bonds Loan Agreement. In the event that the Senior Loan Agreement is amended pursuant to this Article 10 prior to execution of the Additional Parity Bonds Loan Agreement, the Additional Parity Bonds Loan Agreement shall be deemed to reflect such changes *mutatis mutandis*.

Section 10.4 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 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 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 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.

Section 12.2 Additional Parity Bonds.

(a) The Issuer may issue Additional Parity Bonds in accordance with Section 12.1 hereof only 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 does not exceed the debt service payable on all Senior

Indebtedness Outstanding prior to the issuance of such Additional Parity Bonds in each Bond Year through the final maturity of the Senior Indebtedness Outstanding prior to such refunding or defeasance; and (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.

(b) All Additional Parity Bonds must be issued on the same terms and conditions then applicable to the then Outstanding Bonds, unless otherwise approved by the Issuer and the Borrower, except that the interest rate on such Additional Parity Bonds must be fixed and the amortization applicable to any such Additional Parity Bonds would be subject to then-current market conditions and on terms acceptable to the Borrower;

(c) To the extent that any or all of the Series 2017 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;

(d) 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.

(e) For Additional Parity Bonds issued as Term Rate Bonds, the Remarketing Agent shall determine the Term Rate for the Additional Parity Bonds for each Term Rate Period subsequent to the initial Term Rate Period and the Fixed Rate for Additional Parity 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 such Additional Parity 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 Additional Parity Bonds.

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
800 North Magnolia Avenue, Suite 1100
Orlando, Florida 32803

Attention: William F. Spivey, Jr.
Telephone: (407) 956-5695
Facsimile: (407) 956-5595
E-mail: bspivey@fdfcbonds.com

with a copy to: Broad and Cassel, Attorneys at Law
390 North Orange Avenue
Suite 1400
Orlando, FL 32801

Attention: Joseph B. Stanton
Telephone: (407) 839-4210
Facsimile: (407) 425-8377
E-Mail: jstanton@broadandcassel.com

Trustee: Deutsche Bank National Trust Company
100 Plaza One , 8th Floor
Jersey City, New Jersey 07311

Attention: Debra Schwalb
Telephone: 201-593-2511
Facsimile: 201-860-4520
Email: debra.schwalb@db.com

Borrower: Brightline Operations
2855 Le Jeune Road, 4th Floor
Coral Gables, Florida 33134

Attention: Myles Tobin
Telephone: 305.520.2555
E-mail: Myles.Tobin@allaboardflorida.com

With a copy to: Dave Howard, Chief Executive Officer
Telephone: 305.521.4848
E-mail: Dave.Howard@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.

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 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.

[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

[SEAL]

By:_____
Chairman

ATTEST:

_____
Executive Director

DEUTSCHE BANK NATIONAL TRUST COMPANY, as Trustee

By:_____
Name:
Title:

By:_____
Name:
Title:

EXHIBIT A
to the Indenture

FORM OF SERIES 2017 BOND

The Series 2017 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
(BRIGHTLINE PASSENGER RAIL PROJECT -- SOUTH SEGMENT), SERIES 2017

Registered **Registered**
No. R-___ **$**

Interest Rate	**Maturity Date**	**Dated Date**	**CUSIP**

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, 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 2017 Bonds at the respective Interest Rate per annum specified above. Interest is

payable semiannually on July 1, 2018 and on each January 1 and July 1 thereafter to the date of payment; except, that if this Series 2017 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 2017 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 2017 Bond or Bonds, if any, for which this Series 2017 Bond is being exchanged is due but has not been paid, then this Series 2017 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 the Bonds shall be the Default Rate.

Method and Place of Payment. The principal of and interest on this Series 2017 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 2017 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 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 Series 2017 Bond and the Trustee at the maturity or redemption date upon presentation and surrender of this Series 2017 Bond at the designated payment office of , Deutsche Bank National Trust Company, as trustee (the "Trustee"). The interest payable on this Series 2017 Bond on any Interest Payment Date shall be paid by the Trustee to the registered owner of this 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 2017 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 (Brightline Passenger Rail Project -- South Segment), Series 2017" in the aggregate principal amount of $600,000,000 (the "Series 2017 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 2017 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 December 1, 2017 (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 All Aboard Florida – Operations LLC, d/b/a Brightline Operations, 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 Senior Loan Agreement, dated as of December 1, 2017 (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. 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 2017 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 2017 Bonds, and the rights, duties and obligations of the Issuer, the Trustee and the registered owners of the Series 2017 Bonds, and a description of the terms upon which the Series 2017 Bonds are issued and secured, upon which provision for payment of the Series 2017 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 2017 Bonds.

Redemption of Series 2017 Bonds Prior to Maturity. The Series 2017 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 initial Term Rate Period, the Series 2017 Bonds are subject to redemption at the option of the Borrower, in whole, but not in part, at any time prior to January 1, 20__ (the "First Premium Call Date"), at a redemption price equal to the principal amount redeemed, plus the Make-Whole Redemption Price, plus interest accrued to but not including the redemption date. The "Make-Whole Redemption Price" is equal to _____.

Optional Redemption in Whole. During the initial Term Rate Period, the Series 2017 Bonds are subject to redemption at the option of the Borrower, in whole, but not in part, at any time on or after the First Premium Call Date to but not including January 1, 20__ (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. "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, 20__ through and including December 31, 20__	____%
January 1, 20__ through and including December 31, 20__	____
January 1, 20__ through and including December 31, 20__	____
January 1, 20__ through and including December 31, 20__	____

Optional Redemption at Par. During the initial Term Rate Period, the Series 2017 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 2017 Bonds in book-entry form, in accordance with the procedures of DTC) at any time on or after the 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 2017 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:

Length of Rate Period	First Optional Redemption Date
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 2017 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:

Redemption Dates (January 1)	Principal Amount

Extraordinary Mandatory Redemption. The Series 2017 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 Series 2017 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 Series 2017 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 Series 2017 Bond may be redeemed only in Authorized Denominations), at a redemption price of par plus accrued interest to but not including the redemption date.

Notice of Redemption. Notice of any optional or mandatory redemption identifying the Series 2017 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 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 2017 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 2017 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 2017 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. Such request shall specify the principal amount of the Series 2017 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 2017 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 2017 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 2017 Bonds called for redemption, which moneys are or will be available for redemption of Series 2017 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 2017 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 2017 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 2017 Bond (having been sent notice from the Trustee, DTC, a direct participant or otherwise) to notify the beneficial owner of the Series 2017 Bond so affected, shall not affect the validity of the redemption of such Bond.

Mandatory Tender. The Series 2017 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 2017 BONDS, BY ITS ACCEPTANCE OF THE SERIES 2017 BONDS, AGREES TO TENDER ITS SERIES 2017 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 2017 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 2017 Bonds to be purchased if less than all of the Series 2017 Bonds owned by such Owner are to be purchased, and that interest on Series 2017 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 2017 Bond shall not affect the validity of the mandatory purchase of any other Series 2017 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 2017 Bonds in the Fixed Rate Mode shall not be subject to mandatory tender for purchase.

Conversion. While the Series 2017 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 2017 Bonds to a new Term Rate for a new Term Rate Period or convert all or a portion of the Series 2017 Bonds to bear interest at a Fixed Rate. When a portion of the Series 2017 Bonds is subject to conversion, the Borrower may change the series designation for such portion with notice to the Trustee and 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 2017 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 2017 Bonds stating that the Series 2017 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 2017 Bonds for purchase on such proposed Conversion Date. Following conversion to the Fixed Rate Mode, the Series 2017 5 Bonds shall not be subject to mandatory tender for purchase.

Book-Entry System. The Series 2017 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 2017 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 2017 Bonds by DTC's direct participants, beneficial ownership of the Series 2017 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 2017 Bond, as the owner of this Bond for all purposes under the Indenture, including (i) payments of principal of, and redemption premium, if any, and interest on, this Series 2017 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 2017 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 2017 Bond, notwithstanding the provisions hereinabove

contained, payments of principal of, redemption premium, if any, and interest on this Series 2017 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 2017 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 2017 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 2017 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 2017 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 2017 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 2017 Bonds shall be in Authorized Denominations.

IN CERTAIN CIRCUMSTANCES SET OUT HEREIN, THIS SERIES 2017 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 2017 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 2017 BOND TO THE TRUSTEE.

Limitation on Rights. The registered owner of this Series 2017 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 2017 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 2017 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 2017 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 2017 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 2017 Bond, exist, have happened and have been performed and that the issue of Series 2017 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 2017 Bond shall not be entitled to any benefit under the Indenture or be valid or become obligatory for any purpose until this Series 2017 Bond shall have been authenticated by the execution by the Trustee of the Trustee's Certificate of Authentication hereon.

Governing Law. This Series 2017 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 2017 Bond to be signed by the manual or facsimile signature of its Chairman, its seal to be impressed or printed hereon and attested by the manual or facsimile signature of its Executive Director, and this Series 2017 Bond to be dated as of the ___ day of _____, 2017.

FLORIDA DEVELOPMENT FINANCE CORPORATION

By:_____
Chairman

[SEAL]

Attest:

By: _____
Executive Director

[END OF SERIES 2017 BOND FORM]

[FORM OF CERTIFICATE OF AUTHENTICATION]

This Series 2017 Bond is one of the Series 2017 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 2017 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 2017 Bond in every particular, without alteration or enlargement or any change whatsoever.

EXCHANGE OR TRANSFER FEES MAY BE CHARGED

[END FORM OF ASSIGNMENT]

APPENDIX C

FORM OF SENIOR LOAN AGREEMENT

[See attached]

SENIOR LOAN AGREEMENT

BETWEEN

FLORIDA DEVELOPMENT FINANCE CORPORATION, as Issuer

and

ALL ABOARD FLORIDA – OPERATIONS LLC, as Borrower

Dated as of [December 1], 2017

RELATING TO
$600,000,000
FLORIDA DEVELOPMENT FINANCE CORPORATION
SURFACE TRANSPORTATION FACILITY REVENUE BONDS
(BRIGHTLINE PASSENGER RAIL PROJECT – SOUTH SEGMENT), SERIES 2017

CONTENTS

Page

ATTACHMENT A – Provisions Evidencing the Subordination of Permitted Subordinated Debt
ATTACHMENT B – Required Insurance
ATTACHMENT C – Existing Indebtedness
ATTACHMENT D – Mortgage

SENIOR LOAN AGREEMENT

THIS SENIOR LOAN AGREEMENT (as amended, supplemented or otherwise modified from time to time, this "Senior Loan Agreement" or this "Agreement"), dated as of [December 1], 2017, 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 ALL ABOARD FLORIDA – OPERATIONS LLC (d/b/a BRIGHTLINE OPERATIONS), a Delaware limited liability company (together with its successors and permitted assigns, the "Borrower").

W I T N E S S E T H:

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 finance or refinance the cost 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 in West Palm Beach, Fort Lauderdale and Miami, Florida, as more particularly described in the Bond Resolution, and with proceeds of the Series 2017 Bonds to be spent only for the portions of the Project located on or adjacent to the Florida East Coast Railway Corridor in Miami-Dade County, Florida, Broward County, Florida, and Palm Beach County, Florida (collectively, the "Series 2017 Counties"); and

WHEREAS, the Issuer has determined that the Series 2017 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 all or a portion of the costs of the Series 2017 Project through the issuance of its $600,000,000 aggregate principal amount of Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Passenger Rail Project – South Segment), Series 2017 (the "Series 2017 Bonds"); and

WHEREAS, upon the issuance of the Series 2017 Bonds, the Issuer will lend (the "Series 2017 Loan") the proceeds thereof to the Borrower pursuant to this Agreement, to finance, pay or reimburse a portion of the costs of the Series 2017 Project within the Series 2017 Counties and pay certain costs of issuance of the Series 2017 Bonds; and

WHEREAS, in connection with the issuance of the Series 2017 Bonds and consistent with the use of proceeds described above, the Borrower will direct the payment of a portion of the loan proceeds from this Agreement, payable to the Borrower as reimbursement of Series 2017 Project costs previously incurred, together with other funds, to cause (i) the redemption and satisfaction and discharge of the 12.00% / 12.75% Senior Secured PIK Toggle Notes due 2019 issued by AAF Holdings LLC and AAF Finance Company and (ii) the repayment in full of the

Borrower's credit agreement, dated as of August 18, 2014, with Siemens Financial Services, Inc., as administrative agent and lender; and

WHEREAS, the Issuer has concurrently entered into the Indenture of Trust, dated as of [December 1], 2017 (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 2017 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 Series 2017 Project and the issuance of the Series 2017 Bonds; and

WHEREAS, the Series 2017 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 Agreement, and the Collateral, and do not constitute an indebtedness of the Issuer, the State, the Series 2017 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 2017 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 2017 Counties, or any other political subdivision of the State is pledged to the payment of the principal of or interest on the Series 2017 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

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:

"*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 6.15, 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 Series 2017 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 Series 2017 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 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 (i) prior to a Qualifying IPO, (x) AAF Holdings LLC shall cease to own, directly or indirectly, at least a majority of the Voting Stock in the Borrower, or (y) 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 beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act as in effect on the Closing Date), directly or indirectly (as indicated in any filing pursuant to Section 13(d) of the Exchange Act or written notice, or by proxy, vote, or otherwise), of more than 50% of the total voting power of the Voting Stock of AAF Holdings LLC; and (ii) on or after a Qualifying IPO, 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 beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act as in effect on the Closing Date), directly or indirectly (as indicated in any filing pursuant to Section 13(d) of the Exchange Act or written notice, or by proxy, vote, or otherwise), 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. For the avoidance of doubt, a Qualifying IPO shall not by itself be deemed to involve a Change of Control.

"*Collateral Agency Agreement*" means that certain 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.

"*Cure Amount*" has the meaning specified in Section 8.03 of this Agreement.

"*Cure Right*" has the meaning specified in Section 8.03 of this Agreement.

"*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.

"*EMMA*" means the MSRB's Electronic Municipal Market Access (EMMA) system available on the Internet at http://emma.msrb.org and is the MSRB's required method of filing.

"*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(d) 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.

"*FECI*" means Florida East Coast Industries, LLC and its successors and assigns.

"*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 2017 Bonds, the Series 2017 Bonds, this Agreement, the Collateral Agency Agreement, the Security Agreement, the Mortgages, the Account Control Agreement, any other Security Documents, the Continuing Disclosure Agreement, and the Federal Tax Certificate.

"*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.

"*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.

"*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 2017 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 1.75:1.00.

"*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 legality, validity or enforceability of any material Financing Document; (c) the Borrower's ability to observe and perform its material obligations under any Financing Document; (d) 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 (e) 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 (e) above relating to the Series 2017 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**.

"*MSRB*" means the Municipal Securities Rulemaking Board.

"*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 Series 2017 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 Series 2017 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, 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 Series 2017 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) 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 (g): (i) payments of principal, interest or fees with respect to the Series 2017 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 permitted under the Financing Documents; (iv) any payments, dividends or distributions to any Person in respect of any capital stock of the Borrower; (v) depreciation, amortization of intangibles and other non-cash accounting entries of a similar nature for such period; and (vi) U.S. federal, state and local income taxes payable by the Borrower, if any. 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 6.13 hereof.

"*Permitted Additional Senior Indebtedness*" means:

(a) Indebtedness of the Borrower issued from time to time to provide additional working capital to the Borrower in a cumulative aggregate principal amount not to exceed $50,000,000; and

(b) Indebtedness of the Borrower, other than Additional Parity Bonds, that shall satisfy the requirements of Section 12.2(a) of the Indenture for the issuance of Additional Parity Bonds as in effect on the Closing Date, mutatis mutandis;

in each case, that shall be payable pro rata with the Series 2017 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 (i) such Indebtedness may be issued to refund or refinance the Series 2017 Bonds, Additional Parity Bonds, or other outstanding Indebtedness so long as it otherwise satisfies the requirements of Section 12.2(a) of the Indenture as in effect on the Closing Date, mutatis mutandis, and (ii) 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 (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 Series 2017 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 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 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 or Florida Department of Transportation, or an affiliate thereof, to allow commuter rail service on the corridor, (m) for the downtown Miami property, 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 the Miami station and the other residential, retail and office structures interconnected with the Miami station to correct any errors in the legal descriptions of the air rights granted to the entities owning the same 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. 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 and Softbank Group Corp 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;

(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 (including portions of the Project that may be located outside of the Series 2017 Counties) or any other Permitted Business Activities; 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 $20,000,000, and (ii) such Indebtedness (other than Permitted Additional Senior 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) [Reserved];

(f) 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, 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, refinance or replace any other Indebtedness incurred pursuant to this clause (f), does not exceed $10,000,000;

(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; provided that the maximum notional amount of all Permitted Swap Agreements outstanding at any one time in connection with commodity risks for fuel and oil prices shall not exceed 50% of the Borrower's projected fuel and oil expenses for the next twelve months commencing on the date of determination;

(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 (i) the financing of insurance premiums or (ii) take-or-pay obligations contained in supply arrangements, in each case, in the ordinary course of business; 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 (i) and including all Indebtedness incurred to refund, refinance or replace any other Indebtedness incurred pursuant to this clause (i), does not exceed $10,000,000; and

(j) 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 Series 2017 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 Series 2017 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 Series 2017 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', warehousemens', 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 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) [Reserved];

(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 $20,000,000;

(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 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; and

(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.

"*Permitted Subordinated Debt*" means unsecured 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.

"*Project*" means 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 initially in West Palm Beach, Fort Lauderdale and Miami, Florida, as more particularly described in the Bond Resolution.

"*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 Series 2017 Project's reliability, environmental compliance, economy, safety and expedition.

"*Qualifying IPO*" means the sale of the common capital stock of the Borrower or any direct or indirect parent thereof in an underwritten public offering (other than a public offering pursuant to a registration statement on Form S-8) pursuant to an effective registration statement filed with the Securities and Exchange Commission in accordance with the Securities Act (whether in connection with a primary public offering, a secondary public offering or a combination thereof) pursuant to which net cash proceeds received by the sellers in the offering equal at least $50,000,000.

"Required DSCR" means for the 12-month period ending on any Calculation Date after December 31, 2020, the ratio of A divided by B where:

A = the Free Cash Flow for such period; and

B = all principal and interest payments on account of the Financing Obligations then outstanding for such period.

"*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 (as set forth in a duly executed certificate provided by the Borrower to the Collateral Agent setting forth such Total DSCR);

(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; and

(v) After giving effect to the applicable transfer, the aggregate amount of funds transferred in reliance on the satisfaction of the Restricted Payment Conditions during the calendar year in which such transfer is proposed to be made does not exceed $25,000,000.

"*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 2017 Bonds*" has the meaning specified in the recitals to this Agreement.

"*Series 2017 Counties*" has the meaning specified in the recitals to this Agreement.

"*Series 2017 Loan*" has the meaning specified in the recitals to this Agreement.

"*Series 2017 Project*" means the portion of the Project located in the Series 2017 Counties.

"*Short-Term Indebtedness*" means Indebtedness that is a current liability of the Borrower under GAAP.

"*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*" means Morgan Stanley & Co. LLC

"*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 2017 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 2017 Bonds to finance costs to be incurred in connection with the Series 2017 Project, (4) lend the proceeds of the issuance of the Series 2017 Bonds under the terms of this Senior Loan Agreement to the Borrower for the purpose of financing, refinancing or reimbursing a portion of the costs of the Series 2017 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 2017 Bonds, the loan of the proceeds of the Series 2017 Bonds to the Borrower for the purpose of financing a portion of the costs of the Series 2017 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 2017 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 2017 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 2017 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 2017 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 2017 Bonds.

(d) The Issuer is not in breach of or default under this Senior Loan Agreement or the Series 2017 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 2017 Bonds or the authorization, execution, delivery and performance of this Senior Loan Agreement, the Indenture or the Series 2017 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 2017 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, 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 2017 Bonds, or in any way contesting or affecting the validity of the Series 2017 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 2017 Bonds, the use of the Series 2017 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 Account Collateral is the property of the Borrower and not the Issuer and that the Borrower has granted a security interest in the Account Collateral 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 2017 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 Financing Documents to which it is a party and the Borrower has full power and authority to execute, deliver and perform its obligations under each Financing 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 Financing Document to which it is a party has been duly taken.

(d) Each of the Financing 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 Financing 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, 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 Financing 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) 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.

(i) 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.

(j) 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 Series 2017 Project or any other Collateral or over any other of the Borrower's revenues or assets other than Permitted Security Interests.

(k) There are no liabilities or claims against the Borrower under any Environmental Law with respect to the Series 2017 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.

(l) The Borrower has no Indebtedness, except for Permitted Indebtedness.

(m) 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 Financing 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.

(n) To the knowledge of the Borrower, there are no Hazardous Materials on the Series 2017 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.

(o) No Bankruptcy Event has occurred and is continuing with respect to the Borrower.

(p) 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. 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.

(q) Each Financing Document that has been executed by the Borrower is in full force and effect as against the Borrower, and the Borrower is not in default under any of such agreements or contracts, except as would not reasonably be expected to have a Material Adverse Effect.

(r) The Borrower is a single 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) has been since the date of its formation and will continue to be duly formed, validly existing and in good standing in the state of its incorporation or formation and in all other jurisdictions where it is qualified to do business, (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, (iii) is not now, nor have ever been, party to any lawsuit, arbitration, summons or legal proceeding that resulted in a judgment against it that has not been

paid in full, (iv) has no judgments or 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 2017 Loan as of the Closing Date and Permitted Security Interests, (v) has no material contingent or actual obligations not related to the Project, (vi) does not and has not owned any real property other than with respect to the Project, (vi) has not entered into 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, (vii) has paid all of its debts and liabilities that are not currently outstanding only from its own assets, (viii) has done or caused to be done all things necessary to observe all organizational formalities applicable to it and to preserve its separate existence, (ix) has allocated fairly and reasonably any overhead expenses for any shared office space, services, property or assets, and (x) has not had any of its obligations guaranteed by an Affiliate, except for guarantees that have been either released or discharged prior to the Closing Date or that will be discharged as a result of the closing of the Series 2017 Loan.

(s) True and complete copies of all Financing Documents that have been executed and delivered and remain in full force and effect have been delivered to the Collateral Agent.

(t) (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 to the Issuer, the Trustee or the Collateral Agent in any Financing Documents or otherwise with respect to the Series 2017 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 Series 2017 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 (t), 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 Series 2017 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).

(u) 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.

(v) All insurance required to be maintained by the Borrower under the Financing Documents in effect has been obtained and is in full force and effect. All premiums due with respect thereto have been paid.

(w) 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.

(x) Neither the Borrower nor any ERISA Affiliate has incurred any withdrawal liability with respect to any Multiemployer Plan.

(y) 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.

(z) 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 2017 Bonds.

(aa) 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.

(bb) As of the Closing Date, the Borrower is treated as a "disregarded entity" for U.S. federal income tax and Florida income tax purposes.

ARTICLE III
ISSUANCE OF THE SERIES 2017 BONDS

Section 3.01 Agreement to Issue the Series 2017 Bonds; Loan of Proceeds.

The Issuer hereby agrees to issue, sell and deliver the Series 2017 Bonds in accordance with the terms of the Indenture to provide for the financing of a portion of the Series 2017 Project. Upon the terms and conditions of this Senior Loan Agreement and the Indenture, the Issuer hereby agrees to make the Series 2017 Loan to the Borrower on the Closing Date in an amount equal to the entire amount of the proceeds of the Series 2017 Bonds. Upon written instructions from the Borrower, the Issuer hereby agrees to instruct the Trustee to pay the proceeds received from the sale of the Series 2017 Bonds to the Borrower, and the Borrower will direct the payment of a portion of the loan proceeds from this Agreement, payable to the

Borrower as reimbursement of Series 2017 Project costs previously incurred, together with other funds, to cause (i) the redemption and satisfaction and discharge of the 12.00% / 12.75% Senior Secured PIK Toggle Notes due 2019 issued by AAF Holdings LLC and AAF Finance Company and (ii) the repayment in full of the Borrower's credit agreement, dated as of August 18, 2014, with Siemens Financial Services, Inc., as administrative agent and lender.

Section 3.02 Borrower to Provide Funds.

In the event that proceeds derived from the Series 2017 Loan, or any other available (or to be available) funds are not sufficient to finance, refinance or reimburse the costs of the Series 2017 Project described in Section 3.01 hereof on the Closing 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 3.03 Loan to Finance Project Costs.

The Borrower shall use the proceeds of the Series 2017 Loan to finance, pay or reimburse a portion of the costs of the Series 2017 Project and pay or reimburse certain costs of issuance of the Series 2017 Bonds, as further described in Section 3.01. No proceeds of the Series 2017 Loan shall be used outside of the respective jurisdictions of the Series 2017 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 2017 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 2017 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE STATE, THE SERIES 2017 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 2017 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 2017 COUNTIES OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2017 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, or premium if any, or interest on any of the Series 2017 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 2017 Bonds, the failure to issue the Series 2017 Bonds, the execution of the Series 2017 Bonds.

The Parties acknowledge that the Issuer will have no control over the application or use of the proceeds of the Series 2017 Loan or the Series 2017 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 2017 Bonds, undertake any responsibility with respect to the Series 2017 Project, any change in the Borrower entity, or the application of Series 2017 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 2017 Loan, as follows: on or before any Interest Payment Date for the Series 2017 Bonds or any other date that any payment of interest, principal, Purchase Price or Redemption Price on the Series 2017 Bonds is required to be made in respect of the Series 2017 Bonds pursuant to the Indenture, until the payment of interest, principal, Purchase Price or Redemption Price on the Series 2017 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 Series 2017 Debt Service Fund will enable the Trustee to pay to the Owners of the Series 2017 Bonds the amount

due and payable on such date as interest, principal, Purchase Price or Redemption Price on the Series 2017 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 2017 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 2017 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 2017 Bonds or the Series 2017 Project) with respect to the Series 2017 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 2017 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 2017 Bonds or the refunding and defeasance of the Series 2017 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 2017 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 Series 2017 Debt Service Fund for the purpose of paying interest on and principal of the Series 2017 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 2017 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 2017 Bonds in accordance with the terms of the Indenture and the Series 2017 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 2017 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

2017 Bonds to bear interest at a new Term Rate for a new Term Rate Period or convert all or a portion of the Series 2017 Bonds to bear interest at a Fixed Rate, as set forth in the Indenture. The Issuer, at the 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 2017 Bonds, as may be specified by the Borrower.

ARTICLE VI
SPECIAL COVENANTS

Section 6.01 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 Series 2017 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 6.02 Operation and Maintenance of Series 2017 Project.

The Borrower shall operate and maintain the Series 2017 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 Financing Documents and make all necessary repairs, renewals and replacements with respect thereto that are necessary, in each case, to permit the Series 2017 Project to operate in accordance with Prudent Industry Practice, in accordance in all material respects with the Financing 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 6.03 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 Series 2017 Project) the cost of which would reasonably be expected to exceed, when aggregated with amounts for all other Capital Projects undertaken in such Fiscal Year, $30,000,000 (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 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 is not reasonably expected to result in a Material Adverse Effect, (2) such Capital Project is not expected to have a material adverse effect on the operation, performance, value or remaining useful life of the Series 2017 Project and the payment of the Series 2017 Bonds, and (3) adequate funds are and are expected to be available to complete construction of such Capital Project, or (c) such Capital Project is otherwise required by applicable Law.

Section 6.03 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 2017 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 Series 2017

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 2017 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 Series 2017 Project as required pursuant to this Section 6.03 and shall use commercially reasonably efforts to enforce the obligations of all other parties to the Financing Documents to maintain Insurance as required by the applicable Financing Document.

Section 6.04 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 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 retain independent auditors of nationally recognized standing to audit its annual financial statements.

(c) The Borrower agrees to promptly furnish to the Collateral Agent notice of any amendments or modifications to the Financing Documents.

Section 6.05 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 accounts other than as otherwise permitted or contemplated in the Collateral Agency Agreement, the Indenture, or the other Financing Documents.

Section 6.06 Compliance with Laws.

The Borrower shall comply with, and shall ensure that the Series 2017 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 6.07 Use of Proceeds; Tax Covenant.

(a) Use of Proceeds. The Borrower shall use the proceeds of the Series 2017 Loan to finance, pay or reimburse a portion of the costs of the Series 2017 Project and pay or reimburse certain costs of issuance of the Series 2017 Bonds, as further described in Section 3.01. No proceeds of the Series 2017 Loan shall be used outside of the respective jurisdictions of the Series 2017 Counties.

(b) Tax Covenant. The Borrower covenants for the benefit of the Issuer and the Owners of the Series 2017 Bonds that it will not take any action or omit to take any action with respect to the Series 2017 Bonds, the proceeds thereof, any other funds of the Borrower or any of the facilities financed with the proceeds of the Series 2017 Bonds if such action or omission would cause the interest on the Series 2017 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) The Borrower will apply a portion of the proceeds of the Series 2017 Bonds to finance, refinance or reimburse costs of the Series 2017 Project, but acknowledges and agrees that such proceeds shall only be used for such portions of the Series 2017 Project which are situated in the Series 2017 Counties. The Borrower may (i) only expend proceeds of the Series 2017 Bonds on portions of the Series 2017 Project that are located within the jurisdictional limits of the Series 2017 Counties; and (ii) not expend proceeds of the Series 2017 Bonds to acquire any building or facility that will be, during the term of the Series 2017 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 6.08 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 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 6.09 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 6.10 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 2017 Bonds shall be Outstanding. The Issuer shall 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 6.10 and the Security Documents.

Section 6.11 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 use or operation of the Series 2017 Project, as applicable, or as and when required to comply with its obligations under the Financing 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 6.12 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 Series 2017 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 Series 2017 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 Series 2017 Project), (ii) all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Series 2017 Project, and (iii) all assessments and charges lawfully made by any governmental body for public improvements that may be secured by the Series 2017 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 6.12(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 6.12(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 Series 2017 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 2017 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 6.13 Limited 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, 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 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 the Closing Date, 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 Series 2017 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 Series 2017 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) 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 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 the Closing Date, 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 Series 2017 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 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 6.13;

(q) from and after the Closing Date, 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 the Closing Date, 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 6.15, corporation organized in the State of Delaware that, from and after the Closing Date, 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 the Closing Date, not acquire any property or assets not used or useful in Permitted Activities;

(v) from and after the Closing Date, 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 6.15 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 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) 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 6.14 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 6.15 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 Series 2017 Project in excess of $2,000,000 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 6.16 Limitation on Indebtedness.

The Borrower shall not create, incur or assume any Indebtedness other than Permitted Indebtedness.

Section 6.17 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 6.17 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 6.18 [Reserved].

Section 6.19 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 6.20 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 6.21 Access to the Series 2017 Project.

The Borrower shall give the Trustee, the Collateral Agent and their respective consultants and representatives access to the Series 2017 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 operation of the Series 2017 Project, and permit the Trustee, the Collateral Agent and their respective consultants and representatives to discuss the Series 2017 Project and the business, accounts, operations, properties and financial and other conditions of the Borrower with officers of the Borrower, 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 6.22 Nationally Recognized Rating Agencies.

(a) The Borrower shall use commercially reasonable efforts to cooperate with each Nationally Recognized Rating Agency then rating the Series 2017 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 2017 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 rating the Series 2017 Bonds and, if applicable, any Additional Parity Bonds.

Section 6.23 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. 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 6.24 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 making any O&M Expenditures.

Section 6.25 Hazardous Materials. The Borrower shall not cause any releases of Hazardous Materials at the Series 2017 Project site that would be reasonably likely to result in an environmental claim against the Borrower or the Series 2017 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 6.26 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 6.27 Debt Service Coverage Ratio Requirement. Commencing on the first Calculation Date immediately following December 31, 2020, and on each Calculation Date thereafter, the Borrower covenants that the Required DSCR will be equal to or greater than 1.10:1.00. On the first Calculation Date immediately following December 31, 2020, and on each Calculation Date thereafter, the Borrower shall deliver to the Trustee and the Collateral Agent a certificate setting forth the Required DSCR as of such date. For purposes of calculating the Required DSCR, all amounts on deposit in the Ramp-Up Reserve Account as of the first day of the 12 month period ending on the Calculation Date shall be added to Free Cash Flow for such 12 month period on a dollar for dollar basis.

Section 6.28 Title and Survey.

(a) 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 the title company that had previously issued the title insurance policy for this Mortgaged Property, which survey shall be (i) prepared in accordance with the Minimum Standard Detail Requirements and Classifications for ALTA/ACSM Land Title Surveys, as adopted in 2016, and (ii) sufficient for the title company that had previously issued the title insurance policy for this Mortgaged Property to either delete or modify any general survey exception in such title policy or provide similar affirmative coverage as to such matter in such title policy.

