



DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

Board of Directors

Finance and Budget Committee

Tuesday, December 14, 2021

9:30 a.m.

Microsoft Teams

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Or call in (audio only)

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Phone Conference ID: 719 645 203#

1. **Call to Order** Anthony Giancola, Chairperson
2. **Roll Call**Linda Manley, Board Secretary
3. **November 2021 Financial Report (Attachment 1)**Lola Oyeyemi
4. **Operating Budget Cost Drivers (Attachment 2)**Lola Oyeyemi
5. **Recommendation to Approve New Investment Policy (Attachment 3)** Ivan Boykin
6. **Environmental, Social, and Governance (ESG) Report (Attachment 4)** Matt Ries
7. **2022 Bond Transaction and Market Update and Approval (Attachment 5)**
Eric Brown, Public Financial Management
8. **Action Item** Matthew T. Brown
 - A. **Recommendation for Approval of Revised Statement of Investment Policy (Attachment 6)**
 - B. **Recommendation for Approval of Series 2022B/C/D and Series 2022E Bond Resolutions and Related documents (Attachment 7)**
 1. Resolution (Series 2022B/C/D)
 2. Resolution (Series 2022E)
 3. 30th Supplemental Indenture (Series 2022B/C)
 4. 31st Supplemental Indenture (Series 2022D)
 5. 32nd Supplemental Indenture (Series 2022E)
 6. Bond Purchase Agreement (Series 2022B/C/D)
 7. Bond Purchase Agreement (Series 2022E)
 8. Dealer Manager Agreement (Series 2022C)
 9. Escrow Agreement (Series 2022D)
 10. Remarketing Agreement (Series 2022E)
9. **Agenda for January 2022 Committee Meeting (Attachment 8)** Anthony Giancola
10. **Executive Session***
11. **Adjournment**

1 The DC Water Board of Directors may go into executive session at this meeting pursuant to the District of Columbia Open Meetings Act of 2010, if such action is approved by a majority vote of the Board members who constitute a quorum to discuss: matters prohibited from public disclosure pursuant to a court order or law under D.C. Official Code § 2-575(b)(1); contract negotiations under D.C. Official Code § 2-575(b)(2); legal, confidential or privileged matters under D.C. Official Code § 2-575(b)(4)(A); collective bargaining negotiations under D.C. Official Code § 2-575(b)(5); facility security under D.C. Official Code § 2-575(b)(8); disciplinary matters under D.C. Official Code § 2-575(b)(9); personnel matters under D.C. Official Code § 2-575(b)(10); proprietary matters under D.C. Official Code § 2-575(b)(11); train and develop members of a public body and staff under D.C. Official Codes § 2-575(b)(12); decision in an adjudication action under D.C. Official Code § 2-575(b)(13); civil or criminal matters where disclosure to the public may harm the investigation under D.C. Official Code § 2-575(b)(14), and other matters provided in the Act.

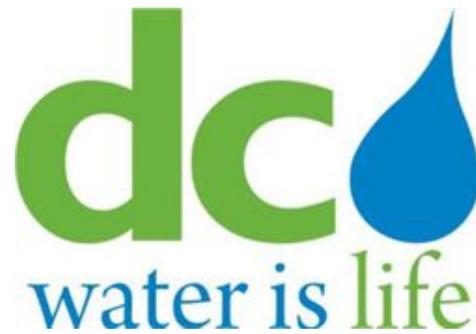
FOLLOW-UP ITEMS

Follow-up item from the September 23, 2021 Finance and Budget Committee meeting.

1. Provide additional/routine report on the recruitment efforts to achieve lower vacancy rates and address concerns of continued staff shortages and deterioration of KPI's (key performance indicators). **(Mr. Franco)**
Status: *An update on recruitment efforts will be provided at a future Human Resources & Labor Relations Committee meeting.*

Follow-up item from the November 16, 2021 Finance and Budget Committee meeting.

1. Provide more information on the new open trench restriction. **(Mr. Giancola)** **Status:** *Response provided by email from the Board Secretary*
2. Provide sensitivity analysis on the risk associated with the change in the investment policy. **(Mr. Franco)**
Status: *See Attachment 3*



Fiscal Year 2022

Monthly Financial Report

Period Ending November 30, 2021

DEPARTMENT OF FINANCE

Matthew T. Brown, CFO & Executive Vice President, Finance and Procurement

Ivan Boykin, Director, Finance

Syed Khalil, Director, Rates & Revenue

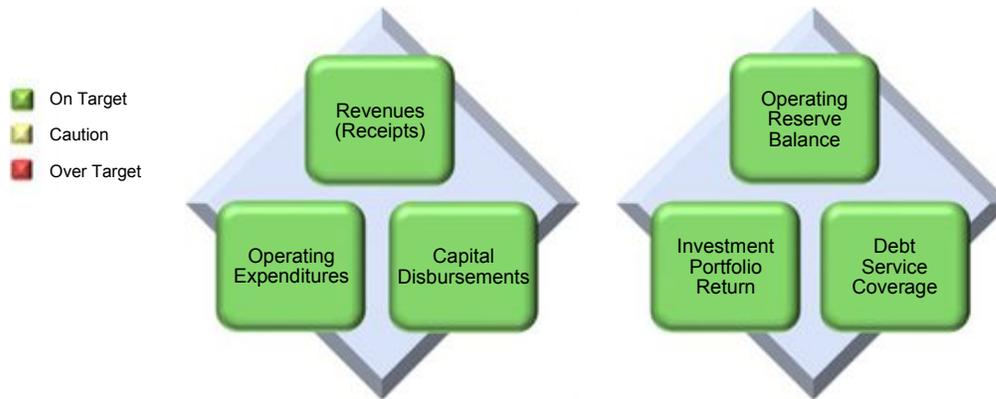
Genes Malasy, Controller

Lola Oyeyemi, Director, Budget

NOVEMBER 2021

EXECUTIVE SUMMARY

The table below summarizes the first two months of FY 2022 with approximately 16.7 percent of the fiscal year completed. At this early stage in the fiscal year, we are on track with budgetary expectations and targeted performance metrics.



(\$ in millions)

	Budget	YTD Budget	Actual	Variance Favorable	Variance (Unfavorable)	Actual % Budget
Revenues (Receipts)	\$798.0	\$181.5	\$186.3	\$4.8	2.6%	23.3%
Expenditures	\$658.4	\$93.4	\$86.9	\$6.6	7.0%	13.2%
Capital Disbursements	\$567.5	\$120.5	\$43.3	\$77.2	64.1%	7.6%

Highlights:

- DC Water received the Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ended September 30, 2020
- Proposed FY 2023 Budget Proposals (Operating and 10-Year CIP Budgets)
 - Budget Workshop anticipated immediately following the January 6, 2022 Board meeting
 - Wholesale Customer Briefing scheduled for January 7, 2022
- FY 2021 year-end audits are currently underway and being conducted in accordance with auditing standards generally accepted in the United States. Anticipated completion:
 - Financial Statements Audit – December 2021
 - A133 Audit – January 2022
 - Comprehensive Annual Financial Report – January 2022

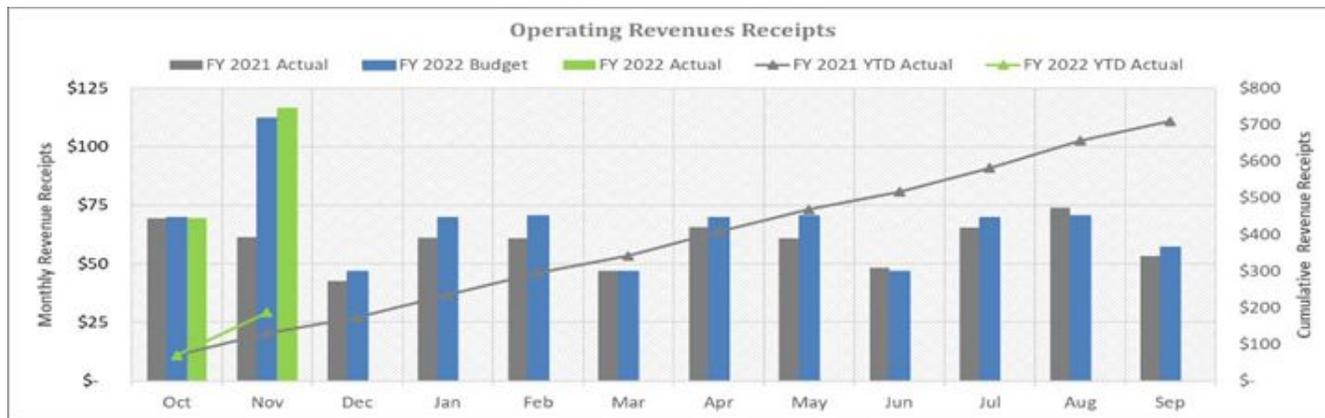
Matthew T. Brown, Executive Vice President & Chief Financial Officer

Monthly Financial Report

Fiscal Year-to-Date
As of November 30, 2021

Operating Revenues (\$000's)

FY 2021		CATEGORY	FY 2022					
Actual			Year-to-Date Performance					
Total Annual	YTD November		Annual Budget	YTD Budget	Actual	% of Budget	Variance \$ Fav(Unfav)	Variance % Fav(Unfav)
\$396,892	\$64,783	Residential / Commercial / Multi-Family	\$422,794	\$70,466	\$77,390	18.3%	\$6,924	9.8%
76,206	19,535	Federal	81,339	20,335	\$18,391	22.6%	(1,944)	(9.6%)
20,933	2,554	Municipal (DC Govt.)	18,668	3,111	\$3,019	16.2%	(93)	(3.0%)
12,173	1,954	DC Housing Authority	12,592	2,099	\$2,133	16.9%	35	1.7%
14,862	2,235	Metering Fee	24,083	4,149	\$3,158	13.1%	(991)	(23.9%)
42,212	7,772	Water System Replacement Fee (WSRF)	39,717	7,125	\$7,325	18.4%	200	2.8%
82,986	20,754	Wholesale	84,669	21,167	\$20,879	24.7%	(288)	0.0%
21,612	4,107	PILOT/ROW	21,588	3,838	\$4,092	19.0%	254	6.6%
41,694	7,096	All Other	92,535	49,239	\$49,905	53.9%	666	1.4%
\$709,569	\$130,790	TOTAL	\$797,985	\$181,529	\$186,293	23.3%	\$4,764	2.6%



VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

At the end of November 2021, cash receipts totaled \$186.3 million, or 23.3 percent of the FY 2022 budget. The total receipts for November were \$116.8 million as compared to the budgeted \$112.0 million. Several categories of customers make payments on a quarterly basis, including the Federal Government (which made their first quarterly payment in October), and wholesale customers (which made their first quarterly payment in November 2021).

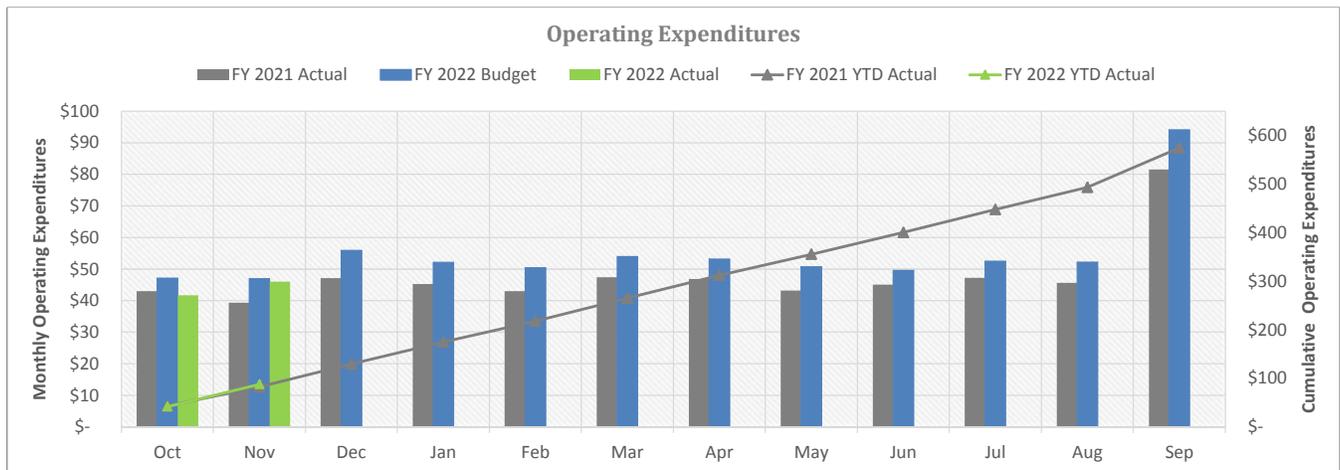
Areas of Overcollection	Areas of Undercollection
<p>Residential, Commercial and Multi-Family – Receipts for this category are slightly higher at \$77.4 million or 18.3 percent of the budget. The November 2021 receipts were higher by \$5.4 million, or 15.4 percent as compared to the monthly budget of \$35.2 million.</p> <p>DC Housing - Receipts are slightly higher at \$2.1million or 16.9 percent of the budget. The November2021 receipts are slightly lower by fifty-seven thousand dollars as compared to the monthly budget of \$1.0 million.</p> <p>Wholesale – The wholesale customers actual receipts through November 2021 total \$20.9 million or 24.7 percent of FY 2022 budget. The November 2021 receipts of \$19.0 million are lower by \$2.2 million dollars as compared to the monthly budget of \$21.2 million. This was due to the fact that Loudoun County made their first quarter payment of \$1.9 million earlier in October than the scheduled payment in November 2021.</p> <p>PILOT/ROW – The receipts for PILOT/ROW are slightly higher at \$4.1 million or 19.0 percent of the budget. The November FY 2021 receipts are slightly higher by one hundred and seventeen thousand dollars as compared to the monthly budget of \$1.6 million.</p> <p>Other Revenue - Receipts are slightly higher at \$49.9 million or 53.9 percent of the budget. This includes \$41.6 million transfer from the Rate Stabilization Fund to the ending cash balance.</p>	<p>Federal - Actual receipts through November 2021 total \$18.4 million or 22.6 percent of the budget. The Federal government made their first quarter payment in October 2021. The lower actual Federal receipt is partly due to disputed accounts of Soldiers Home.</p> <p>District Government – Receipts are slightly lower at \$3.0 million or 16.2 percent of the budget. The November 2021 receipts of \$3.0 million are higher by \$1.5 million dollars as compared to the monthly budget. The District Government did not make the October payment. The November 2021 receipts include payment for both October and November 2021.</p>

Monthly Financial Report

Fiscal Year-to-Date
As of November 30, 2021

Operating Expenditures (\$'000's)

FY 2021 Actual		CATEGORY	FY 2022 Year-to-Date Performance					
Total Annual	YTD November		Annual Budget	YTD Budget	Actual	% of Budget	Variance \$	Variance %
\$167,902	\$24,718		Personnel	\$180,353	\$ 27,174	\$25,276	14.0%	\$ 1,898
76,991	\$11,032	Contractual Services	88,504	13,022	12,071	13.6%	951	7.3%
33,500	\$5,152	Water Purchases	35,217	5,351	5,166	14.7%	185	3.5%
34,236	\$4,811	Supplies & Chemicals	34,201	5,005	5,336	15.6%	\$ (331)	(6.6%)
27,145	\$3,652	Utilities	27,329	3,787	3,928	14.4%	\$ (141)	(3.7%)
557	71	Small Equipment	1,108	196	28	2.5%	168	85.7%
\$340,331	\$49,436	SUBTOTAL O&M	\$366,712	\$54,534	\$51,805	14.1%	\$2,729	5.0%
204,878	32,435	Debt Service	231,164	35,124	31,285	13.5%	3,839	10.9%
22,374	3,729	PILOT/ROW	22,718	3,786	3,786	16.7%	0	0.0%
30,355	0	Cash Financed Capital Improvements	37,830	0	0	0.0%	0	0.0%
\$597,938	\$85,600	TOTAL OPERATING	\$658,424	\$93,444	\$86,877	13.2%	\$6,567	7.0%
(23,401)	(3,227)	Capital Labor	(25,086)	(3,681)	(2,894)	11.5%	(787)	21.4%
\$574,537	\$82,373	TOTAL NET OPERATING	\$633,337	\$89,763	\$83,983	13.3%	\$5,781	6.4%



VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

Total operating expenditures for this period (including debt service and the Right-of-Way & PILOT fees) totaled \$86.9 million or 13.2 percent of the FY 2022 Board-approved budget of \$658.4 million.

These numbers include estimated incurred but unpaid invoices and are subject to revision in subsequent months. The FY 2021 close-out process continues, which entails finalizing a number of GAAP-related accruals.

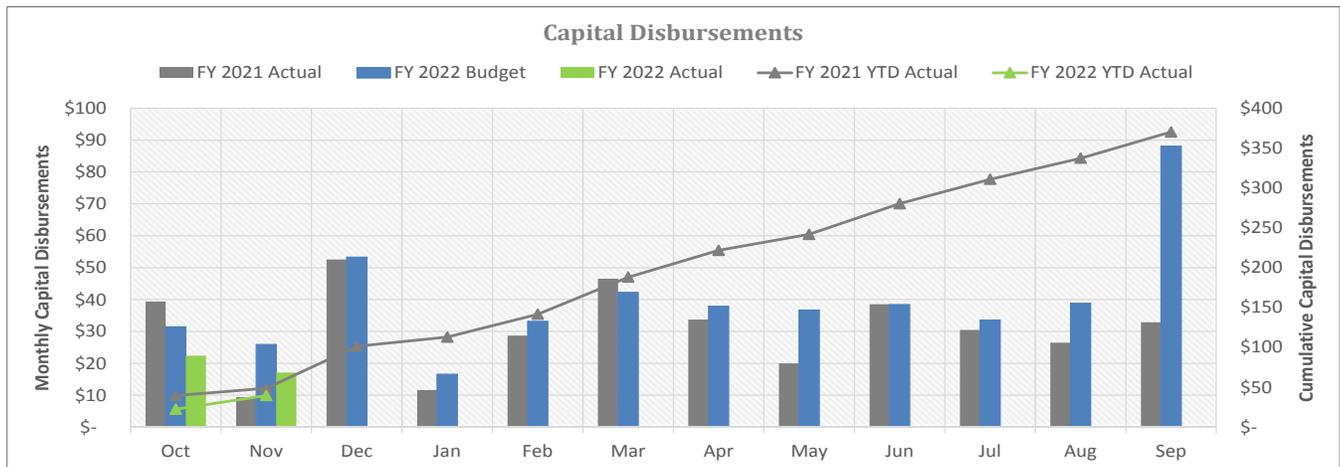
A total of 1092 positions were filled at the end of November with overall vacancy rate of 12 percent

Monthly Financial Report

Fiscal Year-to-Date
As of November 30, 2021

Capital Disbursements (\$'000's)

FY 2021 Actual		CATEGORY	FY 2022 Year-to-Date Performance					
Total Annual	YTD November		Annual Budget	YTD Budget	Actual	% of Budget	Variance \$	Variance % Fav(Unfav)
21,508	\$1,800	Non Process Facilities	\$31,439	\$9,746	\$2,585	8.2%	\$7,161	73.5%
72,007	16,496	Wastewater Treatment	85,979	21,665	12,605	14.7%	9,061	41.8%
161,517	17,615	Combined Sewer Overflow	152,267	38,022	12,436	8.2%	25,586	67.3%
1,831	24	Stormwater	7,029	1,410	411	5.8%	999	70.8%
28,204	1,911	Sanitary Sewer	68,086	12,234	5,424	8.0%	6,810	55.7%
55,880	6,769	Water	165,313	29,999	7,425	4.5%	22,574	75.2%
\$340,946	\$44,616	SUBTOTAL CAPITAL PROJECTS	\$510,112	\$113,076	\$40,886	8.0%	\$72,190	63.8%
19,585	4,112	Capital Equipment	40,519	7,447	2,406	5.9%	5,040	67.7%
9,588	0	Washington Aqueduct	16,875	0	0	0.0%	0	0.0%
\$29,174	\$4,112	SUBTOTAL ADD'L CAPITAL PROGRAMS	\$57,394	\$7,447	\$2,406	4.2%	\$5,040	67.7%
\$370,119	\$48,728	TOTAL	\$567,507	\$120,522	\$43,292	7.6%	\$77,230	64.1%



VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

At the end of November 2021, capital disbursements are \$43.3 million or 7.6 percent of the FY 2022 approved budget.

Project performance will be reviewed in detail as part of the quarterly CIP update by the Department of Engineering & Technical Services to the Environmental Quality & Operations and Finance & Budget Committees in February 2022.

Monthly Financial Report

Fiscal Year-to-Date
As of November 30, 2021

Cash Investments (\$ in millions)

Cash Balances

Rate Stabilization Fund Balance **\$46.14**
DC Insurance Reserve Balance **1.00**

<i>Operating Reserve Accounts</i>	
Renewal & Replacement Balance	35.00
O & M Reserve per Indenture	55.47
250 Days of Cash Reserve Board Policy	174.30
Operating & Maintenance Reserve	264.78
FY2022 Management O & M Reserve Target	235.60
Excess Revenue	29.18

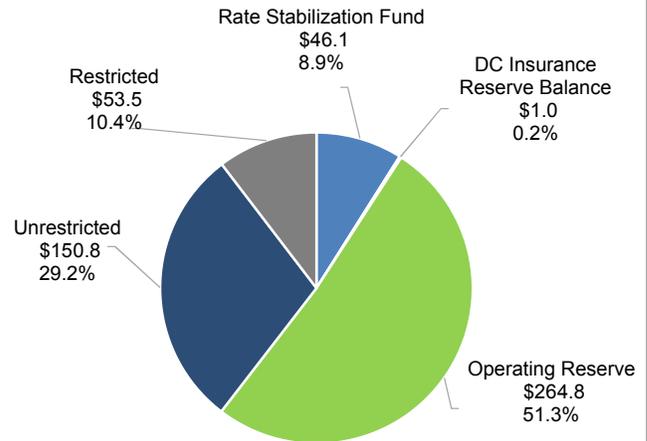
Operating Cash Balance Including RSF **311.92**

<i>Additional Reserve Accounts</i>	
Unrestricted	
Bond Fund - Construction 2019A	50.66
Bond Fund - Construction 2019C	100.15
Unrestricted Total	150.81

Restricted	
Debt Service Reserve - Series 1998	15.55
DC Water - CARES Residential Relief Fund	1.11
DC Water - CARES Multi-Family Relief Fund	4.23
DC Water - CARES FY2022 Targeted Assistance	5.00
DC Water - DDOT Projects	1.55
District Funds	16.03
DOEE - Lead Pipe Replacement (LPRAP)	1.50
DOEE - Lead Service Line Replacement (ERW)	8.50
Restricted Total	53.46

Total All Funds **\$516.19**

Breakdown of Cash Balances



Overall Portfolio Performance

- The operating reserve balance was \$264.8 million as compared to the revised operating reserve management target level of \$194.0 million for FY 2022
- Average cash balance for the month of November was \$235.0 million; revised year-end target is \$194.0 million
- Total investment portfolio was in compliance with the Authority's Investment Policy
- Operating funds interest income for November (on a cash basis) was \$214,615; YTD \$374,659
- A detailed investment performance report is attached

Monthly Financial Report

Fiscal Year-to-Date As of November 30, 2021

FY 2022 Cash Flow Summary (\$000's)

	Annual Budget Cash Basis	YTD Cash Budget	YTD Actual Cash Oct. 1, 2021 - Nov. 30, 2021	Variance Favorable (Unfavorable)	
OPERATING BUDGET					
Cash Provided					
Retail	\$599,193	\$107,285	\$111,416	\$4,132	4%
Wholesale	84,669	\$21,167	20,879	(288)	0%
Other	114,038	\$53,077	53,991	914	2%
Total Cash Provided	797,900	181,529	186,286	4,758	3%
Operating Cash Used					
Personnel Services	155,267	23,492	19,870	3,622	15%
Contractual Services	88,504	13,022	13,965	(943)	-7%
Chemicals & Supplies	34,202	5,005	6,176	(1,171)	-23%
Utilities	27,329	3,787	3,509	278	7%
Water Purchases	35,217	5,351	6,118	(767)	-14%
Small Equipment	1,108	196	42	154	78%
Total Operating Cash Used	341,627	50,853	49,681	1,172	2%
Defeasance D.S./Cash Financed Capital Construction	37,830	6,305	0	6,305	100%
Other Cash Used					
Debt Service	231,164	35,124	31,285	3,839	11%
Payment In Lieu of Taxes/Right of Way	22,718	3,760	5,679	(1,919)	-51%
Total Other Cash Used	253,882	38,884	36,965	1,919	5%
Total Cash Used	633,339	96,042	86,646	9,396	10%
Net Cash Provided (Used) by Operating Act.	164,561	27,427	99,640	72,213	
CAPITAL BUDGET					
Cash Provided					
Debt Proceeds	319,755	53,292	(12)	(53,305)	-100%
Cash Financed Capital Improvements	0				0%
System Availability Fee	7,700	1,283		(1,283)	-100%
EPA Grants	31,311	5,219	1,938	(3,281)	-63%
CSO Grants					0%
Interest Income	2,623	437	6	(431)	-99%
Wholesale Capital Contributions	83,640	13,940	15,145	1,205	9%
Total Cash Provided	445,029	74,171	17,077	(57,095)	-77%
Cash Used					
DC Water Capital Program	550,631	120,522	43,292	77,230	64%
Washington Aqueduct Projects	16,875				0%
Total Cash Used	567,507	120,522	43,292	77,230	64%
Net Cash/PAYGO Provided (Used) by Cap. Act.	(\$122,478)	(\$20,413)	(\$26,993)	(\$6,580)	
Beginning Balance, October 1 (Net of Rate Stab. Fund) Projected					
Plus (Less) Operating Surplus	164,561	27,427	99,640		
Wholesale Customer Refunds from Prior Years	(3,342)	(557)	(5,063)		
Interest Earned From Bond Reserve	85	14	6		
Transfer to Rate Stabilization Fund					
Transfer to CAP Fund					
Transfer from CAP Fund					
Transfer from SAF					
Prior Year Federal Billing Reconciliation	488	81	122		
Project Billing Refunds					
Cash Used for Capital	(122,478)	(20,413)	(26,216)		
Balance Attributable to O&M Reserve	\$235,600		\$264,776		
OTHER CASH RESERVES					
Rate Stabilization Fund	\$87,744				
DC Insurance Reserve	1,000				
Unrestricted Reserves	150,809				
Restricted Reserves	53,464				

APPENDIX

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Retail Accounts Receivable.....	10
Investment Report.....	11

Monthly Financial Report

Fiscal Year-to-Date
As of November 30, 2021

Operating Revenues Detail

(\$ in millions)

Revenue Category	FY 2022 Budget	YTD Budget	Actual	Variance		Actual % of Budget
				Favorable / (Unfavorable)		
Residential, Commercial, and Multi-family	\$422.8	\$70.5	\$77.4	\$6.9	9.8%	18.3%
Federal	81.3	20.3	18.4	(1.9)	-9.6%	22.6%
District Government	18.7	3.1	3.0	(0.1)	-3.0%	16.2%
DC Housing Authority	12.6	2.1	2.1	0.0	1.7%	16.9%
Customer Metering Fee	24.1	4.1	3.2	(1.0)	-23.9%	13.1%
Water System Replacement Fee (WSRF)	39.7	7.1	7.3	0.2	2.8%	18.4%
Wholesale	84.7	21.2	20.9	(0.3)	-1.4%	24.7%
Right-of-Way Fee/PILOT	21.6	3.8	4.1	0.3	6.6%	19.0%
Subtotal (before Other Revenues)	\$705.5	\$132.3	\$136.4	\$4.1	3.1%	19.3%
IMA Indirect Cost Reimb. For Capital Projects	5.1	0.8	1.2	0.4	50.0%	23.5%
DC Fire Protection Fee	10.8	2.7	2.9	0.2	7.4%	26.9%
Stormwater (MS4)	1.0	0.2	0.3	0.1	50.0%	30.0%
Interest	3.4	0.6	0.4	(0.2)	-33.3%	11.8%
Developer Fees (Water & Sewer)	6.0	1.0	1.6	0.6	60.0%	26.7%
System Availability Fee (SAF)	7.7	1.3	0.8	(0.5)	-38.5%	10.4%
Others	6.4	1.1	1.2	0.1	9.1%	18.8%
Subtotal	\$40.4	\$7.6	\$8.3	\$0.7	9.2%	20.6%
Rate Stabilization Fund Transfer	\$52.1	\$41.6	\$41.6	\$0.0	0.0%	79.8%
Other Revenue Subtotal	\$92.5	\$49.2	\$49.9	\$0.7	1.4%	53.9%
Grand Total	\$798.0	\$181.5	\$186.3	\$4.8	2.6%	23.3%

BREAKDOWN OF RETAIL RECEIPTS BY CUSTOMER CATEGORY
(\$ in 000's)

Customer Category	Water	Sewer	Clean Rivers			WSRF	Total
			IAC	Metering Fee			
Residential	\$6,617	\$10,437	\$4,446	\$1,302	\$1,560	\$24,361	
Commercial	\$12,932	\$14,642	\$5,475	\$918	\$2,645	\$36,612	
Multi-family	\$8,218	\$12,639	\$1,984	\$405	\$1,229	\$24,475	
Federal	\$6,365	\$7,235	\$4,791	\$401	\$1,507	\$20,299	
District Govt	\$719	\$973	\$1,326	\$100	\$316	\$3,435	
DC Housing Authority	\$787	\$1,166	\$181	\$32	\$69	\$2,234	
Total:	\$35,638	\$47,092	\$18,203	\$3,158	\$7,325	\$111,416	

Note: The breakdown of Collections into Residential, Commercial, & Multi-family and Water and sewer is approximate as it is based on percentages of historical data and does not take into account adjustments and timing differences

Clean Rivers IAC - Actual vs Budget
(\$ in 000's)

Customer Category	FY2021 Budget	Year-To-Date Budget	Actual Received	Variance		Actual % of Budget
				Favorable / <Unfavorable>	Variance % of YTD Budget	
Residential	\$23,608	\$3,935	\$4,446	\$511	13%	19%
Commercial	\$27,191	\$4,532	\$5,475	\$944	21%	20%
Multi-family	\$10,847	\$1,808	\$1,984	\$176	10%	18%
Federal	\$19,239	\$4,810	\$4,791	-\$19	0%	25%
District Govt	\$7,224	\$1,204	\$1,326	\$122	10%	18%
DC Housing Authority	\$1,070	\$178	\$181	\$2	1%	17%
Total:	\$89,179	\$16,466	\$18,203	\$1,737	11%	20%

Monthly Financial Report

Fiscal Year-to-Date
As of November 30, 2021

Retail Accounts Receivable (Delinquent Accounts)

The following tables show retail accounts receivable over 90 days (from the billing date) including a breakdown by customer class.

Greater Than 90 Days by Month

	\$ in millions	# of accounts
September 30, 2012	\$5.5	13,063
September 30, 2013	\$4.9	11,920
September 30, 2014	\$5.3	12,442
September 30, 2015	\$6.5	11,981
September 30, 2016	\$7.7	12,406
September 30, 2017	\$8.4	11,526
September 30, 2018	\$13.4	16,273
September 30, 2019	\$10.6	8,744
September 30, 2020	\$17.9	13,775
September 30, 2021	\$26.3	13,065
October 31, 2021	\$27.1	13,054
November 30, 2021	\$27.2	12,823

Notes: The increase in the accounts receivable over 90 days (from the billing date) is due to the temporary suspension of collections procedures because of the new billing system VertexOne, which was implemented in December 2017. The increase in accounts receivable from March 2020 to November 2021 is primarily due to increased delinquencies and deferred payments due to the impact of COVID-19.

Greater Than 90 Days by Customer

	Number of Accounts			Month of Nov (All Categories)				Total Delinquent				
	W & S	Impervious Only	Total No. of	Active		Inactive		Oct		Nov		
				No. of	Amount	No. of	Amount	No. of	Amount	No. of	Amount	%
a/c	a/c	a/c	a/c	(\$)	a/c	(\$)	a/c	(\$)	a/c	(\$)		
Commercial	9,138	2,202	11,340	1,347	6,066,324	42	\$129,682	1,430	\$6,375,881	1,389	\$6,196,006	23%
Multi-family	8,473	350	8,823	1,149	10,128,289	18	\$99,611	1,183	\$10,103,023	1,167	\$10,227,899	38%
Single-Family Residential	106,819	2,167	108,986	10,123	10,631,015	144	\$141,321	10,441	\$10,656,510	10,267	\$10,772,336	40%
Total	124,430	4,719	129,149	12,619	\$26,825,627	204	\$370,614	13,054	\$27,135,414	12,823	\$27,196,241	100%

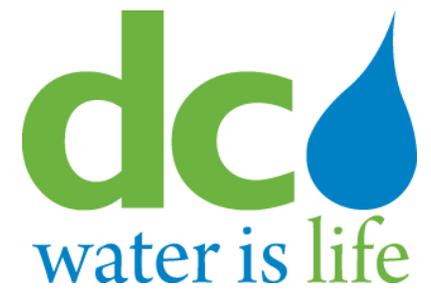
Notes: Included in the above \$27.2 million (or 12,823 accounts) of the DC Water over 90 days delinquent accounts, \$4,295,259.36 (or 1,323 accounts) represents Impervious only accounts over 90 days delinquent.

- Reportable delinquencies do not include balances associated with a long-standing dispute between DC Water and a large commercial customer.
- Delinquent accounts (12,823) as a percentage of total accounts (129,149) is 9.9 percent.



DC Water

Investment Performance Report – November 2021





**DC Water
Finance Division
Economic Update**

ECONOMIC COMMENTARY

- U.S. gross domestic product (“GDP”) for the third quarter of 2021 grew by an annualized 2.1%, according to the Bureau of Economic Analysis’ second estimate. Economists are expecting a solid rebound in the current quarter as long as rising inflation and a recent uptick in COVID cases and new variant do not derail activity.
- Federal Reserve Chair Jerome Powell surprised the market with a more hawkish tone amid the emergence of the new Covid-19 variant. Powell said it is time to retire the word “transitory” with regards to inflation and opened the door for the Central Bank to end their asset purchase tapering a few months earlier than anticipated. The International Monetary Fund (IMF) said the U.S. Federal Reserve should tighten monetary policy at a faster pace in light of rising inflation risks.
- According to the Bureau of Labor Statistics, the U.S. created 210,000 jobs for November, which was well below the anticipated expectation of 550,000 jobs. This is the smallest gain this year in jobs. Despite the disappointing job figures, the unemployment rate fell from 4.6% in October to 4.2% in November. The labor force participation rate ticked up slightly from 61.8% from 61.6%. The better-than-expected unemployment and labor participation rate figures could keep the Federal Reserve on track to tighten monetary policy earlier than originally planned.
- U.S. retail sales surged 1.7% MoM in October of 2021 as Americans eagerly started their holiday shopping early to avoid empty shelves amid shortages of some goods because of the ongoing pandemic, which should support fourth-quarter GDP growth. The solid retail sales report on November 16, 2021 suggested high inflation was not yet dampening spending, even as worries about the rising cost of living sent consumer sentiment tumbling to a 10-year low in early November. Rising household wealth, thanks to a strong stock market and house prices, as well as massive savings and moderate wage gains, appear to be cushioning consumers against the highest annual inflation in three decades.

PORTFOLIO RECAP

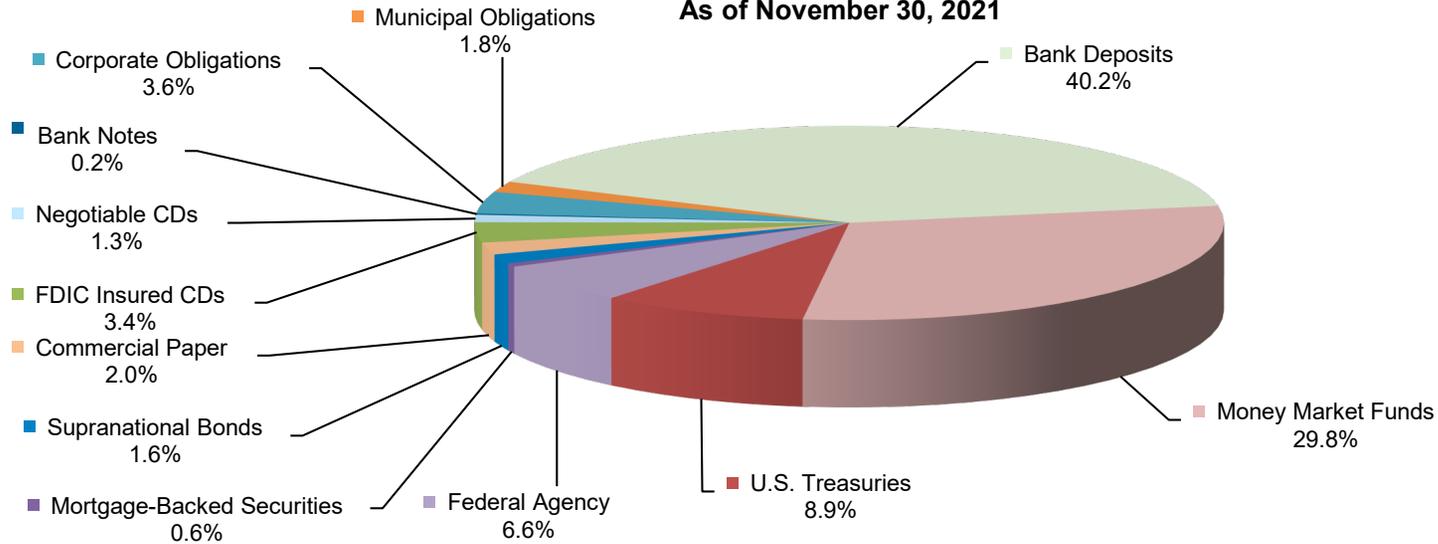
- The portfolio is diversified among Bank Deposits, U.S. Treasuries, Federal Agencies, Mortgage-Backed Securities, Commercial Paper, Supranational Bonds, Negotiable CDs, Corporate Notes/Bonds, Municipal Bonds, FDIC Insured CDs, Bank Notes and SEC registered money market funds.
- The overall yield-to-maturity on cost of the portfolio is 0.16%.

Operating Reserve

- The investment advisor (PFMAM) purchased a combined \$1.3 million in corporate notes from various issuers during the month of November.
- Value was found in \$3.6 million in U.S. Treasury notes.
- \$5.3 million of FDIC-insured certificate of deposit was also purchased.



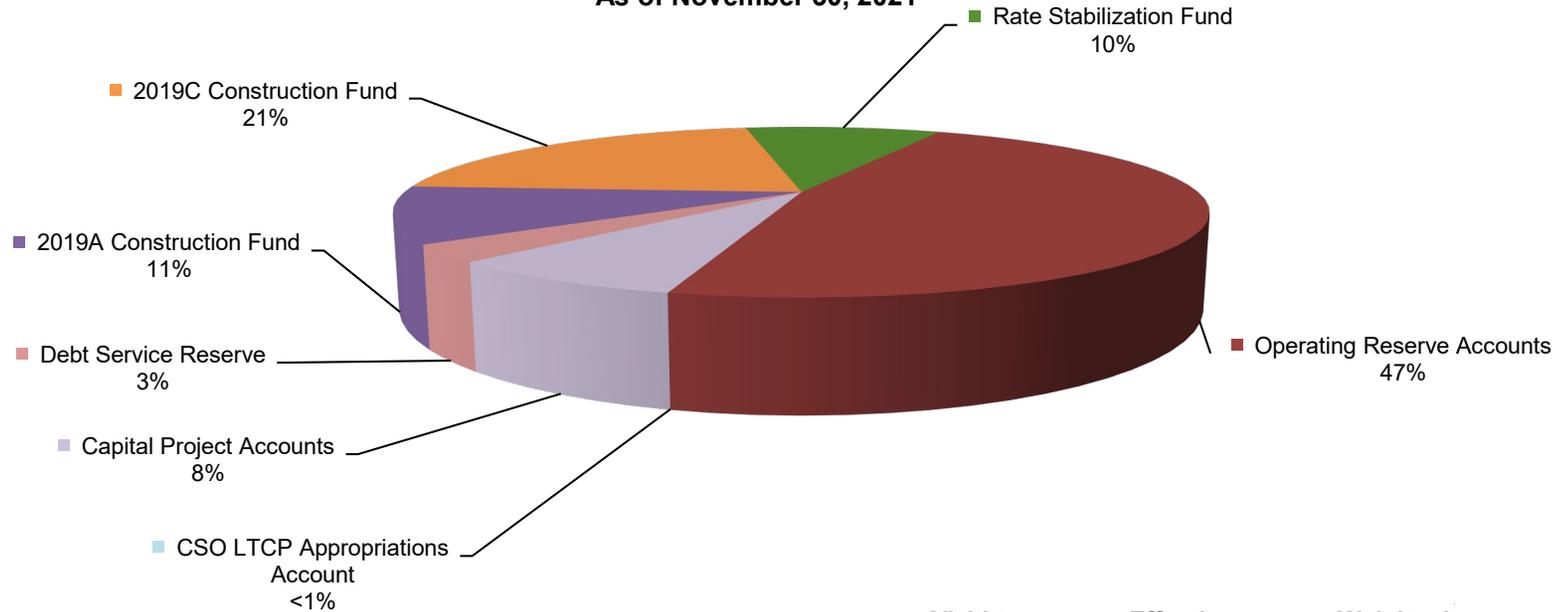
**DC Water
Finance Division
Investments - By Security Type
As of November 30, 2021**



Security Type	Book Value + Accrued Interest	Asset Allocation	Permitted By Policy
Bank Deposits	191,046,524	40.2%	100.0%
Money Market Funds	141,434,492	29.8%	100.0%
U.S. Treasuries	42,403,711	8.9%	100.0%
Federal Agency	31,543,760	6.6%	80.0%
Mortgage-Backed Securities	2,743,159	0.6%	30.0%
Supranational Bonds	7,485,954	1.6%	30.0%
Commercial Paper	9,499,679	2.0%	35.0%
FDIC Insured CDs	15,926,844	3.4%	30.0%
Negotiable CDs	5,946,238	1.3%	30.0%
Bank Notes	931,076	0.2%	40.0%
Corporate Obligations	17,267,748	3.6%	30.0%
Municipal Obligations	8,465,535	1.8%	20.0%
Total	\$ 474,694,720	100.0%	



**DC Water
Finance Division
Investment Analysis – By Fund
As of November 30, 2021**



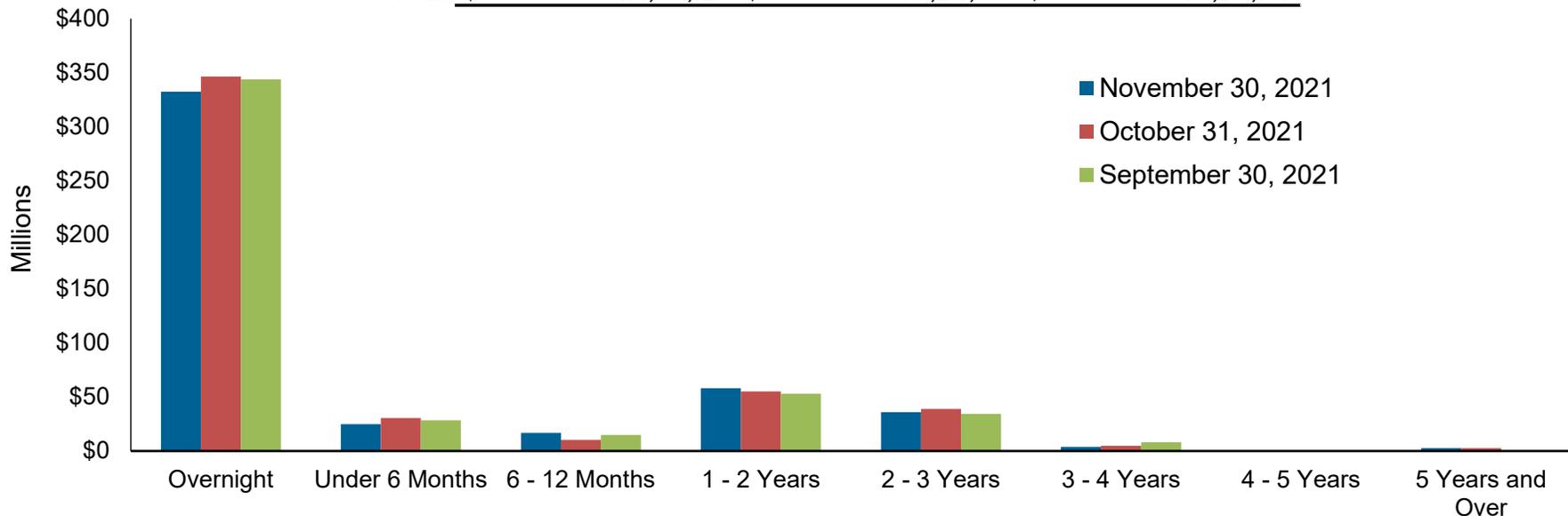
Fund Name	Book Value + Accrued Interest	Yield-to- Maturity at Cost	Effective Duration (years)	Weighted Average Maturity (days)
Rate Stabilization Fund	\$ 46,143,912	0.00%	0.00	1.0
Operating Reserve Accounts	\$ 224,261,724	0.30%	0.86	356.3
CSO LTCP Appropriations Account	\$ 1,810	0.00%	0.00	1.0
Capital Project Accounts	\$ 37,911,408	0.00%	0.00	1.0
Debt Service Reserve	\$ 15,556,785	0.35%	1.42	521.7
2019A Construction Fund	\$ 50,660,120	0.01%	0.00	1.0
2019C Construction Fund	\$ 100,158,961	0.01%	0.00	1.5
Total	\$ 474,694,720	0.16%	0.45	186.0

Investment Performance Report – November 2021



DC Water
Finance Division
Investment Analysis – By Maturity

Maturity Distribution	November 30, 2021	October 31, 2021	September 30, 2021
Overnight \$	332,481,016.17	\$346,598,489.46	\$343,855,363.33
Under 6 Months	24,850,304.89	30,467,245.63	28,277,109.85
6 - 12 Months	16,853,692.02	10,403,410.44	14,881,438.11
1 - 2 Years	58,171,706.39	55,205,917.16	52,878,709.57
2 - 3 Years	35,854,176.02	38,930,644.42	34,276,279.44
3 - 4 Years	3,740,665.47	4,828,710.47	8,204,503.34
4 - 5 Years	-	-	-
5 Years and Over	2,743,159.37	2,822,918.70	2,916,327.18
Totals \$	474,694,720 \$	489,257,336 \$	485,289,731



Investment Performance Report – November 2021



**DC Water
Finance Division
Investments – Issuer Allocation**

	Credit Ratings		Investment Policy	
	S&P / Moody's	Book Value	Limit	
Bank Deposits				
TD Bank		191,046,523.78	40.2%	100.0%
Sub-Total Bank Deposits		191,046,523.78	40.2%	100.0%
Money Market Mutual Funds				
Wells Fargo Treasury Plus MMF	AAAm	30,416.02	0.0%	50.0%
Wells Fargo Government MMF	AAAm	84,674.05	0.0%	50.0%
Wells Fargo 100% Treasury MMF	AAAm	141,319,402.32	29.8%	50.0%
Sub-Total Money Market Mutual Funds		141,434,492.39	29.8%	100.0%
U.S. Treasuries				
Treasury Note	AA+ / Aaa	42,403,710.98	8.9%	100.0%
Sub-Total Treasuries		42,403,710.98	8.9%	100.0%
Federal Agencies				
Fannie Mae	AA+ / Aaa	13,286,123.90	2.8%	40.0%
Federal Home Loan Bank	AA+ / Aaa	1,329,274.15	0.3%	40.0%
Freddie Mac	AA+ / Aaa	16,928,361.78	3.6%	40.0%
Sub-Total Federal Agencies		31,543,759.83	6.6%	80.0%
Mortgage-Backed Securities				
Fannie Mae	AA+ / Aaa	1,903,106.83	0.4%	5.0%
Freddie Mac	AA+ / Aaa	840,052.54	0.2%	5.0%
Sub-Total Mortgage-Backed Securities		2,743,159.37	0.6%	30.0%
Supranational Bonds				
African Development Bank	AAA / Aaa	800,471.09	0.2%	5.0%
Asian Development Bank	AAA / Aaa	2,917,516.75	0.6%	5.0%
Inter-American Development Bank	AAA / Aaa	1,995,340.88	0.4%	5.0%
International Bank for Reconstruction and Development	AAA / Aaa	1,772,625.50	0.4%	5.0%
Sub-Total Supranational Bonds		7,485,954.22	1.6%	30.0%

CDARS holdings are not managed by PFMAM, and we therefore cannot guarantee the accuracy of holdings information provided.



**DC Water
Finance Division
Investments – Issuer Allocation (Continued)**

	Credit Ratings		Investment Policy	
	S&P / Moody's	Book Value		Limit
Commercial Paper				
ASB Bank Ltd (Commonwealth Bank of Australia)	A-1+ / P-1	3,000,000.00	0.6%	5.0%
Santander UK PLC	A-1 / P-1	3,000,000.00	0.6%	5.0%
Skandinav Enskilda Bank	A-1 / P-1	499,966.67	0.1%	5.0%
Societe Generale	A-1 / P-1	2,999,712.50	0.6%	5.0%
Sub-Total Commercial Paper		9,499,679.17	2.0%	35.0%
FDIC Insured Certificates of Deposit				
CDARS - Placed by Industrial Bank	NR	15,926,844.24	3.4%	5.0%
Sub-Total FDIC-Insured Certificates of Deposit		15,926,844.24	3.4%	30.0%
Negotiable Certificates of Deposit				
Barclays Bank PLC NY	A-1 / P-1	2,029,763.25	0.4%	5.0%
Nordea Bank AB NY	A-1+ / P-1	1,457,227.85	0.3%	5.0%
Skandinaviska Enskilda Bank	A-1 / P-1	1,457,266.92	0.3%	5.0%
UBS AG Stamford CT	A-1 / P-1	1,001,980.00	0.2%	5.0%
Sub-Total Negotiable Certificates of Deposit		5,946,238.02	1.3%	30.0%
Corporate Obligations				
Alphabet	AA+ / Aa2	532,640.51	0.1%	5.0%
Amazon	AA / A1	1,404,854.28	0.3%	5.0%
Apple	AA+ / Aa1	319,715.22	0.1%	5.0%
Bank of America	A- / A2	748,153.83	0.2%	5.0%
Bank of Montreal	A- / A2	886,341.27	0.2%	5.0%
Bank of New York Mellon	A / A1	813,674.46	0.2%	5.0%
Bank of Nova Scotia Houston	A- / A2	1,094,159.94	0.2%	5.0%
Berkshire Hathaway Inc.	AA / Aa2	512,169.09	0.1%	5.0%
Canadian Imperial Bank NY	BBB+ / A2	1,001,973.39	0.2%	5.0%
Chevron	AA- / Aa2	492,933.54	0.1%	5.0%
JP Morgan	A- / A2	1,278,094.54	0.3%	5.0%

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**DC Water
Finance Division
Investments – Issuer Allocation (Continued)**

	Credit Ratings		Investment Policy	
	S&P / Moody's	Book Value		Limit
Corporate Obligations				
Microsoft Corp	AAA / Aaa	504,054.30	0.1%	5.0%
Nestle Holdings Inc	AA- / Aa3	1,091,412.82	0.2%	5.0%
Nordea Bank AB	AA- / Aa3	375,008.41	0.1%	5.0%
Royal Bank of Canada NY	A / A2	1,191,360.76	0.3%	5.0%
Skandinaviska Enskilda	NR / NR	440,073.96	0.1%	5.0%
Svenska Handelsbanken AB	AA- / Aa2	425,828.23	0.1%	5.0%
Swedbank AB	A+ / Aa3	500,636.25	0.1%	5.0%
Toronto Dominion Bank NY	A / A1	1,504,979.78	0.3%	5.0%
UBS AG London	A+ / Aa3	911,238.35	0.2%	5.0%
US Bank Cincinnati	AA- / A1	498,172.76	0.1%	5.0%
Westpac Banking	AA- / Aa3	740,272.30	0.2%	5.0%
Sub-Total Corporate Obligations		17,267,747.99	3.6%	30.0%
Bank Notes				
Citibank	A+ / Aa3	451,203.77	0.1%	5.0%
US Bank Cincinnati	AA- / A1	479,871.96	0.1%	5.0%
Sub-Total Bank Notes		931,075.73	0.2%	30.0%
Municipal Obligations				
Avondale School District, Michigan	NR / Aa1	931,259.58	0.2%	5.0%
Florida State Board of Administration	AA / Aa3	246,284.21	0.1%	5.0%
Honolulu, Hawaii	NR / Aa1	392,260.70	0.1%	5.0%
Louisiana State	AA- / Aa3	481,560.00	0.1%	5.0%
Maryland State	AAA / Aaa	500,683.33	0.1%	5.0%
Mississippi State	AA / Aa2	375,131.88	0.1%	5.0%
New York City, New York	AA / Aa2	806,241.92	0.2%	5.0%
New York State Urban Development	AA+ / NR	2,510,154.00	0.5%	5.0%
NYC Transitional Finance Authority	AAA / Aa1	926,942.50	0.2%	5.0%

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**DC Water
Finance Division
Investments – Issuer Allocation (Continued)**

	Credit Ratings		Investment Policy	
	S&P / Moody's	Book Value		Limit
Municipal Obligations				
Oaklahoma State Turnpike Authority	AA- / Aa3	356,189.25	0.1%	5.0%
Prince George County	AAA / Aaa	500,636.50	0.1%	5.0%
San Jose, California	AA+ / Aa1	438,190.74	0.1%	5.0%
Sub-Total Municipal Obligations		8,465,534.61	1.8%	20.0%
Grand Total		\$ 474,694,720.33	100.0%	

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**DC Water
Finance Division
Certificate of Compliance**

During the reporting period for the month ended November 30, 2021, the account(s) managed by PFM Asset Management (“PFMAM”) were in compliance with the applicable investment policy and guidelines as furnished to PFMAM.

Acknowledged: PFM Asset Management LLC

CDARS holdings are not managed by PFMAM, and we therefore cannot guarantee the accuracy of holdings information provided.



**DC Water
Finance Division
Book Value Performance
As of November 30, 2021**

	Trailing 1 Month		Trailing 3 Months		Trailing 6 Months		Trailing 12 Months	Trailing 24 Months
	Periodic	Annualized	Periodic	Annualized	Periodic	Annualized		
Rate Stabilization Fund	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.08%	0.42%
Operating Reserve Accounts	0.10%	1.18%	0.32%	1.27%	0.63%	1.27%	1.71%	2.28%
Debt Service Reserve	0.03%	0.35%	0.08%	0.31%	0.16%	0.31%	0.31%	1.44%
2019A Construction Fund	0.001%	0.01%	0.00%	0.01%	0.01%	0.01%	0.04%	n/a
2019C Construction Fund	0.00%	0.03%	0.01%	0.03%	0.04%	0.08%	0.11%	n/a
Short Term Consolidated Composite	0.00%	0.06%	0.02%	0.06%	0.04%	0.08%	0.10%	0.45%
ICE BoAML 3-Month Treasury Index (Book Value) ¹	0.00%	0.05%	0.01%	0.05%	0.02%	0.05%	0.04%	0.25%
Core (1+Years) Consolidated Composite	0.05%	0.56%	0.14%	0.58%	0.33%	0.65%	0.82%	1.44%
ICE BoAML 1-3 Year Treasury Index (Book Value) ²	0.04%	0.51%	0.11%	0.42%	0.16%	0.32%	0.24%	0.36%

- (1) The ICE Bank of America Merrill Lynch 3-Month Treasury Bill is an unmanaged index tracking the on-the-run Treasury Bill. The Index is produced and maintained by Merrill Lynch & Co. Performance for this index is shown on a book value basis.
- (2) The ICE Bank of America Merrill Lynch 3-Month Treasury Bill is an unmanaged index tracking a basket of U.S. Treasuries with 1 to 3 year maturities. The Index is produced and maintained by Merrill Lynch & Co. Performance for this index is shown on a book value basis.



**DC Water
Finance Division
Portfolio Holdings by Fund**

DESCRIPTION	CUSIP	PAR AMOUNT	COUPON RATE	MATURITY DATE	SETTLEMENT DATE	YTM AT COST	ORIGINAL COST	MARKET VALUE + ACCRUED INTEREST	AMORTIZED COST + ACCRUED INTEREST	TOTAL VALUE
Rate Stabilization Fund										
TD BANK BANK DEPOSIT		\$ 46,143,912		12/1/2021		0.00%	\$ 46,143,912	\$ 46,143,912	\$ 46,143,912	\$ 46,143,912.00
Operating Reserve Accounts										
TD BANK BANK DEPOSIT		\$ 105,989,393		12/1/2021		0.00%	\$ 105,989,393	\$ 105,989,393	\$ 105,989,393	
DC RESERVES TD BANK DEPOSIT		1,000,000		12/1/2021		0.00%	1,000,000	1,000,000	1,000,000	
WELLS FARGO GOVERNMENT MMF		84,674		12/1/2021		0.01%	84,674	84,674	84,674	
INDUSTRIAL BANK CDARS		2,705,463	0.100	1/13/2022	1/14/2021	0.10%	2,705,463	2,707,843	2,707,843	
INDUSTRIAL BANK CDARS		2,748,428	0.100	1/13/2022	1/14/2021	0.10%	2,748,428	2,750,846	2,750,846	
BARCLAYS BANK PLC NY CERT DEPOS	06742TWL6	2,025,000	0.290	2/4/2022	2/12/2021	0.29%	2,025,000	2,030,058	2,029,763	
NY ST DORM AUTH PITS TXBL REV BONDS	64990FRJ5	450,000	1.935	2/15/2022	1/3/2020	1.93%	450,000	454,067	452,564	
UBS AG STAMFORD CT CERT DEPOS	90275DNS5	1,000,000	0.270	3/11/2022	3/15/2021	0.27%	1,000,000	1,001,950	1,001,980	
NY ST DORM AUTH PITS TXBL REV BONDS	64990FVY0	760,000	0.550	3/15/2022	10/15/2020	0.55%	760,000	761,810	760,882	
INDUSTRIAL BANK CDARS		5,182,767	0.100	4/7/2022	4/8/2021	0.10%	5,182,767	5,186,134	5,186,134	
AVONDALE SCH DIST, MI TXBL GO BONDS	054375VQ0	460,000	1.600	5/1/2022	2/25/2020	1.60%	460,000	463,125	460,613	
HONOLULU, HI TXBL GO BONDS	438687KR5	390,000	1.739	8/1/2022	8/21/2019	1.74%	390,000	395,849	392,261	
NORDEA BANK ABP NEW YORK CERT DEPOS	65558TLL7	1,450,000	1.850	8/26/2022	8/29/2019	1.84%	1,450,000	1,473,333	1,457,228	
SKANDINAV ENSKILDA BANK LT CD	83050PDR7	1,450,000	1.860	8/26/2022	9/3/2019	1.85%	1,450,000	1,473,479	1,457,267	
SAN JOSE, CA TXBL GO BONDS	798135H44	435,000	2.300	9/1/2022	7/25/2019	2.08%	437,854	444,126	438,191	
PRINCE GEORGES CNTY, MD TXBL GO BONDS	7417017E0	500,000	0.603	9/15/2022	6/16/2020	0.60%	500,000	502,097	500,637	
NYC, NY TXBL GO BONDS	64966QEE6	385,000	1.690	10/1/2022	10/22/2019	1.69%	385,000	390,631	386,084	
BANK OF MONTREAL CORP NOTES	06367WRC9	500,000	2.050	11/1/2022	10/21/2019	2.09%	499,415	507,953	500,677	
NYC, NY TXBL GO BONDS	64966QLD0	420,000	0.450	11/1/2022	9/9/2020	0.45%	420,000	420,561	420,158	
NYC TRANS FIN AUTH, NY TXBL REV BONDS	64971XH77	925,000	2.520	11/1/2022	4/12/2019	2.52%	925,000	945,544	926,943	
INDUSTRIAL BANK CDARS		5,281,904	0.030	11/3/2022	11/4/2021	0.03%	5,281,904	5,262,534	5,282,021	
TORONTO-DOMINION BANK	89114QCD8	500,000	1.900	12/1/2022	10/10/2019	1.94%	499,445	511,894	504,574	
US TREASURY NOTES	912828Z29	1,275,000	1.500	1/15/2023	2/5/2020	1.33%	1,281,275	1,299,357	1,284,617	
BANK OF NOVA SCOTIA	064159QD1	410,000	2.375	1/18/2023	7/18/2019	2.39%	409,807	421,133	413,535	
BANK OF NY MELLON CORP NOTES (CALLABLE)	06406RAM9	325,000	1.850	1/27/2023	1/28/2020	1.87%	324,773	331,488	326,983	
US TREASURY NOTES	912828P38	1,325,000	1.750	1/31/2023	1/6/2020	1.61%	1,330,383	1,354,903	1,334,796	
US TREASURY NOTES	91282CBG5	3,000,000	0.125	1/31/2023	2/3/2021	0.11%	3,000,703	2,994,222	3,001,665	
US TREASURY NOTES	912828Z86	625,000	1.375	2/15/2023	3/4/2020	0.78%	635,864	635,530	631,967	
FEDERAL HOME LOAN BANKS NOTES	3130AJ7E3	1,325,000	1.375	2/17/2023	2/21/2020	1.44%	1,322,562	1,347,592	1,329,274	
BERKSHIRE HATHAWAY FIN (CALLABLE) NOTES	084670BR8	500,000	2.750	3/15/2023	3/9/2020	1.16%	523,550	514,613	512,169	
NY ST URBAN DEV CORP TXBL REV BONDS	650036DR4	225,000	0.480	3/15/2023	12/23/2020	0.48%	225,000	225,210	225,228	
NY ST URBAN DEV CORP TXBL REV BONDS	650036AR7	375,000	0.720	3/15/2023	6/25/2020	0.72%	375,000	376,733	375,570	
AFRICAN DEVELOPMENT BANK SUPRANATL	008281BC0	800,000	0.750	4/3/2023	4/3/2020	0.80%	798,888	803,678	800,471	
FREDDIE MAC NOTES	3137EAEQ8	2,475,000	0.375	4/20/2023	4/20/2020	0.46%	2,468,813	2,476,394	2,473,203	
INTL BK OF RECON AND DEV NOTE	459058JV6	715,000	0.126	4/20/2023	4/20/2021	0.23%	713,520	711,360	714,079	
AVONDALE SCH DIST, MI TXBL GO BONDS	054375VR8	470,000	1.650	5/1/2023	2/25/2020	1.65%	470,000	477,771	470,646	
FREDDIE MAC NOTES	3137EAEER6	1,865,000	0.375	5/5/2023	5/7/2020	0.39%	1,864,217	1,864,970	1,865,132	
FREDDIE MAC NOTES	3137EAEER6	1,200,000	0.375	5/5/2023	6/4/2020	0.35%	1,200,960	1,199,981	1,200,794	
APPLE INC CORPORATE NOTES	037833DV9	320,000	0.750	5/11/2023	5/11/2020	0.84%	319,130	321,016	319,715	
FANNIE MAE NOTES	3135G04Q3	1,975,000	0.250	5/22/2023	5/22/2020	0.35%	1,969,055	1,970,911	1,972,208	
FANNIE MAE NOTES	3135G04Q3	1,125,000	0.250	5/22/2023	6/4/2020	0.36%	1,121,355	1,122,671	1,123,261	
INTER-AMERICAN DEVEL BK NOTES	4581X0DM7	505,000	0.500	5/24/2023	4/24/2020	0.51%	504,828	504,862	504,967	
UBS AG LONDON CORPORATE NOTES	902674YF1	555,000	0.375	6/1/2023	6/1/2021	0.43%	554,406	553,070	555,596	
AMAZON.COM INC CORPORATE NOTES	023135BP0	535,000	0.400	6/3/2023	6/3/2020	0.45%	534,251	534,363	535,683	
CHEVRON CORP	166764AH3	475,000	3.191	6/24/2023	2/27/2020	1.62%	499,097	496,549	492,934	
FREDDIE MAC NOTES	3137EAEES4	1,820,000	0.250	6/26/2023	6/26/2020	0.35%	1,814,686	1,816,978	1,819,183	
FANNIE MAE NOTES	3135G05G4	1,915,000	0.250	7/10/2023	7/10/2020	0.32%	1,910,883	1,910,280	1,914,672	
FANNIE MAE NOTES	3135G05G4	750,000	0.250	7/10/2023	10/8/2020	0.26%	749,730	748,151	750,577	

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**DC Water
Finance Division
Portfolio Holdings by Fund (Continued)**

DESCRIPTION	CUSIP	PAR AMOUNT	COUPON RATE	MATURITY DATE	SETTLEMENT DATE	YTM AT COST	ORIGINAL COST	MARKET VALUE + ACCRUED INTEREST	AMORTIZED COST + ACCRUED INTEREST	TOTAL VALUE
Operating Reserve Accounts										
ASIAN DEVELOPMENT BANK NOTES	045167EV1	1,000,000	0.250	7/14/2023	7/14/2020	0.31%	998,330	996,046	1,000,052	
US TREASURY NOTES	912828S92	519,000	1.250	7/31/2023	5/28/2021	0.16%	531,306	528,061	530,576	
MD ST TXBL GO BONDS	574193TP3	500,000	0.410	8/1/2023	8/5/2020	0.41%	500,000	500,283	500,683	
FANNIE MAE NOTES (CALLABLE)	3135G05R0	1,525,000	0.300	8/10/2023	8/12/2020	0.36%	1,522,255	1,520,927	1,524,861	
FREDDIE MAC NOTES	3137EAEV7	1,810,000	0.250	8/24/2023	8/21/2020	0.28%	1,808,154	1,803,583	1,810,158	
US TREASURY N/B NOTES	91282CCU3	375,000	0.125	8/31/2023	9/27/2021	0.27%	373,945	372,834	374,162	
FREDDIE MAC NOTES	3137EAEW5	285,000	0.250	9/8/2023	9/4/2020	0.24%	285,052	283,835	285,195	
FREDDIE MAC NOTES	3137EAEW5	1,240,000	0.250	9/8/2023	9/4/2020	0.26%	1,239,591	1,234,930	1,240,474	
FREDDIE MAC NOTES	3137EAEW5	750,000	0.250	9/8/2023	10/8/2020	0.26%	749,760	746,934	750,287	
TORONTO-DOMINION BANK CORPORATE NOTES	89114QCJ5	500,000	0.450	9/11/2023	9/11/2020	0.50%	499,285	497,727	500,076	
US TREASURY NOTES	91282CDA6	2,000,000	0.250	9/30/2023	10/6/2021	0.28%	1,998,906	1,991,789	1,999,843	
ROYAL BANK OF CANADA CORPORATE NOTES	78015K7J7	690,000	0.500	10/26/2023	10/26/2020	0.52%	689,572	686,502	690,064	
US TREASURY N/B NOTES	91282CDD0	3,650,000	0.375	10/31/2023	11/3/2021	0.52%	3,639,449	3,640,907	3,641,028	
MS ST TXBL GO BONDS	605581MY0	375,000	0.422	11/1/2023	8/6/2020	0.42%	375,000	374,667	375,132	
US TREASURY NOTES	91282CAW1	4,000,000	0.250	11/15/2023	12/3/2020	0.22%	4,003,750	3,977,317	4,002,928	
INTL BK RECON & DEVELOP NOTES	459058JM6	1,060,000	0.250	11/24/2023	11/24/2020	0.32%	1,057,721	1,051,005	1,058,547	
FREDDIE MAC NOTES	3137EAF2A	1,155,000	0.250	12/4/2023	12/4/2020	0.28%	1,153,857	1,148,473	1,155,654	
BANK OF MONTREAL CORPORATE NOTES	06368EA36	385,000	0.450	12/8/2023	12/8/2020	0.47%	384,750	383,103	385,664	
CANADIAN IMPERIAL BANK CORPORATE NOTES	13607GRS5	1,000,000	0.500	12/14/2023	12/14/2020	0.52%	999,490	990,968	1,001,973	
OK ST TURNPIKE AUTH TXBL REV BONDS	679111ZR8	355,000	0.804	1/1/2024	10/29/2020	0.80%	355,000	355,802	356,189	
US TREASURY NOTES	91282CBE0	3,250,000	0.125	1/15/2024	2/3/2021	0.18%	3,244,795	3,218,019	3,247,785	
CITIBANK NA BANK NOTES	17325FAS7	425,000	3.650	1/23/2024	5/12/2020	1.31%	460,696	453,876	451,204	
US TREASURY NOTES	91282CBM2	3,000,000	0.125	2/15/2024	3/3/2021	0.27%	2,986,992	2,968,288	2,991,384	
ALPHABET INC CORP NOTES	02079KAB3	500,000	3.375	2/25/2024	11/30/2021	0.83%	528,175	532,113	532,641	
TORONTO-DOMINION BANK CORPORATE NOTES	89114QCQ9	500,000	0.550	3/4/2024	3/4/2021	0.58%	499,555	495,705	500,330	
NY ST URBAN DEV CORP TXBL REV BONDS	650036DS2	695,000	0.620	3/15/2024	12/23/2020	0.62%	695,000	692,768	695,910	
SWEDBANK AB CORPORATE NOTES	87020PAM9	500,000	0.850	3/18/2024	3/18/2021	0.87%	499,705	498,082	500,636	
BANK OF NOVA SCOTIA CORPORATE NOTES	0641593X2	450,000	0.700	4/15/2024	4/19/2021	0.71%	449,892	446,143	450,317	
US TREASURY NOTES	912828X70	1,000,000	2.000	4/30/2024	4/5/2021	0.37%	1,049,648	1,032,963	1,040,732	
AMAZON.COM INC CORPORATE NOTES	023135BW5	870,000	0.450	5/12/2024	5/12/2021	0.50%	868,730	860,055	869,172	
NORDEA BANK AB CORPORATE NOTES	65559CAC5	375,000	0.625	5/24/2024	5/24/2021	0.63%	374,955	371,014	375,008	
LA ST TXBL GO BONDS	546417DP8	480,000	0.650	6/1/2024	10/14/2020	0.65%	480,000	480,432	481,560	
ASIAN DEVELOPMENT BANK CORPORATE NOTES	045167FE8	1,915,000	0.375	6/11/2024	6/9/2021	0.40%	1,913,851	1,895,955	1,917,465	
SVENSKA HANDELSBANKEN AB CORPORATE NOTES	86959LAG8	425,000	0.550	6/11/2024	6/11/2021	0.58%	424,673	420,343	425,828	
US TREASURY N/B NOTES	91282CCG4	2,850,000	0.250	6/15/2024	7/7/2021	0.47%	2,831,520	2,818,556	2,837,339	
US TREASURY N/B NOTES	91282CCL3	580,000	0.375	7/15/2024	8/9/2021	0.38%	579,932	575,203	580,761	
US TREASURY N/B NOTES	91282CCL3	1,025,000	0.375	7/15/2024	8/10/2021	0.41%	1,023,919	1,016,522	1,025,485	
ROYAL BANK OF CANADA CORPORATE NOTES	78016EZU4	500,000	0.650	7/29/2024	7/30/2021	0.64%	500,220	495,276	501,296	
BANK OF NOVA SCOTIA CORPORATE NOTES	0641596E1	230,000	0.650	7/31/2024	8/3/2021	0.68%	229,795	227,745	230,308	
UBS AG LONDON CORPORATE NOTES	902674YK0	355,000	0.700	8/9/2024	8/9/2021	0.71%	354,854	352,622	355,643	
US TREASURY N/B NOTES	91282CCT6	2,250,000	0.375	8/15/2024	9/3/2021	0.41%	2,247,539	2,228,921	2,250,219	
SKANDINAVISKA ENSKILDA CORPORATE NOTES	83051GAS7	440,000	0.650	9/9/2024	9/9/2021	0.70%	439,375	435,195	440,074	
NESTLE HOLDINGS INC CORP NOTES (CALLABLE)	641062AU8	1,090,000	0.606	9/14/2024	9/14/2021	0.61%	1,090,000	1,078,142	1,091,413	
US TREASURY N/B NOTES	91282CCX7	2,000,000	0.375	9/15/2024	10/6/2021	0.51%	1,991,875	1,978,783	1,993,894	
JPMORGAN CHASE & CO CORPORATE NOTES (CAL)	46647PBS4	375,000	0.653	9/16/2024	9/16/2020	0.65%	375,000	373,617	375,510	
JPMORGAN CHASE & CO CORPORATE NOTES (CAL)	46647PBS4	125,000	0.653	9/16/2024	9/30/2020	0.66%	124,968	124,539	125,147	
INTER-AMERICAN DEVEL BK NOTES	4581X0DZ8	1,490,000	0.500	9/23/2024	9/23/2021	0.52%	1,488,897	1,473,450	1,490,374	
US TREASURY NOTES	912828YM6	3,250,000	1.500	10/31/2024	5/6/2021	0.44%	3,368,701	3,317,143	3,353,403	
WESTPAC BANKING CORP CORPORATE NOTES	961214EU3	740,000	1.019	11/18/2024	11/18/2021	1.02%	740,000	737,762	740,272	
US TREASURY NOTES	912828V6	1,050,000	1.500	11/30/2024	6/7/2021	0.42%	1,088,965	1,070,223	1,083,586	
US BANK NA CINCINNATI (CALLABLE) CORPORA	90331HPL1	475,000	2.050	1/21/2025	10/14/2020	0.70%	501,937	490,252	498,173	
US BANK NA CINCINNATI CORP NOTE (CALLABL	90331HMS9	450,000	2.800	1/27/2025	3/8/2021	0.95%	481,631	474,797	479,872	

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**DC Water
Finance Division
Portfolio Holdings by Fund (Continued)**

DESCRIPTION	CUSIP	PAR AMOUNT	COUPON RATE	MATURITY DATE	SETTLEMENT DATE	YTM AT COST	ORIGINAL COST	MARKET VALUE + ACCRUED INTEREST	AMORTIZED COST + ACCRUED INTEREST	TOTAL VALUE
Operating Reserve Accounts										
MICROSOFT CORP (CALLABLE) NOTES	594918BB9	475,000	2.700	2/12/2025	3/10/2021	0.98%	506,388	502,835	504,054	
JPMORGAN CHASE & CO CORP NOTES (CALLABLE)	46647PBY1	305,000	0.563	2/16/2025	2/16/2021	0.56%	305,000	302,609	305,501	
BANK OF AMERICA CORP CORP NOTES	06051GHR3	700,000	3.458	3/15/2025	7/26/2021	1.53%	747,635	738,009	748,154	
BANK OF NY MELLON (CALLABLE) CORP NOTES	06406RAN7	475,000	1.600	4/24/2025	3/8/2021	0.91%	488,329	480,264	486,691	
JPMORGAN CHASE & CO CORPORATE NOTES	46647PCH7	470,000	0.824	6/1/2025	6/1/2021	0.82%	470,000	466,596	471,936	
FL ST BOARD OF ADMIN TXBL REV BONDS	341271AD6	245,000	1.258	7/1/2025	9/16/2020	1.26%	245,000	246,301	246,284	
FG J20795	31306X3C5	277,256	2.500	10/1/2027	3/24/2020	2.35%	280,029	288,562	279,984	
FANNIE MAE POOL	3138MRLV1	287,208	2.500	1/1/2028	2/18/2020	2.25%	292,324	298,820	291,761	
FR ZS6941	3132A7WA5	281,622	2.000	3/1/2028	5/18/2020	1.61%	289,631	289,846	288,517	
FG J23552	31307B5M8	267,013	2.500	5/1/2028	2/18/2020	2.25%	272,103	277,513	271,552	
FN BM4614	3140J9DU2	362,591	3.000	3/1/2033	8/17/2021	2.35%	386,386	384,424	386,694	
FN FM5616	3140X9G25	443,993	3.000	12/1/2034	9/21/2021	2.49%	469,592	465,908	470,324	
FN FM0047	3140X3BR8	402,240	3.000	12/1/2034	6/17/2021	2.45%	427,694	426,069	427,834	
FN FM3770	3140X7FL8	307,424	3.000	7/1/2035	8/19/2020	2.48%	327,454	324,656	326,492	
										\$ 224,261,724.01
Debt Service Reserve										
WELLS FARGO TREASURY PLUS MMF		\$ 30,416		12/1/2021		0.01%	\$ 30,416	\$ 30,416	\$ 30,416	
US TREASURY NOTES	912828L57	1,290,000	1.750	9/30/2022	11/1/2019	1.53%	1,298,113	1,310,575	1,296,156	
US TREASURY NOTES	912828TY6	3,740,000	1.625	11/15/2022	10/7/2021	0.13%	3,801,798	3,791,774	3,796,071	
FANNIE MAE NOTES	3135G05G4	6,000,000	0.250	7/10/2023	7/10/2020	0.31%	5,990,040	5,985,211	6,000,545	
FREDDIE MAC NOTES	3137EAEW5	4,325,000	0.250	9/8/2023	9/4/2020	0.24%	4,326,341	4,307,317	4,328,281	
US TREASURY NOTES	912828D58	100,000	2.875	9/30/2023	7/30/2021	0.23%	105,723	104,787	105,316	
										\$ 15,556,784.53
CSO LTCP Appropriations Account										
TD BANK BANK DEPOSIT		\$ 1,810		12/1/2021		0.00%	\$ 1,810	\$ 1,810	\$ 1,810	
										\$ 1,810.12
Capital Project Accounts										
TD BANK - DEPOSITS (DC WATER - COVID RESIDENTIAL RELIEF FUND)		\$ 1,107,157		12/1/2021		0.00%	\$ 1,107,157	\$ 1,107,157	\$ 1,107,157	
TD BANK - DEPOSITS (DC WATER - CAP MULTI-FAMILY BLDGS)		4,225,044		12/1/2021		0.00%	4,225,044	4,225,044	4,225,044	
TD BANK - DEPOSITS (DC WATER - CAP FY2022 TARGETED ASSIST.)		5,000,000		12/1/2021		0.00%	5,000,000	5,000,000	5,000,000	
TD BANK - REPLACEMENT OF WATER MAINS AT MASS AVE		1,545,000		12/1/2021		0.00%	1,545,000	1,545,000	1,545,000	
TD BANK - DEPOSITS (DISTRICT FUNDS)		16,034,207		12/1/2021		0.00%	16,034,207	16,034,207	16,034,207	
TD BANK - DEPOSITS (DOEE - CRIAC RES + EMERGENCY RES RELIEF)		-		12/1/2021		0.00%	-	-	-	
TD BANK - DEPOSITS (DOEE - CAP3 + NON-PROFIT RELIEF)		-		12/1/2021		0.00%	-	-	-	
TD BANK - DEPOSITS (DOEE - LEAD SERVICE LINE-LRPAP)		1,500,000		12/1/2021		0.00%	1,500,000	1,500,000	1,500,000	
TD BANK - DEPOSITS (DOEE - LEAD SERVICE LINE-ERW)		8,500,000		12/1/2021		0.00%	8,500,000	8,500,000	8,500,000	
										\$ 37,911,408.18
2019A Construction Fund										
WELLS FARGO 100% TREASURY MMF		\$ 50,660,120		12/1/2021		0.01%	\$ 50,660,120	\$ 50,660,120	\$ 50,660,120	
										\$ 50,660,120.12
2019C Construction Fund										
WELLS FARGO 100% TREASURY MMF		\$ 90,659,282		12/1/2021		0.01%	\$ 90,659,282	\$ 90,659,282	\$ 90,659,282	
SANTANDER UK PLC COMM PAPER	80285PZ13	3,000,000	-	12/1/2021	7/19/2021	0.14%	2,998,425	2,999,988	3,000,000	
ASB FINANCE LTD LONDON COMM PAPER	0020P2Z17	3,000,000	-	12/1/2021	3/17/2021	0.23%	2,995,036	2,999,988	3,000,000	
SOCIETE GENERALE COMM PAPER	83368YFV4	3,000,000	-	12/16/2021	3/16/2021	0.23%	2,994,729	2,999,976	2,999,713	
SKANDINAV ENSKILDA BANK COMM PAPER	83050TZH7	500,000	-	12/17/2021	7/19/2021	0.15%	499,685	499,944	499,967	
										\$ 100,158,961.37
							\$ 474,592,447.32	\$ 474,390,805.31	\$ 474,694,720.33	\$ 474,694,720.33

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**DC Water
Finance Division
Security Purchases
Last 6 Months**

CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	TRADE DATE	SETTLE DATE	YTM	TRANSACTION AMOUNT
Operating Reserve Accounts								
46647PCH7	JPMORGAN CHASE & CO CORPORATE NOTES	470,000.00	0.82	6/1/2025	5/24/2021	6/1/2021	0.82	470,000.00
902674YF1	UBS AG LONDON CORPORATE NOTES	555,000.00	0.38	6/1/2023	5/24/2021	6/1/2021	0.43	554,406.15
045167FE8	ASIAN DEVELOPMENT BANK CORPORATE NOTES	1,915,000.00	0.38	6/11/2024	6/2/2021	6/9/2021	0.40	1,913,851.00
912828YV6	US TREASURY NOTES	1,050,000.00	1.50	11/30/2024	6/2/2021	6/7/2021	0.42	1,089,266.07
86959LAG8	SVENSKA HANDELSBANKEN AB CORPORATE NOTES	425,000.00	0.55	6/11/2024	6/7/2021	6/11/2021	0.58	424,672.75
3140X3BR8	FN FM0047	475,801.72	3.00	12/1/2034	6/10/2021	6/17/2021	2.45	506,545.45
91282CCG4	US TREASURY N/B NOTES	2,850,000.00	0.25	6/15/2024	7/1/2021	7/7/2021	0.47	2,831,947.81
06051GHR3	BANK OF AMERICA CORP CORP NOTES	700,000.00	3.46	3/15/2025	7/22/2021	7/26/2021	1.53	756,443.29
0641596E1	BANK OF NOVA SCOTIA CORPORATE NOTES	230,000.00	0.65	7/31/2024	7/27/2021	8/3/2021	0.68	229,795.30
78016EZU4	ROYAL BANK OF CANADA CORPORATE NOTES	500,000.00	0.65	7/29/2024	7/28/2021	7/30/2021	0.64	500,229.03
3140J9DU2	FN BM4614	390,736.74	3.00	3/1/2033	8/3/2021	8/17/2021	2.35	416,899.82
902674YK0	UBS AG LONDON CORPORATE NOTES	355,000.00	0.70	8/9/2024	8/3/2021	8/9/2021	0.71	354,854.45
91282CCL3	US TREASURY N/B NOTES	580,000.00	0.38	7/15/2024	8/5/2021	8/9/2021	0.38	580,079.79
91282CCL3	US TREASURY N/B NOTES	1,025,000.00	0.38	7/15/2024	8/9/2021	8/10/2021	0.41	1,024,190.52
83051GAS7	SKANDINAVISKA ENSKILDA CORPORATE NOTES	440,000.00	0.65	9/9/2024	8/31/2021	9/9/2021	0.70	439,375.20
91282CCT6	US TREASURY N/B NOTES	2,250,000.00	0.38	8/15/2024	9/1/2021	9/3/2021	0.41	2,247,974.69
641062AU8	NESTLE HOLDINGS INC CORP NOTES (CALLABLE)	1,090,000.00	0.61	9/14/2024	9/7/2021	9/14/2021	0.61	1,090,000.00
4581X0DZ8	INTER-AMERICAN DEVEL BK NOTES	1,490,000.00	0.50	9/23/2024	9/15/2021	9/23/2021	0.52	1,488,897.40
3140X9G25	FN FM5616	469,808.15	3.00	12/1/2034	9/16/2021	9/21/2021	2.49	497,678.54
91282CCU3	US TREASURY N/B NOTES	375,000.00	0.13	8/31/2023	9/24/2021	9/27/2021	0.27	373,980.27
91282CCX7	US TREASURY N/B NOTES	2,000,000.00	0.38	9/15/2024	10/1/2021	10/6/2021	0.51	1,992,310.08
91282CDA6	US TREASURY NOTES	2,000,000.00	0.25	9/30/2023	10/1/2021	10/6/2021	0.28	1,998,988.67
91282CDD0	US TREASURY N/B NOTES	3,650,000.00	0.38	10/31/2023	11/1/2021	11/3/2021	0.52	3,639,562.65
RE1061903	INDUSTRIAL BANK CDARS	5,281,904.40	0.03	11/3/2022	11/4/2021	11/4/2021	0.03	5,281,904.40
961214EU3	WESTPAC BANKING CORP CORPORATE NOTES	740,000.00	1.02	11/18/2024	11/8/2021	11/18/2021	1.02	740,000.00
02079KAB3	ALPHABET INC CORP NOTES	500,000.00	3.38	2/25/2024	11/26/2021	11/30/2021	0.83	532,628.13
Total Debt Service Reserve								
9128285D8	US TREASURY NOTES	100,000.00	2.88	9/30/2023	7/29/2021	7/30/2021	0.23	106,673.14
912828TY6	US TREASURY NOTES	3,740,000.00	1.63	11/15/2022	10/6/2021	10/7/2021	0.13	3,825,744.33
2019C Construction Fund								
60689FYV4	MIZUHO BANK LTD/NY COMM PAPER	800,000.00	0.000	11/29/2021	7/19/2021	7/19/2021	0.130	799,615.78
80285PZ13	SANTANDER UK PLC COMM PAPER	3,000,000.00	0.000	12/1/2021	7/19/2021	7/19/2021	0.140	2,998,425.00
83050TZH7	SKANDINAV ENSKILDA BANK COMM PAPER	500,000.00	0.000	12/17/2021	7/19/2021	7/19/2021	0.150	499,685.42

Securities highlighted in **blue font** denote trades executed during the current month.



**DC Water
Finance Division
Security Sales
Last 6 Months**

CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	TRADE DATE	SETTLE DATE	REALIZED GAIN/LOSS	TRANSACTION AMOUNT
Operating Reserve Accounts								
09247XAJO	BLACKROCK INC CORP NOTES	775,000.00	3.38	6/1/2022	5/25/2021	6/1/2021	24,793.26	799,536.50
46647PBB1	JPMORGAN CHASE & CO BONDS	200,000.00	3.21	4/1/2023	5/25/2021	6/1/2021	4,854.00	205,923.00
912828V72	US TREASURY NOTES	1,850,000.00	1.88	1/31/2022	6/2/2021	6/9/2021	29,077.41	1,884,329.77
045167ET6	ASIAN DEVELOPMENT BANK NOTES	920,000.00	0.63	4/7/2022	6/3/2021	6/7/2021	4,369.04	924,978.73
09247XAJO	BLACKROCK INC CORP NOTES	150,000.00	3.38	6/1/2022	6/3/2021	6/7/2021	4,706.38	154,741.88
912828V72	US TREASURY NOTES	425,000.00	1.88	1/31/2022	6/8/2021	6/11/2021	6,616.30	432,880.79
3137EAF2	FREDDIE MAC NOTES	500,000.00	0.25	12/4/2023	6/10/2021	6/17/2021	646.85	500,285.14
9128286C9	US TREASURY NOTES	1,775,000.00	2.50	2/15/2022	7/1/2021	7/7/2021	26,679.93	1,818,685.09
912828V72	US TREASURY NOTES	900,000.00	1.88	1/31/2022	7/1/2021	7/7/2021	12,258.90	916,529.66
9128286C9	US TREASURY NOTES	650,000.00	2.50	2/15/2022	7/22/2021	7/26/2021	9,021.26	666,113.93
9128286C9	US TREASURY NOTES	200,000.00	2.50	2/15/2022	7/27/2021	8/3/2021	2,664.77	204,959.25
9128286C9	US TREASURY NOTES	475,000.00	2.50	2/15/2022	7/28/2021	7/30/2021	6,479.20	486,795.45
9128286C9	US TREASURY NOTES	350,000.00	2.50	2/15/2022	8/4/2021	8/9/2021	4,538.17	358,700.67
73358W4V3	PORT AUTH OF NY/NJ TXBL REV BONDS	285,000.00	1.09	7/1/2023	8/5/2021	8/9/2021	4,178.10	289,504.81
73358W4V3	PORT AUTH OF NY/NJ TXBL REV BONDS	285,000.00	1.09	7/1/2023	8/5/2021	8/9/2021	3,116.43	289,504.81
9128286C9	US TREASURY NOTES	1,000,000.00	2.50	2/15/2022	8/9/2021	8/10/2021	12,769.89	1,024,732.83
9128286C9	US TREASURY NOTES	300,000.00	2.50	2/15/2022	8/17/2021	8/17/2021	3,723.37	303,708.73
64966QED8	NYC, NY TXBL GO BONDS	385,000.00	1.68	10/1/2021	9/1/2021	9/3/2021	473.55	388,204.48
9128286C9	US TREASURY NOTES	400,000.00	2.50	2/15/2022	9/1/2021	9/3/2021	4,473.21	404,922.56
9128286C9	US TREASURY NOTES	1,250,000.00	2.50	2/15/2022	9/1/2021	9/3/2021	12,625.16	1,265,382.98
9128286M7	US TREASURY NOTES	425,000.00	2.25	4/15/2022	9/1/2021	9/9/2021	5,550.90	434,452.01
9128286M7	US TREASURY NOTES	160,000.00	2.25	4/15/2022	9/1/2021	9/3/2021	2,145.37	163,555.64
313379Q69	FEDERAL HOME LOAN BANK	700,000.00	2.13	6/10/2022	9/8/2021	9/14/2021	9,345.53	714,545.03
9128286M7	US TREASURY NOTES	225,000.00	2.25	4/15/2022	9/8/2021	9/14/2021	2,869.13	230,002.85
037833DL1	APPLE INC CORPORATE NOTES	140,000.00	1.70	9/1/2022	9/9/2021	9/13/2021	2,151.28	142,156.62
313379Q69	FEDERAL HOME LOAN BANK	575,000.00	2.13	6/10/2022	9/16/2021	9/23/2021	7,402.34	586,942.67
9128282P4	US TREASURY NOTES	500,000.00	1.88	7/31/2022	9/16/2021	9/23/2021	7,623.65	509,110.06
742718EU9	PROCTER & GAMBLE CO/THE CORP NOTES	950,000.00	2.15	8/11/2022	9/21/2021	9/23/2021	16,681.16	969,093.42
9128282S8	US TREASURY NOTES	375,000.00	1.63	8/31/2022	9/21/2021	9/21/2021	4,496.73	380,846.66
931142EK5	WAL-MART STORES INC CORP NOTES	340,000.00	3.40	6/26/2023	9/23/2021	9/23/2021	2,740.02	360,490.67
9128282P4	US TREASURY NOTES	2,550,000.00	1.88	7/31/2022	10/1/2021	10/6/2021	36,712.80	2,595,958.90
92826CAG7	VISA INC (CALLABLE) NOTE	925,000.00	2.15	9/15/2022	10/4/2021	10/6/2021	19,241.62	942,014.60
9128282S8	US TREASURY NOTES	225,000.00	1.63	8/31/2022	11/1/2021	11/3/2021	2,263.01	228,432.54
912828YK0	US TREASURY NOTES	625,000.00	1.38	10/15/2022	11/1/2021	11/3/2021	8,271.56	632,699.56
912828YK0	US TREASURY NOTES	2,425,000.00	1.38	10/15/2022	11/1/2021	11/3/2021	33,773.91	2,454,874.26
912828YK0	US TREASURY NOTES	750,000.00	1.38	10/15/2022	11/10/2021	11/17/2021	9,994.10	759,255.23
912828Z29	US TREASURY NOTES	425,000.00	1.50	1/15/2023	11/26/2021	11/30/2021	5,193.41	433,383.79

Securities highlighted in **blue font** denote trades executed during the current month.

Investment Performance Report – November 2021



DC Water
Finance Division
Security Maturities
Last 6 Months

CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	TRADE DATE	SETTLE DATE	TRANSACTION AMOUNT
Operating Reserve Accounts							
RE1330845	INDUSTRIAL BANK CDARS	5,279,271.17	0.10	11/4/2021	11/4/2021	11/4/2021	5,281,903.57
Total Debt Service Reserve							
912828F21	US TREASURY NOTES	6,840,000.00	2.13	9/30/2021	9/30/2021	9/30/2021	6,912,675.00
2019A Construction Fund							
912828S27	US TREASURY NOTES	1,800,000.00	1.13	6/30/2021	6/30/2021	6/30/2021	1,810,125.00
2019C Construction Fund							
00084BUG7	ABN AMRO FUNDING USA LLC COMM PAPER	3,000,000.00	-	7/16/2021	7/16/2021	7/16/2021	3,000,000.00
09659BUK4	BNP PARIBAS NY BRANCH COMM PAPER	3,000,000.00	-	7/19/2021	7/19/2021	7/19/2021	3,000,000.00
62479LUK9	MUFG BANK LTD/NY COMM PAPER	3,000,000.00	-	7/19/2021	7/19/2021	7/19/2021	3,000,000.00
63873JUK4	NATIXIS NY BRANCH COMM PAPER	3,000,000.00	-	7/19/2021	7/19/2021	7/19/2021	3,000,000.00
78009AUK8	ROYAL BANK OF CANADA COMM PAPER	5,000,000.00	-	7/19/2021	7/19/2021	7/19/2021	5,000,000.00
63307LUL3	NATIONAL BANK OF CANADA COMM PAPER	3,000,000.00	-	7/20/2021	7/20/2021	7/20/2021	3,000,000.00
912828WY2	US TREASURY NOTES	5,000,000.00	2.25	7/31/2021	7/31/2021	7/31/2021	5,056,250.00
912828F6	US TREASURY NOTES	45,550,000.00	1.13	8/31/2021	8/31/2021	8/31/2021	45,806,218.75
86960JWF8	SVENSKA HANDELSBANKEN AB COMM PAPER	3,000,000.00	-	9/15/2021	9/15/2021	9/15/2021	3,000,000.00
19424HWH9	COLLAT COMM PAPER V CO COMM PAPER	3,000,000.00	-	9/17/2021	9/17/2021	9/17/2021	3,000,000.00
53944QX13	LMA AMERICAS LLC COMM PAPER	3,000,000.00	-	10/1/2021	10/1/2021	10/1/2021	3,000,000.00
60689FYV4	MIZUHO BANK LTD/NY COMM PAPER	800,000.00	-	11/29/2021	11/29/2021	11/29/2021	800,000.00

Securities highlighted in **blue font** denote trades executed during the current month.



**DC Water
Finance Division
Upcoming Transaction Cash Flows
Next 30 Days**

DATE	TRANSACTION	CUSIP	DESCRIPTION	COUPON	MATURITY DATE	PAR VALUE/SHARES	PRINCIPAL	INTEREST	TOTAL
12/01/21	INTEREST	89114QCD8	TORONTO-DOMINION BANK	1.900	12/01/22	500,000	0.00	4,750.00	4,750.00
12/01/21	INTEREST	546417DP8	LA ST TXBL GO BONDS	0.650	06/01/24	480,000	0.00	1,560.00	1,560.00
12/01/21	INTEREST	46647PCH7	JPMORGAN CHASE & CO CORPORATE NOTES	0.824	06/01/25	470,000	0.00	1,936.40	1,936.40
12/01/21	INTEREST	902674YF1	UBS AG LONDON CORPORATE NOTES	0.375	06/01/23	555,000	0.00	1,040.63	1,040.63
12/01/21	MATURITY	0020P2Z17	ASB FINANCE LTD LONDON COMM PAPER	-	12/01/21	3,000,000	3,000,000.00	0.00	3,000,000.00
12/01/21	MATURITY	80285PZ13	SANTANDER UK PLC COMM PAPER	-	12/01/21	3,000,000	3,000,000.00	0.00	3,000,000.00
12/03/21	INTEREST	023135BP0	AMAZON.COM INC CORPORATE NOTES	0.400	06/03/23	535,000	0.00	1,070.00	1,070.00
12/04/21	INTEREST	3137EAFA2	FREDDIE MAC NOTES	0.250	12/04/23	1,155,000	0.00	1,443.75	1,443.75
12/08/21	INTEREST	06368EA36	BANK OF MONTREAL CORPORATE NOTES	0.450	12/08/23	385,000	0.00	866.25	866.25
12/11/21	INTEREST	045167FE8	ASIAN DEVELOPMENT BANK CORPORATE NOTES	0.375	06/11/24	1,915,000	0.00	3,630.53	3,630.53
12/11/21	INTEREST	86959LAG8	SVENSKA HANDELSBANKEN AB CORPORATE NOTES	0.550	06/11/24	425,000	0.00	1,168.75	1,168.75
12/14/21	INTEREST	13607GRS5	CANADIAN IMPERIAL BANK CORPORATE NOTES	0.500	12/14/23	1,000,000	0.00	2,500.00	2,500.00
12/15/21	INTEREST	31307B5M8	FG J23552	2.500	05/01/28	267,013	0.00	556.28	556.28
12/15/21	INTEREST	31306X3C5	FG J20795	2.500	10/01/27	277,256	0.00	577.62	577.62
12/15/21	INTEREST	91282CCG4	US TREASURY N/B NOTES	0.250	06/15/24	2,850,000	0.00	3,562.50	3,562.50
12/16/21	MATURITY	83368YFV4	SOCIETE GENERALE COMM PAPER	-	12/16/21	3,000,000	3,000,000.00	0.00	3,000,000.00
12/17/21	MATURITY	83050TZH7	SKANDINAV ENSKILDA BANK COMM PAPER	-	12/17/21	500,000	500,000.00	0.00	500,000.00
12/24/21	INTEREST	166764AH3	CHEVRON CORP	3.191	06/24/23	475,000	0.00	7,578.63	7,578.63
12/25/21	INTEREST	3138MRLV1	FANNIE MAE POOL	2.500	01/01/28	287,208	0.00	598.35	598.35
12/25/21	INTEREST	3132A7WA5	FR ZS6941	2.000	03/01/28	281,622	0.00	469.37	469.37
12/25/21	INTEREST	3140X7FL8	FN FM3770	3.000	07/01/35	307,424	0.00	768.56	768.56
12/25/21	INTEREST	3140X3BR8	FN FM0047	3.000	12/01/34	402,240	0.00	1,005.60	1,005.60
12/25/21	INTEREST	3140J9DU2	FN BM4614	3.000	03/01/33	362,591	0.00	906.48	906.48
12/25/21	INTEREST	3140X9G25	FN FM5616	3.000	12/01/34	443,993	0.00	1,109.98	1,109.98
12/26/21	INTEREST	3137EAES4	FREDDIE MAC NOTES	0.250	06/26/23	1,820,000	0.00	2,275.00	2,275.00

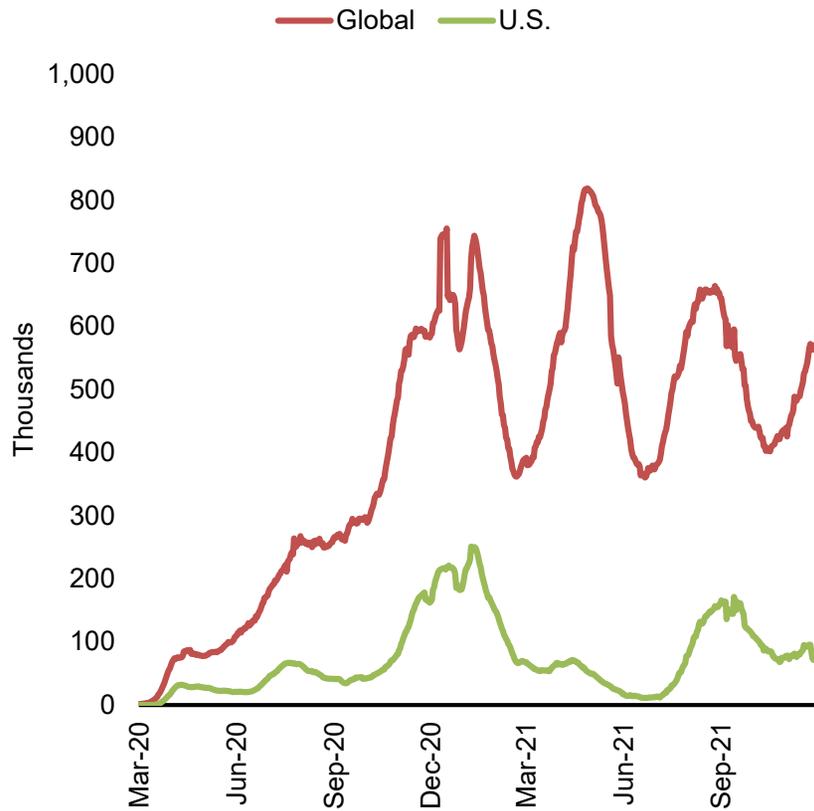


Appendix: Economic Update

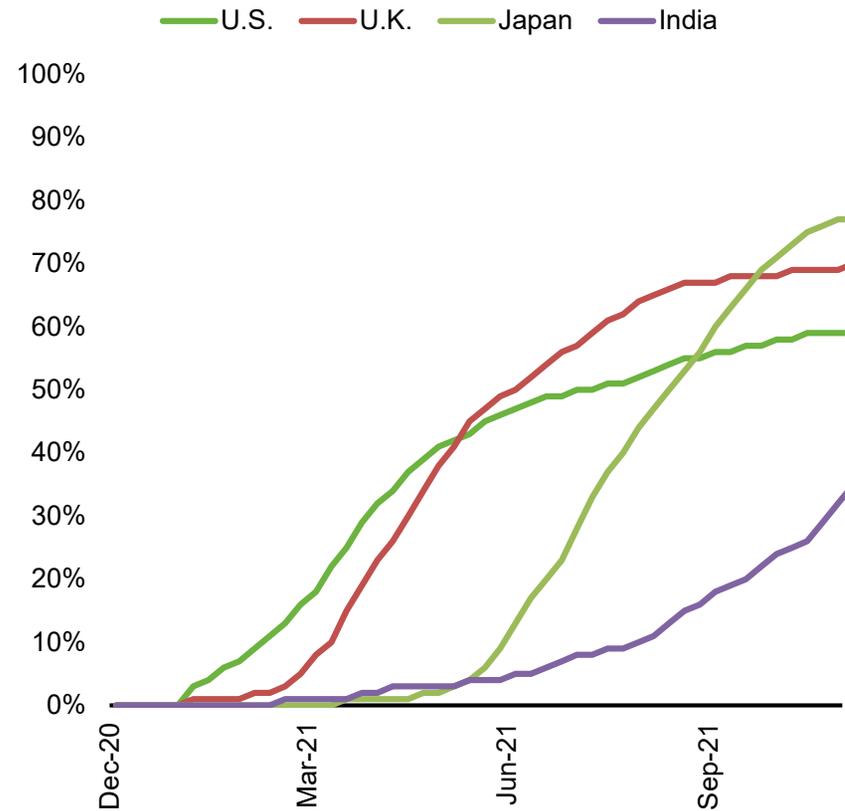


COVID Improvement Halts; Omicron Variant Detected in 17 U.S. States

**U.S. New Cases Reported Daily
7-Day Moving Average**



**Share of Population
Fully Vaccinated**

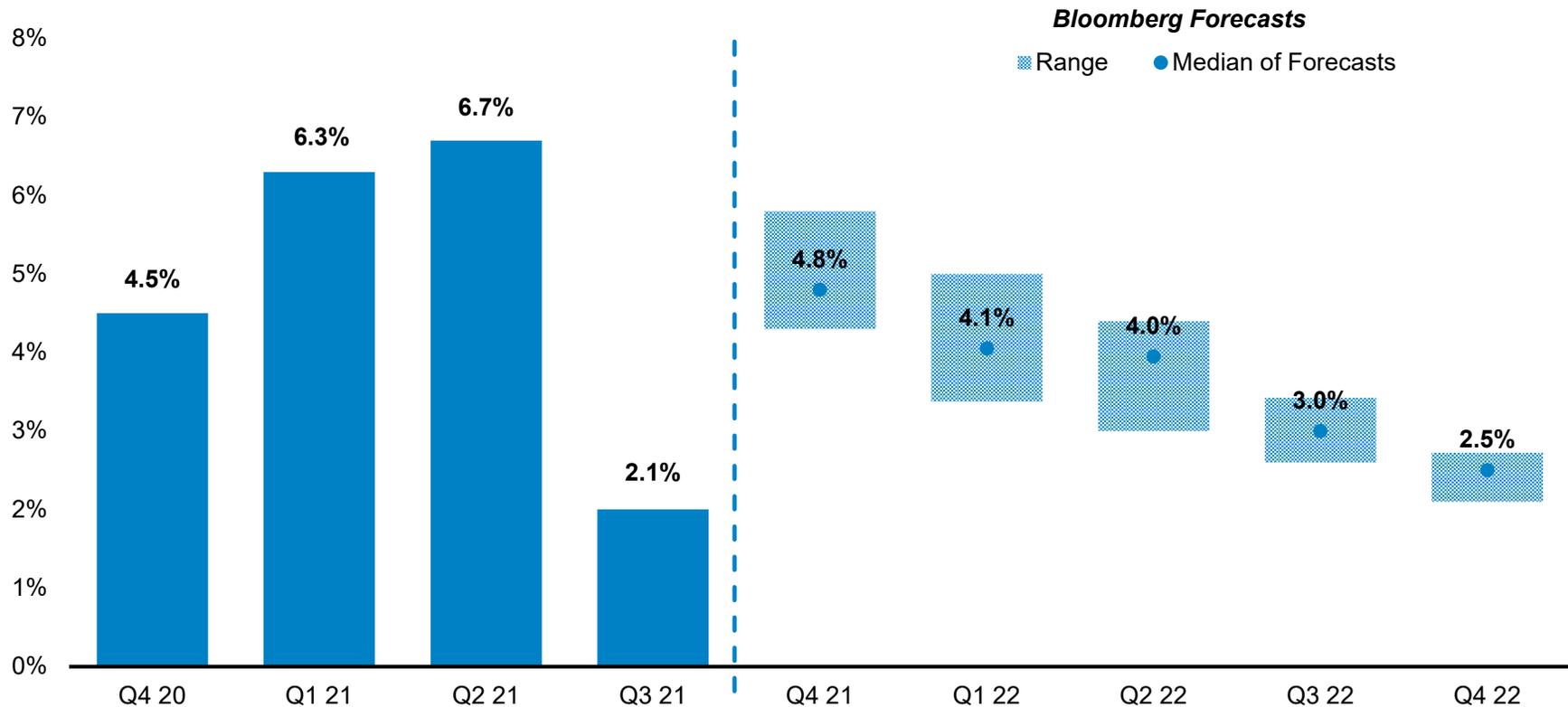


Source: Bloomberg, John Hopkins University Coronavirus Resource Center, as of 11/30/2021.



U.S. Economic Growth in Q3 2021 Revised Up Slightly

U.S. Real GDP Annualized Rate

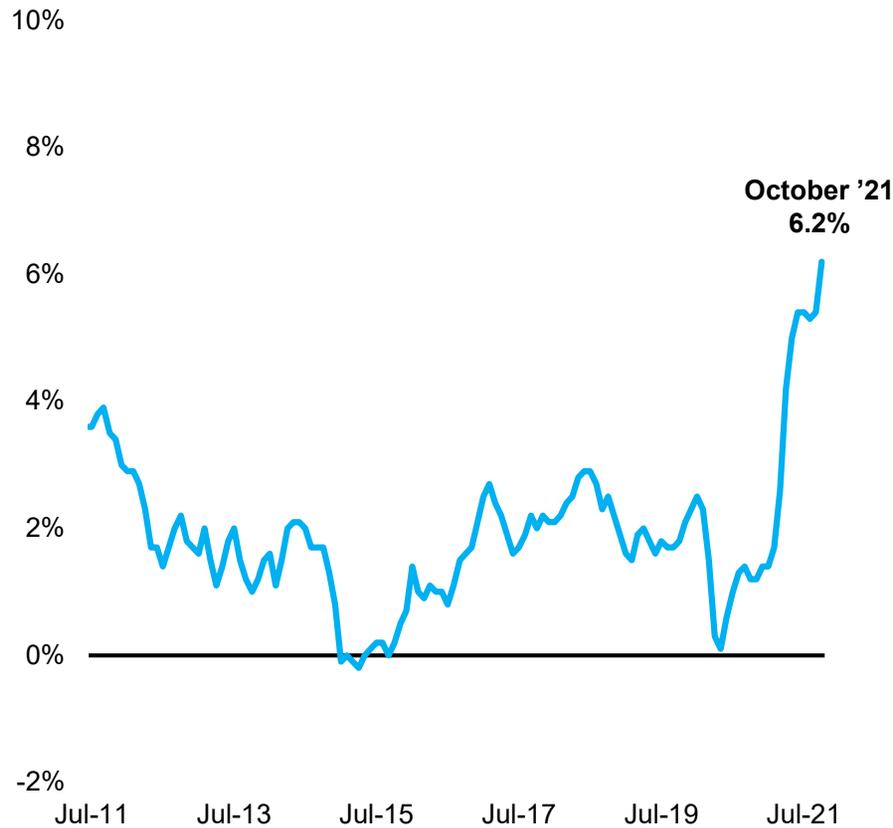


Source: Bloomberg. GDP as of November 2021. Forecast range represents the 25th to 75th percentile of Bloomberg survey forecasts as of October 2021.

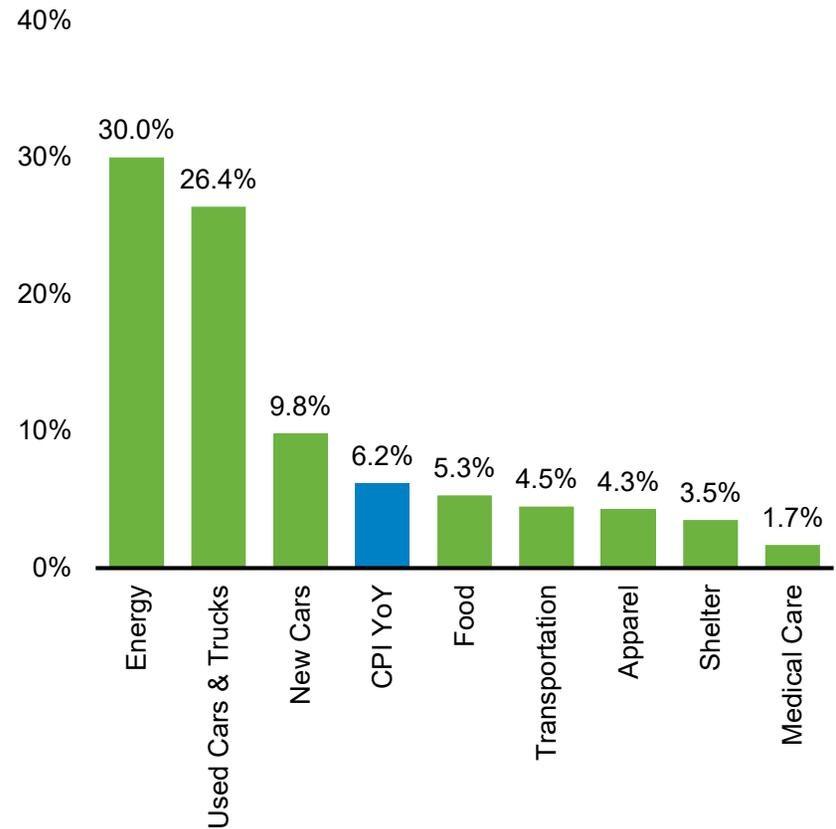


Consumer Inflation Rose at Fastest Rate Since 1990

**Consumer Price Index
% Change YoY**



**Key Consumer Price Index Components
% Change YoY**

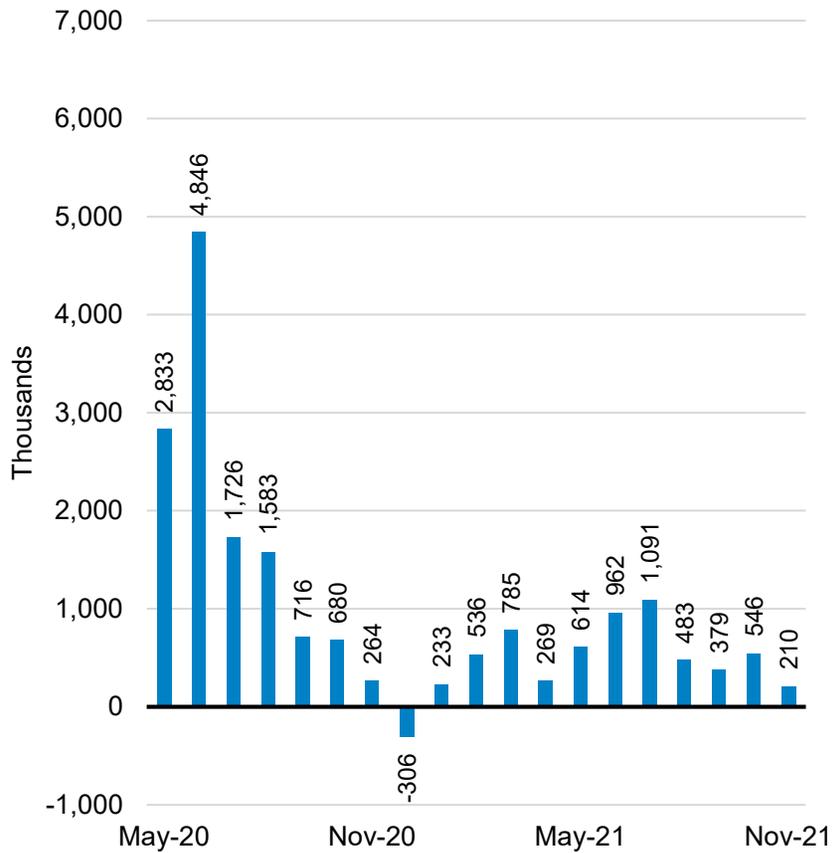


Source: Bloomberg, as of October 2021.

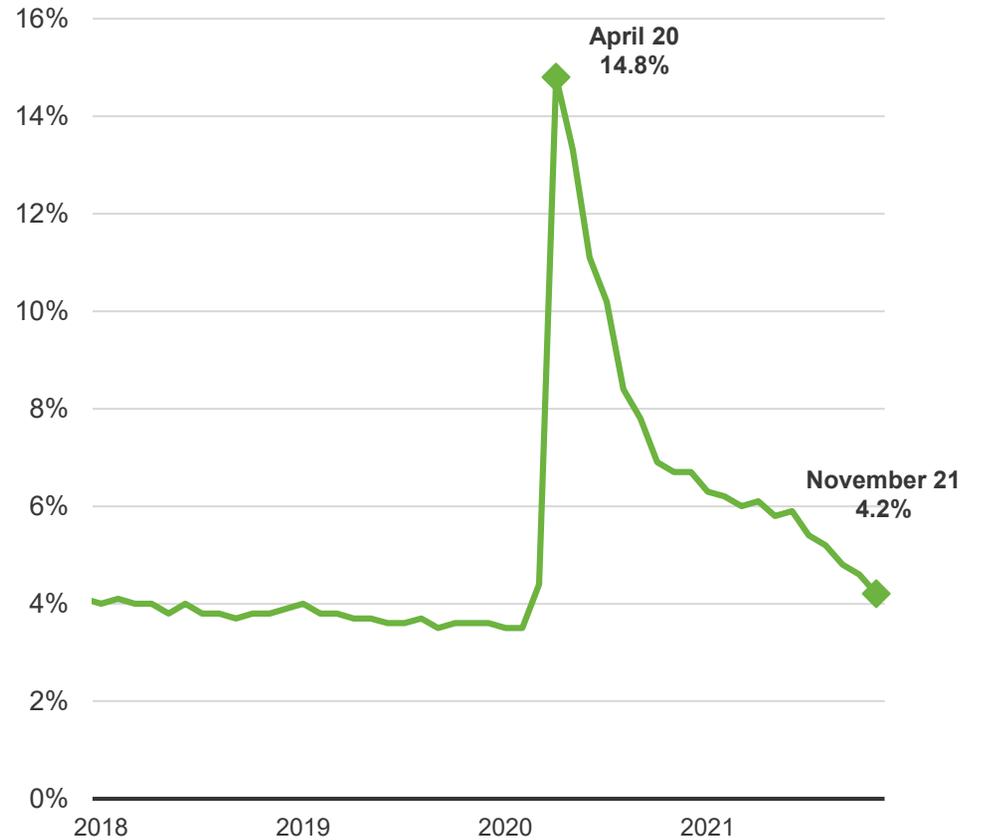


Hiring Slows in November; Unemployment Falls to 4.2%

Monthly Change In Nonfarm Payrolls



Unemployment Rate

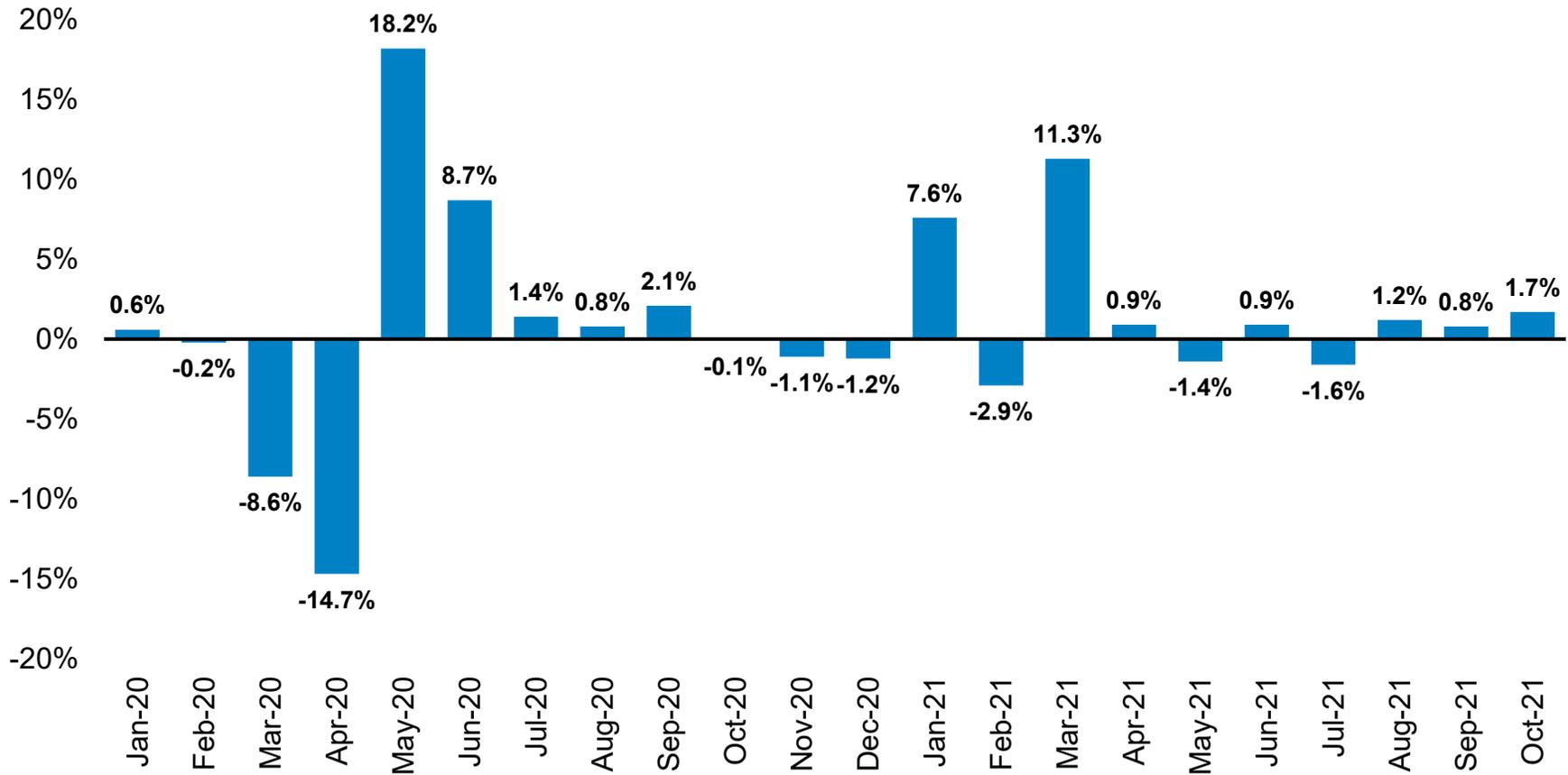


Source: Bloomberg, as of November 2021. Data is seasonally adjusted.



Retail Sales Jump by Most Since March 2021

Retail Sales

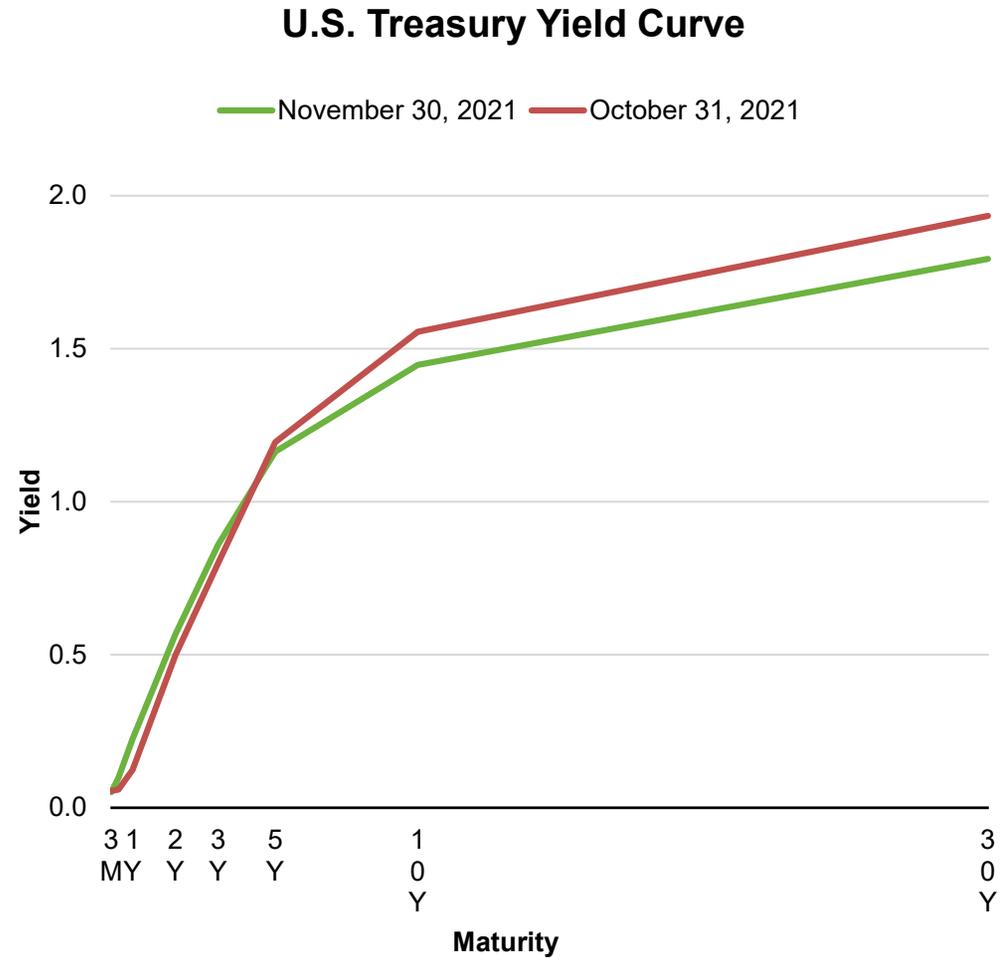


Source: Bloomberg, as of October 2021.



Treasury Yield Curve “Bear Flattens”

	10/31/2021	11/30/2021	Change
3 month	0.06%	0.05%	-0.01%
6 month	0.06%	0.10%	0.04%
1 year	0.12%	0.23%	0.11%
2 year	0.50%	0.57%	0.07%
3 year	0.80%	0.86%	0.06%
5 year	1.19%	1.16%	-0.03%
10 year	1.56%	1.45%	-0.11%
30 year	1.93%	1.79%	-0.14%



Source: Bloomberg, as of 10/31/2021 and 11/30/2021, as indicated.



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Overview of Operating Budget Drivers & Rate Increases

Finance and Budget Committee – December 14, 2021

District of Columbia Water and Sewer Authority





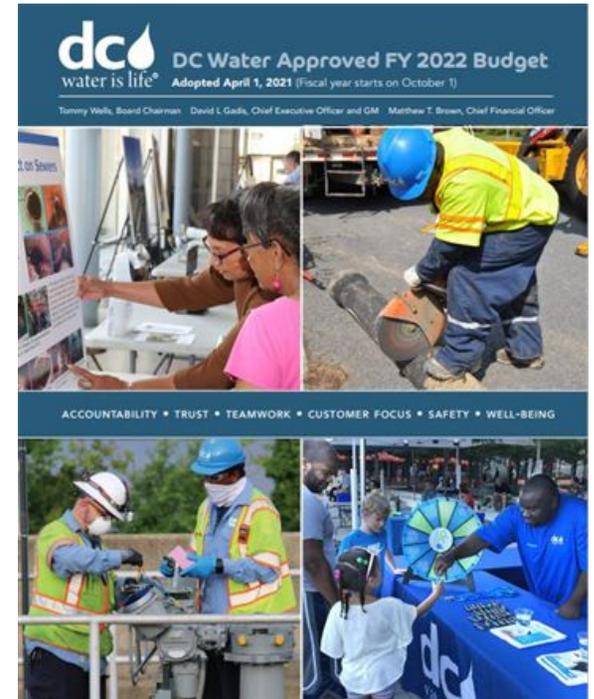
Purpose

- 💧 Review historical and projected expenditure budget drivers
- 💧 Provide overview of previous, current, and projected customer rates



Annual Budget

- DC Water will propose its annual budget and Capital Improvement Plan (CIP) to the Board of Directors in January 2022
 - Budgets are reviewed by Board committees over a two-month process before they are adopted
- A two-year rate proposal to support the operating budget and CIP will be presented at that time
 - After Board review, the rate proposal undergoes a public process
 - OPC provides comments and testimony
 - Retail Rates are recommended to the Board by the Retail Rates Committee
 - Only board members from DC are on the Retail Rates Committee that reviews and approves rates

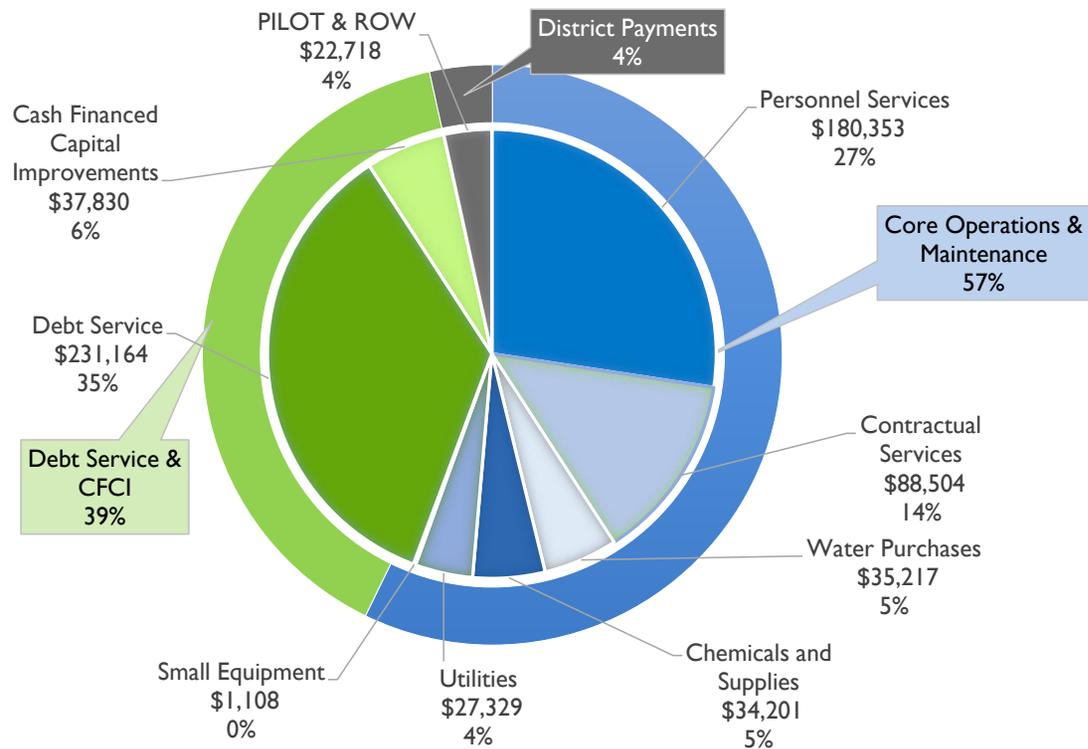




Approved FY 2022 Operating Budget

\$ in thousands

- DC Water’s operating budget includes the operations & maintenance (O&M), debt service & Pay-Go and District payments
- The operating budget is consistent with the Board-adopted financial plan which already factored in reduced revenues due to the continued decline in water consumption as a result of the COVID-19 pandemic





Fixed and Variable Cost Drivers

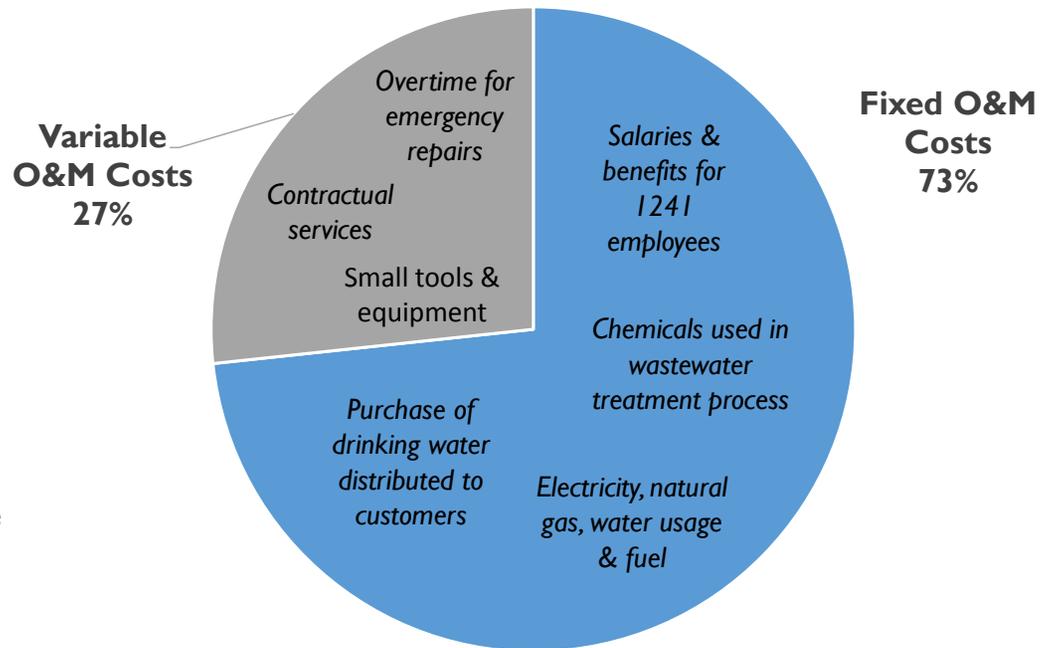
Fixed costs are considered non-discretionary in nature and mainly for unavoidable and uncontrollable services such as

- Union agreement – salaries and benefits for approx. 67% of DC Water’s workforce
- Market Driven – Chemicals and energy costs
- Purchase of water from the Washington Aqueduct
- Debt service and fees required for capital investments

Variable costs are based on operational business needs, strategic priorities and other discretionary items such as

- Overtime used for emergency repairs
- Contractual services for operations and maintenance of equipment, vehicles, buildings; software maintenance, employee training, etc.
- Small tools and equipment

Approximately 73% of the core operations and maintenance costs are fixed

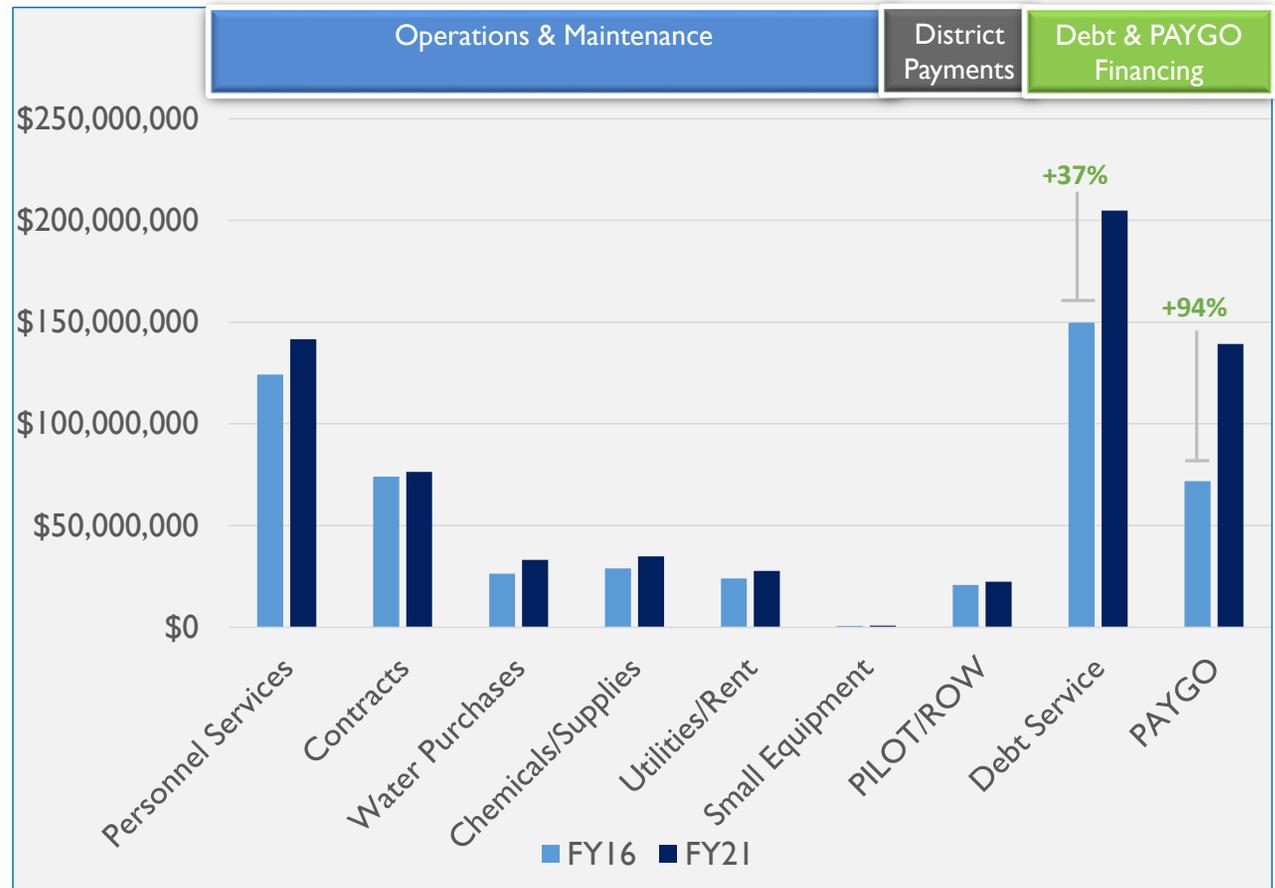




Expenditure Growth, FY 2016 – FY 2021

From FY 2016 to FY 2021, expenditure growth has been driven by capital improvements, including Clean Rivers

- Debt Service costs up 37% as bonds issued for capital program including Clean Rivers
- Operating costs increased an average of 2.5% a year (12.7% from FY 2016 – FY 2021)





Taking Cost Out of the Business

DC Water's operational initiatives and process improvements have saved rate payers money

- 💧 **\$20 million** - Annual reduction in reduced waste hauling and energy purchases from the Digesters and Combined Heat and Power Facilities
- 💧 **\$1.1 million** in annual savings from new Cloud-based Oracle ERP system that replaces former legacy financial system and four HCM systems
- 💧 **\$0.8 million** saved in inventory reductions through optimization of materials and inventory operations
- 💧 **\$8.7 million** in renegotiated multi-year contracts for goods & services in FY 2021

*\$30.6 million in annual savings and avoided costs
Without these initiatives, rates would be an estimated 5.3% higher*



Budget Risks and Mitigation Strategy

Budget Risks

- Crude oil energy market volatilities and supplies chain issues (energy and chemicals)
- New requirements (regulatory, technology, tunnels and operational facilities)
- Aging infrastructure (repairs, overtime for water main breaks and sewer backups)
- Litigation for unanticipated large legal cases
- Claims and insurance premiums
- Increases in employee medical benefits based on industry trends and regulations

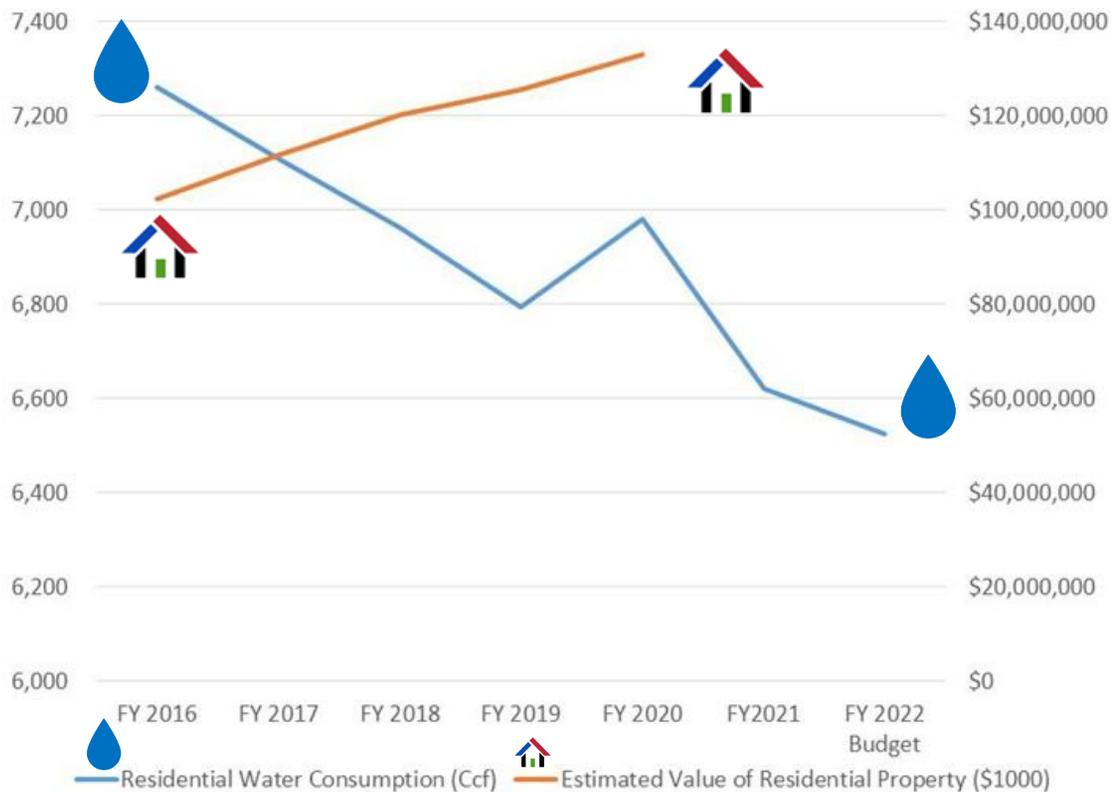
Mitigation Strategies

- Extensive outreach with departments to gain insight into any budget pressures
- Mid-year projections and periodic forecasts for monitoring spending
- Implementation of strategic spending restrictions to redirect funds to prioritized needs
- Cash Financed Capital Improvement Fund is also available as contingency for emergencies, with unutilized funds transferred to pay-go at the end of the year
 - Its use would decrease the amount of PAYGO available



Water Usage

Residential Water Consumption vs Property Value

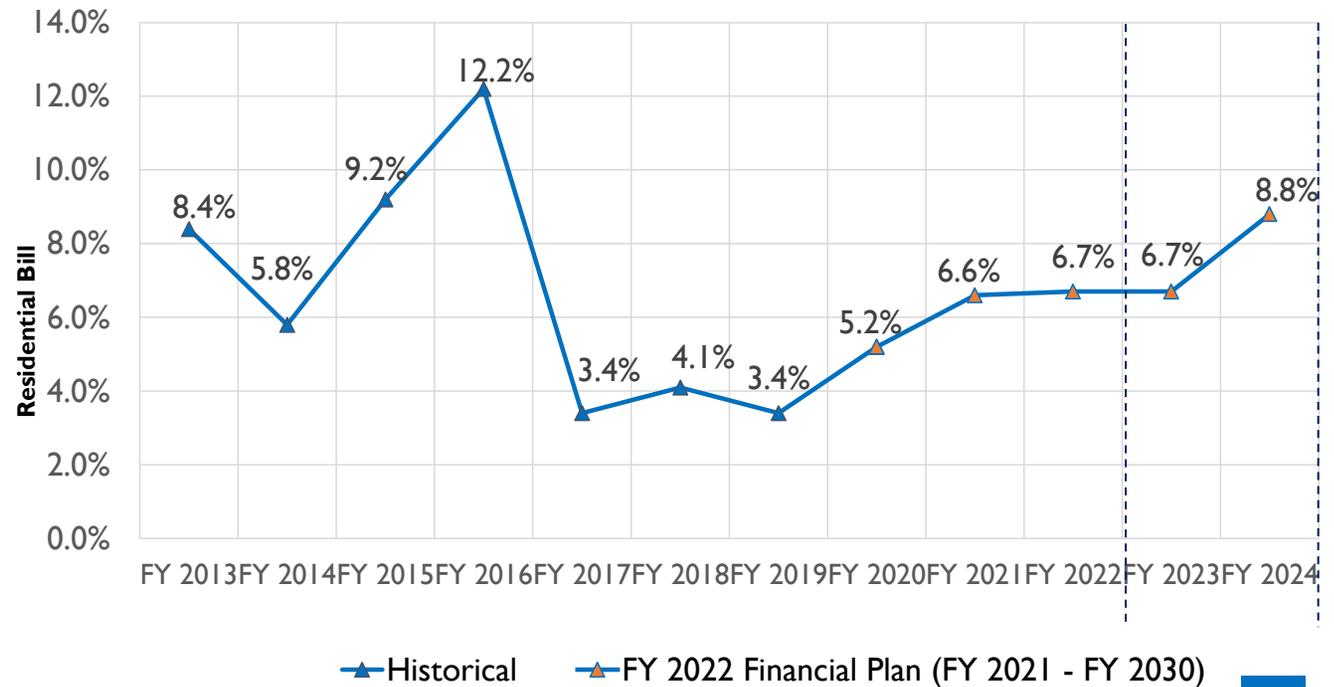


- Without a rate increase, retail revenue will fall because consumption decreases each year from conservation
 - FY17-19 saw a steady decline in residential water consumption of at least 2% per year



Historical and Projected Rates

- ▶ The Board-approved Financial Plan includes an estimate of rates to support anticipated operating expenditures and capital improvement plan
- ▶ Because of water conservation, Water and Sewer rates must increase every year or retail revenue will decrease





Multi-Year Rate Plan Considerations

- DC Water recovers only the funds necessary to fund the Operating and Capital Budgets through rates
- The fastest growing expenditure category is debt service for the capital program, which has grown an average of 6.5% a year since 2016
- As part of the budget, DC Water presents the rates required to support the CIP and forecasted operating expenditures
 - Rates are reviewed and approved by the DC Water Board every two years
 - The financial plan, including the forecast of rates, is proposed to the Board for consideration
- Customer Assistance Programs provide discounts for residential customers
 - Income requirements for those programs every year
 - In FY 2021 the discount was increased for customers in the CAP program to ensure that rates comprised a lower portion of household income





Major Initiatives

- **Blueprint 2.0 Update** – new strategic plan with actionable goals to support five organizational imperatives: Healthy, Safe and Well, Reliable, Resilient, Sustainable, and Equitable
- **Lead Free DC** – committed to the ambitious goal of removing more than 28,000 lead service lines by 2030, will impact rates
- **Small Diameter Water Main renewal** – Increasing replacement to improve performance and improve water quality; \$642.3 million in 10-year capital plan to rehabilitate 121.6 miles
- **Methanol reduction program** – Researching how a nutrient removal technology known as Partial Denitrification Annamox (or PdNA) to remove nitrogen at Blue Plains Plant; has the potential to significantly reduce chemical use and overall treatment costs and reduce DC Water’s carbon footprint





Next Steps

- Deliver the Proposed FY 2023 budgets in January 2022
 - Revenue – Cost recovery within two-year rate proposals for FY 2023 and FY 2024
 - Expenditure – Funds operating budget priorities
 - Capital Program – Address system infrastructure priorities over ten years
- Conduct reviews and recommendations with the various Board Committees and Wholesale Customer in January and February 2022
- Budget Adoption in March 2022
- Rate Process
- Fiscal Year Begins on October 1, 2022



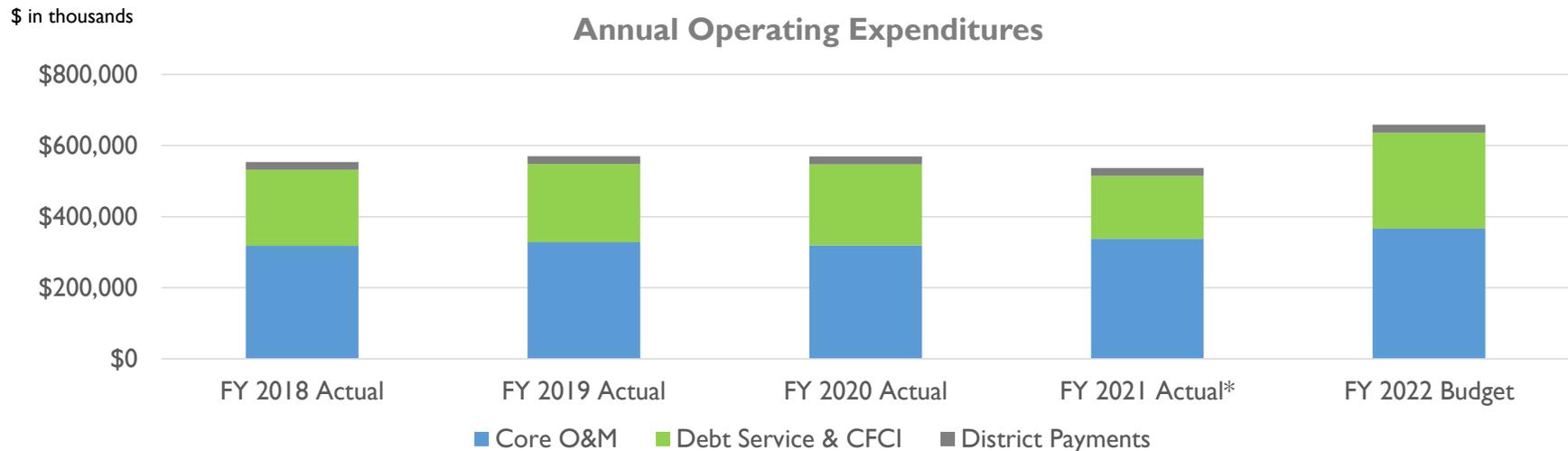
Appendix



Operating Budget Trends

- 💧 Core Operations & Maintenance (O&M) costs for personnel and non-personnel services have been consistently stable with average growth of 3% - 4% per year
 - Lower spending in FY 2021 and FY 2022 was mainly attributable to the spending targets implemented to align with reduced revenue forecasts

- 💧 Debt service continues to be the largest driver of the operating budget, at 34% of the overall FY 2021 expenditures and 35% of the FY 2022 forecast
 - Annual average growth of 5.5%



FY 2021 - These are preliminary results and subject to change after completion of the fiscal-year financial and audit activities

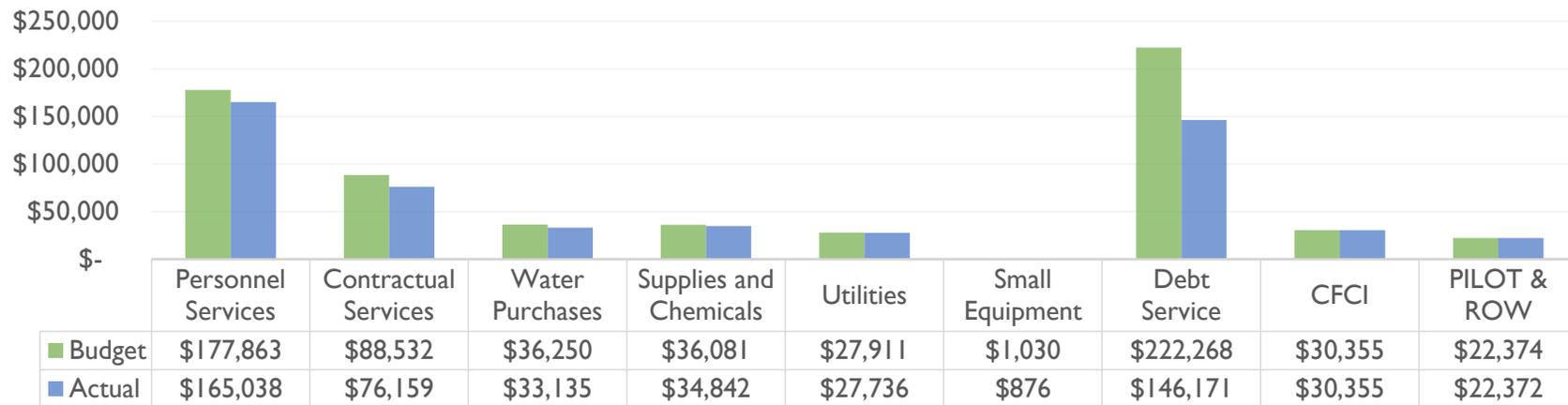


FY 2021 Operating Budget Performance

- DC Water ended the fiscal year 2021 with strong financial results with the following preliminary results:
 - Operations and Maintenance (O&M) – approximately \$27.3 million below budget mainly from personnel (hiring critical positions only, lower benefits and reduced overtime), fixed costs (favorable prices from chemicals and utilities), water purchases and contractual services (spending reductions to achieve targets due to revenue forecasts)
 - Debt Service - \$17.4 million below budget consistent with the FY 2021 adopted financial plan and including the refunding of the 2013 Series A bonds and lower projected debt service cost
 - Cash Financed Capital Improvement (CFCI) – With favorable O&M position, these funds were fully utilized for pay-go financing

\$ in thousands

FY 2021 Budget vs. Actual Operating Expenditures*



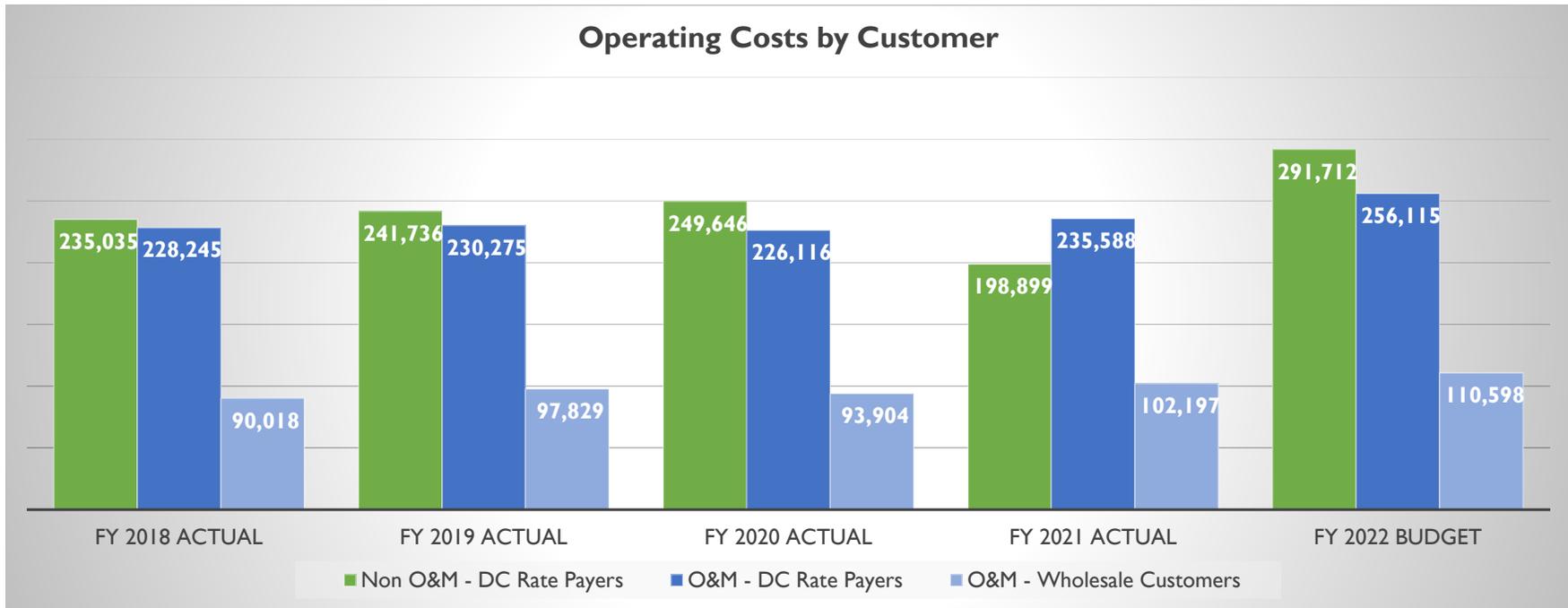
FY 2021 - These are preliminary results and subject to change after completion of the fiscal-year financial and audit activities



Operating Costs by Customer

\$ in thousands

- Approximately 70% of core operations and maintenance (O&M) costs are recouped from the District ratepayers with the remaining 30% from the wholesale customers as part of the annual operating bill and MJUF settlements
- The Non-O&M costs for debt service and PAYGO to support the capital program, PILOT and ROW are fully paid by the District Ratepayers



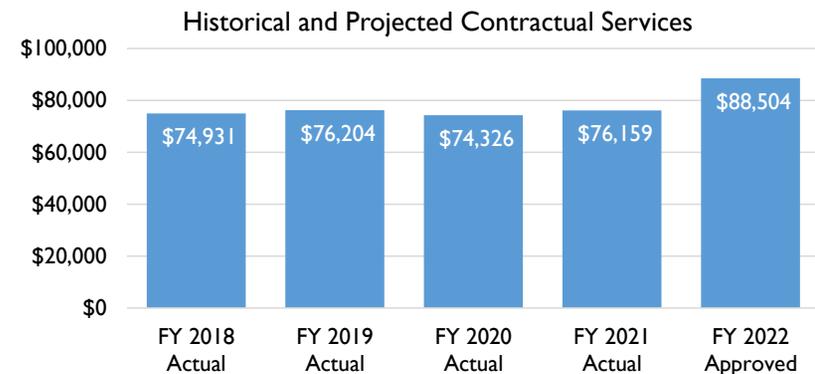
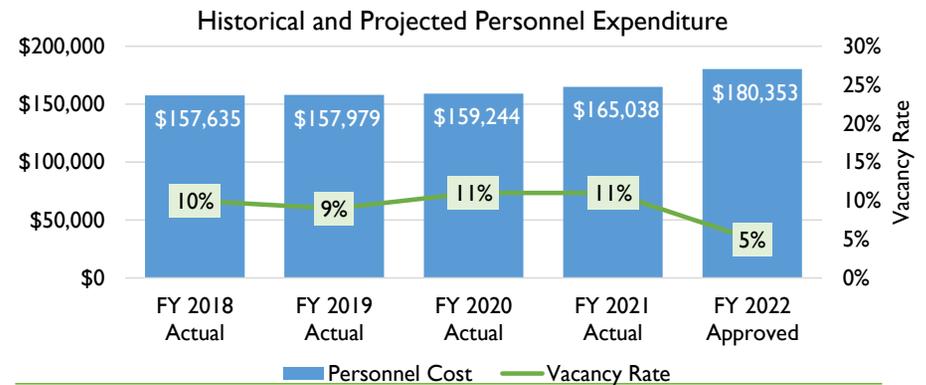
FY 2021 Actual – These are preliminary results and subject to change after completion of the year-end close and financial audit activities



Personnel and Contractual Services

- Personnel Services** - accounts for approximately 50% of DC Water's core operations and maintenance costs
 - The District ratepayers are responsible for 74% of personnel costs
 - FY 2022 budget funds ten new positions and continues management's efforts to backfill critical positions to achieve a lower vacancy rate of 5% compared to historical trend of 11%
- Contractual services** – approximately 62% of these costs are for infrastructure maintenance, legal and compliance requirements
 - The District ratepayers are responsible for 62%
 - Lower overall contractual spending in FY 2020 and FY 2021 was due to actions taken to align spending with reduced revenue forecasts in response to the pandemic
 - These include deferred proactive inspections, repairs and maintenance on equipment and reduced hours for professional services e.g. field controllers, calibration & instrumentation, and low voltage services
 - The FY 2022 budget reflects cost adjustments for on-going programs and funds new programs such as the leak repairs, Backwater Valve Program, maintenance of the Green Infrastructure (GI) facilities, and the facilities and maintenance needs for the new Fleet Service and Sewer Service locations.