(b) 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 the title company that had previously issued the title insurance policy for this Mortgaged Property, which survey shall be (i) prepared in accordance with the Minimum Standard Detail Requirements and Classifications for ALTA/ACSM Land Title Surveys, as adopted in 2016, and (ii) sufficient for the title company that had previously issued the title insurance policy for this Mortgaged Property to either delete or modify any general survey exception in such title policy or provide similar affirmative coverage as to such matter in such title policy.

(c) 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 the title company that had previously issued the title insurance policy for this Mortgaged Property, which survey shall be (i) prepared in accordance with the Minimum Standard Detail Requirements and Classifications for ALTA/ACSM Land Title Surveys, as adopted in 2016, and (ii) sufficient for the title company that had previously issued the title insurance policy for this Mortgaged Property to either delete or modify any general survey exception in such title policy or provide similar affirmative coverage as to such matter in such title policy.

(d) Within 120 days of the Closing Date, the Borrower shall obtain and deliver to the Collateral Agent a title commitment for the West Palm Beach running repair facility.

(e) With respect to clauses (a), (b), (c) and (d) above, the Borrower shall certify upon delivery of the applicable items that (i) any matters shown on the applicable survey, (ii) any modification of a general survey exception (or inclusion of affirmative coverage) to the applicable title insurance policy and (iii) any exceptions shown on the title commitment for the West Palm Beach running repair facility, would not, as of the date of delivery of the applicable item, cause a material adverse effect on the ability of the Borrower to operate the Project as a whole or repay the Bonds as required by the Indenture.

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.

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 2017 Bonds or the transactions contemplated thereby, including without limitation, (1) any condition of the Series 2017 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, (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 2017 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 2017 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 $10,000,000 (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 $10,000,000 (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 $10,000,000 (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 $10,000,000 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) Any Insurance required under Section 6.03 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;

(j) 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

(k) 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 2017 Bonds are being accelerated pursuant to Section 7.2(c) of the Indenture, or if all of the Outstanding Series 2017 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 2017 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 2017 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 Right to Cure.

Notwithstanding anything to the contrary contained in Section 6.27, in the event that the Borrower fails to comply with the requirements of the Required DSCR, until the expiration of fifteen (15) Business Days following the date that the certificate calculating such Required DSCR is required to be delivered to the Collateral Agent and the Trustee, the Borrower shall have the right to issue Permitted Subordinated Debt, and FECI, its Affiliates or any other direct or indirect owner of the Borrower, shall have the right to make an Additional Equity Contribution to the Borrower (collectively, the "Cure Right"), and upon the receipt by the Borrower of cash (the "Cure Amount") pursuant to the exercise of the Cure Right, the Required DSCR shall be recalculated giving effect to the following pro forma adjustments:

(i) Free Cash Flow shall be increased, solely for the purposes of measuring the Required DSCR in Section 6.27 and not for any other purpose under this Senior Loan Agreement or any other Financing Document, by an amount equal to the Cure Amount; and

(ii) if, after giving effect to the foregoing recalculations, the Borrower shall then be in compliance with the Required DSCR requirements, the Borrower shall be deemed to have satisfied such requirements as of the relevant Calculation Date with the same effect as though

there had been no failure to comply therewith at such date, and the applicable breach or default that had occurred shall be deemed cured for the purposes of this Senior Loan Agreement.

The Cure Amount shall be deposited in the Revenue Account and available to make payments described in Section 5.02(b) in the Collateral Agency Agreement as in effect on the Closing Date.

Notwithstanding the foregoing, beginning in the fifth full year after the Closing, the Borrower shall not be permitted to exercise a Cure Right more than four times consecutively.

For the avoidance of doubt, the forgoing Cure Right is available to the Borrower to remedy a default pursuant to Section 6.27 and shall not be used to satisfy the Restricted Payment Conditions.

Section 8.04 Rescission and Waiver.

(a) The Trustee shall rescind any acceleration and its consequences immediately after the acceleration of the Series 2017 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 2017 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 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 8.07 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 2017 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 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 800 North Magnolia Avenue, Suite 1100 Orlando, Florida 32803 Attention: William F. Spivey, Jr., Executive Director Telephone: (407) 956-5695 Facsimile: (407) 956-5595 E-mail: bspivey@fdfcbonds.com
Copy to:	Broad and Cassel 390 N. Orange Avenue Suite 1400 Orlando, Florida 32801 Attention: Joseph B. Stanton Telephone: 407-839-4210 Facsimile: 407-425-8377 E-Mail: jstanton@broadandcassel.com
Trustee:	Deutsche Bank National Trust Company 100 Plaza One, 8th Floor Jersey City, NJ 07311 Attention: Debra Schwalb Telephone: 201-593-2511 Facsimile: 201-860-4520 E-mail: debra.schwalb@db.com
Collateral Agent	Deutsche Bank National Trust Company 100 Plaza One, 8th Floor Jersey City, NJ 07311 Attention: Debra Schwalb Telephone: (201) 593-2511 Facsimile: (201) 860-4520 E-mail: debra.schwalb@db.com
Borrower:	Brightline Operations 2855 Le Jeune Road, 4th Floor Coral Gables, Florida 33134 Attention: Myles Tobin, General Counsel Telephone: (305) 520-2555 E-mail: Myles.Tobin@allaboardflorida.com With a copy to: Brightline Operations

2855 Le Jeune Road, 4th Floor
Coral Gables, Florida 33134
Attention: Dave Howard, Chief Executive Officer
Telephone: (305) 521-4848
E-mail: Dave.Howard@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 2017 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 2017 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 2017 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 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 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.

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.

FLORIDA DEVELOPMENT FINANCE CORPORATION

By:_____
Chairman

[SEAL]

ATTEST:

_____
Executive Director

ALL ABOARD FLORIDA – OPERATIONS LLC

By:_____
Name:
Title:

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.

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. "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 $300,000,000 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 and Windstorm will be $100,000,000.

B. 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 Series 2017 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 Series 2017 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 Series 2017 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.

C. 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 Series 2017 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 Series 2017 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.

D. Professional Liability Insurance

Borrower shall cause any design subcontractors utilized for maintenance or new construction after substantial completion of the Series 2017 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.

E. 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 Series 2017 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)
- 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

F. 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 Series 2017 Project, and shall contain only those exclusions that are typical for a project of the nature of the Series 2017 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 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 Series 2017 Project site.

G. 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.

J. 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.

K. 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.

L. 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.]

APPENDIX D

FORM OF COLLATERAL AGENCY, INTERCREDITOR AND ACCOUNTS AGREEMENT

[See attached]

COLLATERAL AGENCY, INTERCREDITOR AND ACCOUNTS AGREEMENT

Dated as of [December 1], 2017

by and among

ALL ABOARD FLORIDA – OPERATIONS LLC (D/B/A BRIGHTLINE OPERATIONS),
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

TABLE OF CONTENTS

Page

COLLATERAL AGENCY, INTERCREDITOR AND ACCOUNTS AGREEMENT

This 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 [December 1], 2017, is made by and among All Aboard Florida – Operations LLC (d/b/a Brightline Operations), 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 [December 1], 2017 (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"), has authorized the issuance of its $600,000,000 aggregate principal amount of Surface Transportation Facility Revenue Bonds (Brightline Passenger Rail Project – South Segment), Series 2017 (the "Series 2017 Bonds") the proceeds from the sale of which will be loaned to the Borrower pursuant to the terms of a Senior Loan Agreement (as amended, supplemented and/or otherwise modified from time to time, the "Senior Loan Agreement"), dated as of [December 1], 2017, between the Issuer and the Borrower, to be used to finance, pay or reimburse a portion of the costs of the Series 2017 Project, and pay certain costs of issuance of the Series 2017 Bonds; and

WHEREAS, in connection with the issuance of the Series 2017 Bonds and consistent with the use of proceeds described above, the Borrower will direct the payment of a portion of the loan proceeds from the Senior Loan Agreement, payable to the Borrower as reimbursement of Series 2017 Project costs previously incurred, together with other funds, to cause (i) the redemption and satisfaction and discharge of the 12.00% / 12.75% Senior Secured PIK Toggle Notes due 2019 issued by AAF Holdings LLC and AAF Finance Company and (ii) the repayment in full of the Borrower's credit agreement, dated as of August 18, 2014, with Siemens Financial Services, Inc., as administrative agent and lender; and

WHEREAS, pursuant to that certain Security Agreement, dated as of the date hereof, between the Borrower and the Collateral Agent and certain other Security Documents, the Borrower has granted 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 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 hereof, 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 desire to appoint 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

WHEREAS, the Parties hereto desire to 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
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) Deutsche Bank National Trust Company is hereby appointed by the Secured Debt Representatives (on behalf of the Secured Parties) 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 2017 Bonds or the Security Documents or the Collateral covered thereby, and it shall not be accountable for the Borrower's use of the Series 2017 Bonds, the proceeds from the Series 2017 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 2017 Bonds or any statement in the Series 2017 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 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 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 Series 2017 Project Accounts (other than the Operating Account and the Equity Funded 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 Series 2017 Project Accounts (other than the Operating Account and the Equity Funded Account) during such month.

(c) Reserved.

(d) The Collateral Agent shall maintain records of all receipts, disbursements, and investments of funds with respect to the Series 2017 Project Accounts (other than the Operating Account and the Equity Funded 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 and (ii) the Revenue 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 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 Series 2017 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 Series 2017 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 Series 2017 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 Series 2017 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 Series 2017 Project Accounts, and the Borrower hereby authorizes the Agent Bank to debit the applicable Series 2017 Project Account for such amounts).

Section 2.21 Additional Series 2017 Project Accounts and Other Bank and Securities Accounts. Upon (i) the establishment of the Operating Account and the Equity Funded Account, and (ii) any changes in the account number or other identifying attributes of any Series 2017 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 Series 2017 Project Account, Operating Account or Equity Funded 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 the Operating Account and the Equity Funded 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 Series 2017 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 Series 2017 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 Series 2017 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 Series 2017 Project Account. If any Person asserts any Security Interest (including any writ, garnishment, judgment, warrant of attachment, execution or similar process) against any Series 2017 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 SERIES 2017 PROJECT ACCOUNTS

Section 5.01 Establishment of Series 2017 Project Accounts.

(a) The following Series 2017 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 Series 2017 Project Accounts set forth in clauses (i) through (x) collectively, the "Securities Accounts"):

(i) an account entitled "Revenue Account" as further described on Exhibit C hereto (the "Revenue Account") and within the Revenue Account:

(A) a sub-account entitled "Series 2017 Interest Sub-Account" as further described on Exhibit C hereto (the "Series 2017 Interest Sub-Account"); and

(B) a sub-account entitled "Series 2017 Principal Sub-Account" as further described on Exhibit C hereto (the "Series 2017 Principal Sub-Account");

(ii) an account entitled "Loss Proceeds Account" as further described on Exhibit C hereto (the "Loss Proceeds Account");

(iii) Reserved;

(iv) an account entitled "Series 2017 Debt Service Reserve Account" as further described on Exhibit C hereto (the "Series 2017 Debt Service Reserve Account");

(v) an account entitled "Series 2017 Major Maintenance Reserve Account" as further described on Exhibit C hereto (the "Series 2017 Major Maintenance Reserve Account"), and within the Major Maintenance Reserve Account, a sub-account

entitled "Non-Completed Work Sub-Account" as further described on Exhibit C hereto (the "Non-Completed Work Sub-Account");

(vi) an account entitled "Series 2017 O&M Reserve Account" as further described on Exhibit C hereto (the "Series 2017 O&M Reserve Account");

(vii) an account entitled "Ramp-Up Reserve Account" as further described on Exhibit C hereto (the "Ramp-Up Reserve Account");

(viii) an account entitled "Mandatory Prepayment Account" as further described on Exhibit C hereto (the "Mandatory Prepayment Account"), and within the Mandatory Prepayment Account:

(A) a sub-account entitled "Series 2017 PABs Mandatory Prepayment Sub-Account" as further described on Exhibit C hereto (the "Series 2017 PABs Mandatory Prepayment Sub-Account");

(ix) an account entitled "Capital Projects Account" as further described on Exhibit C hereto (the "Capital Projects Account"); and

(x) an account entitled "Equity Lock-Up Account" as further described on Exhibit C hereto (the "Equity Lock-Up Account").

Each such Series 2017 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 Series 2017 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 Series 2017 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 and Additional O&M Reserve Accounts, and each such account shall be considered a Series 2017 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 Operating Account and the Equity Funded Account have been established with [_____], 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. Even though established at

the Deposit Account Bank, each of the Operating Account and the Equity Funded Account shall also constitute a Series 2017 Project Account.

(c) All of the Series 2017 Project Accounts shall be under the control of the Collateral Agent (in the case of the Operating Account and the Equity Funded 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 the Operating Account and the Equity Funded 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 Series 2017 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 Series 2017 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 Series 2017 Project Account in accordance with the terms of this Agreement (and in the case of the Operating Account and the Equity Funded Account, in accordance with the terms of the Account Control Agreements). The Series 2017 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 the Operating Account and the Equity Funded Account, at the Deposit Account Bank.

(d) The Borrower hereby confirms that a distribution account (the "Distribution Account") has been established with [_____], 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 Series 2017 Project Account and shall not constitute Collateral.

Section 5.02 Revenue Account.

(a) Except for amounts to be deposited in other Series 2017 Project Accounts in accordance with this Agreement, all Project Revenues will be 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 (or any other date when due and payable), 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 Operating Account, an amount equal to, together with amounts then on deposit therein, the projected O&M Expenditures for the period ending on the immediately succeeding Transfer Date as set forth in a certificate of a Responsible Officer of the Borrower; *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, Reserved;

Fourth, on each Transfer Date, *pro rata* to any payments then due and payable by the Borrower to the Series 2017 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 2017 Interest Sub-Account, an amount equal to one-sixth (1/6) of the amount of interest payable on the Series 2017 Bonds on the next Interest Payment Date; provided that, no such transfers shall be required to be made until the amounts in the Series 2017 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 2017 Interest-Sub Account shall be transferred to the Series 2017 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 (and on any other date that such amounts become due and payable), *pro rata*, for the payment of principal on the Senior Indebtedness and any Purchase Money Debt as follows: (i) with respect to the Series 2017 Bonds, (A) so long as such Bonds are in the Term Rate Mode, no deposits shall be made under this clause Sixth except on the Transfer Date immediately preceding the Principal Payment Date that constitutes the final maturity date or date of any mandatory sinking fund redemption for the Series 2017 Bonds as set forth below in this clause Sixth, and (B) upon conversion to the Fixed Rate Mode, to the Series 2017 Principal Sub-Account in an amount equal to the amount of principal due on the next Principal Payment Date divided by the total number of months between Principal Payment Dates, and (ii) to any other principal payment account established hereunder for Additional Senior Indebtedness and Purchase Money Debt, if any, an amount equal to the amount of principal due on the next Principal Payment Date divided by the total number of months between Principal 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; plus, in each case, any deficiency from a prior Transfer Date; *provided*, that (w) with respect to the Series 2017 Bonds in the Term Rate Mode, the deposit on the Transfer Date occurring immediately before the Principal Payment Date constituting the final maturity date or date of any mandatory sinking fund redemption for such Bonds will equal the amount required to pay the principal payment due on the final maturity date or date of any mandatory sinking fund redemption for the Series 2017 Bonds (taking into account the amount then on deposit in the Series 2017 Principal Sub-Account and the Series 2017 Principal Account), (x) with respect to the Series 2017 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 2017 Bonds (taking into account the amount then on deposit in the Series 2017 Principal Sub-Account and the Series 2017 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 2017 Principal Sub-Account (if any) shall be transferred to the Series 2017 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, *pro rata,* to the Series 2017 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 2017 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 2017 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 the last day of each Fiscal Quarter, at the Borrower's option, (A) for repayment of the Series 2017 Bonds, such amounts as the Borrower will deem appropriate to optionally prepay such then Outstanding Series 2017 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 Series 2017 Project or any portion thereof, except that, to the extent that (A) such proceeds exceed the amount required to Restore the Series 2017 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 2017 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 (together with, in the case of clauses (A) and (B) immediately above, a certificate signed by a Responsible Officer of the Independent Engineer concurring with such certificate of the Borrower), 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 [**Reserved**.]

Section 5.05 Debt Service Reserve Account.

(a) The Series 2017 Debt Service Reserve Account will be established solely for the benefit of the Owners of the Series 2017 Bonds 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 Additional Parity Bonds, any other Additional Senior Indebtedness Holders, any other Secured Party or any other Person.

(b) The Series 2017 Debt Service Reserve Account will be funded on the Closing Date in an amount equal to the Series 2017 Debt Service Reserve Requirement in the form of a direct or indirect cash equity contribution from FECI. 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 2017 Debt Service Reserve Account.

(c) Except as provided in paragraph (f) below, moneys on deposit in the Series 2017 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 2017 Bonds, the funds on deposit in the Series 2017 Interest Sub-Account or the Series 2017 Principal Sub-Account (as applicable) together with funds in the Series 2017 Funded Interest Account, the Series 2017 Interest Account or the Series 2017 Principal Account of the Series 2017 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 2017 Bonds and the transfers contemplated in Section 5.02(e)) are insufficient to pay the principal, redemption price or interest on the Series 2017 Bonds on the applicable Interest Payment Date or Principal Payment Date, funds on deposit in the Series 2017 Debt Service Reserve Account will be transferred to the Series 2017 Interest Account or the Series 2017 Principal Account, as applicable, for payment of interest or principal due and payable on the Series 2017 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 2017 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 2017 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 2017 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 2017 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 2017 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 2017 Major Maintenance Reserve Account (up to the aggregate amount of such costs) will be transferred to the Operating Account 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 2017 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 2017 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 2017 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 2017 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 2017 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 2017 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 2017 O&M Reserve Account will be used to pay O&M Expenditures in the event other moneys are not available therefor in the Operating Account, 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 2017 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 2017 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 2017 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 will be funded on the Closing Date in an amount equal to $24,000,000 in the form of a direct or indirect cash equity contribution from FECI (the "Ramp-Up Reserve Requirement").

(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 further direction by the Borrower) to the Series 2017 Interest Sub-Account or the Series 2017 Principal Sub-Account in such amounts as are required to enable the payment of any debt service on the Series 2017 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 Operating Account 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 Account, the Revenue Account or other accounts available therefor in accordance with this Agreement.

(c) Following the first Calculation Date to occur after the third anniversary of the Closing Date as of which the Total DSCR is not less than 1.75:1.00, 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 2017 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 2017 PABs Mandatory Prepayment Sub-Account to repay the Series 2017 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 2017 PABs Mandatory Prepayment Sub-Account for the prepayment of the Series 2017 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 2017 PABs Mandatory Prepayment Sub-Account to the Trustee for prepayment of the Series 2017 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) 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 2017 PABs Mandatory Prepayment Sub-Account shall be pledged solely as collateral to secure the Series 2017 Bonds and shall be established solely for the benefit of the Owners of the Series 2017 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 2017 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; *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.

(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 Account and Equity Funded Account. Project Revenues received by the Borrower will be transferred into the Operating Account from time to time in accordance with the provisions set forth in item Second of Section 5.02(b) hereof. Except when a Secured Obligation Event of Default has occurred and is continuing, the Borrower may make withdrawals from, and write checks against, the Operating Account without having to comply with any conditions, other than that such amounts must be applied towards O&M Expenditures. Funds may be deposited into the Equity Funded Account from Additional Equity Contributions to be used by the Borrower for any purpose. 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 Series 2017 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 Series 2017 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 5.05 hereof, *provided* that amounts on deposit in the Series 2017 Debt Service Reserve Account and the Series 2017 Mandatory Prepayment Sub-Account shall only be held as Collateral for the exclusive benefit of the Owners of the Series 2017 Bonds and none of the other Secured Parties (including any Owners of Additional Parity Bonds) nor any other Person (including any Additional Senior Indebtedness Holder) shall have any Security Interest in the Series 2017 Debt Service Reserve Account or the Series 2017 Mandatory Prepayment Sub-Account.

Section 5.15 Investment.

(a) Funds in the Series 2017 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 Series 2017 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 Series 2017 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 Series 2017 Project Accounts; Secured Obligation Event of Default.

(a) Except as provided in Sections 5.02(e), 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 Series 2017 Project Accounts (other than from the Operating Account and the Equity Funded 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 Series 2017 Project Account (other than the Operating Account and the Equity Funded 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 the Operating Account (solely for the purpose of payment of O&M Expenditures) 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 Series 2017 Project Accounts and to take such action or refrain from taking such action with respect to such funds and Series 2017 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 Series 2017 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 Series 2017 Project Accounts will be applied in the order and the manner set forth in Section 5.02.

(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 or other written instructions provided to the Collateral Agent for the transfer or deposit of funds with respect to any Series 2017 Project Account, or (B) the use of amounts withdrawn from the Series 2017 Project Accounts pursuant to written instructions given by the Borrower.

Section 5.17 Termination of Series 2017 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 Series 2017 Project Accounts (other than the Operating Account and the Equity Funded 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 Series 2017 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. The 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 the Operating Account, the Equity Funded Account and any other relevant Series 2017 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 Series 2017 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 Series 2017 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 Series 2017 Project Account in accordance with the Financing Obligation Documents, in which case the Collateral Agent shall credit such amount to the Series 2017 Project Account designated by the Borrower.

Section 5.22 Tax Reporting. All interest or other earnings, if any, relating to the Series 2017 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 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 2017 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 Series 2017 Project Accounts (except for the Operating Account and the Equity Funded 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 2017 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 2017 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 2017 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 Series 2017 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 Series 2017 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 the Operating Account or the Equity Funded Account to a replacement Deposit Account Bank or the movement or relocation of the Series 2017 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 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 Series 2017 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:

All Aboard Florida – Operations LLC (d/b/a Brightline Operations)
2855 Le Jeune Road, 4th Floor
Coral Gables, Florida 33134
Attention: Myles Tobin
Telephone: (305) 520-2555
E-mail: Myles.Tobin@allaboardflorida.com

With a copy to:

All Aboard Florida – Operations LLC (d/b/a Brightline Operations)
2855 Le Jeune Road, 4th Floor
Coral Gables, Florida 33134
Attention: Dave Howard, Chief Executive Officer
Telephone: (305) 521-4848
E-mail: Dave.Howard@gobrightline.com

(ii) if to the Trustee:

Deutsche Bank National Trust Company
100 Plaza One, 8th Floor
Jersey City, NJ 07311
Attention: Debra Schwalb
Telephone: (201) 593-2511
Facsimile: (201) 860-4520
E-mail: debra.schwalb@db.com

(iii) if to the Collateral Agent and the Account Bank:

Deutsche Bank National Trust Company
100 Plaza One, 8th Floor
Jersey City, NJ 07311
Attention: Debra Schwalb
Telephone: (201) 593-2511
Facsimile: (201) 860-4520
E-mail: debra.schwalb@db.com

(iv) if to the Issuer:

Florida Development Finance Corporation
800 North Magnolia Avenue, Suite 1100
Orlando, Florida 32803
Attention: William F. Spivey, Jr.
Telephone: (407) 956-5695
Facsimile: (407) 956-5595
E-mail: bspivey@fdfcbonds.com

With a copy to:

Broad and Cassel, Attorneys at Law
390 North Orange Avenue
Suite 1400
Orlando, FL 32801

Attention: Joseph B. Stanton
Telephone: (407) 839-4210

Facsimile: (407) 425-8377
E-mail: jstanton@broadandcassel.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.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK.]

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.

ALL ABOARD FLORIDA – OPERATIONS 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" means Deutsche Bank National Trust Company in its capacity as the securities intermediary with respect to any Series 2017 Project Account that is a securities account or as the bank with respect to any Series 2017 Project Account that is a deposit account.

"Account Control Agreement" means one or more Account Control Agreements to be entered into among the Borrower, the Collateral Agent and the Deposit Account Bank on the Closing Date in respect of each of the Operating Account and the Equity Funded 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 that is delivered, directly or indirectly, by or on behalf of FECI on or after the Closing Date and deposited to the Equity Funded Account, the Capital Projects Account, any Major Maintenance Reserve Account, any O&M Reserve 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 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 Senior Indebtedness*" means all Additional Secured Senior 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 2017 Loan under the Senior Loan Agreement that is *pari passu* to the indebtedness constituting Series 2017 Bonds and the Series 2017 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.

"*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 2017 Bonds and the Series 2017 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.

"*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 by the Supplemental Bond Resolution adopted by the board of directors of the Issuer on October 27, 2017, authorizing the issuance of the Series 2017 Bonds.

"Bonds" means the Series 2017 Bonds together with the Additional Parity Bonds issued from time to time pursuant to the Indenture, if any.

"Borrower" means All Aboard Florida – Operations LLC (d/b/a Brightline Operations), 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 Series 2017 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 2017 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 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.

"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 Series 2017 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 Series 2017 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.

"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 Series 2017 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.

"Cure Amount" has the meaning assigned thereto in the Senior Loan Agreement.

"Debt Service Reserve Account" means the Series 2017 Debt Service Reserve Account and each Additional Debt Service Reserve Account.

"Debt Service Reserve Requirement" means, (i) with respect to the Series 2017 Bonds, an amount equal to six months of debt service payable on the next Payment Date and (ii) 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 [_____] and any replacement thereof.

"*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.

"Dissemination Agent" means Digital Assurance Certification, L.L.C.

"Distribution Account" means the Distribution Account created by the Borrower.

"Distribution Date" means each Calculation Date.

"Distribution Release Certificate" means the certificate substantially in the form of 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 Funded Account" means the [Equity Funded Account] (account number [*]) 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 in Section 5.01 of 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 Series 2017 Project or (ii) by which such Governmental Authority assumes custody or control of all or any portion of the Series 2017 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.

"FECI" means Florida East Coast Industries, LLC.

"*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 Additional Equity Contributions and any proceeds of Indebtedness); PLUS

(b) 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

(c) 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

(d) deposits to any Debt Service Reserve Account (excluding the initial funding of the Series 2017 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 of Exhibit B thereto.

"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 Series 2017 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 [December 1], 2017 between the Issuer and the Trustee, and any amendment or supplement thereto permitted thereby.

"Independent Engineer" means any independent construction engineer familiar with the Series 2017 Project and appropriately qualified to evaluate the construction and operation of an intercity passenger rail system and related facilities.

"Insurance" means the contracts and policies of insurance taken out by or on behalf of the Borrower in accordance with the Series 2017 Project 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.

"Intellectual Property" has the meaning assigned thereto in the Security Agreement.

"*Intercreditor Vote*" means a vote conducted in accordance with the procedures set forth in Article VIII among the Secured Creditors.

"Interest Payment Date" means, with respect any Financing Obligations bearing interest semi-annually, each January 1 and July 1, and with respect to any Financing Obligations bearing

interest quarterly, each January 1, April 1, July 1 and October 1, and 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 2017 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 Amendment 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.

"Limited Offering Memorandum" has the meaning assigned thereto in the Indenture.

"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.

"Losses" means any losses, damages, costs, expenses, charges, fees, fines or liabilities.

"Majority Holders" means the Owners owning a majority in the aggregate principal amount of the then Outstanding Bonds.

"Major Maintenance" means any lifecycle maintenance, repair, renewal, reconstruction or replacement work of any portion or component of the Series 2017 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 Independent Engineer.

"Major Maintenance Plan" means the budget and schedule delivered by the Borrower to, and approved by, the Independent Engineer for Major Maintenance Costs.

"Major Maintenance Reserve Account" means the Series 2017 Major Maintenance Reserve Account and any Additional Major Maintenance Reserve Account.

"Major Maintenance Reserve Required Balance" means (i) with respect to the Series 2017 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.

"Material Adverse Effect" has the meaning assigned thereto in the Senior Loan Agreement.

"*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 2017 Major Maintenance Reserve Sub-Account created and designated as such by Section 5.01 of the Collateral Agency Agreement.

"Non-Series 2017 Counties" means each of Brevard County, Orange County, Martin County, Indian River County, and St. Lucie County, Florida.

"*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 2017 O&M Reserve Account and any Additional O&M Reserve Account.

"O&M Reserve Requirement" with respect to (i) the Series 2017 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 [Operating Account] (account number [*]) 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.

"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.

"*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 Investments*" means to the extent permitted by State law:

(a) 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 and Moody's;

(c) 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;

(d) 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 are rated (at the time the investment is entered into), not lower than "A-" by S&P and "A3" by Moody's, including the Trustee and Collateral Agent or any of its Affiliates, provided that, in connection with any repurchase agreement entered into in connection with the investment of funds held under the Indenture, the Issuer and the Trustee and 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;

(e) Fully collateralized repurchase agreements 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 (c) above; and

(f) 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 2017 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" means unsecured Indebtedness subordinate to the Senior Indebtedness in accordance with Attachment A to the Senior Loan Agreement and payable only in accordance with levels Eleventh and Twelfth of the Flow of Funds.

"*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.

"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.

"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 and operation of a privately owned and operated express, intercity

passenger rail system and related facilities, with stations located initially in West Palm Beach, Fort Lauderdale and Miami, Florida, as more particularly described in the Bond Resolution.

"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 Series 2017 Project Accounts, 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 Series 2017 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.

"*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 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.

"Ramp-Up Reserve Requirement" has the meaning set forth in Section 5.08 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 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 Rights*" has the meaning assigned thereto in the Indenture.

"*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 Series 2017 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.

"Revenue Account" means the Revenue Account created and designated as such by 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 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.

"S&P" means Standard & Poor's, a division of The McGraw-Hill Companies, Inc., 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 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 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 Loan Agreement" means that certain loan agreement by and between the Issuer and the Borrower pursuant to which the Issuer agreed to loan the entire proceeds of the Series 2017 Bonds to the Borrower, as the same may be amended, restated, supplemented or otherwise modified from time to time.

"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.

"Series 2017 Bonds" means the $600,000,000 aggregate principal amount of Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Passenger Rail Project – South Segment), Series 2017, and any Series 2017 Bond or Series 2017 Bonds issued in exchange or replacement therefor.

"Series 2017 Counties" means each of Miami-Dade County, Broward County, and Palm Beach County, Florida.

"Series 2017 Debt Service Reserve Account" means the Series 2017 Debt Service Reserve Account established and created pursuant Section 5.01 of the Collateral Agency Agreement.

"Series 2017 Debt Service Fund" means the Series 2017 Debt Service Fund created by and designated as such in the Indenture.

"Series 2017 Funded Interest Account" means the funded interest account with respect to the Series 2017 Bonds created and designated as such by the Indenture.

"Series 2017 Interest Account" means the interest account with respect to the Series 2017 Bonds created and designated as such by the Indenture.

"Series 2017 Interest Sub-Account" means the Series 2017 Interest Sub-Account with respect to the Series 2017 Bonds established within the Revenue Account and created and designated as such by the Collateral Agency Agreement.

"Series 2017 Loan" means the loan made by the Issuer to the Borrower on the Closing Date in an amount equal to proceeds of the Series 2017 Bonds pursuant to the Senior Loan Agreement.

"Series 2017 Major Maintenance Reserve Account" means the Series 2017 Major Maintenance Reserve Account established and created pursuant to Section 5.01 of the Collateral Agency Agreement.

"Series 2017 O&M Reserve Account" means the Series 2017 O&M Reserve Account established and created pursuant Section 5.01 of the Collateral Agency Agreement.

"Series 2017 PABs Mandatory Prepayment Sub-Account" means the Series 2017 PABs Mandatory Prepayment Sub-Account with respect to the Series 2017 Bonds established within the Mandatory Prepayment Account created and designated as such by Section 5.01 of the Collateral Agency Agreement.

"Series 2017 Principal Account" is the principal account with respect to the Series 2017 Bonds created and designated as such by the Indenture.

"Series 2017 Principal Sub-Account" means the Series 2017 Principal Sub-Account with respect to the Series 2017 Bonds established within the Revenue Account and created and designated as such by Section 5.01 of the Collateral Agency Agreement.

"Series 2017 Project" means the portion of the Project located in the Series 2017 Counties.

"Series 2017 Project Accounts" means the following accounts of the Borrower, established pursuant to the Collateral Agency Agreement: (a) the Revenue Account, including the Series 2017 Interest Sub-Account, the Series 2017 Principal Sub-Account and any other sub-accounts created thereunder; (b) the Loss Proceeds Account; (c) the Mandatory Prepayment Account, including the Series 2017 PABs Mandatory Prepayment Sub-Account; (d) each Debt Service Reserve Account; (e) each Major Maintenance Reserve Account, including the Non-Completed Work Sub-Account; (f) each O&M Reserve Account; (g) the Ramp-Up Reserve Account; (h) the Equity Lock-Up Account; (i) the Capital Projects Account; (j) the Operating Account; (k) the Equity Funded Account; and (l) all other Funds or Accounts created hereunder and designated a Series 2017 Project Account. For the avoidance of doubt, the Distribution Account is not a "Series 2017 Project Account".

"Series 2017 Rebate Fund" means the Series 2017 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 to such term in the Indenture.

"*Taxes"* means any and all present or future taxes, levies, imposts, duties, deductions, charges or withholdings imposed by any Governmental Authority.