\$ in thousands



FY 2021 - These are preliminary results and subject to change after completion of the fiscal-year financial and audit activities



Utilities and Water Purchase

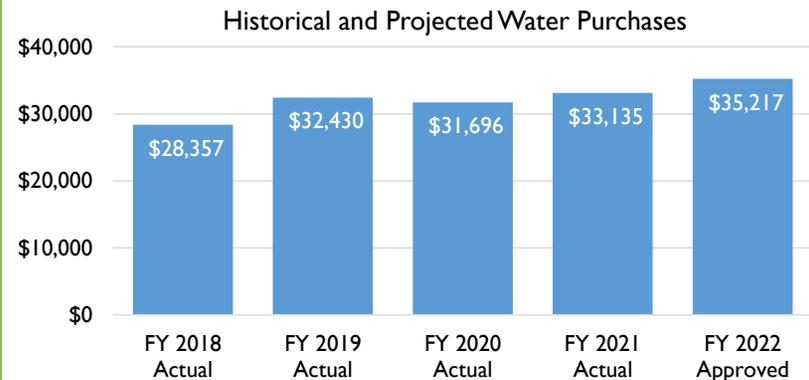
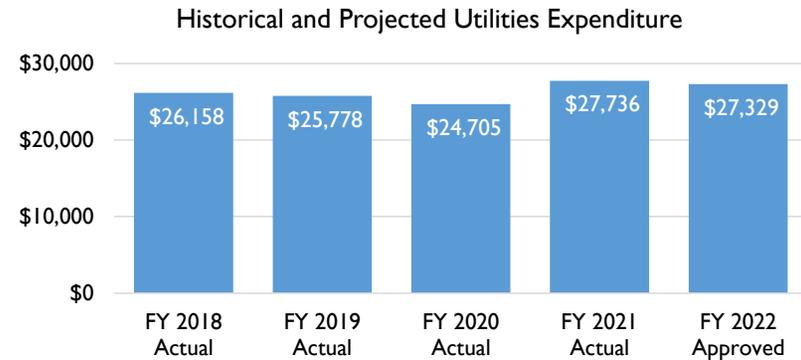
\$ in thousands

Utilities - One of the largest drivers of the operating budget is electricity costs which accounts for approximately 65% of the utilities budget

- Onsite electric generation (6MW in FY 2021) from the Combined Heat & Power facility continues to reduce the rate of growth of electricity costs and DC Water's reliance on the power grid
- DC Water also hedges blocks (5MW in FY 2021) of its electric load to mitigate the price volatility in energy markets
- District ratepayers are responsible for 59% of total utilities costs
- Cost pressures anticipated in FY 2022 mainly for electricity based on current market forecasts (up to \$2 million)

Water Purchases - DC Water purchases water from Washington Aqueduct (WAD)

- Responsible for approximately 75% of the Aqueduct's operating costs based on proportionate share of water sold and paid by the ratepayers
- Annual water rates are set based on the approved budget, including historical budget performance and consumption trends
- The increase in FY 2021 reflects the approved water rates and the increase in water demand by 3% or 1,080 MGD compared to FY 2020



FY 2021 - These are preliminary results and subject to change after completion of the fiscal-year financial and audit activities

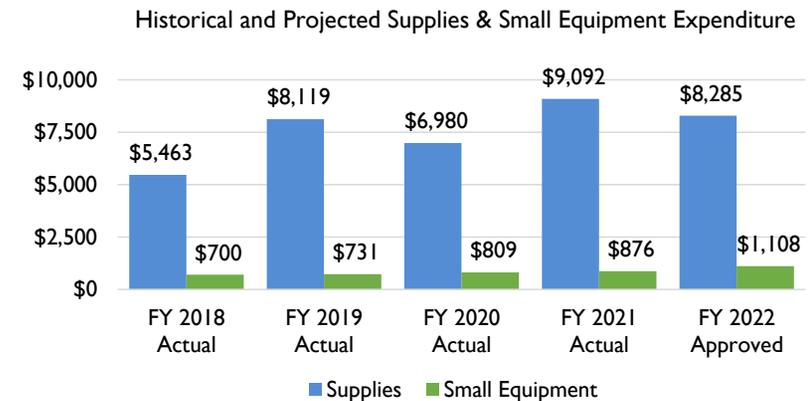
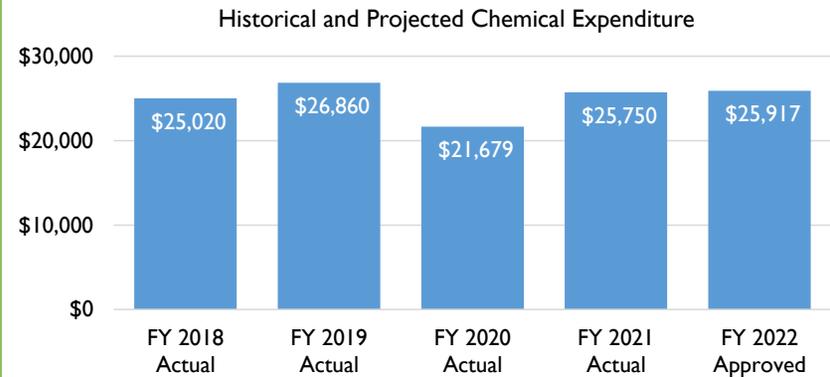


Chemicals, Supplies and Small Equipment

\$ in thousands

- Chemicals** - used in the treatment processes at the Plant and various pumping facilities
 - Impacts include market volatilities of major chemicals (methanol, polymer and lime slurry), utilization in the Tunnel Dewatering Pump Station (TDPS), and concentration of the influent
 - The lower expenditure in FY 2020 was mainly due to lower prices for major chemicals and reduced load based on less tourists visiting the District during the pandemic
 - Cost pressures in FY 2022 for major chemicals due to supply chain issues (\$2-3 million)
 - Wholesale customers are responsible for approximately 59%

- Supplies** - for the purchases of parts for water lines, mains and pumping station repairs; and pays for the uniforms and shoes for our working crews as required by the union agreement
 - FY 2021 increase in supplies costs includes catch-up work from FY 2020 due to the pandemic
 - The District ratepayers are responsible for 60% of these costs



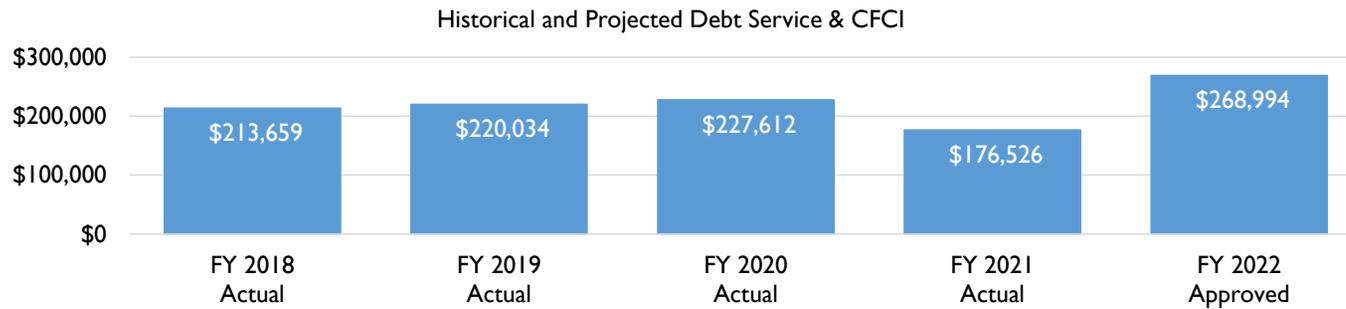
FY 2021 - These are preliminary results and subject to change after completion of the fiscal-year financial and audit activities



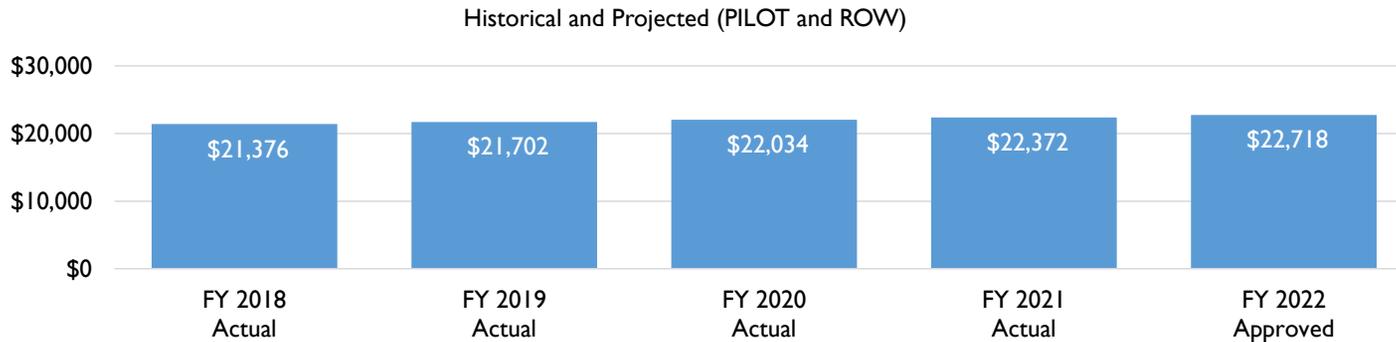
Non O&M Costs

\$ in thousands

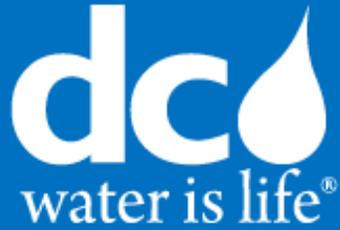
- Debt Service and Cash Financed Capital Improvement (pay-go) are funding requirements to support DC Water’s capital program



- Payment in Lieu of Taxes (PILOT) & Right of Way Fees (ROW) are consistent with MOU with the district which assumes an annual escalation of 2% for PILOT with no increase for ROW



FY 2021 - These are preliminary results and subject to change after completion of the fiscal-year financial and audit activities



ATTACHMENT 3

Recommendation to Approve New Investment Policy

Presentation to Finance and Budget Committee Meeting on December 14, 2021

Ivan Boykin, Director of Finance

District of Columbia Water and Sewer Authority





Purpose

- Respond to questions from November Finance and Budget Committee meeting
- Seek Committee's recommendation to the Board for approval of a revised Investment Policy



Rate Stabilization Fund

- Consistent with recent Board action, DC Water has moved \$41.6 million from the Rate Stabilization fund to the operating reserves
- Funds were previously held at TD Bank, where it was invested at current rates of 0.23%
- These funds will now be invested by PFM Asset Management and invested, consistent with the Investment Policy, in a way that increases the yield



Background

- Current investment policy was adopted by the Board with resolution 14-32 on May 1, 2014, that significantly broadened permitted investments
 - Prior to 2014, DC Water limited investments to US Treasuries and agencies with durations less than two years, and commercial paper with maturities less than 270 days
- Committee chair requested a review of the policy with goal of increasing investment earnings
- DC Water consulted with PFM Asset Management (PFMAM) who manages a portion of the DC Water portfolio for recommendations that align with key investment policy goals of safety, liquidity, and return on investment
- DC Water presented initial recommendations to the Finance and Budget Committee in November 2021



Investment Objectives

- DC Water’s investment objectives are consistent with other government entities including water and wastewater authorities

Safety

- The safeguarding of principal shall be the foremost objective of the investment program and other objectives shall be subordinated to the attainment of this objective.

Liquidity

- The portfolio shall be managed at all times with sufficient liquidity to meet seasonal needs , as well as special projects and other operational requirements either known or which might reasonably be anticipated.

Return on Investment

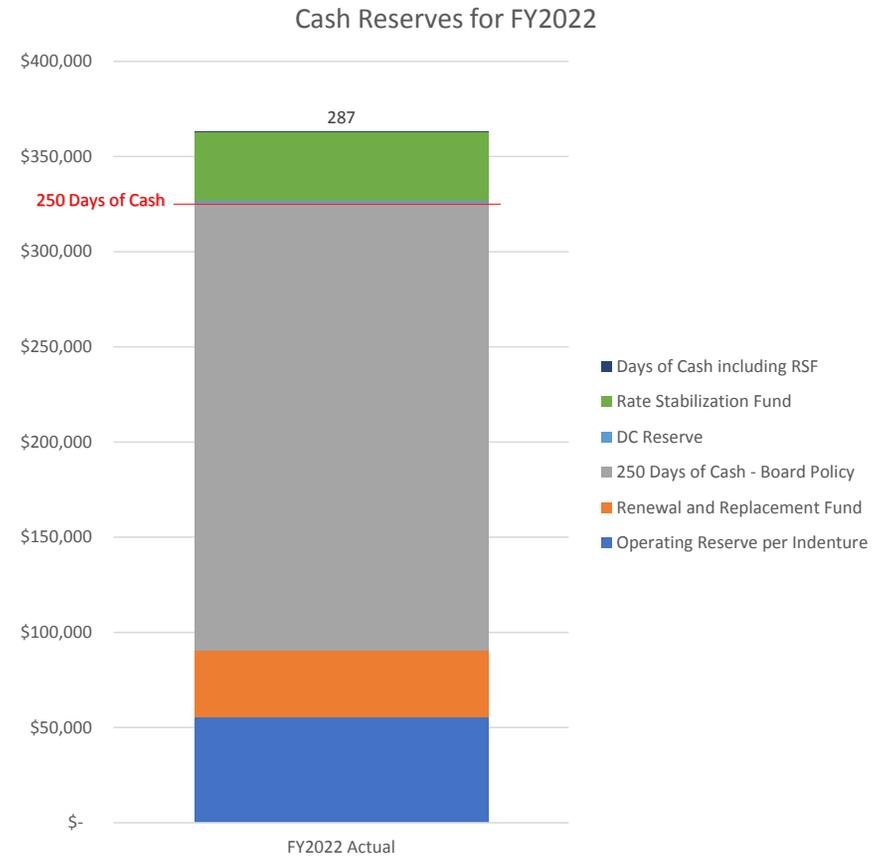
- The investment portfolio shall be managed with the objective of obtaining no worse than a market rate of return over the course of budgetary and economic cycles, taking into account the constraints contained herein and the cash flow patterns of DC Water.



DC Water's Cash Reserves

💧 All funds that DC Water maintains are allocated for a purpose

- Indenture Requirements
 - 60 days of Operating Reserves of \$55 million for FY2022 and Renewal and Replacement reserve of \$35 million
- Board Policy 250 Days of Cash
 - 287 Days of Cash for FY2022
- Provide liquidity for emergencies
- Protect bond rating that lowers borrowing costs and provides lower rates for our customers





Summary of DC Water's Investment Criteria

- 💧 Safety
- 💧 Liquidity
- 💧 Return on Investment
- 💧 Additional restraints include financial policies, general liquidity, short term stock market volatility and more
- 💧 Loss of market value would jeopardize bond rating



Investment Earnings

- DC Water’s cash reserves provide interest earnings ranging from \$3.4 million in FY2017 to \$4.8 million in FY2021 totaling \$28.4 million over five years
- Detailed investment reports are provided to the Finance and Budget Committee monthly
- DC Water tracks the performance of its portfolio against established benchmarks

Interest Earnings	FY2017	FY2018	FY2019	FY2020	FY2021	5 Year Total
Operating Interest	\$ 1,676,405	\$ 2,199,660	\$ 3,392,471	\$ 4,582,248	\$ 3,627,221	\$ 15,478,005
Capital Interest	1,763,563	1,729,724	4,748,809	3,497,537	1,151,215	\$ 12,890,848
Total	\$ 3,439,968	\$ 3,929,384	\$ 8,141,280	\$ 8,079,785	\$ 4,778,436	\$ 28,368,853



Questions and Responses

Comment or Question	Response
<p>Investment earnings on individual retirement accounts have improved significantly recently. Why hasn't DC Water's portfolio experienced similar growth?</p>	<p>DC Water's investment portfolio is limited to safeguard investments; Equities and lower rated debt would expose portfolio to too much risk for operating portfolios and bond proceeds</p>
<p>What amount of DC Water's cash reserves are "discretionary"?</p>	<p>All cash reserves are funds provided by ratepayers and are maintained for specific purposes that include meeting indenture requirements, maintaining the bond rating, and ensuring that there are sufficient funds on hand to manage through unforeseen circumstances (see slide 5)</p>



Questions and Responses

Comment or Question	Response
What risks are associated with the proposed changes to the Investment Policy?	Moderate additional interest rate risks and modest additional credit risks, See Slide 10
Is there an opportunity to invest in the local economy?	Could increase investment in small banks, minority owned, or women owned firms with footprint in the District
Could DC Water include ESG considerations in its investment policy?	Could explore ESG related investment policy criteria that could help DC Water focus investment in companies that have made ESG a priority
Why does the investment policy not allow investments in equities?	Short term equities are too volatile; invest in long term fixed income for safety

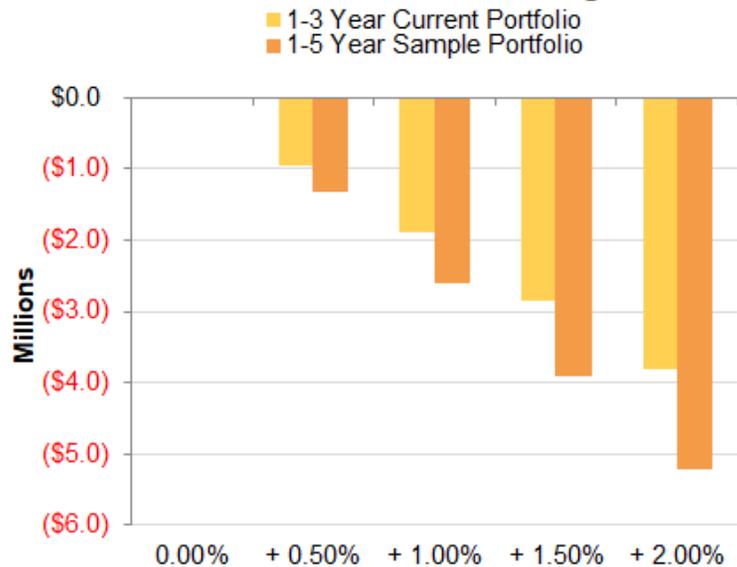


Sensitivity Analysis

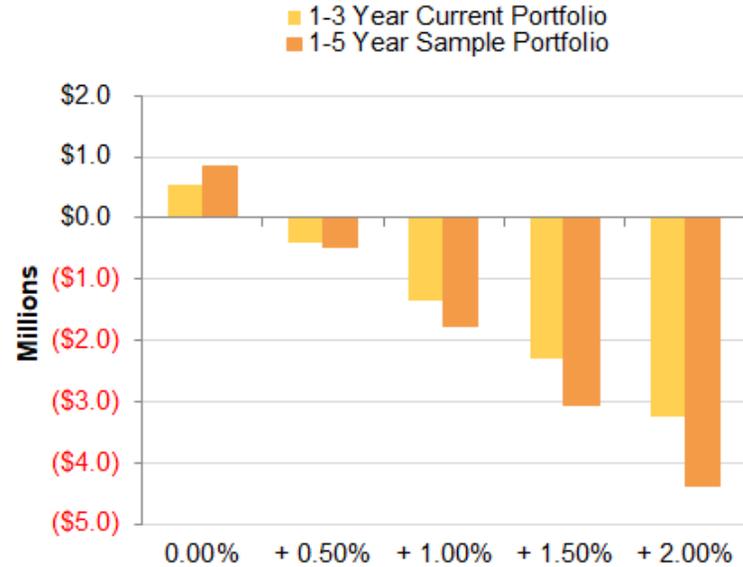
Summary of Market Value Earnings Estimates over the Next 12 Months

Next 12 Months	0.00%	+ 0.50%	+ 1.00%	+ 1.50%	+ 2.00%
1-3 Year Price Change	\$0	(\$950,000)	(\$1,900,000)	(\$2,850,000)	(\$3,800,000)
1-5 Year Price Change	\$0	(\$1,300,000)	(\$2,600,000)	(\$3,900,000)	(\$5,200,000)
1-3 Year Total MV Change	\$540,000	(\$410,000)	(\$1,360,000)	(\$2,310,000)	(\$3,260,000)
1-5 Year Total MV Change	\$830,000	(\$470,000)	(\$1,770,000)	(\$3,070,000)	(\$4,370,000)

Estimated Price Change



Estimated Total Market Value Change



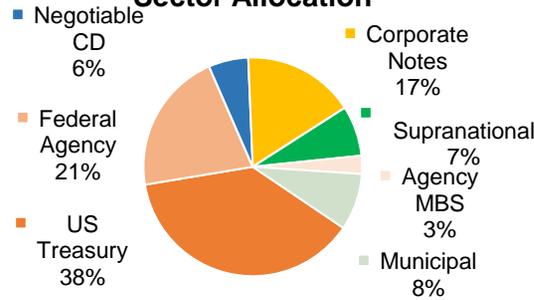
See disclosures at the end of presentation. Total MV change is the sum of price change and yield income.



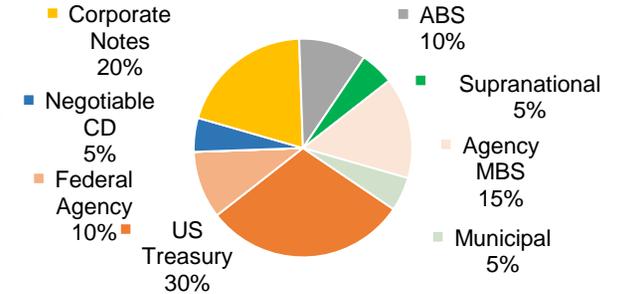
Historical Benefit of Increased Duration

	Current Portfolio	Sample Portfolio 1-5 Year Strategy
Gross Yield	0.54%	0.83%
Benchmark Yield	0.44%	0.64%

Current Portfolio 1-3 Year Strategy Sector Allocation



Sample Portfolio 1-5 Year Strategy Sector Allocation



Growth of \$100,000,000 Invested 10 Years Prior



\$3.1 Million
\$1.2 Million

Source: Bloomberg, as of October 31, 2021. Differences in Cumulative Value, shown to the right of the line chart, may not reconcile with those in the table, due to rounding. Gross yield and sector allocations are as of November 3, 2021 for the current portfolio and sample portfolio 1-5 year strategy. Comparative benchmark is the ICE BofAML 1-3 Year US Treasury Index for the Current Portfolio. Comparative benchmark is the ICE BofAML 1-5 Year US Treasury Index for the Sample Portfolio 1-5 Year Strategy.



Summary of Recommendations

💧 The proposed revised Investment Policy includes:

1. Removing language prohibiting the purchase of collateralized mortgage obligation and allowing for flexible maturities on agency obligations
2. Allowing for foreign issuers of commercial paper, and allowing maturities of up to a year; also expanding the sector limit to 50%
3. Allowing A rated corporate notes and expanding the sector limit to 40%
4. Removing permitted specific issuers of federal agency mortgage-backed securities
5. Allowing A rated negotiable CDs for maturities over one year, and expanding the sector limit to 50%
6. Expanding the sector limit to 30% for municipal obligations



Recommendation

- That the Committee recommend to the Board adoption of the revised Investment Policy



Appendix



Comparable Entities

Comparable entities neighboring DC Water:

- 💧 The Government of D.C.
- 💧 Virginia Agencies (“VA Agencies”)
- 💧 Virginia Political Subdivisions (“VA PS”)
- 💧 Maryland Political Subdivisions (“MD PS”)

Comparable entities below are operating authorities in the same businesses as DC Water & Sewer Authority that have portfolios of similar size in which PFMAM services as the investment advisor:

- 💧 San Bernardino Valley Municipal Water District (“SBVMWD”)
- 💧 Tohopekaliga Water Authority (“TWA”)
- 💧 The Metropolitan Water District of Southern California (“MWDSC”)



PFMAM Recommendations

	Recommendation	Explanation	Potential Benefit	Comps
Federal Agency Obligations	Remove language from current policy prohibiting the purchase of Collateralized Mortgage Obligations	Mortgage-backed securities that contains a pool of mortgages bundled together and sold as an investment.	Provides additional opportunities to invest in other highly rated issuers to help enhance potential yield of the portfolio and further diversify	Government of DC X VA Agencies ✓ VA PS ✓ MD PS ✓ SBVMWD X TWA ✓ MWDSC ✓
Federal Agency Obligations	Allow for flexible maturity on Agency Obligations		Removing maturity limits allow for longer maturities to try and pick up additional yields while taking on interest rate risk and still maintaining the duration strategy of the portfolio	Government of DC X VA Agencies ✓ VA PS ✓ MD PS ✓ SBVMWD X TWA ✓ MWDSC ✓

- ✓ Comparable entity invests in same asset
- X** Comparable entity does not invest in same asset



PFMAM Recommendations

	Recommendation	Explanation	Potential Benefit	
Commercial Paper	Allow for foreign issuers		Allows for additional diversification	Government of DC X VA Agencies ✓ VA PS ✓ MD PS ✓ SBVMWD X TWA X MWDSC ✓
Commercial Paper	Allow maturities of up to a year, instead of 270 days		Allows for additional diversification	Government of DC (180 days) VA Agencies (270 days) VA PS (270 days) MD PS (unclear) SBVMWD (270 days) TWA (270 days) MWDSC (270 days)

- ✓ Comparable entity invests in same asset
- X** Comparable entity does not invest in same asset



PFMAM Recommendations

	Recommendation	Explanation	Potential Benefit	Comps
Commercial Paper	Expand sector limit to 50%, from 35%		Broader market access and further diversification	Government of DC (30%) VA Agencies (35%) VA PS (35%) MD PS (10%) SBVMWD (25%) TWA (35%) MWDSC (40%)
Corporate Notes	Allow “A” rated corporate notes, instead of A-I		Opportunities to purchase with additional credit risk to enhance the yield	Government of DC X VA Agencies (A/A) VA PS (AA/AA) MD PS X SBVMWD (A) TWA (A-/A3) MWDSC (A)

X Comparable entity does not invest in same asset



PFMAM Recommendations

	Recommendation	Explanation	Potential Benefit	Comps
Corporate Notes	Expand sector limit to 40% from 30%		Broader market access	Government of DC ✗ VA Agencies (100%) VA PS (100%) MD PS ✗ SBVMWD (30%) TWA (35%) MWDS (30%)
Federal Agency Mortgage-Backed Securities (MBS)	Remove requirement for permitting specific issuers of Federal Agency MBS	Ability to purchase from issuers other than Fannie Mae, Freddie Mac, and Government National Mortgage Association	Flexibility and diversity to purchase from other issuers	Government of DC ✓ VA Agencies ✓ VA PS ✓ MD PS ✓ SBVMWD ✗ TWA ✓ MWDS ✓

- ✓ Comparable entity invests in same asset
- ✗ Comparable entity does not invest in same asset



PFMAM Recommendations

	Recommendation	Explanation	Potential Benefit	Comps
Negotiable Certificates of Deposit	Allow for “A” rated Negotiable CDs for maturities over 1 year	Change from AA for maturities over a year	Opportunity for purchase with additional credit risk to enhance the yield of Portfolio	Government of DC (unclear) VA Agencies (AA/AA) VA PS (AA/AA) MD PS X SBVMWD (A-1/A) TWA X MWDS (A-1/A)
Negotiable Certificates of Deposit	Expand sector limit to 50%, from 30% current limit		Broader market access	Government of DC (30%) VA Agencies (100%) VA PS (100%) MD PS X SBVMWD (30%) TWA X MWDS (30%)

X Comparable entity does not invest in same asset



PFMAM Recommendations

	Recommendation	Explanation	Potential Benefit	Comps
Municipal Obligation	Expand sector limit to 30%, from current 20% limit		Broader market access	Government of DC (20%) VA Agencies(100%) VA PS (100%) MD PS X SBVMWD (30%) TWA (25%) MWDS (30%)

X Comparable entity does not invest in same asset



PFMAM Disclosure

💧 This material is based on information obtained from sources generally believed to be reliable and available to the public, however PFM Asset Management LLC cannot guarantee its accuracy, completeness or suitability. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation. All statements as to what will or may happen under certain circumstances are based on assumptions, some but not all of which are noted in the presentation. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Past performance does not necessarily reflect and is not a guaranty of future results. The information contained in this presentation is not an offer to purchase or sell any securities. Investment advisory services are provided by PFM Asset Management LLC which is registered with the SEC under the Investment Advisers Act of 1940.

💧 **Notes to Interest Rate Stress Test and Horizon Analysis**

1. Assumed portfolio's market value is \$100 million.
2. Assumed effective duration is based on current 1-3 year operating reserve portfolio and sample 1-5 year structured by PFM as of November 3, 2021.
3. Assumed YTM at Cost is based on current 1-3 year operating reserve portfolio and sample 1-5 year structured by PFM as of November 3, 2021.
4. Yield curve scenarios assume parallel rate shocks in even monthly increments.



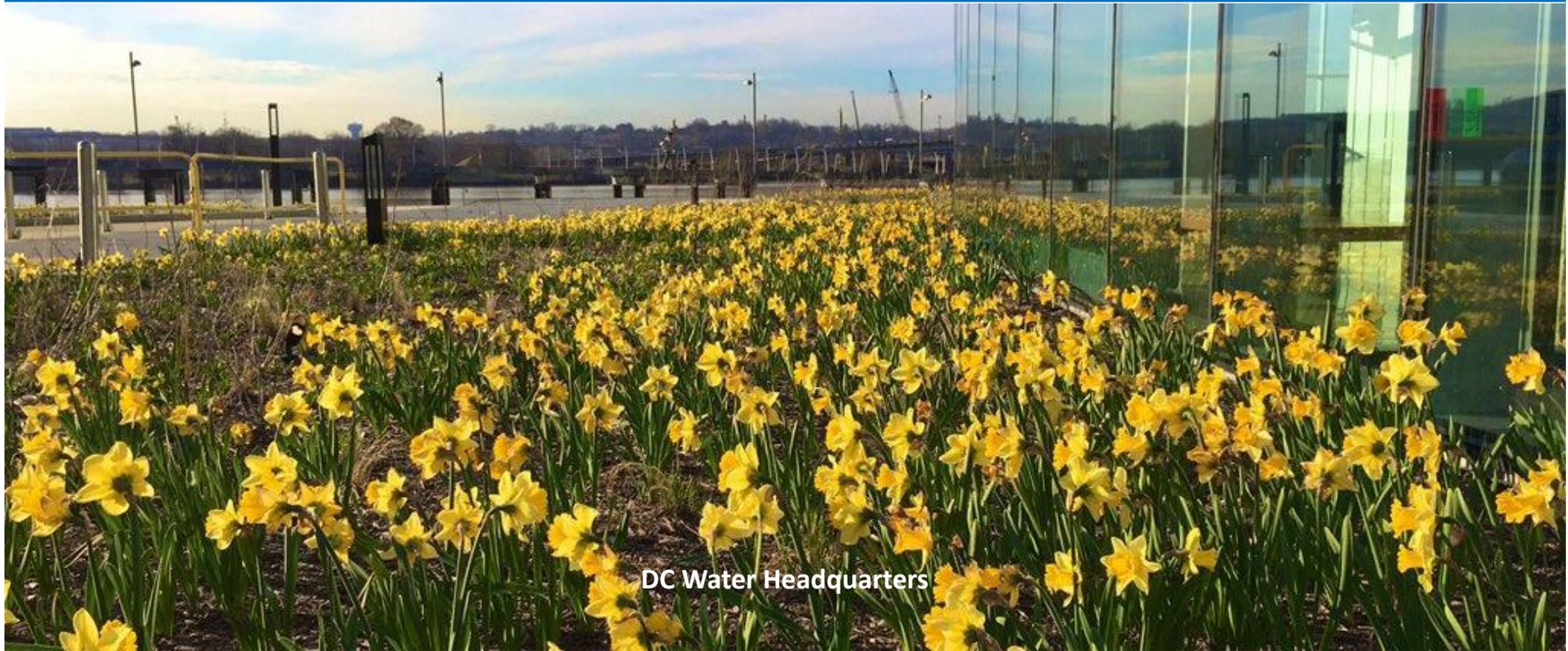
Environmental, Social, & Governance (ESG) Report

Presentation to the Finance & Budget Committee on December 14, 2021

Matt Ries, PhD, PE, Director, Strategic Leadership and Sustainability

District of Columbia Water and Sewer Authority

ATTACHMENT 4



DC Water Headquarters



Purpose

- Update the Committee on DC Water's Environmental, Social, and Governance (ESG) Report



Background and Drivers

- 💧 Increasingly, investors are asking about Environmental, Social, and Governance (ESG) factors as they demand more transparency
- 💧 ESG reports serve as a communication tool to enable more transparency into a entity's risks and opportunities
- 💧 No standards for ESG reporting currently exist
- 💧 ESG reporting is one part of DC Water's response to investor input and rating agency advice:
 - Adopt Green Bond Framework (completed October 2021)
 - Add new measures in annual Green Bond report (in progress)
 - Produce ESG Report (completed November 2021)



Timeline

- 🔹 July 2021: Finance and Budget Committee briefing and initial compilation of ESG efforts
- 🔹 August 2021: Issue RFP and obtain outside services (Arup) to assist in report development and production
- 🔹 September to November 2021: Input from SMEs/stakeholders and report development, including October Briefing for and feedback from Goldman Sachs on report content
- 🔹 December 2021: Report released
- 🔹 January 2022: Report shared with investors, underwriters, rating agencies, and others



Approach – 2 of 2

Index keyed to Sustainability Accounting Standards Board (SASB) Codes

- SASB disclosure is voluntary

Relevant SASB codes may be expanded in future years

SASB Index

Sustainability Accounting Standards Board (SASB) standards are designed to identify a minimum set of sustainability issues most likely to impact the operating performance or financial condition of the typical organization in an industry. Disclosing information under the SASB standards is voluntary. This is the first year DC Water has disclosed information using the Water Utilities & Services SASB Standard. We look forward in building out our reporting metrics and will continue using SASB as relevant in the future.

SASB Code	Accounting Metric	Response, Link or Additional Information
Energy Management		
IF-WU-130a.1:		
(1)	Total energy consumed	1,300 GJ at Blue Plains Treatment Facility
(2)	Percentage grid electricity	47%
(3)	Percentage renewables	53%
Distribution Network Efficiency		
IF-WU-140a.1:		
	Water main replacement rate	0.66%
IF-WU-140a.2:		
	Volume of non-revenue hot water losses	45,262 thousand m ³
Effluent Quality Management		
IF-WU-140b.1:		
	Number of incidents of non-compliance associated with water effluent quality permits, standards, and regulations	0 incidents
IF-WU-140b.2:		
	Discussion of strategies to manage effluents of emerging concern	Please see our statement on effluents of emerging concern at www.dwater.com/UCMR4
Water Affordability and Access		
IF-WU-240a.1:		
	Average retail water rate for:	
(1)	residential	I. Residential: 0 - 4 Ccf: \$3.49 II. Residential: greater than 4 Ccf: \$4.50 III. Multi-Family: \$3.96
(2)	commercial	Non-Residential - \$4.45
(3)	industrial customers	

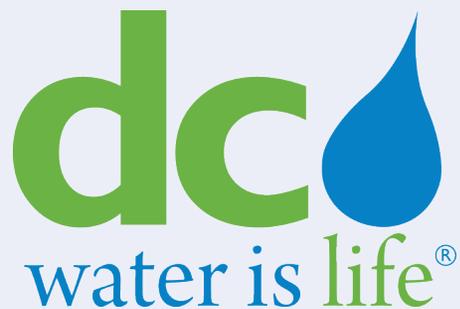
IF-WU-240a.2:	
Typical monthly water bill for residential customers for 10 Ccf of water delivered per month:	For FY2021, the monthly residential bill for average use of 10 Ccf will be \$179.41
IF-WU-240a.3:	
Number of residential customer water disconnections for non-payment:	We did not disconnect any customers in FY 21 for non-payment.
Percentage reconnected within 30 days:	
IF-WU-240a.4:	
Discussion of impact of external factors on customer affordability of water, including the economic conditions of the service territory:	Please see the Customer section of this report in the Social section.
Drinking Water Quality	
IF-WU-250a.1:	
Number of:	
(1) acute health-based violations	0 violations
(2) non-acute health based violations	0 violations
(3) non-health-based drinking water violations	0 violations
IF-WU-250a.2:	
Discussion of strategies to manage drinking water contaminants of emerging concern:	Please see our statement on effluents of emerging concern at www.dwater.com/UCMR4
End-Use Efficiency	
IF-WU-420a.1:	
Percentage of water utility revenue from rate structures that are designed to promote conservation and revenue rationalization:	71.6% of revenue comes from volumetric revenue
Water Supply Resilience	
IF-WU-440a.1:	
Total water sourced from regions with High or Extremely High Baseline Water Stress, 0 m ³ , 100% purchased from Washington Aqueduct:	0 m ³
IF-WU-440a.2:	
Volume of recycled water delivered to customers:	0 m ³
IF-WU-440a.3:	
Discussion of strategies to manage risks associated with the quality and availability of water resources:	Please see the Water and Resource Management section of this report.



Report Distribution and Next Steps

- December 2021
 - Release ESG Report
- January 2022
 - Launch dedicated webpage on dcwater.com
 - Report distribution to investors, underwriters, and rating agencies as part of upcoming bond transaction
- Spring to Summer 2022
 - Alignment of SASB Index codes with Blueprint 2.0 goals and metrics
- Fall 2022
 - Creation of FY22 ESG Report





2022 Bond Transaction and Market Update to Finance & Budget Committee

December 14, 2021

PFM Financial Advisors LLC

4350 N. Fairfax Drive
Suite 580
Arlington, VA 22203

703.741.0175
pfm.com



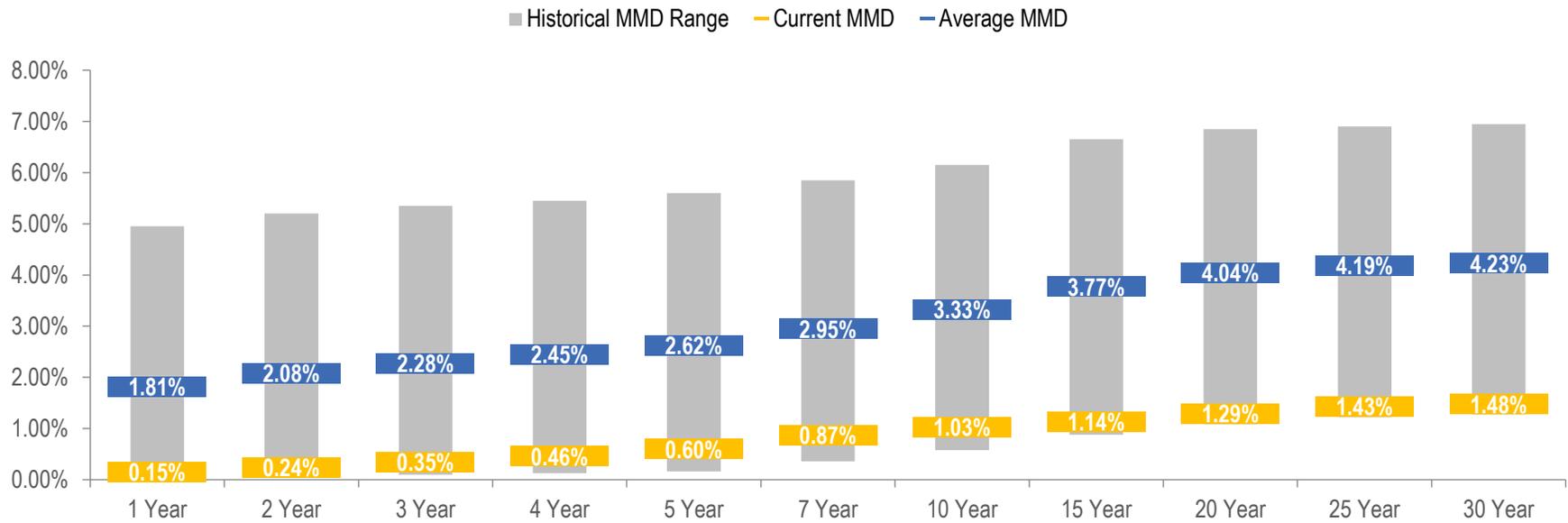
Purpose

- ◆ *To update the Committee on the upcoming bond transaction and seek the Committee's recommendation to the full Board to approve the transaction*



Municipal Borrowing Rates Remain Low

AAA MMD Rate Position (December 2, 1991 to December 2, 2021)



Summary of December 2, 2021 vs. Historical (30-Year Average) MMD Rates											
Statistic	1-Year	2-Year	3-Year	4-Year	5-Year	7-Year	10-Year	15-Year	20-Year	25-Year	30-Year
December 2, 2021	0.15%	0.24%	0.35%	0.46%	0.60%	0.87%	1.03%	1.14%	1.29%	1.43%	1.48%
Historical Average	1.81%	2.08%	2.28%	2.45%	2.62%	2.95%	3.33%	3.77%	4.04%	4.19%	4.23%
Spread to Average	-1.66%	-1.84%	-1.93%	-1.99%	-2.02%	-2.08%	-2.30%	-2.63%	-2.75%	-2.76%	-2.75%
Minimum	0.05%	0.05%	0.10%	0.13%	0.16%	0.36%	0.58%	0.88%	1.08%	1.22%	1.27%
Maximum	4.95%	5.20%	5.35%	5.45%	5.60%	5.85%	6.15%	6.65%	6.85%	6.90%	6.95%
% of Time Lower	6.09%	4.43%	4.97%	4.66%	4.70%	4.74%	4.23%	1.97%	1.67%	1.69%	1.69%

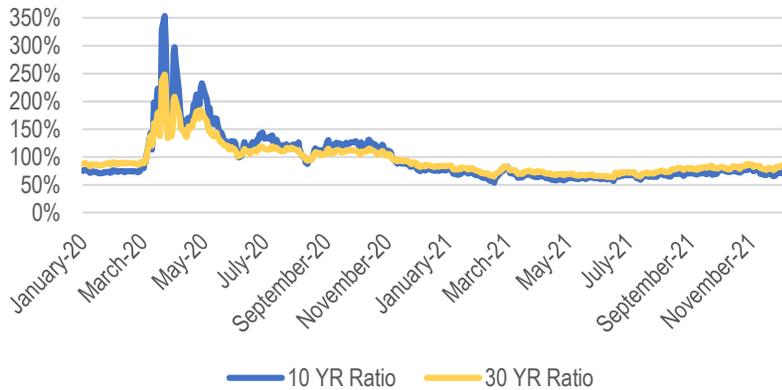
Source: Thomson Reuters



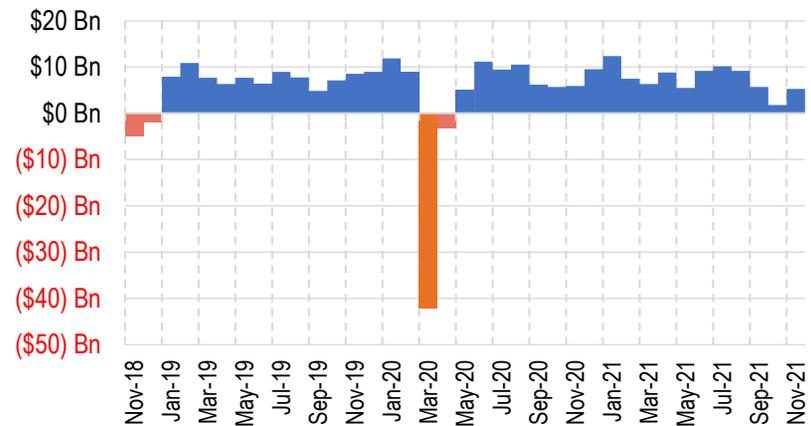
Municipal Market Experienced Volatility Through Pandemic



MMD / Treasury Ratios Remain Low



2021YTD Fund Inflows Exceed 2020 Total Fund Inflows





Series 2022 Bond Transaction Highlights

- ◆ DC Water seeks authorization to issue up to \$400 million in Subordinate lien revenue bonds to fund Capital Improvement Program projects, Washington Aqueduct projects, and obtain permanent funding for outstanding commercial paper related to EIB
 - Series 2022B (Green Bonds) will provide \$100 million of new money funding for Clean Rivers and will be issued as tax-exempt fixed-rate debt
 - Series 2022C will provide \$100 million of new money funding for general CIP projects and \$25 million of funding to fix out commercial paper used to repay EIB, and will be issued as tax-exempt fixed rate debt
 - Series 2022D will provide \$75 million of funding for Washington Aqueduct projects and will be issued as taxable fixed rate debt
 - Series 2022E will provide \$100 million of funding for general CIP projects and will be issued as tax-exempt variable rate debt
- ◆ Series 2022B new money bonds issued in support of Clean Rivers will be independently certified as Green Bonds
- ◆ In addition, DC Water seeks authorization to refund Series 2014C for debt service savings
 - While tax-exempt advance refundings are no longer allowable under current tax law, low interest rates have created an opportunity to obtain significant savings with a taxable advance refunding
 - Requested authorization includes flexibility to enhance savings with a tender/exchange that requires investor participation but enables current refunding with tax-exempt debt
 - Requested authorization includes flexibility to refund larger universe, if market conditions permit
 - Refunding will be executed only to the extent market conditions allow DC Water to exceed 10% NPV savings threshold included in Authorizing Resolution
- ◆ Goldman Sachs & Co. and RBC Capital Markets have been selected to lead the underwriting groups as senior bookrunners for Series 2022B/C/D (fixed rate) and Series 2022E (multimodal), respectively
 - Co-Senior managers are Ramirez & Co. (Series 2022B/C/D) and Citigroup Global Markets (Series 2022E)
- ◆ Pursuant to Authorizing Resolutions, DC Water Board will be asked to approve several documents related to the financing plan described in the presentation



Preliminary New Money Plan of Finance

Series 2022B (Green Bonds)*	Series 2022C*	Series 2022D (Taxable)*	Series 2022E (Multimodal)*
<ul style="list-style-type: none"> Par Amount: \$76.6 million Purpose: Clean Rivers Project Mode: Fixed Rate Term: Up to 40 years Tax Status: Tax-Exempt Lien: Subordinate Expected 10-year optional par call 	<ul style="list-style-type: none"> Par Amount: \$95.7 million Purpose: General CIP projects and commercial paper fixout Mode: Fixed Rate Term: Up to 40 years Tax Status: Tax-Exempt Lien: Subordinate Expected 10-year optional par call 	<ul style="list-style-type: none"> Par Amount: \$76.6 million Purpose: Washington Aqueduct projects Mode: Fixed Rate Term: Up to 40 years Tax Status: Taxable Lien: Subordinate Expected 10-year optional par call 	<ul style="list-style-type: none"> Par Amount: \$99.5 million Purpose: General CIP projects Mode: Multimodal, initially in Long-Term Rate Period Term: Up to 40 years Tax Status: Tax-Exempt Lien: Subordinate Expected 3-7 year mandatory tender (soft put)

	Sources & Uses*				
	Series 2022B (Green Bonds)	Series 2022C	Series 2022D (Taxable)	Series 2022E (Multimodal)	Total
Sources (\$)					
Par Amount	76,555,000	95,690,000	75,605,000	99,475,000	347,325,000
Net Premium	24,061,716	30,076,522		1,125,062	55,263,300
Total	100,616,716	125,766,522	75,605,000	100,600,062	402,588,300
Uses (\$)					
Project Fund (General CIP)	-	100,000,000	-	100,000,000	200,000,000
Project Fund (Clean Rivers)	100,000,000	-	-	-	100,000,000
Project Fund (Washington Aqueduct)	-	-	75,000,000	-	75,000,000
Project Fund (CP Fixout)	-	25,000,000	-	-	25,000,000
Issuance/Underwriting Expenses	616,716	766,522	605,000	600,062	2,588,300
Total	100,616,716	125,766,522	75,605,000	100,600,062	402,588,300

*Preliminary, subject to change within the parameters of Board authorization.



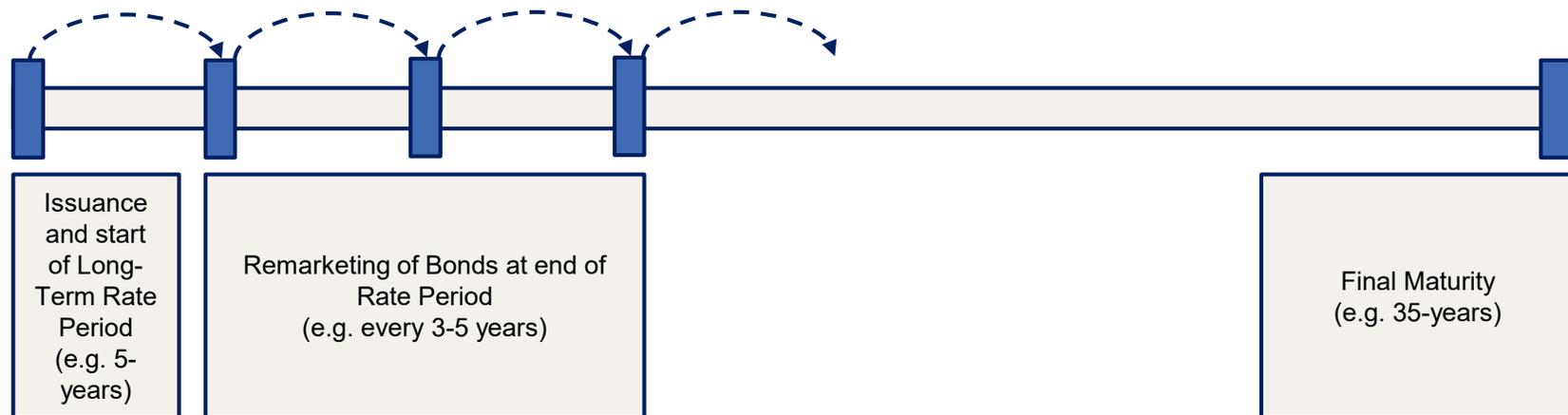
Multimodal Bond Structure – Series 2022E

- ◆ DC Water plans to issue multimodal bonds with a long-dated final maturity, with scheduled principal amortization over the life of the transaction
 - DC Water has issued multimodal bonds several times in the past, including in 2012, 2016 and 2019
 - These multimodal issues have been the lowest-cost debt in DC Water’s portfolio and have served to drive down the weighted average cost of capital
- ◆ DC Water will issue the Series 2022E Bonds initially in a Long-Term Rate Period, where the interest rate is fixed for a set period of time (e.g. 5 years) and then subject to remarketing
- ◆ Issuance in a Long-Term Rate Period provides DC Water a beneficial alternative to traditional variable rate debt
 - Short-term rates within a long-term debt issuance (close to 1.00% currently)
 - No bank liquidity is needed, therefore no counterparty risk
 - Unlike traditional VRDOs, bonds in a Long-Term Rate Period bear interest at a rate that is fixed through the expiration of the Rate Period
 - Structural features provide significant protection to DC Water, particularly the use of a stepped penalty rate if there is a failure to remarket the bonds at the end of an interest rate period
- ◆ Flexibility with multiple modes in legal documents, which allows changes to different interest rate modes that DC Water believes to be most advantageous at the expiration of the initial period



Long-Term Rate Period – Series 2022E

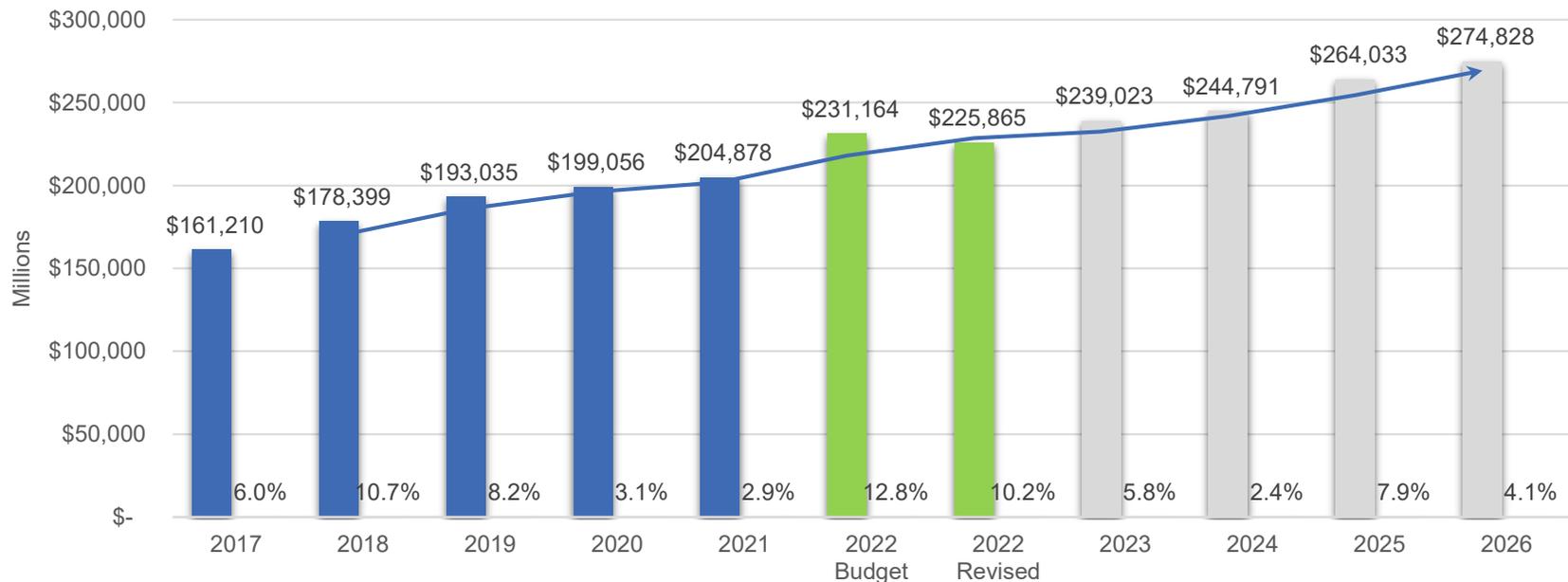
- While in a Long-Term Rate Period, the bonds will bear interest at a fixed rate through the expiration of the Rate Period
- The interest rate paid during the Initial Period is determined during the initial pricing based upon the term of the Interest Period and investor evaluation of the creditworthiness of DC Water
- At the end of the Rate Period the bonds are intended to be remarketed in a subsequent Long-Term Rate Period or another interest rate mode
- If the bonds are not remarketed or there is a failed remarketing, the bonds would bear interest at a Penalty Rate (e.g. 8.00%) until the final maturity of the bonds or until the bonds can be remarketed





Total Debt Service Costs Projected to Rise as a Result of System Investments

- ◆ DC Water average cost of capital has declined since 2016 as a result of a favorable interest rate environment and DC Water efforts to programmatically manage debt service costs
 - Positive impacts of rating upgrades, increased use of low-cost variable rate debt, low-interest WIFIA loan, and an opportunistic refinancing program that has generated >\$150MM in NPV debt service savings since 2016
- ◆ Despite a lower cost of capital, DC Water’s debt service costs have increased an average of 6.5% each year since FY2016 as a result of continued borrowing in support of Capital Improvement Program, and approved 10-year financial plan projects continued increases





Prelim. Refunding Plan of Finance (Base Case: Taxable Adv. Refunding)

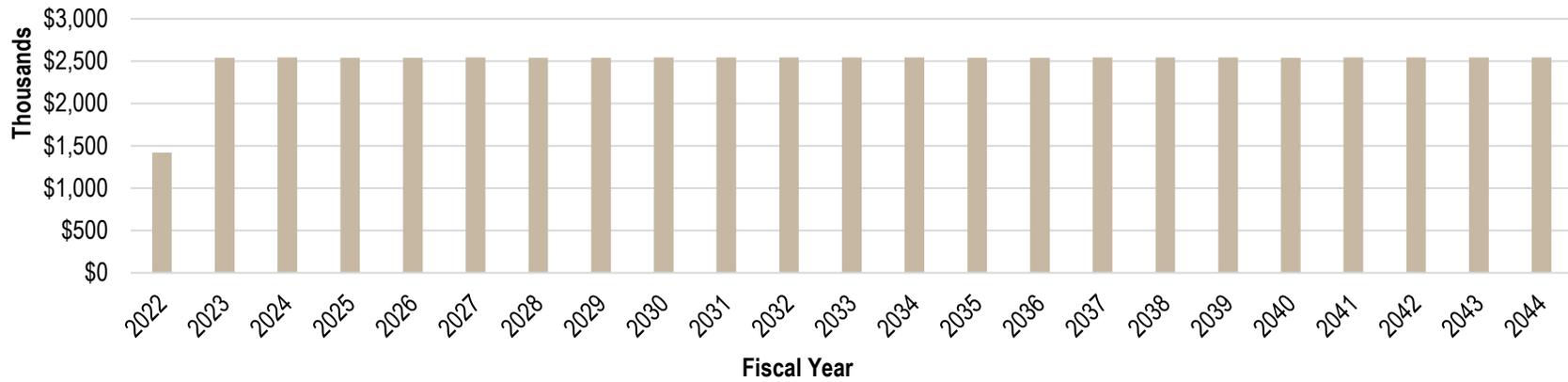
Key Terms*

- Purpose: Refunding
- Term: 22 years
- Tax Status: Taxable
- Lien: Subordinate
- Expected 10-year optional par call
- Refunded Bonds: \$315.42 million Series 2014C
- Level savings structure
- Minimum NPV savings threshold of 10% of refunded par (\$44.7 million / 14.2% as of December 2)

Expected Sources & Uses*

	Series 2022D
Sources (\$)	
Par Amount	349,180,000
Net Premium	-
Cash Contribution	6,420,023
Total	355,600,023
Uses (\$)	
Escrow Fund	352,804,858
Underwriting / Other Issuance Expenses	2,795,165
Total	355,600,023

Pro Forma Debt Service Savings (Rates as of December 2, 2021)*



*Preliminary, subject to change within the parameters of Board authorization.



Key Taxable Advance Refunding Considerations

Despite trade-offs, taxable bonds have extremely strong economics in the current environment, enable DC Water to substantially reduce interest rate risk, and can be enhanced with a tender/exchange process

- By pursuing a refunding now, DC Water forgoes the potential to generate even greater savings later but eliminates future interest rate risk
 - Should interest rates increase less than breakeven yield curve movements of approximately 1.35%, higher savings would be generated by a tax-exempt current refunding at the Series 2014C call date of October 1, 2024
- While taxable bonds result in a permanent interest rate penalty versus any tax-exempt option, with the elimination of tax-exempt advance refundings municipal issuers have limited other options to lock in current rates
 - Historically low taxable rates offer refinancing economics multiple times better than typical threshold to execute tax-exempt refunding and 3% minimum in DC Water Debt Policy
 - Incorporating a tender / exchange as an enhancement to the base taxable advance refunding opportunity offers the opportunity to incrementally improve PV savings
- Alternative options that could generate greater savings for DC Water exist as well – namely forward tax-exempt delivery bonds and use of interest rate swaps – but each has its own limitations
 - Forward delivery bonds can typically be completed only within 18 months of the call date, and with a premium to a current refunding transaction
 - Interest rate swaps (and other derivative products) can provide efficient solutions, but come with a set of different business risks and policy considerations



Tender / Exchange Offers Opportunity to Enhance Refunding Savings

- In Tender / Exchange process DC Water will offer to repurchase targeted outstanding bonds, funded with tax-exempt refunding bond proceeds or in exchange for a new Series 2022 bond at a lower interest rate
 - Purchase occurs at a premium to market trading levels to incentivize participation, in contrast to exercise of a call option that typically occurs at the face value of the bond
- Incorporating a Tender / Exchange as an enhancement to the base case taxable advance refunding offers the opportunity to incrementally improve PV savings
 - Possible incremental PV savings on Series 2014C of up to ~\$9 million at rates as of December 2
 - Likely incremental PV savings of \$2-3 million as of December 2, assuming 25% investor participation
- Economics depend on tax-exempt/taxable ratios, tender price, and level of investor participation, but DC Water will only buy back bonds and issue tax-exempt refunding bonds if savings are higher than the base case taxable refunding
- Incremental savings can be realized because tender/exchange process allows bonds that would have been refunded as a taxable advance refunding can be instead refunded with tax-exempt bonds as a current refunding
 - Taxable advance refunding requires issuance at taxable rates and incurs negative arbitrage during escrow period (call date on Series 2014C bonds is 10/1/2024)
 - In a Tender / Exchange, investors return existing bonds to DC Water for immediate retirement (eliminates long escrow period that is source of negative arbitrage)
 - Tender / Exchange allows tax-exempt refunding issue because while current tax law prohibits tax-exempt advance refundings (escrow period of >90 days), it permits tax-exempt current refundings (escrow period <90 days)



Preliminary Financing Schedule Highlights

- ◆ **December 14, 2021** – Request Finance & Budget Committee review and recommendation for approval
- ◆ **January 6, 2022** – Request DC Water Board approval of transaction
- ◆ **Week of January 31, 2022** – Receive credit ratings and green bond rating
- ◆ **February 1, 2022** – Launch invitation to tender/exchange
- ◆ **February 15, 2022** – Acceptance of tender/exchange offers
- ◆ **February 16, 2022** – Series 2022B/C/D bond pricing
- ◆ **March 3, 2022** – Series 2022E bond pricing
- ◆ **March 10, 2022** – Series 2022B/C/D and Series 2022E bond closing

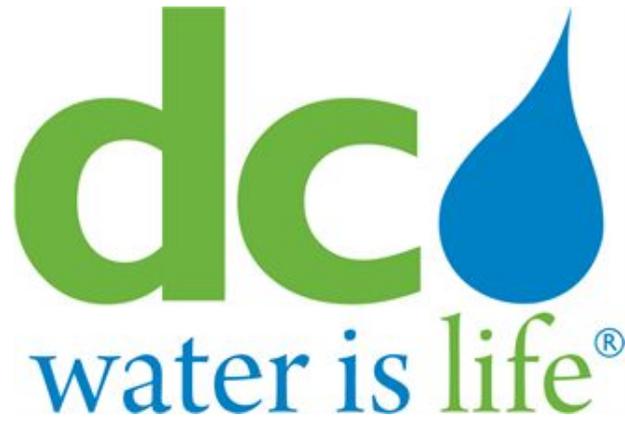
ATTACHMENT 6

**FINANCE & BUDGET COMMITTEE
RECOMMENDATION TO BOARD FOR APPROVAL OF
REVISED STATEMENT OF INVESTMENT POLICY**

ACTION ITEM A: Recommendation to Board for approval of revised Statement of Investment Policy as provide in Attachment A.

Attachment A – Revised Statement of Investment Policy

District of Columbia Water and Sewer Authority
Statement of Investment Policy



Amended December 14, 2011 ~~May xx, 2011~~, 2014

District of Columbia Water and Sewer Authority

Statement of Investment Policy

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District of Columbia Water and Sewer Authority

Statement of Investment Policy

Purpose

The purpose of this document is to set forth the investment and operational policies for the management of public funds of the District of Columbia Water and Sewer Authority (“DC Water” or “Authority”).

These policies are designed to ensure the prudent management of Authority funds, the availability of operating and capital funds when needed, and an investment return competitive with comparable funds and financial market indices.

It shall be the policy of DC Water that all investments and investment practices meet or exceed all laws and regulations governing the investment of DC Water funds and any investment restrictions imposed by bond covenants held by DC Water, all statutes governing the investment of public monies in the District of Columbia and any investment restrictions imposed by bond covenants. Further, accounting for DC Water Portfolio shall be consistent with guidelines of the Governmental Accounting Standards Board (GASB).

Scope of the Investment Policy

This investment policy is a comprehensive one that governs the overall administration and investment management of those monies held in DC Water’s investment portfolio. This policy shall apply to such monies from the time of receipt until the time the monies ultimately leave DC Water’s accounts. These monies include, but are not limited to, all operating funds, debt service funds, capital project funds, and grant money.

The guidance set forth herein is to be strictly followed by all those responsible for any aspect of the management or administration of these monies.

Investment Objectives

DC Water’s Portfolio shall be managed to accomplish the following hierarchy of objectives:

- i) **Safety** – The safeguarding of principal shall be the foremost objective of the investment program, and other objectives shall be subordinated to the attainment of this objective.
- ii) **Liquidity** – The investment portfolio shall be managed at all times with sufficient liquidity to meet all daily and seasonal needs, as well as special projects and other operational requirements either known or which might reasonably be anticipated.
- iii) **Return on Investment** – The investment portfolio shall be managed with the objective of obtaining no worse than a market rate of return over the course of budgetary and economic cycles, taking into account the constraints contained herein and the cash flow patterns of DC Water.

Delegation of Authority

DC Water Board of Directors grants authority for the management of the investment program and for the investment of funds (within the constraints set by this policy) to the CEO and General Manager (“GM”). By letter of delegation, the CEO and General Manager GM may delegate responsibility for managing the investment program to a designee. The GM or designee shall establish written procedures for the operation of the investment program consistent with this investment policy. Procedures should include references to safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, collateral/depository agreements and banking services contracts.

Standard of Prudence

The standard of prudence to be applied to the investment of DC Water’s Portfolio shall be the “Prudent Person” rule that states:

“Investments shall be made with judgment and care, under circumstances then prevailing which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.”

Ethics and Conflict of Interest

Consistent with any DC Water policies on ethics, employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial positions that could be related to the performance of the investment portfolio. Employees shall not undertake personal investment transactions with the same individual with whom business is conducted on behalf of DC Water.

Authorized Investments

DC Water shall be permitted to invest in any of the following securities subject to the ratings requirements and/or maturity limitations which are established to help mitigate investment risks. For all security types the “time of purchase” is defined as the settlement date of any investment transaction. The ratings requirements establish minimum permitted ratings and are included without regards to ~~the any~~ rating modifiers.

- A) **U.S. Treasury Obligations.** United States Treasury bills, notes, or any other obligation or security issued by or backed by the full faith and credit of the United States Treasury. These securities shall be limited to a maximum maturity of five (5) years at the time of purchase.
- B) **Registered Investment Companies (Mutual Funds.)** Shares in open-end, no-load investment funds provided such funds are registered under the Federal Investment Company Act of 1940 and invest exclusively in the securities permitted under this investment policy provided that the fund is rated “AAAm” or “AAAm-G” or the equivalent by a NRSRO. The mutual fund must comply with the diversification, quality and maturity requirements of Rule 17 C.F.R. § 270.2a-72(a)-7, or any successor rule, of the United States Securities and Exchange Commission.

Before investing in any mutual fund, the GM or designee will obtain a copy of the fund's prospectus and review permitted investments, fees, and management.

- C) **Repurchase Agreements.** Contracts for the present purchase and subsequent resale at a specified time in the future of specific securities at specified prices at a price differential representing the interest income to be earned by DC Water. Such contracts shall be invested in only if the following conditions are met:
- 1) the Repurchase Agreement has a term to maturity of no greater than ninety (90) days;
 - 2) the contract is fully secured by deliverable U.S. Treasury and Federal Agency obligations as described in (A) and (B) above (without limit to maturity), having a market value at all times of at least one hundred two percent (102%) of the amount of the contract;
 - 3) a Master Repurchase Agreement or specific written Repurchase Agreement governs the transaction;
 - 4) the securities are held free and clear of any lien by an independent third party custodian acting solely as agent for DC Water, provided such third party is not the seller under the repurchase agreement;
 - 5) a perfected first security interest under the Uniform Commercial Code in accordance with book entry procedures prescribed at 31 C.F.R. §§306.1 et seq. or 31 C.F.R. §§350.0 et seq. in such securities is created for the benefit of DC Water;
 - 6) for repurchase agreements with terms to maturity of greater than one (1) day, DC Water will value the collateral securities daily and require that if additional collateral is required then that collateral must be delivered within one business day (if a collateral deficiency is not corrected within this time frame, the collateral securities will be liquidated);
 - 7) the counterparty is a:
 - a) primary government securities dealer who reports daily to the Federal Reserve Bank of New York, or
 - b) a bank, savings and loan association, or diversified securities broker-dealer having \$5 billion in assets and \$500 million in capital and subject to regulation of capital standards by any state or federal regulatory agency; and
 - 8) the counterparty meets the following criteria:
 - a) has long-term credit rating of at least "AA" or the equivalent from a Nationally Recognized Statistical Rating Organization ("NRSRO"),
 - b) has been in operation for at least 5 years, and
 - c) is reputable among market participants.
- D) **Federal Agency Obligations.** Bonds, notes, debentures, or other obligations or securities issued by a federal government agency or instrumentality, ~~except Collateralized Mortgage Obligations~~, with a rating of at least "AA" or equivalent from two (2) ~~major rating agencies~~ NRSROs. ~~These obligations shall be limited to a maximum maturity of five (5) years at the time of purchase.~~
- E) **Bankers' Acceptances** issued by a domestic bank or a federally chartered domestic office of a foreign bank, which are eligible for purchase by the Federal Reserve System may be purchased if the following conditions are met:
- 1) the maturity is no greater than one hundred-eighty days (180); and
 - 2) the short-term paper of which is rated not lower than "A-1" or the equivalent by a NRSRO.
- F) **Commercial Paper.** Unsecured short-term debt of ~~U.S.~~ corporations may be purchased if the following conditions are met:
- 1) the maturity is no greater than ~~two hundred seventy days (270)~~ one (1) year

- 2) the issuing corporation, or its guarantor, has a short-term debt rating of no less than “A-1” (or its equivalent) by at least two of the NRSROs; and
 - 3) the total holdings of an issuer’s paper do not represent more than ten percent (10%) of the issuing corporation’s total outstanding commercial paper.
- G) **Collateralized Certificates of Deposit** in state chartered banks or federally chartered banks. Deposits with savings and loans associations or District and Federal Credit Unions shall not exceed the greater of the total net worth or \$500,000. Collateralized Certificates of Deposit shall be collateralized at 102%. Please refer to the DC Water’s collateralization policies under Collateralization of Bank Deposits.
- H) **Corporate Notes:** High quality corporate notes that meet the following criteria:
- 1) a rating of at least “AA” (or its equivalent) from at least ~~two~~ one NRSROs ~~and a rating of at least ‘A’ (or its equivalent) from a second NRSRO~~; and
 - 2) the final maturity shall not exceed a period of five (5) years from the time of purchase.
- I) **FDIC insured Certificates of Deposit** obtained thru Certificate of Deposit placement services including the Certificate of Deposit Account Registry Service (CDARS).
- J) **Federal Agency Mortgage-Backed Securities** ~~issued by Fannie Mae, Freddie Mac, or the Government National Mortgage Association (GNMA)~~ that meet the following criteria:
- 1) a rating of at least “AA” (or its equivalent) by two NRSROs.
 - 2) the weighted average life (WAL) shall not exceed a period of five (5) years from the time of purchase.
- K) **Negotiable Certificates of Deposit and Bank Deposit Notes** of domestic banks and domestic offices of foreign banks with:
- 1) ratings of at least “A-1” (or its equivalent) by two NRSROs for maturities of one (1) year or less; and
 - 2) a rating of at least “AA” (or its equivalent) from at least ~~two~~ one NRSROs ~~and a rating of at least ‘A’ (or its equivalent) from a second NRSRO~~ for maturities over one (1) year; and
 - 3) the final maturity shall not exceed a period of five (5) years from the time of purchase.
- L) **Supranational Bonds:** Obligations, participations or other instruments of any Federal agency, instrumentality or United States government-sponsored enterprise, including those issued or fully guaranteed as to the principal and interest by Federal agencies, instrumentalities or United States government sponsored enterprises, provided that:
- 1) at time of purchase the maturity does not to exceed five (5) years; and
 - 2) have a rating of at least “A” (or its equivalent) from at least two NRSROs.
- M) **Municipal Obligations.** Bonds, notes and other evidences of indebtedness of the District of Columbia, or of any state or local government upon which there is no default that meet the following criteria:
- 1) have a final maturity on the date of investment not to exceed five (5) years.
 - 2) ~~rated in either of the two highest rating categories~~ a rating of at least AA (or its equivalent) by ~~two~~ one NRSROs; and
 - 3) the total holdings of any single issue do not represent more than 25% of the total issue.

The monies of individual funds may be commingled for investment purposes. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

Prohibited Investments and Investment Practices

DC Water is prohibited from:

- 1) Investment in reverse repurchase agreements;
- 2) Short sales (selling a specific security before it has been legally purchased);
- 3) Borrowing funds for the sole purpose of reinvesting the proceeds of such borrowing;
- 4) Investment in complex derivatives such as range notes, dual index notes, inverse floating rate notes and deleveraged notes, or notes linked to lagging indices or to long-term indices.
- 5) Investing in any security not specifically permitted by this Policy.

Collateralization of Bank Deposits

DC Water requires that all cash and other deposits maintained in any financial institution be collateralized, including bank deposits and collateralized certificates of deposit. Collateral will be secured in accordance with the following policy:

- 1) collateralization on all deposits of DC Water monies in excess of the amount protected by federal deposit insurance,
- 2) collateralization with any of the following (i) U.S. Treasury obligations, (ii) Federal Agency obligations, or (iii) a Letter of Credit issued by a Federal Home Loan Bank the amount of which shall be 102% of the deposits held.

In order to anticipate market changes and provide a level of security for all monies, the collateralization level shall be 102% of the market value of principal, plus accrued interest or as required by the terms of outstanding DC Water bond issues, municipal bond insurance policies and/or other financing agreements, which may pertain to DC Water’s monies. Collateral shall always be held by an independent third-party custodian. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to DC Water and retained by the GM or designee. The right of collateral substitution is allowed.

Portfolio Diversification

DC Water’s Portfolio shall be diversified by security type and institution. The maximum percentage of the portfolio (book value at the date of acquisition) permitted in each eligible security is as follows:

Permitted Investment	Sector Limit	Issuer Limit
Collateralized Bank Deposits	100%	100%
A. U.S. Treasury Obligations	100%	100%
B. Registered Money Market Mutual Funds	100%	50%
C. Repurchase Agreements	100%	50%
D. Federal Agency Obligations	80%	40%
E. Bankers’ Acceptances	40%	5%
F. Commercial Paper	50 35 %	5%

G. Collateralized Certificates of Deposit	30%	5%
H. Corporate Notes	40 30%	5%
I. FDIC-Insured Certificates of Deposit	30%	5%
J. Mortgage Backed Securities	30%	5%
K. Negotiable Certificates of Deposit	50 30%	5%
L. Supranational Bonds	30%	5%
M. Municipal Obligations	30 20%	5%

Maximum Maturity

Maintenance of adequate liquidity to meet the cash flow needs of DC Water is essential. Accordingly, the portfolio will be structured in a manner that ensures sufficient cash is available to meet anticipated liquidity needs. Selection of investment maturities must be consistent with the cash requirements of DC Water in order to avoid the forced sale of securities prior to maturity.

For purposes of this Investment Policy, assets of DC Water shall be segregated into three categories based on expected liquidity needs and purposes — short-term operating monies, the core portfolio and bond proceeds.

Short-Term Operating Monies. Assets categorized as short-term monies will be invested in permitted investments maturing in twelve (12) months or less. Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio will be continuously invested in readily available funds such as money market mutual funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.

Core Portfolio. ~~The operating fund core portfolio will be invested in permitted investments with a stated maturity of no more than five (5) years from the date of purchase (with the exception of Federal Agency Mortgage Backed Securities which must have a weighted average life (WAL) of no more than five (5) years).~~ To control the volatility of the core portfolio, the GM or designee will determine a duration target, not to exceed three (3) years.

Bond Proceeds. Proceeds from the sale of bonds will be invested in compliance with the specific requirements of the bond covenants without further restriction as to the maximum term to maturity of securities purchased. However, in no case will bond proceeds be invested in securities with a term to maturity that exceeds the expected disbursement date of those monies. Reserve funds and other funds with longer-term investment horizons may be invested in securities exceeding five (5) years if the maturity of such investment is made to coincide as nearly as practicable with the expected use of funds. The intent to invest in securities with longer maturities shall be disclosed in writing to the Budget and Finance Committee.

Selection, Approval of Brokers, Qualified Financial Institutions

The GM or designee shall maintain a list of financial institutions and broker/dealers that are approved for investment purposes (“Qualified Institutions”). All Qualified Institutions who desire to provide investment services to DC Water will be provided with current copies of DC Water’s Investment Policy. Receipt of this policy, including confirmation that it has been reviewed by persons dealing directly with DC Water, will be received prior to any organization providing investment services to the DC Water.

Qualified Institutions should supply the GM or designee with information sufficient to adequately evaluate the financial capacity and creditworthiness of the firm. The following information should be provided: (i) audited financial statements, (ii) regulatory reports on financial condition, (iii) proof of National Association of Security Dealers certification and proof of state registration, and (iv) any additional information to allow the GM or his designee to evaluate the creditworthiness of the institution.

Only firms meeting the following requirements will be eligible to serve as broker/dealers for DC Water:

- 1) “primary” dealers and regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule);
- 2) capital of no less than \$10,000,000;
- 3) registered as a dealer under the Securities Exchange Act of 1934;
- 4) member of the Financial Industry Regulatory Authority (FINRA);
- 5) registered to sell securities in the District of Columbia; and
- 6) the firm and assigned broker have been engaged in the business of effecting transactions in U.S. government and agency obligations for at least five (5) consecutive years.

The GM or designee shall conduct an annual review of the financial condition and registrations of Qualified Institutions.

Engagement of Investment Managers

The GM may engage one or more qualified firms to provide investment management services for DC Water. All investment management firms who desire to provide investment services will be provided with current copies of DC Water’s Investment Policy. Before an organization can provide investment services to DC Water, it must confirm in writing that it has received and reviewed this Policy. The GM or his designee will conduct appropriate due diligence in the selection of qualified investment management firms and will periodically confirm a manager’s qualifications by periodically visiting that manager’s operational facilities that provide services to DC Water.

Only firms meeting the following requirements will be eligible to serve as an investment manager:

- 1) Registered with the SEC under the Investment Advisers Act of 1940;
- 2) Registered to conduct business in the District of Columbia;
- 3) Have proven experience in providing investment management services to entities with similar investment objectives as DC Water.

Any firm engaged by DC Water to provide investment services will:

- 1) Provide to DC Water an annual updated copy of Form ADV, Part II;
- 2) Maintain a list of approved security brokers/dealers selected by creditworthiness who are authorized to provide investment services in the District of Columbia;
- 3) Provide monthly reports of transactions and holdings to the GM or his designee;
- 4) Provide quarterly performance reports that display investment performance in comparison to DC Water’s investment benchmarks;
- 5) Periodically show that the manager has solicited at least three bids for any security purchased or sold on behalf of DC Water; and
- 6) Not collect any soft dollar fees from any broker/dealer or other financial firm in relation to services provided to DC Water.

Competitive Selection of Investment Instruments

It will be the policy of DC Water to transact all securities purchases and sales only with Qualified Institutions through a formal and competitive process requiring the solicitation and evaluation of at least three bids/offers. Electronic bids will be accepted. DC Water may also purchase or sell securities using electronic trading systems. The DC Water will accept the bid which (a) offers the highest rate of return within the maturity required; and (b) optimizes the investment objective of the overall portfolio. When selling a security, DC Water will select the bid that generates the highest sale price.

Primary fixed price Federal Agency offerings may be purchased from the list of Qualified Institutions without competitive solicitation if it is determined that no Agency obligations meeting DC Water's requirements are available in the secondary market at a higher yield.

Investment of Bond Proceeds

DC Water will comply with all applicable sections of the Internal Revenue Code of 1986, Arbitrage Rebate Regulations and bond covenants with regard to the investment of bond proceeds. Accounting records will be maintained in a form and for a period of time sufficient to document compliance with these regulations.

Safekeeping and Custody

All investment securities purchased by DC Water or held as collateral on deposits or investments shall be held by DC Water or by a third-party custodial agent who may not otherwise be counterparty to the investment transaction.

All securities in DC Water's Portfolio shall be held in the name of DC Water and will be free and clear of any lien. Further, all investment transactions will be conducted on a delivery-vs.-payment basis. The custodial agent shall issue a safekeeping receipt to DC Water listing the specific instrument, rate, maturity and other pertinent information. On a monthly basis, the custodial agent will also provide reports that list all securities held for DC Water, the book value of holdings and the market value as of month-end.

Appropriate DC Water officials and representatives of the custodial agent responsible for, or in any manner involved with, the safekeeping and custody process of DC Water shall be bonded in such a fashion as to protect DC Water from losses from malfeasance and misfeasance.

Internal Controls

The GM or designee shall establish a system of internal controls governing the administration and management of DC Water's Portfolio, and these controls shall be documented in writing. Such controls shall be designed to prevent and control losses of DC Water monies arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by any personnel. DC Water shall establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures.

Performance Standards

The investment portfolio shall be designed and managed with the objective of obtaining a market rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and cash flow needs of DC Water. The return on DC Water investments will be compared to an index of U.S. Treasury securities having a similar duration or other appropriate

benchmark on a quarterly basis. For funds having a duration or weighted average maturity of greater than 90 days, performance will be computed on a total return basis.

Reporting

On a monthly basis, the GM or designee will submit an investment report to the Finance & Budget Committee. This investment report shall include: (i) a listing of the existing portfolio in terms of investment securities, maturity date, yield, market value and other features deemed relevant, (ii) the total investment earnings for the reporting period, (iii) a listing of all transactions executed during the quarter, and (iv) a statement on compliance with this Policy and any applicable bond resolutions.

Investment Policy Adoption

This policy is adopted by the Board of Directors of the District of Columbia Water and Sewer Authority this ~~xxx~~6th day of ~~May~~ January 20222014.

Glossary

Agencies: Federal agency securities and/or government-sponsored enterprises.

Bankers' Acceptance: A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

Benchmark: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

Broker: A broker brings buyers and sellers together for a commission.

Certificate of Deposit (CD): A time deposit with a specific maturity evidenced by a Certificate. Large-denomination CD's are typically negotiable.

Collateral: Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

Dealer: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

Delivery versus Payment: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

Diversification: Dividing investment funds among a variety of securities offering independent returns.

Liquidity: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

Market Value: The price at which a security is trading and could presumably be purchased or sold.

Master Repurchase Agreement: A written contract covering all future transactions between the parties to repurchase—reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller borrower.

Maturity: The date upon which the principal or stated value of an investment becomes due and payable.

Nationally Recognized Statistical Rating Organization (NRSRO): A credit rating agency which issues credit ratings that the U.S. Securities and Exchange Commission (SEC) permits other financial firms to use for certain regulatory purposes.

Portfolio: Collection of securities held by an investor.

Primary Dealer: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

Rating: An assessment provided by a NRSRO of an issuer's capability of repaying its short-term and longer-term debt obligations. A rating may be assigned by an NRSRO at the issuer or issue level and a rating may be further enhanced by a rating modifier.

Repurchase Agreement (RP or REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions.

Securities and Exchange Commission (SEC): Agency created by Congress to protect investors in securities transactions by administering securities legislation.

Treasury Bills: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

Treasury Bonds: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

Treasury Notes: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

Uniform Net Capital Rule: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

Yield: The rate of annual income return on an investment, expressed as a percentage. Income/current yield is obtained by dividing the current dollar income by the current market price for the security. Net yield or yield to maturity is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

ATTACHMENT 7

**FINANCE & BUDGET COMMITTEE
APPROVAL OF
SERIES 2022B/C/D AND SERIES 2022E RESOLUTIONS AND DOCUMENTS**

ACTION ITEM B: Recommendation for Approval of Series 2022B/C/D and Series 2022E Bond Resolutions and Related documents:

1. Resolution (Series 2022B/C/D)
2. Resolution (Series 2022E)
3. 30th Supplemental Indenture (Series 2022B/C)
4. 31st Supplemental Indenture (Series 2022D)
5. 32nd Supplemental Indenture (Series 2022E)
6. Bond Purchase Agreement (Series 2022B/C/D)
7. Bond Purchase Agreement (Series 2022E)
8. Dealer Manager Agreement (Series 2022C)
9. Escrow Agreement (Series 2022D)
10. Remarketing Agreement (Series 2022E)

Presented and Adopted: January 6, 2022

Subject: Approving the Final Form of Certain Documents,
Authorizing Exchange/Tender Offer and the Sale and Setting Terms and
Details of the Series 2022B, Series 2022C, and Series 2022D Bonds

#22-_____
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority (“Authority”), at its meeting on January 6, 2022, by a vote of _____ (___) in favor and _____ (___) opposed, decided to approve the following:

WHEREAS, the Authority is authorized pursuant to the *Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996*, as amended, D.C. Code Section 34-2201.01 et seq. (the “WASA Act”), and the *District of Columbia Water and Sewer Authority Act of 1996*, Public Law 104-184; 110 Stat. 1696, to issue revenue bonds for undertakings authorized by the WASA Act, including to finance or refinance any cost, as defined in the WASA Act, D.C. Code Section 34-2202.01(2); and

WHEREAS, in accordance with the WASA Act, the Authority and Computershare Trust Company, N.A., as trustee (the “Trustee”) (its predecessors in that capacity having been Norwest Bank Minnesota, N.A., Wells Fargo Bank Minnesota, N.A. and Wells Fargo Bank, N.A.), entered into the Master Indenture of Trust, dated as of April 1, 1998 (the “Master Indenture” and, as supplemented and amended, the “Indenture”), to provide for financing or refinancing the acquisition, construction, operation, maintenance and extension of the System (as defined in the Master Indenture) by the issuance of bonds, notes and other obligations payable solely from Net Revenues (as such terms are defined in the Master Indenture); and

WHEREAS, the Authority has heretofore entered into twenty-nine (29) supplemental indentures of trust with the Trustee in connection with the issuance of Senior Debt and Subordinate Debt (both as defined in the Indenture) or to amend and clarify the Master Indenture; and

WHEREAS, the Authority now intends: (i) to issue Public Utility Subordinate Lien Revenue Bonds, Series 2022B (Green Bonds) (the “Series 2022B Bonds”) to: (a) finance a portion of the costs of the Authority’s DC Clean Rivers Project (as defined in the preliminary Official Statement for the Series 2022B/C/D Bonds (as defined below)); (b) fund a Series 2022B Debt Service Reserve Requirement, (as defined herein), if determined necessary; and (c) pay certain costs of issuance; (ii) to issue Public Utility Subordinate Lien Revenue and Revenue Refunding Bonds, Series 2022C (the “Series 2022C Bonds” and, collectively with the Series 2022B Bonds, the “Series 2022B/C Bonds”) to: (a) finance certain Costs of the

System; (b) refund a portion of the Authority's currently outstanding Commercial Paper Notes (the "CP Notes"); (c) finance the purchase or provide for the exchange pursuant to an offer to exchange or tender for purchase ("Exchange/Tender Offer") of all or a portion of the Authority's outstanding Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2014C (the "Series 2014C Bonds"), Public Utility Subordinate Lien Revenue Bonds, Series 2015A (Green Bonds) (the "Series 2015A Bonds") and Public Utility Subordinate Lien Revenue Bonds, Series 2015B (the "Series 2015B Bonds" and, collectively with the Series 2014C Bonds and the Series 2015A Bonds, the "Target Bonds") that are tendered for purchase (the "Tendered Bonds") or exchanged (the "Exchanged Bonds") by the holders thereof in response to the Authority's Exchange/Tender Offer; (d) fund a Series 2022C Debt Service Reserve Requirement, (as defined herein), if determined necessary; and (e) pay certain costs of issuance; (iii) to issue Public Utility Subordinate Lien Revenue and Revenue Refunding Bonds, Series 2022D (Federally Taxable) (the "Series 2022D Bonds" and, collectively with the Series 2022B/C Bonds, the "Series 2022B/C/D Bonds") to: (a) finance a portion of the Authority's share of the Washington Aqueduct's capital improvements and certain Costs of the System, (b) refund some or all of the Authority's outstanding Series 2014C Bonds, Series 2015A Bonds and Series 2015B Bonds; (c) fund a Series 2022D Debt Service Reserve Requirement, (as defined herein), if determined necessary; and (d) pay certain costs of issuance; (iv) to designate the Series 2022B/C/D Bonds as Subordinate Debt for purposes of the Indenture; and (iv) to secure the Series 2022B/C/D Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, the CEO and General Manager, the Chief Financial Officer and Executive Vice President, Finance and Procurement, the Chief Engineer and the Chief Legal Officer and Executive Vice President, Legal Affairs and General Counsel of the Authority have informed the Board that their offices have established "due diligence" procedures for reviewing the documents authorized by this Resolution with the Authority's bond counsel, disclosure counsel, financial advisors, underwriters, underwriters' counsel and other consultants and advisors, with a view to ensuring the accuracy of disclosure; and

WHEREAS, the Finance and Budget Committee met on December 14, 2021, to review the issuance of the Series 2022B/C/D Bonds and has recommended approval of this Resolution by the Board;

NOW, THEREFORE, BE IT RESOLVED, that:

Section 1. Definitions and Interpretations. Unless otherwise defined herein and unless the context indicates otherwise, the terms used herein and defined in the Indenture (including the Thirtieth Supplemental Indenture and the Thirty-First Supplemental Indenture as hereby approved) shall have the meanings assigned to them therein. In addition, the following terms used as defined terms in this Resolution shall have the meaning assigned to them in this Section:

“Authorized Officials” means the Chairman and Vice Chairman of the Board and the CEO and General Manager, the Chief Financial Officer and Executive Vice President, Finance and Procurement, Controller, Budget Director, Finance Director and Rates and Revenue Director of the Authority, including any of the foregoing who are in an interim, acting or similar capacity, provided that any official other than the Chairman shall be designated by the Chairman as his designee for the purpose of executing and delivering any document authorized hereunder.

“Bond Purchase Agreement” means the Bond Purchase Agreement for the Series 2022B/C/D Bonds between the Authority and the Original Purchasers, dated as of the same date as the Certificate of Award.

“Certificate of Award” means the certificate of an Authorized Official awarding the Series 2022B/C/D Bonds to the Original Purchasers and the holders of the Exchanged Bonds, specifying terms of the Series 2022B/C/D Bonds, as provided for in Section 4 of this Resolution and identifying the Tendered Bonds, the Exchanged Bonds and the Refunded Bonds, if any.

“Continuing Disclosure Agreement” means the Continuing Disclosure Agreement executed by the Authority and the Trustee, dated as of the same date as the date of issuance and delivery of the Series 2022B/C/D Bonds, as originally executed and as it may be amended from time to time in accordance with its terms.

“Dealer Manager” means Goldman Sachs & Co. LLC.

“Dealer Manager Agreement” means the Dealer Manager Agreement between the Authority and the Dealer Manager and the materials attached thereto relating to the Exchange/Tender Offer.

“Escrow Agent” means the Trustee as Escrow Agent.

“Escrow Agreement” means the Escrow Agreement, dated the same date as the Series 2022D Bonds, between the Authority and the Escrow Agent, providing for the Refunded Bonds to be deemed paid and no longer Outstanding under the Indenture.

“Financial Advisor” means, collectively, PFM Financial Advisors LLC and Sustainable Capital Advisors.

“Interest Payment Dates” means for the Series 2022B/C/D Bonds, each April 1 and October 1, commencing on the April 1 or October 1 specified in the Certificate of Award as the first Interest Payment Date, and thereafter during the time the Series 2022B/C/D Bonds are Outstanding.

“Invitation” means the Invitation to Exchange or Tender Bonds and other ancillary documents relating to the Authority’s offer to exchange or purchase the Target Bonds.

“Original Purchasers” for the Series 2022B/C/D Bonds means, other than the Subseries 2022C-2 Bonds that are exchanged for the Exchanged Bonds, the purchasers identified as such in the Bond Purchase Agreement.

“Refunded Bonds” means any Outstanding Series 2014C Bonds, Series 2015A Bonds and Series 2015B Bonds to be caused to be deemed paid and no longer Outstanding under the Indenture as the result of the deposit of proceeds of the Series 2022D Bonds and any other funds in escrow under the Escrow Agreement and identified as the Refunded Bonds in the Certificate of Award.

“Savings Threshold” means that, as the result of the tender of the Tendered Bonds, the exchange of the Exchanged Bonds and the advanced refunding of the Refunded Bonds, the Authority will achieve an aggregate reduction in bond debt service that has a present value at the time of sale of the Series 2022B/C/D Bonds equal to at least ten percent (10%) and will fulfill any other standards that any Authorized Official executing the Certificate of Award deems appropriate.

“Series 2022B Debt Service Reserve Requirement” means, if determined in the Certificate of Award to be necessary, a required fund balance in the Series 2022B Debt Service Reserve Account or Accounts established under the Thirtieth Supplemental Indenture, the amount of which shall be specified in the Certificate of Award, but which shall not exceed the maximum amount permitted to constitute a “reasonably required reserve or replacement fund” under the size limitation set forth in Section 1.148-2(f)(2) of the Treasury Regulations promulgated under the Code (taking into account any moneys in any other fund or account that may be required to be included in such computation) unless the Authority furnishes to the Trustee an opinion of nationally recognized bond counsel to the effect that the existence of a balance in the Series 2022B Debt Service Reserve Account in the amount of the specified required fund balance will not cause the interest on any Series 2022B Bonds intended to be excluded from gross income for federal income tax purposes not to be so excluded.

“Series 2022C Debt Service Reserve Requirement” means, if determined in the Certificate of Award to be necessary, a required fund balance in the Series 2022C Debt Service Reserve Account or Accounts established under the Thirtieth Supplemental Indenture, the amount of which shall be specified in the Certificate of Award, but which shall not exceed the maximum amount permitted to constitute a “reasonably required reserve or replacement fund” under the size limitation set forth in Section 1.148-2(f)(2) of the Treasury Regulations promulgated under the Code (taking into account any moneys in any other fund or account that may be required to be included in such computation) unless the Authority furnishes to the Trustee an opinion of nationally recognized bond counsel to the effect that the existence of a balance in the Series 2022C Debt Service Reserve Account in the amount of the specified required fund balance will not cause the interest on any Series 2022C Bonds intended to be excluded from gross income for federal income tax purposes not to be so excluded.

“Series 2022D Debt Service Reserve Requirement” means, if determined in the Certificate of Award to be necessary, a required fund balance in the Series 2022D Debt

Service Reserve Account or Accounts established under the Thirty-First Supplemental Indenture, the amount of which shall be specified in the Certificate of Award.

“Thirtieth Supplemental Indenture” means the Thirtieth Supplemental Indenture of Trust by and between the Authority and the Trustee, dated as of the same date as and relating to the Series 2022B/C Bonds.

“Thirty-First Supplemental Indenture” means the Thirty-First Supplemental Indenture of Trust by and between the Authority and the Trustee, dated as of the same date as and relating to the Series 2022D Bonds.

Any reference to the Authority or the Board, or to their members or officers, or to other public officers, boards, commissions, departments, institutions, agencies, bodies or entities, shall include those who or which succeed to their functions, duties or responsibilities by operation of law and also those who or which at the time may legally act in their place.

Section 2. Authorization, Designation and Purposes of Series 2022B/C/D Bonds.

(a) *Series 2022B Bonds.* The Authority is authorized to issue, sell and deliver, as provided in this Resolution and the Certificate of Award, not to exceed (except as provided below) One Hundred Million Dollars (\$100,000,000) aggregate principal amount of Series 2022B Bonds. The Series 2022B Bonds shall be designated “Public Utility Subordinate Lien Revenue Bonds, Series 2022B (Green Bonds)” and shall constitute Subordinate Debt for purposes of the Indenture, for the purpose of: (a) financing a portion of the costs of the Authority’s DC Clean Rivers Project, (b) funding a Series 2022B Debt Service Reserve Requirement, if determined necessary in the Certificate of Award; and (c) paying issuance costs of the Series 2022B Bonds (including the fees and costs of any independent sustainability consultant engaged pursuant to Section 6). For those purposes the proceeds from the sale of the Series 2022B Bonds shall be allocated and deposited, as provided in the Thirtieth Supplemental Indenture. If and to the extent that any Series 2022B Bonds are issued for the purpose of funding a Series 2022B Debt Service Reserve Requirement, then the aggregate principal amount of Series 2022B Bonds hereby authorized may exceed \$100,000,000 by the aggregate principal amount of the Series 2022B Bonds to be issued for that purpose. Any designation of bonds authorized above may be revised or clarified in the Certificate of Award.

(b) *Series 2022C Bonds.* The Authority is authorized to issue, sell and deliver, as provided in this Resolution and the Certificate of Award, the Series 2022C Bonds which shall be designated “Public Utility Subordinate Lien Revenue and Revenue Refunding Bonds, Series 2022C” and shall constitute Subordinate Debt for purposes of the Indenture. The Series 2022C Bonds shall consist of two subseries, Subseries 2022C-1 (the “Subseries 2022C-1 Bonds”) and Subseries 2022C-2 (the “Subseries 2022C-2 Bonds”) as follows

(i) Subseries 2022C-1 Bonds. The aggregate principal amount of the Subseries 2022C-1 Bonds the Authority is authorized to issue, sell and deliver shall not

exceed (except as provided below) One Hundred Twenty Million Dollars (\$120,000,000) for the purpose of: (A) financing certain Costs of the System; (B) refunding such portion of the CP Notes as may be specified in the Certificate of Award; (C) financing the purchase pursuant to the Exchange/Tender Offer of the Tendered Bonds and causing the Tendered Bonds to be deemed paid and no longer Outstanding for purposes of the Indenture; (D) funding a portion of the Series 2022C Debt Service Reserve Requirement, if determined necessary in the Certificate of Award; and (E) paying a portion of the issuance costs of the Series 2022C Bonds (including fees and costs associated with the Exchange/Tender Offer including those of an information agent and a tender/exchange agent). For those purposes the proceeds from the sale of the Subseries 2022C-1 Bonds shall be allocated and deposited, as provided in the Thirtieth Supplemental Indenture. If and to the extent that any Subseries 2022C-1 Bonds are issued for the purpose of (A) financing the purchase pursuant to the Exchange/Tender Offer of the Tendered Bonds or (B) funding a portion of the Series 2022C Debt Service Reserve Requirement, then the aggregate principal amount of Subseries 2022C-1 Bonds hereby authorized may exceed \$120,000,000 by the aggregate principal amount of the Subseries 2022C-1 Bonds to be issued for these purposes.

(ii) Subseries 2022C-2 Bonds. The Subseries 2022C-2 Bonds shall be issued for the purpose of: (A) exchanging the Subseries 2022C-2 Bonds in place of the Exchanged Bonds and causing the Exchanged Bonds to be no longer Outstanding for purposes of the Indenture; (B) funding a portion of the Series 2022C Debt Service Reserve Requirement, if determined necessary in the Certificate of Award; and (C) paying a portion of the issuance costs of the Series 2022C Bonds (including fees and costs associated with the Exchange/Tender Offer including those of an information agent and a tender/exchange agent). For those purposes the proceeds from the sale of the Subseries 2022C-2 Bonds shall be allocated and deposited, as provided in the Thirtieth Supplemental Indenture.

Any designation of bonds authorized above may be revised or clarified in the Certificate of Award.

(c) Series 2022D Bonds. The Authority is authorized to issue, sell and deliver, as provided in this Resolution and the Certificate of Award, the Series 2022D Bonds which shall be designated "Public Utility Subordinate Lien Revenue and Revenue Refunding Bonds, Series 2022D (Federally Taxable)" and shall constitute Subordinate Debt for purposes of the Indenture. The Series 2022D Bonds shall consist of two subseries, Subseries 2022D-1 (the "Subseries 2022D-1 Bonds") and Subseries 2022D-2 (the "Subseries 2022D-2 Bonds") as follows

(i) Subseries 2022D-1 Bonds. The aggregate principal amount of the Subseries 2022D-1 Bonds the Authority is authorized to issue, sell and deliver shall not exceed (except as provided below) Eighty Million Dollars (\$80,000,000) for the purpose of: (A) financing a portion of the Authority's share of the Washington Aqueduct's capital improvements and certain Costs of the System; (B) funding a portion of the Series 2022D Debt Service Reserve Requirement, if determined necessary in the Certificate of Award; and (C) paying a portion of the issuance costs of the Series 2022D Bonds. If and to the

extent that any Subseries 2022D-1 Bonds are issued for the purpose of funding a portion of the Series 2022D Debt Service Reserve Requirement, then the aggregate principal amount of Subseries 2022D-1 Bonds hereby authorized may exceed \$80,000,000 by the aggregate principal amount of the Subseries 2022D-1 Bonds to be issued for that purpose.

(ii) Subseries 2022D-2 Bonds. The Subseries 2022D-2 Bonds shall be issued for the purpose of: (A) advance refunding the Refunded Bonds and causing the Refunded Bonds to be deemed paid and no longer Outstanding for purposes of the Indenture; (B) funding a portion of the Series 2022D Debt Service Reserve Requirement, if determined necessary in the Certificate of Award; and (C) paying a portion of the issuance costs of the Series 2022D Bonds (including the fees and costs of any escrow bidding agent or verification agent engaged pursuant to Section 6); provided, however, that before an Authorized Official executes the Certificate of Award, the Authority's Financial Advisor shall have given the Authority a written certification that identifies the Tendered Bonds, the Exchanged Bonds and the Refunded Bonds (consistent with this Resolution) and determines that the Authority's issuance and sale of the Subseries 2022C-1 Bonds issued to purchase the Tendered Bonds, the Subseries 2022C-2 Bonds and the Subseries 2022D-2 Bonds on the terms set forth in the Certificate of Award and the application of the proceeds of the Subseries 2022C-1 Bonds, Subseries 2022C-2 Bonds and Subseries 2022D-2 Bonds and any other legally available funds to finance the purchase of the Tendered Bonds and to advance refund the Refunded Bonds identified in the Financial Advisor's certificate as well as the exchange of any Exchanged Bonds for Subseries 2022C-2 Bonds, will meet the Savings Threshold.

The proceeds from the sale of the Series 2022D Bonds shall be allocated and deposited for those purposes and as provided in the Thirty-First Supplemental Indenture. Any designation of bonds authorized above may be revised or clarified in the Certificate of Award.

Section 3. Terms and Provisions Applicable to the Series 2022B/C/D Bonds.

(a) Form, Transfer and Exchange. The Series 2022B/C/D Bonds: (i) shall initially be issued only in fully registered form and substantially in the forms attached as Exhibits to the Thirtieth Supplemental Indenture and the Thirty-First Supplemental Indenture, as applicable; (ii) shall initially be issued only to a Depository for holding in a book entry system, and shall be registered in the name of the Depository or its nominee, as Holder, and immobilized in the custody of the Depository, and (iii) shall not be transferable or exchangeable except as provided in the Thirtieth Supplemental Indenture or the Thirty-First Supplemental Indenture, as applicable.

(b) Denominations and Dates. The Series 2022B/C/D Bonds shall be dated as of the date of issuance and delivery, but in no event later than September 30, 2022, and there shall be a single Series 2022B/C/D Bond representing each interest rate for each maturity of the Series 2022B/C/D Bonds bearing the same series or subseries designation as provided in the Thirtieth Supplemental Indenture or the Thirty-First Supplemental Indenture, as applicable.

(c) Principal Maturities. The principal of the Series 2022B/C/D Bonds shall be paid in such amounts on each principal retirement date (whether at stated maturity date or a mandatory redemption date) as set forth in the Certificates of Award, provided that the final principal retirement date shall be no later than December 31, 2062 and, with respect to the Subseries 2022C-1 Bonds issued to purchase the Tendered Bonds, Subseries 2022C-2 Bonds and Subseries 2022D-2 Bonds, the principal retirement schedule shall be consistent with the achievement on an aggregate basis of the Savings Threshold.

(d) Interest Rates and Interest Rate Periods for the Series 2022B/C/D Bonds.

(i) *Series 2022B, Subseries 2022C-1 Bonds and Subseries 2022D-1 Bonds.* The Series 2022B Bonds, Subseries 2022C-1 Bonds and Subseries 2022D-1 Bonds shall bear interest on their unpaid principal amount payable on each Interest Payment Date, commencing on the first Interest Payment Date specified in the Certificate of Award, at such fixed rates per annum as set forth in the Certificate of Award as provided in Section 4(c) hereof; provided however, that the “true interest cost” (i.e., interest cost on bonds defined as the rate, compounded semiannually, necessary to discount the amounts payable on the respective interest and principal payment dates to the purchase price received for the bonds) on the Series 2022B Bonds, Subseries 2022C-1 Bonds and Subseries 2022D-1 Bonds shall not exceed five and one half percent (5.50%) per annum (excluding any Subseries 2022C-1 Bonds issued to purchase the Tendered Bonds).

(ii) *Subseries 2022C-2 Bonds, Series 2022D-2 Bonds and Certain Subseries 2022C-1 Bonds.* The Subseries 2022C-1 Bonds issued to purchase the Tendered Bonds, the Subseries 2022C-2 Bonds and the Series 2022D-2 Bonds shall bear interest on their unpaid principal amount payable on each Interest Payment Date, commencing on the first Interest Payment Date specified in the Certificate of Award, at such fixed rates per annum as set forth in the Certificate of Award as provided in Section 4(c) hereof, provided however, that the “true interest cost” (i.e., interest cost on bonds defined as the rate, compounded semiannually, necessary to discount the amounts payable on the respective interest and principal payment dates to the purchase price received for the bonds) on the Subseries 2022C-1 Bonds issued to purchase the Tendered Bonds, the Subseries 2022C-2 Bonds and the Subseries 2022D-2 Bonds shall not exceed a rate that would cause the Savings Threshold not to be achieved. The principal of the Subseries 2022C-1 Bonds issued to purchase the Tendered Bonds, the Subseries 2022C-2 Bonds and the Subseries 2022D-2 Bonds shall be paid in such amounts on each principal retirement date (whether at stated maturity date or a mandatory redemption date) as set forth in the Certificate of Award, provided that the principal retirement schedule shall be consistent with the achievement of the Savings Threshold.

(e) Optional and Mandatory Redemption.

(i) *Optional Redemption of Series 2022B/C Bonds* - The Series 2022B/C Bonds maturing on or before any date specified in the Certificate of Award as

the Earliest Optional Redemption Date for the applicable Series 2022B/C Bonds or subseries thereof (which shall be no later than the outside date permitted by law) are not subject to prior optional redemption. Any Series 2022B/C Bond maturing after the applicable Earliest Optional Redemption Date for such Series 2022B/C Bonds or subseries thereof shall be subject to redemption at the option of the Authority, prior to their stated maturities on or after such Earliest Optional Redemption Date in whole or in part (in whole multiples of \$5,000) on any date, at redemption prices specified in the Certificate of Award, provided that no such redemption price (not including accrued interest) shall exceed 102% of the principal amount of the applicable Series 2022B/C Bonds to be redeemed.

(ii) *Optional Redemption of Series 2022D Bonds* – Prior to such date or dates specified in the Certificate of Award for the various maturities of the Series 2022D Bonds, the applicable Series 2022D Bonds shall be subject to make whole redemption prior to their stated maturities, at the option of the Authority, from any source of available funds, as a whole or in part, as specified in Section 301(a)(i) of the Thirty-First Supplemental Indenture. From and after the date or dates specified in the Certificate of Award, the applicable Series 2022D Bonds shall be subject to redemption prior to their stated maturities, at the option of the Authority, from any source of available funds, as a whole or in part, as specified in Section 301(a)(ii) of the Thirty-First Supplemental Indenture.

(iii) *Mandatory Sinking Fund Redemption* - Any Series 2022B/C/D Bonds may be designated in the Certificate of Award as Term Bonds and be subject to mandatory sinking fund redemption by lot on specified principal retirement dates at a price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption.

(f) Redemption Provisions. Redemption of Series 2022B/C/D Bonds shall be effected in accordance with Article IV of the Master Indenture; provided, however, that notices of redemption of the Series 2022B/C/D Bonds sent pursuant to Section 402 of the Master Indenture may specify that the redemption is conditional upon the Authority's depositing the funds needed to effect that redemption prior to the specified redemption date.

(g) Places and Manner of Payment. The principal of and the interest and any redemption premium on the Series 2022B/C/D Bonds shall be payable at the places and in the manner specified in the Thirtieth Supplemental Indenture or the Thirty-First Supplemental Indenture, as applicable.

(h) Execution. The Authorized Officials are, and each of them is, authorized and directed to execute the Series 2022B/C/D Bonds, and the Secretary of the Board is authorized and directed to affix the seal of the Authority to the Series 2022B/C/D Bonds and to deliver them to the Trustee for authentication in accordance with the Indenture.

Section 4. Sale of Series 2022B/C/D Bonds.

(a) General. The Series 2022B/C/D Bonds, other than the Subseries 2022C-2 Bonds that are exchanged for the Exchanged Bonds, shall be awarded and sold to the Original Purchasers in accordance with the Bond Purchase Agreement and the Certificate of Award, at a purchase price of not less than ninety-five percent (95%) of the aggregate of the products from multiplying the principal amount of each Series 2022B/C/D Bonds times the percentage of such principal amount at which such Series 2022B/C/D Bond shall be initially offered to the public, after subtracting from the aggregate of such products the premium payable for any municipal bond insurance policy applicable to the Series 2022B/C/D Bonds.

(b) Bond Purchase Agreement. The Authorized Officials are, and each of them is, authorized and directed to execute and deliver the Bond Purchase Agreement between the Authority and the Original Purchasers, substantially in the form presented to this Authority, but with such changes not inconsistent with the Indenture and this Resolution and not substantially adverse to the Authority as may be approved by the Authorized Official executing the same on behalf of the Authority. The approval of any such changes by such Authorized Official and the determination by such Authorized Official that no such change is substantially adverse to the Authority shall be conclusively evidenced by the execution of the Bond Purchase Agreement by such Authorized Official. The price for and terms of the Series 2022B/C/D Bonds and the sale thereof and the exchange of the Subseries 2022C-2 Bonds for the Exchanged Bonds, all as provided in this Resolution, the Bond Purchase Agreement, the Invitation, the Dealer Manager Agreement, the Certificate of Award, the Thirtieth Supplemental Indenture and the Thirty-First Supplemental Indenture, are hereby approved and determined to be in the best interests of the Authority.

(c) Certificate of Award. Such sale and award shall be further evidenced by the Certificate of Award executed by an Authorized Official. The terms of the Series 2022B/C/D Bonds approved in the Certificate of Award shall be incorporated into the Thirtieth Supplemental Indenture or the Thirty-First Supplemental Indenture, as applicable. The Certificate of Award, subject to the restrictions set forth herein, shall: (i) with respect to each series or subseries of the Series 2022B/C/D Bonds, specify the aggregate principal amount, the purchase price, the first Interest Payment Dates, the interest rate or rates, the principal retirement dates, the mandatory sinking fund requirements (if any), the redemption dates, and the redemption prices thereof; (ii) specify whether a municipal bond insurance policy, letter of credit, or other credit or liquidity facility shall be obtained with respect to any of the Series 2022B/C/D Bonds and, if so, from whom and on what terms; (iii) specify the amount, if any, of the Series 2022B Debt Service Reserve Requirement, the Series 2022C Debt Service Reserve Requirement and the Series 2022D Debt Service Reserve Requirement and determine whether it shall be met entirely with (A) cash and Permitted Investments (as defined in the Indenture); (B) a Qualified Reserve Credit Facility (as defined in the Indenture); or (C) a specified combination of (A) and (B); and (iv) include any additional information that may be required or permitted to be stated therein by the terms of this Resolution and the Bond

Purchase Agreement. The Certificate of Award shall identify the Tendered Bonds, the Exchanged Bonds and the Refunded Bonds, if any.

(d) Authorization of Bond Insurance and Qualified Reserve Credit Facilities. The submission of any applications to: (i) recognized providers of municipal bond insurance requesting the issuance of one or more municipal bond insurance policies to insure the Authority's obligation to make payments of principal of and interest on any of the Series 2022B/C/D Bonds, and (ii) potential providers of Qualified Reserve Credit Facilities, is hereby ratified and approved. The Authorized Officials are, and each of them is, hereby authorized to specify in the Certificate of Award that the Authority shall accept one or more commitments for insurance from such providers, and one or more commitments for a Qualified Reserve Credit Facility. There is hereby authorized to be paid from the moneys deposited in the Series 2022B Costs of Issuance Subaccount such amount as is required to pay the premium and expenses for such insurance policies and Qualified Reserve Credit Facilities relating to the Series 2022B Bonds. There is hereby authorized to be paid from the moneys deposited in the Series 2022C Costs of Issuance Subaccount such amount as is required to pay the premium and expenses for such insurance policies and Qualified Reserve Credit Facilities relating to the Series 2022C Bonds. There is hereby authorized to be paid from the moneys deposited in the Series 2022D Costs of Issuance Subaccount such amount as is required to pay the premium and expenses for such insurance policies and Qualified Reserve Credit Facilities relating to the Series 2022D Bonds. The Authorized Officials are, and each of them is, hereby further authorized to enter into a reimbursement agreement with the provider of any Qualified Reserve Credit Facility to provide for the Authority's reimbursement of the provider for any amounts drawn under the Qualified Reserve Credit Facility in a manner consistent with the Indenture. Any determination of the Authorized Officials under this paragraph shall be based on the written advice of the Financial Advisor.

(e) Certificates. The Authorized Officials are, and each of them is, authorized and directed, in their official capacities, to execute and deliver to the Original Purchasers, the certificates required by the Bond Purchase Agreement to be executed on behalf of the Authority.

(f) Delivery of Bonds. The Authorized Officials are, and each of them is, authorized and directed to make the necessary arrangements with the Original Purchasers to establish the date, location, procedure and conditions for the delivery of the Series 2022B/C/D Bonds (other than the Subseries 2022C-2 Bonds) to the Original Purchasers. The Authorized Officials are, and each of them is, further authorized and directed to make the necessary arrangements for the printing of the Series 2022B/C/D Bonds, and the execution, authentication and delivery of the applicable Series 2022B/C/D Bonds to DTC for the accounts of the Original Purchasers, in accordance with this Resolution and the Indenture, and upon the receipt of payment of the purchase price, to cause such amount to be applied in accordance with the terms and provisions of this Resolution and the Indenture. The Authorized Officials are, and each of them is, authorized and directed to make the necessary arrangements with the holders of the Exchanged Bonds to establish the date, location, procedure and conditions for the

delivery of the Subseries 2022C-2 Bonds exchanged in place of the Exchanged Bonds in accordance with the Exchange/Tender Offer.

Section 5. Allocation of Proceeds of the Series 2022B/C/D Bonds; Tax Covenants.

(a) Allocation of Proceeds of the Series 2022B/C Bonds. The proceeds from the sale of the Series 2022B/C Bonds shall be allocated, deposited and credited for the purposes approved in this Resolution and as specified in the Thirtieth Supplemental Indenture.

(b) Allocation of Proceeds of the Series 2022D Bonds. The proceeds from the sale of the Series 2022D Bonds shall be allocated, deposited and credited for the purposes approved in this Resolution and as specified in the Thirty-First Supplemental Indenture.

(c) Tax Covenants. The Board authorizes the Authorized Officials to approve the tax covenants, authorizations and agreements necessary to achieve and maintain the tax-exempt status of the Series 2022B/C Bonds.

Section 6. Thirtieth Supplemental Indenture, Thirty-First Supplemental Indenture, Dealer Manager Agreement, Invitation to Exchange or Tender Bonds, Escrow Agreement and Other Documents. The Authorized Officials are, and each of them is, authorized in connection with the issuance of the Series 2022B/C/D Bonds, to execute, acknowledge and deliver in the name of and on behalf of the Authority, the Thirtieth Supplemental Indenture and the Thirty-First Supplemental Indenture, each substantially in the form thereof submitted to the Authority at or prior to this meeting, but with such changes therein as may be permitted by the Indenture and this Resolution and approved by the Authorized Officer executing the document on behalf of the Authority. The approval of those changes shall be conclusively evidenced by the execution of the document by an Authorized Official.

The Authorized Officials are, and each of them is, authorized in connection with the issuance of the Series 2022B Bonds, to engage Vigeo Eiris USA LLC as an independent sustainability consultant to prepare an opinion regarding the Authority's DC Clean Rivers Project.

The Authorized Officials are, and each of them is, authorized in connection with the issuance of the Series 2022C Bonds, to execute, acknowledge and deliver in the name of and on behalf of the Authority, the Dealer Manager Agreement together with the materials attached thereto relating to the Exchange/Tender Offer, including the proposed form of the Invitation, substantially in the form thereof submitted to the Authority at or prior to this meeting, but with such changes therein as may be permitted by the Indenture and this Resolution and approved by the Authorized Officer executing the document on behalf of the Authority. The approval of those changes shall be conclusively evidenced by the execution of the document by an Authorized Official. The Authorized Officials are, and each of them is, authorized and directed, in their official capacities, to execute and deliver

the certificates required by the Dealer Manager Agreement to be executed on behalf of the Authority.

The Dealer Manager is authorized to conduct the Exchange/Tender Offer described in the Dealer Manager Agreement on behalf of the Authority, including the distribution of the Invitation, provided that nothing contained herein or in the Invitation shall be deemed to preclude the Dealer Manager from seeking exchanges of the Target Bonds from individual owners thereof on terms different from those set forth in the Invitation.

The Authorized Officials are, and each of them is, authorized in connection with the issuance of the Subseries 2022D-2 Bonds, to execute, acknowledge and deliver in the name of and on behalf of the Authority, the Escrow Agreement, substantially in the form thereof submitted to the Authority at or prior to this meeting, but with such changes therein as may be permitted by the Indenture and this Resolution and approved by the Authorized Officer executing the document on behalf of the Authority. If in the Certificate of Award, an Authorized Official determines that it is in the Authority's best interest to authorize the purchase of open-market securities to effect the advance refunding of the Refunded Bonds, the Authorized Official is authorized to engage an agent for the purchase of such securities. With respect to the Escrow Agreement and to the extent any escrow securities are to be purchased thereunder, the Certificate of Award shall designate an independent firm experienced in the preparation of verification reports to verify or certify such escrow securities to be of such maturities and interest payment dates, and to bear such interest, as will, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom, be sufficient together with any cash deposited with and to be retained in that form by the Escrow Agent, to pay the principal of and interest and any premium on the Refunded Bonds, on their respective maturity or redemption date or dates, as provided in the Escrow Agreement.

The Authorized Officials and any other member, officer or employee of the Authority are each authorized to execute and deliver, on behalf of the Authority, such other certificates, documents and instruments related to the Series 2022B/C/D Bonds as are necessary in connection with the transactions authorized in this Resolution, and to do all other things required of them or the Authority pursuant to the Indenture, the Thirtieth Supplemental Indenture, the Thirty-First Supplemental Indenture, the Bond Purchase Agreement, the Escrow Agreement, the Dealer Manager Agreement, the Invitation and this Resolution.

No covenant, agreement or obligation contained herein shall be deemed to be a covenant, agreement or obligation of any present or future member of the Board or officer, employee or agent of the Authority in his or her individual capacity, and neither the members of the Board nor any officer of the Authority executing the Series 2022B/C/D Bonds shall be liable personally thereon or be subject to any personal liability or accountability by reason of the issuance thereof. No member of the Board or officer, employee, agent or advisor of the Authority shall incur any personal liability with respect to any other action taken by him pursuant to this Resolution or the Indenture or any other

document authorized by this Resolution, provided such member, officer, employee, agent or advisor acts in good faith.

Section 7. Official Statement; Continuing Disclosure. The Authorized Officials shall cause to be prepared and issued on behalf of the Authority, an official statement (the "Official Statement") relating to the original issuance of the Series 2022B/C/D Bonds. The Authorized Officials are, and each of them is, authorized to execute the Official Statement on behalf of the Authority, which shall be in substantially the form of the Official Statement submitted to the Authority at this meeting, with such changes as the Authorized Official who executes it may approve, the execution thereof on behalf of the Authority by an Authorized Official to be conclusive evidence of such authorization and approval (including approval of any such changes), and copies thereof are hereby authorized to be prepared and furnished to the Original Purchasers for distribution to prospective purchasers of the Series 2022B/C/D Bonds and other interested persons. The preliminary Official Statement, shall be "deemed substantially final" by the Authority within the meaning of Rule 15c2-12 of the Securities Exchange Commission, subject to completion as provided below.

The distribution by the Authority and by the Original Purchasers of the preliminary Official Statement and the Official Statement, in such form and with any changes as may be approved in writing by an Authorized Official, is hereby authorized and approved.

The Authority shall make sufficient copies of the Official Statement, with any supplements, available to (i) the holders of the Exchanged Bonds and (ii) the Original Purchasers to sell book entry interests in the Series 2022B/C/D Bonds, and will provide copies as appropriate to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access website at www.emma.msrb.org.

The Authorized Officials are each hereby authorized to furnish such information, to execute such instruments and to take such other action in cooperation with the Original Purchasers as may be reasonably requested to qualify the Series 2022B/C/D Bonds for offer and sale under the Blue Sky or other securities laws and regulations and to determine their eligibility for investment under the laws and regulations of such states and other jurisdictions of the United States of America as may be designated by the Original Purchasers; provided, however, that the Authority shall not be required to register as a dealer or broker in any such state or jurisdiction or become subject to the service of process in any jurisdiction in which the Authority is not now subject to such service.

The Authorized Officials are each hereby further authorized: (i) to supplement and complete the "deemed substantially final" preliminary Official Statement by affixing thereto or inserting therein information to identify the Original Purchasers and to specify the final principal amount, interest rates and redemption provisions of the Series 2022B/C/D Bonds, the price of the Series 2022B/C/D Bonds to the general public, any credit enhancement provisions with respect to the Series 2022B/C/D Bonds and any change in ratings of the Series 2022B/C/D Bonds resulting from such credit enhancement, and such other information as is necessary to supplement and complete the Official Statement with the approved and agreed upon terms of Series 2022B/C/D

Bonds, and (ii) to make such other changes to the preliminary Official Statement or the Official Statement as are, in the judgment of an Authorized Official, necessary and appropriate in order to make the preliminary Official Statement or the Official Statement not materially misleading and to comply with applicable securities laws or otherwise to enable the Authority to fulfill its obligations regarding the preliminary Official Statement or the Official Statement under the Bond Purchase Agreement.

The Authority hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of this Resolution or the Indenture, failure of the Authority to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, any Holder of Series 2022B/C/D Bonds may, and the Trustee may (and, at the request of the Holders of at least 25% in aggregate principal amount of Outstanding Series 2022B/C/D Bonds, shall) take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Authority to comply with its obligations under this paragraph. The Authorized Officials are, and each of them is, hereby authorized and directed to execute and deliver the Continuing Disclosure Agreement in substantially the form submitted to the Authority at or prior to this meeting with such changes therein as may be approved by the officer executing the Continuing Disclosure Agreement. The approval of those changes shall be conclusively evidenced by the execution of the Continuing Disclosure Agreement by an Authorized Official.

Section 8. General. The appropriate officers and employees of the Authority will do all things necessary and proper to implement and carry out the orders and agreements set forth or approved in this Resolution for the proper fulfillment of the purposes thereof. The Authority shall furnish to the Original Purchasers of the Series 2022B/C/D Bonds a true and certified transcript of all proceedings relating to the authorization and issuance of the Series 2022B/C/D Bonds along with other information as is necessary or proper with respect to the Series 2022B/C/D Bonds.

Section 9. Multiple Series. Notwithstanding anything herein to the contrary, if the Chief Financial Officer and Executive Vice President, Finance and Procurement, determines it to be advantageous to the Authority, each of the Series 2022B Bonds, the Series 2022C Bonds and the Series 2022D Bonds may be issued in one or more separate series or subseries, each bearing a distinctive designation, provided that the Series 2022B/C/D Bonds of all series in the aggregate, must satisfy the requirements and comply with the restrictions of this Resolution and the Indenture. Separate series and subseries of Series 2022B/C/D Bonds may be issued at the same or different times and so may have different dates of issuance. The Series 2022B/C/D Bonds of each series and subseries shall be designated as provided in the applicable Certificate of Award. A separate Certificate of Award may be delivered for each series or subseries, and each reference in this Resolution to the Certificate of Award shall refer to each and all such Certificates of Award. A separate Supplemental Trust Indenture may be entered into for each series or subseries, and each reference in this Resolution to the Thirtieth Supplemental Indenture or the Thirty-First Supplemental Indenture, as applicable, shall refer to each and all such Supplemental Trust Indentures, but any Supplemental Trust

Indenture subsequent to the Thirtieth Supplemental Indenture shall bear a different designation. A separate Bond Purchase Agreement and Continuing Disclosure Agreement may be entered into for each series or subseries, and each reference in this Resolution to the Bond Purchase Agreement or to the Continuing Disclosure Agreement shall refer to each and all such Bond Purchase Agreements or Continuing Disclosure Agreements, respectively. A separate Official Statement may be prepared for each series or subseries, and each reference in this Resolution to the Official Statement shall refer to each and all such Official Statements.

This Resolution is effective immediately.

Secretary to the Board of Directors

Presented and Adopted: January 6, 2022

Subject: Approving the Final Form of Certain Documents,
Authorizing the Sale and Setting Terms and Details
of the Series 2022E Bonds

#22-_____
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority (“Authority”), at its meeting on January 6, 2022, by a vote of _____ (__) in favor and _____ (__) opposed, decided to approve the following:

WHEREAS, the Authority is authorized pursuant to the *Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996*, as amended, D.C. Code Section 34-2201.01 et seq. (the “WASA Act”), and the *District of Columbia Water and Sewer Authority Act of 1996*, Public Law 104-184; 110 Stat. 1696, to issue revenue bonds for undertakings authorized by the WASA Act, including to finance or refinance any cost, as defined in the WASA Act, D.C. Code Section 34-2202.01(2); and

WHEREAS, in accordance with the WASA Act, the Authority and Computershare Trust Company, N.A., as trustee (the “Trustee”) (its predecessors in that capacity having been Norwest Bank Minnesota, N.A., Wells Fargo Bank Minnesota, N.A. and Wells Fargo Bank, N.A.), entered into the Master Indenture of Trust, dated as of April 1, 1998 (the “Master Indenture” and, as supplemented and amended, the “Indenture”), to provide for financing or refinancing the acquisition, construction, operation, maintenance and extension of the System (as defined in the Master Indenture) by the issuance of bonds, notes and other obligations payable solely from Net Revenues (as such terms are defined in the Master Indenture); and

WHEREAS, the Authority has heretofore entered into twenty-nine (29) supplemental indentures of trust with the Trustee in connection with the issuance of Senior Debt and Subordinate Debt (both as defined in the Indenture) or to amend and clarify the Master Indenture and further intends to enter into the Thirtieth Supplemental Indenture in connection with the issuance of the Public Utility Subordinate Lien Revenue Bonds, Series 2022B (Green Bonds) and Public Utility Subordinate Lien Revenue and Revenue Refunding Bonds, Series 2022C and the Thirty-First Supplemental Indenture in connection with the issuance of the Public Utility Subordinate Lien Revenue and Revenue Refunding Bonds, Series 2022D (Federally Taxable); and

WHEREAS, the Authority now also intends: (i) to issue Public Utility Subordinate Lien Multimodal Revenue Bonds, Series 2022E (the “Series 2022E Bonds”) to: (a) finance

certain Costs of the System; (b) fund a Series 2022E Debt Service Reserve Requirement, (as defined herein), if determined necessary; and (c) pay certain costs of issuance of the Series 2022E Bonds; (ii) to designate the Series 2022E Bonds as Subordinate Debt for purposes of the Indenture; and (iii) to secure the Series 2022E Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, the CEO and General Manager, the Chief Financial Officer and Executive Vice President, Finance and Procurement, the Chief Engineer and the Chief Legal Officer and Executive Vice President, Legal Affairs of the Authority have informed the Board that their offices have established “due diligence” procedures for reviewing the documents authorized by this Resolution with the Authority’s bond counsel, disclosure counsel, financial advisors, underwriters, underwriters’ counsel and other consultants and advisors, with a view to ensuring the accuracy of disclosure; and

WHEREAS, the Finance and Budget Committee met on December 14, 2021, to review the issuance of the Series 2022E Bonds and has recommended approval of this Resolution by the Board;

NOW, THEREFORE, BE IT RESOLVED, that:

Section 1. Definitions and Interpretations. Unless otherwise defined herein and unless the context indicates otherwise, the terms used herein and defined in the Indenture (including the Thirty-Second Supplemental Indenture as hereby approved) shall have the meanings assigned to them therein. In addition, the following terms used as defined terms in this Resolution shall have the meaning assigned to them in this Section:

“Authorized Officials” means the Chairman and Vice Chairman of the Board and the CEO and General Manager, the Chief Financial Officer and Executive Vice President, Finance and Procurement, Controller, Budget Director, Finance Director and Rates and Revenue Director of the Authority, including any of the foregoing who are in an interim, acting or similar capacity, provided that any official other than the Chairman shall be designated by the Chairman as his designee for the purpose of executing and delivering any document authorized hereunder.

“Bond Purchase Agreement” means the Bond Purchase Agreement for the Series 2022E Bonds between the Authority and the Original Purchasers, dated as of the same date as the Certificate of Award.

“Certificate of Award” means the certificate of an Authorized Official awarding the Series 2022E Bonds to the Original Purchasers and specifying terms of the Series 2022E Bonds, as provided for in Section 4 of this Resolution.

“Continuing Disclosure Agreement” means the Continuing Disclosure Agreement executed by the Authority and the Trustee, dated as of the same date as the date of issuance and delivery of the Series 2022E Bonds, as originally executed and as it may be amended from time to time in accordance with its terms.

“Financial Advisor” means, collectively, PFM Financial Advisors LLC and Sustainable Capital Advisors.

“Interest Payment Dates” means the “Interest Payment Date” as defined for the Series 2022E Bonds in the Thirty-Second Supplemental Indenture.

“Original Purchasers” for the Series 2022E Bonds means the purchasers identified as such in the Bond Purchase Agreement.

“Remarketing Agent” means any Remarketing Agent designated for the Series 2022E Bonds under the Thirty-Second Supplemental Indenture. RBC Capital Markets, LLC is the initial Remarketing Agent.

“Remarketing Agreement” means any Remarketing Agreement entered into for the Series 2022E Bonds under the Thirty-Second Supplemental Indenture.

“Series 2022E Debt Service Reserve Requirement” means, if determined in the Certificate of Award to be necessary, a required fund balance in the Series 2022E Debt Service Reserve Account or Accounts established under the Thirty-Second Supplemental Indenture, the amount of which shall be specified in the Certificate of Award, but which shall not exceed the maximum amount permitted to constitute a “reasonably required reserve or replacement fund” under the size limitation set forth in Section 1.148-2(f)(2) of the Treasury Regulations promulgated under the Code (taking into account any moneys in any other fund or account that may be required to be included in such computation) unless the Authority furnishes to the Trustee an opinion of nationally recognized bond counsel to the effect that the existence of a balance in the Series 2022E Debt Service Reserve Account in the amount of the specified required fund balance will not cause the interest on any Series 2022E Bonds intended to be excluded from gross income for federal income tax purposes not to be so excluded.

“Tender Agent” means any Tender Agent designated for the Series 2022E Bonds under the Thirty-Second Supplemental Indenture. The Trustee is the initial Tender Agent.

“Thirty-Second Supplemental Indenture” means the Thirty-Second Supplemental Indenture of Trust by and between the Authority and the Trustee, dated as of the same date as and relating to the Series 2022E Bonds.

Any reference to the Authority or the Board, or to their members or officers, or to other public officers, boards, commissions, departments, institutions, agencies, bodies or entities, shall include those who or which succeed to their functions, duties or responsibilities by operation of law and also those who or which at the time may legally act in their place.

Section 2. Authorization, Designation and Purposes of Series 2022E Bonds. The Authority is authorized to issue, sell and deliver, as provided in this Resolution and the Certificate of Award, not to exceed (except as provided below) One Hundred Million Dollars (\$100,000,000) aggregate principal amount of Series 2022E Bonds. The Series 2022E Bonds shall be designated "Public Utility Subordinate Lien Multimodal Revenue Bonds, Series 2022E" and shall constitute Subordinate Debt for purposes of the Indenture, for the purpose of: (a) financing certain Costs of the System; (b) funding a Series 2022E Debt Service Reserve Requirement, if determined necessary in the Certificate of Award; and (c) paying issuance costs of the Series 2022E Bonds. For those purposes the proceeds from the sale of the Series 2022E Bonds shall be allocated and deposited, as provided in the Thirty-Second Supplemental Indenture. If and to the extent that any Series 2022E Bonds are issued for the purpose of funding a Series 2022E Debt Service Reserve Requirement, then the aggregate principal amount of Series 2022E Bonds hereby authorized may exceed \$100,000,000 by the aggregate principal amount of the Series 2022E Bonds to be issued for that purpose. Any designation of bonds authorized above may be revised or clarified in the Certificate of Award.

Section 3. Terms and Provisions Applicable to the Series 2022E Bonds.

(a) Form, Transfer and Exchange. The Series 2022E Bonds: (i) shall initially be issued only in fully registered form and substantially in the form attached as Exhibit A to the Thirty-Second Supplemental Indenture; (ii) shall initially be issued only to a Depository for holding in a book entry system, and shall be registered in the name of the Depository or its nominee, as Holder, and immobilized in the custody of the Depository, and (iii) shall not be transferable or exchangeable except as provided in the Thirty-Second Supplemental Indenture.

(b) Denominations and Dates. The Series 2022E Bonds shall be dated as of the date of issuance and delivery, but in no event later than September 30, 2022, and there shall be a single Series E Bond for each maturity of the Series 2022E Bonds bearing the same series or subseries designation as provided in the Thirty-Second Supplemental Indenture.

(c) Principal Maturities. The principal of the Series 2022E Bonds shall be paid in such amounts on each principal retirement date (whether at stated maturity date or a mandatory redemption date) as set forth in the Certificates of Award, provided that the final principal retirement date shall be no later than December 31, 2062.

(d) Interest Rates and Interest Rate Periods for the Series 2022E Bonds. The Series 2022E Bonds shall initially be issued as Long-Term Rate Bonds. The initial interest rate for the Series 2022E Bonds will be the rate that the Original Purchasers determine is necessary to sell the Series 2022E Bonds at a minimum price of ninety-eight percent (98%) of the principal amount of the Series 2022E Bonds and subject to the Maximum Rate. The Series 2022E Bonds initially may be issued in multiple subseries, as determined in the Certificate of Award. The provisions of Section 403 of the Thirty-Second Supplemental Indenture shall govern the interest rates per annum and payment terms of the Series 2022E Bonds. After the Initial Period, the Series 2022E

Bonds may bear interest at Daily Rates, Weekly Rates, Short-Term Rates, Index Rates or Fixed Rates, or may continue to bear interest at Long-Term Rates, all determined in accordance with the Thirty-Second Supplemental Indenture, and shall be subject to conversion between Interest Rate Periods on the terms, in the manner, and subject to the conditions set forth in the Indenture.

(e) Tender, Purchase, Remarketing and Optional Redemption. For the purpose of effecting the provisions of the Thirty-Second Supplemental Indenture relating to the tender, purchase and remarketing of the Series 2022E Bonds, the Authority shall appoint or engage the Tender Agent and Remarketing Agent at the times, in the manner, and subject to the conditions set forth in the Thirty-Second Supplemental Indenture. The Series 2022E Bonds shall be subject to redemption prior to stated maturity as and to the extent provided in the Thirty-Second Supplemental Indenture and shall be subject from time to time to optional and mandatory tender for purchase as provided in the Thirty-Second Supplemental Indenture.

(f) Places and Manner of Payment. The principal and tender price of and the interest and any redemption premium on the Series 2022E Bonds shall be payable as specified in the Thirty-Second Supplemental Indenture.

(g) Execution. The Authorized Officials are, and each of them is, authorized and directed to execute the Series 2022E Bonds, and the Secretary of the Board is authorized and directed to affix the seal of the Authority to the Series 2022E Bonds and to deliver them to the Trustee for authentication in accordance with the Indenture.

Section 4. Sale of Series 2022E Bonds.

(a) General. The Series 2022E Bonds shall be awarded and sold to the Original Purchasers in accordance with the Bond Purchase Agreement and the Certificate of Award, at a purchase price of not less than ninety-five percent (95%) of the aggregate of the products from multiplying the principal amount of each Series 2022E Bonds times the percentage of such principal amount at which such Series 2022E Bond shall be initially offered to the public, after subtracting from the aggregate of such products the premium payable for any municipal bond insurance policy applicable to the Series 2022E Bonds.

(b) Bond Purchase Agreement. The Authorized Officials are, and each of them is, authorized and directed to execute and deliver the Bond Purchase Agreement between the Authority and the Original Purchasers, substantially in the form presented to this Authority, but with such changes not inconsistent with the Indenture and this Resolution and not substantially adverse to the Authority as may be approved by the Authorized Official executing the same on behalf of the Authority. The approval of any such changes by such Authorized Official and the determination by such Authorized Official that no such change is substantially adverse to the Authority shall be conclusively evidenced by the execution of the Bond Purchase Agreement by such Authorized Official. The price for and terms of the Series 2022E Bonds and the sale thereof, all as provided in this Resolution, the Bond Purchase Agreement, the Certificate of Award and the

Thirty-Second Supplemental Indenture, are hereby approved and determined to be in the best interests of the Authority.

(c) Certificate of Award. Such sale and award shall be further evidenced by the Certificate of Award executed by an Authorized Official. The terms of the Series 2022E Bonds approved in the Certificate of Award shall be incorporated into the Thirty-Second Supplemental Indenture. The Certificate of Award, subject to the restrictions set forth herein, shall: (i) state, with respect to the Series 2022E Bonds, the aggregate principal amount, the purchase price, the first Interest Payment Dates, the principal retirement dates, the mandatory sinking fund requirements (if any), the mandatory tender date (if any), the redemption dates, and the redemption prices thereof; (ii) specify whether a municipal bond insurance policy, letter of credit, or other credit or liquidity facility shall be obtained with respect to any of the Series 2022E Bonds and, if so, from whom and on what terms; (iii) specify the amount, if any, of the Series 2022E Debt Service Reserve Requirement and determine whether it shall be met entirely with (A) cash and Permitted Investments (as defined in the Indenture); (B) a Qualified Reserve Credit Facility (as defined in the Indenture); or (C) a specified combination of (A) and (B); and (iv) include any additional information that may be required or permitted to be stated therein by the terms of this Resolution and the Bond Purchase Agreement. A separate Certificate of Award may be delivered for each subseries of the Series 2022E Bonds, and each reference in this Resolution to the Certificate of Award shall refer to each and all such Certificates of Award. A separate Bond Purchase Agreement, and Continuing Disclosure Agreement may be entered into for each subseries of the Series 2022E Bonds, and each reference in this Resolution to the Bond Purchase Agreement or to the Continuing Disclosure Agreement shall refer to each and all such Bond Purchase Agreements or Continuing Disclosure Agreements, respectively.

(d) Authorization of Bond Insurance and Qualified Reserve Credit Facilities. The submission of any applications to: (i) recognized providers of municipal bond insurance requesting the issuance of one or more municipal bond insurance policies to insure the Authority's obligation to make payments of principal of and interest on any of the Series 2022E Bonds, and (ii) potential providers of Qualified Reserve Credit Facilities, is hereby ratified and approved. The Authorized Officials are, and each of them is, hereby authorized to specify in the Certificate of Award that the Authority shall accept one or more commitments for insurance from such providers, and one or more commitments for a Qualified Reserve Credit Facility. There is hereby authorized to be paid from the moneys deposited in the Series 2022E Costs of Issuance Subaccount such amount as is required to pay the premium and expenses for such insurance policies and Qualified Reserve Credit Facilities relating to the Series 2022E Bonds. The Authorized Officials are, and each of them is, hereby further authorized to enter into a reimbursement agreement with the provider of any Qualified Reserve Credit Facility to provide for the Authority's reimbursement of the provider for any amounts drawn under the Qualified Reserve Credit Facility in a manner consistent with the Indenture. Any determination of the Authorized Officials under this paragraph shall be based on the written advice of the Financial Advisor.

(e) Certificates. The Authorized Officials are, and each of them is, authorized and directed, in their official capacities, to execute and deliver to the Original Purchasers, the certificates required by the Bond Purchase Agreement to be executed on behalf of the Authority.

(f) Delivery of Bonds. The Authorized Officials are, and each of them is, authorized and directed to make the necessary arrangements with the Original Purchasers to establish the date, location, procedure and conditions for the delivery of the Series 2022E Bonds to the Original Purchasers. The Authorized Officials are, and each of them is, further authorized and directed to make the necessary arrangements for the printing of the Series 2022E Bonds, and the execution, authentication and delivery of the Series 2022E Bonds to DTC for the accounts of the Original Purchasers, in accordance with this Resolution and the Indenture, and upon the receipt of payment of the purchase price, to cause such amount to be applied in accordance with the terms and provisions of this Resolution and the Indenture.

Section 5. Allocation of Proceeds of the Series 2022E Bonds; Tax Covenants.

(a) Allocation of Proceeds of the Series 2022E Bonds. The proceeds from the sale of the Series 2022E Bonds shall be allocated, deposited and credited for the purposes approved in this Resolution and as specified in the Thirty-Second Supplemental Indenture.

(b) Tax Covenants. The Board authorizes the Authorized Officials to approve the tax covenants, authorizations and agreements necessary to achieve and maintain the tax-exempt status of the Series 2022E Bonds.

Section 6. Thirty-Second Supplemental Indenture and Other Documents. The Authorized Officials are, and each of them is, authorized in connection with the issuance of the Series 2022E Bonds, to execute, acknowledge and deliver in the name of and on behalf of the Authority, the Thirty-Second Supplemental Indenture and the Remarketing Agreement with the initial Remarketing Agent, substantially in the form thereof submitted to the Authority at or prior to this meeting, but with such changes therein as may be permitted by the Indenture and this Resolution and approved by the Authorized Officer executing the document on behalf of the Authority. The approval of those changes shall be conclusively evidenced by the execution of the document by an Authorized Official.

The Authorized Officials and any other member, officer or employee of the Authority are each authorized to execute and deliver, on behalf of the Authority, such other certificates, documents and instruments related to the Series 2022E Bonds as are necessary in connection with the transactions authorized in this Resolution, and to do all other things required of them or the Authority pursuant to the Indenture, the Thirty-Second Supplemental Indenture, the Bond Purchase Agreement and this Resolution.

Following the issuance of the Series 2022E Bonds, if a successor Remarketing Agent is appointed by the Authority, the Authorized Officials are, and each of them is,

authorized to execute, acknowledge and deliver, in the name of and on behalf of the Authority, the Remarketing Agreement with the successor Remarketing Agent in a form then determined by the Authorized Officer executing the document on behalf of the Authority to be consistent with the Indenture and this Resolution. The determination of such consistency shall be conclusively evidenced by the execution of the document by an Authorized Official.

No covenant, agreement or obligation contained herein shall be deemed to be a covenant, agreement or obligation of any present or future member of the Board or officer, employee or agent of the Authority in his or her individual capacity, and neither the members of the Board nor any officer of the Authority executing the Series 2022E Bonds shall be liable personally thereon or be subject to any personal liability or accountability by reason of the issuance thereof. No member of the Board or officer, employee, agent or advisor of the Authority shall incur any personal liability with respect to any other action taken by him pursuant to this Resolution or the Indenture or any other document authorized by this Resolution, provided such member, officer, employee, agent or advisor acts in good faith.

Section 7. Official Statement; Continuing Disclosure. The Authorized Officials shall cause to be prepared and issued on behalf of the Authority, an official statement (the "Official Statement") relating to the original issuance of the Series 2022E Bonds. The Authorized Officials are, and each of them is, authorized to execute the Official Statement on behalf of the Authority, which shall be in substantially the form of the Official Statement submitted to the Authority at this meeting, with such changes as the Authorized Official who executes it may approve, the execution thereof on behalf of the Authority by an Authorized Official to be conclusive evidence of such authorization and approval (including approval of any such changes), and copies thereof are hereby authorized to be prepared and furnished to the Original Purchasers for distribution to prospective purchasers of the Series 2022E Bonds and other interested persons. The preliminary Official Statement, shall be "deemed substantially final" by the Authority within the meaning of Rule 15c2-12 of the Securities Exchange Commission, subject to completion as provided below.

The distribution by the Authority and by the Original Purchasers of the preliminary Official Statement and the Official Statement, in such form and with any changes as may be approved in writing by an Authorized Official, is hereby authorized and approved.

The Authority shall make sufficient copies of the Official Statement, with any supplements, available to the Original Purchasers to sell book entry interests in the Series 2022E Bonds, and will provide copies as appropriate to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access website at www.emma.msrb.org.

The Authorized Officials are each hereby authorized to furnish such information, to execute such instruments and to take such other action in cooperation with the Original Purchasers as may be reasonably requested to qualify the Series 2022E Bonds for offer and sale under the Blue Sky or other securities laws and regulations and to determine

their eligibility for investment under the laws and regulations of such states and other jurisdictions of the United States of America as may be designated by the Original Purchasers; provided, however, that the Authority shall not be required to register as a dealer or broker in any such state or jurisdiction or become subject to the service of process in any jurisdiction in which the Authority is not now subject to such service.

The Authorized Officials are each hereby further authorized: (i) to supplement and complete the "deemed substantially final" preliminary Official Statement by affixing thereto or inserting therein information to identify the Original Purchasers and to specify the final principal amount, interest rates and redemption provisions of the Series 2022E Bonds, the price of the Series 2022E Bonds to the general public, any credit enhancement provisions with respect to the Series 2022E Bonds and any change in ratings of the Series 2022E Bonds resulting from such credit enhancement, and such other information as is necessary to supplement and complete the Official Statement with the approved and agreed upon terms of Series 2022E Bonds, and (ii) to make such other changes to the preliminary Official Statement or the Official Statement as are, in the judgment of an Authorized Official, necessary and appropriate in order to make the preliminary Official Statement or the Official Statement not materially misleading and to comply with applicable securities laws or otherwise to enable the Authority to fulfill its obligations regarding the preliminary Official Statement or the Official Statement under the Bond Purchase Agreement.

The Authority hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of this Resolution or the Indenture, failure of the Authority to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, any Holder of Series 2022E Bonds may, and the Trustee may (and, at the request of the Holders of at least 25% in aggregate principal amount of Outstanding Series 2022E Bonds, shall) take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Authority to comply with its obligations under this paragraph. The Authorized Officials are, and each of them is, hereby authorized and directed to execute and deliver the Continuing Disclosure Agreement in substantially the form submitted to the Authority at or prior to this meeting with such changes therein as may be approved by the officer executing the Continuing Disclosure Agreement. The approval of those changes shall be conclusively evidenced by the execution of the Continuing Disclosure Agreement by an Authorized Official.

Section 8. General. The appropriate officers and employees of the Authority will do all things necessary and proper to implement and carry out the orders and agreements set forth or approved in this Resolution for the proper fulfillment of the purposes thereof. The Authority shall furnish to the Original Purchasers of the Series 2022E Bonds a true and certified transcript of all proceedings relating to the authorization and issuance of the Series 2022E Bonds along with other information as is necessary or proper with respect to the Series 2022E Bonds.

This Resolution is effective immediately.

Secretary to the Board of Directors

THIRTIETH SUPPLEMENTAL INDENTURE OF TRUST

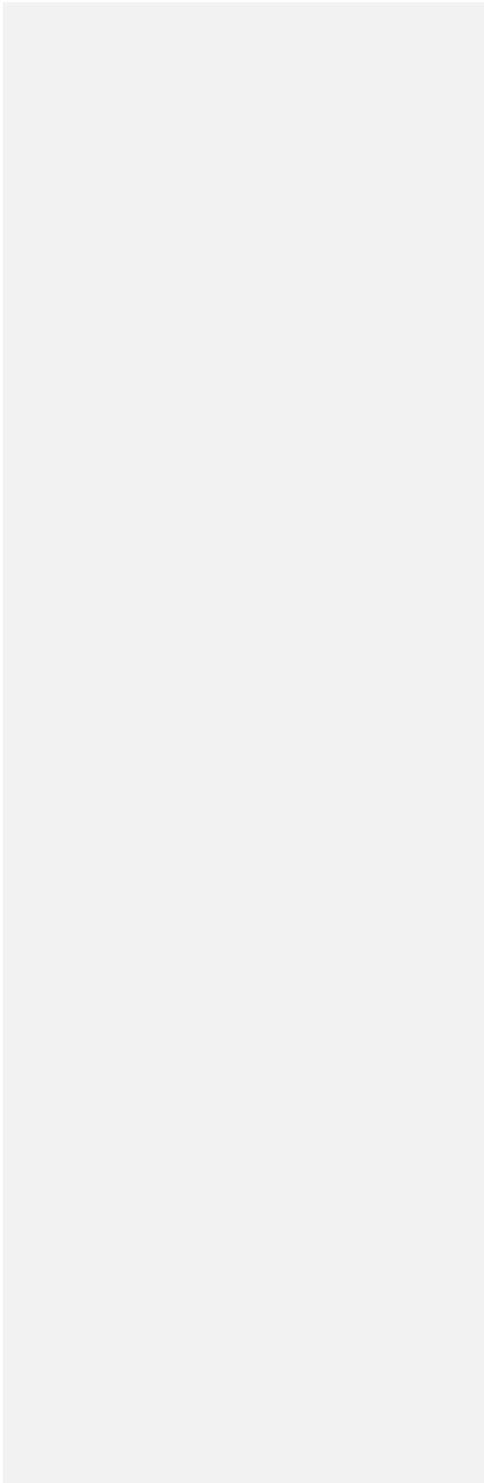
between

**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

and

**COMPUTERSHARE TRUST COMPANY, N.A.
AS TRUSTEE**

Dated [_____, 2022]



THIS THIRTIETH SUPPLEMENTAL INDENTURE OF TRUST dated the ___ day of [_____], 2022 (as defined in more detail below, the “**Thirtieth Supplemental Indenture**”), by and between the District of Columbia Water and Sewer Authority (the “**Authority**”), an independent authority of the District of Columbia (the “**District**”), and Computershare Trust Company, N.A., a national banking association, having a corporate trust office in Minneapolis, Minnesota, as trustee (in such capacity, together with any successor in such capacity, herein called the “**Trustee**”), provides:

WHEREAS, the Authority and the Trustee (its predecessor in that capacity having been Norwest Bank, N.A.) entered into the Master Indenture of Trust, dated as of April 1, 1998 (the “**Master Indenture**” and, as previously supplemented and amended by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture, the Eighth Supplemental Indenture, the Ninth Supplemental Indenture, the Tenth Supplemental Indenture, the Eleventh Supplemental Indenture, the Twelfth Supplemental Indenture, the Thirteenth Supplemental Indenture, the Fourteenth Supplemental Indenture, the Fifteenth Supplemental Indenture, the Sixteenth Supplemental Indenture, the Seventeenth Supplemental Indenture, the Eighteenth Supplemental Indenture, the Nineteenth Supplemental Indenture, the Twentieth Supplemental Indenture, the Twenty-First Supplemental Indenture, the Twenty-Second Supplemental Indenture, the Twenty-Third Supplemental Indenture, the Twenty-Fourth Supplemental Indenture, the Twenty-Fifth Supplemental Indenture, the Twenty-Sixth Supplemental Indenture, the Twenty-Seventh Supplemental Indenture, the Twenty-Eighth Supplemental Indenture and the Twenty-Ninth Supplemental Indenture, all as hereinafter defined, and as it may further be supplemented and amended in accordance with its terms, the “**Indenture**”), to provide for financing or refinancing the acquisition, construction, operation, maintenance and extension of the System (as defined in the Master Indenture) by the issuance of bonds, notes and other obligations payable solely from Net Revenues (as defined in the Master Indenture); and

WHEREAS, pursuant to the First Supplemental Indenture of Trust, dated as of April 1, 1998 (the “**First Supplemental Indenture**”), between the Authority and the Trustee, the Authority issued its Public Utility Revenue Bonds, Series 1998 (the “**Series 1998 Senior Lien Bonds**”) in the aggregate principal amount of \$266,120,000, to finance Costs of the System (as defined in the Master Indenture) and to refund then outstanding debt of the Authority; and

WHEREAS, the Master Indenture permits the Authority, for certain purposes and subject to certain conditions, to issue Other System Indebtedness (as defined therein) secured on a parity with the Series 1998 Senior Lien Bonds and referred to collectively with the Series 1998 Senior Lien Bonds as “**Senior Debt**,” and also permits the Authority to issue Subordinate Debt (as defined therein), to which it has pledged to its payment Net Revenues, as a subordinate lien pledge after the pledge of Net Revenues to Senior Debt; and

WHEREAS, pursuant to the Second Supplemental Indenture of Trust, dated as of November 1, 2001 (the “**Second Supplemental Indenture**”), between the Authority and the Trustee, the Authority amended and supplemented the Master Indenture in accordance with its terms to clarify provisions thereof related to certain forms of Indebtedness (as defined in the

Master Indenture, i.e., Senior Debt and Subordinate Debt) and thereby facilitate the issuance of such forms of Indebtedness; and

WHEREAS, pursuant to the Third Supplemental Indenture of Trust, dated as of November 1, 2001 (the “**Third Supplemental Indenture**”), between the Authority and the Trustee, the Authority (i) issued its Commercial Paper Notes defined therein as the Series A-B Notes, (ii) designated the Series A-B Notes as Subordinate Debt for purposes of the Indenture, and (iii) made provision for the securing of the Series A-B Notes and of the Reimbursement Obligations to the Bank that provided the Letters of Credit (all as defined therein) that secure the Series A-B Notes; and

WHEREAS, pursuant to the Fourth Supplemental Indenture of Trust, dated August 12, 2003 (the “**Fourth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinated Lien Revenue Bonds, Series 2003, dated August 12, 2003 (the “**Series 2003 Subordinated Bonds**”), in the aggregate principal amount of \$176,220,000 to finance certain Costs of the System and retire the Series 2001 Notes, (ii) designated the Series 2003 Subordinated Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2003 Subordinated Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Fifth Supplemental Indenture of Trust, dated August 3, 2004 (the “**Fifth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinated Lien Revenue Bonds, Series 2004, as Subseries 2004A-1, Subseries 2004A-2, Subseries 2004B-1 and Subseries B-2 (collectively, the “**Series 2004 Subordinated Bonds**”) in the aggregate principal amount of \$295,000,000 to finance certain Costs of the System, (ii) designated the Series 2004 Subordinated Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2004 Subordinated Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Sixth Supplemental Indenture of Trust, dated June 6, 2007 (the “**Sixth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinated Lien Revenue Bonds, Series 2007A (the “**Series 2007A Subordinated Bonds**”), in the aggregate principal amount of \$218,715,000 to finance certain Costs of the System and retire the Series 2001 Notes, (ii) designated the Series 2007A Subordinated Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2007A Subordinated Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Seventh Supplemental Indenture of Trust, dated June 6, 2007 (the “**Seventh Supplemental Indenture**”), between the Authority and the Trustee, the

Authority: (i) issued its Public Utility Subordinated Lien Taxable Revenue Bonds, Series 2007B (the “**Series 2007B Subordinated Bonds**”), in the aggregate principal amount of \$59,000,000 to finance certain Costs of the System, (ii) designated the Series 2007B Subordinated Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2007B Subordinated Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Eighth Supplemental Indenture of Trust, dated April 24, 2008 (the “**Eighth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinated Lien Revenue Refunding Bonds, Series 2008 (the “**Series 2008 Subordinated Bonds**”), in the aggregate principal amount of \$290,375,000 to (a) currently refund all of the outstanding Series 2004 Subordinated Bonds and a portion of the Series 2007B Subordinated Bonds, and (b) pay issuance costs of the Series 2008 Subordinated Bonds, (ii) designated the Series 2008 Subordinated Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2008 Subordinated Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Ninth Supplemental Indenture of Trust, dated December 19, 2008 (the “**Ninth Supplemental Indenture**”), between the Authority and the Trustee, the Authority agreed to confer on the Holders of the Series 2003 Subordinated Bonds additional rights related to the Reserve Credit Facility (as defined therein) and to cure any ambiguity or omission in the Indenture regarding the obligations of the Authority as a consequence of a downgrade of the Reserve Policy related to the Series 2003 Subordinated Bonds, or in the event that the Reserve Policy were to cease to be in effect; and

WHEREAS, pursuant to the Tenth Supplemental Indenture of Trust, dated February 12, 2009 (the “**Tenth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Senior Lien Revenue Bonds, Series 2009A (the “**Series 2009A Senior Lien Bonds**”), in the aggregate principal amount of \$300,000,000 to finance certain Costs of the System and retire Series 2001 Notes, (ii) designated the Series 2009A Senior Lien Bonds as Senior Debt for purposes of the Indenture, and (iii) secured the Series 2009A Senior Lien Bonds by a pledge of Net Revenues on a parity with the pledge of Net Revenues that secures other Senior Debt, including, without limitation, other Senior Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Eleventh Supplemental Indenture of Trust, dated June 2, 2010, as supplemented and amended by the First Amendment to Eleventh Supplemental Indenture of Trust, dated April 5, 2013, and by the Second Amendment to Eleventh Supplemental Indenture of Trust, dated May 18, 2015 (together, the “**Eleventh Supplemental Indenture**”), each between the Authority and the Trustee, the Authority: (i) authorized the issuance of its (a) Commercial Paper Notes, Series A (the “**2010 Series A Notes**”) in the aggregate principal amount of \$0 to finance certain Costs of the System, (b) Commercial Paper

Notes, Series B (the “**2010 Series B Notes**”) in the aggregate principal amount of \$100,000,000 to finance certain Costs of the System, and (c) Commercial Paper Notes, Series C (the “**2010 Series C Notes**”) and, together with the 2010 Series A Notes and the 2010 Series B Note, the “**Series 2010 Notes**”) in the aggregate principal amount of \$50,000,000 to finance certain Costs of the System, (ii) designated the Series 2010 Notes as Subordinate Debt for purposes of the Indenture, and (iii) made provision for the securing of the Series 2010 Notes and of the Authority’s reimbursement obligations to the Bank (as defined in the Eleventh Supplemental Indenture) that provided the Substitute Letters of Credit (as defined in the Eleventh Supplemental Indenture) that secure the Series 2010 Notes; and

WHEREAS, pursuant to the Twelfth Supplemental Indenture of Trust, dated October 27, 2010 (the “**Twelfth Supplemental Indenture**”), between the Authority and the Trustee, the Authority (i) issued its Public Utility Subordinate Lien Revenue Bonds, Series 2010A (Federally Taxable – Issuer Subsidy – Build America Bonds) (the “**Series 2010A Subordinated Bonds**”) in the aggregate principal amount of \$300,000,000 to finance certain Costs of the System and fund capitalized interest on a portion of the Series 2010A Subordinate Bonds, subject to specified limitations, (ii) designated the Series 2010A Subordinate Bonds as Subordinate Debt for purposes of the Indenture, (iii) secured the Series 2010A Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future, and (iv) included provisions in the Indenture related to potential Direct Payments (as defined therein) received or expected to be received by the Authority, including certain provisions requiring the consent of the holders of a majority of Outstanding Bonds; and

WHEREAS, pursuant to the Thirteenth Supplemental Indenture of Trust, dated March 22, 2012 (the “**Thirteenth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i)(a) issued its Public Utility Subordinate Lien Revenue Bonds, Series 2012A (the “**Series 2012A Subordinate Bonds**”) in the aggregate principal of \$177,430,000 to finance certain Costs of the System and pay certain costs of issuance, (b) designated the Series 2012A Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (c) secured the Series 2012A Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future, (ii)(a) issued its Public Utility Subordinate Lien Multimodal Revenue Bonds, Series 2012B (the “**Series 2012B Subordinate Bonds**”) in the aggregate principal amount of \$100,000,000 to finance certain Costs of the System, fund capitalized interest on a portion of the Series 2012B Subordinate Bonds subject to specified limitations, and pay certain costs of issuance, (b) designated the Series 2012B Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (c) secured the Series 2012B Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future, and (iii)(a) issued its Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2012C (the “**Series 2012C Subordinate Bonds**”) in the aggregate principal amount of \$163,215,000, and applied the proceeds thereof, together with any

other funds of the Authority, to advance refund the Series 2003 Subordinated Bonds and caused them to be deemed paid and no longer Outstanding for purposes of the Indenture, and paid certain costs of issuance, (b) designated the Series 2012C Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (c) secured the Series 2012C Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Fourteenth Supplemental Indenture of Trust, dated as of August 1, 2013 (the “**Fourteenth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinate Lien Revenue Bonds, Series 2013A in the aggregate principal amount of \$300,000,000 (the “**Series 2013A Subordinate Bonds**”) to finance certain Costs of the System and pay certain costs of issuance, (ii) designated the Series 2013A Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2013A Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Fifteenth Supplemental Indenture of Trust, dated July 23, 2014 (the “**Fifteenth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Senior Lien Revenue Bonds, Series 2014A (Federally Taxable) (Green Bonds) in the aggregate principal amount of \$350,000,000 (the “**Series 2014A Senior Lien Bonds**”) to finance certain Costs of the System and pay certain costs of issuance, (ii) designated the Series 2014A Senior Lien Bonds as Senior Debt for purposes of the Indenture, and (iii) secured the Series 2014A Senior Lien Bonds by a pledge of Net Revenues on a parity with the pledge of Net Revenues that secures other Senior Debt, including, without limitation, other Senior Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Sixteenth Supplemental Indenture of Trust, dated July 23, 2014 (the “**Sixteenth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinate Lien Multimodal Revenue Bonds, Series 2014B, in the aggregate principal amount of \$100,000,000 (the “**Series 2014B Subordinate Bonds**”) to finance certain Costs of the System and pay certain costs of issuance, (ii) designated the Series 2014B Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2014B Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Seventeenth Supplemental Indenture of Trust, dated November 20, 2014 (the “**Seventeenth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2014C, in the aggregate principal amount of \$377,700,000 (the “**Series 2014C Subordinate Bonds**”) to (a) advance refund all or a portion of the Authority’s outstanding Series

2007A Subordinated Bonds, the Series 2008A Subordinated Bonds, and the Series 2009A Senior Lien Bonds, and current refund all of the Authority's outstanding Subseries 2012B-1 of the Series 2012 Subordinate Bonds, and (b) pay issuance costs of the Series 2014C Subordinate Bonds, (ii) designated the Series 2014C Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2014C Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Eighteenth Supplemental Indenture of Trust, dated October 15, 2015 (the "**Eighteenth Supplemental Indenture**"), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinate Lien Revenue Bonds, Series 2015A in the aggregate principal amount of \$100,000,000 (the "**Series 2015A Subordinate Bonds**") to (a) finance certain Costs of the System, and (b) pay issuance costs of the Series 2015A Subordinate Bonds, (ii) designated the Series 2015A Subordinate Bonds as Subordinate Debt for purposes of the Indenture, (iii) secured the Series 2015A Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future, (iv) issued its Public Utility Subordinate Lien Revenue Bonds, Series 2015B in an aggregate principal amount of \$250,000,000 (the "**Series 2015B Subordinate Bonds**") and, together with the Series 2015A Subordinate Bonds, the "**Series 2015A/B Subordinate Bonds**") to (a) finance certain Costs of the System, and (b) pay issuance costs of the Series 2015B Subordinate Bonds, (v) designated the Series 2015B Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (vi) secured the Series 2015B Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Nineteenth Supplemental Indenture of Trust, dated December 1, 2015 (the "**Nineteenth Supplemental Indenture**") between the Trustee and the Authority, the Authority authorized (i) the issuance of its Extendable Municipal Commercial Paper Notes, Series A (the "**Series A EMCP Notes**") in the aggregate principal amount of not to exceed \$100,000,000 outstanding at any time to finance certain Costs of the System, (ii) designated the Series A EMCP Notes as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series A EMCP Notes by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Twentieth Supplemental Indenture of Trust, dated February 24, 2016 (the "**Twentieth Supplemental Indenture**") between the Trustee and the Authority, the Authority (i) issued its Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2016A in the aggregate principal amount of \$389,110,000 (the "**Series 2016A Subordinate Bonds**") to (a) refund all or a portion of the Authority's outstanding Series 2007A Subordinated Bonds, Series 2008A Subordinated Bonds, and Series 2009A Senior Lien Bonds,

and (b) pay issuance costs of the Series 2016A Subordinate Bonds, (ii) designated the Series 2016A Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2016A Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Twenty-First Supplemental Indenture of Trust, dated September 29, 2016 (the “**Twenty-First Supplemental Indenture**”) between the Trustee and the Authority, the Authority (i) issued its Public Utility Subordinate Lien Revenue Bonds, Series 2016B (Environmental Impact Bonds) in the aggregate principal amount of \$25,000,000 (the “**Series 2016B Subordinate Bonds**”) to (a) finance certain Costs of the System (specifically, a portion of the costs of the Authority’s DC Clean Rivers Project); and (b) pay certain costs of issuance, (ii) designated the Series 2016B Subordinate Bonds as Subordinate Debt, as Variable Rate Indebtedness and as Tender Indebtedness for purposes of the Indenture, and (iii) secured the Series 2016B Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Twenty-Second Supplemental Indenture of Trust, dated February 23, 2017 (the “**Twenty-Second Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Senior Lien Revenue Bonds, Series 2017A in the aggregate principal amount of \$100,000,000 (the “**Series 2017A Senior Lien Bonds**”) to (a) finance certain Costs of the System (specifically, a portion of the costs of the Authority’s DC Clean Rivers Project), and (b) pay issuance costs of the Series 2017A Senior Lien Bonds, (ii) designated the Series 2017A Senior Lien Bonds as Senior Debt for purposes of the Indenture, (iii) secured the Series 2017A Senior Lien Bonds by a pledge of Net Revenues on a parity with the pledge of Net Revenues that secures other Senior Debt, including, without limitation, other Senior Debt that the Authority may issue from time to time in the future, (iv) issued its Public Utility Senior Lien Revenue Bonds, Series 2017B in an aggregate principal amount of \$200,000,000 (the “**Series 2017B Senior Lien Bonds**” and, together with the Series 2017A Senior Lien Bonds, the “**Series 2017A/B Senior Lien Bonds**”) to (a) finance certain Costs of the System, and (b) pay issuance costs of the Series 2017B Senior Lien Bonds, (v) designated the Series 2017B Senior Lien Bonds as Senior Debt for purposes of the Indenture, and (vi) secured the Series 2017B Senior Lien Bonds by a pledge of Net Revenues on a parity with the pledge of Net Revenues that secures other Senior Debt, including, without limitation, other Senior Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Twenty-Third Supplemental Indenture of Trust, dated April 30, 2018 (the “**Twenty-Third Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinate Lien Revenue Bonds, Series 2018A in the aggregate principal amount of \$100,000,000 (the “**Series 2018A Senior Lien Bonds**”) to (a) finance certain Costs of the System (specifically, a portion of the costs of the Authority’s DC Clean Rivers Project), and (b) pay issuance costs of the Series 2018A Senior Lien Bonds, (ii) designated the Series 2018A Senior Lien Bonds as Senior Debt for purposes of

the Indenture, (iii) secured the Series 2018A Senior Lien Bonds by a pledge of Net Revenues on a parity with the pledge of Net Revenues that secures other Senior Debt, including, without limitation, other Senior Debt that the Authority may issue from time to time in the future, (iv) issued its Public Utility Senior Lien Revenue Bonds, Series 2018B in an aggregate principal amount of \$200,000,000 (the “**Series 2018B Senior Lien Bonds**” and, together with the Series 2018A Senior Lien Bonds, the “**Series 2018A/B Senior Lien Bonds**”) to (a) finance certain Costs of the System, (b) pay issuance costs of the Series 2018B Senior Lien Bonds and (c) refund all of the Authority’s then outstanding Commercial paper Notes, Series B, (v) designated the Series 2018B Senior Lien Bonds as Senior Debt for purposes of the Indenture, and (vi) secured the Series 2018B Senior Lien Bonds by a pledge of Net Revenues on a parity with the pledge of Net Revenues that secures other Senior Debt, including, without limitation, other Senior Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Twenty-Fourth Supplemental Indenture of Trust, dated _____, 2022 (the “Twenty-Fourth Supplemental Indenture”), between the Authority and the Trustee, the Authority: (i)(a) issued its Public Utility Subordinate Lien Revenue Bonds, Series 2019A (Green Bonds) (the “**Series 2019A Subordinate Bonds**”) in the aggregate principal amount of \$104,010,000 to (1) finance certain Costs of the System (specifically, a portion of the costs of the Authority’s DC Clean Rivers Project), and (2) pay issuance costs of the Series 2019A Subordinate Bonds, (b) designated the Series 2019A Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2019A Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future, and (ii)(a) issued its Public Utility Subordinate Revenue Bonds, Series 2019B (the “**Series 2019B Subordinate Bonds**” and, together with the Series 2019A Subordinate Bonds, the “**Series 2019A/B Subordinate Bonds**”) in an aggregate principal amount of \$58,320,000 to (1) finance certain Costs of the System, and (2) pay issuance costs of the Series 2019B Subordinate Bonds, (b) designated the Series 2019B Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2019B Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Twenty-Fifth Supplemental Indenture of Trust, dated November 6, 2019 (the “Twenty-Fifth Supplemental Indenture”), between the Authority and the Trustee, the Authority: (a) issued its Public Utility Subordinate Lien Multimodal Revenue Bonds, Series 2019C (the “**Series 2019C Subordinate Bonds**”) in the aggregate principal amount of \$99,505,000 to (1) finance certain Costs of the System, and (2) pay issuance costs of the Series 2019C Subordinate Bonds, (b) designated the Series 2019C Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2019C Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Twenty-Sixth Supplemental Indenture of Trust, dated November 6, 2019 (the “Twenty-Sixth Supplemental Indenture”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2019D (Federally Taxable) (the “**Series 2019D Subordinate Bonds**”) in the aggregate principal amount of \$343,160,000 to (a) refund all or a portion of the Authority’s outstanding Series 2013A Subordinated Bonds, and (b) pay issuance costs of the Series 2019D Subordinate Bonds, (ii) designated the Series 2019D Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2019D Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Twenty-Seventh Supplemental Indenture of Trust, dated April 8, 2020 (the “**Twenty-Seventh Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) entered into the 2020 Term Loan Agreement in connection with the Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2022 (the “**Series 2022B Subordinate Lien Refunding Bonds**”), (ii) issued its Series 2022B Subordinate Lien Refunding Bonds in the aggregate principal amount of \$294,305,000 to (a)(I) refund all of its outstanding Series 2012A Subordinate Bonds and Series 2012C Subordinate Bonds; and (II) pay certain costs of issuance, (iii) designated the Series 2022B Subordinate Lien Refunding Bonds as Subordinate Debt for purposes of the Indenture, and (iv) secured the Series 2022B Subordinate Lien Refunding Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future;

WHEREAS, pursuant to the Twenty-Eighth Supplemental Indenture of Trust, dated as of March 5, 2021 (the “**Twenty-Eighth Supplemental Indenture**”) between the Authority and the Trustee, the Authority entered into a revised Master Letter of Credit Agreement with TD Bank, N.A. to provide letters of credit for the benefit of the Authority’s Rolling Owner Controlled Insurance Program, in an aggregate maximum amount at any one time outstanding of \$25,000,000 and secured the Reimbursement Obligations (as defined in the Twenty-Eighth Supplemental Indenture) by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Twenty-Ninth Supplemental Indenture of Trust, dated as of March 12, 2021 between the Authority and the Trustee, as amended by the First Amendment to the Twenty-Ninth Supplemental Indenture of Trust dated September 17, 2021 between the Authority and the Trustee (together, the “**Twenty-Ninth Supplemental Indenture**”), the Authority (i) entered into a 2021 WIFIA Loan Agreement in connection with the Series 2021 Senior Lien Bonds; (ii) issued its Public Utility Senior Lien Revenue Bonds, Series 2021 Senior Lien Bonds (the “**Series 2021 Senior Lien Bonds**”) in the aggregate principal amount of \$156,367,104 to (1) finance certain Costs of the System (specifically, the costs of the 2021

WIFIA Project as defined therein), and (2) pay issuance costs of the Series 2021 Senior Lien Bond, (iii) designate the Series 2021 Senior Lien Bond as Senior Debt for purposes of the Indenture, and (iv) secure the Series 2021 Senior Lien Bond by a pledge of Net Revenues on a parity with the pledge of Net Revenues that secures other Senior Debt, including, without limitation, other Senior Debt that the Authority may issue from time to time in the future; and

WHEREAS, the Authority now intends to: (i)(a) issue Public Utility Subordinate Lien Revenue Bonds, Series 2022B (Green Bonds) in the aggregate principal amount of \$_____ (the “**Series 2022B Subordinate Bonds**”) to (1) [finance certain Costs of the System (specifically, a portion of the costs of the Authority’s DC Clean Rivers Project)], and (2) pay issuance costs of the Series 2022B Subordinate Bonds, (b) designate the Series 2022B Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secure the Series 2022B Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future, (ii)(a) issue the Public Utility Subordinate Lien Revenue Bonds, Series 2022C-1 in an aggregate principal amount of \$_____ (the “**Series 2022C-1 Subordinate Bonds**”) to (1) finance certain Costs of the System, (2) refund a portion of the outstanding [subordinate] commercial paper notes, (3) purchase or exchange all or a portion of the [Series ____ Subordinate Bonds] tendered and (4) pay issuance costs of the Series 2022C-1 Subordinate Bonds, (b) designate the Series 2022C-1 Subordinate Bonds as Subordinate Debt for purposes of the Indenture, (iii)(a) issue the Public Utility Subordinate Lien Revenue Bonds, Series 2022C-2 in an aggregate principal amount of \$_____ (the “**Series 2022C-2 Subordinate Bonds**”, together with the Series 2022C-1 Subordinate Bonds, the “**Series 2022C Subordinate Bonds**” and together with the Series 2022C-1 Subordinate Bonds and the Series 2022B Subordinate Bonds, the “**Series 2022B/C Subordinate Bonds**”) to replace the [Series ____ Subordinate Bonds], if any, tendered in exchange and (2) pay issuance costs of the Series 2022C-2 Subordinate Bonds and (b) designate the Series 2022C-2 Subordinate Bonds as Subordinate Debt for purposes of the Indenture, (iv) secure the Series 2022C Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

NOW THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter contained, the parties hereto agree, as follows:

**ARTICLE I
THIRTIETH SUPPLEMENTAL INDENTURE**

Section 101. Authorization of Thirtieth Supplemental Indenture.