"*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.

"*Term Rate Mode"* has the meaning assigned thereto in the Indenture.

"*Total Debt Service Coverage Ratio"* or *"Total DSCR"* means (i) for the 24-month period ending on a Calculation Date (or, if prior to the second anniversary of the Closing Date, or any shorter period from the Closing Date annualized for a 24-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 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*" has the meaning assigned thereto in the Indenture.

"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
100 Plaza One, 8th Floor
Jersey City, NJ 07311
Attention: Debra Schwalb
Telephone: 201-593-2511
Facsimile: 201-860-4520
E-mail: debra.schwalb@db.com

Re: All Aboard Florida – Operations LLC (d/b/a Brightline Operations)

Ladies and Gentlemen:

Reference is made to the Collateral Agency, Intercreditor and Accounts Agreement, dated as of [December 1], 2017 (as amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof, the "Collateral Agency Agreement"), among All Aboard Florida – Operations LLC (d/b/a Brightline Operations), 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 (or any other date on which such amounts are due and payable).*]** 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 Operating Account, which amount is an amount equal to, together with amounts on deposit in the Operating Account, 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) [Reserved].

(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 2017 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 2017 Interest Sub-Account, which shall be equal to one-sixth (1/6) of the amount of interest payable on the Series 2017 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 2017 Interest Sub-Account and the Series 2017 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 2017 Interest-Sub Account and transferred to the Series 2017 Interest Account under the Indenture for the payment of interest due on the Series 2017 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 2017 Bonds in the Fixed Rate Mode.]

(i) $**[●]** be withdrawn from the Revenue Account and transferred to the Series 2017 Principal Sub-Account, which shall be equal to *[*the amount of

principal due on the next Principal Payment Date divided by the total number of months between Principal Payment Dates***]***; 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 2017 Bonds (taking into account the amount then on deposit in the Series 2017 Principal Sub-Account and the Series 2017 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 due on the next Principal Payment Date divided by the total number of months between Principal Payment Dates***]*** 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 2017 Bonds in the Term Rate Mode, for the Transfer Date Immediately Preceding the Principal Payment Date that Constitutes the Final Maturity Date for the Series 2017 Bonds.]*** 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 2017 Principal Sub-Account, which amount is equal to the amount required to pay the principal payment due on the final maturity date for the Series 2017 Bonds (taking into

account the amount then on deposit in the Series 2017 Principal Sub-Account and the Series 2017 Principal Account).

(i) **[*For Transfer Dates Immediately Preceding a Principal Payment Date, Including for the Final Maturity Date of the Series 2017 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 2017 Principal Sub-Account and transferred to the Series 2017 Principal Account for the payment of principal due on the Series 2017 Bonds on such Principal Payment Date***[For Series 2017 Bonds in the Term Rate Mode][***, that constitutes the final maturity date for the Series 2017 Bonds***]***.

[To the extent any Additional Senior Indebtedness is Outstanding on such Transfer Date:]

(ii) $**[●]** be withdrawn from ***[***the principal account for such Additional Senior Indebtedness established under the Collateral Agency Agreement***]*** and transferred ***[***in accordance with the applicable Additional Senior Indebtedness Documents***]*** for the payment of principal due on the ***[***applicable Senior Indebtedness***]*** on the next Principal Payment Date***[***, including in the case of any Permitted Swap Agreement related to such Senior Indebtedness, Swap Termination Payments***].***

(j) In accordance with Section 5.02(b) clause Seventh of the Collateral Agency Agreement, we request that:

(i) **[*For Transfer Dates.*]** $**[●]** be withdrawn from the Revenue Account and transferred to the Series 2017 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 2017 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 2017 Major Maintenance Reserve Account, which amount is equal to the amount necessary to fund such account so that the balance therein equals the Series 2017 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 2017 O&M Reserve Account, which amount is equal to the amount necessary to fund such account so that the balance therein equals the Series 2017 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 the last day of each Fiscal Quarter.*]** 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 2017 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 2017 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 2017 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 2017 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 2017 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 (together with, in the case of clauses (A) and (B) immediately above, a certificate signed by a Responsible Officer of the Independent Engineer concurring with such certificate of the Borrower).]

3. Series 2017 Major Maintenance Reserve Account. In accordance with Section 5.06, the following transfers are requested to be made from the Series 2017 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 2017 Major Maintenance Reserve Account and transferred to ***[***the Persons***][***the Operating Account 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 2017 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 2017 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 2017 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 2017 O&M Reserve Account and transferred to the Operating Account 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 2017 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 [third anniversary of the Closing 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 Operating Account to pay O&M Expenditures then due and payable. There are not sufficient funds for the payment thereof in the Operating Account, 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 [third anniversary of the Closing 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 1.75:1.00 and we request that (i) $[●] be withdrawn from the Ramp-Up Reserve Account and transferred to the Series 2017 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 2017 PABs Mandatory Prepayment Sub-Account and transferred to the Trustee for prepayment of the Series 2017 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.

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.

ALL ABOARD FLORIDA – OPERATIONS 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 2017 Major Maintenance Reserve Account

Part D: Disbursements from Series 2017 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

Series 2017 Project Accounts Held by Account Bank

Number	Account Name
	Revenue Account
	Series 2017 Interest Sub-Account
	Series 2017 Principal Sub-Account
	Loss Proceeds Account
	Series 2017 Debt Service Reserve Account
	Series 2017 Major Maintenance Reserve Account
	Non-Completed Work Sub-Account
	Series 2017 O&M Reserve Account
	Ramp-Up Reserve Account
	Mandatory Prepayment Account
	Series 2017 PABs Mandatory Prepayment Sub-Account
	Capital Projects Account
	Equity Lock-Up Account

Series 2017 Project Accounts Held by Deposit Account Bank

Number	Account Name
	[Operating Account]_____
	[Equity Funded Account]

ALL ABOARD FLORIDA – OPERATIONS LLC (D/B/A BRIGHTLINE OPERATIONS)

INCUMBENCY CERTIFICATE

The undersigned certifies that s/he is the [**INSERT TITLE**] of All Aboard Florida – Operations LLC (d/b/a Brightline Operations), 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:

Name	Title / Phone	Signature
_____	_____/_____	_____
_____	_____/_____	_____
_____	_____/_____	_____

IN WITNESS WHEREOF, I have duly executed and delivered this Incumbency Certificate of the Borrower this _____ day of _____, 20__.

ALL ABOARD FLORIDA – OPERATIONS LLC

_____
Name:
Title:

EXHIBIT E
to Collateral Agency Agreement

FORM OF DISTRIBUTION RELEASE CERTIFICATE

DISTRIBUTION RELEASE CERTIFICATE

Date: _____, ____
Date of Requested Distribution: _____, ____

Deutsche Bank National Trust Company
100 Plaza One, 8th Floor
Jersey City, NJ 07311
Attention: Debra Schwalb
Telephone: 201-593-2511
Facsimile: 201-860-4520
E-mail: debra.schwalb@db.com

Re: All Aboard Florida – Operations LLC (d/b/a Brightline Operations)

Ladies and Gentlemen:

Reference is hereby made to that certain Collateral Agency, Intercreditor and Accounts Agreement, dated as of [December 1], 2017, (the "Collateral Agency Agreement"), among All Aboard Florida – Operations LLC d/b/a Brightline Operations, 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]***

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 (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.

5. After giving effect to the payment requested herein, the aggregate amount of funds transferred in reliance on the satisfaction of the Restricted Payment Conditions during the calendar year in which such payment is requested to be made does not exceed $25,000,000.

* * *

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.

ALL ABOARD FLORIDA – OPERATIONS LLC,
as Borrower

By:_____
Name:
Title:

Annex A
to Distribution Release Certificate

CALCULATIONS DEMONSTRATING THE 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 Collateral Agency, Intercreditor and Accounts Agreement dated as of [December 1], 2017 (as amended, modified or supplemented from time to time, the "Agreement"), among All Aboard Florida – Operations LLC (d/b/a Brightline Operations), a limited partnership 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 [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: [_____]

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:

EXHIBIT G
to Collateral Agency Agreement

FORM OF REAFFIRMATION AGREEMENT

REAFFIRMATION AGREEMENT

Reference is made to that certain Collateral Agency, Intercreditor and Accounts Agreement dated as of [December 1], 2017 (as amended, modified or supplemented from time to time, the "Agreement"), among All Aboard Florida – Operations LLC (d/b/a Brightline Operations), a limited partnership 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 in the Security Agreement) and (ii) 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

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.

IN WITNESS WHEREOF, each of the undersigned has caused this Reaffirmation Agreement to be duly executed as of the date written above.

ALL ABOARD FLORIDA – OPERATIONS 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:

Acknowledged and agreed:
[ADDITIONAL SECURED DEBT REPRESENTATIVE]

By:_____
Name:
Title:

EXHIBIT H
to Collateral Agency Agreement

FORM OF MORTGAGE MODIFICATION CERTIFICATE

MORTGAGE MODIFICATION CERTIFICATE

Date: _____, ____

Deutsche Bank National Trust Company
100 Plaza One, 8th Floor
Jersey City, NJ 07511
Attention: Debra Schwalb
Telephone: 201-593-2511
Facsimile: 201-860-4520
E-mail: debra.schwalb@db.com

Re: All Aboard Florida – Operations LLC (d/b/a Brightline Operations)

Ladies and Gentlemen:

Reference is hereby made to that certain Collateral Agency, Intercreditor and Accounts Agreement, dated as of [December 1], 2017, (the "Collateral Agency Agreement"), among All Aboard Florida – Operations LLC (d/b/a Brightline Operations), 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.

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 2017 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]

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.

ALL ABOARD FLORIDA – OPERATIONS LLC,
as Borrower

By:_____
Name:
Title:

APPENDIX E

SOUTH SEGMENT PROJECT
RIDERSHIP AND REVENUE STUDY

Louis Berger U.S., Inc.'s delivery to the Company of its Ridership and Revenue Study for inclusion in this Limited Offering 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]

Louis Berger

Brightline Ridership and Revenue Study

Miami – Fort Lauderdale – Palm Beach Segment

October 2017

Disclaimer

This Report was prepared by Louis Berger US, 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.

Table of Contents

List of Figures and Tables

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.

FIGURE 1-1 BRIGHTLINE SERVICE

The objective of this study is to provide an independent overview of ridership and revenue for the southern segment of the Brightline corridor, consisting of trips between West Palm Beach, Fort Lauderdale, and Miami. This study will inform and advance the project planning efforts and decisions of potential investors and funding partners.

Each year, travelers make hundreds of millions of trips between the communities in Southeast 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 an existing transportation corridor 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.).

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.
- 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 four 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)

[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.

- Ridership and revenue forecast (Section 5)
- Sensitivity testing (Section 6)

1.2 Study Process

To determine the extent and magnitude of the demand for a new mode of intercity travel in 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 365 million intercity trips per year in areas reasonably served by the Southeast Florida 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 trips between the cities in Southeast Florida to grow by 0.74 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

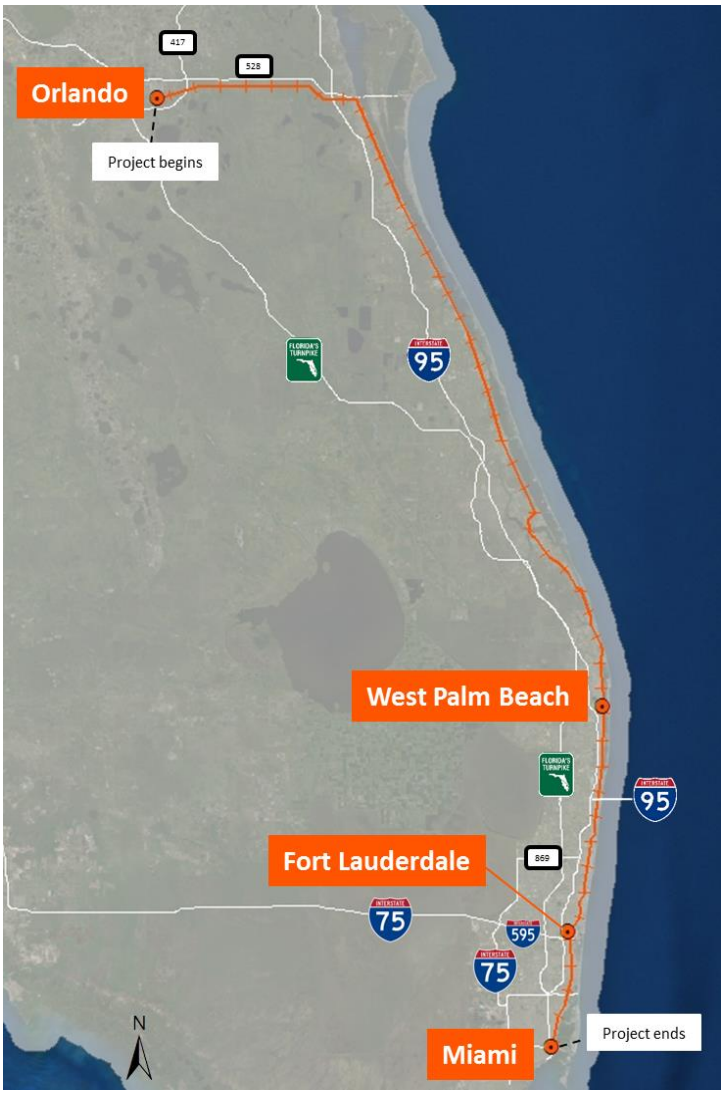
The Brightline service will provide new express passenger rail service initially connecting three key urban areas in Southeast Florida – West Palm Beach, Fort Lauderdale, and Miami. The Brightline service will be privately owned and operated by All Aboard Florida Operations, LLC and will run along the existing rail corridor currently used for freight rail operations by Florida East Coast Railway. Special features include the following:

- ***Travel time savings***: Substantial time savings to current users of auto, bus and traditional rail
- ***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, with good intermodal connectivity (i.e. connections to Metrorail, Metromover, Tri-Rail – with direct connection to Miami International Airport – Broward County Transit, and The WAVE Streetcar,), 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 number 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. For instance, in Fort Lauderdale the WAVE Streetcar 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). The service includes a proposed extension to Fort Lauderdale Airport.

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 (44.5 million passengers in 2016) and ranks second in the United States in terms of international passenger count, with 21.2 million international passengers annually. A total of 14.6 percent of overseas non-resident travelers enter the United States through one of the two main South Florida airports: Miami International Airport (12.4 percent) and Fort Lauderdale International Airport (2.2 percent).

Travel within Southeast Florida is primarily 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 under free flow traffic conditions. Driving time with free flow conditions between Miami and Fort Lauderdale is about 35 minutes and about 50 minutes from Fort Lauderdale to West Palm Beach. During congested peak periods it is not uncommon for these travel times to increase by 30 to 100 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, total travel times of approximately two hours, and an annual ridership of 4.2 million.

According to the 2016 INRIX Global Traffic Scorecard, South Florida highways are among 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 States[2]. 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

[2] http://inrix.com/press-releases/los-angeles-tops-inrix-global-congestion-ranking/

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.

1.5 Key Assumptions

In order to develop a conservative approach for forecasting Brightline ridership that is appropriate for evaluation by lenders and investors during the planning stage of project development, Louis Berger made several key assumptions, as follows:

- The forecast study area is limited to the extent of metropolitan 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 Sections 2.10 and 3.6, this is the basis for establishing the size of the candidate market at over 365 million trips per year for the journey between the three cities in Southeast Florida.
- 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 third-party vendor provided mobile-phone based location data of trips carried out between origins and destinations within the addressable market geography. The data was adjusted downward to account for captive auto users. Trip 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).

- Growth estimates for the South Florida 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. Rail forecasts for Tri-Rail were developed using trend lines based on official historical data. These are conservative assumptions for the 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.
- 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. 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, and West Palm Beach 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 three Southeast 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 365 million trips made by individuals in the Southeast annually.

- *Demonstrated Market Demographic Growth* – In the past 40 years, population in Southeast Florida has grown by an annual average of 1.9 percent and employment has grown by an annual average of 2.7 percent. In recent years, the areas within ten miles of proposed Southeast Florida Brightline stations have shown growth in both population and employment.
- *No Comparable Service* – Brightline can provide travel time savings of 25% to 50% when compared to existing surface modes (auto, bus and rail). 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

For the purpose of this report, Louis Berger prepared estimates for annual ridership and farebox revenue for the South Florida market of the Brightline service, which is comprised of three intercity trips: Miami – Fort Lauderdale, Miami-West Palm Beach, and Fort Lauderdale – West Palm Beach. 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 2020, the first year after stabilized ridership is achieved.

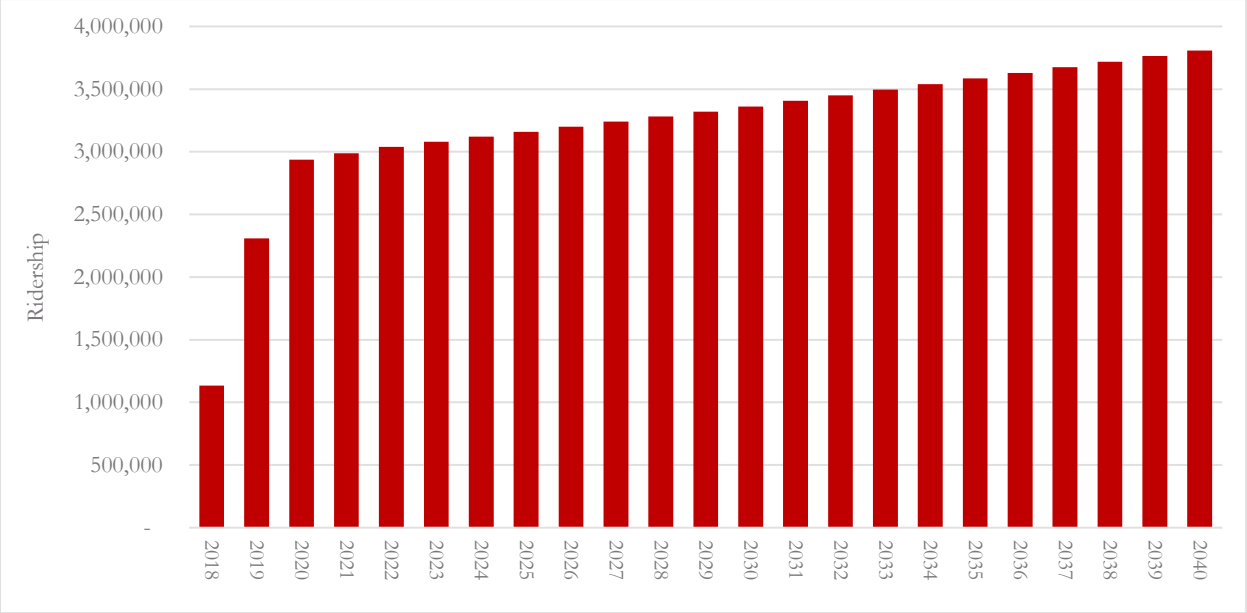
TABLE 1-1 BRIGHTLINE RIDERSHIP AND REVENUE FORECAST, 2020 (2016 $)

Ridership	2,936,800
Fare Revenue	$96,046,300

Ridership and revenue for the initial years of Brightline is expected to start at relatively low levels and grow to a stabilized volume by 2020. 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 fourth quarter. Louis Berger assumed, therefore, ridership volumes for 2017 are 5 percent of forecasted volumes (reflecting a 30% discount prorated to partial year of operation), 40 percent of forecasted volumes in 2018, and 80 percent forecasted volumes in 2019. The Company expects to commence full scale revenue service in the first quarter of 2018.

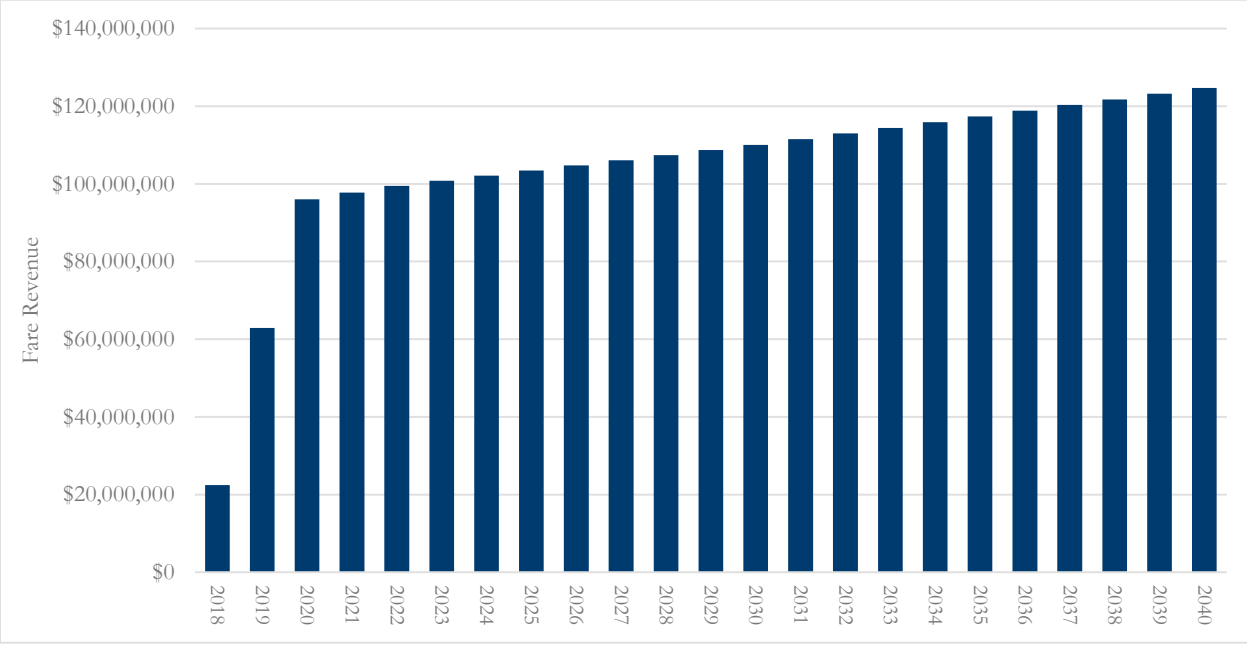
Ridership and revenue is summarized in the two figures below. The values for 2018 and 2019 account for ramp-up reductions.

FIGURE 1-3 BRIGHTLINE ANNUAL RIDERSHIP FORECAST, 2018-2040



Source: Louis Berger, 2017

FIGURE 1-4 BRIGHTLINE FARE REVENUE FORECAST, 2018-2040 (2016 $)

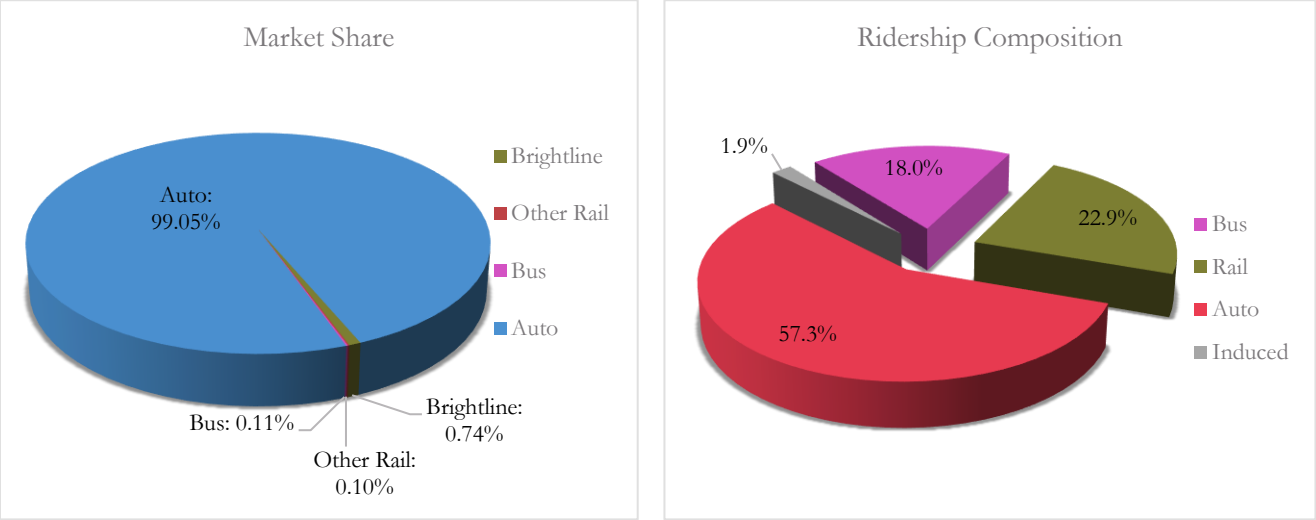


Source: Louis Berger, 2017

Estimated Market Share

The forecast indicates that after the initial ramp up period, Brightline will serve approximately 0.74 percent of the overall market for South Florida.

FIGURE 1-5 BRIGHTLINE SOUTH FLORIDA MARKET SHARE AND RIDERSHIP COMPOSITION, 2020



Source: Louis Berger, 2017

1.7 Forecast Sensitivity 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 the South Florida 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, 2020

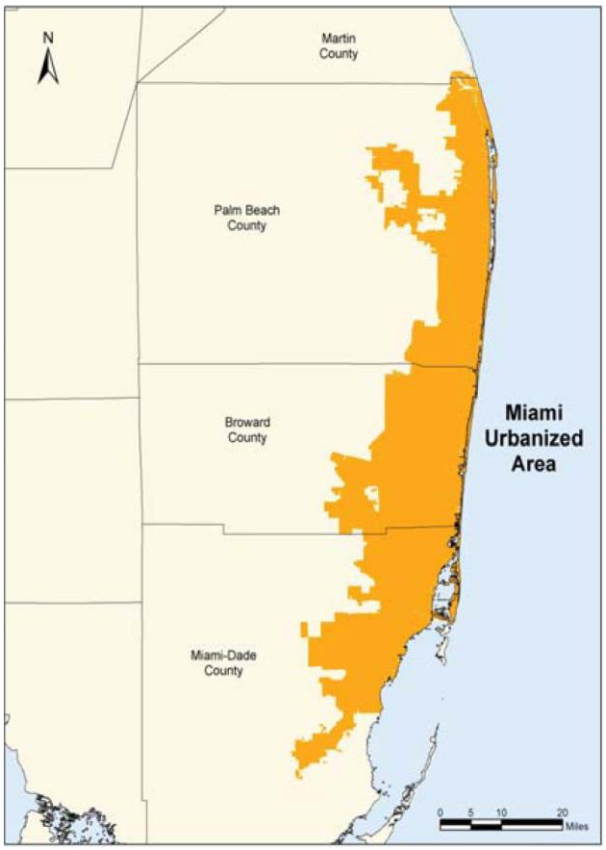
Sensitivity Test (Assumptions modified)	Test (% decrease / increase)	Ridership Effect	Revenue Effect
Brightline Travel Time	10% decrease	3.6%	4.0%
	10% increase	-3.5%	-3.8%
Brightline Frequency	20% decrease	-3.7%	-3.9%
	20% increase	3.8%	4.0%
Station Access Costs (e.g. taxi fare, parking fees)	20% decrease	5.2%	5.3%
	20% increase	-4.9%	-5.0%
Intercity Travel Time by Auto	20% decrease	-10.4%	-10.9%
	20% increase	11.9%	12.6%
Intercity Travel time by Auto and Station Access Time	20% decrease	-1.3%	-1.5%
	20% increase	1.7%	2.0%
Auto Fuel Prices	Low: $1.78 (-35%)	-3.3%	-3.5%
	High: $4.95 (+79%)	7.9%	8.4%

Source: Louis Berger, 2017

2.0 The Market for Intercity Rail in Southeast 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. 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 Southeast Florida. This regional study area was determined based on the proposed station locations, which are 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:

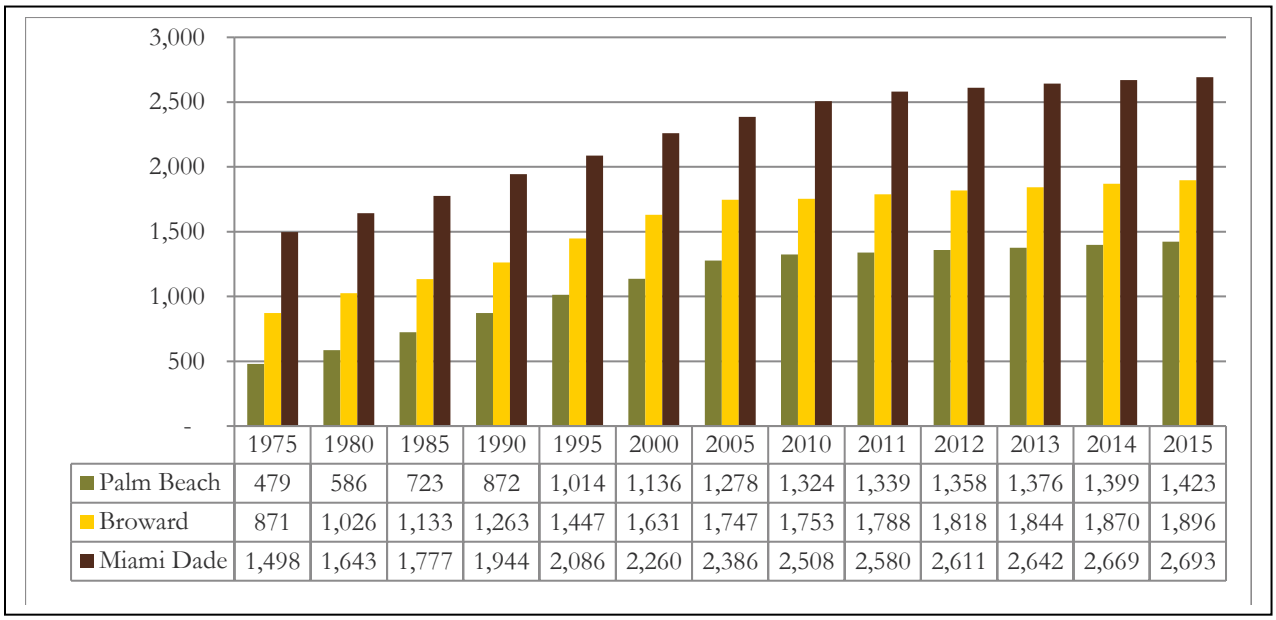
- Miami-Dade County (Miami-Dade MPO)
- Broward County (Broward MPO)
- Palm Beach County (Palm Beach MPO)

The three counties in Southeast Florida that contain the contiguous Miami urbanized area (depicted in **Figure 2-1**) are comprised of 104 city jurisdictions. 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

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.

FIGURE 2-2 POPULATION, 1975-2015 (IN THOUSANDS)



	1975	1980	1985	1990	1995	2000	2005	2010	2011	2012	2013	2014	2015
Palm Beach	479	586	723	872	1,014	1,136	1,278	1,324	1,339	1,358	1,376	1,399	1,423
Broward	871	1,026	1,133	1,263	1,447	1,631	1,747	1,753	1,788	1,818	1,844	1,870	1,896
Miami Dade	1,498	1,643	1,777	1,944	2,086	2,260	2,386	2,508	2,580	2,611	2,642	2,669	2,693

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
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%

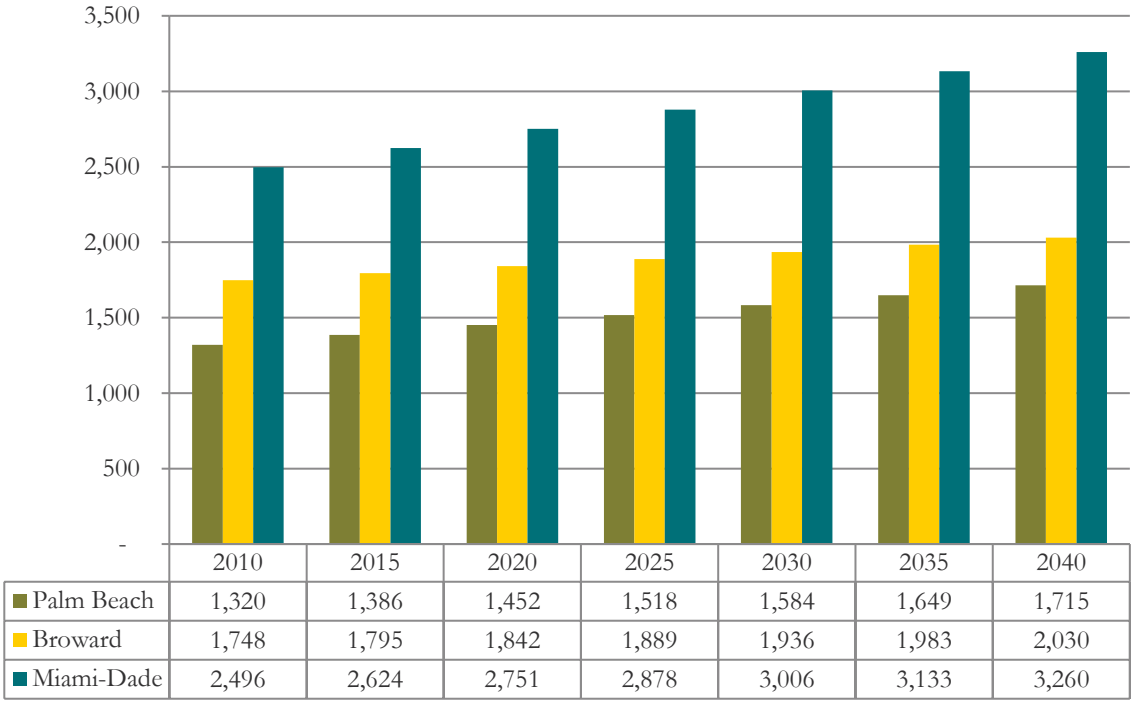
Source: Louis Berger, 2017 from data provided by Woods & Poole Economics, 2017, which aggregated data from U.S. Census Bureau.