This Thirtieth Supplemental Indenture is authorized and executed by the Authority and delivered to the Trustee pursuant to and in accordance with Articles III and X of the Master Indenture. All terms, covenants, conditions and agreements of the Indenture shall apply with full force and effect to the Series 2022B/C Subordinate Bonds as Subordinate Debt and to the

Holders thereof as Holders of Subordinate Debt, except as otherwise provided in this Thirtieth Supplemental Indenture.

Section 102. Definitions.

Except as otherwise defined in this Thirtieth Supplemental Indenture, capitalized words and terms defined in the Master Indenture as amended by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture, the Eighth Supplemental Indenture, the Ninth Supplemental Indenture, the Tenth Supplemental Indenture, the Eleventh Supplemental Indenture, the Twelfth Supplemental Indenture, the Thirteenth Supplemental Indenture, the Fourteenth Supplemental Indenture, the Fifteenth Supplemental Indenture, the Sixteenth Supplemental Indenture, the Seventeenth Supplemental Indenture, the Eighteenth Supplemental Indenture, the Nineteenth Supplemental Indenture, the Twentieth Supplemental Indenture, the Twenty-First Supplemental Indenture, the Twenty-Second Supplemental Indenture, the Twenty-Third Supplemental Indenture, the Twenty-Fourth Supplemental Indenture, the Twenty-Fifth Supplemental Indenture, the Twenty-Sixth Supplemental Indenture, the Twenty-Seventh Supplemental Indenture, the Twenty-Eighth Supplemental Indenture and the Twenty-Ninth Supplemental Indenture, are used in this Thirtieth Supplemental Indenture with the meanings assigned to them therein. In addition, the following words as used in this Thirtieth Supplemental Indenture have the following meanings unless the context or use clearly indicates another or different intent or meaning:

“Book-entry form” or “book-entry system” means a form or system under which the physical Series 2022B/C Subordinate Bond certificates in fully registered form are issued only to a Depository or its nominee as Holder, with the certificated Series 2022B/C Subordinate Bonds held by and “immobilized” in the custody of the Depository, and the book-entry system, maintained by and the responsibility of the Depository and not maintained by or the responsibility of the Authority or the Trustee, is the record that identifies, and records the transfer of the interests of, the owners of beneficial, book-entry interests in the Series 2022B/C Subordinate Bonds.

“Depository” means any securities depository that is a clearing agency under federal law operating and maintaining, with its participants or otherwise, a book-entry system to record ownership of book-entry interests in Series 2022B/C Subordinate Bonds, and to effect transfers of book-entry interests in Series 2022B/C Subordinate Bonds, and includes and means initially The Depository Trust Company (a limited purpose trust company) (“DTC”), New York, New York.

“Exchange Offer” means the Exchange Offer by the Authority to the holders of the Refunded Bonds under which such holders may exchange their Refunded Bonds for Series 2022C-2 Subordinate Bonds as set forth in the Exchange Offer Materials.

“Exchange Offer Materials” means the [Notice of Offer to Tender or Exchange, Notice of Acceptance, Notice of Expiration – Results].

“Exchange Tender Agent” means [_____], serving as the exchange agent for the Exchanged Refunded Bonds.”

“Exchanged Refunded Bonds” means that portion of the Refunded Bonds that are being exchanged for Subordinate Series 2022C-2 Bonds as identified in the Exchange Offer Materials.

“Interest Payment Dates” for the Series 2022B/C Subordinate Bonds means each April 1 and October 1 commencing [April 1, 2020], and thereafter during the time the Series 2022B/C Subordinate Bonds are outstanding.

“Purchased Refunded Bonds” means the Refunded Bonds tendered by the holders for purchase thereof pursuant to the Exchange Offer Materials.

“Refunded Bonds” means that portion of the Authority’s [_____] (_____) Series _____ Subordinate Bonds] set forth on Exhibit B hereto.

“Refunded Bonds Trustee” means Computershare Trust Company, N.A., a national banking association.

“Series 2022B Construction Account” means the Series 2022B Construction Account established by this Thirtieth Supplemental Indenture in the Construction Fund.

“Series 2022B Costs of Issuance Subaccount” means the Series 2022B Costs of Issuance Subaccount established by this Thirtieth Supplemental Indenture in the Series 2022B Construction Account of the Construction Fund.

“Series 2022C-1 Construction Account” means the Series 2022C-1 Construction Account established by this Thirtieth Supplemental Indenture in the Construction Fund.

“Series 2022C Costs of Issuance Subaccount” means the Series 2022C Costs of Issuance Subaccount established by this Thirtieth Supplemental Indenture in the Series 2022C-1 Construction Account of the Construction Fund.

Commented [BT1]: [Ryan – thought it would be cleaner for the two subseries to have the same COI subaccount so I set it up that way. Can we do that? Happy to revise if needed.]

[“Series 2022C-2 Tender Purchase Account” means the Series 2022C-2 Tender Purchase Account established by this Thirtieth Supplemental Indenture in the Construction Fund.]

“Series 2022B/C Rebate Fund” means the Series 2022B/C Rebate Fund established by this Thirtieth Supplemental Indenture.

“Series 2022B/C Resolution” means Resolution No. _____, adopted by the Authority’s Board of Directors on _____, authorizing the Series 2022B/C Subordinate Bonds.

“Series 2022B/C Subordinate Bond Event of Default” means any of the events defined as such in Section 703 of this Thirtieth Supplemental Indenture.

“Series 2022B/C Subordinate Bondholder” or “holder of Series 2022B/C Subordinate Bonds” means the registered owner of a Series 2022B/C Subordinate Bond.

“Series 2022B/C Subordinate Bonds Interest Subaccount” means the Series 2022B/C Subordinate Bonds Interest Subaccount established by this Thirtieth Supplemental Indenture in the Interest Account in the Bond Fund.

“Series 2022B/C Subordinate Bonds Principal Subaccount” means the Series 2022B/C Subordinate Bonds Principal Subaccount established by this Thirtieth Supplemental Indenture in the Principal Account in the Bond Fund.

“Series 2022B/C Subordinate Debt Service Reserve Requirement” means zero.

“Thirtieth Supplemental Indenture” means this Thirtieth Supplemental Indenture of Trust, dated [_____, 2022], between the Authority and the Trustee, which supplements and amends the Master Indenture, as previously supplemented and amended by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture, the Eighth Supplemental Indenture, the Ninth Supplemental Indenture, the Tenth Supplemental Indenture, the Eleventh Supplemental Indenture, the Twelfth Supplemental Indenture, the Thirteenth Supplemental Indenture, the Fourteenth Supplemental Indenture, the Fifteenth Supplemental Indenture, the Sixteenth Supplemental Indenture, the Seventeenth Supplemental Indenture, the Eighteenth Supplemental Indenture, the Nineteenth Supplemental Indenture, the Twentieth Supplemental Indenture, the Twenty-First Supplemental Indenture, the Twenty-Second Supplemental Indenture, the Twenty-Third Supplemental Indenture, the Twenty-Fourth Supplemental Indenture, the Twenty-Fifth Supplemental Indenture, the Twenty-Sixth Supplemental Indenture, the Twenty-Seventh Supplemental Indenture, the Twenty-Eighth Supplemental Indenture and the Twenty-Ninth Supplemental Indenture.

Section 103. Reference to Articles and Sections.

Unless otherwise indicated, all references herein to particular articles or sections are references to articles or sections of this Thirtieth Supplemental Indenture.

**ARTICLE II
AUTHORIZATION, DETAILS AND FORM
OF SERIES 2022B/C SUBORDINATE BONDS**

Section 201. Authorization of Series 2022B/C Subordinate Bonds.

Pursuant to Article III of the Master Indenture and, specifically, Section 305 thereof, and the Series 2022B/C Resolution, the Authority is authorized to issue:

(i) Series 2022B Subordinate Bonds in the aggregate principal amount of \$_____, for the purpose of (a) financing Costs of the System (specifically, a portion of the costs of the Authority’s DC Clean Rivers Project), and (b) paying issuance costs of the Series 2022B Subordinate Bonds. The Series 2022B Subordinate Bonds shall be issued as Subordinate Debt pursuant to the Indenture;

(ii) Series 2022C-1 Subordinate Bonds in the aggregate principal amount of \$ _____, for the purpose of (a) financing Costs of the System, (b) refunding a portion of the outstanding [subordinate] commercial paper notes, (c) purchasing any Series _____ Bonds tendered and (d) paying issuance costs of the [Series 2022C] Subordinate Bonds. The Series 2022C-1 Subordinate Bonds shall be issued as Subordinate Debt pursuant to the Indenture; and

(iii) Series 2022C-2 Subordinate Bonds in the aggregate principal amount of \$ _____, for the purpose of to replace the Refunded Bonds, if any, tendered in exchange. The Series 2022C-2 Subordinate Bonds shall be issued as Subordinate Debt pursuant to the Indenture.

Section 202. Details of Series 2022B/C Subordinate Bonds.

The Series 2022B Subordinate Bonds shall be designated “Public Utility Subordinate Lien Revenue Bonds, Series 2022B (Green Bonds)”, shall be dated [_____, 2022], shall be issuable only as fully registered bonds in denominations of \$5,000 and multiples thereof, shall be numbered RB-1 upward and shall bear interest at rates, payable semiannually on the Interest Payment Dates, until their final payment or maturity, and shall mature on October 1 in years and amounts, as follows:

Due (Oct. 1)	Principal Amount	Interest Rate
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The Series 2022C-1 Subordinate Bonds shall be designated “Public Utility Subordinate Lien Revenue Bonds, Series 2022C-1”, shall be dated [_____, 2022], shall be issuable only as fully registered bonds in denominations of \$5,000 and multiples thereof, shall be numbered RC1-1 upward and shall bear interest at rates, payable semiannually on the Interest Payment Dates, until their final payment or maturity, and shall mature on October 1 in years and amounts, as follows:

Due (Oct. 1)	Principal Amount	Interest Rate
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The Series 2022C-2 Subordinate Bonds shall be designated “Public Utility Subordinate Lien Revenue Bonds, Series 2022C-2”, shall be dated [_____, 2022], shall be issuable only as fully registered bonds in denominations of \$5,000 and multiples thereof, shall be numbered RC2-1 upward and shall bear interest at rates, payable semiannually on the Interest Payment Dates, until their final payment or maturity, and shall mature on October 1 in years and amounts, as follows:

Due (Oct. 1)	Principal Amount	Interest Rate
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Each Series 2022B/C Subordinate Bond shall bear interest: (a) from its date, if such Series 2022B/C Subordinate Bond is authenticated prior to the first Interest Payment Date, or (b) otherwise from the Interest Payment Date that is, or immediately precedes, the date on which such Series 2022B/C Subordinate Bond is authenticated; provided, however, that if at the time of authentication of any Series 2022B/C Subordinate Bond payment of interest is in default, such Series 2022B/C Subordinate Bond shall bear interest from the date to which interest has been paid. The interest payable on the Series 2022B/C Subordinate Bonds will be computed on the basis of a 360-day year of twelve 30-day months.

Principal of and premium, if any, on the Series 2022B/C Subordinate Bonds shall be payable to the registered owners thereof upon the surrender of the applicable Series 2022B/C Subordinate Bonds at the designated office of the Trustee. Interest on the Series 2022B/C Subordinate Bonds shall be payable by check or draft mailed to the registered owners at their addresses as they appear on the fifteenth day of the month preceding the Interest Payment Date on the registration books kept by the Trustee; provided, however, if the Series 2022B/C Subordinate Bonds are registered in the name of a Depository or its nominee as registered owner or at the option of a registered owner of at least \$1,000,000 of Series 2022B/C Subordinate Bonds, payment shall be made by wire transfer to an account within the United States pursuant to the wire instructions received by the Trustee with respect to each such payment from such registered owner. Principal, premium, if any, and interest shall be payable in lawful money of the United States of America.

Section 203. Form of Bonds.

The Series 2022B/C Subordinate Bonds shall be in substantially the forms set forth in Exhibits A-1, A-2 and A-3, with such appropriate variations, omissions and insertions as are permitted or required by the Indenture.

Section 204. Depository Provisions.

The Series 2022B/C Subordinate Bonds shall initially be issued to a Depository for holding in a book-entry system. Those Series 2022B/C Subordinate Bonds shall be registered in the name of the Depository or its nominee, as registered owner, and immobilized in the custody of the Depository or the Trustee on behalf of the Depository; and shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the Authority.

If any Depository determines not to continue to act as a Depository for the Series 2022B/C Subordinate Bonds for holding in a book-entry system or the Authority determines to remove the Series 2022B/C Subordinate Bonds from a Depository, the Authority may attempt to have established a securities depository/book-entry system relationship with another qualified Depository. If the Authority does not or is unable to do so, the Authority, after making provision for notification of the owners of book-entry interests by appropriate notice to the then Depository and any other arrangements it deems necessary, shall permit withdrawal of the Series 2022B/C Subordinate Bonds from the Depository, and shall execute and direct the Trustee to authenticate and deliver Series 2022B/C Subordinate Bond certificates, in fully registered form, to the assigns of the Depository or its nominee (if such Series 2022B/C Subordinate Bonds were held by a nominee), all at the cost and expense (including costs of printing or otherwise preparing and delivering replacement Series 2022B/C Subordinate Bonds), if the event is not the result of Authority action or inaction, of those persons requesting that authentication and delivery. Series 2022B/C Subordinate Bond certificates authenticated and delivered pursuant to this paragraph shall be in authorized denominations. In the event that Series 2022B/C Subordinate Bonds shall cease to be in book-entry form, then the Authority or the Depository shall provide to the Trustee the name, address of record and taxpayer identification number of each registered holder thereof. The Trustee may rely on such information without any investigation.

If the Series 2022B/C Subordinate Bonds are withdrawn from a Depository and printed bond certificates in fully registered form are or are to be authenticated and delivered pursuant to this Section, and if, in the opinion of Bond Counsel addressed to the Trustee, the delivery of coupon bonds payable to bearer would not result in the interest on any of the Series 2022B/C Subordinate Bonds then outstanding becoming includable in gross income for federal income tax purposes, the Authority, without the consent of or notice to any of the holders of the Series 2022B/C Subordinate Bonds, may authorize the exchange of Series 2022B/C Subordinate Bond certificates in fully registered form or Series 2022B/C Subordinate Bonds under a book-entry system for coupon bonds payable to bearer, in an aggregate principal amount not exceeding the then unmatured and unredeemed principal amount of the Series 2022B/C Subordinate Bonds, bearing interest at the same rate and maturing on the same date, with coupons attached representing all unpaid interest due or to become due thereon. Such certificated Series 2022B/C Subordinate Bonds will be registrable, transferable and exchangeable as set forth in Section 204 and Section 205 of the Master Indenture.

So long as a Depository holds the Series 2022B/C Subordinate Bonds in a book-entry system (i) it or its nominee shall be the registered owner of the Series 2022B/C Subordinate Bonds, (ii) notwithstanding anything to the contrary in this Thirtieth Supplemental Indenture, determinations of persons entitled to payment of principal, premium, if any, and interest,

transfers of ownership and exchanges and receipt of notices shall be the responsibility of the Depository and shall be effected pursuant to rules and procedures established by such Depository, (iii) the Authority and the Trustee shall not be responsible or liable for maintaining, supervising or reviewing the records maintained by the Depository, its participants or persons acting through such participants, and (iv) references in this Thirtieth Supplemental Indenture to registered owners of the Series 2022B/C Subordinate Bonds shall mean such Depository or its nominee and shall not mean the beneficial owners of the Series 2022B/C Subordinate Bonds.

Section 205. Delivery of Series 2022B/C Subordinate Bonds.

The Trustee shall authenticate and deliver the Series 2022B/C Subordinate Bonds when there have been filed with or delivered to it the following items:

- (i) An original executed counterpart of this Thirtieth Supplemental Indenture;
- (ii) A certified copy of applicable resolution(s) of the Board of Directors of the Authority and related Certificate of Award: (a) authorizing the execution and delivery of the Thirtieth Supplemental Indenture, and (b) authorizing the issuance, sale, award, execution and delivery of the Series 2022B/C Subordinate Bonds.
- (iii) A certificate signed by an Authorized Representative of the Authority and dated the date of such issuance, to the effect that:
 - (a) Either: (1) upon and immediately following such issuance, no Event of Default has occurred which has not been cured or waived, and no event or condition exists which, with the giving of notice or lapse of time or both, would become an Event of Default, or (2) if any such event or condition is happening or existing, specifying such event or condition, stating that the Authority will act with due diligence to correct such event or condition after the issuance of the Series 2022B/C Subordinate Bonds, and describing in reasonable detail the actions to be taken by the Authority toward such correction; and
 - (b) All required approvals, limitations, conditions and provisions precedent to the issuance of the Series 2022B/C Subordinate Bonds have been obtained, observed, met and satisfied.
- (iv) An Opinion or Opinions of Counsel, subject to customary exceptions and qualifications, substantially to the effect that this Thirtieth Supplemental Indenture has been duly authorized, executed and delivered to the Trustee, is a valid, binding and enforceable obligation of the Authority, and complies in all respects with the requirements of the Indenture.
- (v) An opinion or opinions of Bond Counsel, subject to customary exceptions and qualifications, substantially to the effect that the issuance of the Series 2022B/C Subordinate Bonds has been duly authorized, that the Series 2022B/C Subordinate Bonds are valid and binding limited obligations of the Authority, and that the interest on the Series 2022B/C Subordinate Bonds is excludable from gross income for purposes of Federal income taxation.

(vi) A certificate of an Authorized Representative of the Authority, stating that rates, fees and charges are in effect or scheduled to go into effect to meet the Rate Covenant immediately after the issuance of the Series 2022B/C Subordinate Bonds.

(vii) With respect only to the Series 2022C Subordinate Bonds, the Exchange Offer Materials.

(viii) A request and authorization of the Authority, signed by an Authorized Representative of the Authority, to the Trustee to authenticate and deliver such Bonds to the purchaser upon payment to the Trustee in immediately available funds for the account of the Authority of a specified sum plus accrued interest to the date of delivery.

The Series 2022C Subordinate Bonds shall be authenticated and delivered by the Trustee to or upon the direction of the Exchange Tender Agent contemporaneously with the Series 2022B Subordinate Bonds.

ARTICLE III REDEMPTION OF SERIES 2022B/C SUBORDINATE BONDS

Section 301. Redemption Dates and Prices.

The Series 2022B/C Subordinate Bonds may not be called for redemption by the Authority except as provided below:

(i) Optional Redemption. (a) The Series 2022B Subordinate Bonds maturing on or after _____ 1, 20__, are subject to redemption prior to maturity at the option of the Authority on or after _____ 1, 20__, from any source, in whole or in part on any date, in such order of maturities as shall be determined by the Authority (and by lot within a maturity), at a redemption price of 100% of the principal amount thereof, together with accrued interest, if any, to the redemption date.

(b) The Series 2022C-1 Subordinate Bonds maturing on or after _____ 1, 20__, are subject to redemption prior to maturity at the option of the Authority on and after _____ 1, 20__, from any source, in whole or in part on any date, in such order of maturities as shall be determined by the Authority (and by lot within a maturity), at a redemption price of 100% of the principal amount thereof, together with accrued interest, if any, to the redemption date

(c) The Series 2022C-2 Subordinate Bonds maturing on or after _____ 1, 20__, are subject to redemption prior to maturity at the option of the Authority on and after _____ 1, 20__, from any source, in whole or in part on any date, in such order of maturities as shall be determined by the Authority (and by lot within a maturity), at a redemption price of 100% of the principal amount thereof, together with accrued interest, if any, to the redemption date

(ii) Mandatory Redemption. (a) The Series 2022B Subordinate Bonds bearing interest at a rate of _____%, and maturing on _____ 1, 20__ (the “_____ Term Series 2022B Subordinate Bonds”), are required to be redeemed prior to maturity on October 1 in years and amounts upon payment of 100% of the principal amount thereof plus interest accrued to the redemption date, as follows:

<u>Year</u>	<u>Amount</u>
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† Final Maturity

(b) The Series 2022C-1 Subordinate Bonds each bearing interest at a rate of ___% and maturing on _____ 1, 20__ (the “___ Term Series 2022C-1 Subordinate Bonds”) and _____ 1, 20__ (the “___ Term Series 2022C-1 Subordinate Bonds”), respectively, are required to be redeemed prior to maturity on October 1 in years and amounts upon payment of 100% of the principal amount thereof plus interest accrued to the redemption date, as follows:

The ___ Term Series 2022C-1 Subordinate Bonds are subject to mandatory sinking fund redemption on each October 1 as set forth below:

<u>Year</u>	<u>Amount</u>
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† Final Maturity

The ___ Term Series 2022C-1 Subordinate Bonds are subject to mandatory sinking fund redemption on each October 1 as set forth below:

<u>Year</u>	<u>Amount</u>
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† Final Maturity

(b) The Series 2022C-2 Subordinate Bonds each bearing interest at a rate of ____% and maturing on _____ 1, 20__ (the “____ Term Series 2022C-2 Subordinate Bonds”) and _____ 1, 20__ (the “____ Term Series 2022C-2 Subordinate Bonds”), respectively, are required to be redeemed prior to maturity on October 1 in years and amounts upon payment of 100% of the principal amount thereof plus interest accrued to the redemption date, as follows:

The ____ Term Series 2022C-2 Subordinate Bonds are subject to mandatory sinking fund redemption on each October 1 as set forth below:

Year	Amount
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 † Final Maturity

The Trustee shall provide for a mandatory redemption of the Term Series 2022B/C Subordinate Bonds in accordance with the schedules set forth above; provided, however, that on or before the 70th day next preceding any such mandatory redemption date, the Authority may:

(i) deliver to the Trustee for cancellation Term Series 2022B/C Subordinate Bonds of the maturity required to be redeemed on such mandatory redemption date in any aggregate principal amount desired; or

(ii) instruct the Trustee in writing to apply a credit against the Authority’s next mandatory redemption obligation for any such Term Series 2022B/C Subordinate Bonds that previously have been redeemed (other than through mandatory redemption) and canceled but not theretofore applied as a credit against any mandatory redemption obligation.

Upon the occurrence of any of the events described in clauses (i) or (ii) of the preceding sentence, the Trustee shall credit against the Authority’s mandatory redemption obligation on the next mandatory redemption date the amount of such Term Series 2022B/C Subordinate Bonds so delivered or previously redeemed. Any principal amount of such Term Series 2022B/C Subordinate Bonds in excess of the principal amount required to be redeemed on such mandatory redemption date shall be similarly credited in an amount equal to the principal of such Term Series 2022B/C Subordinate Bonds so purchased towards the sinking fund installments for the Term Series 2022B/C Subordinate Bonds of such maturity on a pro rata basis in accordance with a certificate of an Authorized Representative of the Authority, which will direct the reduction of a ratable portion of each annual mandatory sinking fund installment requirement in accordance with the procedures set forth below. Within seven days of receipt of such Term Series 2022B/C Subordinate Bonds or instructions to apply as a credit, any amounts remaining in the Sinking Fund Account in excess of the amount required to fulfill the remaining required mandatory

redemption obligation on the next mandatory redemption date shall be used in such manner as determined at the written direction of the Authority.

The particular maturities of the Series 2022B/C Subordinate Bonds to be redeemed at the option of the Authority will be determined by the Authority in its sole discretion.

If fewer than all of the Series 2022B/C Subordinate Bonds are called for redemption, they shall be called in such order of maturity as the Authority may determine and direct the Trustee in writing. If less than all of the Series 2022B/C Subordinate Bonds of any maturity date is called for redemption, the Series 2022B/C Subordinate Bonds to be redeemed shall be selected by the Depository pursuant to its rules and procedures or, if the book-entry system is discontinued, shall be selected by the Trustee by lot in such manner as the Trustee in its discretion may determine. The portion of any Series 2022B/C Subordinate Bond to be redeemed shall be in the principal amount of \$5,000 or some integral multiple thereof. In selecting Series 2022B/C Subordinate Bonds for redemption, each Series 2022B/C Subordinate Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Series 2022B/C Subordinate Bond by \$5,000. If a portion of a Series 2022B/C Subordinate Bond shall be called for redemption, a new Series 2022B/C Subordinate Bond in principal amount equal to the unredeemed portion thereof shall be issued to the registered owner upon the surrender thereof.

Section 302. Notice of Redemption.

Notice of redemption of Series 2022B/C Subordinate Bonds shall be given in the manner set forth in Section 402 of the Master Indenture; provided, however, that notices of redemption of Series 2022B/C Subordinate Bonds sent pursuant to Section 402 of the Master Indenture shall either (i) explicitly state that the proposed redemption is conditioned on there being on deposit in the applicable fund or account on the redemption date sufficient money to pay the full redemption price of the Series 2022B/C Subordinate Bonds to be redeemed, or (ii) be sent only if sufficient money to pay the full redemption price of the Series 2022B/C Subordinate Bonds to be redeemed is on deposit in the applicable fund or account. Notwithstanding the foregoing and the otherwise applicable requirement of Section 402 of the Master Indenture that the Trustee send notice of a call for redemption not fewer than 30 days prior to the redemption date, the Trustee may send any notice of redemption of Series 2022B/C Subordinate Bonds not fewer than 20 days prior to the redemption date or such shorter period of time as may be acceptable to the Depository while the Series 2022B/C Subordinate Bonds are in book-entry form and registered with a Depository, initially DTC.

ARTICLE IV

APPLICATION OF PROCEEDS OF SERIES 2022B/C SUBORDINATE BONDS

Section 401. Application of Proceeds of Series 2022B/C Subordinate Bonds; Application of Related Amounts.

The net proceeds of the Series 2022B/C Subordinate Bonds in the amount of \$ _____, which represents the par amount of the Series 2022B/C Subordinate Bonds (\$ _____), minus the underwriters' discount (\$ _____), and plus original issue premium (\$ _____) by the Original Purchasers, at the request and direction of the Authority shall be applied as follows:

(i) \$ _____ from the net proceeds of the Series 2022B Subordinate Bonds shall be deposited in the Series 2022B Construction Account.

(ii) \$ _____ from the net proceeds of the Series 2022C-1 Subordinate Bonds shall be deposited in the Series 2022C-1 Construction Account.

(iii) \$ _____ from the net proceeds of the Series 2022C-2 Subordinate Bonds shall be deposited in the Series 2022C-2 [Tender Purchase] Account.

(iv) \$ _____ from the net proceeds of the Series 2022B Subordinate Bonds shall be deposited in the Series 2022B Costs of Issuance Subaccount of the Series 2022B Construction Account of the Construction Fund and used to pay costs of issuance of the Series 2022B Subordinate Bonds.

(v) \$ _____ from the net proceeds of the Series 2022C-1 Subordinate Bonds shall be deposited in the Series 2022C Costs of Issuance Subaccount of the Series 2022C-1 Construction Account of the Construction Fund and used to pay costs of issuance of the Series 2022C Subordinate Bonds.

ARTICLE V FUNDS AND ACCOUNTS

Section 501. Series 2022B Construction Account and Series 2022C-1 Construction Account.

(i) In the Construction Fund, there shall be established a Series 2022B Construction Account and, within that Account, a Series 2022B Costs of Issuance Subaccount. The portion of the proceeds of the Series 2022B Subordinate Bonds specified in Section 401(iv) shall be deposited in the Series 2022B Costs of Issuance Subaccount and used to pay costs of issuance related to the Series 2022B Subordinate Bonds. When all costs of issuance have been paid or moneys have been reserved to pay all remaining unpaid costs of issuance, the balance of any Series 2022B Subordinate Bond proceeds remaining in excess of the amount to be reserved for payment of unpaid costs of issuance shall, as directed by the Authority, either (i) be deposited in the Series 2022B Construction Account of the Construction Fund and used to pay Costs of the System, or (ii) be deposited in the Bond Fund to be used solely to pay principal of and interest on the Series 2022B Subordinate Bonds, in either case to the extent approved by Bond Counsel.

(ii) In the Construction Fund, there shall be established a Series 2022C-1 Construction Account and, within that Account, a Series 2022C-1 Costs of Issuance Subaccount. The portion of the proceeds of the Series 2022C Subordinate Bonds specified in Section 401(v)

shall be deposited in the Series 2022C-1 Costs of Issuance Subaccount and used to pay costs of issuance related to the Series 2022C Subordinate Bonds. When all costs of issuance have been paid or moneys have been reserved to pay all remaining unpaid costs of issuance, the balance of any Series 2022C Subordinate Bond proceeds remaining in excess of the amount to be reserved for payment of unpaid costs of issuance shall, as directed by the Authority, either (i) be deposited in the Series 2022C-1 Construction Account of the Construction Fund and used to pay Costs of the System, or (ii) be deposited in the Bond Fund to be used solely to pay principal of and interest on the Series 2022C Subordinate Bonds, in either case to the extent approved by Bond Counsel.

Section 502. Series 2022B/C Subordinate Bonds Subaccounts in the Interest Account and Principal Account.

(i) Within the Interest Account there shall be established a “Series 2022B/C Subordinate Bonds Interest Subaccount.” Within the Principal Account there shall be established a “Series 2022B/C Subordinate Bonds Principal Subaccount.”

(ii) In accordance with Section 604(e) of the Master Indenture, Net Revenues shall be deposited in the Series 2022B/C Subordinate Bond Interest Subaccount on or prior to the last Business Day of each of the six months prior to any month in which an Interest Payment Date occurs, in an amount equal to one-sixth (1/6) of the interest due and payable on the Series 2022B/C Subordinate Bonds on such Interest Payment Date.

(iii) In accordance with Section 604(e) of the Master Indenture, Net Revenues shall be deposited in the Series 2022B/C Subordinate Bonds Principal Subaccount on or prior to the last Business Day of each of the twelve months prior to any month in which principal of Series 2022B/C Subordinate Bonds is payable on their stated maturity date or pursuant to mandatory redemption requirements, in an amount equal to one-twelfth (1/12) of the principal amount scheduled to be due and payable on the Series 2022B/C Subordinate Bonds in such month.

Section 503. Series 2022B/C Rebate Fund. There is hereby established the Series 2022B/C Rebate Fund which shall be used in accordance with (i) Article VIII hereof, and (ii) the Authority’s covenants in the Tax Compliance Certificate of the Issuer, executed by the Authority, dated as of [_____, 2022].

**ARTICLE VI
SECURITY FOR SERIES 2022B/C SUBORDINATE BONDS**

Section 601. Security for Series 2022B/C Subordinate Bonds.

The Series 2022B/C Subordinate Bonds shall be secured as Subordinate Debt under the Indenture, including, without limitation, by a pledge of: (i) Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures Subordinate Debt, including, without limitation, any other Subordinate Debt that the Authority may issue in the future, without preference, priority or distinction of any Series 2022B/C Subordinate Bond over any other Series 2022B/C Subordinate Bond or of any Subordinate Debt over any other Subordinate Debt, as provided in the Indenture; and (ii) the moneys and Permitted Investments in the Subordinate Bond Fund on a parity with the pledge of

Net Revenues that secures other Subordinate Debt, including, without limitation, any other Subordinate Debt that the Authority may issue in the future, without preference, priority or distinction of any Series 2022B/C Subordinate Bond over any other Series 2022B/C Subordinate Bond or of any Subordinate Debt over any other Subordinate Debt, as provided in the Indenture.

Pursuant to the WASA Act (as defined in the Master Indenture), the Authority hereby includes in this Thirtieth Supplemental Indenture the pledge of the District to the Authority and any holders of its bonds that, except as provided in the WASA Act, the District will not limit or alter rights vested in the Authority to fulfill agreements made with holders of the bonds, or in any way impair the rights and remedies of the holders of the bonds until the bonds, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceedings by or on behalf of the holders of the bonds are fully met and discharged.

ARTICLE VII DEFAULTS AND REMEDIES

Section 701. Application of Article IX and Other Remedies Provisions of the Master Indenture.

The Series 2022B/C Subordinate Bonds do not constitute “Bonds” under the Master Indenture. Accordingly, the provisions of Article IX of the Master Indenture that confer certain rights upon the Holders of Bonds or a specified percentage thereof do not apply to the Series 2022B/C Subordinate Bonds or to the Series 2022B/C Subordinate Bondholders. Pursuant to Section 305 of the Master Indenture, the Series 2022B/C Subordinate Bonds, as Subordinate Debt, may not be accelerated if any Senior Debt is outstanding.

Section 702. Rights of Series 2022B/C Subordinate Bondholders Upon Occurrence of Events of Default.

In addition to and in furtherance and implementation of the rights that Series 2022B/C Subordinate Bondholders have under the penultimate paragraph of Section 906 of the Master Indenture, Sections 703 through 711, inclusive, of this Thirtieth Supplemental Indenture shall apply to the Series 2022B/C Subordinate Bonds.

Section 703. Events of Default.

Each of the following events shall be a Series 2022B/C Subordinate Bond Event of Default:

- (i) Default in the due and punctual payment of the principal of or premium, if any, on any Series 2022B/C Subordinate Bond (whether at maturity or call for redemption);
- (ii) Default in the due and punctual payment of the interest on any Series 2022B/C Subordinate Bond;

(iii) Failure of the Authority to make the deposits required by subsection (e) or subsection (f) of Section 604 of the Master Indenture at the time and in the amount required from Net Revenues available for such deposit under the Indenture; or

(iv) Failure of the Trustee to apply moneys in accordance with the penultimate paragraph of Section 906 of the Master Indenture.

Section 704. Remedies of Series 2022B/C Subordinate Bondholders.

Upon the occurrence and continuation of a Series 2022B/C Subordinate Bond Event of Default, the Trustee may, and if requested by the holders of not less than 25% in aggregate principal amount of outstanding Series 2022B/C Subordinate Bonds and if indemnified to its reasonable satisfaction, shall proceed to protect and enforce their rights by mandamus or other suit, action or proceeding at law or in equity, including an action for specific performance.

No remedy conferred by this Indenture upon or reserved to the Trustee and Series 2022B/C Subordinate Bondholders is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee and Series 2022B/C Subordinate Bondholders hereunder or now or hereafter existing at law, in equity or by statute.

No delay or omission to exercise any right or power accruing upon any default or Series 2022B/C Subordinate Bond Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Series 2022B/C Subordinate Bond Event of Default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any default or Series 2022B/C Subordinate Bond Event of Default hereunder by the Trustee or Series 2022B/C Subordinate Bondholders shall extend to or shall affect any subsequent Series 2022B/C Subordinate Bond Event of Default or shall impair any rights or remedies consequent thereon.

Section 705. Right of Series 2022B/C Subordinate Bondholders to Direct Proceedings.

The holders of a majority in aggregate principal amount of Series 2022B/C Subordinate Bonds then outstanding shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Thirtieth Supplemental Indenture or any other proceedings hereunder; provided, however, that such direction shall not be otherwise than in accordance with the provisions of law and of the Indenture.

Section 706. Application of Moneys.

All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the cost and expenses of the proceedings

resulting in the collection of such moneys, the expenses, liabilities and advances incurred or reasonably anticipated to be made by the Trustee, and its fees and the expenses of the Authority in carrying out this Thirtieth Supplemental Indenture, be deposited in the Series 2022B/C Subordinate Bonds Interest Subaccount or the Series 2022B/C Subordinate Bonds Principal Subaccount, as the case may be, and applied as follows and for no other purpose:

- (i) All such moneys shall be applied:

First - To the payment to the persons entitled thereto of all installments of interest then due on the Series 2022B/C Subordinate Bonds, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Series 2022B/C Subordinate Bonds; and

Second - To the payment to the persons entitled thereto of the unpaid principal of and premium, if any, on any of the Series 2022B/C Subordinate Bonds which shall have become due (other than Series 2022B/C Subordinate Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of the Indenture), in the order of their due dates, and, if the amount available shall not be sufficient to pay in full Series 2022B/C Subordinate Bonds due on any particular date, then to the payment of such principal and premium, if any, ratably, according to the amount of such principal due on such date, to the persons entitled thereto, without any discrimination or preference.

(ii) Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times and from time to time as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such moneys, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) on which such application is to be made and on such date interest shall cease to accrue on the amounts of principal to be paid. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date.

Section 707. Remedies Vested in Trustee.

All rights of action (including the right to file proof of claims) under this Thirtieth Supplemental Indenture or under any of the Series 2022B/C Subordinate Bonds may be enforced by the Trustee without the possession of any of the Series 2022B/C Subordinate Bonds or the production thereof in any trial or other proceeding relating thereto and any such suit or proceeding instituted by the Trustee may be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Series 2022B/C Subordinate Bondholders, and any recovery of judgment shall be for the equal benefit of the Series 2022B/C Subordinate Bondholders.

Section 708. Limitation on Suits.

Except to enforce the rights given under Sections 704 and 705 of this Thirtieth Supplemental Indenture, no Series 2022B/C Subordinate Bondholder shall have any right to institute any action, suit or proceeding at law or in equity for the enforcement of the Indenture or for the execution of any trust thereof or any other remedy hereunder, unless: (i) a Series 2022B/C Subordinate Bond Event of Default has occurred and is continuing and the Holders of 25% in aggregate principal amount of Series 2022B/C Subordinate Bonds then outstanding have made written request to the Trustee and offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, (ii) such requesting Series 2022B/C Subordinate Bondholders have offered to the Trustee indemnity as provided in Section 1101(l) of the Master Indenture, (iii) the Trustee has thereafter failed or refused to exercise the powers hereinbefore granted, or to institute such action, suit or proceeding in its own name, (iv) no direction inconsistent with such written request has been given to the Trustee by the holders of a majority in aggregate principal amount of Series 2022B/C Subordinate Bonds then outstanding, and (v) notice of such action, suit or proceeding is given to the Trustee; it being understood and intended that no one or more Series 2022B/C Subordinate Bondholders shall have any right in any manner whatsoever to affect, disturb or prejudice the Indenture by its or their action or to enforce any rights hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted and maintained in the manner herein provided and for the equal benefit of all Series 2022B/C Subordinate Bondholders then outstanding. The notification, request and offer of indemnity set forth above, at the option of the Trustee, shall be conditions precedent to the execution of the powers and trusts of this Thirtieth Supplemental Indenture and to any action or cause of action for the enforcement of this Thirtieth Supplemental Indenture or for any other remedy hereunder.

Section 709. Termination of Proceedings.

In case the Trustee shall have proceeded to enforce any right under this Thirtieth Supplemental Indenture and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee, then and in every such case the Authority and the Trustee shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 710. Waivers of Events of Default.

Subject to the Indenture (including, without limitation, Section 1101 of the Master Indenture), the Trustee may in its discretion waive any Series 2022B/C Subordinate Bond Event of Default hereunder or any action taken pursuant to any Series 2022B/C Subordinate Bond Event of Default, and shall do so at the written request of the holders of: (i) a majority in aggregate principal amount of Series 2022B/C Subordinate Bonds then outstanding in respect of which default in the payment of principal and/or premium, if any, and/or interest exists, or (ii) a majority in aggregate principal amount of Series 2022B/C Subordinate Bonds then outstanding in the case of any other Series 2022B/C Subordinate Bond Event of Default; provided, however, that there shall not be waived without the written consent of all then Outstanding Series 2022B/C Subordinate Bondholders (a) any Series 2022B/C Subordinate Bond Event of Default in the

payment of the principal of any Outstanding Series 2022B/C Subordinate Bonds (whether at maturity or by mandatory redemption), or (b) any default in the payment when due of the interest on any such Series 2022B/C Subordinate Bonds unless, prior to such waiver or rescission,

(1) there shall have been paid or provided for all arrears of interest with interest, to the extent permitted by law, at the rate borne by the Series 2022B/C Subordinate Bonds on overdue installments of interest, all arrears of principal and premium, if any, and all expenses of the Trustee in connection with such default, and

(2) in case of any such waiver or rescission or in the case of any discontinuance, abandonment or adverse determination of any proceeding taken by the Trustee on account of any such default, the Authority, the Trustee, and the Series 2022B/C Subordinate Bondholders shall be restored to their former positions and rights hereunder respectively.

No such waiver or rescission relating to the Series 2022B/C Subordinate Bonds shall extend to any subsequent or other default or impair any right consequent thereon.

Section 711. Non-Impairment of Authority's Obligation to Pay Principal, Premium and Interest.

Nothing in this Thirtieth Supplemental Indenture shall, however, affect or impair the obligation of the Authority to pay the principal of, premium, if any, and interest on each of the Series 2022B/C Subordinate Bonds to the respective Holders thereof at the time and place, from the source and in the manner specified in the Indenture.

**ARTICLE VIII
TAX COVENANTS**

Section 801. Tax Covenants – General.

(i) The Authority covenants that it will use, and will restrict the use and investment of, the proceeds of the Series 2022B/C Subordinate Bonds in such manner and to such extent as may be necessary so that (a) the Series 2022B/C Subordinate Bonds will not constitute private activity bonds, arbitrage bonds or hedge bonds under Sections 141, 148 or 149 of the Code, or be treated other than as bonds to which Section 103(a) of the Code applies, and (b) the interest on the Series 2022B/C Subordinate Bonds will not be treated as an item of tax preference under Section 57 of the Code.

(ii) The Authority further covenants that (a) it will take or cause to be taken such actions that may be required of it for the interest on the Series 2022B/C Subordinate Bonds to be and remain excluded from gross income for federal income tax purposes, (b) it will not take or authorize to be taken any actions that would adversely affect that exclusion, and (c) it, or persons acting for it, will, among other acts of compliance, (1) apply the proceeds of the Series 2022B/C Subordinate Bonds to the governmental purposes of the borrowing, (2) restrict the yield on investment property, (3) make timely and adequate payments to the federal government,

including but not limited to the required payment of any Rebate Amounts under Section 148(f) of the Code, as further provided in Section 702 hereof, (4) maintain books and records and make calculations and reports, and (5) refrain from certain uses of those proceeds and, as applicable, of property financed with such proceeds, all in such manner and to the extent necessary to assure that exclusion of that interest under the Code.

(iii) The Authorized Representative of the Authority is hereby authorized (a) to make or effect any election, selection, designation, choice, consent, approval or waiver on behalf of the Authority with respect to the Series 2022B/C Subordinate Bonds as the Authority is permitted to make or give under the federal income tax laws, including, without limitation, any of the elections provided for or available under Section 148 of the Code, for the purpose of assuring, enhancing or protecting favorable tax treatment or status of the Series 2022B/C Subordinate Bonds or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing the rebate amount or payments of penalties, or making payments of special amounts in lieu of making computations to determine, or paying, excess earnings as rebate, or obviating those amounts or payments, as determined by the Authorized Representative of the Authority, which action shall be in writing and signed by the Authorized Representative of the Authority, (b) to take any and all other actions, make or obtain calculations, make payments, and make or give reports, covenants and certifications of and on behalf of the Authority, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Series 2022B/C Subordinate Bonds, and (c) to give one or more appropriate certificates, for inclusion in the transcript of proceedings for the Series 2022B/C Subordinate Bonds, setting forth the reasonable expectations of the Authority regarding the amount and use of all the proceeds of the Series 2022B/C Subordinate Bonds, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of the interest on and the tax status of the Series 2022B/C Subordinate Bonds.

Section 802. Calculation and Payment of Rebate.

(i) As used in this Section 802:

“Bond Year” means the annual period (or such shorter period from the date of issuance of the Series 2022B/C Subordinate Bonds) provided for the computation of the Rebate Amount for the Series 2022B/C Subordinate Bonds under Section 148(f) of the Code. The last day of a Bond Year shall be the close of business on the day preceding the anniversary of the issuance of the Series 2022B/C Subordinate Bonds unless the Authority selects another date on which to end a Bond Year in the manner permitted by the Code, and notifies the Trustee in writing of such selection.

“Computation Date” means:

(i) (a) the last day of each fifth Bond Year while the Series 2022B/C Subordinate Bonds are outstanding, and (b) the date on which the last Series 2022B/C Subordinate Bonds are retired, or

(ii) such other date or dates elected by the Authority as may be permitted under the Code for computation of the Rebate Amount.

“Rebate Amount” means, as of any Computation Date, the amount then payable (or payable within 60 days of such date) to the United States pursuant to Section 148(f) of the Code and the applicable Treasury Regulations (final or temporary) thereunder.

(ii) Promptly after each Computation Date, the Authority, or an independent public accounting firm or Bond Counsel engaged by or on behalf of the Authority, shall calculate the Rebate Amount, if any, as of that Computation Date.

(iii) Within 60 days after each Computation Date, and at any other time directed by the Authorized Representative of the Authority, the Authority shall pay to the United States in accordance with Section 148(f), from any lawfully available funds, an amount equal to 90% (or such greater percentage not in excess of 100% as the Authorized Representative of the Authority may determine to pay) of the Rebate Amount determined from the Delivery Date to the end of such fifth Bond Year (but less any portion of the Rebate Amount previously paid to the United States pursuant to this Section). Within 60 days after the payment in full of all outstanding Series 2022B/C Subordinate Bonds, the Authorized Representative of the Authority, on behalf of the Authority shall pay to the United States in accordance with Section 148(f), from any lawfully available funds, an amount equal to 100% of the Rebate Amount determined from the Delivery Date to the date of such payment in full of all outstanding Series 2022B/C Subordinate Bonds (but less any portion of the Rebate Amount previously paid to the United States pursuant to this Section 802(iii)).

(iv) The Authority shall keep or provide for the keeping of records of the computations made pursuant to this Section 802, payments made pursuant to this Section and all original source documents pertaining to the investment of gross proceeds and the expenditure of gross proceeds for at least six years after the maturity or retirement of the Series 2022B/C Subordinate Bonds.

(v) The Authority, in connection with investments of the proceeds of the Series 2022B/C Subordinate Bonds in nonpurpose investments, will not pay or agree to pay to a party other than the United States any portion of the Rebate Amount with respect to the Series 2022B/C Subordinate Bonds through a transaction or series of transactions that reduce the aggregate amount earned on all nonpurpose investments in which gross proceeds of the Series 2022B/C Subordinate Bonds are invested or that result in a smaller profit or a larger loss than would have resulted in an arm’s length transaction in which yield on the Series 2022B/C Subordinate Bonds was not relevant to the Authority or the other party.

(vi) If the Authority and the Trustee receive a written opinion of Bond Counsel that such action would not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Series 2022B/C Subordinate Bonds, the Authorized Representative of the Authority may, without the consent of or notice to any bondholders, adopt supplements to this Thirtieth Supplemental Indenture to the extent necessary or desirable to modify, supplement

or replace this Section 802 consistent with the other covenants of the Authority in this Thirtieth Supplemental Indenture.

(vii) If at any time the Authority receives a written opinion of Bond Counsel that failure to comply with this Section 802 or any part of this Section 802 would not adversely affect the exclusion of interest on the Series 2022B/C Subordinate Bonds from gross income for federal income tax purposes, the Authority may discontinue compliance with this Section 802 or part of this Section 802 to the extent set forth in that opinion.

**ARTICLE IX
MISCELLANEOUS**

Section 901. Limitation of Rights.

With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Thirtieth Supplemental Indenture or the Series 2022B/C Subordinate Bonds is intended or shall be construed to give to any person other than the parties hereto and the Series 2022B/C Subordinate Bondholders any legal or equitable right, remedy or claim under or in respect to this Thirtieth Supplemental Indenture or any covenants, conditions and agreements herein contained since this Thirtieth Supplemental Indenture and all of the covenants, conditions and agreements hereof are intended to be and are for the sole and exclusive benefit of the parties hereto and the Series 2022B/C Subordinate Bondholders as herein provided.

Section 902. Severability.

If any provision of this Thirtieth Supplemental Indenture shall be held invalid by any court of competent jurisdiction, such holding shall not invalidate any other provision hereof, and this Thirtieth Supplemental Indenture shall be construed and enforced as if such illegal provision had not been contained herein.

Section 903. Successors and Assigns.

This Thirtieth Supplemental Indenture shall be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

Section 904. Limitations on Liability.

No covenant, agreement or obligation contained herein shall be deemed to be a covenant, agreement or obligation of any present or future member of the Board of Directors of the Authority or officer, employee or agent of the Authority in his or her individual capacity, and neither the members of the Board of Directors of the Authority nor any officer of the Authority executing the Series 2022B/C Subordinate Bonds shall be liable personally on the Series 2022B/C Subordinate Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. No member of the Board of Directors of the Authority or officer, employee, agent or advisor of the Authority shall incur any personal liability with respect to any other action taken by him or her pursuant to this Thirtieth Supplemental Indenture or the Indenture or any other document authorized by the Indenture, provided such member, officer, employee, agent or advisor acts in good faith.

Section 905. Applicable Law.

This Thirtieth Supplemental Indenture shall be governed by the applicable laws of the District of Columbia.

Section 906. Counterparts.

This Thirtieth Supplemental Indenture may be executed in several counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same instrument.

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IN WITNESS WHEREOF, the Authority and the Trustee have caused this Thirtieth Supplemental Indenture to be executed in their respective corporate names as of the date first above written.

**DISTRICT OF COLUMBIA WATER
AND SEWER AUTHORITY**

By _____
Chief Financial Officer and Executive Vice
President, Finance and Procurement

**COMPUTERSHARE TRUST COMPANY,
N.A., AS TRUSTEE**

By _____

Its _____

S-1

EXHIBIT A-1

SERIES 2022B SUBORDINATE BOND FORM

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the Authority or its agent for registration of transfer, exchange, or payment, and any certificate is 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 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.

REGISTERED NO.
RB-1

REGISTERED
\$ _____

UNITED STATES OF AMERICA

DISTRICT OF COLUMBIA

WATER AND SEWER AUTHORITY

**PUBLIC UTILITY SUBORDINATE LIEN REVENUE BOND
SERIES 2022B
(Green Bonds)**

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP
_____ %	October 1, [_____] [_____, 2022]		254845[____]

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

The District of Columbia Water and Sewer Authority (the “Authority”), for value received, hereby promises to pay upon surrender hereof at the designated corporate trust office of Computershare Trust Company, N.A., as trustee, or its successor in trust (the “Trustee”), under the Indenture, as hereinafter defined, solely from the sources and as hereinafter provided, to the registered owner hereof, or registered assigns or legal representative, the principal sum stated above on the maturity date stated above, subject to prior redemption as hereinafter provided, and to pay, solely from such sources, interest hereon semiannually on each April 1 and October 1, beginning _____, at the annual rate stated above, calculated on the basis of a 360-day year of twelve 30-day months. Interest is payable from the date of this Series 2022B Subordinate Bond (unless payment of interest hereon is in default, in which case this Series 2022B Subordinate Bond shall bear interest from the date to which interest has been paid). Interest is payable by check or draft mailed to the registered owner hereof at its address as it

appears on the fifteenth day of the month preceding each interest payment date on registration books kept by the Trustee; provided, however, that if the Series 2022B Subordinate Bonds, as hereinafter defined, are registered in the name of a securities depository or its nominee as registered owner or at the option of a registered owner of at least \$1,000,000 of Series 2022B Subordinate Bonds, payment will be made by wire transfer to an account within the United States pursuant to the most recent wire instructions received by the Trustee from such registered owner. Principal, premium, if any, and interest are payable in lawful money of the United States of America. Capitalized terms which are not defined herein shall have the meanings set forth in the Indenture.

Notwithstanding any other provision hereof, this Series 2022B Subordinate Bond is subject to book-entry form maintained by The Depository Trust Company (“DTC”), and the payment of principal, premium, if any, and interest, the providing of notices and other matters shall be made as described in the Authority’s Blanket Letter of Representations to DTC.

This Series 2022B Subordinate Bond is one of an issue of \$ _____ Public Utility Subordinate Lien Revenue Bonds, Series 2022B (Green Bonds) (the “Series 2022B Subordinate Bonds”), of like date and tenor, except as to number, denomination, rate of interest, privilege of redemption and maturity. The Series 2022B Subordinate Bonds are being issued on the same day as the Authority’s \$ _____ Public Utility Subordinate Lien Revenue Bonds, Series 2022C-1 and \$ _____ Public Utility Subordinate Lien Revenue Bonds, Series 2022C-2 (the “Series 2022C Subordinate Bonds” and, together with the Series 2022B Subordinate Bonds, the “Series 2022B/C Subordinate Bonds”). The Series 2022B Subordinate Bonds are issued under a Master Indenture of Trust, dated as of April 1, 1998, between the Authority and the Trustee (f.k.a. Norwest Bank, N.A.) (the “Master Indenture”), as amended and supplemented by the Thirtieth Supplemental Indenture of Trust, dated as of [_____, 2022], between the Authority and the Trustee (the “Thirtieth Supplemental Indenture”), and as previously amended and supplemented by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture, the Eighth Supplemental Indenture, the Ninth Supplemental Indenture, the Tenth Supplemental Indenture, the Eleventh Supplemental Indenture, the Twelfth Supplemental Indenture, the Thirteenth Supplemental Indenture, the Fourteenth Supplemental Indenture, the Fifteenth Supplemental Indenture, the Sixteenth Supplemental Indenture, the Seventeenth Supplemental Indenture, the Eighteenth Supplemental Indenture, the Nineteenth Supplemental Indenture, the Twentieth Supplemental Indenture, the Twenty-First Supplemental Indenture, the Twenty-Second Supplemental Indenture, the Twenty-Third Supplemental Indenture, the Twenty-Fourth Supplemental Indenture, the Twenty-Fifth Supplemental Indenture, the Twenty-Sixth Supplemental Indenture, the Twenty-Seventh Supplemental Indenture, the Twenty-Eighth Supplemental Indenture and the Twenty-Ninth Supplemental, all as defined in the Thirtieth Supplemental Indenture (the “Indenture”). The Series 2022B Subordinate Bonds are secured under the Indenture as Subordinate Debt by a pledge of Net Revenues subordinate to the pledge that secures Senior Debt and on a parity to the pledge that secures other Subordinate Debt. Reference is hereby made to the Indenture for a description of the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Authority and the Trustee, the rights of the holders of the Series 2022B Subordinate Bonds and the terms upon which the Series 2022B Subordinate Bonds are issued and secured.

The Series 2022B Subordinate Bonds and the premium, if any, and the interest thereon are limited obligations of the Authority payable from Net Revenues of the System, subject to the prior payment therefrom of the principal of and interest due and payable on all Senior Debt heretofore and hereafter issued or incurred by the Authority, and from certain other funds and accounts pledged thereto by, and on the terms set forth in, the Indenture. The Series 2022B Subordinate Bonds shall be without recourse to the District of Columbia (the "District"). The Series 2022B Subordinate Bonds shall not be general obligations of the District, shall not be a pledge of or involve the faith and credit or the taxing power of the District, shall not constitute a debt of the District, and shall not constitute lending of the public credit for private undertakings.

The Series 2022B Subordinate Bonds maturing on or after _____, are subject to redemption prior to maturity at the option of the Authority on or after _____, from any source, in whole or in part on any date, in such order of maturities as shall be determined by the Authority (and by lot within a maturity), at a redemption price of 100% of the principal amount thereof, together with accrued interest, if any, to the redemption date.

The Term Series 2022B Subordinate Bonds maturing on _____, and bearing interest at rates of ____%, are required to be redeemed prior to maturity on October 1 in years and amounts upon payment of 100% of the principal amount thereof plus interest accrued to the redemption date, as follows:

Year	Amount
------	--------

↑ Final Maturity

If fewer than all of the Series 2022B Subordinate Bonds are called for redemption, they shall be called in such order of maturity as the Authority may determine and direct the Trustee in writing. If less than all of the Series 2022B Subordinate Bonds of any maturity date are called for redemption, the Series 2022B Subordinate Bonds to be redeemed shall be selected by DTC pursuant to its rules and procedures or, if the book-entry system is discontinued, shall be selected by the Trustee by lot in such manner as the Trustee in its discretion may determine. The portion of any Series 2022B Subordinate Bond to be redeemed shall be in the principal amount of \$5,000 or some integral multiple thereof. In selecting Series 2022B Subordinate Bonds for redemption, each Series 2022B Subordinate Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Series 2022B Subordinate Bond by \$5,000. If a portion of a Series 2022B Subordinate Bond shall be called for redemption, a new Series 2022B Subordinate Bond in principal amount equal to the unredeemed portion thereof shall be issued to the registered owner upon the surrender thereof.

If any of the Series 2022B Subordinate Bonds or portions thereof are called for redemption, the Trustee shall send notice of the call for redemption, identifying the Series 2022B Subordinate Bonds or portions thereof to be redeemed, not fewer than 30 nor more than 60 days prior to the redemption date, by facsimile, registered or certified mail or overnight express delivery, to the registered owner of each such Series 2022B Subordinate Bond. Provided funds

for their redemption are on deposit at the place of payment on the redemption date, all Series 2022B Subordinate Bonds or portions thereof so called for redemption shall cease to bear interest on such date, shall no longer be secured by the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture. If a portion of the Series 2022B Subordinate Bonds shall be called for redemption, a new Series 2022B Subordinate Bond in principal amount equal to the unredeemed portion hereof will be issued to DTC or its nominee upon the surrender hereof, or if the book-entry system is discontinued, to the registered owners of the Series 2022B Subordinate Bonds.

The registered owner of this Series 2022B Subordinate Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein or to take any action with respect to any Event of Default or Series 2022B/C Subordinate Bond Event of Default under the Indenture or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture. Specifically, and without limiting the generality of the foregoing, the Series 2022B Subordinate Bonds, as Subordinate Debt, may not be accelerated if any Senior Debt is outstanding. Modifications or alterations of the Indenture, or of any supplement thereto, may be made only to the extent and in the circumstances permitted by the Indenture.

No covenant, agreement or obligation contained herein shall be deemed to be a covenant, agreement or obligation of any present or future member of the Board of Directors of the Authority or officer, employee or agent of the Authority in his or her individual capacity, and neither the members of the Board of Directors of the Authority nor any officer of the Authority executing the Series 2022B Subordinate Bonds shall be liable personally on the Series 2022B Subordinate Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. No member of the Board of Directors of the Authority or officer, employee, agent or advisor of the Authority shall incur any personal liability with respect to any other action taken by him or her pursuant to this Series 2022B Subordinate Bond, the Thirtieth Supplemental Indenture or the Indenture or any other document authorized by the Indenture, provided such member, officer, employee, agent or advisor acts in good faith.

The Series 2022B Subordinate Bonds are issuable as registered bonds in denominations of \$5,000 and integral multiples thereof. Upon surrender for transfer or exchange of this Series 2022B Subordinate Bond at the principal corporate trust office of the Trustee, together with an assignment duly executed by the registered owner or its duly authorized attorney or legal representative in such form as shall be satisfactory to the Trustee, the Authority shall execute, and the Trustee shall authenticate and deliver in exchange, a new Series 2022B Subordinate Bond or Series 2022B Subordinate Bonds in the manner and subject to the limitations and conditions provided in the Indenture, having an equal aggregate principal amount, in authorized denominations, of the same series, form and maturity, bearing interest at the same rate and registered in the name or names as requested by the then registered owner hereof or its duly authorized attorney or legal representative. Any such exchange shall be at the expense of the Authority, except that the Trustee may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

The Trustee shall treat the registered owner as the person exclusively entitled to payment of principal, premium, if any, and interest and the exercise of all other rights and powers of the

owner, except that interest payments shall be made to the person shown as owner on the fifteenth day of the month preceding each interest payment date.

All acts, conditions and things required to happen, exist or be performed precedent to and in the issuance of this Series 2022B Subordinate Bond have happened, exist and have been performed.

This Series 2022B Subordinate Bond shall not become obligatory for any purpose or be entitled to any security or benefit under the Indenture or be valid until the Trustee shall have executed the Certificate of Authentication appearing hereon and inserted the date of authentication hereon.

A-1-6

IN WITNESS WHEREOF, the DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY has caused this Series 2022B Subordinate Bond to be executed by the manual or facsimile signatures of the Chairman of the Board of Directors, its seal to be affixed hereto or a facsimile to be printed hereon and attested by the manual or facsimile signature of the Secretary to the Authority, and this Series 2022B Subordinate Bond to be dated [_____, 2022].

ATTEST:

Secretary to the Authority

Chairman

[SEAL]

A-1-7

CERTIFICATE OF AUTHENTICATION

Date Authenticated: _____

This Series 2022B Subordinate Bond is one of the Series 2022B Subordinate Bonds described in the within mentioned Indenture.

Computershare Trust Company, N.A.,
Trustee

By _____
Authorized Officer or Employee

A-1-8

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto

(please print or typewrite name and address, including zip code, of Transferee)

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF TRANSFEREE

: :
: :
: :

the within Series 2022B Subordinate Bond and all rights thereunder, hereby irrevocably
constituting and appointing

_____, Attorney, to transfer said Series
2022B Subordinate Bond on the books kept for the registration thereof, with full power of
substitution in the premises.

Dated: _____

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed
by an Eligible Guarantor Institution such
as a Commercial Institution such as a
Commercial Bank, Trust Company,
Securities Broker/Dealer, Credit Union, or
Savings Association who is a member of a
medallion program approved by The
Securities Transfer Association, Inc.

NOTICE: The signature above must
correspond with the name of the registered
owner as it appears on the front of this Series
2022B Subordinate Bond in every particular,
without alteration or enlargement or any
change whatsoever.

EXHIBIT A-2

SERIES 2022C-1 SUBORDINATE BOND FORM

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the Authority or its agent for registration of transfer, exchange, or payment, and any certificate is 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 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.

REGISTERED NO.
RC1-1

REGISTERED
\$ _____

UNITED STATES OF AMERICA

DISTRICT OF COLUMBIA

WATER AND SEWER AUTHORITY

**PUBLIC UTILITY SUBORDINATE LIEN REVENUE BOND
SERIES 2022C-1**

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP
_____%	October 1, [____]	[_____, 2022]	
254845[____]			

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ THOUSAND DOLLARS

The District of Columbia Water and Sewer Authority (the “Authority”), for value received, hereby promises to pay upon surrender hereof at the designated corporate trust office of Computershare Trust Company, N.A., as trustee, or its successor in trust (the “Trustee”), under the Indenture, as hereinafter defined, solely from the sources and as hereinafter provided, to the registered owner hereof, or registered assigns or legal representative, the principal sum stated above on the maturity date stated above, subject to prior redemption as hereinafter provided, and to pay, solely from such sources, interest hereon semiannually on each April 1 and October 1, beginning _____, at the annual rate stated above, calculated on the basis of a 360-day year of twelve 30-day months. Interest is payable from the date of this Series 2022C-1 Subordinate Bond (unless payment of interest hereon is in default, in which case this Series 2022C-1 Subordinate Bond shall bear interest from the date to which interest has been paid). Interest is payable by check or draft mailed to the registered owner hereof at its address as it

appears on the fifteenth day of the month preceding each interest payment date on registration books kept by the Trustee; provided, however, that if the Series 2022C-1 Subordinate Bonds, as hereinafter defined, are registered in the name of a securities depository or its nominee as registered owner or at the option of a registered owner of at least \$1,000,000 of Series 2022C-1 Subordinate Bonds, payment will be made by wire transfer to an account within the United States pursuant to the most recent wire instructions received by the Trustee from such registered owner. Principal, premium, if any, and interest are payable in lawful money of the United States of America. Capitalized terms which are not defined herein shall have the meanings set forth in the Indenture.

Notwithstanding any other provision hereof, this Series 2022C-1 Subordinate Bond is subject to book-entry form maintained by The Depository Trust Company (“DTC”), and the payment of principal, premium, if any, and interest, the providing of notices and other matters shall be made as described in the Authority’s Blanket Letter of Representations to DTC.

This Series 2022C-1 Subordinate Bond is one of an issue of \$_____ Public Utility Subordinate Lien Revenue Bonds, Series 2022C (the “Series 2022C-1 Subordinate Bonds”), of like date and tenor, except as to number, denomination, rate of interest, privilege of redemption and maturity. The Series 2022C-1 Subordinate Bonds are being issued on the same day as the Authority’s \$_____ Public Utility Subordinate Lien Revenue Bonds, Series 2022B (Green Bonds) (the “Series 2022B Subordinate Bonds”) and \$_____ Public Utility Subordinate Lien Revenue Bonds, Series 2022C-2 (the “Series 2022C-2 Subordinate Bonds”, and together with the Series 2022C-1 Subordinate Bonds and the Series 2022B Subordinate Bonds, the “Series 2022B/C Subordinate Bonds”). The Series 2022C-1 Subordinate Bonds are issued under a Master Indenture of Trust, dated as of April 1, 1998, between the Authority and the Trustee (f.k.a. Norwest Bank, N.A.) (the “Master Indenture”), as amended and supplemented by the Thirtieth Supplemental Indenture of Trust, dated as of _____, between the Authority and the Trustee (the “Thirtieth Supplemental Indenture”), and as previously amended and supplemented by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture, the Eighth Supplemental Indenture, the Ninth Supplemental Indenture, the Tenth Supplemental Indenture, the Eleventh Supplemental Indenture, the Twelfth Supplemental Indenture, the Thirteenth Supplemental Indenture, the Fourteenth Supplemental Indenture, the Fifteenth Supplemental Indenture, the Sixteenth Supplemental Indenture, the Seventeenth Supplemental Indenture, the Eighteenth Supplemental Indenture, the Nineteenth Supplemental Indenture, the Twentieth Supplemental Indenture, the Twenty-First Supplemental Indenture, the Twenty-Second Supplemental Indenture, the Twenty-Third Supplemental Indenture, the Twenty-Fourth Supplemental Indenture, the Twenty-Fifth Supplemental Indenture, the Twenty-Sixth Supplemental Indenture, the Twenty-Seventh Supplemental Indenture, the Twenty-Eighth Supplemental Indenture and the Twenty-Ninth Supplemental Indenture, all as defined in the Thirtieth Supplemental Indenture (the “Indenture”). The Series 2022C-1 Subordinate Bonds are secured under the Indenture as Subordinate Debt by a pledge of Net Revenues subordinate to the pledge that secures Senior Debt and on a parity to the pledge that secures other Subordinate Debt. Reference is hereby made to the Indenture for a description of the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of

the Authority and the Trustee, the rights of the holders of the Series 2022C-1 Subordinate Bonds and the terms upon which the Series 2022C-1 Subordinate Bonds are issued and secured.

The Series 2022C-1 Subordinate Bonds and the premium, if any, and the interest thereon are limited obligations of the Authority payable from Net Revenues of the System, subject to the prior payment therefrom of the principal of and interest due and payable on all Senior Debt heretofore and hereafter issued or incurred by the Authority, and from certain other funds and accounts pledged thereto by, and on the terms set forth in, the Indenture. The Series 2022C-1 Subordinate Bonds shall be without recourse to the District of Columbia (the "District"). The Series 2022C-1 Subordinate Bonds shall not be general obligations of the District, shall not be a pledge of or involve the faith and credit or the taxing power of the District, shall not constitute a debt of the District, and shall not constitute lending of the public credit for private undertakings.

The Series 2022C-1 Subordinate Bonds maturing on or after _____, are subject to redemption prior to maturity at the option of the Authority on and after _____, from any source, in whole or in part on any date, in such order of maturities as shall be determined by the Authority (and by lot within a maturity), at a redemption price of 100% of the principal amount thereof, together with accrued interest, if any, to the redemption date.

The Term Series 2022C-1 Subordinate Bonds maturing on _____ and _____, and bearing interest at the rates of ____%, respectively, are required to be redeemed prior to maturity on October 1 in years and amounts upon payment of 100% of the principal amount thereof plus interest accrued to the redemption date, as follows:

The Term Series 2022C-1 Subordinate Bonds maturing _____, and bearing interest at a rate of ____%, are subject to mandatory sinking fund redemption on each October 1 as set forth below:

_____ Year	_____ Amount
---------------	-----------------

† Final Maturity

The Term Series 2022C-1 Subordinate Bonds maturing _____, and bearing interest at a rate of ____%, are subject to mandatory sinking fund redemption on each October 1 as set forth below:

_____ Year	_____ Amount
---------------	-----------------

⁹ Final Maturity

If fewer than all of the Series 2022C-1 Subordinate Bonds are called for redemption, they shall be called in such order of maturity as the Authority may determine and direct the Trustee in writing. If less than all of the Series 2022C-1 Subordinate Bonds of any maturity date are called for redemption, the Series 2022C-1 Subordinate Bonds to be redeemed shall be selected by DTC pursuant to its rules and procedures or, if the book-entry system is discontinued, shall be selected by the Trustee by lot in such manner as the Trustee in its discretion may determine. The portion of any Series 2022C-1 Subordinate Bond to be redeemed shall be in the principal amount of \$5,000 or some integral multiple thereof. In selecting Series 2022C-1 Subordinate Bonds for redemption, each Series 2022C-1 Subordinate Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Series 2022C-1 Subordinate Bond by \$5,000. If a portion of a Series 2022C-1 Subordinate Bond shall be called for redemption, a new Series 2022C-1 Subordinate Bond in principal amount equal to the unredeemed portion thereof shall be issued to the registered owner upon the surrender thereof.

If any of the Series 2022C-1 Subordinate Bonds or portions thereof are called for redemption, the Trustee shall send notice of the call for redemption, identifying the Series 2022C-1 Subordinate Bonds or portions thereof to be redeemed, not fewer than 30 nor more than 60 days prior to the redemption date, by facsimile, registered or certified mail or overnight express delivery, to the registered owner of each such Series 2022C-1 Subordinate Bond. Provided funds for their redemption are on deposit at the place of payment on the redemption date, all Series 2022C-1 Subordinate Bonds or portions thereof so called for redemption shall cease to bear interest on such date, shall no longer be secured by the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture. If a portion of the Series 2022C-1 Subordinate Bonds shall be called for redemption, a new Series 2022C-1 Subordinate Bond in principal amount equal to the unredeemed portion hereof will be issued to DTC or its nominee upon the surrender hereof, or if the book-entry system is discontinued, to the registered owners of the Series 2022C-1 Subordinate Bonds.

The registered owner of this Series 2022C-1 Subordinate Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein or to take any action with respect to any Event of Default or Series 2022B/C Subordinate Bond Event of Default under the Indenture or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture. Specifically, and without limiting the generality of the foregoing, the Series 2022C-1 Subordinate Bonds, as Subordinate Debt, may not be accelerated if any Senior Debt is outstanding. Modifications or alterations of the Indenture, or of any supplement thereto, may be made only to the extent and in the circumstances permitted by the Indenture.

No covenant, agreement or obligation contained herein shall be deemed to be a covenant, agreement or obligation of any present or future member of the Board of Directors of the Authority or officer, employee or agent of the Authority in his or her individual capacity, and neither the members of the Board of Directors of the Authority nor any officer of the Authority executing the Series 2022C-1 Subordinate Bonds shall be liable personally on the Series 2022C-

1 Subordinate Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. No member of the Board of Directors of the Authority or officer, employee, agent or advisor of the Authority shall incur any personal liability with respect to any other action taken by him or her pursuant to this Series 2022C-1 Subordinate Bond, the Thirtieth Supplemental Indenture or the Indenture or any other document authorized by the Indenture, provided such member, officer, employee, agent or advisor acts in good faith.

The Series 2022C-1 Subordinate Bonds are issuable as registered bonds in denominations of \$5,000 and integral multiples thereof. Upon surrender for transfer or exchange of this Series 2022C-1 Subordinate Bond at the principal corporate trust office of the Trustee, together with an assignment duly executed by the registered owner or its duly authorized attorney or legal representative in such form as shall be satisfactory to the Trustee, the Authority shall execute, and the Trustee shall authenticate and deliver in exchange, a new Series 2022C-1 Subordinate Bond or Series 2022C-1 Subordinate Bonds in the manner and subject to the limitations and conditions provided in the Indenture, having an equal aggregate principal amount, in authorized denominations, of the same series, form and maturity, bearing interest at the same rate and registered in the name or names as requested by the then registered owner hereof or its duly authorized attorney or legal representative. Any such exchange shall be at the expense of the Authority, except that the Trustee may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

The Trustee shall treat the registered owner as the person exclusively entitled to payment of principal, premium, if any, and interest and the exercise of all other rights and powers of the owner, except that interest payments shall be made to the person shown as owner on the fifteenth day of the month preceding each interest payment date.

All acts, conditions and things required to happen, exist or be performed precedent to and in the issuance of this Series 2022C-1 Subordinate Bond have happened, exist and have been performed.

This Series 2022C-1 Subordinate Bond shall not become obligatory for any purpose or be entitled to any security or benefit under the Indenture or be valid until the Trustee shall have executed the Certificate of Authentication appearing hereon and inserted the date of authentication hereon.

IN WITNESS WHEREOF, the DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY has caused this Series 2022C-1 Subordinate Bond to be executed by the manual or facsimile signatures of the Chairman of the Board of Directors, its seal to be affixed hereto or a facsimile to be printed hereon and attested by the manual or facsimile signature of the Secretary to the Authority, and this Series 2022C-1 Subordinate Bond to be dated [_____, 2022].

ATTEST:

Secretary to the Authority

Chairman

[SEAL]

A-2-6

CERTIFICATE OF AUTHENTICATION

Date Authenticated: _____

This Series 2022C-1 Subordinate Bond is one of the Series 2022C-1 Subordinate Bonds described in the within mentioned Indenture.

Computershare Trust Company, N.A.,
Trustee

By _____
Authorized Officer or Employee

A-2-7

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto

(please print or typewrite name and address, including zip code, of Transferee)

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF TRANSFEREE

: :
: :
: :

the within Series 2022C-1 Subordinate Bond and all rights thereunder, hereby irrevocably
constituting and appointing

_____, Attorney, to transfer said Series
2022C-1 Subordinate Bond on the books kept for the registration thereof, with full power of
substitution in the premises.

Dated: _____

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed
by an Eligible Guarantor Institution such
as a Commercial Institution such as a
Commercial Bank, Trust Company,
Securities Broker/Dealer, Credit Union, or
Savings Association who is a member of a
medallion program approved by The
Securities Transfer Association, Inc.

NOTICE: The signature above must
correspond with the name of the registered
owner as it appears on the front of this Series
2022C-1 Subordinate Bond in every
particular, without alteration or enlargement
or any change whatsoever.

EXHIBIT A-3

SERIES 2022C-2 SUBORDINATE BOND FORM

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the Authority or its agent for registration of transfer, exchange, or payment, and any certificate is 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 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.

REGISTERED NO.
RC-1

REGISTERED
\$ _____

UNITED STATES OF AMERICA

DISTRICT OF COLUMBIA

WATER AND SEWER AUTHORITY

**PUBLIC UTILITY SUBORDINATE LIEN REVENUE BOND
SERIES 2022C-2**

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP
_____% 254845[]	October 1, []	[], 2022]	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ THOUSAND DOLLARS

The District of Columbia Water and Sewer Authority (the “Authority”), for value received, hereby promises to pay upon surrender hereof at the designated corporate trust office of Computershare Trust Company, N.A., as trustee, or its successor in trust (the “Trustee”), under the Indenture, as hereinafter defined, solely from the sources and as hereinafter provided, to the registered owner hereof, or registered assigns or legal representative, the principal sum stated above on the maturity date stated above, subject to prior redemption as hereinafter provided, and to pay, solely from such sources, interest hereon semiannually on each April 1 and October 1, beginning _____, at the annual rate stated above, calculated on the basis of a 360-day year of twelve 30-day months. Interest is payable from the date of this Series 2022C-2 Subordinate Bond (unless payment of interest hereon is in default, in which case this Series 2022C-2 Subordinate Bond shall bear interest from the date to which interest has been paid). Interest is payable by check or draft mailed to the registered owner hereof at its address as it

appears on the fifteenth day of the month preceding each interest payment date on registration books kept by the Trustee; provided, however, that if the Series 2022C-2 Subordinate Bonds, as hereinafter defined, are registered in the name of a securities depository or its nominee as registered owner or at the option of a registered owner of at least \$1,000,000 of Series 2022C-2 Subordinate Bonds, payment will be made by wire transfer to an account within the United States pursuant to the most recent wire instructions received by the Trustee from such registered owner. Principal, premium, if any, and interest are payable in lawful money of the United States of America. Capitalized terms which are not defined herein shall have the meanings set forth in the Indenture.

Notwithstanding any other provision hereof, this Series 2022C-2 Subordinate Bond is subject to book-entry form maintained by The Depository Trust Company (“DTC”), and the payment of principal, premium, if any, and interest, the providing of notices and other matters shall be made as described in the Authority’s Blanket Letter of Representations to DTC.

This Series 2022C-2 Subordinate Bond is one of an issue of \$_____ Public Utility Subordinate Lien Revenue Bonds, Series 2022C (the “Series 2022C-2 Subordinate Bonds”), of like date and tenor, except as to number, denomination, rate of interest, privilege of redemption and maturity. The Series 2022C-2 Subordinate Bonds are being issued on the same day as the Authority’s \$_____ Public Utility Subordinate Lien Revenue Bonds, Series 2022B (Green Bonds) (the “Series 2022B Subordinate Bonds”) and \$_____ Public Utility Subordinate Lien Revenue Bonds, Series 2022C-2 (the “Series 2022C-2 Subordinate Bonds”, and together with the Series 2022C-1 Subordinate Bonds and the Series 2022B Subordinate Bonds, the “Series 2022B/C Subordinate Bonds”). The Series 2022C-2 Subordinate Bonds are issued under a Master Indenture of Trust, dated as of April 1, 1998, between the Authority and the Trustee (f.k.a. Norwest Bank, N.A.) (the “Master Indenture”), as amended and supplemented by the Thirtieth Supplemental Indenture of Trust, dated as of _____, between the Authority and the Trustee (the “Thirtieth Supplemental Indenture”), and as previously amended and supplemented by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture, the Eighth Supplemental Indenture, the Ninth Supplemental Indenture, the Tenth Supplemental Indenture, the Eleventh Supplemental Indenture, the Twelfth Supplemental Indenture, the Thirteenth Supplemental Indenture, the Fourteenth Supplemental Indenture, the Fifteenth Supplemental Indenture, the Sixteenth Supplemental Indenture, the Seventeenth Supplemental Indenture, the Eighteenth Supplemental Indenture, the Nineteenth Supplemental Indenture, the Twentieth Supplemental Indenture, the Twenty-First Supplemental Indenture, the Twenty-Second Supplemental Indenture, the Twenty-Third Supplemental Indenture, the Twenty-Fourth Supplemental Indenture, the Twenty-Fifth Supplemental Indenture, the Twenty-Sixth Supplemental Indenture, the Twenty-Seventh Supplemental Indenture, the Twenty-Eighth Supplemental Indenture and the Twenty-Ninth Supplemental Indenture, all as defined in the Thirtieth Supplemental Indenture (the “Indenture”). The Series 2022C-2 Subordinate Bonds are secured under the Indenture as Subordinate Debt by a pledge of Net Revenues subordinate to the pledge that secures Senior Debt and on a parity to the pledge that secures other Subordinate Debt. Reference is hereby made to the Indenture for a description of the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of

the Authority and the Trustee, the rights of the holders of the Series 2022C-2 Subordinate Bonds and the terms upon which the Series 2022C-2 Subordinate Bonds are issued and secured.

The Series 2022C-2 Subordinate Bonds and the premium, if any, and the interest thereon are limited obligations of the Authority payable from Net Revenues of the System, subject to the prior payment therefrom of the principal of and interest due and payable on all Senior Debt heretofore and hereafter issued or incurred by the Authority, and from certain other funds and accounts pledged thereto by, and on the terms set forth in, the Indenture. The Series 2022C-2 Subordinate Bonds shall be without recourse to the District of Columbia (the "District"). The Series 2022C-2 Subordinate Bonds shall not be general obligations of the District, shall not be a pledge of or involve the faith and credit or the taxing power of the District, shall not constitute a debt of the District, and shall not constitute lending of the public credit for private undertakings.

The Series 2022C-2 Subordinate Bonds maturing on or after _____, are subject to redemption prior to maturity at the option of the Authority on and after _____, from any source, in whole or in part on any date, in such order of maturities as shall be determined by the Authority (and by lot within a maturity), at a redemption price of 100% of the principal amount thereof, together with accrued interest, if any, to the redemption date.

The Term Series 2022C-2 Subordinate Bonds maturing on _____ and _____, and bearing interest at the rates of ____%, respectively, are required to be redeemed prior to maturity on October 1 in years and amounts upon payment of 100% of the principal amount thereof plus interest accrued to the redemption date, as follows:

The Term Series 2022C-2 Subordinate Bonds maturing _____, and bearing interest at a rate of ____%, are subject to mandatory sinking fund redemption on each October 1 as set forth below:

_____ Year	_____ Amount
---------------	-----------------

† Final Maturity

The Term Series 2022C-2 Subordinate Bonds maturing _____, and bearing interest at a rate of ____%, are subject to mandatory sinking fund redemption on each October 1 as set forth below:

_____ Year	_____ Amount
---------------	-----------------

⁹ Final Maturity

If fewer than all of the Series 2022C-2 Subordinate Bonds are called for redemption, they shall be called in such order of maturity as the Authority may determine and direct the Trustee in writing. If less than all of the Series 2022C-2 Subordinate Bonds of any maturity date are called for redemption, the Series 2022C-2 Subordinate Bonds to be redeemed shall be selected by DTC pursuant to its rules and procedures or, if the book-entry system is discontinued, shall be selected by the Trustee by lot in such manner as the Trustee in its discretion may determine. The portion of any Series 2022C-2 Subordinate Bond to be redeemed shall be in the principal amount of \$5,000 or some integral multiple thereof. In selecting Series 2022C-2 Subordinate Bonds for redemption, each Series 2022C-2 Subordinate Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Series 2022C-2 Subordinate Bond by \$5,000. If a portion of a Series 2022C-2 Subordinate Bond shall be called for redemption, a new Series 2022C-2 Subordinate Bond in principal amount equal to the unredeemed portion thereof shall be issued to the registered owner upon the surrender thereof.

If any of the Series 2022C-2 Subordinate Bonds or portions thereof are called for redemption, the Trustee shall send notice of the call for redemption, identifying the Series 2022C-2 Subordinate Bonds or portions thereof to be redeemed, not fewer than 30 nor more than 60 days prior to the redemption date, by facsimile, registered or certified mail or overnight express delivery, to the registered owner of each such Series 2022C-2 Subordinate Bond. Provided funds for their redemption are on deposit at the place of payment on the redemption date, all Series 2022C-2 Subordinate Bonds or portions thereof so called for redemption shall cease to bear interest on such date, shall no longer be secured by the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture. If a portion of the Series 2022C-2 Subordinate Bonds shall be called for redemption, a new Series 2022C-2 Subordinate Bond in principal amount equal to the unredeemed portion hereof will be issued to DTC or its nominee upon the surrender hereof, or if the book-entry system is discontinued, to the registered owners of the Series 2022C-2 Subordinate Bonds.

The registered owner of this Series 2022C-2 Subordinate Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein or to take any action with respect to any Event of Default or Series 2022B/C Subordinate Bond Event of Default under the Indenture or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture. Specifically, and without limiting the generality of the foregoing, the Series 2022C-2 Subordinate Bonds, as Subordinate Debt, may not be accelerated if any Senior Debt is outstanding. Modifications or alterations of the Indenture, or of any supplement thereto, may be made only to the extent and in the circumstances permitted by the Indenture.

No covenant, agreement or obligation contained herein shall be deemed to be a covenant, agreement or obligation of any present or future member of the Board of Directors of the Authority or officer, employee or agent of the Authority in his or her individual capacity, and neither the members of the Board of Directors of the Authority nor any officer of the Authority executing the Series 2022C-2 Subordinate Bonds shall be liable personally on the Series 2022C-

2 Subordinate Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. No member of the Board of Directors of the Authority or officer, employee, agent or advisor of the Authority shall incur any personal liability with respect to any other action taken by him or her pursuant to this Series 2022C-2 Subordinate Bond, the Thirtieth Supplemental Indenture or the Indenture or any other document authorized by the Indenture, provided such member, officer, employee, agent or advisor acts in good faith.

The Series 2022C-2 Subordinate Bonds are issuable as registered bonds in denominations of \$5,000 and integral multiples thereof. Upon surrender for transfer or exchange of this Series 2022C-2 Subordinate Bond at the principal corporate trust office of the Trustee, together with an assignment duly executed by the registered owner or its duly authorized attorney or legal representative in such form as shall be satisfactory to the Trustee, the Authority shall execute, and the Trustee shall authenticate and deliver in exchange, a new Series 2022C-2 Subordinate Bond or Series 2022C-2 Subordinate Bonds in the manner and subject to the limitations and conditions provided in the Indenture, having an equal aggregate principal amount, in authorized denominations, of the same series, form and maturity, bearing interest at the same rate and registered in the name or names as requested by the then registered owner hereof or its duly authorized attorney or legal representative. Any such exchange shall be at the expense of the Authority, except that the Trustee may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

The Trustee shall treat the registered owner as the person exclusively entitled to payment of principal, premium, if any, and interest and the exercise of all other rights and powers of the owner, except that interest payments shall be made to the person shown as owner on the fifteenth day of the month preceding each interest payment date.

All acts, conditions and things required to happen, exist or be performed precedent to and in the issuance of this Series 2022C-2 Subordinate Bond have happened, exist and have been performed.

This Series 2022C-2 Subordinate Bond shall not become obligatory for any purpose or be entitled to any security or benefit under the Indenture or be valid until the Trustee shall have executed the Certificate of Authentication appearing hereon and inserted the date of authentication hereon.

IN WITNESS WHEREOF, the DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY has caused this Series 2022C-2 Subordinate Bond to be executed by the manual or facsimile signatures of the Chairman of the Board of Directors, its seal to be affixed hereto or a facsimile to be printed hereon and attested by the manual or facsimile signature of the Secretary to the Authority, and this Series 2022C-2 Subordinate Bond to be dated [_____, 2022].

ATTEST:

Secretary to the Authority

Chairman

[SEAL]

A-3-6

CERTIFICATE OF AUTHENTICATION

Date Authenticated: _____

This Series 2022C-2 Subordinate Bond is one of the Series 2022C-2 Subordinate Bonds described in the within mentioned Indenture.

Computershare Trust Company, N.A.,
Trustee

By _____
Authorized Officer or Employee

A-3-7

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto

(please print or typewrite name and address, including zip code, of Transferee)

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF TRANSFEREE

: :
: :
: :

the within Series 2022C-2 Subordinate Bond and all rights thereunder, hereby irrevocably
constituting and appointing

_____, Attorney, to transfer said Series
2022C-2 Subordinate Bond on the books kept for the registration thereof, with full power of
substitution in the premises.

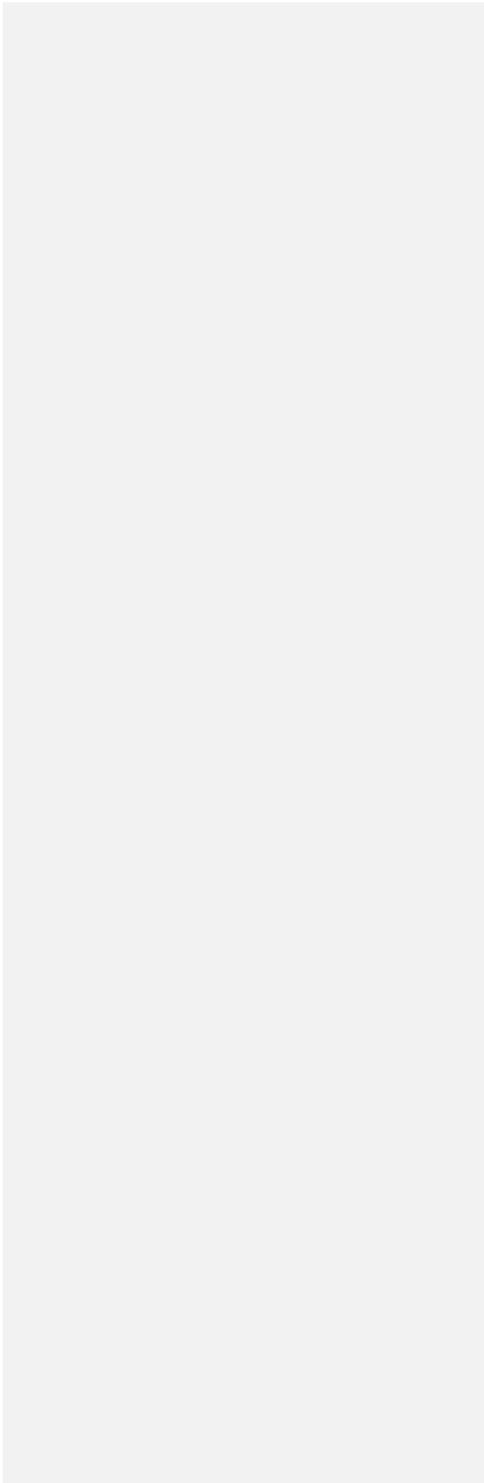
Dated: _____

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed
by an Eligible Guarantor Institution such
as a Commercial Institution such as a
Commercial Bank, Trust Company,
Securities Broker/Dealer, Credit Union, or
Savings Association who is a member of a
medallion program approved by The
Securities Transfer Association, Inc.

NOTICE: The signature above must
correspond with the name of the registered
owner as it appears on the front of this Series
2022C-2 Subordinate Bond in every
particular, without alteration or enlargement
or any change whatsoever.

Exhibit B
Refunded Bonds



B-1

THIRTY-FIRST SUPPLEMENTAL INDENTURE OF TRUST

between

**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

and

**COMPUTERSHARE TRUST COMPANY, N.A.
AS TRUSTEE**

Dated: _____, 2022

THIS THIRTY-FIRST SUPPLEMENTAL INDENTURE OF TRUST dated the ___ day of _____, 2022 (as defined in more detail below, the “**Thirty-First Supplemental Indenture**”), by and between the District of Columbia Water and Sewer Authority (the “**Authority**”), an independent authority of the District of Columbia (the “**District**”), and Computershare Trust Company, N.A., a national banking association, having a corporate trust office in Philadelphia, Pennsylvania, as trustee (in such capacity, together with any successor in such capacity, herein called the “**Trustee**”), provides:

WHEREAS, the Authority and the Trustee (its predecessor in that capacity having been Norwest Bank, N.A.) entered into the Master Indenture of Trust, dated as of April 1, 1998 (the “**Master Indenture**” and, as previously supplemented and amended by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture, the Eighth Supplemental Indenture, the Ninth Supplemental Indenture, the Tenth Supplemental Indenture, the Eleventh Supplemental Indenture, the Twelfth Supplemental Indenture, the Thirteenth Supplemental Indenture, the Fourteenth Supplemental Indenture, the Fifteenth Supplemental Indenture, the Sixteenth Supplemental Indenture, the Seventeenth Supplemental Indenture, the Eighteenth Supplemental Indenture, the Nineteenth Supplemental Indenture, the Twentieth Supplemental Indenture, the Twenty-First Supplemental Indenture, the Twenty-Second Supplemental Indenture, the Twenty-Third Supplemental Indenture, the Twenty-Fourth Supplemental Indenture, the Twenty-Fifth Supplemental Indenture, the Twenty-Sixth Supplemental Indenture, the Twenty-Seventh Supplemental Indenture, the Twenty-Eighth Supplemental Indenture, the Twenty-Ninth Supplemental Indenture, the Thirtieth Supplemental Indenture and the Thirty-First Supplemental Indenture, all as hereinafter defined, and as it may further be supplemented and amended in accordance with its terms, the “**Indenture**”), to provide for financing or refinancing the acquisition, construction, operation, maintenance and extension of the System (as defined in the Master Indenture) by the issuance of bonds, notes and other obligations payable solely from Net Revenues (as defined in the Master Indenture); and

WHEREAS, pursuant to the First Supplemental Indenture of Trust, dated as of April 1, 1998 (the “**First Supplemental Indenture**”), between the Authority and the Trustee, the Authority issued its Public Utility Revenue Bonds, Series 1998 (the “**Series 1998 Senior Lien Bonds**”) in the aggregate principal amount of \$266,120,000 to finance Costs of the System (as defined in the Master Indenture) and to refund then outstanding debt of the Authority; and

WHEREAS, the Master Indenture permits the Authority, for certain purposes and subject to certain conditions, to issue Other System Indebtedness (as defined therein) secured on a parity with the Series 1998 Senior Lien Bonds and referred to collectively with the Series 1998 Senior Lien Bonds as “Senior Debt,” and also permits the Authority to issue Subordinate Debt (as defined therein), to which it has pledged to its payment Net Revenues as a subordinate lien pledge after the pledge of Net Revenues to Senior Debt; and

WHEREAS, pursuant to the Second Supplemental Indenture of Trust, dated as of November 1, 2001 (the “**Second Supplemental Indenture**”), between the Authority and the Trustee, the Authority amended and supplemented the Master Indenture in accordance with its terms to clarify provisions thereof related to certain forms of Indebtedness (as defined in the Master

Indenture, i.e., Senior Debt and Subordinate Debt) and thereby facilitate the issuance of such forms of Indebtedness; and

WHEREAS, pursuant to the Third Supplemental Indenture of Trust, dated as of November 1, 2001 (the “**Third Supplemental Indenture**”), between the Authority and the Trustee, the Authority (i) issued its Commercial Paper Notes defined therein as the Series A-B Notes, (ii) designated the Series A-B Notes as Subordinate Debt for purposes of the Indenture, and (iii) made provision for the securing of the Series A-B Notes and of the Reimbursement Obligations to the Bank that provided the Letters of Credit (all as defined therein) that secure the Series A-B Notes; and

WHEREAS, pursuant to the Fourth Supplemental Indenture of Trust, dated August 12, 2003: (the “**Fourth Supplemental Indenture**”), between the Authority and the Trustee, the Authority (i) issued its Public Utility Subordinated Lien Revenue Bonds, Series 2003, dated August 12, 2003 (the “**Series 2003 Subordinated Bonds**”), in the aggregate principal amount of \$176,220,000 to finance certain Costs of the System and retire Series A-B Notes, (ii) designated the Series 2003 Subordinated Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2003 Subordinated Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Fifth Supplemental Indenture of Trust, dated August 3, 2004 (the “**Fifth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinated Lien Revenue Bonds, Series 2004, as Subseries 2004A-1, Subseries 2004A-2, Subseries 2004B-1 and Subseries B-2 (collectively, the “**Series 2004 Subordinated Bonds**”) in the aggregate principal amount of \$295,000,000 to finance certain Costs of the System, (ii) designated the Series 2004 Subordinated Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2004 Subordinated Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Sixth Supplemental Indenture of Trust, dated June 6, 2007 (the “**Sixth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinated Lien Revenue Bonds, Series 2007A (the “**Series 2007A Subordinated Bonds**”), in the aggregate principal amount of \$218,715,000 to finance certain Costs of the System and retire Series A-B Notes, (ii) designated the Series 2007A Subordinated Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2007A Subordinated Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Seventh Supplemental Indenture of Trust, dated June 6, 2007 (the “**Seventh Supplemental Indenture**”), between the Authority and the Trustee, the Authority:

(i) issued its Public Utility Subordinated Lien Taxable Revenue Bonds, Series 2007B (the “**Series 2007B Subordinated Bonds**”), in the aggregate principal amount of \$59,000,000 to finance certain Costs of the System, (ii) designated the Series 2007B Subordinated Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2007B Subordinated Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Eighth Supplemental Indenture of Trust, dated April 24, 2008 (the “**Eighth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinated Lien Revenue Refunding Bonds, Series 2008 (the “**Series 2008 Subordinated Bonds**”), in the aggregate principal amount of \$290,375,000 to (a) currently refund all of the outstanding Series 2004 Subordinated Bonds and a portion of the Series 2007B Subordinated Bonds, and (b) pay issuance costs of the Series 2008 Subordinated Bonds, (ii) designated the Series 2008 Subordinated Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2008 Subordinated Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Ninth Supplemental Indenture of Trust, dated December 19, 2008 (the “**Ninth Supplemental Indenture**”), between the Authority and the Trustee, the Authority agreed to confer on the Holders of the Series 2003 Subordinated Bonds additional rights related to the Reserve Credit Facility (as defined therein) and to cure any ambiguity or omission in the Indenture regarding the obligations of the Authority as a consequence of a downgrade of the Reserve Policy related to the Series 2003 Subordinated Bonds, or in the event that the Reserve Policy were to cease to be in effect; and

WHEREAS, pursuant to the Tenth Supplemental Indenture of Trust, dated February 12, 2009 (the “**Tenth Supplemental Indenture**”), between the Authority and the Trustee, the Authority (i) issued its Public Utility Senior Lien Revenue Bonds, Series 2009A (the “**Series 2009A Senior Lien Bonds**”), in the aggregate principal amount of \$300,000,000 to finance certain Costs of the System and retire Series A-B Notes, (ii) designated the Series 2009A Senior Lien Bonds as Senior Debt for purposes of the Indenture, and (iii) secured the Series 2009A Senior Lien Bonds by a pledge of Net Revenues on a parity with the pledge of Net Revenues that secures other Senior Debt, including, without limitation, other Senior Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Eleventh Supplemental Indenture of Trust, dated June 2, 2010, as supplemented and amended by the First Amendment to Eleventh Supplemental Indenture of Trust, dated April 5, 2013, and by the Second Amendment to Eleventh Supplemental Indenture of Trust, dated May 18, 2015 (together, the “**Eleventh Supplemental Indenture**”), each between the Authority and the Trustee, the Authority: (i) authorized the issuance of its (a) Commercial Paper Notes, Series A (the “**2010 Series A Notes**”) in the aggregate principal amount of \$0 to finance certain Costs of the System, (b) Commercial Paper Notes, Series B (the “**2010 Series B**

Notes”) in the aggregate principal amount of \$100,000,000 to finance certain Costs of the System, and (c) Commercial Paper Notes, Series C (the “**2010 Series C Notes**” and, together with the 2010 Series A Notes and the 2010 Series B Note, the “**Series 2010 Notes**”) in the aggregate principal amount of \$50,000,000 to finance certain Costs of the System, (ii) designated the Series 2010 Notes as Subordinate Debt for purposes of the Indenture, and (iii) made provision for the securing of the Series 2010 Notes and of the Authority’s reimbursement obligations to the Bank (as defined in the Eleventh Supplemental Indenture) that provided the Substitute Letters of Credit (as defined in the Eleventh Supplemental Indenture) that secure the Series 2010 Notes; and

WHEREAS, pursuant to the Twelfth Supplemental Indenture of Trust, dated October 27, 2010 (the “**Twelfth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinate Lien Revenue Bonds, Series 2010A (Federally Taxable – Issuer Subsidy – Build America Bonds) (the “**Series 2010A Subordinated Bonds**”) in the aggregate principal amount of \$300,000,000 to finance certain Costs of the System, and fund capitalized interest on a portion of the Series 2010A Subordinate Bonds, subject to specified limitations, (ii) designated the Series 2010A Subordinate Bonds as Subordinate Debt for purposes of the Indenture, (iii) secured the Series 2010A Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future, and (iv) included provisions in the Indenture related to potential Direct Payments (as defined therein) received or expected to be received by the Authority, including certain provisions requiring the consent of the holders of a majority of Outstanding Bonds; and

WHEREAS, pursuant to the Thirteenth Supplemental Indenture of Trust, dated March 22, 2012 (the “**Thirteenth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (A) (i) issued its Public Utility Subordinate Lien Revenue Bonds, Series 2012A (the “**Series 2012A Subordinated Bonds**”) in the aggregate principal of \$177,430,000 to finance certain Costs of the System and pay certain costs of issuance, (ii) designated the Series 2012A Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2012A Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; (B) (i) issued its Public Utility Subordinate Lien Multimodal Revenue Bonds, Series 2012B (the “**Series 2012B Subordinated Bonds**”) in the aggregate principal amount of \$100,000,000 to finance certain Costs of the System, fund capitalized interest on a portion of the Series 2012B Subordinate Bonds subject to specified limitations, and pay certain costs of issuance, (ii) designated the Series 2012B Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2012B Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and (C) (i) issued its Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2012C (the “**Series 2012C Subordinated Bonds**”) in the aggregate principal amount of \$163,215,000, and applied the proceeds thereof, together with any other funds of the Authority, to advance refund the Series 2003 Subordinated Bonds and caused them to be deemed paid and no longer Outstanding

for purposes of the Indenture, and paid certain costs of issuance, (ii) designated the Series 2012C Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2012C Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Fourteenth Supplemental Indenture of Trust, dated August 1, 2013 (the “**Fourteenth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinate Lien Revenue Bonds, Series 2013A (the “**Series 2013A Subordinate Bonds**”) in the aggregate principal amount of \$300,000,000 to finance certain Costs of the System, and pay certain costs of issuance, (ii) designated the Series 2013A Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2013A Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Fifteenth Supplemental Indenture of Trust, dated July 23, 2014 (the “**Fifteenth Supplemental Indenture**”), between the Authority and the Trustee, the Authority (i) issued its Public Utility Senior Lien Revenue Bonds, Series 2014A (Federally Taxable) (Green Bonds) (the “**Series 2014A Senior Bonds**”) in the aggregate principal amount of \$350,000,000 to finance certain Costs of the System and pay certain costs of issuance, (ii) designated the Series 2014A Senior Lien Bonds as Senior Debt for purposes of the Indenture, and (iii) secured the Series 2014A Senior Lien Bonds by a pledge of Net Revenues on a parity with the pledge of Net Revenues that secures other Senior Debt, including, without limitation, other Senior Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Sixteenth Supplemental Indenture of Trust, dated July 23, 2014 (the “**Sixteenth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinate Lien Multimodal Revenue Bonds, Series 2014B (the “**Series 2014B Subordinate Bonds**”) in the aggregate principal amount of \$100,000,000 to finance certain Costs of the System and pay certain costs of issuance, (ii) designated the Series 2014B Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2014B Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Seventeenth Supplemental Indenture of Trust, dated November 20, 2014 (the “**Seventeenth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2014C (the “**Series 2014C Subordinate Bonds**”) in the aggregate principal amount of \$377,700,000 to (a) advance refund all or a portion of the Authority’s outstanding Series 2007A Subordinated Bonds, the Series 2008A Subordinated Bonds, and the Series 2009A Senior Lien Bonds, and current refund all of the Authority’s outstanding Subseries 2012B-1 of the Series 2012

Subordinate Bonds, and (b) pay issuance costs of the Series 2014C Subordinate Bonds, (ii) designated the Series 2014C Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2014C Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Eighteenth Supplemental Indenture of Trust, dated October 15, 2015 (the “**Eighteenth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinate Lien Revenue Bonds, Series 2015A (the “**Series 2015A Subordinate Bonds**”) in the aggregate principal amount of \$100,000,000 to (a) finance certain Costs of the System, and (b) pay issuance costs of the Series 2015A Subordinate Bonds, (ii) designated the Series 2015A Subordinate Bonds as Subordinate Debt for purposes of the Indenture, (iii) secured the Series 2015A Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future, (iv) issued its Public Utility Subordinate Lien Revenue Bonds, Series 2015B (the “**Series 2015B Subordinate Bonds**”) and, together with the Series 2015A Subordinate Bonds, the “**Series 2015A/B Subordinate Bonds**”) in an aggregate principal amount of \$250,000,000 to (a) finance certain Costs of the System, and (b) pay issuance costs of the Series 2015B Subordinate Bonds, (v) designated the Series 2015B Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (vi) secured the Series 2015B Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Nineteenth Supplemental Indenture of Trust, dated December 1, 2015 (the “**Nineteenth Supplemental Indenture**”) between the Trustee and the Authority, the Authority authorized (i) the issuance of its Extendable Municipal Commercial Paper Notes, Series A (the “**Series A EMCP Notes**”) in the aggregate principal amount of not to exceed \$100,000,000 outstanding at any time to finance certain Costs of the System, (ii) designated the Series A EMCP Notes as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series A EMCP Notes by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Twentieth Supplemental Indenture of Trust, dated February 24, 2016 (the “**Twentieth Supplemental Indenture**”) between the Trustee and the Authority, the Authority (i) issued its Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2016A (the “**Series 2016A Subordinate Bonds**”) in the aggregate principal amount of \$389,110,000 to (a) refund all or a portion of the Authority’s outstanding Series 2007A Subordinated Bonds, Series 2008A Subordinated Bonds, and Series 2009A Senior Lien Bonds, and (b) pay issuance costs of the Series 2016A Subordinate Bonds, (ii) designated the Series 2016A Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series

2016A Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Twenty-First Supplemental Indenture of Trust, dated September 29, 2016 (the “**Twenty-First Supplemental Indenture**”) between the Trustee and the Authority, the Authority (i) issued its Public Utility Subordinate Lien Revenue Bonds, Series 2016B (Environmental Impact Bonds) (the “**Series 2016B Subordinate Bonds**”) in the aggregate principal amount of \$25,000,000 to (a) finance certain Costs of the System (specifically, a portion of the costs of the Authority’s DC Clean Rivers Project); and (b) pay certain costs of issuance, (ii) designated the Series 2016B Subordinate Bonds as Subordinate Debt, as Variable Rate Indebtedness and as Tender Indebtedness for purposes of the Indenture, and (iii) secured the Series 2016B Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Twenty-Second Supplemental Indenture of Trust, dated February 23, 2017 (the “**Twenty-Second Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Senior Lien Revenue Bonds, Series 2017A (the “**Series 2017A Senior Lien Bonds**”) in the aggregate principal amount of \$100,000,000 to (a) finance certain Costs of the System (specifically, a portion of the costs of the Authority’s DC Clean Rivers Project), and (b) pay issuance costs of the Series 2017A Senior Lien Bonds, (ii) designated the Series 2017A Senior Lien Bonds as Senior Debt for purposes of the Indenture, (iii) secured the Series 2017A Senior Lien Bonds by a pledge of Net Revenues on a parity with the pledge of Net Revenues that secures other Senior Debt, including, without limitation, other Senior Debt that the Authority may issue from time to time in the future, (iv) issued its Public Utility Senior Lien Revenue Bonds, Series 2017B (the “**Series 2017B Senior Lien Bonds**”) and, together with the Series 2017A Senior Lien Bonds, the “**Series 2017A/B Senior Lien Bonds**”) in an aggregate principal amount of \$200,000,000 to (a) finance certain Costs of the System, and (b) pay issuance costs of the Series 2017B Senior Lien Bonds, (v) designated the Series 2017B Senior Lien Bonds as Senior Debt for purposes of the Indenture, and (vi) secured the Series 2017B Senior Lien Bonds by a pledge of Net Revenues on a parity with the pledge of Net Revenues that secures other Senior Debt, including, without limitation, other Senior Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Twenty-Third Supplemental Indenture of Trust, dated April 30, 2018 (the “**Twenty-Third Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinate Lien Revenue Bonds, Series 2018A (the “**Series 2018A Senior Lien Bonds**”) in the aggregate principal amount of \$100,000,000 to (a) finance certain Costs of the System (specifically, a portion of the costs of the Authority’s DC Clean Rivers Project), and (b) pay issuance costs of the Series 2018A Senior Lien Bonds, (ii) designated the Series 2018A Senior Lien Bonds as Senior Debt for purposes of the Indenture, (iii) secured the Series 2018A Senior Lien Bonds by a pledge of Net Revenues on a parity with the pledge of Net Revenues that secures other Senior Debt, including, without limitation, other Senior Debt that the

Authority may issue from time to time in the future, (iv) issued its Public Utility Senior Lien Revenue Bonds, Series 2018B (the “**Series 2018B Senior Lien Bonds**” and, together with the Series 2018A Senior Lien Bonds, the “**Series 2018A/B Senior Lien Bonds**”) in an aggregate principal amount of \$200,000,000 to (a) finance certain Costs of the System, (b) pay issuance costs of the Series 2018B Senior Lien Bonds and (c) refund all of the Authority’s then outstanding Commercial Paper Notes, Series B, (v) designated the Series 2018B Senior Lien Bonds as Senior Debt for purposes of the Indenture, and (vi) secured the Series 2018B Senior Lien Bonds by a pledge of Net Revenues on a parity with the pledge of Net Revenues that secures other Senior Debt, including, without limitation, other Senior Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Twenty-Fourth Supplemental Indenture of Trust, dated _____, 2022 (the “Twenty-Fourth Supplemental Indenture”), between the Authority and the Trustee, the Authority: (i)(a) issued its Public Utility Subordinate Lien Revenue Bonds, Series 2019A (Green Bonds) (the “**Series 2019A Subordinate Bonds**”) in the aggregate principal amount of \$104,010,000 to (1) finance certain Costs of the System (specifically, a portion of the costs of the Authority’s DC Clean Rivers Project), and (2) pay issuance costs of the Series 2019A Subordinate Bonds, (b) designated the Series 2019A Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2019A Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future, and (ii)(a) issued its Public Utility Subordinate Revenue Bonds, Series 2019B (the “**Series 2019B Subordinate Bonds**” and, together with the Series 2019A Subordinate Bonds, the “**Series 2019A/B Subordinate Bonds**”) in an aggregate principal amount of \$58,320,000 to (1) finance certain Costs of the System, and (2) pay issuance costs of the Series 2019B Subordinate Bonds, (b) designated the Series 2019B Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2019B Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Twenty-Fifth Supplemental Indenture of Trust, dated November 6, 2019 (the “Twenty-Fifth Supplemental Indenture”), between the Authority and the Trustee, the Authority: (a) issued its Public Utility Subordinate Lien Multimodal Revenue Bonds, Series 2019C (the “**Series 2019C Subordinate Bonds**”) in the aggregate principal amount of \$99,505,000 to (1) finance certain Costs of the System, and (2) pay issuance costs of the Series 2019C Subordinate Bonds, (b) designated the Series 2019C Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2019C Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Twenty-Sixth Supplemental Indenture of Trust, dated November 6, 2019 (the “Twenty-Sixth Supplemental Indenture”), between the Authority and the

Trustee, the Authority: (i) issued its Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2019D (Federally Taxable) (the “**Series 2019D Subordinate Bonds**”) in the aggregate principal amount of \$343,160,000 to (a) refund all or a portion of the Authority’s outstanding Series 2013A Subordinated Bonds, and (b) pay issuance costs of the Series 2019D Subordinate Bonds, (ii) designated the Series 2019D Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2019D Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Twenty-Seventh Supplemental Indenture of Trust, dated April 8, 2020 (the “**Twenty-Seventh Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) entered into the 2020 Term Loan Agreement in connection with the Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2022 (the “**Series 2022A Subordinate Lien Refunding Bonds**”), (ii) issued its Series 2022A Subordinate Lien Refunding Bonds in the aggregate principal amount of \$294,305,000 to (a)(I) refund all of its outstanding Series 2012A Subordinate Bonds and Series 2012C Subordinate Bonds; and (II) pay certain costs of issuance, (iii) designated the Series 2022A Subordinate Lien Refunding Bonds as Subordinate Debt for purposes of the Indenture, and (iv) secured the Series 2022A Subordinate Lien Refunding Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future;

WHEREAS, pursuant to the Twenty-Eighth Supplemental Indenture of Trust, dated as of March 5, 2021 (the “**Twenty-Eighth Supplemental Indenture**”) between the Authority and the Trustee, the Authority entered into a revised Master Letter of Credit Agreement with TD Bank, N.A. to provide letters of credit for the benefit of the Authority’s Rolling Owner Controlled Insurance Program, in an aggregate maximum amount at any one time outstanding of \$25,000,000 and secured the Reimbursement Obligations (as defined in the Twenty-Eighth Supplemental Indenture) by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Twenty-Ninth Supplemental Indenture of Trust, dated as of March 12, 2021 between the Authority and the Trustee, as amended by the First Amendment to the Twenty-Ninth Supplemental Indenture of Trust dated September 17, 2021 between the Authority and the Trustee (together, the “**Twenty-Ninth Supplemental Indenture**”), the Authority (i) entered into a 2021 WIFIA Loan Agreement in connection with the Series 2021 Senior Lien Bonds; (ii) issued its Public Utility Senior Lien Revenue Bonds, Series 2021 Senior Lien Bonds (the “**Series 2021 Senior Lien Bonds**”) in the aggregate principal amount of \$156,367,104 to (1) finance certain Costs of the System (specifically, the costs of the 2021 WIFIA Project as defined therein), and (2) pay issuance costs of the Series 2021 Senior Lien Bond, (iii) designate the Series 2021 Senior Lien Bond as Senior Debt for purposes of the Indenture, and (iv) secure the Series 2021 Senior Lien Bond by a pledge of Net Revenues on a parity with the pledge

of Net Revenues that secures other Senior Debt, including, without limitation, other Senior Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Thirtieth Supplemental Indenture of Trust, dated _____, 2022 (the “**Thirtieth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i)(a) issued its Public Utility Subordinate Lien Revenue Bonds, Series 2022B (Green Bonds) (the “**Series 2022B Subordinate Bonds**”) in the aggregate principal amount of \$_____ to (1) [finance certain Costs of the System (specifically, a portion of the costs of the Authority’s DC Clean Rivers Project)], and (2) pay issuance costs of the Series 2022B Subordinate Bonds, (b) designate the Series 2022B Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secure the Series 2022B Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future, (ii)(a) issue the Public Utility Subordinate Lien Revenue Bonds, Series 2022C-1 in an aggregate principal amount of \$_____ (the “**Series 2022C-1 Subordinate Bonds**”) to (1) finance certain Costs of the System, (2) refund a portion of the outstanding [subordinate] commercial paper notes, (3) purchase or exchange all or a portion of the [Series ____ Subordinate Bonds] tendered and (4) pay issuance costs of the Series 2022C-1 Subordinate Bonds, (b) designate the Series 2022C-1 Subordinate Bonds as Subordinate Debt for purposes of the Indenture, (iii)(a) issue the Public Utility Subordinate Lien Revenue Bonds, Series 2022C-2 in an aggregate principal amount of \$_____ (the “**Series 2022C-2 Subordinate Bonds**”, together with the Series 2022C-1 Subordinate Bonds, the “**Series 2022C Subordinate Bonds**” and together with the Series 2022C-1 Subordinate Bonds and the Series 2022B Subordinate Bonds, the “**Series 2022B/C Subordinate Bonds**”) to replace the [Series ____ Subordinate Bonds], if any, tendered in exchange and (2) pay issuance costs of the Series 2022C-2 Subordinate Bonds and (b) designate the Series 2022C-2 Subordinate Bonds as Subordinate Debt for purposes of the Indenture, (iv) secure the Series 2022C Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, the Authority now intends to: (i) issue Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2022D (Federally Taxable) (the “**Series 2022D Subordinate Bonds**”) in the aggregate principal amount of \$_____ to (a) refund all or a portion of the Authority’s outstanding [Series ____ Subordinated Bonds] (the “**Refunded Bonds**”), and (b) pay issuance costs of the Series 2022D Subordinate Bonds, (ii) designate the Series 2022D Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secure the Series 2022D Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future.

NOW THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter contained, the parties hereto agree, as follows:

**ARTICLE I
THIRTY-FIRST SUPPLEMENTAL INDENTURE**

Section 101. Authorization of Thirty-First Supplemental Indenture.

This Thirty-First Supplemental Indenture is authorized and executed by the Authority and delivered to the Trustee pursuant to and in accordance with Articles III and X of the Master Indenture. All terms, covenants, conditions and agreements of the Indenture shall apply with full force and effect to the Series 2022D Subordinate Bonds as Subordinate Debt and to the Holders thereof as Holders of Subordinate Debt, except as otherwise provided in this Thirty-First Supplemental Indenture.

Section 102. Definitions.

Except as otherwise defined in this Thirty-First Supplemental Indenture, capitalized words and terms defined in the Master Indenture as amended by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture, the Eighth Supplemental Indenture, the Ninth Supplemental Indenture, the Tenth Supplemental Indenture, the Eleventh Supplemental Indenture, the Twelfth Supplemental Indenture, the Thirteenth Supplemental Indenture, the Fourteenth Supplemental Indenture, the Fifteenth Supplemental Indenture, the Sixteenth Supplemental Indenture, the Seventeenth Supplemental Indenture, the Eighteenth Supplemental Indenture, the Nineteenth Supplemental Indenture, the Twentieth Supplemental Indenture, the Twenty-First Supplemental Indenture, the Twenty-Second Supplemental Indenture, the Twenty-Third Supplemental Indenture, the Twenty-Fourth Supplemental Indenture, the Twenty-Fifth Supplemental, the Twenty-Sixth Supplemental Indenture, the Twenty-Seventh Supplemental Indenture, the Twenty-Eighth Supplemental Indenture, the Twenty-Ninth Supplemental Indenture and the Thirtieth Supplemental Indenture are used in this Thirty-First Supplemental Indenture with the meanings assigned to them therein. In addition, the following words as used in this Thirty-First Supplemental Indenture have the following meanings unless the context or use clearly indicates another or different intent or meaning:

“Book-entry form” or “book-entry system” means a form or system under which the physical Series 2022D Subordinate Bond certificates in fully registered form are issued only to a Depository or its nominee as Holder, with the certificated Series 2022D Subordinate Bonds held by and “immobilized” in the custody of the Depository, and the book-entry system, maintained by and the responsibility of the Depository and not maintained by or the responsibility of the Authority or the Trustee, is the record that identifies, and records the transfer of the interests of, the owners of beneficial, book-entry interests in the Series 2022D Subordinate Bonds.

“Depository” means any securities depository that is a clearing agency under federal law operating and maintaining, with its participants or otherwise, a book-entry system to record ownership of book-entry interests in Series 2022D Subordinate Bonds, and to effect transfers of book-entry interests in Series 2022D Subordinate Bonds, and includes and means initially The Depository Trust Company (a limited purpose trust company) (“DTC”), New York, New York.

“Interest Payment Dates” for the Series 2022D Subordinate Bonds means each April 1 and October 1 commencing April 1, 2020, and thereafter during the time the Series 2022D Subordinate Bonds are outstanding.

“Series 2022D Construction Account” means the Series 2022D Construction Account established by this the Thirty-First Supplemental Indenture in the Construction Fund.

“Series 2022D Costs of Issuance Subaccount” means the Series 2022D Costs of Issuance Subaccount established by this Thirty-First Supplemental Indenture in the Series 2022D Construction Account of the Construction Fund.

“Series 2022D Escrow Account” means the Series 2022D Escrow Account established by this Thirty-First Supplemental Indenture.

“Series 2022D Resolution” means Resolution No. [__ - __] adopted by the Authority’s Board on _____, 20__, respectively, authorizing the Series 2022D Subordinate Bonds.

“Series 2022D Subordinate Bond Event of Default” means any of the events defined as such in Section 703 of this Thirty-First Supplemental Indenture.

“Series 2022D Subordinate Bondholder” or “holder of Series 2022D Subordinate Bonds” means the registered owner of a Series 2022D Subordinate Bond.

“Series 2022D Subordinate Bonds Interest Subaccount” means the Series 2022D Subordinate Bonds Interest Subaccount established by this Thirty-First Supplemental Indenture in the Subordinate Interest Account in the Subordinate Bond Fund.

“Series 2022D Subordinate Bonds Principal Subaccount” means the Series 2022D Subordinate Bonds Principal Subaccount established by this Thirty-First Supplemental Indenture in the Subordinate Principal Account in the Subordinate Bond Fund.

“Series 2022D Subordinate Debt Service Reserve Requirement” means zero.

“Thirty-First Supplemental Indenture” means this Thirty-First Supplemental Indenture of Trust, dated _____, 2022, between the Authority and the Trustee, which supplements and amends the Master Indenture, as previously supplemented and amended by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture, the Eighth Supplemental Indenture, the Ninth Supplemental Indenture, the Tenth Supplemental Indenture, the Eleventh Supplemental Indenture, the Twelfth Supplemental Indenture, the Thirteenth Supplemental Indenture, the Fourteenth Supplemental Indenture, the Fifteenth Supplemental Indenture, the Sixteenth Supplemental Indenture, the Seventeenth Supplemental Indenture, the Eighteenth Supplemental Indenture, the Nineteenth Supplemental Indenture, the Twentieth Supplemental Indenture, the Twenty-First Supplemental Indenture, the Twenty-Second Supplemental Indenture, the Twenty-Third Supplemental Indenture, the Twenty-Fourth Supplemental Indenture, the Twenty-Fifth Supplemental Indenture, the Twenty-Sixth Supplemental Indenture, the Twenty-Seventh

Supplemental Indenture, the Twenty-Eighth Supplemental Indenture, the Twenty-Ninth Supplemental Indenture and the Thirtieth Supplemental Indenture.

Section 103. Reference to Articles and Sections.

Unless otherwise indicated, all references herein to particular articles or sections are references to articles or sections of this Thirty-First Supplemental Indenture.

**ARTICLE II
AUTHORIZATION, DETAILS AND FORM
OF SERIES 2022D SUBORDINATE BONDS**

Section 201. Authorization of Series 2022D Subordinate Bonds.

Pursuant to Article III of the Master Indenture and, specifically, Section 305 thereof, and the Series 2022D Resolution, the Authority is authorized to issue the Series 2022D Subordinate Bonds in the aggregate principal amount of \$_____ for the purpose of: (i) [refunding all or a portion of the Series _____ Subordinated Bonds] and (ii) paying issuance costs of the Series 2022D Subordinate Bonds. The Series 2022D Subordinate Bonds shall be issued as Subordinate Debt pursuant to the Indenture.

Section 202. Details of Series 2022D Subordinate Bonds.

The Series 2022D Subordinate Bonds shall be designated “Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2022D (Federally Taxable),” shall be dated _____, 2022, shall be issuable only as fully registered bonds in denominations of \$5,000 and multiples thereof, shall be numbered R-1 upward and shall bear interest at rates, payable semiannually on the Interest Payment Dates, until their final payment or maturity, and shall mature on October 1 in years and amounts, as follows:

Due (Oct. 1)	Principal Amount	Interest Rate
2022		
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2039		
2048		
2049		
2050		

Each Series 2022D Subordinate Bond shall bear interest: (a) from its date, if such Series 2022D Subordinate Bond is authenticated prior to the first Interest Payment Date, or (b) otherwise from the Interest Payment Date that is, or immediately precedes, the date on which such Series 2022D Subordinate Bond is authenticated; provided, however, that if at the time of authentication of any Series 2022D Subordinate Bond payment of interest is in default, such Series 2022D Subordinate Bond shall bear interest from the date to which interest has been paid. The interest payable on the Series 2022D Subordinate Bonds will be computed on the basis of a 360-day year of twelve 30-day months.

Principal of and premium, if any, on the Series 2022D Subordinate Bonds shall be payable to the registered owners thereof upon the surrender of the applicable Series 2022D Subordinate Bonds at the designated office of the Trustee. Interest on the Series 2022D Subordinate Bonds shall be payable by check or draft mailed to the registered owners at their addresses as they appear on the fifteenth day of the month preceding the Interest Payment Date on the registration books kept by the Trustee; provided, however, if the Series 2022D Subordinate Bonds are registered in the name of a Depository or its nominee as registered owner or at the option of a registered owner of at least \$1,000,000 of Series 2022D Subordinate Bonds, payment shall be made by wire transfer to an account within the United States pursuant to the wire instructions received by the Trustee with respect to each such payment from such registered owner. Principal, premium, if any, and interest shall be payable in lawful money of the United States of America.

Section 203. Form of Bonds.

The Series 2022D Subordinate Bonds shall be in substantially the form set forth in **Exhibit A**, with such appropriate variations, omissions and insertions as are permitted or required by the Indenture.

Section 204. Depository Provisions.

The Series 2022D Subordinate Bonds shall initially be issued to a Depository for holding in a book-entry system. Those Series 2022D Subordinate Bonds shall be registered in the name of the Depository or its nominee, as registered owner, and immobilized in the custody of the Depository or the Trustee on behalf of the Depository; and shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the Authority.

If any Depository determines not to continue to act as a Depository for the Series 2022D Subordinate Bonds for holding in a book-entry system or the Authority determines to remove the Series 2022D Subordinate Bonds from a Depository, the Authority may attempt to have established a securities depository/book-entry system relationship with another qualified Depository. If the Authority does not or is unable to do so, the Authority, after making provision for notification of the owners of book-entry interests by appropriate notice to the then Depository and any other arrangements it deems necessary, shall permit withdrawal of the Series 2022D Subordinate Bonds from the Depository, and shall execute and direct the Trustee to authenticate and deliver Series 2022D Subordinate Bond certificates, in fully registered form, to the assigns of the Depository or its nominee (if such Series 2022D Subordinate Bonds were held by a nominee), all at the cost and expense (including costs of printing or otherwise preparing and delivering replacement Series 2022D Subordinate Bonds), if the event is not the result of Authority action or inaction, of those persons requesting that authentication and delivery. Series 2022D Subordinate Bond certificates authenticated and delivered pursuant to this paragraph shall be in authorized denominations. In the event that Series 2022D Subordinate Bonds shall cease to be in book-entry form, then the Authority or the Depository shall provide to the Trustee the name, address of record and taxpayer identification number of each registered holder thereof. The Trustee may rely on such information without any investigation.

If the Series 2022D Subordinate Bonds are withdrawn from a Depository and printed bond certificates in fully registered form are or are to be authenticated and delivered pursuant to this Section, and if the Authority, without the consent of or notice to any of the holders of the Series 2022D Subordinate Bonds, may authorize the exchange of Series 2022D Subordinate Bond certificates in fully registered form or Series 2022D Subordinate Bonds under a book-entry system for coupon bonds payable to bearer, in an aggregate principal amount not exceeding the then unmatured and unredeemed principal amount of the Series 2022D Subordinate Bonds, bearing interest at the same rate and maturing on the same date, with coupons attached representing all unpaid interest due or to become due thereon. Such certificated Series 2022D Subordinate Bonds will be registrable, transferable and exchangeable as set forth in Section 204 and Section 205 of the Master Indenture.

So long as a Depository holds the Series 2022D Subordinate Bonds in a book-entry system (A) it or its nominee shall be the registered owner of the Series 2022D Subordinate Bonds, (B) notwithstanding anything to the contrary in this Thirty-First Supplemental Indenture, determinations of persons entitled to payment of principal, premium, if any, and interest, transfers of ownership and exchanges and receipt of notices shall be the responsibility of the Depository and shall be effected pursuant to rules and procedures established by such Depository, (C) the Authority and the Trustee shall not be responsible or liable for maintaining, supervising or

reviewing the records maintained by the Depository, its participants or persons acting through such participants, and (D) references in this Thirty-First Supplemental Indenture to registered owners of the Series 2022D Subordinate Bonds shall mean such Depository or its nominee and shall not mean the beneficial owners of the Series 2022D Subordinate Bonds.

Section 205. Delivery of Series 2022D Subordinate Bonds.

The Trustee shall authenticate and deliver the Series 2022D Subordinate Bonds when there have been filed with or delivered to it the following items:

- (a) An original executed counterpart of this Thirty-First Supplemental Indenture;
- (b) A certified copy of applicable resolution(s) of the Board of Directors of the Authority and related Certificate of Award: (i) authorizing the execution and delivery of the Thirty-First Supplemental Indenture, and (ii) authorizing the issuance, sale, award, execution and delivery of the Series 2022D Subordinate Bonds.
- (c) A certificate signed by an Authorized Representative of the Authority and dated the date of such issuance, to the effect that:
 - (1) Either: (A) upon and immediately following such issuance, no Event of Default has occurred which has not been cured or waived, and no event or condition exists which, with the giving of notice or lapse of time or both, would become an Event of Default, or (B) if any such event or condition is happening or existing, specifying such event or condition, stating that the Authority will act with due diligence to correct such event or condition after the issuance of the Series 2022D Subordinate Bonds, and describing in reasonable detail the actions to be taken by the Authority toward such correction; and
 - (2) All required approvals, limitations, conditions and provisions precedent to the issuance of the Series 2022D Subordinate Bonds have been obtained, observed, met and satisfied.
- (d) An Opinion or Opinions of Counsel, subject to customary exceptions and qualifications, substantially to the effect that this Thirty-First Supplemental Indenture has been duly authorized, executed and delivered to the Trustee, is a valid, binding and enforceable obligation of the Authority, and complies in all respects with the requirements of the Indenture.
- (e) An opinion or opinions of Bond Counsel, subject to customary exceptions and qualifications, substantially to the effect that the issuance of the Series 2022D Subordinate Bonds has been duly authorized, that the Series 2022D Subordinate Bonds are valid and binding limited obligations of the Authority, and that the interest on the Series 2022D Subordinate Bonds is excludable from gross income for purposes of District of Columbia income taxation.
- (f) A certificate of an Authorized Representative of the Authority, stating that rates, fees and charges are in effect or scheduled to go into effect to meet the Rate Covenant immediately after the issuance of the Series 2022D Subordinate Bonds.

(g) A request and authorization of the Authority, signed by an Authorized Representative of the Authority, to the Trustee to authenticate and deliver such Bonds to the purchaser upon payment to the Trustee in immediately available funds for the account of the Authority of a specified sum plus accrued interest to the date of delivery.

ARTICLE III REDEMPTION OF SERIES 2022D SUBORDINATE BONDS

Section 301. Redemption Dates and Prices.

The Series 2022D Subordinate Bonds may not be called for redemption by the Authority except as provided below:

(a) Optional Redemption.

(1) *Make-Whole Optional Redemption Prior to October 1, 20__.*

The Series 2022D Subordinate Bonds are subject to redemption prior to their stated maturities, at the option of the Authority, on any date prior to October 1, 20__ from any source of available funds, as a whole or in part, at a redemption price equal to the principal amount thereof plus the Make-Whole Premium (as defined in this Section 301(a)(1)), if any, plus accrued interest to the date fixed for redemption. For purposes of this Section 301(a)(1), the following terms have the meaning ascribed to them below:

“Make-Whole Premium” means, with respect to any Series 2022D Subordinate Bond to be redeemed, an amount calculated by a Designated Institution (as defined in this Section 301(a)(1)) equal to the positive difference, if any, between:

(A) the sum of the present values, calculated as of the date fixed for redemption of:

(i) each interest payment that, but for the redemption, would have been payable on the Series 2022D Subordinate Bond or a portion thereof being redeemed on each regularly scheduled Interest Payment Date occurring after the date fixed for redemption through the maturity date of such Series 2022D Subordinate Bond (excluding any accrued interest for the period prior to the date fixed for redemption); provided that if the date fixed for redemption is not a regularly scheduled Interest Payment Date with respect to such Series 2022D Subordinate Bond, the amount of the next regularly scheduled interest payment will be reduced by the amount of interest accrued on such Series 2022D Subordinate Bond to the date fixed for redemption; plus

(ii) the principal amount that, but for such redemption, would have been payable on the maturity date of the Series 2022D Subordinate Bond or portion thereof being redeemed; minus

(B) the principal amount of the Series 2022D Subordinate Bonds or portion thereof being redeemed.

The present values of the interest and principal payments referred to in (1) above will be determined by discounting the amount of each such interest and principal payment from the date that each such payment would have been payable but for the redemption to the date fixed for redemption on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at a discount rate equal to the Comparable Treasury Yield (as defined in this Section 301(a)(1)), plus: (i) for the Series 2022D Subordinate Bonds maturing prior to October 1, 2028, 10 basis points; (ii) for the Series 2022D Subordinate Bonds maturing between October 1, 2028 and October 1, 2031, 15 basis points; and (iii) for the Series 2022D Subordinate Bonds maturing after October 1, 2031, 20 basis points.

“Comparable Treasury Yield” means the yield appearing in the most recently published statistical release designated “H.15(519) Selected Interest Rates” under the heading “Treasury Constant Maturities,” or any successor publication selected by the Designated Banking Institution that is published weekly by the Board of Governors of the Federal Reserve System and that establishes yields on actively traded United States Treasury securities adjusted to constant maturity, for the maturity corresponding to the remaining term to maturity of the Series 2022D Subordinate Bond being redeemed. The Comparable Treasury Yield shall be determined at least two business days but not more than 45 calendar days preceding the applicable date fixed for redemption. If the H.15(519) statistical release sets forth a weekly average yield for United States Treasury securities that have a constant maturity that is the same as the remaining term to maturity of the Series 2022D Subordinate Bond being redeemed, then the Comparable Treasury Yield will be equal to such weekly average yield. In all other cases, the Comparable Treasury Yield will be calculated by interpolation on a straight-line basis, between the weekly average yields on the United States Treasury securities that have a constant maturity (i) closest to and greater than the remaining term to maturity of the Series 2022D Subordinate Bond being redeemed; and (ii) closest to and less than the remaining term to maturity of the Series 2022D Subordinate Bond being redeemed. Any weekly average yields calculated by interpolation will be rounded to the nearest 1/100th of 1%, with any figure of 1/200th of 1% or above being rounded upward. If, and only if, weekly average yields for United States Treasury securities for the preceding week are not available in the H.15(519) statistical release or any successor publication, then the Comparable Treasury Yield will be the rate of interest per annum equal to the semiannual equivalent yield to maturity of the Comparable Treasury Price (each as defined in this Section 301(a)(1)) as of the date fixed for redemption.

“Comparable Treasury Issue” means the United States Treasury selected by the Designated Banking Institution as having a maturity comparable to the remaining term to maturity of the Series 2022D Subordinate Bond being redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term to maturity of the Series 2022D Subordinate Bond being redeemed.

“Designated Banking Institution” means an investment banking institution of national standing which is a primary United States government securities dealer in the City of New York designated by the Authority (which may be one of the underwriters of the Series 2022D Subordinate Bonds).

“Comparable Treasury Price” means, with respect to any date on which a Series 2022D Subordinate Bond or portion thereof is being redeemed, either (i) the average of five Reference Treasury Dealer (as defined in this Section 301(a)(1) quotations for the date fixed for redemption, after excluding the highest and lowest such quotations, and (ii) if the Designated Banking Institution is unable to obtain five such quotations, the average of the quotations that are obtained. The quotations will be the average, as determined by the Designated Banking Institution, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of principal amount) quoted in writing to the Designated Banking Institution, at 2:00 p.m. New York City time on a business day at least two business days but no more than 45 calendar days preceding the applicable date fixed for redemption.

“Reference Treasury Dealer” means a primary United States Government securities dealer in the United States appointed by the Authority and reasonably acceptable to the Designated Banking Institution (which may be one of the underwriters of the Series 2022D Subordinate Bonds).

(2) *Optional Redemption On or After October 1, 20__.*

The Series 2022D Subordinate Bonds maturing on or after October 1, 20__, are subject to redemption prior to maturity at the option of the Authority on or after October 1, 20__ from any source, in whole or in part on any date, in such order of maturities as shall be determined by the Authority (and by lot within a maturity), at a redemption price of 100% of the principal amount thereof, together with accrued interest, if any, to the redemption date.

(b) Mandatory Redemption.

The Series 2022D Subordinate Bonds maturing on October 1, 20__ (the “Series 2022D 20__ Term Bonds”), are required to be redeemed prior to maturity on October 1 in years and amounts upon payment of 100% of the principal amount thereof plus interest accrued to the redemption date, as follows:

<u>Year</u>	<u>Amount</u>
-------------	---------------

*

* Final Maturity

The Series 2022D Subordinate Bonds maturing on October 1, 20__ (the “Series 2022D 2048 Term Bonds” and, collectively with the Series 2022D 20__ Term Bonds, the “Series 2022D Term Bonds”), are required to be redeemed prior to maturity on October 1 in years and amounts upon payment of 100% of the principal amount thereof plus interest accrued to the redemption date, as follows:

Year Amount

*

* Final Maturity

The Trustee shall provide for a mandatory redemption of the Series 2022D Term Bonds in accordance with the schedules set forth above; provided, however, that on or before the 70th day next preceding any such mandatory redemption date, the Authority may:

(1) deliver to the Trustee for cancellation Series 2022D Term Bonds of the maturity required to be redeemed on such mandatory redemption date in any aggregate principal amount desired; or

(2) instruct the Trustee in writing to apply a credit against the Authority's next mandatory redemption obligation for any such Series 2022D Term Bonds that previously have been redeemed (other than through mandatory redemption) and canceled but not theretofore applied as a credit against any mandatory redemption obligation.

Upon the occurrence of any of the events described in clauses (1) or (2) of the preceding sentence, the Trustee shall credit against the Authority's mandatory redemption obligation on the next mandatory redemption date the amount of such Series 2022D Term Bonds so delivered or previously redeemed. Any principal amount of such Series 2022D Subordinate Term Bonds in excess of the principal amount required to be redeemed on such mandatory redemption date shall be similarly credited in an amount equal to the principal of such Series 2022D Subordinate Term Bonds so purchased towards the sinking fund installments for the Series 2022D Subordinate Term Bonds of such maturity on a pro rata basis in accordance with a certificate of an Authorized Representative of the Authority, which will direct the reduction of a ratable portion of each annual mandatory sinking fund installment requirement in accordance with the procedures set forth below. Within seven days of receipt of such Series 2022D Subordinate Term Bonds or instructions to apply as a credit, any amounts remaining in the Sinking Fund Account in excess of the amount required to fulfill the remaining required mandatory redemption obligation on the next mandatory redemption date shall be used in such manner as determined at the written direction of the Authority.

The particular maturities of the Series 2022D Subordinate Bonds to be redeemed at the option of the Authority will be selected from such maturities as shall be determined by the Authority, upon advice from Co-Bond Counsel.

If less than all the Series 2022D Bonds of a particular maturity shall be called for any optional redemption or mandatory sinking fund redemption: (i) if the Series 2022D Bonds are not registered in book entry only form, any redemption of less than all of the Series 2022D Bonds will be allocated among the registered owners of such Series 2022D Bonds being redeemed as nearly as practicable in proportion to the amounts of the principal amounts of the Series 2022D Bonds owned by each registered owner, in authorized denominations, calculated based on the formula: (principal to be redeemed) x (principal amount owned by such owner) / (total principal amount outstanding), and the particular Series 2022D Bonds to be redeemed will be determined by the Trustee in any manner as the Trustee in its sole discretion deems fair and appropriate and (ii) if the Series 2022D Bonds are in book entry only form and so long as DTC or a successor securities depository is the sole registered owner of the Series 2022D Bonds, any redemption of less than all of the Series 2022D Bonds will be done in accordance with DTC's procedures in effect at such time. It is the Authority's intent that redemption allocations made by DTC, the DTC Participants or such other intermediaries that may exist between the Authority and the Beneficial Owners be made on a pro rata pass-through distribution of principal basis; provided, however, the Authority provides no assurance that DTC, the DTC Participants or any other intermediary will allocate redemptions among Beneficial Owners on such a proportional basis.

Section 302. Notice of Redemption.

Notice of redemption of Series 2022D Subordinate Bonds shall be given in the manner set forth in Section 402 of the Master Indenture, as though the Series 2022D Subordinate Bonds constituted "Bonds" for purposes of that Section; provided, however, that notices of redemption of Series 2022D Subordinate Bonds sent pursuant to Section 402 of the Master Indenture shall either (i) explicitly state that the proposed redemption is conditioned on there being on deposit in the applicable fund or account on the redemption date sufficient money to pay the full redemption price of the Series 2022D Subordinate Bonds to be redeemed, or (ii) be sent only if sufficient money to pay the full redemption price of the Series 2022D Subordinate Bonds to be redeemed is on deposit in the applicable fund or account. Notwithstanding the foregoing and the otherwise applicable requirement of Section 402 of the Master Indenture that the Trustee send notice of a call for redemption not fewer than 30 days prior to the redemption date, the Trustee may send any notice of redemption of Series 2022D Subordinate Bonds not fewer than 20 days prior to the redemption date or such shorter period of time as may be acceptable to the Depository while the Series 2022D Subordinate Bonds are in book-entry form and registered with a Depository, initially DTC.

**ARTICLE IV
APPLICATION OF PROCEEDS OF SERIES 2022D SUBORDINATE BONDS**

Section 401. Application of Proceeds of Series 2022D Subordinate Bonds; Application of Related Amounts.

The net proceeds of the Series 2022D Subordinate Bonds in the amount of \$ _____, which represents the par amount of the Series 2022D Subordinate Bonds (\$ _____) minus the underwriters' discount (\$ _____), at the request and direction of the Authority shall be applied as follows:

(a) \$ _____ shall be deposited in the Series 2022D Escrow Account together with \$ _____ from the Series 2013A Subordinated Bonds Interest Subaccount in the Subordinate Interest Account in the Subordinate Bond Fund; and

(b) \$ _____ shall be deposited in the Series 2022D Costs of Issuance Subaccount of the Series 2022D Construction Account of the Construction Fund and used to pay costs of issuance of the Series 2022D Bonds.

**ARTICLE V
FUNDS AND ACCOUNTS**

Section 501. Series 2022D Construction Account and Series 2022D Escrow Account.

In the Construction Fund, there shall be established a Series 2022D Construction Account and, within that Account, a Series 2022D Costs of Issuance Subaccount. The portion of the proceeds of the Series 2022D Subordinate Bonds specified in Section 401(b) shall be deposited in the Series 2022D Costs of Issuance Subaccount and used to pay costs of issuance related to the Series 2022D Subordinate Bonds. When all costs of issuance have been paid or moneys have been reserved to pay all remaining unpaid costs of issuance, the balance of any Series 2022D Subordinate Bond proceeds remaining in excess of the amount to be reserved for payment of unpaid costs of issuance shall be deposited in the Subordinate Bond Fund to be used solely to pay principal of and interest on the Series 2022D Subordinate Bonds, in either case to the extent approved by Bond Counsel.

The Trustee shall establish and hold the Series 2022D Escrow Account for the purpose of receiving the proceeds of the Series 2022D Subordinate Bonds to be deposited therein pursuant to Section 401. Those proceeds, together with any other funds to be deposited in the Series 2022D Escrow Account pursuant to the Escrow Agreement, shall be applied pursuant to the Escrow Agreement to the payment of the principal of, interest on, and redemption price of the Refunded Bonds.

Section 502. Series 2022D Subordinate Bonds Subaccounts in the Subordinate Interest Account and Subordinate Principal Account.

(a) Within the Subordinate Interest Account there shall be established a "Series 2022D Subordinate Bonds Interest Subaccount." Within the Subordinate Principal Account there shall be established a "Series 2022D Subordinate Bonds Principal Subaccount."

(b) In accordance with Section 604(e) of the Master Indenture, Net Revenues shall be deposited in the Series 2022D Subordinate Bonds Interest Subaccount on or prior to the last Business Day of each of the six months prior to any month in which an Interest Payment Date occurs, in an amount equal to one-sixth (1/6) of the interest due and payable on the Series 2022D Subordinate Bonds on such Interest Payment Date.

(c) In accordance with Section 604(e) of the Master Indenture, Net Revenues shall be deposited in the Series 2022D Subordinate Bonds Principal Subaccount on or prior to the last Business Day of each of the twelve months prior to any month in which principal of Series 2022D Subordinate Bonds is payable on their stated maturity date or pursuant to mandatory redemption requirements, in an amount equal to one-twelfth (1/12) of the principal amount scheduled to be due and payable on the Series 2022D Subordinate Bonds in such month.

ARTICLE VI SECURITY FOR SERIES 2022D SUBORDINATE BONDS

Section 601. Security for Series 2022D Subordinate Bonds.

The Series 2022D Subordinate Bonds shall be secured as Subordinate Debt under the Indenture, including, without limitation, by a pledge of: (i) Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures Subordinate Debt, including, without limitation, any other Subordinate Debt that the Authority may issue in the future, without preference, priority or distinction of any Series 2022D Subordinate Bond over any other Series 2022D Subordinate Bond or of any Subordinate Debt over any other Subordinate Debt, as provided in the Indenture; and (ii) the moneys and Permitted Investments in the Subordinate Bond Fund on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, any other Subordinate Debt that the Authority may issue in the future, without preference, priority or distinction of any Series 2022D Subordinate Bond over any other Series 2022D Subordinate Bond or of any Subordinate Debt over any other Subordinate Debt, as provided in the Indenture.

Pursuant to the WASA Act (as defined in the Master Indenture), the Authority hereby includes in this Thirty-First Supplemental Indenture the pledge of the District to the Authority and any holders of its bonds that, except as provided in the WASA Act, the District will not limit or alter rights vested in the Authority to fulfill agreements made with holders of the bonds, or in any way impair the rights and remedies of the holders of the bonds until the bonds, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceedings by or on behalf of the holders of the bonds are fully met and discharged.

ARTICLE VII DEFAULTS AND REMEDIES

Section 701. Application of Article IX and Other Remedies Provisions of the Master Indenture.

The Series 2022D Subordinate Bonds do not constitute “Bonds” under the Master Indenture. Accordingly, the provisions of Article IX of the Master Indenture that confer certain

rights upon the Holders of Bonds or a specified percentage thereof do not apply to the Series 2022D Subordinate Bonds or to the Series 2022D Subordinate Bondholders. Pursuant to Section 305 of the Master Indenture, the Series 2022D Subordinate Bonds, as Subordinate Debt, may not be accelerated if any Senior Debt is outstanding.

Section 702. Rights of Series 2022D Subordinate Bondholders Upon Occurrence of Events of Default.

In addition to and in furtherance and implementation of the rights that Series 2022D Subordinate Bondholders have under the penultimate paragraph of Section 906 of the Master Indenture, Sections 703 through 711, inclusive, of this Thirty-First Supplemental Indenture shall apply to the Series 2022D Subordinate Bonds.

Section 703. Events of Default.

Each of the following events shall be a Series 2022D Subordinate Bond Event of Default:

(a) Default in the due and punctual payment of the principal of or premium, if any, on any Series 2022D Subordinate Bond (whether at maturity or call for redemption);

(b) Default in the due and punctual payment of the interest on any Series 2022D Subordinate Bond;

(c) Failure of the Authority to make the deposits required by subsection (e) or subsection (f) of Section 604 of the Master Indenture at the time and in the amount required from Net Revenues available for such deposit under the Indenture; or

(d) Failure of the Trustee to apply moneys in accordance with the penultimate paragraph of Section 906 of the Master Indenture.

Section 704. Remedies of Series 2022D Subordinate Bondholders.

Upon the occurrence and continuation of a Series 2022D Subordinate Bond Event of Default, the Trustee may, and if requested by the holders of not less than 25% in aggregate principal amount of outstanding Series 2022D Subordinate Bonds and if indemnified to its reasonable satisfaction, shall proceed to protect and enforce their rights by mandamus or other suit, action or proceeding at law or in equity, including an action for specific performance.

No remedy conferred by this Indenture upon or reserved to the Trustee and Series 2022D Subordinate Bondholders is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee and Series 2022D Subordinate Bondholders hereunder or now or hereafter existing at law, in equity or by statute.

No delay or omission to exercise any right or power accruing upon any default or Series 2022D Subordinate Bond Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Series 2022D Subordinate Bond Event of Default

or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any default or Series 2022D Subordinate Bond Event of Default hereunder by the Trustee or Series 2022D Subordinate Bondholders shall extend to or shall affect any subsequent Series 2022D Subordinate Bond Event of Default or shall impair any rights or remedies consequent thereon.

Section 705. Right of Series 2022D Subordinate Bondholders to Direct Proceedings.

The holders of a majority in aggregate principal amount of Series 2022D Subordinate Bonds then outstanding shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Thirty-First Supplemental Indenture or any other proceedings hereunder; provided, however, that the Trustee is provided indemnity satisfactory to it and such direction shall not be otherwise than in accordance with the provisions of law and of the Indenture.

Section 706. Application of Moneys.

All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the cost and expenses of the proceedings resulting in the collection of such moneys, the outstanding fees, expenses, liabilities and advances incurred or reasonably anticipated to be made by the Trustee, and the fees and the expenses of the Authority in carrying out this Thirty-First Supplemental Indenture, be deposited in the Series 2022D Subordinate Bonds Interest Subaccount or the Series 2022D Subordinate Bonds Principal Subaccount, as the case may be, and applied as follows and for no other purpose:

- (a) All such moneys shall be applied:

First - To the payment to the persons entitled thereto of all installments of interest then due on the Series 2022D Subordinate Bonds, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Series 2022D Subordinate Bonds; and

Second - To the payment to the persons entitled thereto of the unpaid principal of and premium, if any, on any of the Series 2022D Subordinate Bonds which shall have become due (other than Series 2022D Subordinate Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of the Indenture), in the order of their due dates, and, if the amount available shall not be sufficient to pay in full Series 2022D Subordinate Bonds due on any particular date, then to the payment of such principal and premium, if any, ratably, according to the amount of such principal due on such date, to the persons entitled thereto, without any discrimination or preference.

(b) Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times and from time to time as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such moneys, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) on which such application is to be made and on such date interest shall cease to accrue on the amounts of principal to be paid. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date.

Section 707. Remedies Vested in Trustee.