Population growth in the study area has had an average annual gain of 1.9 percent since 1975 (see **Table 2-1**). In the past 20 years the growth rate has moderated to 1.4 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. **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)



	2010	2015	2020	2025	2030	2035	2040
Palm Beach	1,320	1,386	1,452	1,518	1,584	1,649	1,715
Broward	1,748	1,795	1,842	1,889	1,936	1,983	2,030
Miami-Dade	2,496	2,624	2,751	2,878	3,006	3,133	3,260

Source: Louis Berger, 2017 from data provided by South East Florida Transportation Council, Southeast Florida Regional Transportation Plan, 2015.
Note: 2010 actual, 2015-2035 interpolated from 2040 forecast.

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 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	CAGR	2010	2040	CAGR	2010	2040	CAGR	2010	2040	CAGR
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.

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.

BEBR is projecting a slower rate of growth for Southeast Florida, 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 for the SEF region.

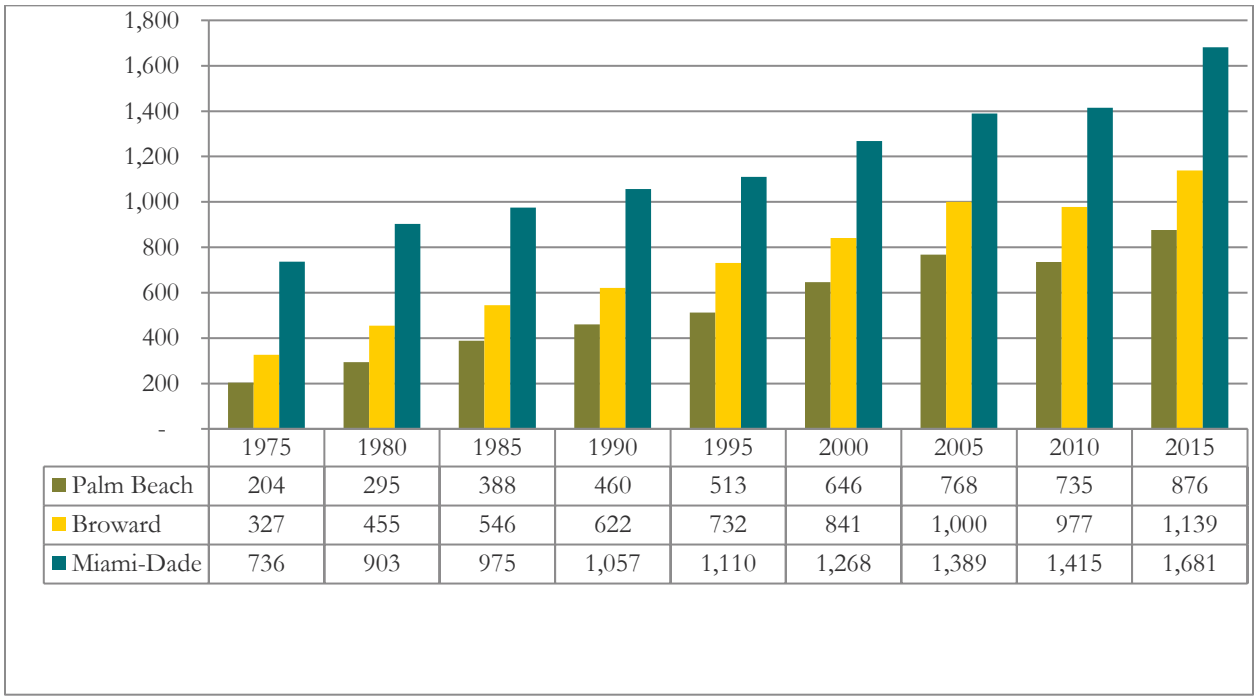
Moody's forecast growth for Miami-Dade was slightly less than Woods and Poole and BEBR's forecasts but only by less than one percent.

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.

2.4 Employment

The study area contains more than a third of all employment in the state of Florida – 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. (**Figure 2-4**).

FIGURE 2-4 EMPLOYMENT, 1975-2015 (IN THOUSANDS)



	1975	1980	1985	1990	1995	2000	2005	2010	2015
Palm Beach	204	295	388	460	513	646	768	735	876
Broward	327	455	546	622	732	841	1,000	977	1,139
Miami-Dade	736	903	975	1,057	1,110	1,268	1,389	1,415	1,681

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
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%

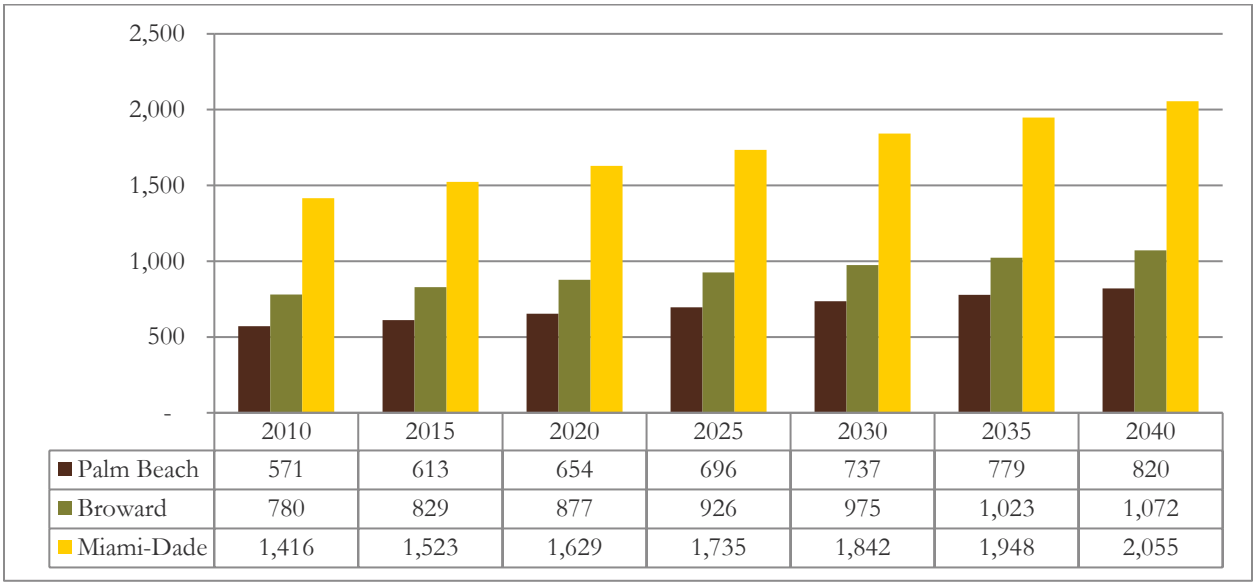
Source: Louis Berger, 2017 from data provided by Woods & Poole Economics, 2017

Employment growth in the region as a whole has averaged an annual gain of 2.7 percent since 1975 (see **Table 2-3**). In the past 20 years the growth rate has moderated to 2.3 percent. With the effects of a major recession still being felt, growth since 2005 has averaged 1.6 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. (**Figure 2-5**).

FIGURE 2-5 MPO EMPLOYMENT FORECAST BY COUNTY, 2010-2040 (IN THOUSANDS)



	2010	2015	2020	2025	2030	2035	2040
Palm Beach	571	613	654	696	737	779	820
Broward	780	829	877	926	975	1,023	1,072
Miami-Dade	1,416	1,523	1,629	1,735	1,842	1,948	2,055

Source: Louis Berger, 2017 from data provided by South East Florida Transportation Council, Southeast Florida Regional Transportation Plan, 2015; 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.

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	CAGR	2010	2040	CAGR	2010	2040	CAGR	2010	2040	CAGR
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; 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.

With no Census 100% Count available for employment, variations in long-term employment forecasts and base year measurements are common, especially during periods of volatility in economic conditions.

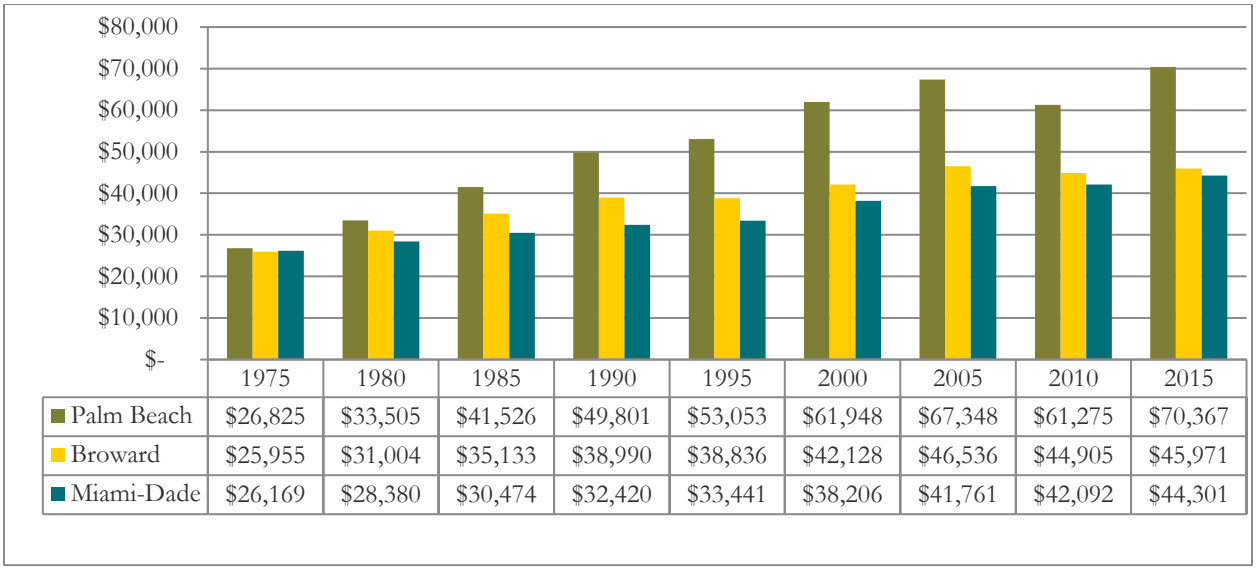
Although the forecast term only extends to 2024, the FDEO projections are generally consistent with the MPO forecasts in terms of the overall rate of growth. The agency sees a higher rate of growth for Palm Beach and Broward and an equivalent level for Miami Dade. The FDEO 2016 employment levels are 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).

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.

2.6 Income

Total personal income in the study area was over $306 billion (2017 dollars) in the year 2015. This represents a third of all personal income in the state of Florida. Per capita personal income increased by 1.7 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 0.3 percent on average annually during this period.

FIGURE 2-6 REAL PER CAPITA PERSONAL INCOME, 1975-2015 (2017 DOLLARS)



	1975	1980	1985	1990	1995	2000	2005	2010	2015
Palm Beach	$26,825	$33,505	$41,526	$49,801	$53,053	$61,948	$67,348	$61,275	$70,367
Broward	$25,955	$31,004	$35,133	$38,990	$38,836	$42,128	$46,536	$44,905	$45,971
Miami-Dade	$26,169	$28,380	$30,474	$32,420	$33,441	$38,206	$41,761	$42,092	$44,301

Source: Louis Berger, 2017 from data provided by Woods & Poole Economics, 2017

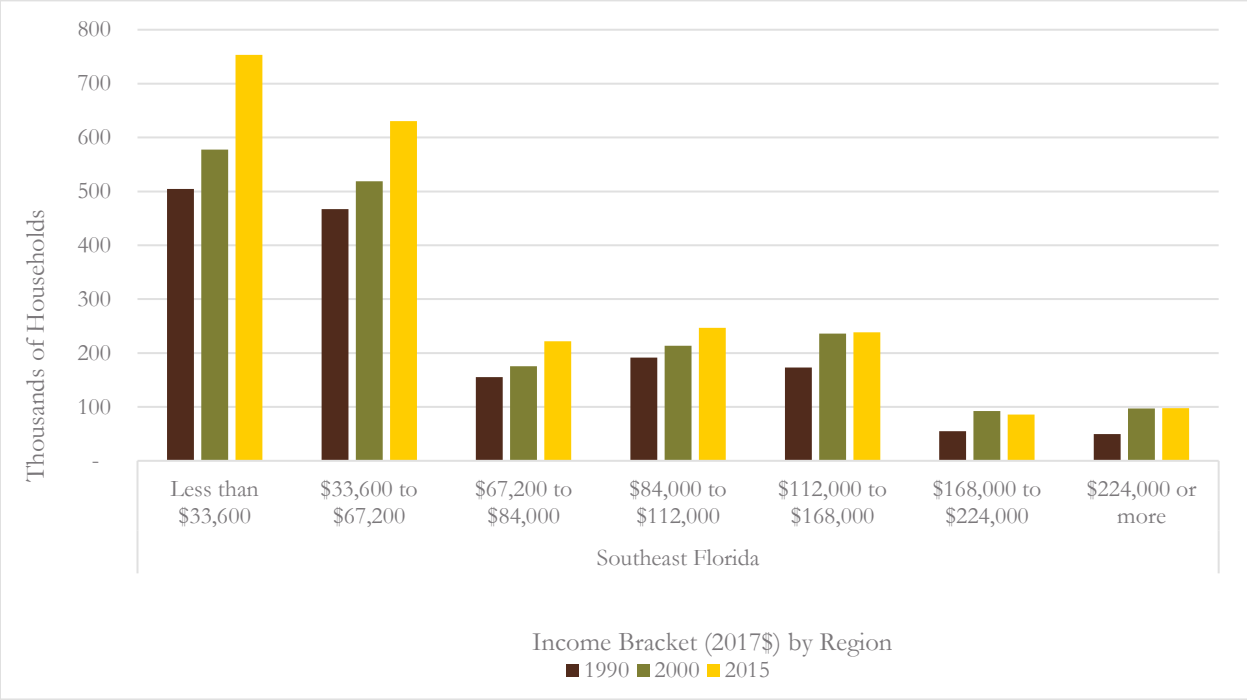
TABLE 2-5 AVERAGE ANNUAL PER CAPITA PERSONAL INCOME CHANGE OVER TIME

Region/County/Area	1975-2015	1995-2015	2005-2015	2010-2015
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%

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 Southeast Florida. 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 30 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 14 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.

FIGURE 2-7 HOUSEHOLD INCOME (THOUSANDS OF HOUSEHOLDS, 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, and West Palm Beach. This section describes the population, employment, and income profiles within a 10 mile radius of the Brightline stations in Southeast Florida.

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 3.5 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 1.2 million in 2015. Including vacant and seasonally occupied units, there were over 1.5 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
Total Population	668,121	1,333,194	1,457,694
Total Households	244,858	502,590	493,907
Total Housing Units	310,968	623,379	595,618

Source: Louis Berger, 2017 from data provided by ESRI Business Analyst, 2015

The population residing in block groups located within 10 miles of the West Palm Beach Brightline station increased by 1.5 percent on average annually between 2010 and 2015. The average annual increase in population residing in block groups located within 10 miles of the Miami and Fort Lauderdale stations was 1.3 and 1.1 percent, respectively, over this period. Overall, the population residing in block groups located within 10 miles of the Southeast Florida stations grew from 3.2 million to 3.5 million 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.

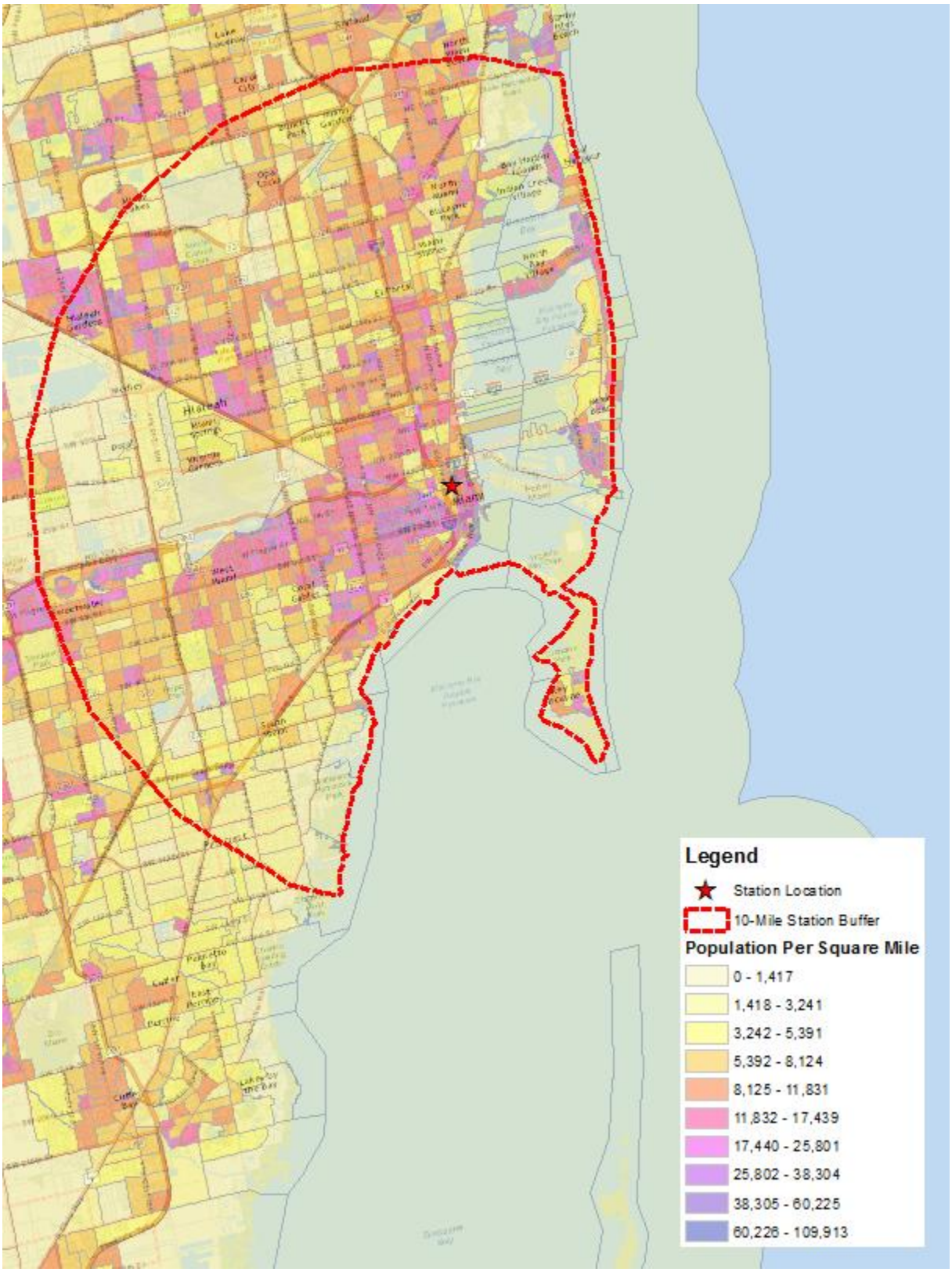
Per Capita Income:

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:

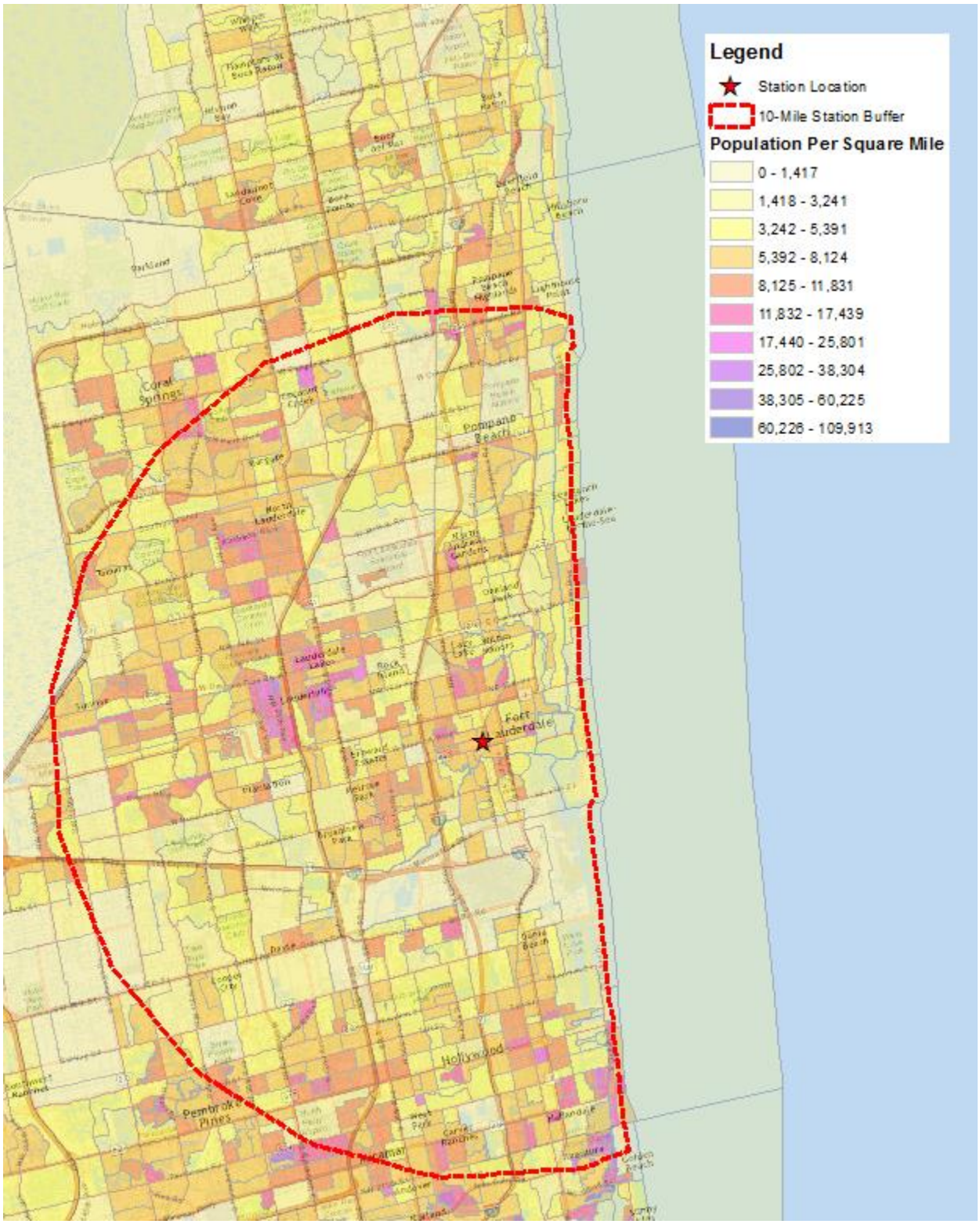
Employment density (number of jobs per square mile) is at its highest in Miami, Ft. Lauderdale, and West Palm Beach within the 10 mile catchment area. Maps showing employment density for the area around the Southeast Florida Brightline stations are available in Appendix A.

FIGURE 2-8 MIAMI STATION AREA POPULATION DENSITY, 2015



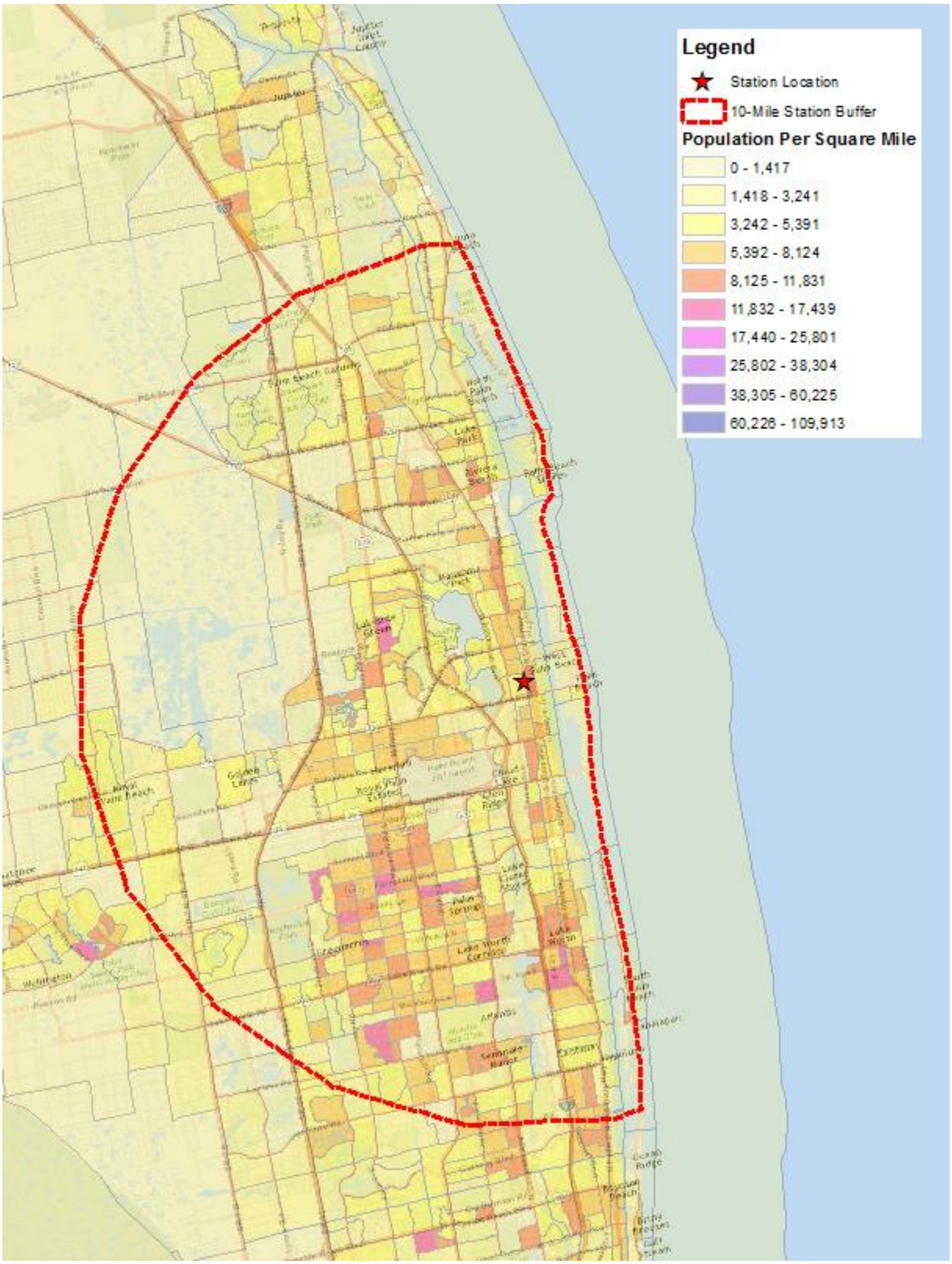
Source: Louis Berger, 2017 from data provided by U.S. Census, 2015

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

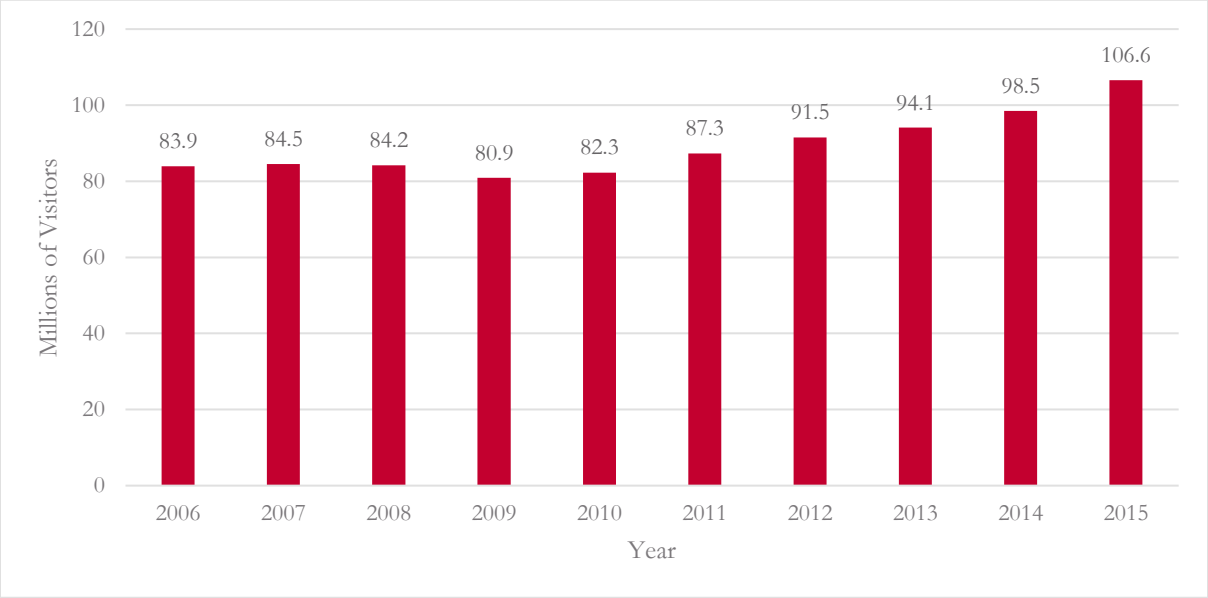


Source: Louis Berger, 2017 from data provided by U.S. Census, 2015

2.7 Travel and Tourism

Given that South Florida is a very popular tourism and business travel destination, 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 2-11** below shows historical visitation to the state from 2006 through 2015.

FIGURE 2-11 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.

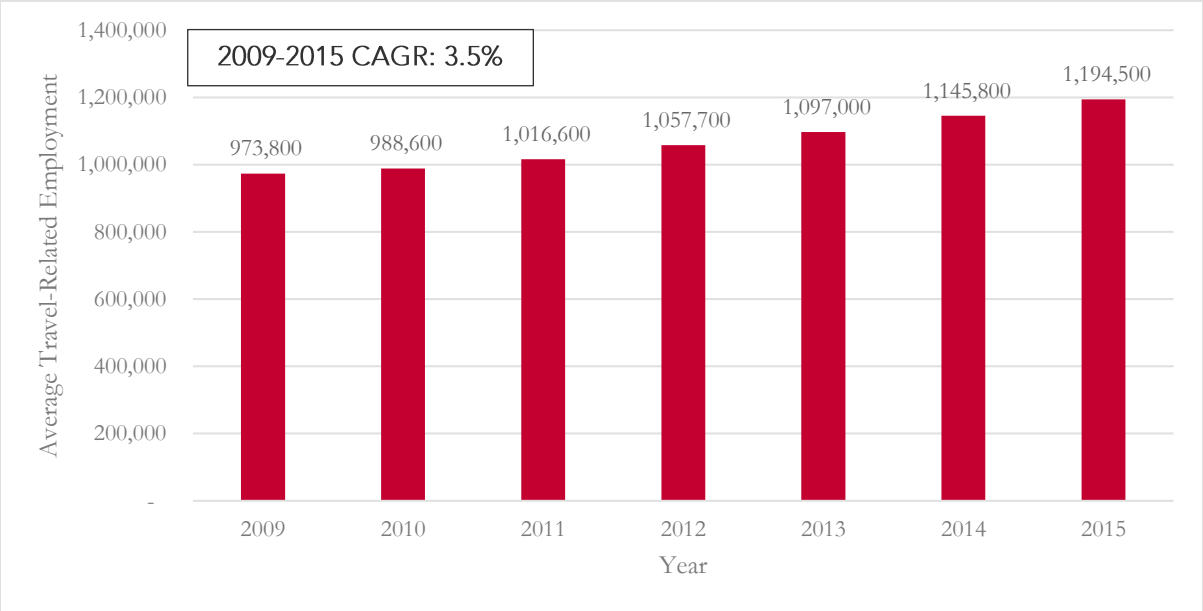
TABLE 2-7 TOURIST DEVELOPMENT TAX COLLECTIONS

Geography	Tax Rate	2014	2015	% Change '15/'14	% of 2015 Florida Dev Tax Collection	State Rank '15 Tourist Dev Tax Collections
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

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.

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 2-12** below shows travel related employment between 2009 and 2015.

FIGURE 2-12 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. 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 Southeast 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

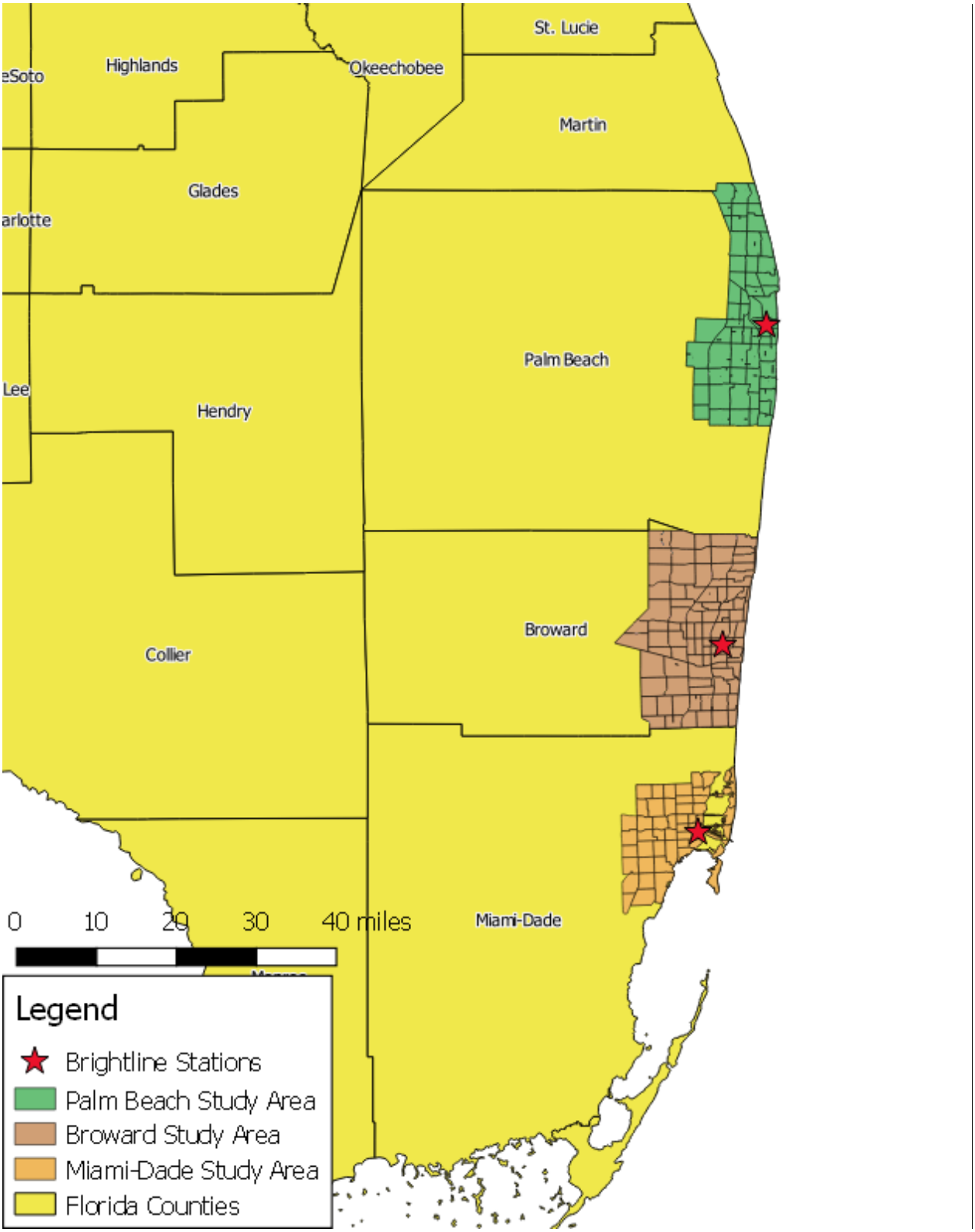
The earlier sections provided an overview of the regional socioeconomics in Southeast Florida. Following a review of the region, Louis Berger proceeded to identify the addressable market geography, or study area, for the Brightline service. This geography was determined based on the proposed station locations in Miami, Fort Lauderdale, and West Palm Beach. The study area includes Miami-Dade County, Broward County, and Palm Beach County, as shown in **Figure 2-13.**

The catchment areas for trips between the three cities in Southeast Florida was set to encompass all areas within approximately 20minutes of drive time to the stations.

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.

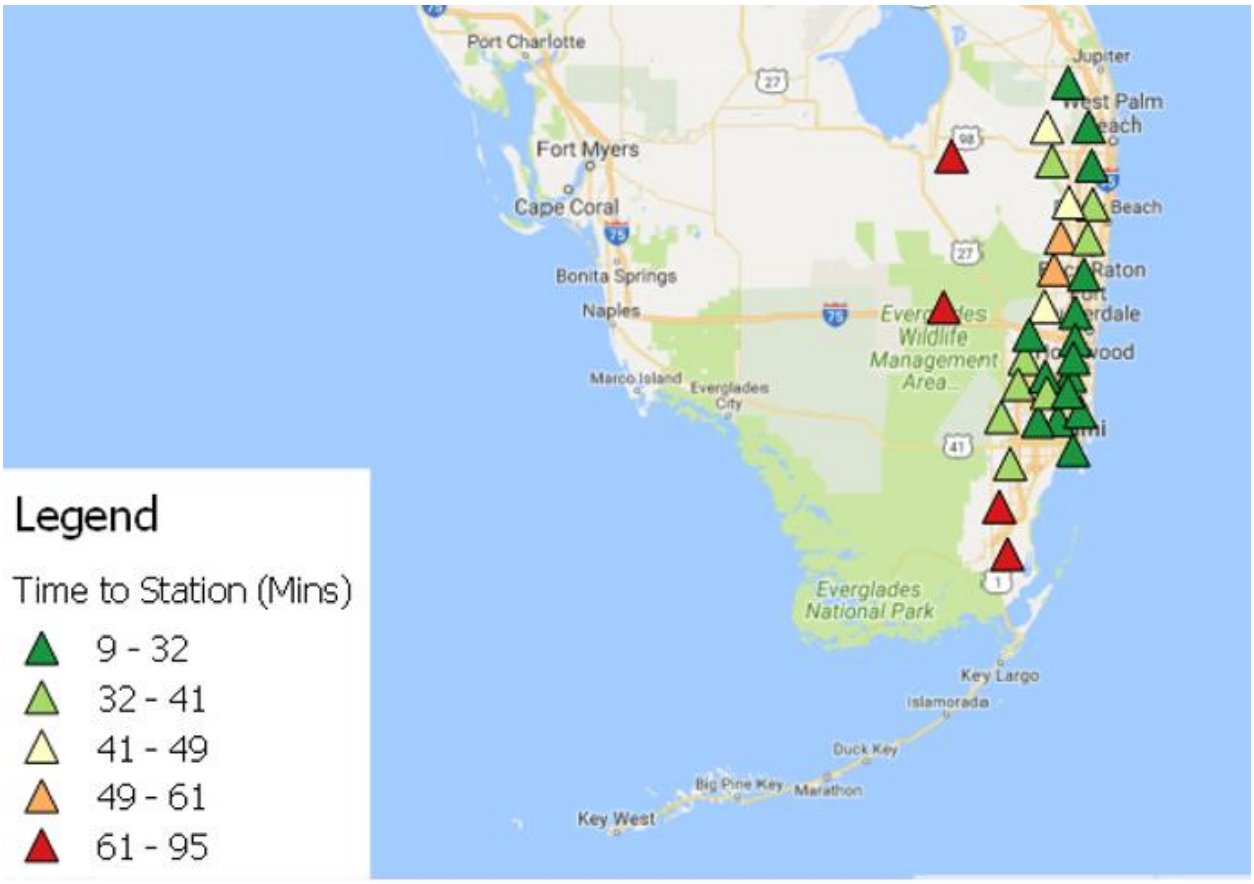
Figure 2-14 shows the auto travel time from various points in Southeast Florida to the nearest proposed Brightline station. The times shown represent a "pessimistic" guess by Google Maps, which generally represent a heavily congested auto travel time.

Figure 2-13 Study Area and Zone Structure



Source: Louis Berger, 2017

FIGURE 2-14 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 travel within the addressable geographical market (Section 2.10) that can be logically served by the proposed Brightline short- distance service.
- Includes all existing modes of travel (i.e. auto, rail, bus, ride share)
- 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 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 within Southeast Florida currently takes place by car, bus, and rail. Air travel is not a prevalent mode, given the distances between the city pairs. **Table 3-1** shows 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

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

Intercity buses 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 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 approximate 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 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 region (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 3-2** shows the number of bus riders assumed for the base year forecast.

TABLE 3-2 ESTIMATED DAILY BUS PERSON TRIPS

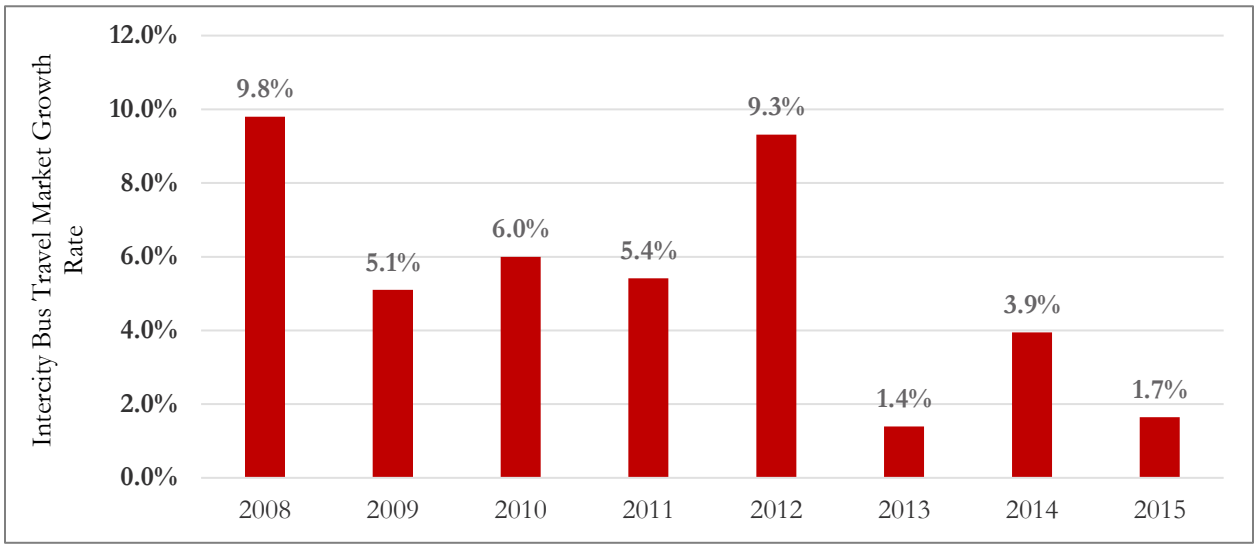
City Pair	2016
W. Palm Beach – Fort Lauderdale	277
W. Palm Beach – Miami	184
Fort Lauderdale – Miami	2,006
Total	2,468

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 3-3.**

FIGURE 3-1 HISTORICAL GROWTH IN INTERCITY BUS TRAVEL IN THE UNITED STATES



Source: Louis Berger analysis of data from the Chaddick Institute, 2016

[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

TABLE 3-3 PROJECTED DAILY 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. 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 took approximately 5 months for Miami to achieve 7,500 driver partners, compared to 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 Rail

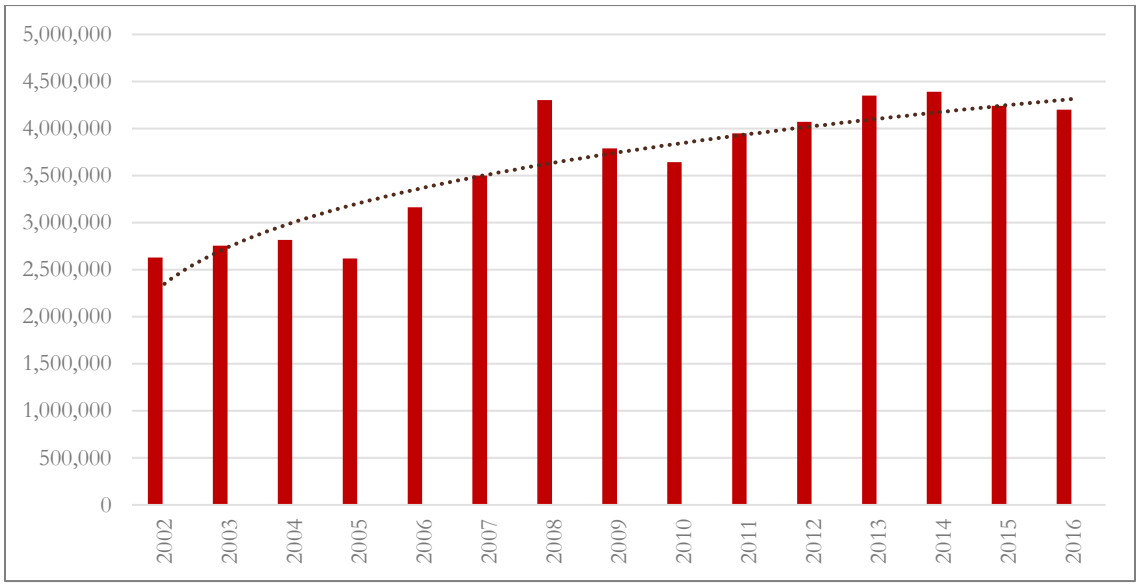
While Amtrak service can be used for travel within Southeast Florida, it mainly provides services for the long-distance market. The Southeast Florida rail market is primarily served by Tri-Rail, a commuter rail line managed by the South Florida Regional Transportation Authority (SFRTA) connecting Miami 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 3-2**. 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 MiamiCentral Station.

FIGURE 3-2 TRI-RAIL SYSTEM MAP

Source: Tri-Rail

Figure 3-3 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 3-3 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 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 3-4** presents the estimate of applicable Tri-Rail ridership by city pair. The 2045 estimates reflect the growth implied by the trend presented in **Figure 3-3**.

TABLE 3-4 CURRENT AND PROJECTED 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: SFRTA, 2013, Louis Berger, 2017

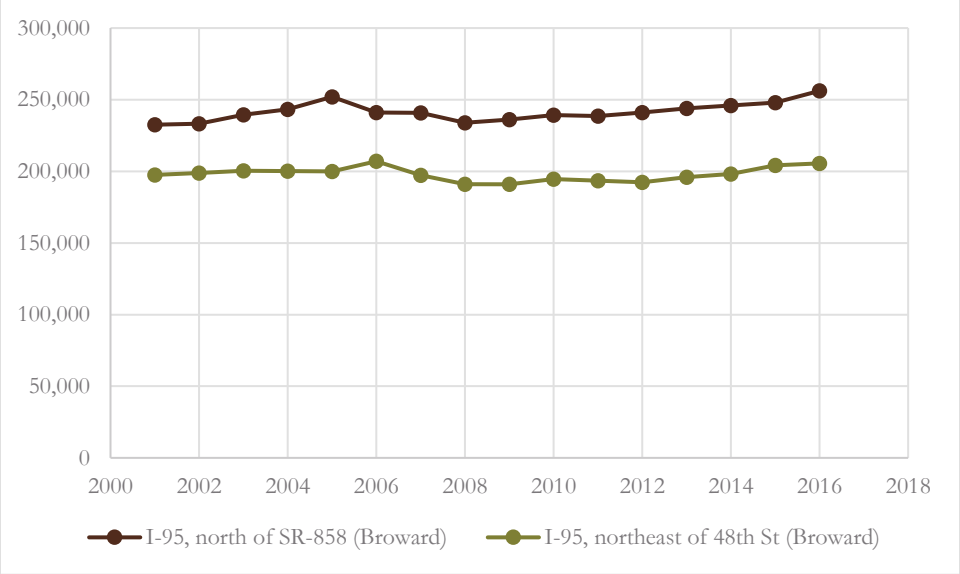
3.4 Auto

Auto is the prevalent mode of travel within Southeast Florida, which has a dense and often significantly congested highway network. The Florida Turnpike and I-95 are the major north-south arteries connecting the three Southeast Florida cities addressed in this report. Other north-south arteries are either signalized (US-1, US-441) or further inland (SR-826, I-75, Florida Turnpike Homestead Extension).

Historical and Current Market Size

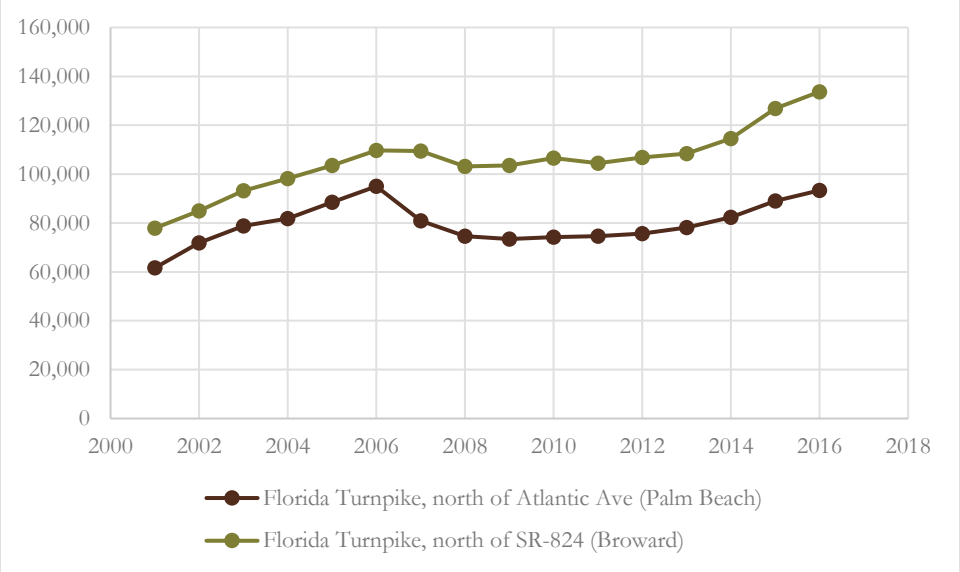
Accurately evaluating historical traffic growth within the three Southeast Florida cities is complex, since there are a significant amount of potential origins and destinations in between the three main cities and therefore an important number of local trips that cannot be accurately accounted for. In 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 3-4** and **Figure 3-5**. 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 3-4 SOUTHEAST FLORIDA HISTORICAL TRAFFIC COUNTS (DAILY)



Source: Louis Berger analysis of data from FDOT, 2017

FIGURE 3-5 SOUTHEAST FLORIDA HISTORICAL TRAFFIC COUNTS (DAILY)



Source: Louis Berger analysis of data from FDOT, 2017

In addition to data from traffic counters, Louis Berger also analyzed cell-phone data to establish the size of the current auto market for short- distance trips. Mobile phone data is becoming the best practice in establishing origin and destination patterns. Data providers obtain anonymous data from mobile phone providers, supplying a large sample, in this case the data is based on the Verizon mobile phone service. This provider is the largest in Southeast Florida and has strong coverage in that market. Datasets purchased from AirSage, a company specializing 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.

- 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 4.2.2). 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.

Table 3-5 shows the resulting average daily travel counts for the South Florida market.

TABLE 3-5 ESTIMATED DAILY 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 3-6 shows the share of trips allocated to each city pair for residents and visitors in the region. As shown, the Fort Lauderdale-Miami city pair dominates.

TABLE 3-6 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

Growth estimates for the South Florida 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.

3.5 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.

[4] http://seftc.org/system/uploads/documents/SEFL2040RTP_Final_Oct2015_small-2.pdf

Table 3-7 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.

TABLE 3-7 SOUTHEAST FLORIDA LONG-RANGE TRANSPORTATION PROJECTS

Facility	Location	Work Type	Length (miles)	Staging	Cost (m)	County
Metrorail / Tri-Rail	79th 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 2nd Av. / S Miami Av.	Ramp reconfiguration		2021-2025	$40.0	Miami-Dade

Facility	Location	Work Type	Length (miles)	Staging	Cost (m)	County
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 Penna Dr., PGA Blvd., and 45th St.	16.6	2015-2025	$125.6	Palm Beach
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., 10th Av. N, 6th 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

Facility	Location	Work Type	Length (miles)	Staging	Cost (m)	County
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

3.6 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 three 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 in the South Florida market can be summarized as follows.

- 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. A travel demand model was constructed for travels within the South Florida region. Service attributes of the various mode alternatives serving the market 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 Stated Preference Survey

The proposed Brightline service is uniquely distinguished from current Amtrak and local commuter rail (Tri-Rail) options that service the Southeast Florida region. 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.

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 Orlando 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 these 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, with most of these trips being carried out between Miami and Ft. Lauderdale (21.3 percent of total trips).

4.2.1.1 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 or 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. Travelers in the region are therefore less receptive towards non-auto modes.

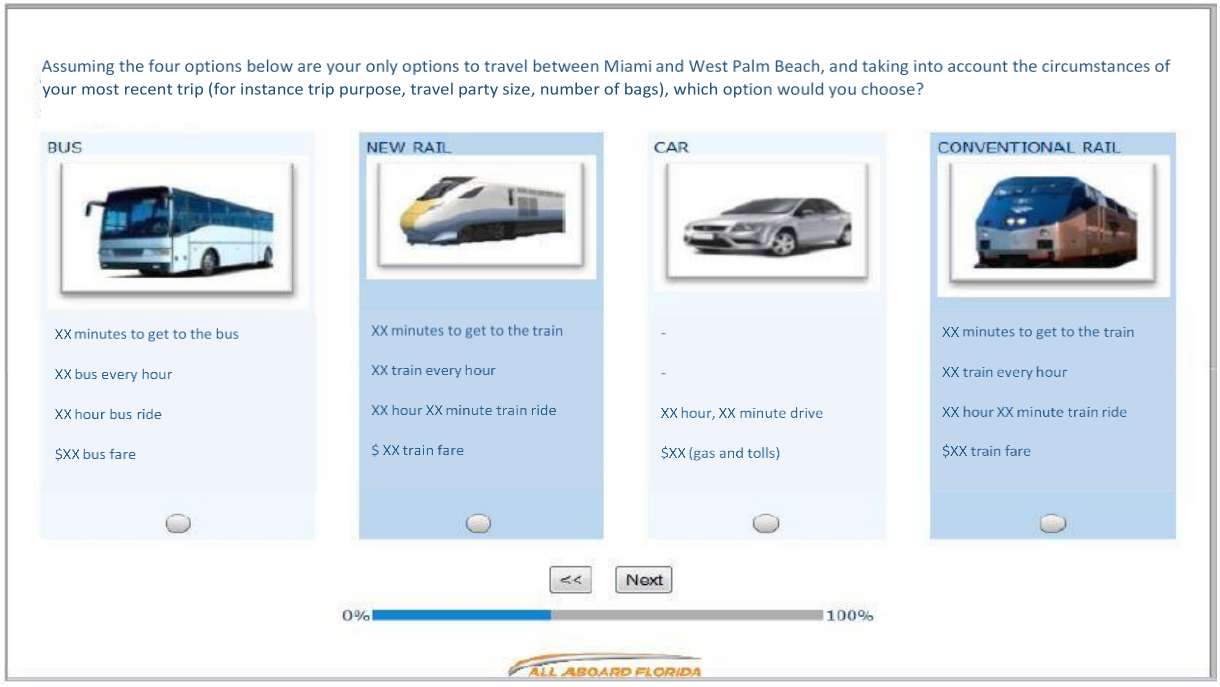
Party Size and Composition –For trips within the South Florida market, the average party size is 2.17 persons per party. More than one third (36.4 percent) of respondents travel alone. Among parties of two or more, 31.4 percent are couples traveling without children.

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 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.

TABLE 4-1 NUMBER OF TRIPS BY RESIDENCE AND OD PAIR

Place of Residence	OD Pair	Average Number of Trips
Miami	Miami - West Palm Beach	1.23
Miami	Miami - Fort Lauderdale	3.62
Fort Lauderdale	Fort Lauderdale - West Palm Beach	2.08
Fort Lauderdale	Fort Lauderdale - Miami	4.7
West Palm Beach	West Palm Beach - Fort Lauderdale	3.11
West Palm Beach	West Palm Beach - Miami	1.31

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 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).

$$U_{AAF} = ASC_{AAF} + (\beta_1 \times IVTT_{AAF}) + (\beta_2 \times OVTT_{AAF}) + (\beta_3 \times Cost_{AAF}) + \ldots \quad (1)$$

$$U_{AUTO} = ASC_{AUTO} + (\beta_1 \times IVTT_{AUTO}) + (\beta_2 \times OVTT_{AUTO}) + (\beta_3 \times Cost_{AUTO}) + \ldots \quad (2)$$

$$U_{AIR} = ASC_{AIR} + (\beta_1 \times IVTT_{AIR}) + (\beta_2 \times OVTT_{AIR}) + (\beta_3 \times Cost_{AIR}) + \ldots \quad (3)$$

$$U_{RAIL} = ASC_{RAIL} + (\beta_1 \times IVTT_{RAIL}) + (\beta_2 \times OVTT_{RAIL}) + (\beta_3 \times Cost_{RAIL}) + \ldots \quad (4)$$

$$U_{BUS} = ASC_{BUS} + (\beta_1 \times IVTT_{BUS}) + (\beta_2 \times OVTT_{BUS}) + (\beta_3 \times Cost_{BUS}) + \ldots \quad (5)$$

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:

$$\text{Prob (Auto)} = \frac{e^{U_{auto}}}{e^{U_{auto}} + e^{(\theta_P \Gamma_P)}} \quad (6)$$

$$\text{Prob (Public)} = \frac{e^{(\theta_P \Gamma_P)}}{e^{U_{auto}} + e^{(\theta_P \Gamma_P)}} \quad (7)$$

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

$$\Gamma_P = LN\left[e^{\left(\frac{U_{RAIL}}{\theta_P}\right)} + e^{\left(\frac{U_{BUS}}{\theta_P}\right)} + e^{\left(\frac{U_{AIR}}{\theta_P}\right)} + e^{\left(\frac{U_{AAF}}{\theta_P}\right)}\right] \quad (8)$$

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:

$$\text{Prob (AAF} \mid \text{Public)} = \frac{e^{\left(\frac{U_{AAF}}{\theta_P}\right)}}{e^{\left(\frac{U_{RAIL}}{\theta_P}\right)} + e^{\left(\frac{U_{BUS}}{\theta_P}\right)} + e^{\left(\frac{U_{AIR}}{\theta_P}\right)} + e^{\left(\frac{U_{AAF}}{\theta_P}\right)}} \quad (9)$$

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.

$$VoT = \frac{\beta_{traveltime(utils/min)} \times 60_{(min/hour)}}{\beta_{cost(utils/\$)}} \quad (10)$$

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

4.3.2 Summary of Model Estimation Process

The Louis Berger Team elected to estimate separate nested logit models for the business and non-business markets. **Figure 4-2** shows the nesting structure used to estimate the models while **Table 4-3** presents the corresponding model specifications.

FIGURE 4-2 MODE CHOICE MODEL NESTED LOGIT STRUCTURE

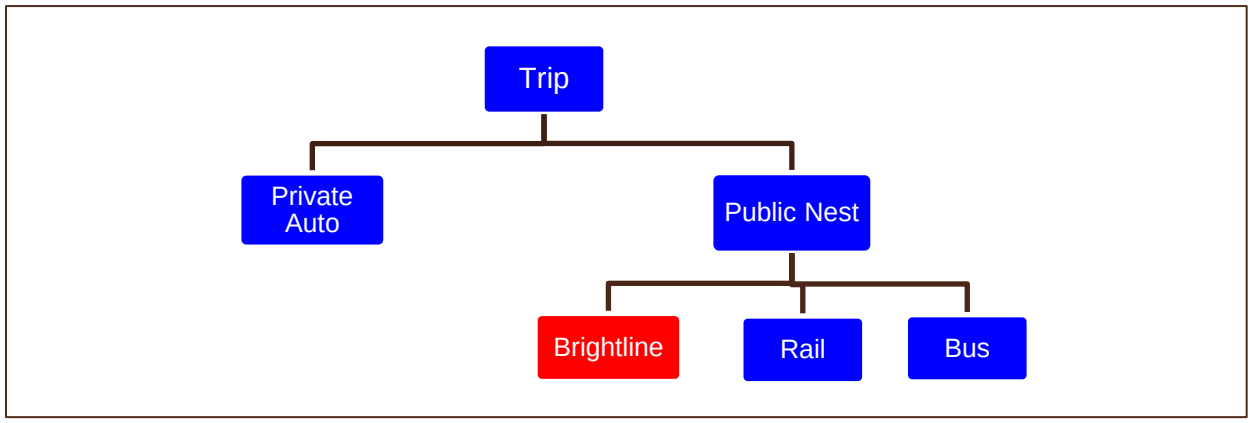


TABLE 4-3 MODE CHOICE MODELS

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	-0.04022	-0.04184
Nesting Coefficient θ	0.33191	0.51709
Implied IVTT VOT ($/Hr)	$11.54	$15.99
Implied Access/Egress VOT ($/Hr)	$13.90	$19.39

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 Southeast Florida region 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 the market segmentwas applied to the corresponding trip table to derive travel utilities and implied mode shares for all O-D pairs in the South Florida 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 distance 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 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 4-4 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 4-4 HIGHWAY TRAVEL TIMES

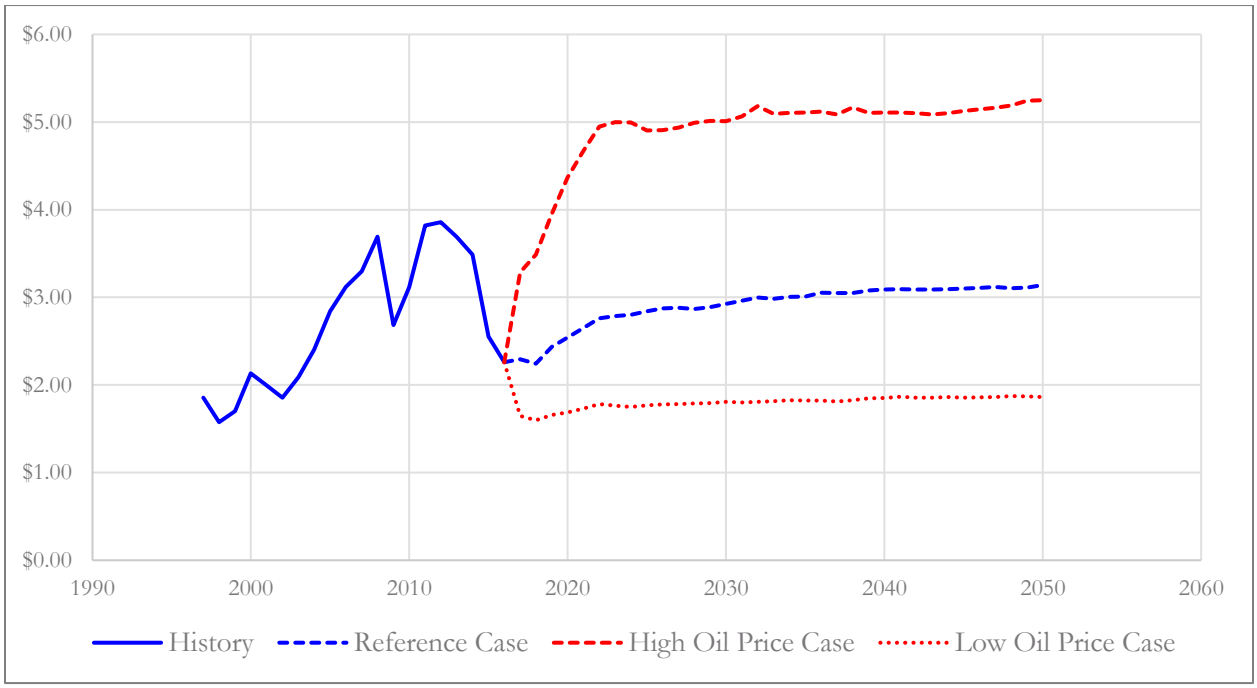
City Pair	Distance	Off-Peak (Uncongested) Travel Time	AM Travel Time	PM Travel Time
West Palm Beach - Miami	73 mi	91	93	99
West Palm Beach - Fort Lauderdale	46 mi	60	61	65
Fort Lauderdale - Miami	32 mi	44	45	48

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 4-3** 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 4-3 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 4-5** 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 4-5 PER MILE TOLL COSTS, BRIGHTLINE STUDY AREA (2016 $)

	Distance (miles)	Avg Cost $/Mile
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).