All rights of action (including the right to file proof of claims) under this Thirty-First Supplemental Indenture or under any of the Series 2022D Subordinate Bonds may be enforced by the Trustee without the possession of any of the Series 2022D Subordinate Bonds or the production thereof in any trial or other proceeding relating thereto and any such suit or proceeding instituted by the Trustee may be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Series 2022D Subordinate Bondholders, and any recovery of judgment shall be for the equal benefit of the Series 2022D Subordinate Bondholders.

Section 708. Limitation on Suits.

Except to enforce the rights given under Sections 704 and 705 of this Thirty-First Supplemental Indenture, no Series 2022D Subordinate Bondholder shall have any right to institute any action, suit or proceeding at law or in equity for the enforcement of the Indenture or for the execution of any trust thereof or any other remedy hereunder, unless: (a) a Series 2022D Subordinate Bond Event of Default has occurred and is continuing and the Holders of 25% in aggregate principal amount of Series 2022D Subordinate Bonds then outstanding have made written request to the Trustee and offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, (b) such requesting Series 2022D Subordinate Bondholders have offered to the Trustee indemnity as provided in Section 1101(1) of the Master Indenture, (c) the Trustee has thereafter failed or refused to exercise the powers hereinbefore granted, or to institute such action, suit or proceeding in its own name, (d) no direction inconsistent with such written request has been given to the Trustee by the holders of a majority in aggregate principal amount of Series 2022D Subordinate Bonds then outstanding, and (e) notice of such action, suit or proceeding is given to the Trustee; it being understood and intended that no one or more Series 2022D Subordinate Bondholders shall have any right in any manner whatsoever to affect, disturb or prejudice the Indenture by its or their action or to enforce any rights hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted and maintained in the manner herein provided and for the equal benefit of all Series 2022D Subordinate Bondholders then outstanding. The notification, request and offer of indemnity set forth above, at the option of the Trustee, shall be conditions precedent to the execution of the powers and trusts of this Thirty-First Supplemental Indenture and to any action or cause of action for the enforcement of this Thirty-First Supplemental Indenture or for any other remedy hereunder.

Section 709. Termination of Proceedings.

In case the Trustee shall have proceeded to enforce any right under this Thirty-First Supplemental Indenture and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee, then and in every such case the Authority and the Trustee shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 710. Waivers of Events of Default.

Subject to the Indenture (including, without limitation, Section 1101 of the Master Indenture), the Trustee may in its discretion waive any Series 2022D Subordinate Bond Event of Default hereunder or any action taken pursuant to any Series 2022D Subordinate Bond Event of Default, and shall do so at the written request of the holders of: (a) a majority in aggregate principal amount of Series 2022D Subordinate Bonds then outstanding in respect of which default in the payment of principal and/or premium, if any, and/or interest exists, or (b) a majority in aggregate principal amount of Series 2022D Subordinate Bonds then outstanding in the case of any other Series 2022D Subordinate Bond Event of Default; provided, however, that there shall not be waived without the written consent of all then Outstanding Series 2022D Subordinate Bondholders (A) any Series 2022D Subordinate Bond Event of Default in the payment of the principal of any Outstanding Series 2022D Subordinate Bonds (whether at maturity or by mandatory redemption), or (B) any default in the payment when due of the interest on any such Series 2022D Subordinate Bonds unless, prior to such waiver or rescission,

- (i) there shall have been paid or provided for all arrears of interest with interest, to the extent permitted by law, at the rate borne by the Series 2022D Subordinate Bonds on overdue installments of interest, all arrears of principal and premium, if any, and all expenses of the Trustee in connection with such default, and
- (ii) in case of any such waiver or rescission or in the case of any discontinuance, abandonment or adverse determination of any proceeding taken by the Trustee on account of any such default, the Authority, the Trustee, and the Series 2022D Subordinate Bondholders shall be restored to their former positions and rights hereunder respectively.

No such waiver or rescission relating to the Series 2022D Subordinate Bonds shall extend to any subsequent or other default or impair any right consequent thereon.

Section 711. Non-Impairment of Authority's Obligation to Pay Principal, Premium and Interest.

Nothing in this Thirty-First Supplemental Indenture shall, however, affect or impair the obligation of the Authority to pay the principal of, premium, if any, and interest on each of the Series 2022D Subordinate Bonds to the respective Holders thereof at the time and place, from the source and in the manner specified in the Indenture.

**ARTICLE VIII
MISCELLANEOUS**

Section 801. Limitation of Rights.

With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Thirty-First Supplemental Indenture or the Series 2022D Subordinate Bonds is intended or shall be construed to give to any person other than the parties hereto and the Series 2022D Subordinate Bondholders any legal or equitable right, remedy or claim under or in respect to this Thirty-First Supplemental Indenture or any covenants, conditions and agreements herein contained since this Thirty-First Supplemental Indenture and all of the covenants, conditions and agreements hereof are intended to be and are for the sole and exclusive benefit of the parties hereto and the Series 2022D Subordinate Bondholders as herein provided.

Section 802. Severability.

If any provision of this Thirty-First Supplemental Indenture shall be held invalid by any court of competent jurisdiction, such holding shall not invalidate any other provision hereof, and this Thirty-First Supplemental Indenture shall be construed and enforced as if such illegal provision had not been contained herein.

Section 803. Successors and Assigns.

This Thirty-First Supplemental Indenture shall be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

Section 804. Limitations on Liability.

No covenant, agreement or obligation contained herein shall be deemed to be a covenant, agreement or obligation of any present or future member of the Board of Directors of the Authority or officer, employee or agent of the Authority in his or her individual capacity, and neither the members of the Board of Directors of the Authority nor any officer of the Authority executing the Series 2022D Subordinate Bonds shall be liable personally on the Series 2022D Subordinate Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. No member of the Board of Directors of the Authority or officer, employee, agent or advisor of the Authority shall incur any personal liability with respect to any other action taken by him or her pursuant to this Thirty-First Supplemental Indenture or the Indenture or any other document authorized by the Indenture, provided such member, officer, employee, agent or advisor acts in good faith.

Section 805. Applicable Law.

This Thirty-First Supplemental Indenture shall be governed by the applicable laws of the District of Columbia.

Section 806. Counterparts.

This Thirty-First Supplemental Indenture may be executed in several counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same instrument.

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IN WITNESS WHEREOF, the Authority and the Trustee have caused this Thirty-First Supplemental Indenture to be executed in their respective corporate names as of the date first above written.

**DISTRICT OF COLUMBIA WATER
AND SEWER AUTHORITY**

By: _____
Matthew Brown
Chief Financial Officer and Executive Vice
President, Finance and Procurement

**COMPUTERSHARE TRUST COMPANY, N.A.,
AS TRUSTEE**

By: _____
Its _____

EXHIBIT A

SERIES 2022D SUBORDINATE BOND FORM

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the Authority or its agent for registration of transfer, exchange, or payment, and any certificate is 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 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.

REGISTERED NO.
RD-1

REGISTERED
\$ _____

UNITED STATES OF AMERICA

**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

**PUBLIC UTILITY SUBORDINATE LIEN REVENUE
REFUNDING BOND, SERIES 2022D
(Federally Taxable)**

INTEREST RATE _____ %	MATURITY DATE October 1, 20__	DATED DATE _____, 2022	CUSIP 254845 [__]
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REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

The District of Columbia Water and Sewer Authority (the “Authority”), for value received, hereby promises to pay upon surrender hereof at the designated corporate trust office of Computershare Trust Company, N.A., as trustee, or its successor in trust (the “Trustee”), under the Indenture, as hereinafter defined, solely from the sources and as hereinafter provided, to the registered owner hereof, or registered assigns or legal representative, the principal sum stated above on the maturity date stated above, subject to prior redemption as hereinafter provided, and to pay, solely from such sources, interest hereon semiannually on each April 1 and October 1, beginning April 1, 2020, at the annual rate stated above, calculated on the basis of a 360-day year of twelve 30-day months. Interest is payable from the date of this Series 2022D Subordinate Bond (unless payment of interest hereon is in default, in which case this Series 2022D Subordinate Bond shall bear interest from the date to which interest has been paid). Interest is payable by check or

draft mailed to the registered owner hereof at its address as it appears on the fifteenth day of the month preceding each interest payment date on registration books kept by the Trustee; provided, however, that if the Series 2022D Subordinate Bonds, as hereinafter defined, are registered in the name of a securities depository or its nominee as registered owner or at the option of a registered owner of at least \$1,000,000 of Series 2022D Subordinate Bonds, payment will be made by wire transfer to an account within the United States pursuant to the most recent wire instructions received by the Trustee from such registered owner. Principal, premium, if any, and interest are payable in lawful money of the United States of America. Capitalized terms which are not defined herein shall have the meanings set forth in the Indenture.

Notwithstanding any other provision hereof, this Series 2022D Subordinate Bond is subject to book-entry form maintained by The Depository Trust Company (“DTC”), and the payment of principal, premium, if any, and interest, the providing of notices and other matters shall be made as described in the Authority’s Blanket Letter of Representations to DTC.

This Series 2022D Subordinate Bond is one of an issue of \$[Series 2022D par amount] Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2022D (Federally Taxable) (the “Series 2022D Subordinate Bonds”), of like date and tenor, except as to number, denomination, rate of interest, privilege of redemption and maturity. The Series 2022D Subordinate Bonds are issued under a Master Indenture of Trust, dated as of April 1, 1998, between the Authority and the Trustee (f.k.a. Norwest Bank, N.A.) (the “Master Indenture”), as amended and supplemented by the Thirty-First Supplemental Indenture of Trust, dated as of _____, 2022, between the Authority and the Trustee (the “Thirty-First Supplemental Indenture”), and as previously amended and supplemented by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture, the Eighth Supplemental Indenture, the Ninth Supplemental Indenture, the Tenth Supplemental Indenture, the Eleventh Supplemental Indenture, the Twelfth Supplemental Indenture, the Thirteenth Supplemental Indenture, the Fourteenth Supplemental Indenture, the Fifteenth Supplemental Indenture, the Sixteenth Supplemental Indenture, the Seventeenth Supplemental Indenture, the Eighteenth Supplemental Indenture, the Nineteenth Supplemental Indenture, the Twentieth Supplemental Indenture, the Twenty-First Supplemental Indenture, the Twenty-Second Supplemental Indenture, the Twenty-Third Supplemental Indenture, the Twenty-Fourth Supplemental Indenture, the Twenty-Fifth Supplemental Indenture, the Twenty-Sixth Supplemental Indenture, the Twenty-Seventh Supplemental Indenture, the Twenty-Eighth Supplemental Indenture, the Twenty-Ninth Supplemental Indenture and the Thirtieth Supplemental Indenture all as defined in the Thirty-First Supplemental Indenture (the “Indenture”). The Series 2022D Subordinate Bonds are secured under the Indenture as Subordinate Debt by a pledge of Net Revenues subordinate to the pledge that secures Senior Debt and on a parity to the pledge that secures other Subordinate Debt. Reference is hereby made to the Indenture for a description of the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Authority and the Trustee, the rights of the holders of the Series 2022D Subordinate Bonds and the terms upon which the Series 2022D Subordinate Bonds are issued and secured.

The Series 2022D Subordinate Bonds and the premium, if any, and the interest thereon are limited obligations of the Authority payable from Net Revenues of the System, subject to the prior payment therefrom of the principal of and interest due and payable on all Senior Debt heretofore and hereafter issued or incurred by the Authority, and from certain other funds and accounts pledged thereto by, and on the terms set forth in, the Indenture. The Series 2022D Subordinate Bonds shall be without recourse to the District of Columbia (the “District”). The Series 2022D Subordinate Bonds shall not be general obligations of the District, shall not be a pledge of or involve the faith and credit or the taxing power of the District, shall not constitute a debt of the District, and shall not constitute lending of the public credit for private undertakings.

The Series 2022D Bonds shall be subject to redemption prior to their stated maturities, at the option of the Authority, on any date prior to October 1, 20__ from any source of available funds, as a whole or in part, at a redemption price equal to the principal amount thereof plus the Make-Whole Premium, if any, plus accrued interest to the date fixed for redemption, all as specified in Section 301(a)(i) of the Thirty-First Supplemental Indenture.

The Series 2022D Subordinate Bonds maturing on or after October 1, 20__ are subject to redemption prior to maturity at the option of the Authority on or after October 1, 20__, from any source, in whole or in part on any date, in such order of maturities as shall be determined by the Authority (and by lot within a maturity), at a redemption price of 100% of the principal amount thereof, together with accrued interest, if any, to the redemption date.

The Term Series 2022D Subordinate Bonds maturing on October 1, 20__ are required to be redeemed prior to maturity on October 1 in years and amounts upon payment of 100% of the principal amount thereof plus interest accrued to the redemption date, as follows:

Year	Amount
------	--------

 † Final Maturity

The Term Series 2022D Subordinate Bonds maturing on October 1, 20__ are required to be redeemed prior to maturity on October 1 in years and amounts upon payment of 100% of the principal amount thereof plus interest accrued to the redemption date, as follows:

Year	Amount
------	--------

† Final Maturity

The particular maturities of the Series 2022D Subordinate Bonds to be redeemed at the option of the Authority will be selected from such maturities as shall be determined by the Authority, upon advice from Co-Bond Counsel.

If less than all the Series 2022D Bonds of a particular maturity shall be called for any optional redemption or mandatory sinking fund redemption: (i) if the Series 2022D Bonds are not registered in book entry only form, any redemption of less than all of the Series 2022D Bonds will be allocated among the registered owners of such Series 2022D Bonds being redeemed as nearly as practicable in proportion to the amounts of the principal amounts of the Series 2022D Bonds owned by each registered owner, in authorized denominations, calculated based on the formula: (principal to be redeemed) x (principal amount owned by such owner) / (total principal amount outstanding), and the particular Series 2022D Bonds to be redeemed will be determined by the Trustee in any manner as the Trustee in its sole discretion deems fair and appropriate and (ii) if the Series 2022D Bonds are in book entry only form and so long as DTC or a successor securities depository is the sole registered owner of the Series 2022D Bonds, any redemption of less than all of the Series 2022D Bonds will be done in accordance with DTC's procedures in effect at such time. It is the Authority's intent that redemption allocations made by DTC, the DTC Participants or such other intermediaries that may exist between the Authority and the Beneficial Owners be made in accordance with these same proportional provisions; provided, however, the Authority provides no assurance that DTC, the DTC Participants or any other intermediary will allocate redemptions among Beneficial Owners on such a proportional basis.

If any of the Series 2022D Subordinate Bonds or portions thereof are called for redemption, the Trustee shall send notice of the call for redemption, identifying the Series 2022D Subordinate Bonds or portions thereof to be redeemed, not fewer than 30 nor more than 60 days prior to the redemption date, by facsimile, registered or certified mail or overnight express delivery, to the registered owner of each Series 2022D Subordinate Bond; provided, however, the Trustee may send any notice of redemption of Series 2022D Subordinate Bonds not fewer than 20 days prior to the redemption date or such shorter period of time as may be acceptable to the Depository while the Series 2022D Subordinate Bonds are in book-entry form and registered with a Depository. Provided funds for their redemption are on deposit at the place of payment on the redemption date, all Series 2022D Subordinate Bonds or portions thereof so called for redemption shall cease to bear interest on such date, shall no longer be secured by the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture. If a portion of the Series 2022D Subordinate Bonds shall be called for redemption, a new Series 2022D Subordinate Bond in principal amount equal to the unredeemed portion hereof will be issued to DTC or its nominee upon the surrender hereof, or if the book-entry system is discontinued, to the registered owners of the Series 2022D Subordinate Bonds.

The registered owner of this Series 2022D Subordinate Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein or to take any action with respect to any Event of Default or Series 2022D Subordinate Bond Event of Default under the Indenture or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture. Specifically, and without limiting the generality of the foregoing, the Series 2022D Subordinate Bonds, as Subordinate Debt, may not be accelerated if any Senior Debt is outstanding. Modifications or alterations of the Indenture, or of any supplement thereto, may be made only to the extent and in the circumstances permitted by the Indenture.

No covenant, agreement or obligation contained herein shall be deemed to be a covenant, agreement or obligation of any present or future member of the Board of Directors of the Authority or officer, employee or agent of the Authority in his or her individual capacity, and neither the members of the Board of Directors of the Authority nor any officer of the Authority executing the Series 2022D Subordinate Bonds shall be liable personally on the Series 2022D Subordinate Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. No member of the Board of Directors of the Authority or officer, employee, agent or advisor of the Authority shall incur any personal liability with respect to any other action taken by him or her pursuant to this Series 2022D Subordinate Bond, the Thirty-First Supplemental Indenture or the Indenture or any other document authorized by the Indenture, provided such member, officer, employee, agent or advisor acts in good faith.

The Series 2022D Subordinate Bonds are issuable as registered bonds initially in denominations of \$5,000 and integral multiples thereof. Upon surrender for transfer or exchange of this Series 2022D Subordinate Bond at the principal corporate trust office of the Trustee, together with an assignment duly executed by the registered owner or its duly authorized attorney or legal representative in such form as shall be satisfactory to the Trustee, the Authority shall execute, and the Trustee shall authenticate and deliver in exchange, a new Series 2022D Subordinate Bond or Series 2022D Subordinate Bonds in the manner and subject to the limitations and conditions provided in the Indenture, having an equal aggregate principal amount, in authorized denominations, of the same series, form and maturity, bearing interest at the same rate and registered in the name or names as requested by the then registered owner hereof or its duly authorized attorney or legal representative. Any such exchange shall be at the expense of the Authority, except that the Trustee may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

The Trustee shall treat the registered owner as the person exclusively entitled to payment of principal, premium, if any, and interest and the exercise of all other rights and powers of the owner, except that interest payments shall be made to the person shown as owner on the fifteenth day of the month preceding each interest payment date.

All acts, conditions and things required to happen, exist or be performed precedent to and in the issuance of this Series 2022D Subordinate Bond have happened, exist and have been performed.

This Series 2022D Subordinate Bond shall not become obligatory for any purpose or be entitled to any security or benefit under the Indenture or be valid until the Trustee shall have

executed the Certificate of Authentication appearing hereon and inserted the date of authentication hereon.

IN WITNESS WHEREOF, the DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY has caused this Series 2022D Subordinate Bond to be executed by the manual or facsimile signatures of the Chairman of the Board of Directors, its seal to be affixed hereto or a facsimile to be printed hereon and attested by the manual or facsimile signature of the Secretary to the Authority, and this Series 2022D Subordinate Bond to be dated _____, 2022.

ATTEST:

Secretary to the Authority

Chairman

[SEAL]

CERTIFICATE OF AUTHENTICATION

Date Authenticated: _____

This Series 2022D Subordinate Bond is one of the Series 2022D Subordinate Bonds described in the within mentioned Indenture.

Computershare Trust Company, N.A.,
Trustee

By _____
Authorized Officer or Employee

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto

(please print or typewrite name and address, including zip code, of Transferee)

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF TRANSFEREE

: :
: :
: :

the within Series 2022D Subordinate Bond and all rights thereunder, hereby irrevocably
constituting _____ and _____ appointing

_____, Attorney, to transfer said Series
2022D Subordinate Bond on the books kept for the registration thereof, with full power of
substitution in the premises.

Dated: _____

Signature Guaranteed

NOTICE: Signature(s) must be
guaranteed by an Eligible Guarantor
Institution such as a Commercial
Institution such as a Commercial Bank,
Trust Company, Securities Broker/Dealer,
Credit Union, or Savings Association who
is a member of a medallion program
approved by The Securities Transfer
Association, Inc.

NOTICE: The signature above must
correspond with the name of the registered
owner as it appears on the front of this Series
2022D Subordinate Bond in every
particular, without alteration or enlargement
or any change whatsoever.

THIRTY-SECOND SUPPLEMENTAL INDENTURE OF TRUST

between

**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

and

**COMPUTERSHARE TRUST COMPANY, N.A.
AS TRUSTEE**

Dated _____, 2022

THIS THIRTY-SECOND SUPPLEMENTAL INDENTURE OF TRUST dated the ___ day of _____, 2022 (as defined in more detail below, the “**Thirty-Second Supplemental Indenture**”), by and between the District of Columbia Water and Sewer Authority (the “**Authority**”), an independent authority of the District of Columbia (the “**District**”), and Computershare Trust Company, N.A., a national banking association, having a corporate trust office in Philadelphia, Pennsylvania, as trustee (in such capacity, together with any successor in such capacity, herein called the “**Trustee**”), provides:

WHEREAS, the Authority and the Trustee (its predecessor in that capacity having been Norwest Bank, N.A.) entered into the Master Indenture of Trust, dated as of April 1, 1998 (the “**Master Indenture**” and, as previously supplemented and amended by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture, the Eighth Supplemental Indenture, the Ninth Supplemental Indenture, the Tenth Supplemental Indenture, the Eleventh Supplemental Indenture, the Twelfth Supplemental Indenture, the Thirteenth Supplemental Indenture, the Fourteenth Supplemental Indenture, the Fifteenth Supplemental Indenture, the Sixteenth Supplemental Indenture, the Seventeenth Supplemental Indenture, the Eighteenth Supplemental Indenture, the Nineteenth Supplemental Indenture, the Twentieth Supplemental Indenture, the Twenty-First Supplemental Indenture, the Twenty-Second Supplemental Indenture, the Twenty-Third Supplemental Indenture, the Twenty-Fourth Supplemental Indenture, the Twenty-Fifth Supplemental Indenture, the Twenty-Sixth Supplemental Indenture, the Twenty-Seventh Supplemental Indenture, the Twenty-Eighth Supplemental Indenture, the Twenty-Ninth Supplemental Indenture, the Thirtieth Supplemental Indenture and the Thirty-first Supplemental Indenture, all as hereinafter defined, and as it may further be supplemented and amended in accordance with its terms, the “**Indenture**”), to provide for financing or refinancing the acquisition, construction, operation, maintenance and extension of the System (as defined in the Master Indenture) by the issuance of bonds, notes and other obligations payable solely from Net Revenues (as defined in the Master Indenture); and

WHEREAS, pursuant to the First Supplemental Indenture of Trust, dated as of April 1, 1998 (the “**First Supplemental Indenture**”), between the Authority and the Trustee, the Authority issued its \$266,120,000 Public Utility Revenue Bonds, Series 1998, dated as of April 1, 1998 (the “**Series 1998 Senior Lien Bonds**”), to finance Costs of the System (as defined in the Master Indenture) and to refund then outstanding debt of the Authority; and

WHEREAS, the Master Indenture permits the Authority, for certain purposes and subject to certain conditions, to issue Other System Indebtedness (as defined therein) secured on a parity with the Series 1998 Senior Lien Bonds and referred to collectively with the Series 1998 Senior Lien Bonds as “Senior Debt,” and also permits the Authority to issue Subordinate Debt (as defined therein), which has pledged to its payment Net Revenues as a subordinate lien pledge after the pledge of Net Revenues to Senior Debt; and

WHEREAS, pursuant to the Second Supplemental Indenture of Trust, dated as of November 1, 2001 (the “**Second Supplemental Indenture**”), between the Authority and the Trustee, the Authority amended and supplemented the Master Indenture in accordance with its

terms to clarify provisions thereof related to certain forms of Indebtedness (as defined in the Master Indenture, i.e., Senior Debt and Subordinate Debt) and thereby facilitate the issuance of such forms of Indebtedness; and

WHEREAS, pursuant to the Third Supplemental Indenture of Trust, dated as of November 1, 2001 (the “**Third Supplemental Indenture**”), between the Authority and the Trustee, the Authority (i) issued its Commercial Paper Notes defined therein as the Series A-B Notes, (ii) designated the Series A-B Notes as Subordinate Debt for purposes of the Indenture, and (iii) made provision for the securing of the Series A-B Notes and of the Reimbursement Obligations to the Bank that provided the Letters of Credit (all as defined therein) that secure the Series A-B Notes; and

WHEREAS, pursuant to the Fourth Supplemental Indenture of Trust, dated August 12, 2003: (the “**Fourth Supplemental Indenture**”), between the Authority and the Trustee, the Authority (i) issued its Public Utility Subordinated Lien Revenue Bonds, Series 2003, dated August 12, 2003 (the “**Series 2003 Subordinated Bonds**”), in the aggregate principal amount of \$176,220,000 to finance certain Costs of the System and retire Series A-B Notes, (ii) designated the Series 2003 Subordinated Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2003 Subordinated Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Fifth Supplemental Indenture of Trust, dated August 3, 2004 (the “**Fifth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinated Lien Revenue Bonds, Series 2004, as Subseries 2004A-1, Subseries 2004A-2, Subseries 2004B-1 and Subseries B-2 (collectively, the “**Series 2004 Subordinated Bonds**”) in the aggregate principal amount of \$295,000,000 to finance certain Costs of the System, (ii) designated the Series 2004 Subordinated Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2004 Subordinated Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Sixth Supplemental Indenture of Trust, dated June 6, 2007 (the “**Sixth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinated Lien Revenue Bonds, Series 2007A, in the aggregate principal amount of \$218,715,000 to finance certain Costs of the System and retire Series A-B Notes, (ii) designated the Series 2007A Subordinated Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2007A Subordinated Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Seventh Supplemental Indenture of Trust, dated June 6, 2007 (the “**Seventh Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinated Lien Taxable Revenue Bonds, Series 2007B, in the aggregate principal amount of \$59,000,000 to finance certain Costs of the System, (ii) designated the Series 2007B Subordinated Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2007B Subordinated Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Eighth Supplemental Indenture of Trust, dated April 24, 2008 (the “**Eighth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinated Lien Revenue Refunding Bonds, Series 2008, in the aggregate principal amount of \$290,375,000 to (a) currently refund all of the outstanding Series 2004 Subordinated Bonds and a portion of the Series 2007B Subordinated Bonds, and (b) pay issuance costs of the Series 2008 Subordinated Bonds, (ii) designated the Series 2008 Subordinated Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2008 Subordinated Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Ninth Supplemental Indenture of Trust, dated December 19, 2008 (the “**Ninth Supplemental Indenture**”), between the Authority and the Trustee, the Authority agreed to confer on the Holders of the Series 2003 Subordinated Bonds additional rights related to the Reserve Credit Facility (as defined therein) and to cure any ambiguity or omission in the Indenture regarding the obligations of the Authority as a consequence of a downgrade of the Reserve Policy related to the Series 2003 Subordinated Bonds, or in the event that the Reserve Policy were to cease to be in effect; and

WHEREAS, pursuant to the Tenth Supplemental Indenture of Trust, dated February 12, 2009 (the “**Tenth Supplemental Indenture**”), between the Authority and the Trustee, the Authority (i) issued its Public Utility Senior Lien Revenue Bonds, Series 2009A, in the aggregate principal amount of \$300,000,000 to finance certain Costs of the System and retire Series A-B Notes, (ii) designated the Series 2009A Senior Lien Bonds as Senior Debt for purposes of the Indenture, and (iii) secured the Series 2009A Senior Lien Bonds by a pledge of Net Revenues on a parity with the pledge of Net Revenues that secures the other Senior Debt, including, without limitation, other Senior Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Eleventh Supplemental Indenture of Trust, dated June 2, 2010 (the “**Eleventh Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Commercial Paper Notes defined therein as the Series A-B-C Notes, (ii) designated the Series A-B-C Notes as Subordinate Debt for purposes of the Indenture, and (iii) made provision for the securing of the Series A-B-C Notes and of the Reimbursement Obligations to the Bank that provided the Letters of Credit (all as defined therein) that secure the Series A-B-C Notes; and

WHEREAS, pursuant to the Twelfth Supplemental Indenture of Trust, dated October 27, 2010 (the “**Twelfth Supplemental Indenture**”), between the Authority and the Trustee, the Authority (i) issued its Public Utility Subordinate Lien Revenue Bonds, Series 2010A (Federally Taxable – Issuer Subsidy – Build America Bonds) in the aggregate principal amount of \$300,000,000 to finance certain Costs of the System, and fund capitalized interest on a portion of the Series 2010A Subordinate Bonds, subject to specified limitations, (ii) designated the Series 2010A Subordinate Bonds as Subordinate Debt for purposes of the Indenture, (iii) secured the Series 2010A Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future, and (iv) included provisions in the Indenture related to potential Direct Payments (as defined therein) received or expected to be received by the Authority, including certain provisions requiring the consent of the holders of a majority of Outstanding Bonds; and

WHEREAS, pursuant to the Thirteenth Supplemental Indenture of Trust, dated March 22, 2012 (the “**Thirteenth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (A) (i) issued its Public Utility Subordinate Lien Revenue Bonds, Series 2012A in the aggregate principal of \$177,430,000 to finance certain Costs of the System and pay certain costs of issuance, (ii) designated the Series 2012A Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2012A Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future, (B) (i) issued its Public Utility Subordinate Lien Multimodal Revenue Bonds, Series 2012B in the aggregate principal amount of \$100,000,000 to finance certain Costs of the System, fund capitalized interest on a portion of the Series 2012B Subordinate Bonds subject to specified limitations, and pay certain costs of issuance, (ii) designated the Series 2012B Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2012B Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future, and (C) (i) issued its Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2012C in the aggregate principal amount of \$163,215,000, and applied the proceeds thereof, together with any other funds of the Authority, to advance refund the Refunded Bonds (as defined in the Thirteenth Supplemental Indenture) and caused them to be deemed paid and no longer Outstanding for purposes of the Indenture, and paid certain costs of issuance, (ii) designated the Series 2012C Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2012C Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Fourteenth Supplemental Indenture of Trust, dated August 1, 2013 (the “**Fourteenth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinate Lien Revenue Bonds, Series 2013A, in the aggregate principal amount of \$300,000,000 to (a) finance certain Costs of the System, and (b) pay issuance costs of the Series 2013A Subordinate Bonds, (ii) designated the Series 2013A Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2013A Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Fifteenth Supplemental Indenture of Trust, dated July 23, 2014 (the “**Fifteenth Supplemental Indenture**”), between the Authority and the Trustee, the Authority (i) issued its Public Utility Senior Lien Revenue Bonds, Series 2014A, in the aggregate principal amount of \$350,000,000 to finance certain Costs of the System, (ii) designated the Series 2014A Senior Lien Bonds as Senior Debt for purposes of the Indenture, and (iii) secured the Series 2014A Senior Lien Bonds by a pledge of Net Revenues on a parity with the pledge of Net Revenues that secures the other Senior Debt, including, without limitation, other Senior Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Sixteenth Supplemental Indenture of Trust, dated July 23, 2014 (the “**Sixteenth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinate Lien Multimodal Revenue Bonds, Series 2014B, in the aggregate principal amount of \$100,000,000 (the “**Series 2014B Subordinate Bonds**”) to finance certain Costs of the System and pay certain costs of issuance, (ii) designated the Series 2014B Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2014B Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Seventeenth Supplemental Indenture of Trust, dated November 20, 2014 (the “**Seventeenth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2014C, in the aggregate principal amount of \$377,700,000 (the “**Series 2014C Subordinate Bonds**”) to (a) advance refund all or a portion of the Authority’s outstanding Series 2007A Subordinated Bonds, the Series 2008A Subordinated Bonds, and the Series 2009A Senior Lien Bonds, and current refund all of the Authority’s outstanding Subseries 2012B-1 of the Series 2012 Subordinate Bonds, and (b) pay issuance costs of the Series 2014C Subordinate Bonds, (ii) designated the Series 2014C Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2014C Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Eighteenth Supplemental Indenture of Trust, dated October 15, 2015 (the “**Eighteenth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinate Lien Revenue Bonds, Series 2015A in the aggregate principal amount of \$100,000,000 (the “**Series 2015A Subordinate Bonds**”) to (a) finance certain Costs of the System, and (b) pay issuance costs of the Series 2015A Subordinate Bonds, (ii) designated the Series 2015A Subordinate Bonds as Subordinate Debt for purposes of the Indenture, (iii) secured the Series 2015A Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future, (iv) issued its Public Utility Subordinate Lien Revenue Bonds, Series 2015B in an aggregate principal amount of \$250,000,000 (the “**Series 2015B Subordinate Bonds**” and, together with the Series 2015A Subordinate Bonds, the “**Series 2015A/B Subordinate Bonds**”) to (a) finance certain Costs of the System, and (b) pay issuance costs of the Series 2015B Subordinate Bonds, (v) designated the Series 2015B Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (vi) secured the Series 2015B Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Nineteenth Supplemental Indenture of Trust, dated December 1, 2015 (the “**Nineteenth Supplemental Indenture**”) between the Trustee and the Authority, the Authority authorized (i) the issuance of its Extendable Municipal Commercial Paper Notes, Series A (the “**Series A EMCP Notes**”) in the aggregate principal amount of not to exceed \$100,000,000 outstanding at any time to finance certain Costs of the System, (ii) designated the Series A EMCP Notes as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series A EMCP Notes by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Twentieth Supplemental Indenture of Trust, dated February 24, 2016 (the “**Twentieth Supplemental Indenture**”) between the Trustee and the Authority, the Authority (i) issued its Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2016A in the aggregate principal amount of \$389,110,000 (the “**Series 2016A Subordinate Bonds**”) to (a) refund all or a portion of the Authority’s outstanding Series 2007A Subordinated Bonds, Series 2008A Subordinated Bonds, and Series 2009A Senior Lien Bonds, and (b) pay issuance costs of the Series 2016A Subordinate Bonds, (ii) designated the Series 2016A Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2016A Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Twenty-First Supplemental Indenture of Trust, dated September 29, 2016 (the “**Twenty-First Supplemental Indenture**”) between the Trustee and

the Authority, the Authority (i) issued its Public Utility Subordinate Lien Revenue Bonds, Series 2016B (Environmental Impact Bonds) in the aggregate principal amount of \$25,000,000 (the “**Series 2016B Subordinate Bonds**”) to (a) finance certain Costs of the System (specifically, a portion of the costs of the Authority’s DC Clean Rivers Project); and (b) pay certain costs of issuance, (ii) designated the Series 2016B Subordinate Bonds as Subordinate Debt, as Variable Rate Indebtedness and as Tender Indebtedness for purposes of the Indenture, and (iii) secured the Series 2016B Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Twenty-Second Supplemental Indenture of Trust, dated February 23, 2017 (the “**Twenty-Second Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Senior Lien Revenue Bonds, Series 2017A in the aggregate principal amount of \$100,000,000 (the “**Series 2017A Senior Lien Bonds**”) to (a) finance certain Costs of the System (specifically, a portion of the costs of the Authority’s DC Clean Rivers Project), and (b) pay issuance costs of the Series 2017A Senior Lien Bonds, (ii) designated the Series 2017A Senior Lien Bonds as Senior Debt for purposes of the Indenture, (iii) secured the Series 2017A Senior Lien Bonds by a pledge of Net Revenues on a parity with the pledge of Net Revenues that secures other Senior Debt, including, without limitation, other Senior Debt that the Authority may issue from time to time in the future, (iv) issued its Public Utility Senior Lien Revenue Bonds, Series 2017B in an aggregate principal amount of \$200,000,000 (the “**Series 2017B Senior Lien Bonds**” and, together with the Series 2017A Senior Lien Bonds, the “**Series 2017A/B Senior Lien Bonds**”) to (a) finance certain Costs of the System, and (b) pay issuance costs of the Series 2017B Senior Lien Bonds, (v) designated the Series 2017B Senior Lien Bonds as Senior Debt for purposes of the Indenture, and (vi) secured the Series 2017B Senior Lien Bonds by a pledge of Net Revenues on a parity with the pledge of Net Revenues that secures other Senior Debt, including, without limitation, other Senior Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Twenty-Third Supplemental Indenture of Trust, dated April 30, 2018 (the “**Twenty-Third Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issued its Public Utility Subordinate Lien Revenue Bonds, Series 2018A in the aggregate principal amount of \$100,000,000 (the “**Series 2018A Senior Lien Bonds**”) to (a) finance certain Costs of the System (specifically, a portion of the costs of the Authority’s DC Clean Rivers Project), and (b) pay issuance costs of the Series 2018A Senior Lien Bonds, (ii) designated the Series 2018A Senior Lien Bonds as Senior Debt for purposes of the Indenture, (iii) secured the Series 2018A Senior Lien Bonds by a pledge of Net Revenues on a parity with the pledge of Net Revenues that secures other Senior Debt, including, without limitation, other Senior Debt that the Authority may issue from time to time in the future, (iv) issued its Public Utility Senior Lien Revenue Bonds, Series 2018B in an aggregate principal amount of \$200,000,000 (the “**Series 2018B Senior Lien Bonds**” and, together with the Series 2018A Senior Lien Bonds, the “**Series 2018A/B Senior Lien Bonds**”) to (a) finance certain Costs of the System, (b) pay issuance costs of the Series 2018B Senior Lien Bonds and (c) refund all of the Authority’s then outstanding Commercial paper Notes, Series B, (v) designated the Series 2018B Senior Lien Bonds as Senior Debt for purposes of the Indenture, and (vi)

secured the Series 2018B Senior Lien Bonds by a pledge of Net Revenues on a parity with the pledge of Net Revenues that secures other Senior Debt, including, without limitation, other Senior Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Twenty-Fourth Supplemental Indenture of Trust, dated November 6, 2019 (the “Twenty-Fourth Supplemental Indenture”), between the Authority and the Trustee, the Authority: (i)(a) issued its Public Utility Subordinate Lien Revenue Bonds, Series 2019A in the aggregate principal amount of \$104,010,000 (the “**Series 2019A Subordinate Bonds**”) to (1) finance certain Costs of the System (specifically, a portion of the costs of the Authority’s DC Clean Rivers Project), and (2) pay issuance costs of the Series 2019A Subordinate Bonds, (b) designated the Series 2019A Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2019A Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future, and (ii)(a) issued its Public Utility Subordinate Revenue Bonds, Series 2019B in an aggregate principal amount of \$58,320,000 (the “**Series 2019B Subordinate Bonds**” and, together with the Series 2019A Subordinate Bonds, the “**Series 2019A/B Subordinate Bonds**”) to (1) finance certain Costs of the System, and (2) pay issuance costs of the Series 2019B Subordinate Bonds, (b) designated the Series 2019B Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2019B Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Twenty-Fifth Supplemental Indenture of Trust, dated November 6, 2019 (the “Twenty-Fifth Supplemental Indenture”), between the Authority and the Trustee, the Authority: (a) issued its Public Utility Subordinate Lien Multimodal Revenue Bonds, Series 2019C (the “**Series 2019C Subordinate Bonds**”) in the aggregate principal amount of \$[par amount] to (1) finance certain Costs of the System, and (2) pay issuance costs of the Series 2019C Subordinate Bonds, (b) designated the Series 2019C Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secured the Series 2019C Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Twenty-Sixth Supplemental Indenture of Trust, dated November 6, 2019 (the “Twenty-Sixth Supplemental Indenture”), between the Authority and the Trustee, the Authority: (i) issued Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2019D (Federally Taxable) (the “**Series 2019D Subordinate Bonds**”) in the aggregate principal amount of \$343,160,000 to (a) refund all or a portion of the Authority’s outstanding Series 2013A Subordinated Bonds (the “**Refunded Bonds**”), and (b) pay issuance costs of the Series 2019D Subordinate Bonds, (ii) designate the Series 2019D Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secure the Series 2019D Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures

Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Twenty-Seventh Supplemental Indenture of Trust, dated April 8, 2020 (the “**Twenty-Seventh Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) entered into the 2020 Term Loan Agreement in connection with the Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2022 (the “**Series 2022B Subordinate Lien Refunding Bonds**”), (ii) issued its Series 2022B Subordinate Lien Refunding Bonds in the aggregate principal amount of \$294,305,000 to (a)(I) refund all of its outstanding Series 2012A Subordinate Bonds and Series 2012C Subordinate Bonds; and (II) pay certain costs of issuance, (iii) designated the Series 2022B Subordinate Lien Refunding Bonds as Subordinate Debt for purposes of the Indenture, and (iv) secured the Series 2022B Subordinate Lien Refunding Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future;

WHEREAS, pursuant to the Twenty-Eighth Supplemental Indenture of Trust, dated as of March 5, 2021 (the “**Twenty-Eighth Supplemental Indenture**”) between the Authority and the Trustee, the Authority entered into a revised Master Letter of Credit Agreement with TD Bank, N.A. to provide letters of credit for the benefit of the Authority’s Rolling Owner Controlled Insurance Program, in an aggregate maximum amount at any one time outstanding of \$25,000,000 and secured the Reimbursement Obligations (as defined in the Twenty-Eighth Supplemental Indenture) by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Twenty-Ninth Supplemental Indenture of Trust, dated as of March 12, 2021 between the Authority and the Trustee, as amended by the First Amendment to the Twenty-Ninth Supplemental Indenture of Trust dated September 17, 2021 between the Authority and the Trustee (together, the “**Twenty-Ninth Supplemental Indenture**”), the Authority (i) entered into a 2021 WIFIA Loan Agreement in connection with the Series 2021 Senior Lien Bonds; (ii) issued its Public Utility Senior Lien Revenue Bonds, Series 2021 Senior Lien Bonds (the “**Series 2021 Senior Lien Bonds**”) in the aggregate principal amount of \$156,367,104 to (1) finance certain Costs of the System (specifically, the costs of the 2021 WIFIA Project as defined therein), and (2) pay issuance costs of the Series 2021 Senior Lien Bond, (iii) designate the Series 2021 Senior Lien Bond as Senior Debt for purposes of the Indenture, and (iv) secure the Series 2021 Senior Lien Bond by a pledge of Net Revenues on a parity with the pledge of Net Revenues that secures other Senior Debt, including, without limitation, other Senior Debt that the Authority may issue from time to time in the future; and

WHEREAS, pursuant to the Thirtieth Supplemental Indenture of Trust, dated _____, 2022 (the “**Thirtieth Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i)(a) issued its Public Utility Subordinate Lien Revenue Bonds,

Series 2022B (Green Bonds) (the “**Series 2022B Subordinate Bonds**”) in the aggregate principal amount of \$_____ to (1) [finance certain Costs of the System (specifically, a portion of the costs of the Authority’s DC Clean Rivers Project)], and (2) pay issuance costs of the Series 2022B Subordinate Bonds, (b) designate the Series 2022B Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secure the Series 2022B Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future, (ii)(a) issue the Public Utility Subordinate Lien Revenue Bonds, Series 2022C-1 in an aggregate principal amount of \$_____ (the “**Series 2022C-1 Subordinate Bonds**”) to (1) finance certain Costs of the System, (2) refund a portion of the outstanding [subordinate] commercial paper notes, (3) purchase or exchange all or a portion of the [Series ____ Subordinate Bonds] tendered and (4) pay issuance costs of the Series 2022C-1 Subordinate Bonds, (b) designate the Series 2022C-1 Subordinate Bonds as Subordinate Debt for purposes of the Indenture, (iii)(a) issue the Public Utility Subordinate Lien Revenue Bonds, Series 2022C-2 in an aggregate principal amount of \$_____ (the “**Series 2022C-2 Subordinate Bonds**”, together with the Series 2022C-1 Subordinate Bonds, the “**Series 2022C Subordinate Bonds**” and together with the Series 2022C-1 Subordinate Bonds and the Series 2022B Subordinate Bonds, the “**Series 2022B/C Subordinate Bonds**”) to replace the [Series ____ Subordinate Bonds], if any, tendered in exchange and (2) pay issuance costs of the Series 2022C-2 Subordinate Bonds and (b) designate the Series 2022C-2 Subordinate Bonds as Subordinate Debt for purposes of the Indenture, (iv) secure the Series 2022C Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future;

WHEREAS, pursuant to the Thirty-First Supplemental Indenture of Trust, dated _____, 2022 (the “**Thirty-First Supplemental Indenture**”), between the Authority and the Trustee, the Authority: (i) issue Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2022D (Federally Taxable) (the “**Series 2022D Subordinate Bonds**”) in the aggregate principal amount of \$_____ to (a) refund all or a portion of the Authority’s outstanding [Series ____ Subordinated Bonds], and (b) pay issuance costs of the Series 2022D Subordinate Bonds, (ii) designate the Series 2022D Subordinate Bonds as Subordinate Debt for purposes of the Indenture, and (iii) secure the Series 2022D Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future;

WHEREAS, the Authority now intends to: (i) issue Public Utility Subordinate Lien Multimodal Revenue Bonds, Series 2022E (the “**Series 2022E Subordinate Bonds**”), (a) to finance certain Costs of the System; (b) to fund a Series 2022E Debt Service Reserve Requirement, (as defined herein); and (c) pay certain costs of issuance of the Series 2022E Bonds; (ii) to designate the Series 2022E Bonds as Subordinate Debt for purposes of the Indenture; and (iii) to secure the Series 2022E Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net

Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future;

to finance certain Costs of the System and pay certain costs of issuance, (ii) designate the Series 2022D Subordinate Bonds as Subordinate Debt for purposes of the Indenture, (iii) secure the Series 2022D Subordinate Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future;

NOW THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter contained, the parties hereto agree, as follows:

ARTICLE I

THIRTY-SECOND SUPPLEMENTAL INDENTURE

Section 101. Authorization of Thirty-Second Supplemental Indenture.

This Thirty-Second Supplemental Indenture is authorized and executed by the Authority and delivered to the Trustee pursuant to and in accordance with Articles III and X of the Master Indenture. All terms, covenants, conditions and agreements of the Indenture shall apply with full force and effect to the Series 2022E Subordinate Bonds as Subordinate Debt and to the Holders thereof as Holders of Subordinate Debt, except as otherwise provided in this Thirty-Second Supplemental Indenture.

Section 102. Definitions.

Except as otherwise defined in this Thirty-Second Supplemental Indenture, capitalized words and terms defined in the Master Indenture as amended by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture, the Eighth Supplemental Indenture, the Ninth Supplemental Indenture, the Tenth Supplemental Indenture, the Eleventh Supplemental Indenture, the Twelfth Supplemental Indenture, the Thirteenth Supplemental Indenture, the Fourteenth Supplemental Indenture, the Fifteenth Supplemental Indenture, the Sixteenth Supplemental Indenture, the Seventeenth Supplemental Indenture, the Eighteenth Supplemental Indenture, the Nineteenth Supplemental Indenture, the Twentieth Supplemental Indenture, the Twenty-First Supplemental Indenture, the Twenty-Second Supplemental Indenture, the Twenty-Third Supplemental Indenture, the Twenty-Fourth Supplemental Indenture, the Twenty-Fifth Supplemental Indenture, the Twenty-Sixth Supplemental Indenture, the Twenty-Seventh Supplemental Indenture, the Twenty-Eighth Supplemental Indenture, the Twenty-Ninth Supplemental Indenture, the Thirtieth Supplemental Indenture, the Thirty-First Supplemental Indenture and in the Series 2022E Resolution, are used in this Thirty-Second Supplemental Indenture with the meanings assigned to them therein. In addition, the following words and terms as used in this Thirty-Second Supplemental Indenture have the following meanings, unless the context or use clearly indicates another or different intent or meaning:

(a) Generally Applicable Definitions

“Book-entry form” or “book-entry system” means a form or system under which the physical Series 2022E Subordinate Bond certificates in fully registered form are issued only to a Depository or its nominee as Holder, with the certificated Series 2022E Subordinate Bonds held by and “immobilized” in the custody of the Depository, and the book-entry system, maintained by and the responsibility of the Depository and not maintained by or the responsibility of the Authority or the Trustee, is the record that identifies, and records the transfer of the interests of, the owners of beneficial, book-entry interests in the Series 2022E Subordinate Bonds.

“Depository” means any securities depository that is a clearing agency under federal law operating and maintaining, with its participants or otherwise, a book-entry system to record ownership of book-entry interests in Series 2022E Subordinate Bonds, and to effect transfers of book-entry interests in Series 2022E Subordinate Bonds, and includes and means initially The Depository Trust Company (a limited purpose trust company), New York, New York.

“Interest Payment Dates” means the “Interest Payment Dates” as defined under Section 102(b) below.

“Series 2022E Construction Account” means the Series 2022E Construction Account established by this Thirty-Second Supplemental Indenture in the Construction Fund.

“Series 2022E Costs of Issuance Subaccount” means the Series 2022E Costs of Issuance Subaccount established by this Thirty-Second Supplemental Indenture in the Series 2022E Construction Account of the Construction Fund.

[“Series 2022E Rebate Fund” means the Series 2022E Rebate Fund established by this Thirty-Second Supplemental Indenture.]

“Series 2022E Resolution” means Resolution No. [__-__], adopted by the Authority’s Board on _____, 2022, authorizing the Series 2022E Subordinate Bonds.

“Series 2022E Subordinate Bond Event of Default” means any of the events defined as such in Section 903 of this Thirty-Second Supplemental Indenture.

“Series 2022E Subordinate Bondholder” or “holder of Series 2022E Subordinate Bonds” means the registered owner of a Series 2022E Subordinate Bond.

“Series 2022E Subordinate Bonds Interest Subaccount” means the Series 2022E Subordinate Bonds Interest Subaccount established by this Thirty-Second Supplemental Indenture in the Subordinate Interest Account in the Subordinate Bond Fund.

“Series 2022E Subordinate Bonds Principal Subaccount” means the Series 2022E Subordinate Bonds Principal Subaccount established by this Thirty-Second Supplemental Indenture in the Subordinate Principal Account in the Subordinate Bond Fund.

“Series 2022E Subordinate Debt Service Reserve Requirement” means zero.

“Thirty-Second Supplemental Indenture” means this Thirty-Second Supplemental Indenture of Trust, dated _____, 2022, between the Authority and the Trustee, which supplements and amends the Master Indenture, as previously supplemented and amended.

“Variable Rate Series 2022E Subordinate Bonds” means, collectively, each series or subseries of the Series 2022E Subordinate Bonds designated as such in the applicable Certificate of Award pursuant to the Series 2022E Resolution and constituting Variable Rate Indebtedness under the Indenture.

(b) Definitions Applicable to Variable Rate Series 2022E Subordinate Bonds

“Applicable Spread” means the number of basis points or schedule of basis points determined in accordance with Section 403(j) that, when added to the SIFMA Index or the LIBOR Index, as the case may be, would equal the minimum interest rate per annum that would enable the Remarketing Agent to sell the Variable Rate Series 2022E Subordinate Bonds on such date at a price equal to the principal amount thereof (but subject to the provisions of the final sentence of Section 403(j)), plus accrued interest, if any, thereon.

“Authority Purchase Account” means the account of that name that may be established in the Purchase Fund pursuant to Section 407.

“Authorized Denominations” means (i) with respect to Fixed Rate Bonds, \$5,000 and integral multiples thereof, (ii) with respect to Daily Rate Bonds, Weekly Rate Bonds, Short-Term Rate Bonds and Long-Term Rate Bonds, \$100,000 and integral multiples of \$5,000 in excess thereof, and (iii) with respect to Index Rate Bonds, \$5,000 or \$100,000 and integral multiples thereof, as may be specified in writing by an Authorized Official.

“Authorized Officials” means the Chairman and Vice Chairman of the Board and the CEO and General Manager, Chief Financial Officer and Executive Vice President, Finance and Procurement, Controller, Budget Director, Finance Director and Rates and Revenue Director of the Authority, including any of the foregoing who are in an interim, acting or similar capacity.

“Business Day” means a day other than (i) a Saturday or Sunday, (ii) a day on which commercial banks located in New York, New York or the cities in which the Designated Office of the Trustee, the Tender Agent, the Remarketing Agent or the Credit Facility Provider are located, are required or authorized by law or executive order to close, and (iii) a day on which the New York Stock Exchange is closed.

“Calculation Agent” means any Person appointed by the Authority to serve as calculation agent for the Series 2022E Subordinate Bonds.

“Closing Date” means _____, 2022, being the date of delivery of and payment for all of the Variable Rate Series 2022E Subordinate Bonds.

“Computation Date” means during any subsequent Index Rate Period, each Wednesday immediately preceding an Index Interest Period.

“Conversion Date” means a day on which the Variable Rate Series 2022E Subordinate Bonds are converted from one Rate Period to another Rate Period, in accordance with this Thirty-Second Supplemental Indenture.

“Credit Facility” means a letter of credit, liquidity facility or other credit enhancement instrument delivered by a Credit Facility Provider to the Trustee to secure the payment of the principal of and interest on, and any Purchase Price of, all or some of the Variable Rate Series 2022E Subordinate Bonds, or to provide liquidity for the purchase of tendered Variable Rate Series 2022E Subordinate Bonds. The term “Credit Facility” includes any Substitute Credit Facility. The Series 2022E Subordinate Bonds will not be secured by a Credit Facility during the Initial Period.

“Credit Facility Account” means the account by that name that may be established in the Subordinate Bond Fund pursuant to Section 701.

“Credit Facility Provider” means a bank, trust company, insurance company or other financial services company, or the Authority (if the Authority is providing liquidity for any Variable Rate Series 2022E Subordinate Bonds itself), issuing a Credit Facility then in effect in its capacity as provider of that Credit Facility.

“Credit Facility Provider Bonds” means Variable Rate Series 2022E Subordinate Bonds purchased by or on behalf of, or pledged to, a Credit Facility Provider pursuant to a Credit Facility and/or Reimbursement Agreement and the terms hereof but excluding Variable Rate Series 2022E Subordinate Bonds no longer considered Credit Facility Provider Bonds pursuant to the terms of a Credit Facility and/or Reimbursement Agreement.

“Credit Facility Provider Rate” means the interest rate(s) applicable from time to time on Credit Facility Provider Bonds as determined in accordance with the Credit Facility and/or Reimbursement Agreement; provided that no Credit Facility Provider Rate shall exceed the Maximum Rate.

“Credit Facility Purchase Account” means the account by that name that may be established in the Purchase Fund pursuant to Section 407.

“Credit Facility Request” means the submission by the Trustee to the Credit Facility Provider of a properly presented and conforming request or draw in accordance with the terms of the Credit Facility to provide funds to pay the Purchase Price of or Debt Service Charges on the Variable Rate Series 2022E Subordinate Bonds.

“Daily Interest Period” means each Interest Period described in Section 403(c) during which the Variable Rate Series 2022E Subordinate Bonds bear interest at a particular Daily Rate.

“Daily Rate” means the per annum interest rate for the Variable Rate Series 2022E Subordinate Bonds during a Daily Rate Period determined on a daily basis as provided in Section 403(c).

“Daily Rate Bonds” means Variable Rate Series 2022E Subordinate Bonds bearing interest at a Daily Rate.

“Daily Rate Period” means the Rate Period during which the Daily Rates are in effect for the Variable Rate Series 2022E Subordinate Bonds.

“Designated Office” means with respect to any entity performing functions under the Indenture, the office or offices of that entity or its affiliate at which those functions are performed, as designated in writing to the Authority, the Trustee, the Tender Agent, any Credit Facility Provider and the Remarketing Agent. The office initially designated by the Trustee for purposes of receiving notices under the Indenture is its Philadelphia, Pennsylvania corporate trust office located at 123 S. Broad Street, Suite 1500, MAC Y1379-157, Philadelphia, Pennsylvania 19109. The office initially designated by the Trustee for the purpose of presentation and surrender of Variable Rate Series 2022E Subordinate Bonds is its Minneapolis, Minnesota corporate trust operations office located at 600 South Fourth Street, 7th Floor, MAC N9300-070, Minneapolis, MN 55415. The Designated Office for any Credit Facility Provider is the office at which Credit Facility Requests are to be submitted by the Trustee, in accordance with the Credit Facility.

“Electronic Means” means facsimile transmission, email transmission or other similar electronic means of communication providing evidence of transmission, including a telephone communication confirmed by any other method set forth in this definition.

“Eligible Account” means an account that is maintained with either (i) a federal or state-chartered depository institution or trust company that has a short-term debt rating assigned by a Rating Agency of at least A-2 (or, if it does not have a short-term debt rating, has a long-term debt rating assigned by the Rating Agency of at least BBB+); or (ii) the corporate trust department of a federal depository institution or state-chartered depository institution that, in either case, has corporate trust powers and is acting in its fiduciary capacity.

“Expiration Date” means, with respect to any Credit Facility, the date upon which the Credit Facility is stated to expire (taking into account any extensions of the Expiration Date) in accordance with its terms.

“Favorable Opinion of Bond Counsel” means an opinion of Bond Counsel addressed to the Authority, the Remarketing Agent, the Credit Facility Provider and the Trustee, to the effect that the proposed action to be taken regarding the Variable Rate Series 2022E Subordinate Bonds is authorized or permitted by this Thirty-Second Supplemental Indenture and will not adversely affect the exclusion of interest on the Variable Rate Series 2022E Subordinate Bonds from gross income for purposes of federal income taxation under Section 103 of the Code. If a Favorable Opinion of Bond Counsel is delivered in connection with the conversion from one Rate Period to another Rate Period, the opinion with respect to the exclusion of interest from gross income for federal income tax purposes may be limited to interest payable on or prior to the Conversion Date.

“Fixed Rate” means the interest rate or rates to maturity established in accordance with Section 403(g).

“Fixed Rate Bonds” means Variable Rate Series 2022E Subordinate Bonds bearing interest at a Fixed Rate.

“Fixed Rate Period” means the period of time, which shall end at the Maturity Date, during which the Variable Rate Series 2022E Subordinate Bonds bear interest at a Fixed Rate.

“Hard Tender Index Rate Bonds” means Index Rate Bonds that are specified in the applicable Notice of Conversion for any Subsequent Index Rate Period.

“Hard Tender Long-Term Rate Bonds” means Long-Term Rate Bonds designated as such in the applicable Notice of Conversion.

“Index Interest Period” means, during any Index Rate Period, each Interest Period during which the Variable Rate Series 2022E Subordinate Bonds bear interest at a particular Index Rate under Section 403(j) or (k).

“Index Rate” means the SIFMA Index Rate, the LIBOR Index Rate, or any other standardized rate index commonly utilized in municipal finance transactions as approved by the Authority’s Financial Advisor, as the case may be. If a rate index other than the SIFMA Index Rate or the LIBOR Index Rate is used, an Authorize Official of the Authority may execute an amendment to the this Thirty-Second Supplemental Indenture to implement such additional rate index.

“Index Rate Bonds” means any Variable Rate Series 2022E Subordinate Bonds bearing interest at an Index Rate.

“Index Rate Bonds Purchase Date” means the date on which the Index Rate Bonds shall be required to be tendered for purchase in accordance with Section 408(a)(v).

“Index Rate Period” means any Rate Period during which the Variable Rate Series 2022E Subordinate Bonds bear interest at an Index Rate. For purposes of this definition, a LIBOR Index Rate Period and a SIFMA Index Rate Period shall be deemed to be different Index Rate Periods.

“Initial Period” means the initial Long-Term Interest Period commencing on the Issue Date and ending on the day immediately prior to a new Interest Period.

“Interest Payment Date” means (i) when the Variable Rate Series 2022E Subordinate Bonds bear interest at a Daily Rate, a Weekly Rate or an Index Rate, the first Business Day of each calendar month; (ii) when the Variable Rate Series 2022E Subordinate Bonds bear interest at a Fixed Rate or Long-Term Rate, each April 1 and October 1 or such other date or dates as are specified in the applicable notice of conversion, commencing, during the Initial Period, on April 1, 2020; (iii) when the Variable Rate Series 2022E Subordinate Bonds bear interest at a Short-Term Rate, the last day of the Short-Term Rate Period; (iv) with respect to Credit Facility Provider Bonds, the interest payment dates set forth in the Credit Facility and/or Reimbursement Agreement; provided (unless otherwise provided in the Reimbursement Agreement with respect to Credit Facility Provider Bonds) that, if any such day is not a Business Day, any payment due on such date may be made on the next Business Day, without additional interest and with the same force and effect as if made on the specified date for such payment; and (v) each Conversion Date.

“Interest Period” means a (i) Daily Interest Period, (ii) a Weekly Interest Period, (iii) an Index Interest Period, (iv) a Short-Term Interest Period, (v) a Long-Term Interest Period, or (vi) a Fixed Interest Period.

“Issue Date” means _____, 2022.

“LIBOR Index” means, for any day, the London interbank offered rate for U.S. dollar deposits for a one month period, as reported on Reuters Screen LIBOR01 Page or any successor thereto, which shall be that one-month LIBOR rate in effect two New York Banking Days prior to the LIBOR Index Reset Date, such rate rounded up to the nearest one-Thirti-First of one percent and such rate to be reset monthly on each LIBOR Index Reset Date.

“LIBOR Index Rate” means a per annum rate of interest equal to the sum of the Applicable Spread plus the LIBOR Index.

“LIBOR Index Rate Period” means each Index Interest Period during which the Variable Rate Series 2022E Subordinate Bonds bear interest at the LIBOR Index Rate, from and including the Conversion Date to but excluding the earlier of (i) the immediately succeeding Index Rate Bonds Purchase Date and (ii) the maturity or redemption date of the Variable Rate Series 2022E Subordinate Bonds.

“LIBOR Index Reset Date” means the first Business Day of each month; provided, however, that with respect to determining the LIBOR Index for purposes of the Closing Date, the LIBOR Rate shall be the LIBOR Rate in effect two New York Banking Days prior to the Closing Date.

“Long-Term Interest Period” means each Interest Period described in Section 403(f) during which Variable Rate Series 2022E Subordinate Bonds accrue interest at a particular Long-Term Rate.

“Long-Term Rate” means the per annum interest rate to be determined on the Variable Rate Series 2022E Subordinate Bonds for a term of at least 12 months pursuant to Section 403(f).

“Long-Term Rate Bonds” means any Variable Rate Series 2022E Subordinate Bonds bearing interest at a Long-Term Rate.

“Long-Term Rate Period” means the Rate Period during which Long-Term Rates are in effect for the Variable Rate Series 2022E Subordinate Bonds.

“Mandatory Sinking Fund Redemption Requirements” means the mandatory redemption requirements set forth in Section 501(b).

“Maturity Dates” means, for the Variable Rate Series 2022E Subordinate Bonds October 1, 2054, all subject to prior redemption as provided in Article V.

“Maximum Rate” means the least of (i) the maximum rate permitted by law, (ii) 12% per annum, and (iii) when a Credit Facility is in effect and solely with respect to Variable Rate Series

2022E Subordinate Bonds that are not Credit Facility Provider Bonds, the maximum rate utilized to determine the amount available under such Credit Facility.

“New York Banking Day” means any date (other than a Saturday or Sunday) on which commercial banks are open for business in New York, New York.

“Notice of Conversion” means any notice of conversion given by the Authority pursuant to Section 404(a)(i).

“Official’s Certificate” means a certificate signed by an Authorized Official.

“Participants” means those financial institutions for whom the Depository effects book-entry transfers and pledges of securities deposited with the Depository, as such listing of Participants exists at the time of such reference.

“Payment Date” means an Interest Payment Date or a Principal Payment Date.

“Payment Default” means a failure by the Authority to pay principal of or interest on Variable Rate Series 2022E Subordinate Bonds when due.

“Penalty Rate” means, for purposes of Section 407(e) with respect to (i) Soft Tender Index Rate Bonds and Soft Tender Long-Term Rate Bonds after they are tendered for purchase but not purchased, ____ percent (___%) per annum, or (ii) Variable Rate Series 2022E Subordinate Bonds bearing interest at the Weekly Rate, Daily Rate, Short-Term Rate or Hard Tender Long-Term Rate Bonds with no Credit Facility in effect and funds are insufficient to purchase such Variable Rate Series 2022E Subordinate Bonds on a Purchase Date, the Maximum Rate.

“Prevailing Market Conditions” means, to the extent relevant (in the professional judgment of the Remarketing Agent) at the time of establishment of a rate or rates for Variable Rate Series 2022E Subordinate Bonds as provided in Section 403, (i) interest rates on comparable securities then being issued and traded, (ii) other financial market rates and indices that may have a bearing on rates of interest, (iii) general financial market conditions (including then current forward supply figures) that may have a bearing on rates of interest, and (iv) the financial condition, results of operation and credit standing of the Authority and the Credit Facility Provider to the extent such standing has a bearing on rates of interest.

“Principal Payment Date” means each date on which principal of a Variable Rate Series 2022E Subordinate Bond is due and payable, whether at maturity or upon redemption.

“Purchase Date” means each date on which Variable Rate Series 2022E Subordinate Bonds are subject to optional or mandatory purchase pursuant to Article IV.

“Purchase Fund” means the fund by that name established pursuant to Section 407 and held by the Tender Agent.

“Purchase Price” means, with respect to a Variable Rate Series 2022E Subordinate Bond subject to purchase on a Purchase Date, an amount equal to 100% of the principal amount

thereof plus (if such Purchase Date is not an Interest Payment Date therefor) accrued and unpaid interest thereon to such Purchase Date.

“Rate Period” means (i) a Daily Rate Period (comprised of separate Daily Interest Periods), (ii) a Weekly Rate Period (comprised of separate Weekly Interest Periods), (iii) a Short-Term Rate Period (comprised of separate Short-Term Interest Periods), (iv) a Long-Term Rate Period (comprised of separate Long-Term Interest Periods), (v) a Fixed Rate Period, (vi) an Index Rate Period (comprised of separate Index Interest Periods) or (vii) a Subsequent Index Rate Period (comprised of separate Subsequent Index Interest Periods).

“Regular Record Date” means (i) with respect to each Interest Payment Date for Daily Rate Bonds, Weekly Rate Bonds, Index Rate Bonds or Short-Term Rate Bonds, the close of business on the Business Day immediately preceding that Interest Payment Date, and (ii) with respect to each Interest Payment Date for Fixed Rate Bonds or Long-Term Rate Bonds, the close of business on the 15th day of the calendar month next preceding such Interest Payment Date.

“Reimbursement Agreement” means any reimbursement agreement (or standby bond purchase agreement) between the Authority and a Credit Facility Provider setting forth the obligations of the Authority to such Credit Facility Provider arising out of any payments under a Credit Facility and which provides that it shall be deemed to be a Reimbursement Agreement for the purpose of this Thirty-Second Supplemental Indenture.

“Reimbursement Obligations” means the Authority’s payment obligations pursuant to a Reimbursement Agreement.

“Remarketing Agent” means any Remarketing Agent designated for the Series 2022E Subordinate Bonds under this Thirty-Second Supplemental Indenture. J.P. Morgan Securities is the initial Remarketing Agent.

“Remarketing Agreement” means any Remarketing Agreement entered into for the Series 2022E Subordinate Bonds under this Thirty-Second Supplemental Indenture.

“Remarketing Proceeds Account” means the account of that name established in the Purchase Fund pursuant to Section 407.

“Short-Term Interest Period” means each Interest Period determined as provided in Section 403(e) during which the Variable Rate Series 2022E Subordinate Bonds bear interest at a particular Short-Term Rate.

“Short-Term Rate” means the per annum interest rate for the Variable Rate Series 2022E Subordinate Bonds during a Short-Term Rate Period determined on a periodic basis as provided in Section 403(e).

“Short-Term Rate Bonds” means any Variable Rate Series 2022E Subordinate Bonds bearing interest at a Short-Term Rate.

“Short-Term Rate Period” means the Rate Period during which Short-Term Rates are in effect for the Variable Rate Series 2022E Subordinate Bonds.

“SIFMA Index” means, for any Computation Date, the level of the index which is issued weekly and which is compiled from the weekly interest rate resets of tax-exempt variable rate issues included in a database maintained by Municipal Market Data which meet specific criteria established from time to time by the Securities Industry and Financial Markets Association and issued on Wednesday of each week, or if any Wednesday is not a Business Day, the next preceding Business Day. If the SIFMA Index is no longer published, then “SIFMA Index” shall mean the Standard & Poor’s Weekly High Grade Index. If the Standard & Poor’s Weekly High Grade Index is no longer published, then “SIFMA Index” shall mean the prevailing rate determined by the Calculation Agent for tax-exempt state and local government bonds meeting criteria determined in good faith by the Calculation Agent to be comparable under the circumstances to the criteria used by the Securities Industry and Financial Markets Association to determine the SIFMA Index immediately prior to the date on which the Securities and Financial Markets Association ceased publication of the SIFMA Index.

“SIFMA Index Rate” means a per annum rate of interest equal to the sum of the Applicable Spread *plus* the relevant SIFMA Index.

“SIFMA Index Rate Period” means each Index Interest Period during which the Variable Rate Series 2022E Subordinate Bonds bear interest at the SIFMA Index Rate, from and including the Conversion Date to but excluding the earlier of (i) the immediately succeeding Index Rate Bonds Purchase Date and (ii) the maturity or redemption date of the Variable Rate Series 2022E Subordinate Bonds.

“SIFMA Index Reset Date” means Thursday of each week.

“Soft Tender Index Rate Bonds” means Index Rate Bonds that are designated as such in the applicable Notice of Conversion for any Subsequent Index Rate Period.

“Soft Tender Long-Term Rate Bonds” means Long-Term Rate Bonds designated as such in the Certificate of Award for purposes of the Initial Period or a Notice of Conversion.

“Subsequent Index Interest Period” means, during any Subsequent Rate Period, each period determined as provided in Section 403(j) during which the Variable Rate Series 2022E Subordinate Bonds bear interest at a particular Index Rate.

“Subsequent Index Rate Period” means any Rate Period during which the Variable Rate Series 2022E Subordinate Bonds bear interest at the Index Rate pursuant to Section 403(j).

“Substitute Credit Facility” means a letter of credit, standby bond purchase agreement or other similar agreement replacing a Credit Facility in accordance with Section 413.

“Substitution Date” means a date on which a Substitute Credit Facility is accepted by the Trustee and becomes effective with respect to the Variable Rate Series 2022E Subordinate Bonds, or a date on which an existing Credit Facility Provider assigns all or a portion of its rights and/or obligations to an assignee Credit Facility Provider (other than a participant), in each case, in accordance with Section 413(b).

“Tender Agent” means initially the Trustee, and any successor Tender Agent as determined or designated under or pursuant to this Thirty-Second Supplemental Indenture.

“Undelivered Bond” means any Variable Rate Series 2022E Subordinate Bond that is subject to purchase pursuant to Section 406 or 408 on a Purchase Date and that is not tendered and delivered for purchase on that Purchase Date but as to which the Tender Agent holds in the Purchase Fund sufficient funds to pay the Purchase Price of that Variable Rate Series 2022E Subordinate Bond.

“Undelivered Bond Payment Account” means the account by that name in the Purchase Fund established pursuant to Section 407.

“Voluntary Termination Date” means, with respect to any Credit Facility, the date chosen by the Authority on which the Credit Facility will terminate, as elected by the Authority.

“Weekly Interest Period” means each period described in Section 403(d) during which the Variable Rate Series 2022E Subordinate Bonds bear interest at a particular Weekly Rate.

“Weekly Rate” means the per annum interest rate for the Variable Rate Series 2022E Subordinate Bonds during a Weekly Interest Period determined on a weekly basis as provided in Section 403(d).

“Weekly Rate Bonds” means Variable Rate Series 2022E Subordinate Bonds bearing interest at a Weekly Rate.

“Weekly Rate Period” means the period during which Weekly Rates are in effect for the Variable Rate Series 2022E Subordinate Bonds.

“Written Request” means a request in writing signed by an Authorized Official.

Section 103. Reference to Articles and Sections.

Unless otherwise indicated, all references herein to particular articles or sections are references to articles or sections of this Thirty-Second Supplemental Indenture.

ARTICLE II

AUTHORIZATION OF SERIES 2022E SUBORDINATE BONDS

Section 201. Authorization of Series 2022E Subordinate Bonds.

Pursuant to Article III of the Master Indenture and, specifically, Section 305 thereof, and the Series 2022E Resolution, the Authority is authorized to issue its Series 2022E Subordinate Bonds in an aggregate principal amount of \$_____, designated “Public Utility Subordinate Lien Multimodal Revenue Bonds, Series 2022E,” issued for the purpose of: (i) financing certain Costs of the System, and (ii) paying issuance costs of the Series 2022E Subordinate Bonds.].

The Series 2022E Subordinate Bonds are issued as Subordinate Debt pursuant to the Indenture. Under the Series 2022E Resolution, the Series 2022E Subordinate Bonds are designated in the Certificate of Award as Variable Rate Series 2022E Subordinate Bonds. The Series 2022E Subordinate Bonds will not be secured by a Credit Facility during the Initial Period.

ARTICLE III

Section 301. Delivery of Series 2022E Subordinate Bonds.

The Trustee shall authenticate and deliver the Series 2022E Subordinate Bonds when there have been filed with or delivered to it the following items:

- (a) An original executed counterpart of this Thirty-Second Supplemental Indenture;
- (b) A certified copy of applicable resolution(s) of the Board of Directors of the Authority and related Certificate of Award: (i) authorizing the execution and delivery of the Thirty-Second Supplemental Indenture, and (ii) authorizing the issuance, sale, award, execution and delivery of the Series 2022E Subordinate Bonds.
- (c) A certificate signed by an Authorized Representative of the Authority and dated the date of such issuance, to the effect that:
 - (1) Either: (A) upon and immediately following such issuance, no Event of Default has occurred which has not been cured or waived, and no event or condition exists which, with the giving of notice or lapse of time or both, would become an Event of Default, or (B) if any such event or condition is happening or existing, specifying such event or condition, stating that the Authority will act with due diligence to correct such event or condition after the issuance of the Series 2022E Subordinate Bonds, and describing in reasonable detail the actions to be taken by the Authority toward such correction; and
 - (2) All required approvals, limitations, conditions and provisions precedent to the issuance of the Series 2022E Subordinate Bonds have been obtained, observed, met and satisfied.
- (d) An Opinion or Opinions of Counsel, subject to customary exceptions and qualifications, substantially to the effect that this Thirty-Second Supplemental Indenture has been duly authorized, executed and delivered to the Trustee and is a valid, binding and enforceable obligation of the Authority.
- (e) An opinion or opinions of Bond Counsel, subject to customary exceptions and qualifications, substantially to the effect that the issuance of the Series 2022E Subordinate Bonds has been duly authorized, and that the Series 2022E Subordinate Bonds are valid and binding limited obligations of the Authority.

(f) A certificate of an Authorized Representative of the Authority, stating that rates, fees and charges are in effect or scheduled to go into effect to meet the Rate Covenant immediately after the issuance of the Series 2022E Subordinate Bonds.

(g) A request and authorization of the Authority, signed by an Authorized Representative of the Authority, to the Trustee to authenticate and deliver such Bonds to the purchaser upon payment to the Trustee in immediately available funds for the account of the Authority of a specified sum plus accrued interest to the date of delivery.

ARTICLE IV

DETAILS AND FORM OF VARIABLE RATE SERIES 2022E SUBORDINATE BONDS

Section 401. Issuance and Delivery of Variable Rate Series 2022E Subordinate Bonds, Principal Maturity and Initial Interest Rate.

The Series 2022E Subordinate Bonds shall be designated “Public Utility Subordinate Lien Multimodal Revenue Bonds, Series 2022E.” The Variable Rate Series 2022E Subordinate Bonds shall be numbered in such manner and carry such other designations as determined by the Authority in order to distinguish each bond from any other bond and identify the interest payment and tender option provisions applicable thereto, shall be dated as of their date of original authentication and delivery, and shall bear interest from the most recent Interest Payment Date for which interest has been paid or duly provided for or, if no interest has been paid or duly provided for, from their date of original authentication and delivery. The Variable Rate Series 2022E Subordinate Bonds of the same maturity may bear interest at different interest rates.

The Series 2022E Subordinate Bonds shall mature on their Maturity Dates, subject to prior redemption as set forth herein.

The interest on the Variable Rate Series 2022E Subordinate Bonds shall be payable on the Interest Payment Dates applicable to the Rate Period then in effect. Interest on the Variable Rate Series 2022E Subordinate Bonds shall be payable by check or draft mailed to the registered owners at their addresses as they appear on the Regular Record Date preceding the Interest Payment Date on the registration books kept by the Trustee; provided, however, if the Variable Rate Series 2022E Subordinate Bonds are registered in the name of a Depository or its nominee as registered owner or at the option of a registered owner of at least \$1,000,000 of Variable Rate Series 2022E Subordinate Bonds, payment shall be made by wire transfer pursuant to the wire instructions received by the Trustee with respect to each such payment from such registered owner. Any interest that is not timely paid or duly provided for shall cease to be payable to the Holder hereof (or of one or more predecessor bonds) as of the Regular Record Date and shall be payable to the Holder hereof at the close of business on a special record date to be fixed by the Trustee for the payment of that overdue interest. Notice of such a special record date shall be mailed to Holders not less than ten days prior thereto. Principal, premium, if any, and interest shall be payable in lawful money of the United States of America.

The Variable Rate Series 2022E Subordinate Bonds shall be issued in Authorized Denominations.

During the Initial Period, the Variable Rate Series 2022E Subordinate Bonds shall bear interest at the Long-Term Rate.

The Variable Rate Series 2022E Subordinate Bonds are subject to optional redemption, purchase in lieu of optional redemption, and mandatory redemption through Mandatory Sinking Fund Requirements as provided in Article V.

In the event the Variable Rate Series 2022E Subordinate Bonds are designated Soft Tender Index Rate Bonds and are mandatorily tendered pursuant to Section 408(a)(v) and the Authority fails to pay the Purchase Price, the Variable Rate Series 2022E Subordinate Bonds shall bear interest at the Penalty Rate unless and until the Purchase Price is paid or the Variable Rate Series 2022E Subordinate Bonds otherwise cease to be Outstanding; provided, however, that the interest rate on the Variable Rate Series 2022E Subordinate Bonds shall at no time exceed the Maximum Rate.

In the event the Variable Rate Series 2022E Subordinate Bonds are designated Soft Tender Long-Term Rate Bonds and are mandatorily tendered pursuant to Section 408(a)(i) and the Authority fails to pay the Purchase Price, the Variable Rate Series 2022E Subordinate Bonds shall bear interest at the Penalty Rate unless and until the Purchase Price is paid or the Variable Rate Series 2022E Subordinate Bonds otherwise cease to be Outstanding; provided, however, that the interest rate on the Variable Rate Series 2022E Subordinate Bonds shall at no time exceed the Maximum Rate.

Section 402. Depository Provisions.

Notwithstanding any other provision of this Thirty-Second Supplemental Indenture or the Variable Rate Series 2022E Subordinate Bonds, so long as the Variable Rate Series 2022E Subordinate Bonds are in a Book Entry System and the Depository or its nominee is the Holder of the Variable Rate Series 2022E Subordinate Bonds:

(i) Presentation of Variable Rate Series 2022E Subordinate Bonds to the Trustee at redemption or at maturity, or delivery of Variable Rate Series 2022E Subordinate Bonds to the Tender Agent in connection with a purchase of tendered Variable Rate Series 2022E Subordinate Bonds, shall be deemed made to the Trustee when the right to exercise ownership rights in the Variable Rate Series 2022E Subordinate Bonds through the Depository or the Depository's participants is transferred by the Depository on its books.

(ii) Notice of a tender for purchase pursuant to Section 406 hereof shall be given by the beneficial owner of the Variable Rate Series 2022E Subordinate Bonds exercising ownership rights through the Depository or the Depository's participants by telephonic or written notice (confirmed in writing) to the Tender Agent at the times set forth in that Section.

(iii) The Depository may present notices, approvals, waivers, votes or other communications required or permitted to be made by Holders under this Thirty-Second Supplemental Indenture on a fractionalized basis on behalf of some or all of those persons entitled to exercise ownership rights in the Variable Rate Series 2022E Subordinate Bonds through the Depository or its participants.

(iv) Variable Rate Series 2022E Subordinate Bonds purchased by the Authority shall not be registered in the name of the Authority on the Register maintained by the Trustee and shall not be physically held by any party other than the Depository.

(v) Variable Rate Series 2022E Subordinate Bonds or any portion thereof shall not be transferable or exchangeable except:

(A) To any successor of the Depository;

(B) To any new Depository not objected to by the Trustee, upon (i) the resignation of then current Depository or its successor from its functions as Depository or (ii) termination of the use of the Depository by direction of the Authority;

(C) To any Persons who are the assigns of the Depository or its nominee, upon (i) the resignation of the Depository from its functions as Depository hereunder or (ii) termination by the Authority of use of the Depository.

Subject to any arrangements made by the Trustee with a Depository with respect to the Variable Rate Series 2022E Subordinate Bonds held in a Book Entry System, which arrangements are hereby authorized subject to the approval of an Authorized Official of the Authority, principal of, premium, if any, and interest shall be payable on any Variable Rate Series 2022E Subordinate Bond as provided in this Thirty-Second Supplemental Indenture.