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 4-6**.

TABLE 4-6 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 Tri Rail schedules to obtain assumptions regarding the rail travel and these are presented in **Table 4-7**

TABLE 4-7 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 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.

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.

Based on this proposed running schedule, the Louis Berger Team developed the following assumptions for Brightline service characteristics.

TABLE 4-8 BRIGHTLINE SERVICE ASSUMPTIONS –TRIPS

Level of Service Parameter	WPB – Miami	WPB – Ft Lauderdale	Ft Lauderdale – Miami
In Vehicle Travel Time (minutes)	65	34	24
Fare Cost – Business (2016$)	$57.34	$36.73	$36.73
Fare Cost – Non-Business (2016$)	$40.78	$26.25	$26.25
Headway (minutes)	60	60	60

4.4.1.5 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, 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) , 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 was used for Brightline and other modes.
- 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 4-9** 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 4-9 ACCESS/EGRESS COST ASSUMPTIONS

Station Access Mode	% Utilization	Cost (per travel party)	Weighted Cost
Private Auto (Operating Cost)	35%	$1.89	$0.66
Private Auto (Parking Cost)	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, and Bus) 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.

The calibration of ASCs for the South Florida 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 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 South Floridamarket 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: Bus and existing Rail.

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.

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 West Palm Beach. 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:

$$T = SED * Ucomp \qquad (11)$$

Where:

SED = the socioeconomic/demographic factors characterizing both the origin and destination
Ucomp = generalized utility of travel between the origin and destination

And:

$$Ucomp = LN(expUauto + expUair + expUrail + expUbus + \ldots) \qquad (12)$$

$$\text{Induced Trips} = \text{Total Trips with Brightline } (T_A) - \text{Total Trips before Brightline } (T_B) \qquad (13)$$

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 expresses entirely in terms of changes in the generalized cost as shown in equation 14.

$$\text{Induced Demand \%} = (U_{compA} - U_{compB})/U_{compB} \qquad (14)$$

5.0 Brightline Ridership and Revenue Forecast

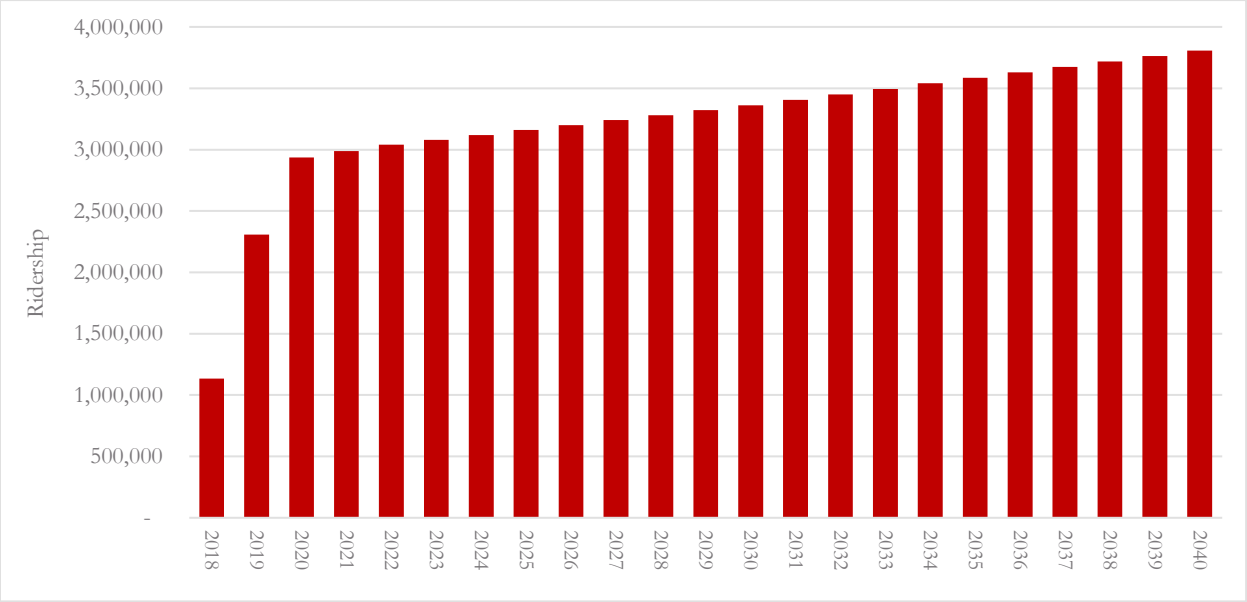
The significant time savings, frequent service, and reliability that Brightline provides has substantial potential to generate ridership and fare revenue. To determine the overall level of this potential, Louis Berger prepared annual forecasts for future operations with a focus on three time periods: 2017, the first year of revenue service; 2020, 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 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 2020, the number of riders on Brightline is expected to total approximately 2.94 million. This volume of riders, about 8,040 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 3.81 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 1.3 percent per year once demand reaches stabilized state, broadly in line with projected growth in population and employment within Southeast Florida.

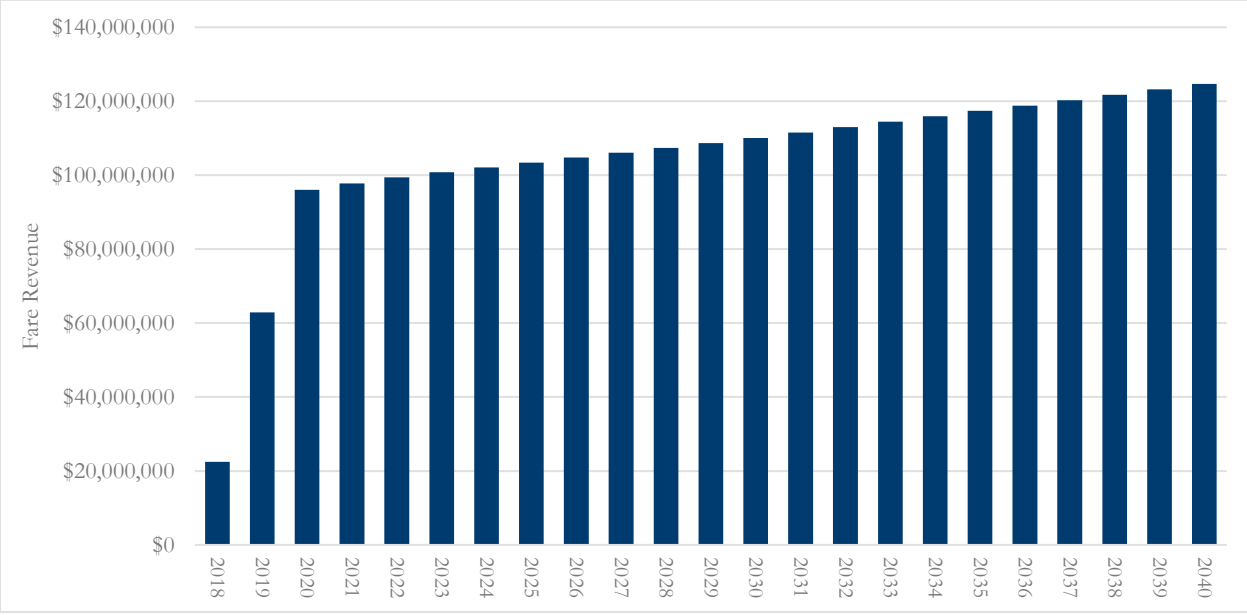
FIGURE 5-1 BRIGHTLINE ANNUAL RIDERSHIP FORECAST



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 South Florida market range from $17 to $45 (2016 dollars). Brightline operations can be expected to generate total farebox revenues just over $96 million (2016 dollars) in 2020, the first stabilized year after ramp-up as indicated in **Figure 5-2**.

FIGURE 5-2 BRIGHTLINE ANNUAL REVENUE FORECAST



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 within three years. This reflects a "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 fourth quarter. Louis Berger assumed, therefore, ridership volumes for 2017 are 5 percent of forecasted volumes (reflecting a 30% discount prorated to partial year of operation), 40 percent of forecasted volumes in 2018, and 80 percent forecasted volumes in 2019. The Company expects to commence full scale revenue service in the first quarter of 2018.

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 increasing adoption levels within the first three calendar years of operation comparable to those assumed for Brightline, 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

Comparables			Brightline	
Revenue Service	Eurostar	Amtrak Acela	Revenue Service	Ramp-up Adjustment
Year 1	32%	52%	2017 (partial)	5%
Year 2	53%	72%	2018	40%
Year 3	88%	92%	2019	80%

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 travel demand market 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 for the South Florida market.

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 trips within the South Florida region, fares are kept flat in real terms after 2019.

TABLE 5-2 AVERAGE FARES (SMART CLASS), 2016$

City Pair	2016	2017	2018	2019	2020	2021	2022
WPB-FTL	$14.05	$14.44	$21.34	$26.25	$26.25	$26.25	$26.25
WPB-MIA	$24.02	$24.69	$33.94	$40.78	$40.78	$40.78	$40.79
FTL-MIA	$15.13	$15.55	$21.34	$26.25	$26.25	$26.25	$26.25

Source: All Aboard Florida - Operations, LLC, 2017

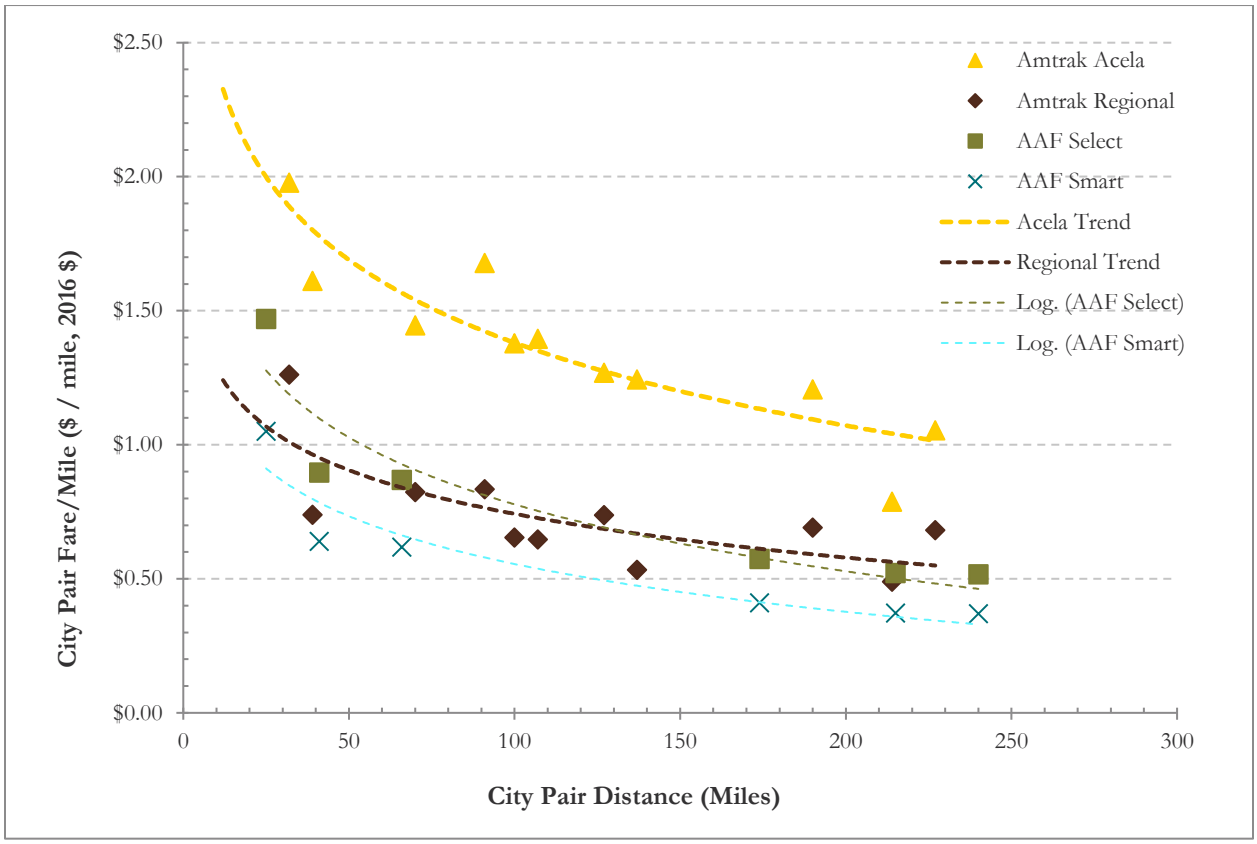
TABLE 5-3 AVERAGE FARES (SELECT CLASS), 2016$

City Pair	2016	2017	2018	2019	2020	2021	2022
WPB-FTL	$21.63	$22.24	$31.32	$36.73	$36.73	$36.73	$36.73
WPB-MIA	$37.53	$38.58	$49.90	$57.34	$57.34	$57.34	$57.34
FTL-MIA	$23.39	$24.04	$31.32	$36.73	$36.73	$36.73	$36.73

Source: All Aboard Florida - Operations, LLC, 2017

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. The network model forecast shows that the addition of the Brightline service will complement the existing modes of travel between these core locations.

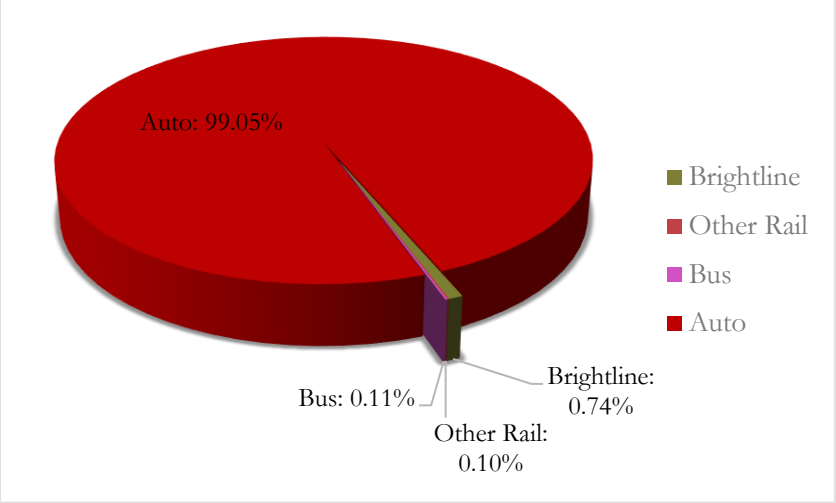
Using the fares discussed in Section 5.2, the network model generated ridership forecasts that totaled approximately 2,936,802 in 2020, growing to 3,808,200 in 2040. The estimated Brightline mode shares and market capture rates in 2020 following the introduction and ramp-up of the Brightline service are presented the figures below.

Figure 5-4 indicates that 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 5-4** shows that the 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 is in line with expectations of public transit market share over short distances.

Figures 5-5 and **Figures 5-6** show that the largest proportion of Brightline riders in the Southeast Florida travel market will be drawn from auto travelers. Louis Berger anticipates that in 2020, 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 5-4 SHARE OF BRIGHTLINE RIDERSHIP BY SOURCE, 2020



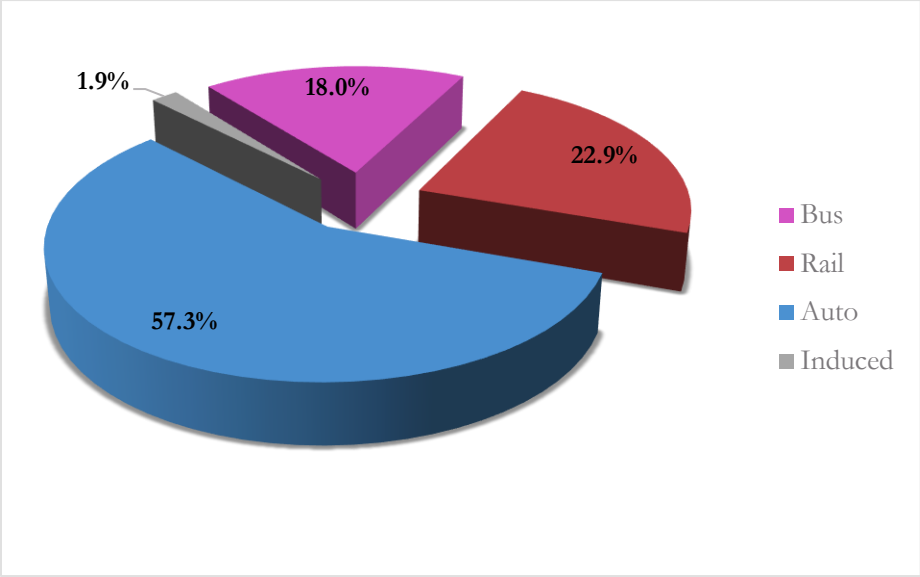
Source: LB, 2017.

TABLE 5-4 TRAVEL NETWORK MODEL MARKET SHARES BY CITY PAIR, 2020

	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%

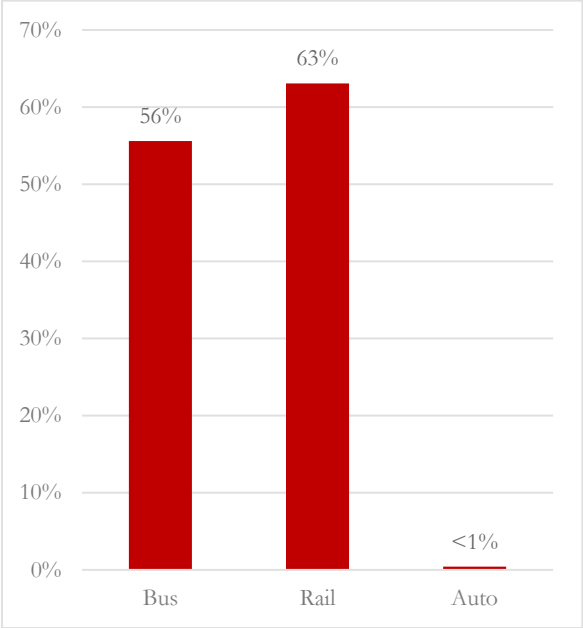
Source: Louis Berger, 2017

FIGURE 5-5 SHARE OF BRIGHTLINE RIDERSHIP BY SOURCE



Source: LB, 2017.

FIGURE 5-6 BRIGHTLINE RIDERSHIP MARKET DRAW BY SOURCE

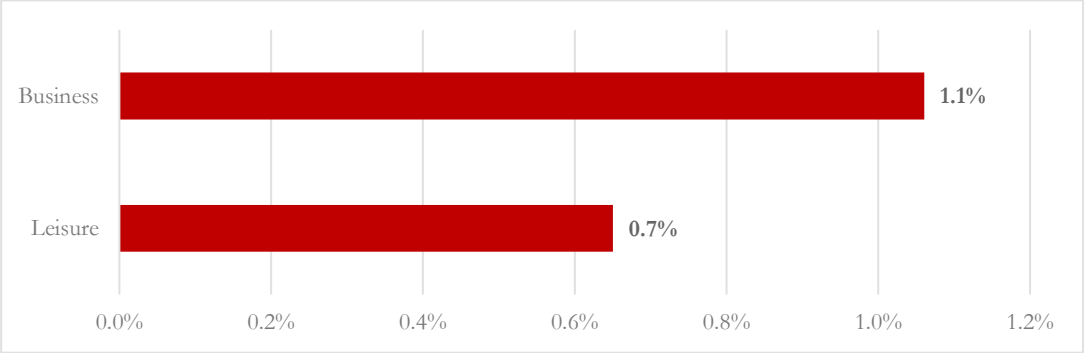


Source: Louis Berger, 2017.

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.

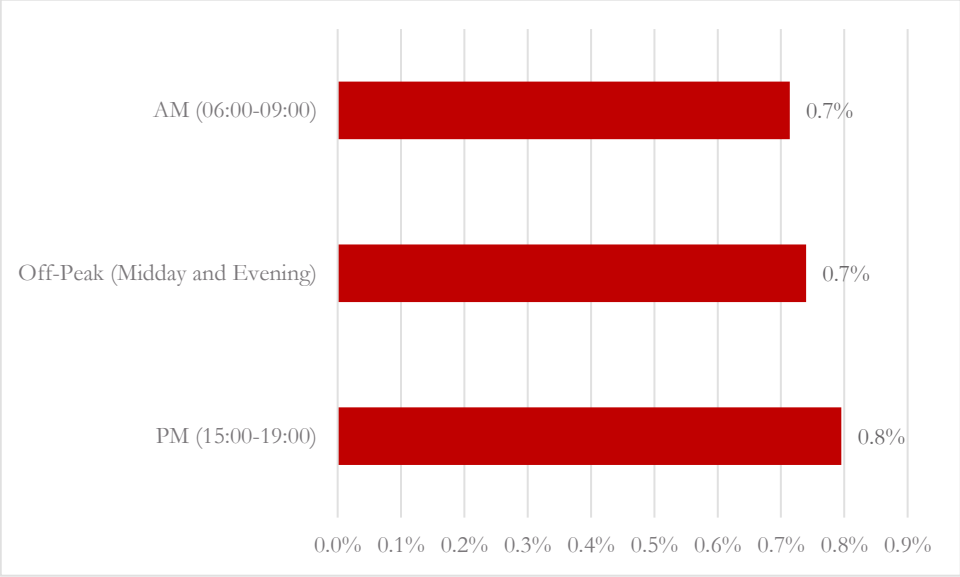
Figure 5-7 and **Figure 5-8** show the percentage of person trips that switched to Brightline from existing modes by trip purpose and by time of day. The data indicates a slightly greater percentage of business travelers switched to Brightline and that, overall, passengers traveling at all times of day switched to Brightline by roughly the same percentage.

FIGURE 5-7 PERCENTAGE SWITCH TO BRIGHTLINE FROM EXISTING MODES BY TRIP PURPOSE, 2020



Source: Louis Berger, 2017.

FIGURE 5-8 PERCENTAGE SWITCH TO BRIGHTLINE FROM EXISTING MODES BY TIME OF DAY, 2020



Source: Louis Berger, 2017.

5.4 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 in Southeast Florida. **Table 5-5** and **Table 5-6** summarize the annual segment volumes and revenues for 2020 and 2030.

TABLE 5-5 FORECAST BRIGHTLINE – ANNUAL SEGMENT VOLUMES AND REVENUES, 2020 (2016 $)

Station Pairs	Northbound Volume	Southbound Volume	Total Volume	Segment Fare	Estimated Revenue
Miami / West Palm Beach	288,901	274,244	563,145	$45.36	$25,541,656
Fort Lauderdale / West Palm Beach	520,358	528,179	1,048,538	$29.90	$31,347,885
Fort Lauderdale / Miami	660,793	664,327	1,325,120	$29.55	$39,156,773
Subtotal	**1,470,052**	**1,466,750**	**2,936,802**	**$32.70**	**$96,046,313**

Source: Louis Berger, 2017

TABLE 5-6 FORECAST BRIGHTLINE – ANNUAL SEGMENT VOLUMES AND REVENUES, 2030 (2016 $)

Station Pairs	Northbound Volume	Southbound Volume	Total Volume	Segment Fare	Estimated Revenue
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**

Source: Louis Berger, 2017

The annual city pair segment volumes presented above allow for estimation of daily boardings and alightings at the three station locations. These estimates are presented in **Table 5-7** and **Table 5-8**. Fort Lauderdale generates the highest count of forecasted boardings and alightings among the Southeast Florida stations, followed by Miami and West Palm Beach.

TABLE 5-7 BRIGHTLINE DAILY BOARDINGS AND ALIGHTINGS, 2020

Station	Boardings	Alightings
West Palm Beach	2,202	2,221
Fort Lauderdale	3,243	3,255
Miami	2,601	2,570
TOTAL	8,046	8,046

Source: Louis Berger, 2017

TABLE 5-8 BRIGHTLINE DAILY BOARDINGS AND ALIGHTINGS, 2030

Station	Boardings	Alightings
West Palm Beach	2,523	2,545
Fort Lauderdale	3,709	3,722
Miami	2,977	2,941
TOTAL	9,209	9,209

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, 2020

Sensitivity Test (Assumptions modified)	Test (% decrease / increase)	Ridership Effect	Revenue Effect
Brightline Travel Time	10% decrease	3.6%	4.0%
	10% increase	-3.5%	-3.8%
Brightline Frequency	20% decrease	-3.7%	-3.9%
	20% increase	3.8%	4.0%
Station Access Costs (e.g. taxi fare, parking fees)	20% decrease	5.2%	5.3%
	20% increase	-4.9%	-5.0%
Intercity Travel Time by Auto	20% decrease	-10.4%	-10.9%
	20% increase	11.9%	12.6%
Intercity Travel time by Auto and Station Access Time	20% decrease	-1.3%	-1.5%
	20% increase	1.7%	2.0%
Auto Fuel Prices	Low: $1.78 (-35%)	-3.3%	-3.5%
	High: $4.95 (+79%)	7.9%	8.4%

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 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 market. 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 for the South Florida market increases by 5.2 percent. When these costs increase by the same amount, the ridership decreases by 4.9 percent.

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 ridership by 11.9 percent. A decrease in travel time by auto will result in a ridership reduction of similar magnitude.

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.

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 of $2.61. The first price is from the Energy Information Agency (EIA) low price forecast for 2022 - $1.78. This represents a 35 percent decrease in the auto fuel price, which results in a 3.3 percent reduction in ridership. The second price tested was the EIA high price forecast for 2022 - $4.95. This represents a 79 percent increase in the auto fuel price, which results in a 7.9 percent increase in ridership. 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.

7.0 Conclusion

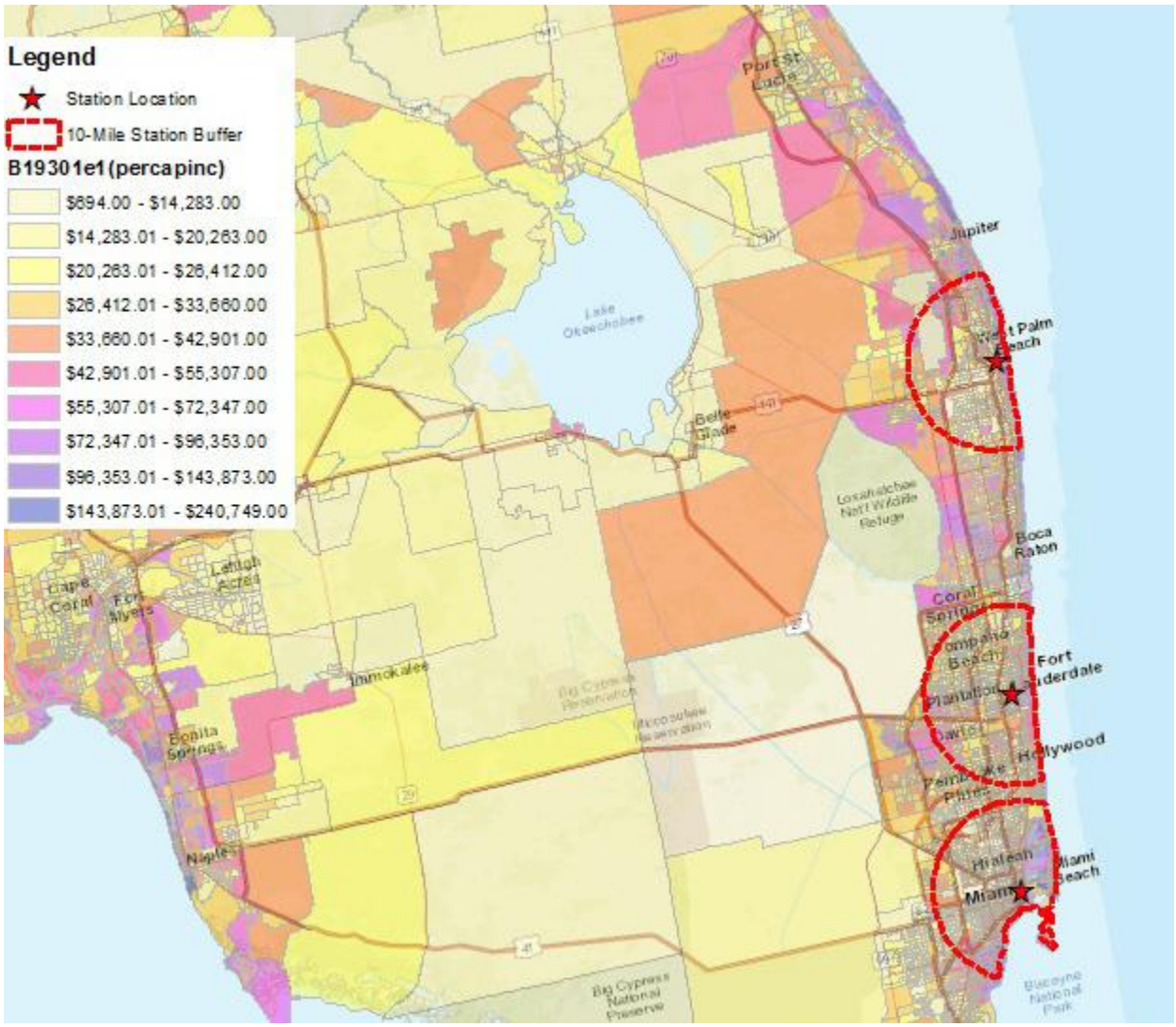
With frequent service between city centers in the corridor, Brightline offers the prospect of substantial time savings to current users of auto, bus, and traditional rail. To determine how these time savings would alter travel behavior and generate ridership and revenue for Brightline, Louis Berger undertook 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

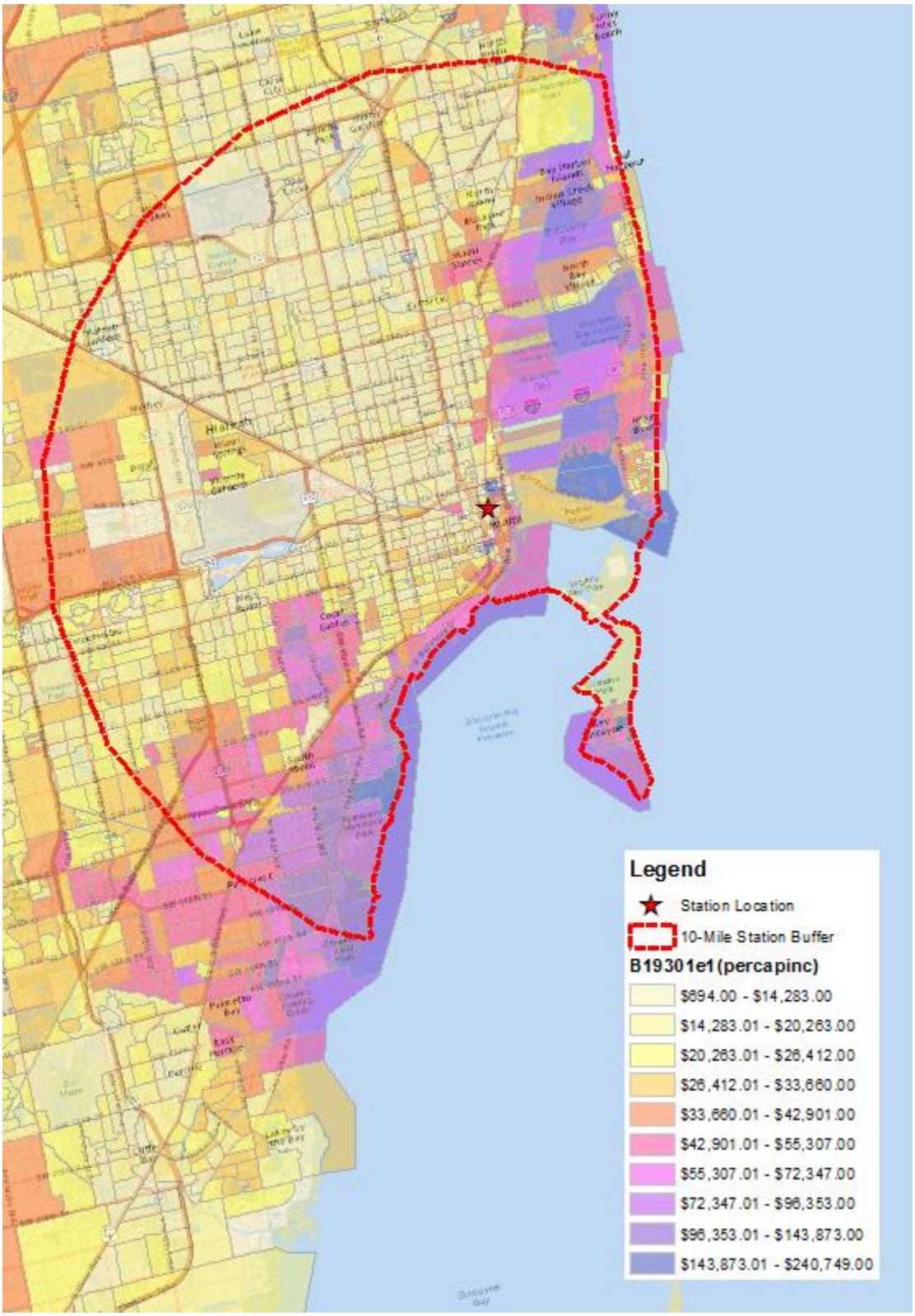
The following maps provide a geographical representation of the per capita income distribution around the Brightline Stations.

FIGURE 0-1 OVERVIEW - STATION AREA PER CAPITA INCOME, 2015



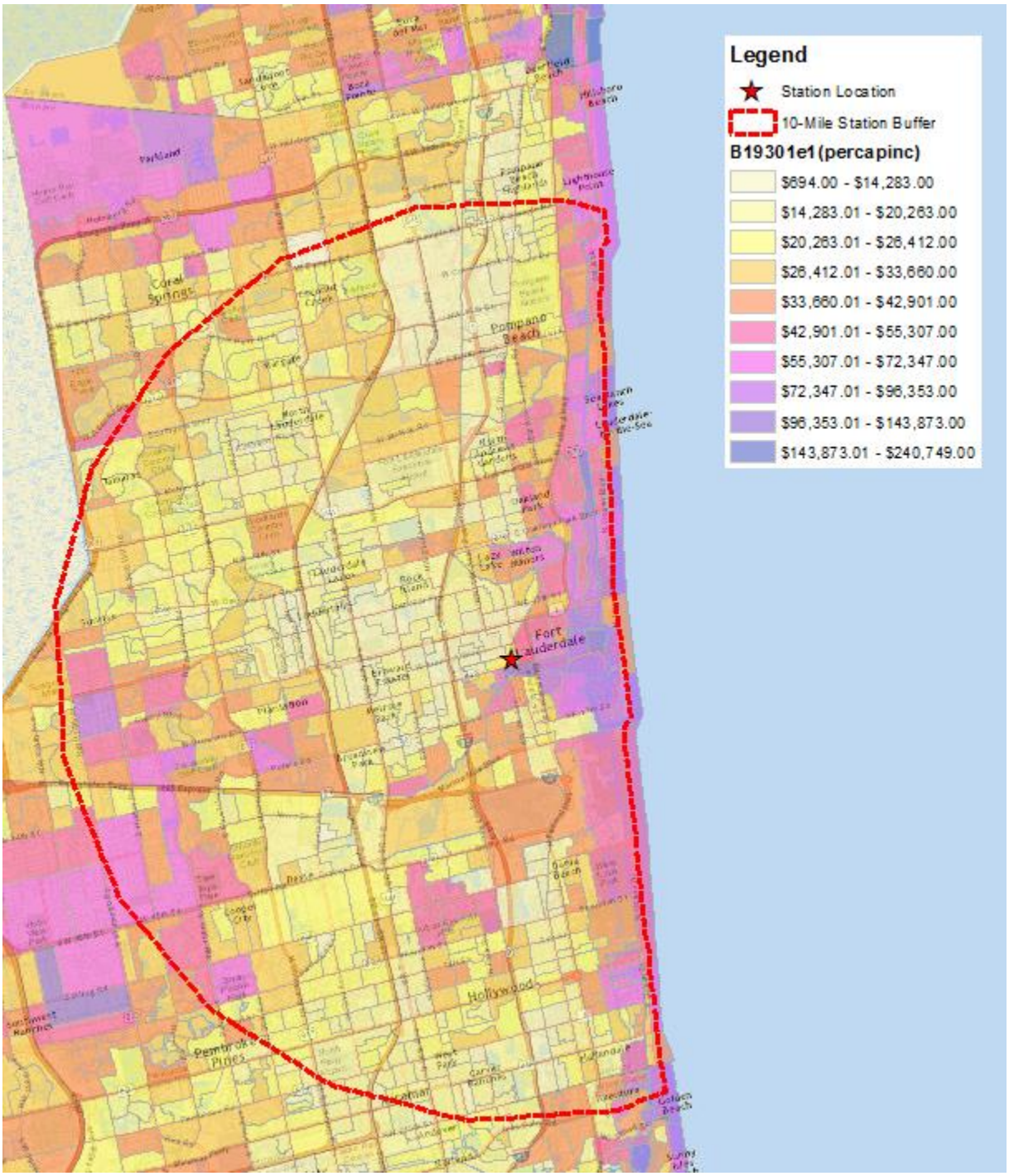
Source: Louis Berger, 2017 from data provided by U.S. Census, 2015

FIGURE 0-2 MIAMI STATION AREA PER CAPITA INCOME, 2015



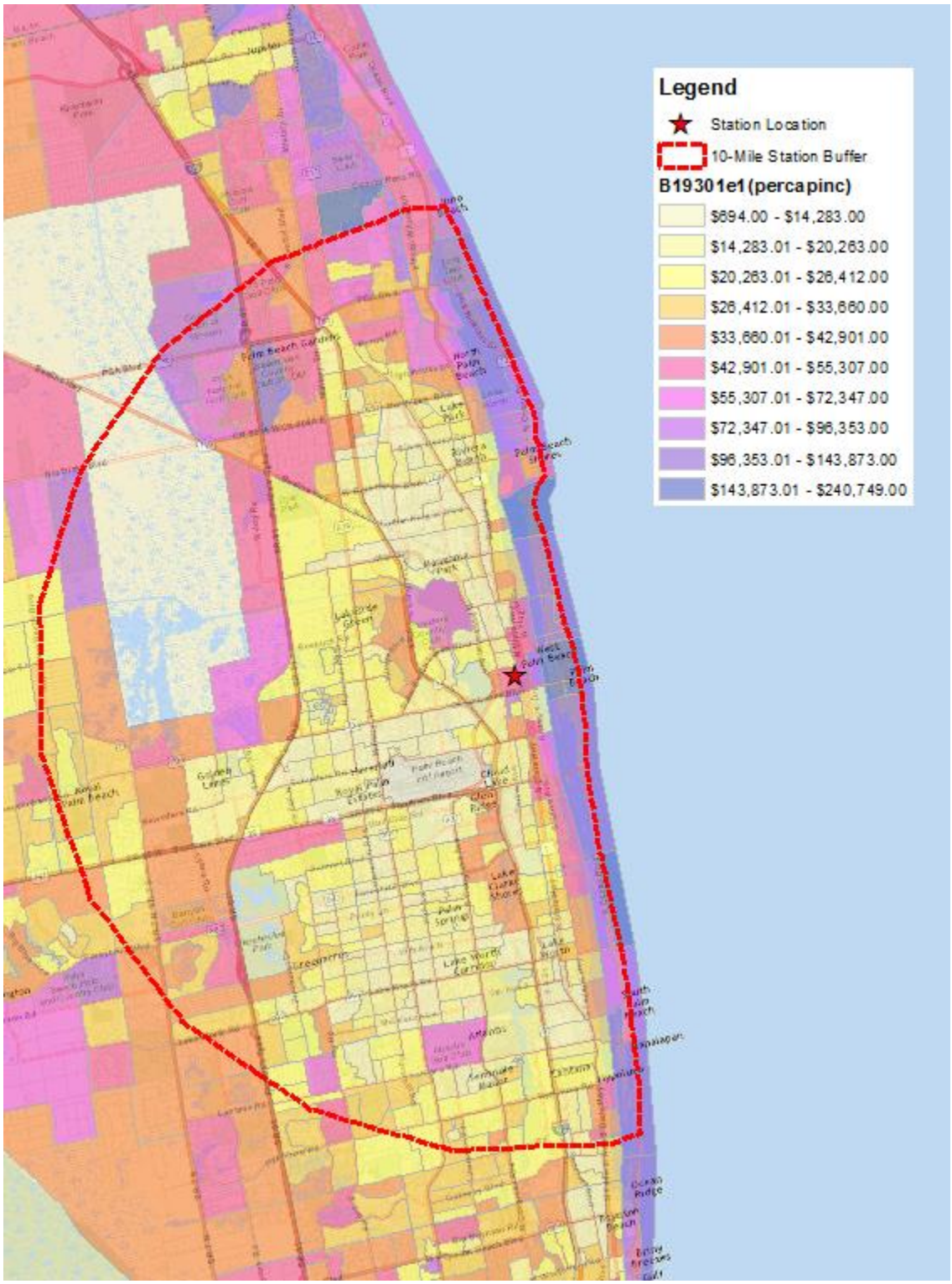
Source: Louis Berger, 2017 from data provided by U.S. Census, 2015

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

Employment Maps

The following maps provide a geographical representation of the employment density around the Brightline Stations.

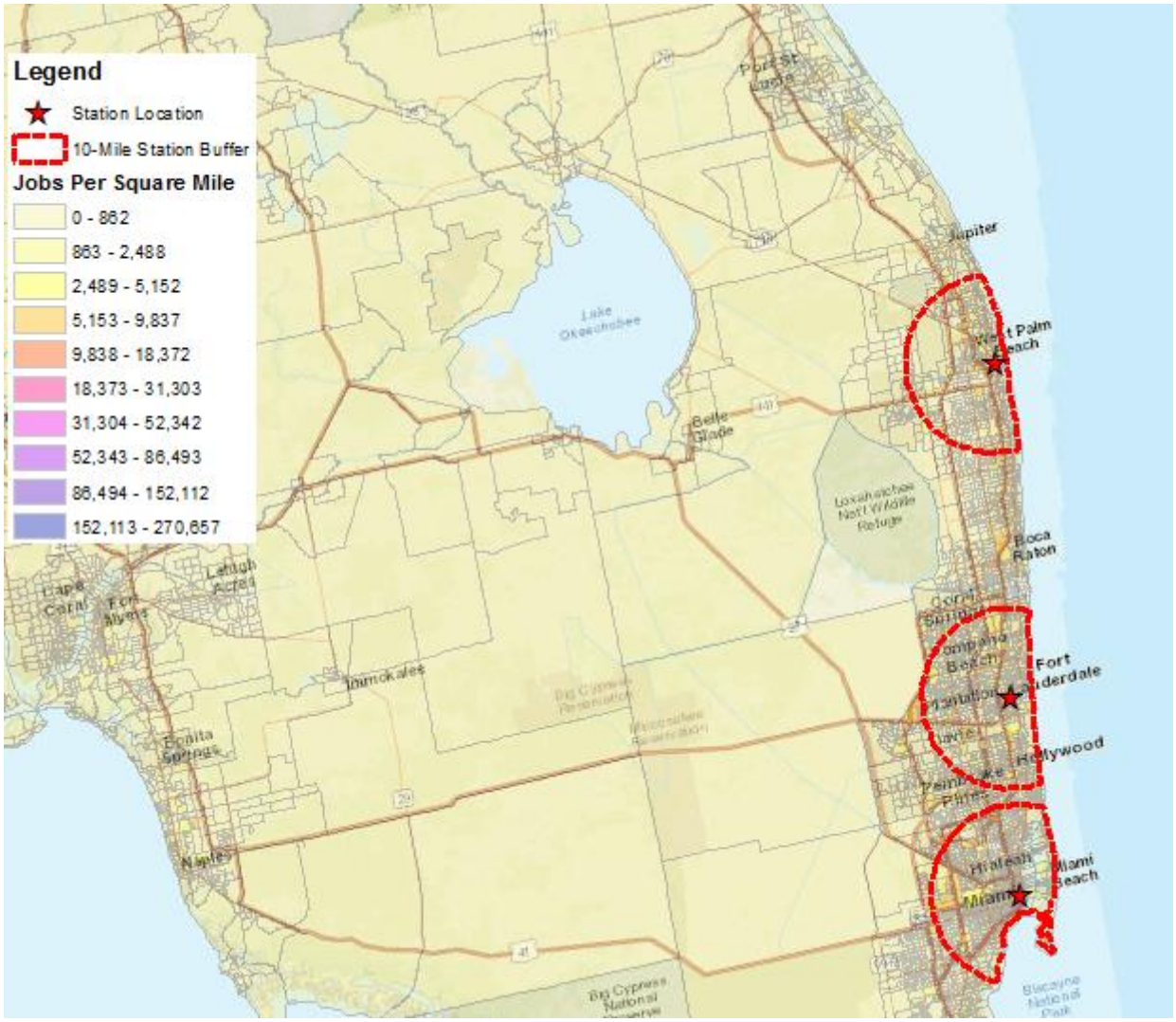
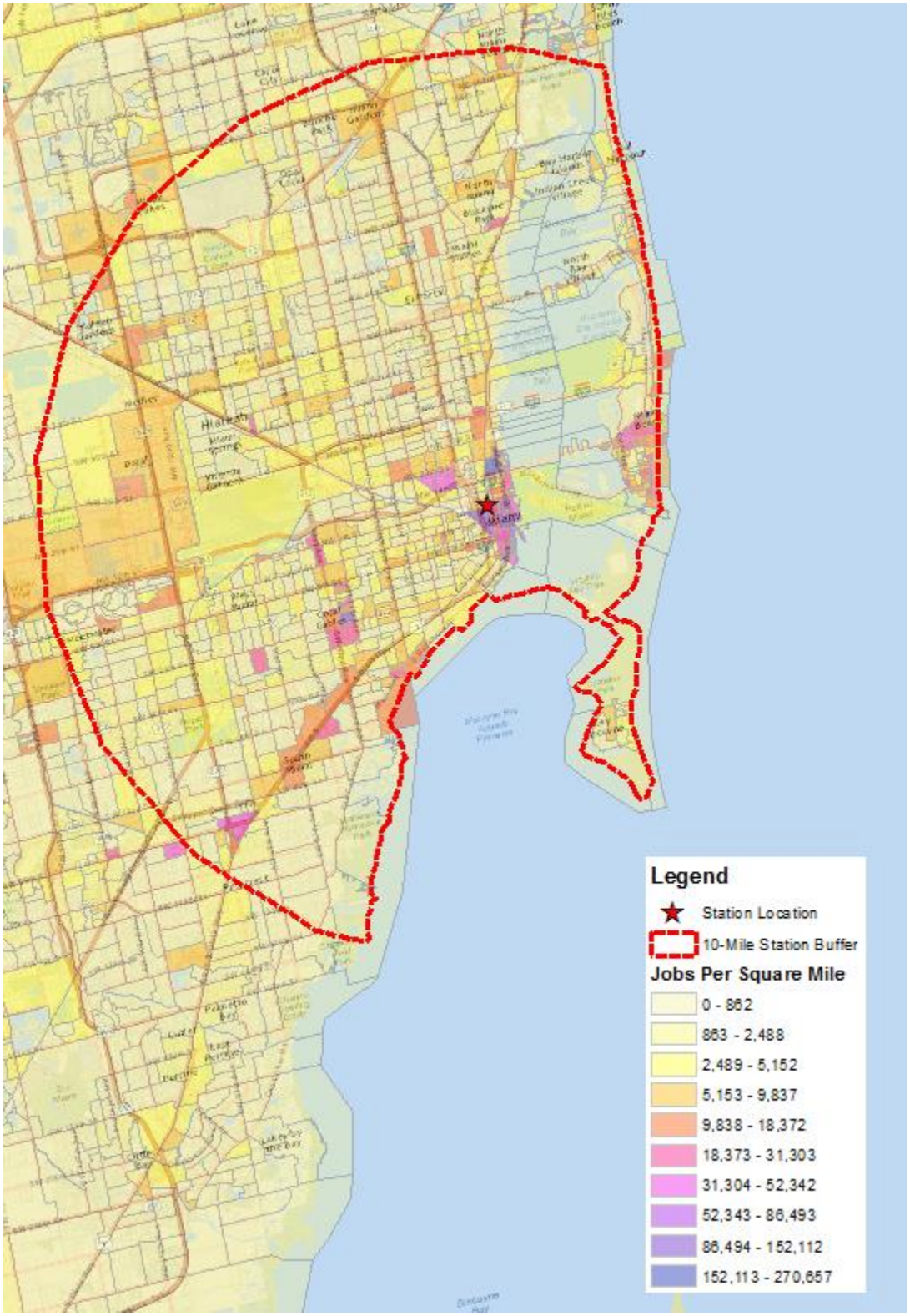


FIGURE 0-5 OVERVIEW - STATION AREA EMPLOYMENT DENSITY, 2014

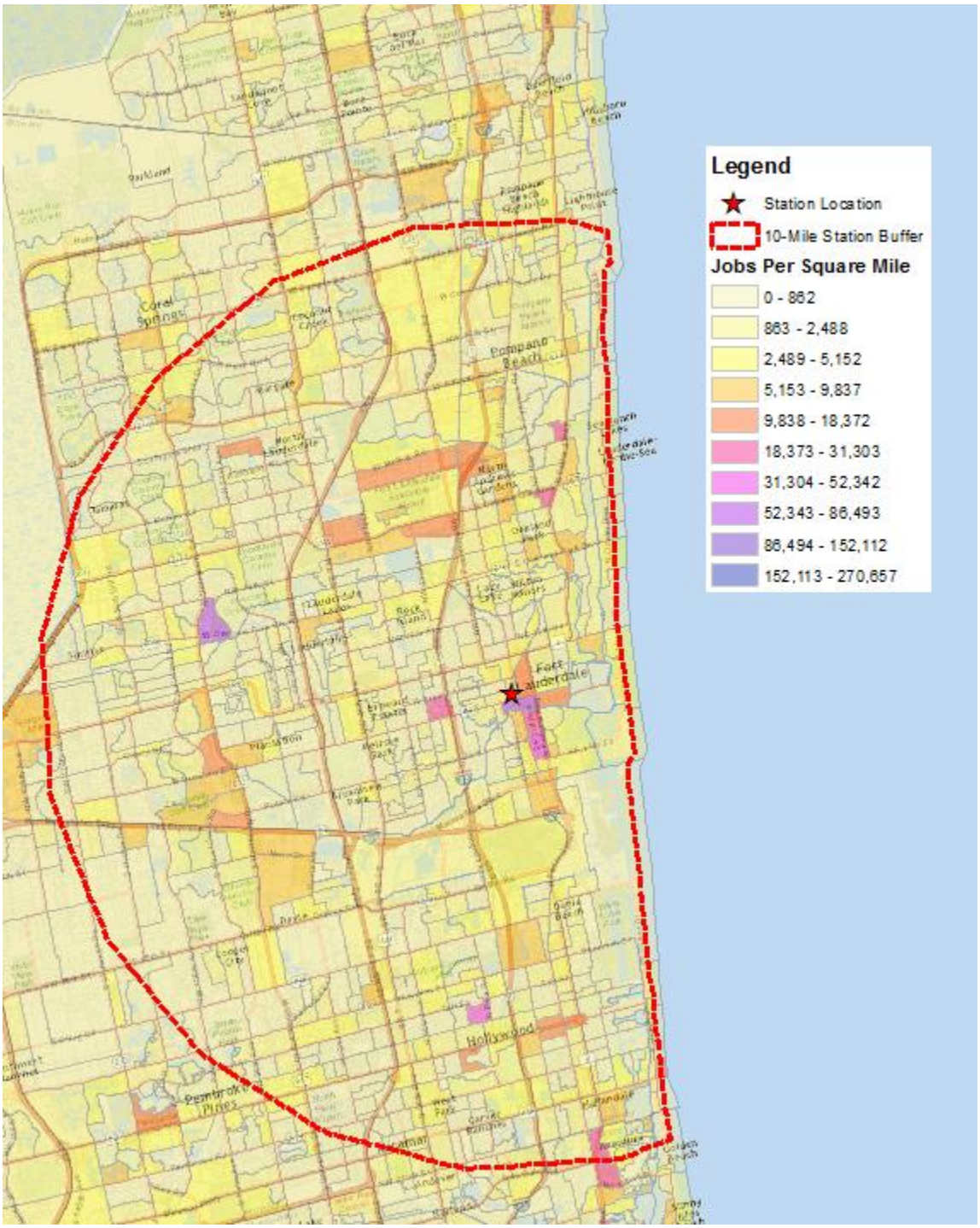
Source: Louis Berger, 2017 from data provided by LEHD, LODES Dataset, 2014

FIGURE 0-6 MIAMI STATION AREA EMPLOYMENT DENSITY, 2014



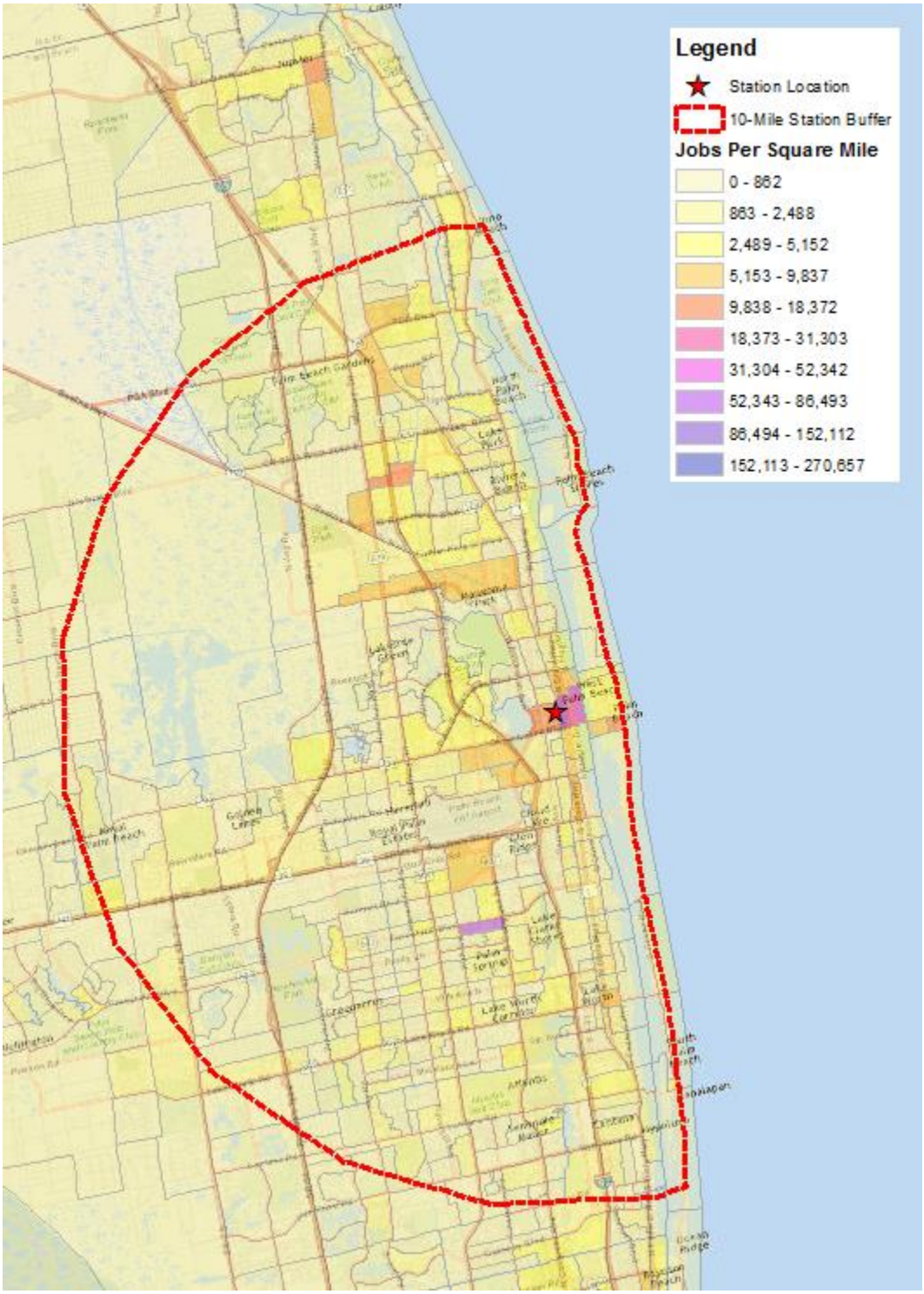
Source: Louis Berger, 2017 from data provided by LEHD, LODES Dataset, 2014

FIGURE 0-7 FORT LAUDERDALE STATION AREA EMPLOYMENT DENSITY, 2014



Source: Louis Berger, 2017 from data provided by LEHD, LODES Dataset, 2014

FIGURE 0-8 WEST PALM BEACH STATION AREA EMPLOYMENT DENSITY, 2014



Source: Louis Berger, 2017 from data provided by LEHD, LODES Dataset, 2014

APPENDIX F

SOUTH SEGMENT PROJECT
OPERATIONS AND MAINTENANCE AND ANCILLARY REVENUE REPORT

Louis Berger U.S. Inc.'s delivery to the Company of its Operations and Maintenance and Ancillary Revenue Report for inclusion in this Limited Offering 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]

Louis Berger

Brightline Operations and Maintenance Cost and Ancillary Revenue Independent Review

Miami to West Palm Beach

November 10, 2017

Table of Contents

Executive Summary

Louis Berger has been retained to conduct an Independent Review of two components of the All Aboard Florida intercity passenger rail project between Miami and West Palm Beach, Florida (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.

All Aboard Florida - Operations LLC (AAF) 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 "Brightline," between downtown Miami and Orlando International Airport with additional stops in the West Palm Beach and Fort Lauderdale central business districts. Construction has been completed for the Project (Miami to West Palm Beach) within the right-of-way of the Florida East Coast Railway, LLC (FEC).

The AAF team has undertaken an extensive effort to coordinate the planning and development of the Project with FEC, 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 and has prepared the Independent Review of estimated operations and maintenance costs and ancillary revenue for the Project using the following approach and data sources: (1) review by subject matter experts of studies, plans, budgets, contracts, and other analyses provided by AAF; and (2) interviews with key AAF management and staff.

Project Goals and Description

AAF's primary goals for the Project are to:

- Provide reliable and convenient intercity passenger rail service between West Palm Beach and Miami in approximately 1 hour;
- 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.

AAF will own the passenger rail service and be responsible for the Project financing, development, construction, operation, and maintenance.

The rolling stock was manufactured by the global manufacturing leader, Siemens Industries, at its Sacramento, California facility. The purchase has been funded with a combination of AAF equity contributions and vendor financing.

AAF and FEC have executed a Joint Use Agreement (JUA) that enables the two services to operate concurrently on the FEC property. Under the terms of this agreement, AAF has the sole right to operate passenger service between Miami and West Palm Beach, and eventually to Orlando, and FEC has the sole right to operate freight rail service in the corridor from Jacksonville to Miami.

At full-stabilized operation, AAF service between Miami and West Palm Beach will operate on generally hourly intervals and include up to 16 one-way trips from Miami to West Palm Beach daily and 16 one-way trips from West Palm Beach to Miami daily, with an intermediate station stop at Fort Lauderdale.

The rolling stock supplier, Siemens Industries, is under contract to perform required servicing, running repair, and scheduled maintenance of AAF train sets at the West Palm Beach Running Repair Facility (RRF) as part of a long-term (30-year) maintenance contract.

FEC will maintain the rail infrastructure as well as the communication and signals infrastructure under the terms of the JUA with AAF.

Management and Organization

AAF has developed a management and staffing plan that will include 221 positions (203 full-time equivalents [FTE]) identified by AAF as required to manage and operate the Project. Management and staffing services will be made available to AAF by an affiliate, All Aboard Florida – Operations Management LLC. AAF's staffing plan includes appropriate positions, responsibilities and accountabilities necessary to operate a passenger rail service, either through the 221 AAF headcount, or through the additional contractors employed by means of subcontractor agreements.

The organization is under the leadership of senior management of AAF, which is comprised of experienced industry professionals.

AAF is integrating infrastructure improvements, stations, and rolling stock delivery to commence operations between Miami and West Palm Beach within the next few months.

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 AAF 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 AAF-provided materials. For the two Project components, Louis Berger has evaluated AAF's program and approach to identify, address, mitigate, and overcome any identified 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, All Aboard Florida – Operations Management 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 AAF has created to operate and maintain Brightline service has little 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 under the management of AAF's experienced railroad personnel, with FEC under the Joint Use Agreement, and by Florida Dispatch Company (DispatchCo), a wholly owned subsidiary of AAF and FEC. 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, given their in-depth understanding of the railroad infrastructure between Miami and West Palm Beach (FEC, by virtue of its decades of experience operating the FEC and maintaining and periodically upgrading its assets) and the Brightline fleet (Siemens, by virtue of its having built the fleet). The costs of those aspects of the Brightline operations and maintenance over which AAF will have direct control (e.g., those costs related to station operations and train operations), are relatively certain at this point given that AAF has undergone a rigorous exercise to estimate labor costs of the various AAF positions. Brightline will be employing relative cutting-edge customer interfaces that will employ less face-to-face interaction with personnel than on similar passenger rail operations in the U.S. while at the same time focusing more on the delivery of hospitality services (food and beverage) than on similar passenger rail operations. AAF will need to monitor the customer experience for customer satisfaction and comfort relative to the number of personnel employed for customer interfaces. *Louis Berger concludes that AAF 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 AAF's*

financial model are sufficient to provide the Brightline service, with the understanding that a large portion of the operations and maintenance of Brightline is going to be fixed price contracted to third party providers. AAF 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.

- **Procurement**. For purposes of this Independent Review, procurement includes rolling stock maintenance. AAF entered into a Vehicle Manufacturing Agreement ("VMA") with Siemens. Siemens has manufactured the first five trainsets for Project operations. The VMA also includes future coach and locomotive options, which are included to accommodate growth. FRA-required simulation of operations as part of fleet commissioning and testing is anticipated to commence by the end of 2017. Key to this review, AAF has also executed a long-term (30-year) maintenance agreement with Siemens to conduct the rolling stock maintenance for the five trainsets and any other trainsets brought on the property subsequently. *Based on its review of the 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 its equipment, Louis Berger concludes that AAF's plan to engage Siemens for Rolling Stock maintenance is appropriate and reasonable.*
- **Personnel**. AAF has adequately planned for and accomplished procurement to enable start of revenue service in the next few months. *Louis Berger concludes that AAF has the appropriate AAF staff and process in place to deliver the Project on or about the stated start dates for the service from Miami to West Palm Beach.*
- **Operations and Maintenance**. Based on AAF operations and maintenance costs as laid out below, *Louis Berger concludes that the combination of reliance of AAF 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 well-developed and substantially in place. Based on AAF's detailing of ancillary revenues, and Louis Berger's assessment that the estimated ancillary revenues are within the range represented by available information developed for other passenger rail systems, *Louis Berger concludes that AAF's ancillary revenue estimates are appropriate and achievable.*

Overall Finding

Louis Berger has interacted with AAF managers and personnel and evaluated various documents supporting AAF's estimates of the Project's operation and maintenance cost and ancillary revenue. This evaluation was accomplished through Louis Berger's assessment of AAF-sourced documents by applying the experience of its subject matter experts on similar undertakings. *Based on its evaluations and assessments, Louis Berger concludes that AAF's operations and maintenance cost estimates are an accurate reflection of the business plan and contractual agreements, and ancillary revenue estimates are reasonable in the context of the AAF business model.*

Project Overview

I. Background

All Aboard Florida ("Brightline" or "the Company") is developing a privately owned and operated express intercity passenger rail service running 67 miles between Miami and West Palm Beach, 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 proposes 16 daily departures from each of Miami and West Palm Beach with an additional stop in Fort Lauderdale. Brightline's express trains will be able to make the 67-mile trip between Miami and West Palm Beach in approximately 1 hour, travelling at maximum speeds of up to 79 mph, while offering on-board amenities to passengers. Train stations are conveniently located in the city centers of Miami, Fort Lauderdale and West Palm Beach, near major destinations, and 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 / Ancillary Revenues

Through its affiliate All Aboard Florida – Operations Management LLC, Brightline 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 with Florida East Coast Railway, LLC (FEC) (more fully described below), FEC will be responsible for maintenance of shared track and signals, as well as track security, across FEC's existing Miami to Cocoa rail corridor (the "Shared Corridor"). The Miami to West Palm Beach corridor covered by this initial action is a subset of the Shared Corridor. Further, the Company and FEC are 50/50 partners in Florida Dispatch Company, LLC ("DispatchCo") – the entity that will provide the dispatch functions for passenger trains and for freight trains within the Miami to West Palm Beach corridor).[1] The Operating Agreement for DispatchCo and the Dispatch Services Agreement are described below. FEC currently manages the dispatch functions for its existing freight rail business. Since these types of services are common to both the Company's business and FEC's business, the Company believes that partnering with FEC enables the Company to achieve lower costs than either conducting the services itself or outsourcing to another party that does not share the Company's corridor. In addition, the Company has executed a maintenance agreement with Siemens, the rolling stock provider, for all warranty and preventive maintenance for the Rolling Stock. These maintenance services will be performed at the Company's Running Repair Facility (RRF) in West Palm Beach.

Ridership and passenger fare revenues have been evaluated and documented separately. Ancillary revenues represent a separate funding stream comprised of many discrete elements, which combined comprise approximately 24% of the total annual revenues at stabilization.

1 DispatchCo provides dispatch functions for all trains, passenger and freight, operating on FEC tracks between Jacksonville and Miami, Florida.

A. Operations / Maintenance

The Company's total operating expenses for stabilized operations (FY 2020) are $64.7 million, consisting primarily of direct labor, fuel, maintenance of way, maintenance of equipment, insurance and other operating expenses such as food and beverage costs, credit card fees, marketing, IT, facility costs and corporate SG&A.

Operating and maintenance expense for stabilized operations are summarized in **Table 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 1 – Summary of Operating and Maintenance Expense (FY 2020)
($ in millions)

Operating Maintenance Expense	Amount	% of Opex	% of Revenue
Labor	$20.3	31%	14%
Maintenance of Equipment	6.9	11%	5%
Fuel	3.7	6%	3%
Maintenance of Way	5.8	9%	4%
Other Operating Expense	23.7	37%	17%
Insurance	4.2	7%	3%
Total operating & maintenance expense	**$64.7**	**100%**	**46%**

1. Labor

Total labor expenses are expected to be $20.3 million, including salaries, taxes, benefits and other expenses. The Company expects 203 full-time equivalent employees (FTE's) at stabilization. The **Table 2** below summarizes FTE's by area of responsibility:

Table 2 – Headcount (FTE) Summary (FY 2020)

Department	FTE Count
Rail operations	68
Station & Hospitality operations	99
Corporate operations	36
Total	**203**

At stabilization, rail operations are expected to have approximately 68 FTE's, including on-board staff and maintenance support staff.

- The scheduled passenger service will require 12 train crews, each train crew will be staffed with an engineer, a train manager/conductor, two on-board attendants, for a total of 48 FTE's.
- The Transportation Management team of 11 FTE's will provide management oversight, FRA required training and reporting, Control Center operations and crew scheduling.
- The train RRF will be staffed with 9 FTE's including the Chief Mechanical Officer, facility manager, facility engineer, train readiness managers, train cleaning staff and custodians.
- In addition to the Brightline staff, Siemens staff will be performing maintenance services for the rolling stock under a 30-year maintenance agreement.

Stations and hospitality operations are expected to have approximately 99 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).

More detail is provided in the Station Operations / Maintenance section below.

Corporate operations, which will be based in Miami include 36 FTE's and are comprised of the following:

- CEO and staff
- Sales / Revenue
- Branding / Marketing
- COO and related staff to support operations
- CFO and staffing for accounting, finance, procurement, tax
- Human Resources staff
- Legal / Government relations
- Information Technology

Louis Berger Assessment: Based on our review, the Corporate Operations positions identified appear to be consistent with supporting the business plan put forth by AAF.

The following sections describe the proposed operations and staffing.

Train Operation

Passenger service is expected to commence in the fourth quarter of 2017, with full scale operations expected to commence in first quarter of 2018. The full operating schedule requires five trains: three in active service, one available for special event service, and one spare / in scheduled maintenance Each train will have two diesel locomotives, one at each end, with four cars; one first class car and three business class cars. Business cars will have 58 to 66 seats each, wide aisles to accommodate wheelchairs and standard "scooters", and ADA-compliant restrooms. 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). Each first class car will have 50 seats.

Operations / Rolling Stock Handoff

The crew base will be based at the West Palm Beach RRF. 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 RRF to West Palm Beach Station to commence revenue service. Relief crews will come on duty during the day at this facility and take over control of the train as dictated by exigencies of service, but normally at West Palm Beach. After the last run of the day for each train, the crew on duty will return the train to the RRF 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.

Train Crews and Operations

Each train crew consists of an Engineer and a Train Manager/Conductor. The train crew is accompanied by two on board service Attendants. All train service employees begin work and end their shift at the RRF at West Palm Beach. The proximity of West Palm Beach RRF to West Palm Beach Station 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 West Palm Beach). The typical layover at West Palm Beach is 35 minutes, suitable for minor cleaning; the typical Miami terminal station layover is 15 minutes. The service will run seven days per week. Twelve 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.

Station Operations / Maintenance

The Financial Model assumes 61 FTE station management and staff (20 FTE at Miami, 19 FTA at Fort Lauderdale, and 22 FTE at West Palm Beach). This includes 16 FTE station engineers and cleaning staff. Additionally, each station has café attendants for the "Good to Go" food and beverage and merchandise kiosks in the stations. The West Palm Beach station will be open about 19 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 need to 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 based in West Palm Beach. The plan identifies 38 FTE for public safety and passenger security. This includes security officers providing seven day a week coverage at each station (11 at each of three stations), and 5 FTE supervisors.

Louis Berger Assessment: Based on our review, the numbers of staff that AAF intends to employ appear to be reasonable to meet the AAF business plan, providing sufficient numbers of staff to meet all AAF proposed functions at each station at all times considering that most bookings will be made prior to arrival at the stations.

2. Maintenance of Equipment

All trains will be serviced and maintained at the RRF at West Palm Beach. AAF will provide Siemens with certain mobile equipment and tools as per a schedule in the Vehicle Terms and Conditions Agreement between AAF and Siemens. This agreement also addresses terms and conditions, if required, for major component exchange.

AAF's 30-year contract 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 coaches 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.

The locomotives have 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 at the RRF, where there is a 20,000 gallon fuel tank and service island.

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. AAF 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 AAF. The costs assumed in the Financial Model for maintenance of equipment are certain based on the negotiated agreement between Siemens and AAF.

3. Fuel Costs

Total fuel expense is expected to be $3.7 million. Fuel consumption was based on a burn rate determined 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 industry standards and the Masteris fuel study, for the 67-mile trip between Miami and West Palm Beach, AAF assumes 126.3 gallons of fuel, or 1.9 gallons / mile, including a 10% allowance for fuel consumed during dwell time and warm up.

Louis Berger Assessment: Based on our review, assumptions made for fuel consumption appear to be appropriate.

4. Maintenance-of-Way

Based on the Joint Use Agreement between AAF and the Florida East Coast Railroad (FEC), maintenance-of-way (MOW) is expected to cost $5.8 million (**Table 3**) and will be performed by the FEC and/or by a joint AAF/FEC owned entity DispatchCo. FEC will be responsible for maintenance of shared track and signals (including Positive Train Control "PTC") as well as track security and bridge tenders along the shared corridor. FEC currently manages all these functions for its existing freight rail business. The Company will reimburse FEC 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 ordinary maintenance and operating expenses) or the total number of trains-miles operated by each (in the case of signal and communication facilities). Dispatching will be performed by DispatchCo, a joint venture between AAF and FEC.

Table 3 – Summary of Maintenance of Way Expense (FY 2020)

Maintenance of Way	Year 2020 ($Millions)
Maintenance of track	$1.1
Signals & Communication	2.0
Bridge Tenders	0.3
Dispatch	1.3
Management fees	0.5
Other	0.6
Total Maintenance of Way	**$5.8**

The operation between Miami and West Palm Beach is 67 miles with one stop at Fort Lauderdale station. Maximum authorized train speed is 79 mph. Track will be inspected and maintained at FRA Class 5 levels. The Project limit extends north of West Palm Beach Station for approximately one mile to the RRF located in West

Palm Beach. The right-of-way for the Project will be shared with FEC freight trains between the RRF and the connection to the Port of Miami north of NW 14th Street in Miami.

The budget for rail infrastructure maintenance has been calculated and agreed upon by AAF and FEC based on the existing MOW costs incurred by FEC 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 2020.

In addition, FEC may from time to time propose that "Replacement Capital Improvements" such as replacing rails, ties, etc. The cost of this work will be apportioned between AAF and FEC as provided for in the JUA. AAF has presented the estimated cost of these Replacement Capital Improvements based on FEC estimates.

The assumed costs ramp up due to the capital investment made during construction, reaching a steady state in 2020. After steady state operations, these capital investments are estimated to be around $2 million / year ($22 million every 10 years).

Louis Berger Assessment: Based on our review, for the specific dollar amounts identified, AAF has contractual assurances that FEC (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 AAF. The costs assumed in the Financial Model for MOW are certain based on the negotiated agreement between FEC and AAF.

Security

The agreement with FEC calls for AAF to fund any incremental cost of FEC rail police required to support the AAF operation on FEC tracks. A cost of $0.3 million per year for incremental headcount has been assumed to support the AAF security needs for the Miami to West Palm Beach segment, if necessary.

Louis Berger Assessment: The costs assumed in the Financial Model for any additional FEC rail police are, in effect, an "if and when needed" item based on the negotiated agreement between FEC and AAF. As FEC maintains 24-hour per day, 7 days per week rail police coverage, and in the absence of a full security assessment, this allocation appears adequate.

Signals & Communications

The agreement with FEC has the cost of signals and communication allocated based on the total number of trains-miles operated by AAF and FEC. AAF has estimated that the cost will be $2.0 million per year, which is approximately 50% over FEC's current expense 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, AAF has contractual assurances that FEC will meet required performance specifications. We can confirm that the contracts binding the parties are consummated, appear solid and appear to properly protect AAF. The costs assumed in the Financial Model for signals and communications are reliable based on the negotiated agreement between FEC and AAF.

Management Fee

Under the agreement with FEC, AAF pays FEC 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 negotiated agreement between FEC and AAF.

Dispatch

The Company and FEC are 50/50 partners in Florida DispatchCo, the entity that will provide the dispatch functions for the Company's passenger trains (as well as for freight trains within the corridor). The Operating Agreement for Florida DispatchCo and the Dispatch Services Agreement outlines the responsibilities and duties for dispatching, including prioritization of dispatching of passenger trains. The cost of dispatch expenses will be allocated 50/50.

At stabilized operations, AAF's share of dispatching cost is projected to be $1.3 million per year. This cost includes 19 employees (train dispatchers, supervisors and support staff).

Louis Berger Assessment: Based on our review, for the specific dollar amounts identified, AAF 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 AAF. The costs assumed in the Financial Model for dispatch are reliable based on the negotiated agreement between FEC and AAF.

5. Other Operating Expenses

Other operating expenses are comprised of food and beverage costs, credit card fees, 3rd party marketing expenses, IT expense, facility costs (stations, parking and RRF) and corporate SG&A expense.

Other operating expenses for stabilized operations (FY 2020) are summarized in **Table 4**. 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 4 – Summary of Other Operating Expense (FY 2020)
($ in millions)

Other Operating Expense	Amount	% of Opex	% of revenue
Marketing & Advertising	$1.6	7%	1%
Credit Card Fees	3.6	15%	3%
Passenger Meal Costs	2.9	12%	2%
Complimentary Meal Costs	2.5	10%	2%
Station Expense	1.7	7%	1%
Information Technology	3.4	14%	2%
Maintenance Facility	0.8	3%	1%
Parking Garage	5.4	23%	4%
Other G&A	1.8	8%	1%
Total Other Operating Expense	**$23.7**	**100%**	**17%**

After the initial launch and ramp-up of operations, marketing and advertising expenses are projected at $1.6 million, or 1.1% of total revenue post ramp up, representing approximately $0.55 per passenger. 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.

Credit card fees are estimated at 2.5% of total passenger generated revenues (including ancillary revenue) and is based on negotiated rates with the merchant services provider.

Passenger meal costs represent the cost of providing Food & Beverage service, excluding labor, and are estimated to be 28% of Food & Beverage Revenue. This expense item can be readily monitored and adjusted as experience

identifies optimal preparation and stocking levels for food and beverages. Additionally, the financial model provides for the cost of complimentary Food & Beverage service provided to First Class ("Select") passengers. This cost is estimated at $2.08/business class passenger.

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. AAF 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.

The AAF model includes $3.4 million for IT expenses in 2020. Distribution costs account for 45% of the IT expense and represents fees paid to Navitaire (AAF's reservations system provider) on a per passenger basis, as well as a monthly support fee. The average cost is $0.65 per passenger. In addition to distribution costs, IT expenses include telecom, Wi-Fi, data center hosting, network expenses, and hardware and software costs.

Additionally, the AAF model includes $0.8 million associated with operating and maintaining the RRF. Included in these expenses are supplies (e.g., engine oil, coolant, train wash chemicals, and sand), general facility upkeep (e.g., waste removal contracts, fire alarm / suppression system contracts, and fuel meter calibration).

Parking garage expenses constitute 23% of the other operating expenses. Within this $5.4 million budget, Miami Central Station represents $2.1 million, Fort Lauderdale Station represents $1.7 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.

Louis Berger Assessment: Based on our review, the other operating expenses have been documented appropriately.

B. Ancillary Revenues

The Company expects stabilized ancillary revenue of $34.4 million in 2020 comprised of food and beverage, parking, advertising, naming rights, sponsorships/partnerships, merchandise, and other fees. **Table 5** summarizes ancillary revenues that comprise approximately 24% of total revenue.

Table 5 – Summary of Ancillary Revenues (FY 2020)
($ in millions)

Other Operating Expense	Amount	% of Ancillary Revenue	% of Total Revenue
Food & Beverage	$10.5	31%	7%
Parking Garage	10.4	30%	7%
Naming Rights	4.5	13%	3%
Sponsorship / Partnership	3.6	11%	3%
Merchandise	2.3	7%	2%
Advertisement	1.5	4%	1%
Other Fees	1.5	4%	1%
Total Ancillary Revenue	**$34.4***	**100%**	**24%**

*Discrepancy in sum due to rounding.

1. Food and Beverage Revenue

Food and beverage revenue of $10.5 million represents 31% of total ancillary revenue and assumes an average of $3.58 per passenger. Food and beverages will be available for purchase on the trains and from the Company owned and operated "Good to Go" kiosks in stations. Two of the four passenger cars will have food and beverage carts that will be resupplied by cart at the West Palm Beach station. 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 AAF has obtained liquor licenses for stations and trains that will increase consumption and revenues, based on industry experience. AAF 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 3% per year, consistent with discussions with professional sources).

Louis Berger Assessment: Assuming the quality, convenience, anecdotal reports, and market pricing are accomplished as planned, based upon a review of the station layouts and food and beverage plans, the revenue estimate is consistent with the AAF business model, and in that context, appears to be reasonable.

2. Parking Garage Revenue

Parking is expected to generate $10.4 million, or 30%, of the total $34.4 million in ancillary revenue in 2020. The Company has a total of 1,720 parking spaces at its Miami, West Palm Beach and Fort Lauderdale garages which are each expected to generate average annual revenue of $6,034/space, or $16.53 per day (**Table 6**). The Company expects to generate high demand for its parking in the downtown areas of Miami, West Palm Beach and Fort Lauderdale from both passengers as well as from street parking.

Table 6 – Summary of Parking Garage Revenue (FY 2020)
$ in millions, except revenue per space and day

Parking Garage	Net Revenue	Spaces	Revenue per Space	Revenue per Space per Day
Miami	$5.4	672	$8,027	$21.99
Fort Lauderdale	2.2	584	$3,758	$10.29
West Palm Beach	2.8	464	$6,014	$16.48
Total	**$10.4**	**1,720**		
Average			**$6,034**	**$16.53**

Parking rates assume an hourly rate for Brightline passengers at $1.00 per hour and up to $3.00 an hour for street parkers, which is competitive with the surrounding areas.

Louis Berger Discussion/Review: The parking fee will be $1.00 per hour for Brightline ticket holders. The discounted rate for parking also include a guaranteed space. The projected proportions of cars and revenue differ markedly by market. Overall in 2020, Brightline parkers are expected to generate over 36% of cars and just under 37% of revenues, while secondary parkers generate about 64% of cars and 63% of revenues. By contrast, Miami Brightline parkers are expected to generate about 25 percent of cars and almost 19% of revenues, while Miami secondary parkers generate almost 75% of cars and over 81% of revenues. This lower Miami Brightline rider usage in 2020, in particular, provides sufficient Brightline parking capacity for the later expansion to Orlando. .

The major conservative factor in parking rates is in the occupancy rates. Occupancy rates per location are estimated at 10.8 to 11.25 hours per day or between 45% and 47% for Miami, Fort Lauderdale, and West Palm Beach. The utilization rates are substantially lower than the utilization rates reported in nearby municipal garages, at 68%, 62% and 57% respectively. Parking revenues are anticipated to increase 2% per year.

Louis Berger Assessment: The proposed parking revenue estimate is consistent with the AAF business model, and in that context, appears reasonable.

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 $9.7 million from naming rights, sponsorships/partnerships and advertising.

Naming rights for stations are anticipated to generate $4.5 million in 2020, or 13% of all ancillary revenues. This estimate is based on fees for stadiums and similar high-profile venues according to AAF.

Sponsorships are anticipated to generate $3.6 million in 2020, or 11% of all ancillary revenue in 2020. The Company has identified numerous 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 secured several contracts in this area and has numerous opportunities being actively worked.

Advertising revenue in and around stations is estimated at $1.5 million and comprise 4% of the anticipated $34.4 million in ancillary revenues for 2020, 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. 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. Discussions are underway but may not be concluded until 2018 or later. The naming rights are conservatively estimated at 70% of the expected value and are expected to increase at 2% per year.

As noted, sponsorships are being actively sought, 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). AAF is being creative and strategic in seeking sponsorships, for everything from quiet rooms for nursing mothers to washroom faucets to station clocks. Approximately 30% of the projected sponsorship revenue is secured or in contract negotiation, while most other categories are being actively pursued. Sponsorship revenues are conservatively estimated at 70% of the expected value and are expected to increase at 2% per year.

AAF 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. AAF 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. Louis Berger has reviewed the agreements; the estimates are consistent with the AAF business model, and in that context, appear reasonable.

4. Merchandise

Merchandise is anticipated to comprise $2.3 million in annual revenue by 2020, and assumes average revenue per passenger of $0.79. This will include model trains and accessories, and hats, T-shirts and other apparel. Several members of the AAF team have extensive experience with Walt Disney World and other attractions; the AAF service will be promoted as an experience, and more than just a train trip.

Louis Berger Assessment: Based on the information presented by AAF, their assumptions associated with revenue from merchandise are consistent with the AAF business model, and in that context, appear to be reasonable.

5. Other Services

Other services revenues are anticipated to generate $1.5 million in 2020, or 4% of all ancillary revenues and assumes average revenue per passenger of $0.53. 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 and parking. The estimates appear to be reasonable within the context of the AAF business model.

Overall Louis Berger Assessment of Ancillary Revenues: The ancillary revenues overall appear to be based on sound research and reasonable assumptions, as noted in the discussion and review above. Some ancillary revenues, such as food and beverage services, are offset by operating cost of goods sold (COGS). Ancillary revenues produce a relatively reliable and cost effective funding stream to support AAF operations and cash flow. In summary, food and beverage service revenues are anticipated to increase by 3% per year; parking revenues, naming rights, and sponsorship revenues are anticipated to increase by 2% per year; and advertising, merchandise, and other services revenues are expected to increase by 2.5% per year. Overall, ancillary revenues are anticipated to contribute 24% of overall revenue.

III. Summary of Findings

Louis Berger has evaluated various documents supporting AAF's plans and strategies for the Project's operations and maintenance cost and ancillary revenue components. Louis Berger has interacted with AAF managers and personnel and evaluated documents provided by AAF supporting AAF's estimates of the Project's operation and maintenance cost and ancillary revenue. This evaluation was accomplished through Louis Berger's assessment of key risk items against industry standards and through applying the experience of its subject matter experts on similar undertakings.

Based on its evaluations and assessments, Louis Berger concludes that AAF's operations and maintenance cost estimates are an accurate reflection of the business plan and contractual arrangements, and ancillary revenue estimates are reasonable in the context of the AAF business model.

APPENDIX G

FORM OF BOND COUNSEL OPINION

[See attached]

Proposed Form of Approving Opinion of Bond Counsel, Greenberg Traurig, P.A.

_____ __, 2017

Florida Development Finance Corporation
Orlando, Florida

Deutsche Bank National Trust Company,
as Trustee
Jersey City, New Jersey

Re: $600,000,000 Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Passenger Rail Project – South Segment), Series 2017

Ladies and Gentlemen:

We have acted as Bond Counsel to All Aboard Florida – Operations LLC, d/b/a Brightline Operations (the "Borrower"), in connection with the issuance by Florida Development Finance Corporation (the "Issuer") of its Surface Transportation Facility Revenue Bonds (Brightline Passenger Rail Project – South Segment), Series 2017, in the aggregate principal amount of $600,000,000 (the "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 and October 27, 2017 (together, the "Resolution"), to accomplish the public purposes of the Act by providing funds to pay or reimburse the costs of acquiring, constructing, improving and equipping a passenger rail system on or adjacent to the Florida East Coast Railway corridor from Miami to West Palm Beach, Florida (collectively, the "Facilities").

As Bond Counsel, we have reviewed a transcript of the proceedings for the issuance of the Bonds, including without limitation: (i) the Indenture of Trust dated as of December 1, 2017 (the "Indenture"), between the Issuer and Deutsche Bank National Trust Company, as trustee (the "Trustee"); (ii) the Senior Loan Agreement between the Issuer and the Borrower dated as of December 1, 2017 (the "Loan Agreement"), whereby the Issuer will loan the proceeds of the Bonds to the Borrower in order to finance the costs of the Facilities and pay certain costs related to the issuance of the Bonds; and (iii) the form of Bond attached to the Indenture. We also have reviewed the Act, the requirements of Section 142(m) 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. Any capitalized term used herein but not otherwise defined herein shall have the meaning ascribed to it in the Indenture.

As to questions of fact material to our opinion, we have relied upon the representations of the Borrower and the Issuer contained in the Loan Agreement, the Indenture and the Tax Certificate (defined herein), as applicable, and in the certified proceedings and other certifications of officials furnished to us without undertaking to verify the same by independent investigation.

The Code contains various requirements pertaining to the exclusion of interest on bonds from the gross income of the holders thereof including numerous requirements pertaining to (a) use of the proceeds of the Bonds, (b) the maturity of, and security for, the Bonds, (c) the payment to the United States of certain amounts earned from investment of proceeds of the Bonds, (d) the procedure for issuance of the Bonds, and (e) filings with the Internal Revenue Service (the "IRS") in respect of the Bonds. The exclusion from gross income of the interest on the Bonds depends upon and is subject to the accuracy of the certifications made by the Issuer and the Borrower with respect to the use of proceeds, investment of proceeds and rebate of earnings on the proceeds of the Bonds and present and continuing compliance with the requirements of the Code. Failure to comply with these requirements could cause interest on the Bonds to become required to be included in gross income as of the date hereof or as of some later date.

An officer of the Issuer responsible for issuing the Bonds and an authorized representative of the Borrower have executed a certificate stating the reasonable expectations of the Issuer and the Borrower on the date hereof as to future events that are material for purposes of Section 148 of the Code pertaining to arbitrage and certain other matters (the "Tax Certificate"). Therein, the Issuer and the Borrower have covenanted that they will not use the proceeds of the Bonds or any moneys derived, directly or indirectly, from the use or investment thereof in a manner which would cause the Bonds to be "arbitrage bonds" as that term is defined in Section 148(a) of the Code. The Issuer and the Borrower have certified that the Bonds meet the requirements of the Code on the date hereof, and they have covenanted that the requirements of the Code will be met as long as any of the Bonds are outstanding. Also, the Issuer will file with the IRS a report of the issuance of the Bonds as required by Section 149(e) of the Code as a condition of the exclusion from gross income of the interest on the Bonds.

Under the Loan Agreement and the Tax Certificate, the Issuer and the Borrower 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 Bonds for federal income tax purposes.

Based upon the foregoing, we are of the opinion that:

1. The Issuer is a public body corporate and politic, organized under the laws of the State of Florida (the "State"). Pursuant to the Act, the Issuer is empowered to authorize the issuance of the Bonds in the manner contemplated by the Indenture and the Loan Agreement and to perform its obligations under the Indenture and the Loan Agreement.

2. The Bonds, the Indenture and the Loan Agreement are valid and binding obligations of the Issuer and are enforceable against the Issuer in accordance with their terms, except as the same may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditors' rights or by the exercise of judicial discretion in accordance with general principles of equity.

3. Assuming the accuracy of the certifications of the Issuer and the Borrower and their continued compliance with their respective covenants in the Indenture, the Loan Agreement and the Tax Certificate pertaining to the requirements of the Code, interest on the Bonds (i) is excludable from gross income for purposes of federal income taxation under existing laws as enacted and construed on the date hereof (except for interest on any Bonds while held by a substantial user of the Facilities or a related person as defined in Section 147(a) of the Code), and (ii) will be a preference item for purposes of determining individual and corporate federal alternative minimum tax.

4. The 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.

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 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 Bonds. We call your attention to the fact that interest on the Bonds may be subject to federal income taxation retroactively to the date hereof 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 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.

The Bonds, the premium, if any, and the interest thereon are limited obligations of the Issuer payable exclusively from the Trust Estate. The Bonds do not constitute a debt or a loan of credit or a pledge of the full faith and credit or taxing power of the Issuer, the State, or of any political subdivision of the State, within the meaning of any State constitutional provision or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the State. The Bonds shall not constitute, directly or indirectly, or contingently obligate or otherwise constitute a general obligation of or a charge against the general credit of the Issuer, but shall be limited obligations of the Issuer payable solely from the sources described herein, but not otherwise. The Issuer has no taxing power.

We have not been engaged nor have we undertaken to review or verify and therefore express herein no opinion as to the accuracy, adequacy, fairness or completeness of any offering materials relating to the Bonds. In addition, we have not passed upon and therefore express no opinion herein as to the compliance by the Issuer, the Borrower or any other party involved in this financing, or the necessity of such parties complying, with any federal or state registration requirements or security statutes, regulations or rulings with respect to the offer and sale of the Bonds or regarding the perfection or priority of the lien on the Trust Estate. Further, we express no opinion regarding tax consequences arising with respect to any payments received with respect to the Bonds other than as expressly set forth herein.

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,

APPENDIX H

FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT

[See attached]

DISCLOSURE DISSEMINATION AGENT AGREEMENT

This Disclosure Dissemination Agent Agreement (the "Disclosure Agreement"), dated as of December 1, 2017, is executed and delivered by All Aboard Florida – Operations LLC, d/b/a Brightline Operations, 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.

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 Offering 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 Passenger Rail Project – South Segment), Series 2017, in the aggregate principal amount of $600,000,000 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 Heather Enderby or her 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.

"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 December 1, 2017, between the Issuer and Deutsche Bank National Trust Company, as trustee.

"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.

"MSRB" means the Municipal Securities Rulemaking Board, or any successor thereto, established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

"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.

"Limited Offering Memorandum" means that Limited Offering Memorandum prepared by the Company in connection with the Bonds, as listed in Exhibit A.

"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, 2018. 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;" and

15. "Appointment of a successor or additional trustee, or the change of name of a trustee, if material;"

(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 Offering Memorandum and referenced below in parenthesis:

(i) Ridership data (see estimate of ridership found on page 39 of the Limited Offering Memorandum)

(ii) Fare data (see projected of fares found on page 39 of the Limited Offering Memorandum); and

(iii) Debt service coverage data (see projection of debt service coverage found on page 61 of the Limited Offering Memorandum).

(b) Audited Financial Statements 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 Offering Memorandum will be included in the Annual Report. In such event, Audited Financial Statements (if any) 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; Modifications to rights of Bond holders, if material;

(vii) Bond calls, if material, and tender offers;

(viii) Defeasances;

(ix) Release, substitution, or sale of property securing repayment of the Bonds, if material;

(x) Rating changes;

(xi) Bankruptcy, insolvency, receivership or similar event of the Company;

Note to subsection (a)(xi) of this Section 4: For the purposes of the event described in subsection (a)(xi) 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.

(xii) 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; and

(xiii) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

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 Securities Exchange Act of 1934, 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 and Quarterly 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 as of the date of this Disclosure Agreement and continuing until such time as the Series 2017 Project has 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 Independent Engineer containing the following information: (A) executive summary; (B) the general status of construction during such month, including schedule variances; (C) to the extent the following could reasonably be expected to result in a Material Adverse Effect in the opinion of the Independent Engineer, report on any change orders delivered during such month; (D) the occurrence of any Loss Events; (E) to the extent any of the following could reasonably be expected to result in a Material Adverse Effect in the opinion of the Independent Engineer, design, construction and manufacturing critical issues, including without limitation draws on letters of credit or bonds during such month; (F) to the extent any of the following could reasonably be expected to result in a Material Adverse Effect in the opinion of the Independent Engineer, environmental mitigation status including compliance/non-compliance reports, completed mitigation efforts, public complaints, and non-compliance issues raised by regulatory/oversight agencies; and (G) a list of activities or milestones expected to be completed during the next calendar month;

(b) *Quarterly Unaudited Financial Statements*. Beginning with the first Fiscal Quarter ended following the date of this Disclosure Agreement, by not later than the 90th day following the end of such Fiscal Quarter unaudited quarterly financial statements, prepared in accordance with GAAP;

(c) *Quarterly Operating Reports*. Beginning with the first Fiscal Quarter ended following the date of this Disclosure Agreement and ending with respect to the Fiscal Quarter ended December 31, 2018, by not later than the 90th day following the end of such Fiscal Quarter, a report showing the ridership and revenue results for such Fiscal Quarter; and

(d) *Monthly Ridership and Revenue Reports*. Beginning with respect to operations for the month beginning January 1, 2019, by not later than the 20th day of each month, a report showing the ridership and revenue results for the previous month.

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 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.

[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:_____

ALL ABOARD FLORIDA – OPERATIONS LLC, D/B/A BRIGHTLINE OPERATIONS, 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): All Aboard Florida – Operations LLC, d/b/a Brightline Operations
Name of Bond Issue: Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Passenger Rail Project – South Segment), Series 2017, in the aggregate principal amount of $600,000,000
Date of Issuance: **December [__], 2017**
Date of Limited Offering Memorandum: **December [__], 2017**

CUSIP Number: _____ CUSIP Number: _____

CUSIP Number: _____ CUSIP Number: _____

CUSIP Number: _____ CUSIP Number: _____

EXHIBIT B

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Florida Development Finance Corporation
Obligated Person(s): All Aboard Florida – Operations LLC, d/b/a Brightline Operations
Name of Bond Issue: Florida Development Finance Corporation Surface Transportation Facility Revenue Bonds (Brightline Passenger Rail Project – South Segment), Series 2017, in the aggregate principal amount of $600,000,000
Date of Issuance: December [__], 2017
Date of Limited Offering Memorandum: December [__], 2017

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;" and
15.____"Appointment of a successor or additional trustee, or the change of name of a trustee, if material."

____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 Disclosure Dissemination Agent Agreement dated as of [November][December] 1, 2017 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 Disclosure Dissemination Agent Agreement dated as of [November][December] 1, 2017 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.____"quarerly /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 I

BOOK-ENTRY-ONLY SYSTEM

[See attached]

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Series 2017 Bonds. The Series 2017 Bonds will be issued 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 issued for Series 2017 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 2017 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2017 Bonds on DTC's records. The ownership interest of each actual purchaser of Series 2017 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 2017 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 2017 Bonds, except in the event that use of the book-entry system for the Series 2017 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2017 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 2017 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 2017 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2017 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 2017 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 2017 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 2017 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 2017 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 2017 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 2017 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 2017 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 UNDERWRITERS 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.

APPENDIX J

FORM OF INVESTOR LETTER

[See attached]

INVESTOR LETTER

Florida Development Finance Corporation
Orlando, 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 an offering of $600,000,000 aggregate principal amount of the Surface Transportation Facility Revenue Bonds (Brightline Passenger Rail Project – South Segment), Series 2017 (the "Series 2017 Bonds") to be issued by the Florida Development Finance Corporation (the "Issuer").

2. The Investor has authority to purchase the Series 2017 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 2017 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 2017 Bonds are not general obligations of the Issuer, but are special, limited obligations payable and secured solely as provided for in the Trust Indenture (the "Indenture") to be dated as of _____ ___, 2017 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 2017 Bonds and is a "qualified institutional buyer" as that term is defined under Rule 144A of the Securities Act.

6. The Investor has reviewed the Preliminary Limited Offering Memorandum dated November 14, 2017 provided with respect to the Series 2017 Bonds. The Investor acknowledges that it has either been supplied with or been given access to information regarding the Series 2017 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 2017 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 2017 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 2017 Bonds, and is capable of making its own investigation in connection with its decision to purchase the Series 2017 Bonds.

8. If the Investor purchases the Series 2017 Bonds, it hereby acknowledges that the Series 2017 Bonds will only be purchased for the purpose of investment, and the Investor intends to hold the

Series 2017 Bonds for its own account, without a current view to any distribution or sale of the Series 2017 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 2017 Bonds at some future date determined by the Investor.

9. The Investor acknowledges that the Series 2017 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 the beneficial ownership of the Series 2017 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. 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 _____, 2017.

_____,
as Investor

By: _____

Its: _____