Section 403. Determination of Interest Rates.

(a) General.

(i) The Variable Rate Series 2022E Subordinate Bonds may bear interest at any time in any Rate Period, and different subseries may bear interest in different Rate Periods.

(ii) The amount of interest payable with respect to Variable Rate Series 2022E Subordinate Bonds on any Interest Payment Date shall be computed (A) during a Daily Interest Period, Weekly Interest Period, Short-Term Interest Period or Index Rate Period, on the basis of a 365- or 366-day year for the number of days actually elapsed, and (B) during a Fixed Rate Period and any Long-Term Interest Periods, on the basis of a 360-day year of twelve 30-day months. Interest payable on each Interest Payment Date shall be the interest accrued and unpaid from and including the immediately preceding Interest Payment Date to and including the day preceding such Interest Payment Date. Notwithstanding the foregoing, the amount of interest payable with respect to Credit

Facility Provider Bonds shall be calculated as provided in the Reimbursement Agreement.

(iii) All determinations of interest rates, amounts of interest payable on the Variable Rate Series 2022E Subordinate Bonds and Rate Periods pursuant to this Thirty-Second Supplemental Indenture shall be conclusive and binding upon the Authority, the Trustee, the Tender Agent, the Credit Facility Provider and the Holders of the Variable Rate Series 2022E Subordinate Bonds to which such rates are applicable. The Authority, the Trustee, the Tender Agent, the Remarketing Agent and the Credit Facility Provider shall not be liable to any Holder for failure to give any notice specified in this Section or for the failure of any Holder to receive any such notice.

(b) Determination by Remarketing Agent.

(i) The interest rate for Daily Rate Bonds, Weekly Rate Bonds, Short-Term Rate Bonds, Long-Term Rate Bonds and, if engaged as Remarketing Agent in connection with the conversion to Fixed Rate Bonds, the Fixed Rate(s), for each Rate Period shall be determined by a Remarketing Agent, to be appointed by the Authority, as the lowest rate of interest that, in the judgment of the Remarketing Agent, would cause the Variable Rate Series 2022E Subordinate Bonds to be sold at a price as of the date of determination equal to the principal amount thereof plus or minus any premium or discount, taking into account Prevailing Market Conditions, provided that in no event will the interest rate on any Variable Rate Series 2022E Subordinate Bonds exceed the Maximum Rate.

(ii) In the event the Remarketing Agent fails for any reason to determine the interest rate for any Rate Period:

(A) If the applicable Variable Rate Series 2022E Subordinate Bonds are bearing interest at a Daily Rate, Weekly Rate or Short-Term Rate, the applicable Variable Rate Series 2022E Subordinate Bonds shall bear interest at a rate equal to the prior week's rate, unless there is a failure by the Remarketing Agent to set the rate for two consecutive Weekly Rate Periods or seven consecutive Daily Rate Periods, in which case the applicable Variable Rate Series 2022E Subordinate Bonds shall bear interest at 105% of the SIFMA Index, until the Trustee is notified of a new Daily Rate, Weekly Rate or Short-Term Rate, as appropriate, determined by the Remarketing Agent.

(B) If the applicable Variable Rate Series 2022E Subordinate Bonds are bearing interest at a Soft Tender Long-Term Rate the Rate Period shall be converted to a Weekly Rate Period and shall bear interest at Penalty Rate.

(iii) Notice of the interest rate for each Daily Rate Bond, Weekly Rate Bond, Short-Term Rate Bond, Long-Term Rate Bond and, if engaged as Remarketing Agent in connection with the conversion to Fixed Rate Bonds, the Fixed Rate(s), shall be communicated by the Remarketing Agent to the Authority, the Trustee and any Credit Facility Provider by Electronic Means, (a) in the case of Daily Rate Bonds on the date such interest rate is determined by 10:30 a.m., New York City time, and (b) in the case of

Weekly Rate Bonds, Short-Term Rate Bonds, Long-Term Rate Bonds or Fixed Rate Bonds, not later than 5:00 p.m., New York City time, on the date such interest rate is determined, and shall be available to Holders after such time, from the Remarketing Agent at its Designated Office and shall also be communicated by the Remarketing Agent to any Holder upon request.

(c) Daily Rates.

(i) Whenever the Variable Rate Series 2022E Subordinate Bonds are to bear interest accruing at a Daily Rate, Daily Interest Periods shall commence on each Business Day and shall extend to, but not include, the next succeeding Business Day.

(ii) The interest rate for each Daily Interest Period shall be effective from and including the commencement date thereof and shall remain in effect to, but not including, the next succeeding Business Day.

(iii) Each such interest rate shall be determined by the Remarketing Agent no later than 10:00 a.m., New York City time, on the commencement date of the Daily Interest Period to which it relates.

(d) Weekly Rates.

(i) Whenever the Variable Rate Series 2022E Subordinate Bonds are to bear interest accruing at a Weekly Rate, Weekly Interest Periods shall commence on Thursday of each week and end on Wednesday of the following week; provided, however, that (A) in the case of a conversion to a Weekly Rate Period, the post-conversion initial Weekly Interest Period for the Variable Rate Series 2022E Subordinate Bonds shall commence on the Conversion Date and end on the next succeeding Wednesday; and (B) in the case of a conversion from a Weekly Rate to a Daily Rate, the last Weekly Interest Period prior to conversion shall end on the last day immediately preceding the Conversion Date.

(ii) The interest rate for each Weekly Interest Period shall be effective from and including the commencement date of such period and shall remain in effect through and including the last day thereof.

(iii) Each such interest rate shall be determined by the Remarketing Agent by 5:00 p.m., New York City time, on the Business Day immediately preceding the commencement date of the Weekly Interest Period to which it relates.

(e) Short-Term Rates. Short-Term Rates on, and Short-Term Interest Periods for, Short-Term Rate Bonds shall be determined as follows:

(i) Each Short-Term Interest Period shall be determined by the Remarketing Agent on the first Business Day of that Short-Term Interest Period as that Short-Term Interest Period which will, in the judgment of the Remarketing Agent, produce the greatest likelihood of the lowest net interest cost; provided that each Short-Term Interest Period (A) shall be from 1 to 270 days in length but shall not exceed the number of days of interest coverage provided by the Credit Facility minus five days, shall not extend

beyond the date that is five days before the Expiration Date of the Credit Facility and shall not exceed the remaining number of days prior to the Conversion Date if the Remarketing Agent has given or received notice of any conversion to a different Rate Period, (B) shall commence on a Business Day (except in the case of a conversion to a Short-Term Rate Period, the initial Short-Term Interest Period shall commence on the Conversion Date), shall end on a day preceding a Business Day, and (C) in any event shall end no later than the day preceding the Maturity Date. The Remarketing Agent may, in the reasonable exercise of its judgment, determine a Short-Term Interest Period that results in a Short-Term Rate on the Variable Rate Series 2022E Subordinate Bonds that is higher than would be borne by the Variable Rate Series 2022E Subordinate Bonds with a shorter Short-Term Interest Period in order to increase the likelihood of achieving the lowest net interest cost during the term of the Variable Rate Series 2022E Subordinate Bonds by assuring the effectiveness of such Short-Term Rate for a longer Short-Term Interest Period. The determination of a Short-Term Interest Period by the Remarketing Agent shall be based upon the relative market yields of the Variable Rate Series 2022E Subordinate Bonds and other securities that bear interest at a variable rate or at fixed rates that, in the reasonable exercise of the judgment of the Remarketing Agent are otherwise comparable to the Variable Rate Series 2022E Subordinate Bonds, or any fact or circumstance relating to the Variable Rate Series 2022E Subordinate Bonds or affecting the market for the Variable Rate Series 2022E Subordinate Bonds or affecting such other comparable securities in a manner that, in the reasonable exercise of the judgment of the Remarketing Agent, will affect the market for the Variable Rate Series 2022E Subordinate Bonds. The Remarketing Agent in its discretion, may consider such information and resources as it deems appropriate in making the determinations described in this paragraph, including consultations with the Authority, but the Remarketing Agent's determination of the Short-Term Interest Period will be based solely upon the reasonable exercise of the Remarketing Agent's judgment.

(ii) The interest rate for each Short-Term Interest Period shall be effective from and including the commencement date of that Short-Term Interest Period and shall remain in effect through and including the last day thereof.

(iii) All Short-Term Rate Bonds of a subseries of the Variable Rate Series 2022E Subordinate Bonds shall bear interest accruing at the same Short-Term Rate, and for the same Short-Term Interest Period.

(iv) Each such interest rate shall be determined by the Remarketing Agent by 4:00 p.m., New York City time, on the Business Day immediately preceding the commencement date of the Short-Term Interest Period to which it relates.

(f) Long-Term Rates. A Long-Term Rate for Long-Term Rate Bonds shall be determined for each Long-Term Interest Period as follows:

(i) The interest rate on each Variable Rate Series 2022E Subordinate Bond then being converted shall be the lowest interest rate that will enable such Variable Rate Series 2022E Subordinate Bond, upon conversion, to be remarketed at par or at a premium or discount (plus any accrued interest), taking into account (A) any market

premium determined by the Authorized Official to be necessary to fund fees and expenses relating to the conversion and remarketing of the Variable Rate Series 2022E Subordinate Bonds, including fees and expenses relating to a Credit Facility, any deposit to the Debt Service Reserve Fund and any amount owed upon termination of any Hedge Agreement, (B) the principal amortization schedule for the Variable Rate Series 2022E Subordinate Bonds, and (C) current market conditions for bonds that have similar tax status and a comparable credit rating.

(ii) Long-Term Interest Periods shall commence on a Conversion Date and subsequently on an Interest Payment Date which is at least 12 calendar months after the Conversion Date to a Long-Term Rate Period, and end on the day preceding either the commencement date of the following Long-Term Interest Period or the Conversion Date on which a different Rate Period shall become effective or the Maturity Date; provided, however, that in the case of the Initial Period for the Variable Rate Series 2022E Subordinate Bonds, such period shall commence on the Closing Date and end on October 1, 2024.

(iii) The Long-Term Rate for each Long-Term Interest Period shall be effective from and including the commencement date thereof and remain in effect to and including the last day thereof. Each such Long-Term Rate shall be determined on the Business Day immediately preceding the commencement date of such period.

(iv) Long-Term Interest Periods shall not extend to a date beyond the fifth day next preceding the Expiration Date of an applicable Credit Facility; provided, however, that in the case of the Initial Long-Term Rate Period, the Series 2022E Subordinate Bonds shall not be secured by a Credit Facility.

(v) The term of each Long-Term Interest Period shall be specified in writing by the Authority to the Remarketing Agent, the Trustee, the Tender Agent and the Credit Facility Provider, if applicable, at least 20 days before its commencement.

(g) Fixed Rate. The Fixed Rate shall be determined as set forth in this subsection (g). Variable Rate Series 2022E Subordinate Bonds bearing interest at a Fixed Rate may not be converted to any other type of Rate Period pursuant to Section 404.

The Fixed Rate Period shall commence on a Conversion Date and shall extend to the earlier of the date of redemption or the Maturity Date. The Fixed Rate shall be determined (1) by the Remarketing Agent, if the Remarketing Agent is engaged in connection with the conversion to Fixed Rate Bonds, not later than 12:00 noon, New York City time, on the Business Day prior to the Conversion Date; or (2) set in the firm underwriting or purchase contract described in Section 404(b)(v). Such determination shall be conclusive and binding on the Authority, the Trustee, any Credit Facility Provider and the Holders of the Variable Rate Series 2022E Subordinate Bonds to which such rate shall be applicable.

In determining the amount of interest and principal that shall be payable on the Payment Dates, the Remarketing Agent or the firm of underwriters or recognized institutional investors

(the “Firm”) underwriting or purchasing the Variable Rate Series 2022E Subordinate Bonds then being converted, as applicable, shall use the following guidelines:

(i) The interest rate on each Variable Rate Series 2022E Subordinate Bond then being converted shall be the lowest interest rate that will enable such Variable Rate Series 2022E Subordinate Bond, upon conversion, to be remarketed at par or at a premium or discount (plus any accrued interest), taking into account (A) any market premium determined by the Authorized Official to be necessary to fund fees and expenses relating to the conversion and remarketing of the Variable Rate Series 2022E Subordinate Bonds, including fees and expenses relating to a Credit Facility, any deposit to the Debt Service Reserve Fund and any amount owed upon termination of any Hedge Agreement, (B) the principal amortization schedule for the Variable Rate Series 2022E Subordinate Bonds, and (C) current market conditions for bonds that have similar tax status and a comparable credit rating; and

(ii) If a Favorable Opinion of Bond Counsel has been obtained, the schedule of principal payments of the Variable Rate Series 2022E Subordinate Bonds may be modified based on a Mandatory Sinking Fund Requirements schedule agreed to by the Authority and the firm that agrees to underwrite or purchase the Variable Rate Series 2022E Subordinate Bonds being converted, in accordance with Section 404(b)(v), and delivered to the Trustee. If a Favorable Opinion of Bond Counsel is not received, all Variable Rate Series 2022E Subordinate Bonds shall mature on the Maturity Date and shall be subject to mandatory sinking fund redemption (or serial maturities pursuant to subparagraph (iii) below) on the dates and in the respective principal amounts established at the time of original delivery of the Variable Rate Series 2022E Subordinate Bonds.

(iii) The foregoing subparagraphs (i) and (ii) notwithstanding, upon provision of a Favorable Opinion of Bond Counsel, Variable Rate Series 2022E Subordinate Bonds may be scheduled to mature serially on October 1 in the years and respective principal amounts agreed to by the Authority and delivered to the Trustee, and the Remarketing Agent may establish more than one Fixed Rate to apply to the Variable Rate Series 2022E Subordinate Bonds being converted to Fixed Rate Bonds, in accordance with this Section, taking into account the scheduled mandatory redemption dates or serial maturity dates to be assigned to the Variable Rate Series 2022E Subordinate Bonds.

(h) Credit Facility Provider Bonds. Notwithstanding the above provisions of this Section, Credit Facility Provider Bonds shall bear interest at the Credit Facility Provider Rate and shall be payable at the times and by such means as provided in the Reimbursement Agreement. The Trustee shall register on its books and records the Credit Facility Provider as the Holder or the pledgee of such Credit Facility Provider Bonds, as directed by such Credit Facility Provider. The Credit Facility Provider Rate shall be supplied in writing to the Trustee by the Credit Facility Provider. If the Remarketing Agent has notified the Holder of any Credit Facility Provider Bonds that it has located a purchaser for some or all of that Holder’s Credit Facility Provider Bonds, then, subject to Section 410, that Holder must deliver those Credit Facility Provider Bonds to the Tender Agent for purchase. Upon such delivery and receipt of the Purchase Price by that Holder, and provided no Event of Default has occurred and is continuing under the Reimbursement Agreement, the Tender Agent shall notify the Trustee that the Variable

Rate Series 2022E Subordinate Bonds so purchased are no longer “Credit Facility Provider Bonds” and the Trustee shall note on the registration books for the Variable Rate Series 2022E Subordinate Bonds that those Variable Rate Series 2022E Subordinate Bonds are not Credit Facility Provider Bonds. Notwithstanding anything herein to the contrary, only the Credit Facility Provider or any Holder of Credit Facility Provider Bonds may receive interest on any Variable Rate Series 2022E Subordinate Bonds at the Credit Facility Provider Rate.

For all purposes of the Indenture, payments of principal and interest on the Credit Facility Provider Bonds are secured in the same manner as payments of principal and interest on the Variable Rate Series 2022E Subordinate Bonds. Amounts owed by the Authority to a Credit Facility Provider (including, without limitation, reimbursement obligations) shall be included in the calculation of “Annual Debt Service” under the Indenture if and to the extent required by the Indenture’s definition of “Annual Debt Service.”

(i) [Reserved].

(j) Index Rates. During any Index Rate Period, a Remarketing Agent shall determine the Applicable Spread that will be used in determining the Index Rate for each Index Interest Period as follows: (i) the Applicable Spread shall be the number of basis points or schedule of basis points as determined by the Remarketing Agent that, when added to the SIFMA Index or the LIBOR Index, as the case may be, would equal the minimum interest rate per annum that would enable the Remarketing Agent to sell the applicable Variable Rate Series 2022E Subordinate Bonds on the first day of such Subsequent Rate Period at a price equal to the principal amount thereof (but subject to the final sentence of this Section 403(j)), plus accrued interest, if any, thereon. The Remarketing Agent shall determine the Applicable Spread for any such Index Rate Period not later than the day preceding the commencement of such Index Rate Period and shall notify the Trustee, the Calculation Agent and the Authority thereof by telephone or such other manner as may be appropriate by not later than 2:00 P.M. New York City time on such date, which notice shall be promptly confirmed in writing. If at any time that the Remarketing Agent is required to determine the Applicable Spread, the Remarketing Agent recommends in writing to the Authority that the Variable Rate Series 2022E Subordinate Bonds may be remarketed at a specified discount from their principal amount that would enable the Authority to achieve a lower net interest cost than if such Variable Rate Series 2022E Subordinate Bonds were remarketed at their principal amount, and if the Authority accepts that recommendation in writing signed by an Authorized Official, then the Remarketing Agent shall determine the Applicable Spread based upon the minimum interest rate per annum that would enable the Remarketing Agent to sell the applicable Variable Rate Series 2022E Subordinate Bonds at the agreed upon discounted price.

(k) Index Rates – General. During any Index Rate Period, the Calculation Agent shall determine the Index Rate on each Computation Date, and such rate shall become effective on the SIFMA Index Reset Date or LIBOR Index Reset Date, as the case may be, next succeeding the Computation Date; provided that in no event will the Index Rate exceed the Maximum Rate. The Calculation Agent shall (i) upon determining the Index Rate for each week, notify the Authority and the Trustee of such Index Rate by Electronic Means as promptly as practicable, and (ii) no later than the day preceding each Interest Payment Date, provide the Authority and the Trustee with a report that shows all the reset rates for the preceding month. The determination of the Index Rate

(absent manifest error) shall be conclusive and binding upon the Authority and the Holders of the Variable Rate Series 2022E Subordinate Bonds. If for any reason the Index Rate shall not be established, the Variable Rate Series 2022E Subordinate Bonds shall bear interest at the Index Rate last in effect until such time as a new Index Rate shall be established pursuant to this Thirty-Second Supplemental Indenture.

Section 404. Conversions Between Rate Periods.

(a) Notice of Conversion. The Authority may, with the prior written consent of the Credit Facility Provider, if any, if the same Credit Facility will secure the Variable Rate Series 2022E Subordinate Bonds before and after the conversion, elect to convert all, but not less than all, of the Variable Rate Series 2022E Subordinate Bonds from one Rate Period to another Rate Period (other than from a Fixed Rate Period) as follows:

(i) Notices by Authority. The Authority shall give written notice of any proposed conversion of some or all Variable Rate Series 2022E Subordinate Bonds to the Trustee, and during an Index Rate Period to the Calculation Agent, not fewer than seven Business Days (14 Business Days in the case of a proposed conversion to a Short-Term Rate Period) prior to the date the notice to affected Holders must be given pursuant to Section 404(a)(ii).

(ii) Notices by Trustee. Upon receipt of the notice specified in Section 404(a)(i), the Trustee shall promptly give written notice of the proposed conversion, via Electronic Means or by written notice, to the Tender Agent, the Remarketing Agent, any Credit Facility Provider and any Rating Agency. The Trustee shall give notice (which may be combined, where applicable, with any notice required by Section 408(d) by first-class mail of the proposed conversion to the affected Holders of the Variable Rate Series 2022E Subordinate Bonds not less than 10 days before the proposed Conversion Date. Such notice shall state:

(A) the proposed Conversion Date and the proposed Rate Period to be effective on such date;

(B) that all or a specified portion of the Variable Rate Series 2022E Subordinate Bonds will be subject to mandatory tender for purchase on the Conversion Date and, if fewer than all;

(C) the conditions, if any, to the conversion pursuant to subsection (b), and the consequences of such conditions not being fulfilled pursuant to subsection (c);

(D) if the Variable Rate Series 2022E Subordinate Bonds are in certificated form, information with respect to required delivery of the Variable Rate Series 2022E Subordinate Bond certificates and payment of the Purchase Price;

(E) the new Interest Payment Dates and Regular Record Dates.

(b) Conditions to Conversion. No conversion of Rate Periods will become effective unless the prior written consent of the Credit Facility Provider, if any, if the same Credit Facility will secure the Variable Rate Series 2022E Subordinate Bonds before and after the conversion, is obtained, and:

(i) If the conversion is from a Short-Term Rate Period, the Trustee has received, prior to the date on which notice of conversion is required to be given to Holders, written confirmation from the Remarketing Agent that it has not established and will not establish any Short-Term Interest Periods extending beyond the day before the Conversion Date; and

(ii) If the conversion is either (A) from a Short-Term Rate Period, a Weekly Rate Period or a Daily Rate Period to a Long-Term Rate Period or a Fixed Rate Period, or (B) from a Long-Term Rate Period to a Short-Term Rate Period, a Weekly Rate Period or a Daily Rate Period, the Authority shall have provided to the Trustee, and the Remarketing Agent, no later than one day before the Conversion Date, a Favorable Opinion of Bond Counsel, which opinion shall be confirmed in writing on the Conversion Date; and

(iii) Any Credit Facility to be held by the Trustee after the Conversion Date shall be in an amount equal to the aggregate principal amount of all of the Outstanding Variable Rate Series 2022E Subordinate Bonds, plus an amount for payment of interest equal to at least (a) 34 days' interest (183 days' interest if the conversion is to Long-Term Rate Bonds or, if the conversion is to Short-Term Rate Bonds, the maximum number of days of a Short-Term Interest Period, as provided in Section 403(e)(i) plus five days), plus in the case of a Credit Facility that does not automatically reinstate coverage for interest following a drawing to pay interest on the Variable Rate Series 2022E Subordinate Bonds, the number of days during which the Variable Rate Series 2022E Subordinate Bonds may continue to bear interest until purchased upon mandatory tender under Section 408(a)(iv) following a drawing in which the Credit Facility Provider may notify the Trustee that interest coverage has not reinstated or (b) in the event that a rating will be maintained on the Variable Rate Series 2022E Subordinate Bonds, then such other number of days of interest as may be required by any Rating Agency; and

(iv) If an Index Rate is in effect prior to the Conversion, the Conversion Date must be on a date that would otherwise be an Interest Payment Date; and

(v) If the conversion is to a Fixed Rate Period, the Authority's written notice pursuant to Section 404(a)(i) shall also be provided to the Remarketing Agent and shall also specify the Conversion Date on which the Fixed Rate Period is to commence, and the Authority shall deliver with such notice any Favorable Opinion of Bond Counsel required pursuant to Section 403(g) and a firm underwriting or purchase contract from a firm, which can be the Remarketing Agent, to underwrite or purchase all of the Variable Rate Series 2022E Subordinate Bonds at a price of 100% of the principal amount thereof at an agreed upon interest rate which such firm certifies is the lowest rate that will permit the Variable Rate Series 2022E Subordinate Bonds to be sold at par on the first day of the Fixed Rate Period and containing a Mandatory Sinking Fund Requirements schedule

prepared in accordance with Section 403(g). Upon receipt by the Trustee of such notice from the Authority, the Trustee shall promptly cause the same information contained in such notice to be delivered to the Tender Agent, any Credit Facility Provider and any Rating Agency. A conversion to the Fixed Interest Rate shall not occur unless the Authority shall also file with the Trustee any Favorable Opinion of Bond Counsel to the same effect dated the Conversion Date; and

(vi) The conversion shall not occur unless the Conversion Date is a date on which the Variable Rate Series 2022E Subordinate Bonds being converted could be redeemed without premium pursuant to Section 501(a); and

(vii) If the conversion is to a Short-Term Rate Period, (A) the Authority must engage, at its expense, a commercial paper trustee and paying agent (the “Issuing Agent”), which may or may not be the Trustee and which shall be reasonably acceptable to the Trustee, any Credit Facility Provider and the Tender Agent, having access to the Depository’s electronic money market issuing and payment system and otherwise eligible to serve as an issuing and paying agent under the Depository’s policies and procedures for the issuance and payment of commercial paper; and (B) the Remarketing Agent must arrange for the execution and delivery to the Depository of its required letter of representation for the eligibility of the Variable Rate Series 2022E Subordinate Bonds in the Short-Term Rate Period in the Depository’s book entry system and the provision of any needed CUSIP numbers; and (C) the Authority shall take all other action needed to comply with the Depository’s requirements applicable to the issuance and payment of the Variable Rate Series 2022E Subordinate Bonds while in the Short-Term Rate Period; and (D) the Authority shall enter into any amendment of this Thirty-Second Supplemental Indenture permitted under the Indenture that is needed to comply with the Depository’s or any Rating Agency’s requirements concerning the issuance and payment of the Variable Rate Series 2022E Subordinate Bonds in the Short-Term Rate Period.

(c) Failure of Conditions to Conversion. In the event any condition precedent to a conversion is not fulfilled, (i) the Conversion Date shall not occur, (ii) the mandatory tender pursuant to Section 408(a)(ii) shall not occur and (iii) the Variable Rate Series 2022E Subordinate Bonds shall continue in the then existing Rate Period with the length of the Rate Period and the interest rate being determined in accordance with Section 403. Notice of withdrawal of a conversion notice shall be given by the Authority to the Trustee, the Remarketing Agent, the Tender Agent and any Credit Facility Provider by telephone, promptly confirmed in writing, and shall thereafter be promptly given to the Holders by the Trustee via Electronic Means or by first-class mail. No failure or cancellation of conversion pursuant to this subsection (c) shall constitute an Event of Default.

Section 405. Tender Agent.

The Trustee is the initial Tender Agent. There shall be a Tender Agent for the Variable Rate Series 2022E Subordinate Bonds as provided in this Section at all times that any Variable Rate Series 2022E Subordinate Bonds are Daily Rate Bonds, Weekly Rate Bonds, Short-Term Rate Bonds, Index Rate Bonds or Long-Term Rate Bonds. The Tender Agent shall be appointed by the Authority and shall be a commercial bank, national association or trust company

organized and doing business under the laws of the United States of America or of any state thereof, authorized to exercise corporate trust powers in the State, subject to supervision or examination by federal or state authority, and authorized to perform all of the duties imposed upon it by this Thirty-Second Supplemental Indenture, and having a combined capital and surplus of at least \$75,000,000. If such corporation or association publishes reports of condition at least annually, pursuant to law or to the requirements of such supervising or examining Authority, then for the purposes of this Section, the combined capital and surplus of such corporation or association shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Tender Agent shall perform the duties imposed upon the Tender Agent by this Thirty-Second Supplemental Indenture, but only upon the terms and conditions set forth herein, including the following:

(a) hold all Variable Rate Series 2022E Subordinate Bonds delivered to it hereunder in trust for the benefit of the respective Holders which shall have so delivered such Variable Rate Series 2022E Subordinate Bonds until moneys representing the Purchase Price of such Variable Rate Series 2022E Subordinate Bonds shall have been delivered to or for the account of or to the order of such Holders;

(b) hold all moneys delivered to it hereunder for the purchase of Variable Rate Series 2022E Subordinate Bonds in trust solely for the benefit of the Person which shall have so delivered such moneys until the Variable Rate Series 2022E Subordinate Bonds purchased with such moneys shall have been delivered to or for the account of such Person;

(c) hold all moneys, other than proceeds of payments under a Credit Facility, delivered to it hereunder for the purchase of Variable Rate Series 2022E Subordinate Bonds as agent of, and in escrow for the exclusive benefit of, the Person which shall have so delivered such moneys until the Variable Rate Series 2022E Subordinate Bonds purchased with such moneys shall have been delivered to or for the account of such Person;

(d) hold all moneys delivered to it hereunder from payments under a Credit Facility for the purchase of Variable Rate Series 2022E Subordinate Bonds as agent of, and in escrow for the exclusive benefit of, the Holders who shall deliver Variable Rate Series 2022E Subordinate Bonds to it for purchase until the Variable Rate Series 2022E Subordinate Bonds purchased with such moneys shall have been delivered to or for the account of the Credit Facility Provider;

(e) keep such books and records as shall be consistent with customary corporate trust industry practice that shall accurately reflect the transactions hereunder and to make such books and records available for inspection by the Authority, the Trustee, the Remarketing Agent and the Credit Facility Provider during normal business hours upon reasonable prior written notice;

(f) hold all Credit Facility Provider Bonds delivered to it hereunder as agent of, and in escrow for the benefit of, the Credit Facility Provider;

(g) deliver any notices required by this Thirty-Second Supplemental Indenture to be delivered by the Tender Agent; and

(h) perform all other duties of the Tender Agent under this Thirty-Second Supplemental Indenture.

The Tender Agent shall be entitled to reasonable compensation for its services as Tender Agent as agreed upon with the Authority.

The Tender Agent at any time may resign and be discharged of the duties and obligations imposed upon the Tender Agent by this Thirty-Second Supplemental Indenture, by giving written notice thereof to the Authority, the Trustee, the Remarketing Agent and the Credit Facility Provider at least 30 days prior to the effective date of such resignation. The Tender Agent shall resign at any time that it shall cease to be eligible in accordance with the provisions of this Section, effective upon the appointment of and acceptance of such appointment by a successor Tender Agent.

The Tender Agent may be removed at any time by the Authority by an instrument in writing delivered to the Tender Agent, the Trustee, the Remarketing Agent and the Credit Facility Provider.

If the Tender Agent shall resign, be removed or become incapable of acting for any cause, the Authority shall promptly appoint a successor Tender Agent by an instrument in writing delivered to the Trustee, the Remarketing Agent, the Credit Facility Provider, and the retiring Tender Agent. Every such successor Tender Agent appointed pursuant to the provisions of this Section shall meet the eligibility requirements of this Section. No successor Tender Agent shall accept its appointment unless at the time of such acceptance such successor Tender Agent shall be qualified and eligible under this Article.

Every successor Tender Agent appointed hereunder shall execute and deliver to the Authority, the Trustee, the Remarketing Agent, any Credit Facility Provider, and the retiring Tender Agent an instrument accepting such appointment, designating its Designated Office and accepting the duties and obligations imposed upon it hereunder. No resignation or removal of the Tender Agent and no appointment of a successor Tender Agent pursuant to this Section shall become effective until the acceptance of appointment by the successor Tender Agent hereunder.

The Trustee shall give notice of each resignation and each removal of the Tender Agent and each appointment of a successor Tender Agent by mailing written notice of such event by first-class mail, within 30 days of the resignation or removal of the Tender Agent or the appointment of a successor Tender Agent, to the Authority, any Credit Facility Provider, the Remarketing Agent, each Rating Agency and the Holders as their names and addresses appear in the Bond Register maintained by the Trustee. Each notice shall include the name of the successor Tender Agent and the address of its Designated Office.

In the event of the resignation or removal of the Tender Agent, and the appointment of a successor Tender Agent, the retiring Tender Agent shall pay over, assign and deliver any moneys and Variable Rate Series 2022E Subordinate Bonds held by it in such capacity to its successor.

In the event that the Tender Agent shall resign or be removed, or be dissolved, or if the property or affairs of the Tender Agent shall be taken under the control of any state or federal court or administrative body because of bankruptcy or insolvency, or for any other reason, and

the Authority shall not have appointed a successor as Tender Agent, the Trustee shall ipso facto be deemed to be the Tender Agent for all purposes of this Thirty-Second Supplemental Indenture until the appointment by the Authority of the successor Tender Agent.

Any corporation or association into which the Tender Agent in its individual capacity may be merged or converted or with which it may be consolidated, or any merger, conversion or consolidation to which the Tender Agent in its individual capacity shall be a party, or any corporation or association to which all or substantially all the corporate trust business of the Tender Agent in its individual capacity may be sold or otherwise transferred, shall be the Tender Agent under this Thirty-Second Supplemental Indenture without further act; provided, that the Tender Agent shall promptly give notice of such action to the Authority, and the Authority shall have 45 days to exercise an option to appoint a successor Tender Agent by an instrument in writing delivered to the Trustee, the Remarketing Agent, the Credit Facility Provider, and the then current Tender Agent. Every such successor Tender Agent appointed pursuant to the provisions of this Section shall meet the eligibility requirements of this Section. No successor Tender Agent shall accept its appointment unless at the time of such acceptance such successor Tender Agent shall be qualified and eligible under this Article.

Section 406. Optional Tenders of Variable Rate Series 2022E Subordinate Bonds in Certain Rate Periods.

(a) Holders of Daily Rate Bonds or Weekly Rate Bonds may elect to have their Variable Rate Series 2022E Subordinate Bonds (other than Credit Facility Provider Bonds or Variable Rate Series 2022E Subordinate Bonds owned by or for the benefit of the Authority), or portions thereof in Authorized Denominations, purchased at the applicable Purchase Price on the following Purchase Dates and, upon the giving of the following Electronic Means or written notices meeting the further requirements set forth in subsection (b) below, provided, however, that so long as the Variable Rate Series 2022E Subordinate Bonds are in book entry form the provisions set forth in Section 402 and the procedures established by the Depository generally for tenders of Variable Rate Series 2022E Subordinate Bonds shall apply with respect to notice of tenders, delivery of Variable Rate Series 2022E Subordinate Bonds, payment of Purchase Price and related matters. If less than all of the Variable Rate Series 2022E Subordinate Bonds of a Holder are tendered for purchase the amount retained by that Holder must be in an Authorized Denomination.

(i) Daily Rate Bonds (other than Credit Facility Provider Bonds or Variable Rate Series 2022E Subordinate Bonds owned by or for the benefit of the Authority) may be tendered for purchase at the Purchase Price payable in immediately available funds on any Business Day upon Electronic Means or written notice of tender to the Tender Agent and the Remarketing Agent not later than 11:00 a.m., New York City time, on the designated Purchase Date.

(ii) Weekly Rate Bonds (other than Credit Facility Provider Bonds or Variable Rate Series 2022E Subordinate Bonds owned by or for the benefit of the Authority) may be tendered for purchase at the Purchase Price payable in immediately available funds on any Business Day upon delivery of a written or Electronic Means notice of tender to the

Tender Agent not later than 5:00 p.m., New York City time, on a Business Day not fewer than seven days prior to the designated Purchase Date.

(b) Each notice of tender for Daily Rate Bonds and Weekly Rate Bonds:

(i) shall, in case of a written notice, be delivered to the Tender Agent at its Designated Office and, with respect to Daily Rate Bonds, to the Remarketing Agent at its Designated Office, and be in form satisfactory to the Tender Agent;

(ii) shall state, whether delivered in writing or by Electronic Means, (A) the principal amount of the Daily Rate Bond or Weekly Rate Bond to which the notice relates and the CUSIP number of that Bond, (B) that the Holder irrevocably demands purchase of that Variable Rate Series 2022E Subordinate Bond or a specified portion thereof in an Authorized Denomination, (C) the Purchase Date on which that Variable Rate Series 2022E Subordinate Bond or portion thereof is to be purchased and (D) payment instructions with respect to the Purchase Price; and

(iii) shall automatically constitute, whether delivered in writing or by Electronic Means, (A) an irrevocable offer to sell the Variable Rate Series 2022E Subordinate Bond (or portion thereof) to which such notice relates on the Purchase Date to any purchaser selected by the Remarketing Agent (or to the Credit Facility Provider in the case of purchases made with funds paid under the Credit Facility), at a price equal to the Purchase Price, (B) an irrevocable authorization and instruction to the Tender Agent to effect transfer of such Variable Rate Series 2022E Subordinate Bond (or portion thereof) upon receipt by the Tender Agent of funds sufficient to pay the Purchase Price on the Purchase Date, (C) an irrevocable authorization and instruction to the Tender Agent to effect the exchange of the Variable Rate Series 2022E Subordinate Bond to be purchased in whole or in part for other Variable Rate Series 2022E Subordinate Bonds in an equal aggregate principal amount so as to facilitate the sale of that Variable Rate Series 2022E Subordinate Bond (or portion thereof to be purchased), (D) an acknowledgment that such Holder will have no further rights with respect to that Variable Rate Series 2022E Subordinate Bond (or portion thereof) upon deposit of an amount equal to the Purchase Price thereof with the Tender Agent on the Purchase Date, except for the right of such Holder to receive the Purchase Price upon surrender of that Variable Rate Series 2022E Subordinate Bond to the Tender Agent, and (E) an agreement of such Holder to deliver such Daily Rate Bonds or Weekly Rate Bonds, with all necessary endorsements for transfer and signature guarantees, to the Tender Agent at its Designated Office not later than 1:00 p.m., New York City time, on the Purchase Date.

The determination of the Tender Agent as to whether a notice of tender has been properly delivered pursuant to the foregoing shall be conclusive and binding upon the Holder. The Tender Agent may waive any irregularity or nonconformity in any notice of tender.

(c) Notwithstanding anything to the contrary herein, all Daily Rate Bonds or Weekly Rate Bonds as to which a written notice specifying the Purchase Date has been delivered pursuant to this Section (and which have not been tendered to the Tender Agent) shall be deemed tendered on the Purchase Date specified. From and after the specified Purchase Date of a

Variable Rate Series 2022E Subordinate Bond tendered to the Tender Agent or deemed tendered pursuant to this Section, the former Holder of such Variable Rate Series 2022E Subordinate Bond shall be entitled solely to the payment of the applicable Purchase Price of the Variable Rate Series 2022E Subordinate Bond tendered or deemed tendered which Purchase Price shall be payable only as set forth in Section 407(d).

(d) The Tender Agent shall promptly return any notice of tender delivered pursuant to this Section (together with the Variable Rate Series 2022E Subordinate Bonds submitted therewith) that is incomplete or improperly completed or not delivered within the times required by this Section to the Person or Persons submitting such notice.

(e) Notwithstanding the foregoing, if the Variable Rate Series 2022E Subordinate Bonds are held in a book-entry form at the Depository, the right to optionally tender Daily Rate Bonds or Weekly Rate Bonds may be exercised by the beneficial owners of those Variable Rate Series 2022E Subordinate Bonds. Such right shall be exercised by delivery by a beneficial owner to the Tender Agent no later than the times specified in subsection (a) of the notice described in subsection (b) stating that such beneficial owner will cause its beneficial interest (or portion thereof in an Authorized Denomination) to be tendered, the amount of such interest to be tendered, the date on which such interest will be tendered and the identity of the Participant through which the beneficial owner maintains its interest. Upon delivery of such notice, the beneficial owner must make arrangements to have its beneficial ownership interest in the Variable Rate Series 2022E Subordinate Bonds being tendered to the Tender Agent to be transferred on the records of the Depository to the Tender Agent at or prior to 1:00 p.m., New York City time, on the Purchase Date.

Section 407. Purchase Fund; Purchase of Variable Rate Series 2022E Subordinate Bonds by Tender Agent; Procedures and Consequences Related to Inadequate Funds for Purchase Upon Tender.

(a) The Tender Agent shall establish a special trust fund for the Variable Rate Series 2022E Subordinate Bonds to be designated the Purchase Fund. Within the Purchase Fund, the Tender Agent shall establish four separate accounts to be designated the Remarketing Proceeds Account, the Credit Facility Purchase Account, the Authority Purchase Account and the Undelivered Bond Payment Account, each of which shall be an Eligible Account. Only the Tender Agent shall have any right of withdrawal from the Purchase Fund; and the Purchase Fund and such right of withdrawal shall be for the sole and exclusive benefit of the Holders of the Variable Rate Series 2022E Subordinate Bonds subject to purchase on Purchase Dates (and the Credit Facility Provider to the extent provided in subsection (f)); and the Authority and the Holders of Variable Rate Series 2022E Subordinate Bonds not subject to purchase shall have no legal, beneficial or equitable interest in the Purchase Fund. Amounts on deposit in the Purchase Fund shall be held uninvested and without bearing interest. Amounts in a particular account of a Purchase Fund shall not be commingled with amounts in any other account of that Purchase Fund. Any moneys received by the Tender Agent by reason of the remarketing by the Remarketing Agent of any Variable Rate Series 2022E Subordinate Bonds subject to purchase on a Purchase Date shall be deposited by the Tender Agent in the Remarketing Proceeds Account and applied by the Tender Agent in accordance with subsections (d) and (e). Any moneys received by the Tender Agent representing amounts paid by the Credit Facility Provider

under the Credit Facility for the purchase of a Variable Rate Series 2022E Subordinate Bond subject to purchase on a Purchase Date shall be deposited by the Tender Agent in the Credit Facility Purchase Account and applied by the Tender Agent in accordance with subsections (d) and (e). Any moneys received by the Tender Agent representing amounts paid by the Authority for the purchase of a Variable Rate Series 2022E Subordinate Bond subject to purchase on a Purchase Date shall be deposited by the Tender Agent in the Authority Purchase Account of the Purchase Fund and applied by the Tender Agent in accordance with subsections (d) and (e). Moneys shall be transferred to the Undelivered Bond Payment Account from the other accounts of the Purchase Fund or to the Credit Facility Provider in accordance with subsection (e); and moneys shall be applied from the Undelivered Bond Payment Account in accordance with subsection (f) and (g).

(b) Upon receipt of notice, in writing or by any Electronic Means, of tender relating to Daily Rate Bonds, the Tender Agent shall promptly notify the Remarketing Agent, the Authority, the Trustee and any Credit Facility Provider by telephonic notice of the amount of the Variable Rate Series 2022E Subordinate Bonds to be tendered pursuant to such notice. The Tender Agent shall confirm such telephonic notice by Electronic Means by 11:15 a.m., New York City time, on the Purchase Date, with the Tender Agent including in such telephonic notice and the confirmation thereof the amount of the Purchase Price of the Variable Rate Series 2022E Subordinate Bonds and the portion, if any, thereof representing accrued and unpaid interest on such Bonds to the Purchase Date. Upon receipt of notice, in writing or by any Electronic Means, of tender relating to Weekly Rate Bonds, the Tender Agent shall, not later than 5:00 p.m., New York City time, on the next Business Day, send notice of such tender to the Authority, the Remarketing Agent, the Trustee and any Credit Facility Provider by Electronic Means, with the Tender Agent including in such notice the amount of the Purchase Price of the Variable Rate Series 2022E Subordinate Bonds and the portion, if any, thereof representing accrued and unpaid interest on the Variable Rate Series 2022E Subordinate Bonds to the Purchase Date. Simultaneously with giving notice pursuant to Section 408(d) of any mandatory tender of the Variable Rate Series 2022E Subordinate Bonds pursuant to Section 408(a), the Trustee shall give notice by telephone or Electronic Means, promptly confirmed in writing, to the Tender Agent, the Remarketing Agent, any Credit Facility Provider and the Authority specifying the Purchase Date, the aggregate principal amount and Purchase Price of the Variable Rate Series 2022E Subordinate Bonds subject to mandatory tender on such Purchase Date, and the portion, if any, of such Purchase Price representing accrued and unpaid interest on such Variable Rate Series 2022E Subordinate Bonds to such Purchase Date.

(c) Not later than 11:30 a.m., New York City time, on each Purchase Date, the Remarketing Agent shall notify the Trustee, the Tender Agent and any Credit Facility Provider by Electronic Means of (i) the Purchase Price of the Variable Rate Series 2022E Subordinate Bonds to be sold by the Remarketing Agent and (ii) the Purchase Price of the Variable Rate Series 2022E Subordinate Bonds tendered for purchase which will not be sold by the Remarketing Agent, and the Tender Agent shall then determine the amount, if any, by which the Purchase Price of the Variable Rate Series 2022E Subordinate Bonds to be purchased on such Purchase Date exceeds the amount of the proceeds of the remarketing of such Variable Rate Series 2022E Subordinate Bonds by the Remarketing Agent on deposit in the Remarketing Proceeds Account at such time and shall immediately give telephonic or Electronic Means notice

of that amount to the Trustee, the Authority and any Credit Facility Provider, which notice shall be promptly confirmed in writing; and

(i) if a Credit Facility is in effect on such Purchase Date, then, except with respect to Credit Facility Provider Bonds held pursuant to Section 411(b) and Variable Rate Series 2022E Subordinate Bonds held by the Authority, (A) the Trustee shall submit in accordance with the terms of the Credit Facility and by such time as is required to receive funds on the Purchase Date for the payment of the Purchase Price, a Credit Facility Request to the Credit Facility Provider requesting the purchase by that Credit Facility Provider under the Credit Facility, or the funding by the Credit Facility Provider under the Credit Facility of moneys for the purchase, of the Variable Rate Series 2022E Subordinate Bonds at a Purchase Price equal to the amount of the excess of the aggregate Purchase Price over any amounts on hand for payment to tendering Bondholders, and (B) not later than 2:00 p.m., New York City time, on such Purchase Date, the Trustee shall transfer to the Tender Agent and the Tender Agent shall deposit the proceeds of the Credit Facility Request received by the Trustee in the Credit Facility Purchase Account; or

(ii) if no Credit Facility is in effect on such Purchase Date, then (A) not later than 12:30 p.m., New York City time, on such Purchase Date, the Tender Agent shall notify the Authority of the amount of the excess of the aggregate Purchase Price over any amounts on hand for payment to tendering Bondholders, which shall thereupon be payable by the Authority to the Tender Agent for the purpose of causing the Tender Agent to purchase such Bonds on behalf of the Authority, and (B) not later than 2:30 p.m., New York City time, on such Purchase Date, the Tender Agent shall deposit the amount, if any, received by the Tender Agent from the Authority for such purpose in the Authority Purchase Account; provided, however, the Authority has no obligation to deposit moneys in the Authority Purchase Account and has no obligation to purchase tendered Variable Rate Series 2022E Subordinate Bonds.

(d) Not later than 2:30 p.m., New York City time, on each Purchase Date, the Tender Agent shall disburse the Purchase Price of the Variable Rate Series 2022E Subordinate Bonds to be purchased on such Purchase Date to the Holders thereof (upon surrender thereof for payment of such Purchase Price), from the following sources and in the following order of priority:

(i) Moneys on deposit in the Remarketing Proceeds Account (representing the proceeds of the remarketing by the Remarketing Agent of such Variable Rate Series 2022E Subordinate Bonds); and

(ii) If a Credit Facility is in effect on such Purchase Date, moneys on deposit in the Credit Facility Purchase Account (representing the proceeds of a Credit Facility Request); and

(iii) Moneys on deposit in the Authority Purchase Account (representing amounts paid by the Authority to the Tender Agent for the purchase of such Variable Rate Series 2022E Subordinate Bonds). The Authority has no obligation to deposit

moneys in the Authority Purchase Account and has no obligation to purchase tendered Variable Rate Series 2022E Subordinate Bonds that are not remarketed.

(e) If the funds available from the sources specified in the preceding clause (d) for the purchase of the Variable Rate Series 2022E Subordinate Bonds subject to purchase on a Purchase Date are insufficient to purchase all of the Variable Rate Series 2022E Subordinate Bonds subject to purchase on such Purchase Date (including Undelivered Bonds), then, no purchase of any of those Variable Rate Series 2022E Subordinate Bonds shall occur on such Purchase Date, and on such Purchase Date, the Tender Agent shall (i) return to the Holders all of such Variable Rate Series 2022E Subordinate Bonds that were tendered, (ii) return all moneys received by the Tender Agent for the purchase of such Variable Rate Series 2022E Subordinate Bonds to the respective Persons that provided such moneys (in the respective amounts in which such moneys were so provided), and (iii) notify the Trustee of the foregoing. If a Credit Facility is in effect with respect to such Variable Rate Series 2022E Subordinate Bonds, and if the Credit Facility Provider is not in default thereunder, then the failure to purchase the Variable Rate Series 2022E Subordinate Bonds shall cause the Variable Rate Series 2022E Subordinate Bonds to remain outstanding and to bear interest at the Penalty Rate from and after the Purchase Date and until the Purchase Price for all such Variable Rate Series 2022E Subordinate Bonds shall have been paid in full or until they otherwise cease to be Outstanding, but shall not constitute an Event of Default hereunder. Otherwise, (i) if such Variable Rate Series 2022E Subordinate Bonds shall have been designated Hard Tender Index Rate Bonds, then the failure to purchase the Variable Rate Series 2022E Subordinate Bonds shall constitute an Event of Default under Section 903(e), but (ii) if such Variable Rate Series 2022E Subordinate Bonds (a) shall have been designated Soft Tender Index Rate Bonds, or (b) bear interest at a Weekly Rate, Daily Rate or Short-Term Rate, then the failure to purchase the Variable Rate Series 2022E Subordinate Bonds shall not constitute an Event of Default under Section 903(e), and the Variable Rate Series 2022E Subordinate Bonds shall bear interest at the Penalty Rate from and after the Purchase Date and until the Purchase Price for all such Variable Rate Series 2022E Subordinate Bonds shall have been paid in full or until they otherwise cease to be Outstanding.

(f) Any moneys remaining in the Remarketing Proceeds Account, the Credit Facility Purchase Account or the Authority Purchase Account and representing (but not exceeding) the Purchase Price of the Variable Rate Series 2022E Subordinate Bonds subject to purchase on the Purchase Date but not tendered and delivered for purchase on the Purchase Date (following the payments described in subsection (d)) shall be transferred by the Tender Agent to the Undelivered Bond Payment Account not later than 3:30 p.m., New York City time, on the Purchase Date (and retained therein, subject to subsection (a), for application in accordance with subsection (f)). Any moneys remaining in the Remarketing Proceeds Account, the Credit Facility Purchase Account and the Authority Purchase Account on a Purchase Date (after the payments described in subsection (d) and the transfer described in the preceding sentence of this subsection (e)) shall be wire transferred by the Tender Agent, in immediately available funds, prior to the close of business on such Purchase Date, to the Credit Facility Provider, to the extent of any amounts owed to the Credit Facility Provider in respect of a Credit Facility Request, and then to the Authority.

(g) Moneys transferred to the Undelivered Bond Payment Account of the Purchase Fund on any Purchase Date shall be applied, on or after such Purchase Date, by the Tender

Agent to pay the Purchase Price of the Undelivered Bonds in respect of which they were so transferred, upon the surrender of such Variable Rate Series 2022E Subordinate Bonds to the Tender Agent for such purpose.

(h) Notwithstanding the foregoing, in the event that the Variable Rate Series 2022E Subordinate Bonds are converted to a Fixed Rate and remarketed at a premium over par, remarketing proceeds received by the Tender Agent in excess of the amount required to pay the Purchase Price of the Variable Rate Series 2022E Subordinate Bonds tendered for purchase shall be delivered by the Tender Agent to the Trustee for deposit in a separate account in the custody of the Trustee. Such excess remarketing proceeds shall be disbursed by the Trustee in accordance with the written directions of an Authorized Official to pay fees and expenses relating to the conversion and remarketing, including any fees and expenses relating to any Credit Facility, to make any required deposit to the Debt Service Reserve Fund, to pay any amount owed upon early termination of any Hedge Agreement and otherwise to apply consistently with the Indenture.

Section 408. Mandatory Tender and Purchase of Variable Rate Series 2022E Subordinate Bonds.

(a) All the Variable Rate Series 2022E Subordinate Bonds shall be subject to mandatory tender for purchase by the Tender Agent at the Purchase Price, as follows:

(i) Short-Term and Long-Term Rate Bonds. Each Short-Term Rate Bond shall be subject to mandatory tender for purchase by the Tender Agent on the first day following the last day of each Short-Term Interest Period applicable to such Short-Term Rate Bond, and each Long-Term Rate Bond shall be subject to mandatory tender for purchase on the first day following the last day of each Long-Term Interest Period; provided that either in the Certificate of Award or in any applicable Notice of Conversion, Long-Term Rate Bonds shall be designated as either Hard Tender Long-Term Rate Bonds or Soft Tender Long-Term Rate Bonds.

(ii) Conversion of Modes. Each subseries of the Variable Rate Series 2022E Subordinate Bonds shall be subject to mandatory tender for purchase by the Tender Agent on each Conversion Date for such subseries.

(iii) Expiration of a Credit Facility, Voluntary Termination of a Credit Facility or Replacement of a Credit Facility With a Substitute Credit Facility. Variable Rate Series 2022E Subordinate Bonds requiring the maintenance of a Credit Facility are subject to mandatory tender for purchase by the Tender Agent (1) on a Business Day selected by the Trustee which shall be at least five days prior to the Expiration Date of the Credit Facility; (2) on a Business Day selected by the Trustee which shall be at least five days prior to the Voluntary Termination Date of the Credit Facility and (3) on each Substitution Date, which shall be at least five days prior to the Expiration Date of the Credit Facility being replaced. Payment of the Purchase Price shall be made from proceeds of remarketing or a draw of moneys upon the Credit Facility that is expiring or being replaced.

(iv) Notice by the Credit Facility Provider. While a Credit Facility is in effect, the Variable Rate Series 2022E Subordinate Bonds are subject to mandatory tender for purchase by the Tender Agent (a) on a Business Day selected by the Trustee that is not more than one Business Day after the Trustee's receipt of notification from that Credit Facility Provider of that Credit Facility Provider's decision to exercise its right of mandatory tender as a result of the occurrence of certain events of default or termination under the Reimbursement Agreement, and (b) on the date designated by the Trustee following receipt by the Trustee of notice from the Credit Facility Provider that the Credit Facility Provider is not reinstating the Credit Facility following a draw, which date shall be a Business Day and shall be not more than one Business Day after the Trustee receives notice of non-reinstatement from the Credit Facility Provider.

(v) Index Rate Bonds Purchase Dates. Variable Rate Series 2022E Subordinate Bonds that are converted to Index Rate Bonds (regardless of whether they are then currently Index Rate Bonds) for any Index Rate Period shall be subject to mandatory tender (A) on the Index Rate Bonds Purchase Date specified in the applicable Notice of Conversion, which shall also specify if such Variable Rate Series 2022E Subordinate Bonds shall be Hard Tender Index Rate Bonds or Soft Tender Index Rate Bonds, and (B) at the option of the Authority on any Business Day on or after a date specified in the applicable Notice of Conversion.

(b) Variable Rate Series 2022E Subordinate Bonds to be purchased pursuant to subsection (a) shall be delivered by the Holders thereof to the Tender Agent (together with necessary assignments and endorsements) at or prior to 1:00 p.m., New York City time, on the applicable Purchase Date.

(c) Any Variable Rate Series 2022E Subordinate Bonds to be purchased by the Tender Agent pursuant to this Section that are not delivered for purchase on or prior to the Purchase Date, for which there has been irrevocably deposited in trust with the Tender Agent an amount sufficient to pay the Purchase Price of such Variable Rate Series 2022E Subordinate Bonds, shall be deemed to have been delivered to the Tender Agent for purchase, and the Holders of such Variable Rate Series 2022E Subordinate Bonds shall not be entitled to any payment (including any interest to accrue on or after the Purchase Date) other than the respective Purchase Prices of such Variable Rate Series 2022E Subordinate Bonds, and such Variable Rate Series 2022E Subordinate Bonds shall not be entitled to any benefits of the Indenture, except for payment of such Purchase Price out of the moneys deposited for such payment as aforesaid.

(d) In addition to any other requirements set forth in this Thirty-Second Supplemental Indenture, notices of mandatory tender shall be mailed to Holders and shall:

(i) specify the proposed Purchase Date and the event which gives rise to the proposed Purchase Date;

(ii) state that such Variable Rate Series 2022E Subordinate Bonds shall be subject to mandatory tender for purchase on such Purchase Date;

(iii) state that Holders may not elect to retain the Variable Rate Series 2022E Subordinate Bonds subject to mandatory tender;

(iv) state that all of the Variable Rate Series 2022E Subordinate Bonds subject to mandatory tender shall be required to be delivered to the Designated Office of the Tender Agent at or before 1:00 p.m., New York City time, on the Purchase Date;

(v) state that if the Holder of any Variable Rate Series 2022E Subordinate Bonds subject to mandatory tender fails to deliver such Variable Rate Series 2022E Subordinate Bonds to the Tender Agent for purchase on the Purchase Date, and if the Tender Agent is in receipt of funds sufficient to pay the Purchase Price thereof, such Variable Rate Series 2022E Subordinate Bonds shall nevertheless be deemed purchased on the Purchase Date and ownership of such Variable Rate Series 2022E Subordinate Bonds shall be transferred to the purchaser thereof;

(vi) state that any Holder that fails to deliver such Variable Rate Series 2022E Subordinate Bonds for purchase shall have no further rights thereunder or under the Indenture except the right to receive the Purchase Price thereof upon presentation and surrender of such Variable Rate Series 2022E Subordinate Bonds to the Tender Agent and that the Trustee will place a stop transfer against the Variable Rate Series 2022E Subordinate Bonds subject to mandatory tender registered in the name of such Holder(s) on the registration books;

(vii) in the case of mandatory tender upon any proposed conversion of Variable Rate Series 2022E Subordinate Bonds, state that such conversion and such mandatory tender will not occur if certain events and conditions specified in Section 404(b) do not occur or are not satisfied and summarize those events and conditions; and

(viii) in the case of mandatory tender on a Substitution Date, state the information required by Section 412(d).

(e) Notice of mandatory tender of Variable Rate Series 2022E Subordinate Bonds shall be given by the Trustee via Electronic Means or by first-class mail, to the Holders of the Variable Rate Series 2022E Subordinate Bonds (at their addresses as they appear on the Register as of the date of such notice), and to the Authority, any Remarketing Agent, the Tender Agent and any Credit Facility Provider, as follows. If the mandatory tender is by reason of the events described in clauses (ii) or (iii) of subsection (a), that notice shall be given no fewer than 10 days prior to the Purchase Date. If the mandatory tender is by reason of the events described in clause (iv) of subsection (a), that notice shall be given immediately. No notice of mandatory tender is required to be given when the tender is by reason of clause (i) of subsection (a).

(f) Failure to mail such notice or any defect therein shall not affect the rights or obligations of Holders and the Trustee shall not be liable to any Holder by reason of its failure to mail such notice or any defect therein.

(g) If, following the giving of notice of mandatory tender of Variable Rate Series 2022E Subordinate Bonds, an event occurs which, in accordance with the terms of this Thirty-Second Supplemental Indenture, causes such mandatory tender not to occur, then (i) the Trustee

shall so notify the Holders of the Variable Rate Series 2022E Subordinate Bonds (at their addresses as they appear on the Bond Register on the date of such notice), via Electronic Means or by first-class mail, as soon as may be practicable after the Purchase Date, and (ii) the Tender Agent shall return to their Holders any of the Variable Rate Series 2022E Subordinate Bonds tendered to the Tender Agent in connection with such mandatory tender of the Variable Rate Series 2022E Subordinate Bonds.

Section 409. The Remarketing Agent.

(a) Each Remarketing Agent shall perform the duties of the Remarketing Agent pursuant to the Remarketing Agreement and this Thirty-Second Supplemental Indenture. Successor Remarketing Agents may be appointed from time to time by the Authority with the prior written consent of the Credit Facility Provider (which consent shall not be unreasonably withheld). The Remarketing Agents shall be corporations or other legal entities organized and doing business under the laws of the United States of America or of any state thereof, authorized under such laws to perform all duties imposed upon the Remarketing Agents by this Thirty-Second Supplemental Indenture, and shall be either (a) a member of the National Association of Securities Dealers, Inc. and registered as a Municipal Securities Dealer under the Securities Exchange Act of 1934, as amended, or (b) a national banking association, commercial bank or trust company. So long as the Variable Rate Series 2022E Subordinate Bonds are held in book-entry form at the Depository, each Remarketing Agent must be a Participant in the Depository with respect to the Variable Rate Series 2022E Subordinate Bonds.

(b) Each Remarketing Agent appointed in accordance with this Thirty-Second Supplemental Indenture shall designate its Designated Office and signify its acceptance of the duties and obligations imposed upon it as described herein by a written instrument of acceptance delivered to the Authority, the Trustee, the Tender Agent and any Credit Facility Provider, or by executing and delivering a Remarketing Agreement, in either case under which the Remarketing Agent will agree, particularly:

(i) to hold all moneys delivered to it hereunder for the purchase of the Variable Rate Series 2022E Subordinate Bonds in trust for the exclusive benefit of the Person or Persons that shall have so delivered such moneys until the Variable Rate Series 2022E Subordinate Bonds purchased with such moneys shall have been delivered to or for the account of such Person or Persons;

(ii) to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Authority, the Trustee, the Tender Agent and the Authority at all reasonable times;

(iii) to determine (A) the Daily Rates, Weekly Rates, Short-Term Rates and Long-Term Rates, and, pursuant to Section 403(j), during any Subsequent Index Rate Period, the Applicable Spread that will be used in determining the Index Rate for each Subsequent Index Interest Period, (B) if engaged as Remarketing Agent in connection with the conversion to Fixed Rate Bonds, the Fixed Rate(s), and give notice of such rates in accordance with Article IV;

(iv) to remarket Daily Rate Bonds, Weekly Rate Bonds, Short-Term Rate Bonds and Long-Term Rate Bonds at rates no higher than the rate of interest available under the Credit Facility, if a Credit Facility secures the Variable Rate Series 2022E Subordinate Bonds, and to remarket Short-Term Rate Bonds and Long-Term Rate Bonds for Short-Term Periods or Long-Term Rate Periods, as appropriate, no longer than interest is available under the Credit Facility if a Credit Facility secures the Variable Rate Series 2022E Subordinate Bonds all in accordance with Section 413;

(v) to offer for sale and use its best efforts to find purchasers for the Variable Rate Series 2022E Subordinate Bonds tendered for purchase, any such sale to be made in accordance with the terms of this Thirty-Second Supplemental Indenture;

(vi) to deliver to the Tender Agent all of the Variable Rate Series 2022E Subordinate Bonds held by it in accordance with the terms of this Thirty-Second Supplemental Indenture and the Remarketing Agreement; and

(vii) to perform such other duties and responsibilities (including with respect to Credit Facility Bonds) as are provided in this Thirty-Second Supplemental Indenture to be performed by a Remarketing Agent.

Notwithstanding the foregoing, a Remarketing Agent may be engaged for only certain types of Rate Periods, and in that event the Remarketing Agent shall not be required to perform the duties of the Remarketing Agent for any other type of Rate Period.

(c) A Remarketing Agent may at any time resign and be discharged of the duties and obligations described in this Thirty-Second Supplemental Indenture by giving at least 60 days' notice to the Authority, the Trustee, the Tender Agent, any Credit Facility Provider and each Rating Agency. A Remarketing Agent may be removed at any time upon the Written Request of the Authority and upon written notice to the Remarketing Agent, the Tender Agent, the Trustee and any Credit Facility Provider; provided, however, that no such resignation or removal shall be or become effective unless and until a successor Remarketing Agent shall have been appointed and accepted such appointment in accordance with subsection (a).

(d) If and so long as no successor Remarketing Agent is appointed by the Authority after the office of a Remarketing Agent becomes vacant, the Tender Agent or Trustee, at the expense of the Authority, may petition a court to appoint a successor Remarketing Agent.

(e) A Remarketing Agent may in good faith hold the Variable Rate Series 2022E Subordinate Bonds or any other form of indebtedness issued by the Authority; own, accept or negotiate any drafts, bills of exchange, acceptances or obligations thereof, and make disbursements therefor and enter into any commercial or business arrangement therewith; all without any liability on the part of the Remarketing Agent for any real or apparent conflict of interest by reason of any such actions.

Section 410. Sale of Variable Rate Series 2022E Subordinate Bonds by Remarketing Agent.

(a) Upon the receipt by a Remarketing Agent of (i) notice of tender of Daily Rate Bonds or Weekly Rate Bonds pursuant to Section 406, or (ii) notice of mandatory tender of the Variable Rate Series 2022E Subordinate Bonds pursuant to Section 408, the Remarketing Agent shall offer for sale and use its best efforts to solicit purchases of Variable Rate Series 2022E Subordinate Bonds subject to purchase on the Purchase Date at a price equal to the applicable purchase price.

(b) A Remarketing Agent shall direct that the proceeds of all purchases of the Variable Rate Series 2022E Subordinate Bonds solicited and arranged by the Remarketing Agent be paid to the Tender Agent (for deposit in the Remarketing Proceeds Account), at or prior to 12:00 p.m., New York City time, on the Purchase Date, in immediately available funds (and, promptly upon receipt thereof, the Tender Agent shall deposit such proceeds in the Remarketing Proceeds Account).

(c) [Reserved].

(d) A Remarketing Agent shall offer for sale and use its best efforts to arrange for the sale and remarketing of all Credit Facility Provider Bonds, prior to the sale and remarketing of any Variable Rate Series 2022E Subordinate Bonds, at a price equal to 100% of the principal amount thereof plus accrued and unpaid interest thereon (at the rate that would be borne by such Credit Facility Provider Bonds if such Credit Facility Provider Bonds were not Credit Facility Provider Bonds). In connection with each remarketing of Credit Facility Provider Bonds by the Remarketing Agent:

(i) The Remarketing Agent shall (A) provide to the Authority, the Credit Facility Provider, the Trustee and the Tender Agent not less than one Business Day's prior notice of such remarketing, and (B) pay, or cause to be paid to the Credit Facility Provider, by wire transfer of immediately available funds, the proceeds of such remarketing;

(ii) The Trustee shall (A) in consultation with the Credit Facility Provider, calculate the Credit Facility Provider Bonds Purchase Price, (B) in consultation with the Remarketing Agent, determine the amount of remarketing proceeds paid to the Credit Facility Provider by the Remarketing Agent, and (C) pay to the Credit Facility Provider, from moneys in the Debt Service Fund and by wire transfer of immediately available funds, the balance of the Credit Facility Provider Bonds Purchase Price owed to the Credit Facility Provider (representing the difference between the accrued interest on the Credit Facility Provider Bonds paid by the purchaser of the Credit Facility Provider Bonds and the accrued interest on those Credit Facility Provider Bonds at the Credit Facility Provider Rate);

(iii) The Trustee shall confirm with the Credit Facility Provider the receipt by that Credit Facility Provider of the Credit Facility Provider Bonds Purchase Price, the reinstatement of the Credit Facility in respect of such Credit Facility Provider Bonds and

the authorization of that Credit Facility Provider to release such Credit Facility Provider Bonds; and

(iv) After, and only after, receipt by the Trustee of confirmation by the Credit Facility Provider of the reinstatement of the Credit Facility to cover such Credit Facility Provider Bonds following remarketing thereof and authorization by that Credit Facility Provider of such transfer or such authentication and delivery, the Trustee shall (A) while a book-entry system is in effect with respect to the Variable Rate Series 2022E Subordinate Bonds, cause the ownership interest in such Credit Facility Provider Bonds to be transferred to or for the benefit of such purchaser or purchasers as are specified by the Remarketing Agent for such purpose, and (B) while a book-entry system is not in effect with the Depository with respect to the Variable Rate Series 2022E Subordinate Bonds, authenticate other Variable Rate Series 2022E Subordinate Bonds in lieu of such Credit Facility Provider Bonds and to deliver the same to or upon the instruction of the Remarketing Agent.

(e) A Remarketing Agent shall offer for sale and use its best efforts to arrange for the sale and remarketing of (i) all Variable Rate Series 2022E Subordinate Bonds subject to purchase on a Purchase Date that are purchased with moneys provided by the Authority to the Tender Agent for such purpose (as described in Section 407(c)(ii)), and (ii) all of the Variable Rate Series 2022E Subordinate Bonds that are purchased by the Authority pursuant to the Credit Facility and not surrendered by the Authority for cancellation.

Section 411. Delivery of Purchased Variable Rate Series 2022E Subordinate Bonds.

(a) Upon application of the moneys described in Section 407(d)(i) to the purchase of Variable Rate Series 2022E Subordinate Bonds on a Purchase Date pursuant to Section 407(d)(i) (and/or to the transfer thereof to the Undelivered Bond Payment Account on a Purchase Date pursuant to Section 407(e)), the Tender Agent shall cause the Trustee to register the transfer of Variable Rate Series 2022E Subordinate Bonds purchased therewith in the names of the purchasers thereof in accordance with information provided by the Remarketing Agent for such purpose and to have such transferred Variable Rate Series 2022E Subordinate Bonds available for delivery against payment therefor.

(b) Upon application of the moneys described in Section 407(d)(ii) to the purchase of Variable Rate Series 2022E Subordinate Bonds on a Purchase Date pursuant to Section 407(d)(ii) (and/or to the transfer thereof to the Undelivered Bond Payment Account on a Purchase Date pursuant to Section 407(e)), (i) the Variable Rate Series 2022E Subordinate Bonds purchased (or, in the case of such transfer, provided to be purchased) with such moneys shall constitute Credit Facility Provider Bonds (unless and until such Variable Rate Series 2022E Subordinate Bonds cease to be Credit Facility Provider Bonds as described in the definition thereof), and (ii) if a book-entry system is in effect with the Depository with respect to the Variable Rate Series 2022E Subordinate Bonds, the ownership interest in such Credit Facility Provider Bonds shall be transferred on the books of the Depository to or for the account of the Tender Agent or a Participant acting on behalf of the Tender Agent and the Tender Agent shall, and shall cause such Participant to, mark its own books and records to reflect the beneficial

ownership of such Credit Facility Provider Bonds by the Credit Facility Provider, and (iii) if a book-entry system is not in effect with the Depository with respect to the Variable Rate Series 2022E Subordinate Bonds, such Bonds shall be delivered by the Tender Agent to the Trustee for registration of transfer and shall be registered by the Trustee in the name of the Credit Facility Provider, or any nominee of the Credit Facility Provider, and delivered by the Trustee to the Tender Agent and held by the Tender Agent as the custodian of the Credit Facility Provider. The Tender Agent shall release and redeliver or transfer Credit Facility Provider Bonds (being remarketed by the Remarketing Agent) as provided in Section 410(d). Any other disposition of Credit Facility Provider Bonds shall be made only at the written direction or with the prior written consent of the Credit Facility Provider, subject to receipt by the Trustee of confirmation by the Credit Facility Provider of the reinstatement of the Credit Facility to cover such Credit Facility Provider Bonds.

(c) Upon the application of moneys described in Section 407(d)(iii) to the purchase of Variable Rate Series 2022E Subordinate Bonds on a Purchase Date pursuant to Section 407(d)(iii) (and/or to the transfer thereof to the Undelivered Bond Payment Account on a Purchase Date pursuant to Section 407(e)), the Variable Rate Series 2022E Subordinate Bonds purchased (or, in the case of such transfer, provided to be purchased) with such moneys shall be registered in the name of the Authority and shall, at the direction of the Authority, be delivered to the Trustee for cancellation (and canceled by the Trustee) or delivered to the Tender Agent for the account of the Authority and remarketed in accordance with Section 410(e).

(d) Any Variable Rate Series 2022E Subordinate Bonds canceled by the Trustee pursuant to this Section and any Variable Rate Series 2022E Subordinate Bonds surrendered by the Authority to the Trustee for cancellation shall be allocated to the next succeeding scheduled mandatory redemption obligation pursuant to Section 501(b) then as a credit against such future scheduled mandatory redemption obligation pursuant to Section 501(c) as the Authority may specify in a Written Request; provided, however, that there shall be first redeemed any Outstanding Credit Facility Provider Bonds. Prior to the Expiration Date, the Trustee shall notify the Credit Facility Provider of the aggregate principal amount of the Variable Rate Series 2022E Subordinate Bonds so canceled and shall submit to the Credit Facility Provider such documents, if any, as are required in accordance with the terms of the Credit Facility to cause the amounts available under the Credit Facility to be reduced in respect of such Variable Rate Series 2022E Subordinate Bonds so canceled.

Section 412. Credit Facility.

(a) The Trustee shall make Credit Facility Requests in accordance with Sections 407(c). The Trustee shall only draw upon a Credit Facility when that Credit Facility is in a stated amount not less than (i) the aggregate principal amount of the Variable Rate Series 2022E Subordinate Bonds, plus (ii) such number of days of interest as may accrue prior to any Interest Payment Date based on the Rate Period then in effect, and the Trustee shall not draw upon a Credit Facility that by its terms is not available during the Rate Period.

(b) The Trustee shall not terminate or reduce the amounts available under a Credit Facility except by reason of the redemption, cancellation and/or defeasance of the Variable Rate

Series 2022E Subordinate Bonds, or unless the Authority has properly furnished a Substitute Credit Facility, as provided in Section 413.

(c) The Authority shall maintain a Credit Facility for the Variable Rate Series 2022E Subordinate Bonds in effect in accordance with Section 413 herein at all times it is required to do so by this Section.

(d) The Authority may furnish a Substitute Credit Facility in substitution for any then existing Credit Facility for the Variable Rate Series 2022E Subordinate Bonds upon satisfaction of the conditions set forth in Section 413. The Trustee shall give notice to the Holders of the Variable Rate Series 2022E Subordinate Bonds (at their addresses as they appear on the registration books of the Trustee as of the date of such notice), via Electronic Means or by first-class mail, of the proposed substitution of a Substitute Credit Facility for the Credit Facility then in effect for the Variable Rate Series 2022E Subordinate Bonds and the related Substitution Date (stating the issuer or issuers and the term of such Substitute Credit Facility) at least 10 days prior to such Substitution Date. Such notice shall also constitute the notice of mandatory tender of the Variable Rate Series 2022E Subordinate Bonds on the related Substitution Date; provided, however, that, if the Substitution Date is more than 15 days prior to the Expiration Date of the Credit Facility being replaced, in addition to the information required by Section 408(d), such notice may state that such mandatory tender of the Variable Rate Series 2022E Subordinate Bonds will not occur if, on or prior to the proposed Substitution Date, the Trustee does not receive such Substitute Credit Facility, together with the supporting substitution documents. If, by reason of the conditions to such mandatory tender of the Variable Rate Series 2022E Subordinate Bonds (as stated in such notice), there is no mandatory tender of the Variable Rate Series 2022E Subordinate Bonds on the proposed Substitution Date, (i) the Tender Agent shall so notify the Trustee, (ii) the Trustee shall so notify the Holders of the Variable Rate Series 2022E Subordinate Bonds (at their addresses as they appear on the registration books of the Trustee as of the date of such notice) via Electronic Means or by first-class mail, and (iii) the Tender Agent shall return to their Holders any of the Variable Rate Series 2022E Subordinate Bonds tendered to the Tender Agent in connection with such mandatory tender of the Variable Rate Series 2022E Subordinate Bonds.

(e) No Credit Facility is required if the requirements of Section 413 are met for the expiration of any Credit Facility without substitution of a Substitute Credit Facility.

Section 413. Substitute Credit Facility.

(a) During any time that Variable Rate Series 2022E Subordinate Bonds are Daily Rate Bonds or Weekly Rate Bonds, the Authority shall maintain a Credit Facility for the Variable Rate Series 2022E Subordinate Bonds under which the Credit Facility Provider is required to purchase or provide funds for the purchase of the Variable Rate Series 2022E Subordinate Bonds tendered for purchase in accordance with this Thirty-Second Supplemental Indenture. The Credit Facility shall be issued by a bank, trust company, national banking association, insurance company or other financial services company or entity or the Authority, in an amount not less than (i) the aggregate principal amount of all Outstanding Variable Rate Series 2022E Subordinate Bonds, plus (ii) an amount equal to at least 34 days' interest on all Outstanding Variable Rate Series 2022E Subordinate Bonds at the Maximum Rate, plus (iii) in

the case of a Credit Facility that does not automatically reinstate coverage for interest following a drawing to pay interest on the Variable Rate Series 2022E Subordinate Bonds, the number of days during which the Variable Rate Series 2022E Subordinate Bonds may continue to bear interest until purchased upon mandatory tender under Section 408(a)(iv) following a drawing in which the Credit Facility Provider may notify the Trustee that interest coverage has not reinstated. The Authority will not voluntarily terminate a Credit Facility while Variable Rate Series 2022E Subordinate Bonds are Daily Rate Bonds or Weekly Rate Bonds without at least 30 days' prior written notice to the Trustee and without providing for a Substitute Credit Facility (including the Authority providing its own Credit Facility) prior to the effective date of such termination.

(b) At any time the Authority may furnish a Substitute Credit Facility subject to the following limitations and the other limitations set forth in this Section:

(i) The principal amount of the Substitute Credit Facility must be not less than that required by Section 413(a).

(ii) The term of the Substitute Credit Facility must be at least 90 days.

(iii) On or prior to the effective date of a Substitute Credit Facility, the Authority shall furnish to the Trustee (i) an Opinion or Opinions of Counsel acceptable to the Trustee to the effect that the Credit Facility has been duly authorized, executed and delivered by the Credit Facility Provider and is a valid and binding obligation of the Credit Facility Provider enforceable in accordance with its terms (subject as to enforceability to standard exceptions respecting bankruptcy, insolvency and similar laws and principles of equity) and that the exemption of the Variable Rate Series 2022E Subordinate Bonds (or any securities evidenced thereby) from the registration requirements of the Securities Act of 1933, as amended, and the exemption of the Indenture from qualification under the Trust Indenture Act of 1939, as amended, shall not be impaired by such Substitute Credit Facility or that the registration or qualification requirements of such acts have been satisfied, and (ii) if such Bonds are then rated, notice from the Rating Agency to the effect that such Rating Agency has reviewed the proposed Substitute Credit Facility and the provision of such Substitute Credit Facility will not, by itself, result in (A) a permanent withdrawal of the rating on the Bonds or (B) a reduction in the then current rating on the Series 2022E Subordinate Bonds.

(iv) The Authority shall give written notice to the Trustee, the Tender Agent, the Credit Facility Provider, the Remarketing Agent and each Rating Agency, not less than 30 days prior to the Substitution Date and not less than 30 days prior to the Expiration Date of a Credit Facility then in effect, specifying that the Authority intends to replace the Credit Facility with a Substitute Credit Facility on or before the Expiration Date of the Credit Facility then in effect.

(v) The Authority shall cause to be delivered to the Trustee not less than 30 days prior to the Expiration Date of an existing Credit Facility a commitment by the Credit Facility Provider that will issue the Substitute Credit Facility. If the Substitution Date for that Substitute Credit Facility is less than 15 days prior to the Expiration Date

for the existing Credit Facility, the Authority shall provide the Substitute Credit Facility or an irrevocable commitment therefor together with the opinion described in Section 413(b)(iii) not later than 15 days prior to the Expiration Date.

(vi) If there are outstanding any Credit Facility Provider Bonds, the Substitute Credit Facility must provide for the purchase of those Bonds.

(c) The Authority may provide its own Credit Facility for the Variable Rate Series 2022E Subordinate Bonds if the Authority has agreed to pay the Purchase Price of any tendered Variable Rate Series 2022E Subordinate Bonds itself. As a result, any references herein to the Credit Facility Provider of the Variable Rate Series 2022E Subordinate Bonds or to the Credit Facility of the Variable Rate Series 2022E Subordinate Bonds shall be ignored or shall be construed as referencing the Authority for as long as the Authority has agreed to pay the Purchase Price of any tendered Variable Rate Series 2022E Subordinate Bonds itself. References to a Credit Facility Request or a “draw” or “drawing” (or a similar term) on the Credit Facility, for example, shall be construed in the absence of a Credit Facility to be a notice to the Authority of the need to provide funds for the purchase of the Variable Rate Series 2022E Subordinate Bonds. If the Authority provides its own Credit Facility, then the Variable Rate Series 2022E Subordinate Bonds are subject to mandatory tender under the same terms as that of providing a Substitute Credit Facility herein.

(d) In the case of mandatory tender because of the delivery of a Substitute Credit Facility in substitution for the existing Credit Facility, the Trustee shall submit any necessary Credit Facility Request to the existing Credit Facility Provider on and prior to the Substitution Date and shall not draw upon the Substitute Credit Facility that will become effective on or after such Substitution Date, and the Trustee shall not surrender the existing Credit Facility until the Purchase Price of the Variable Rate Series 2022E Subordinate Bonds has been paid in full.

Section 414. Subrogation Rights of Credit Facility Provider; Credit Facility Provider Bonds; Fees.

(a) To the extent that proceeds of a Credit Facility Request are used to pay principal of or interest on the Variable Rate Series 2022E Subordinate Bonds (“Debt Service Charges”), and the amount of such Credit Facility Request is not subsequently reimbursed to such Credit Facility Provider pursuant to the provisions of the Reimbursement Agreement, as long as the amount of such Credit Facility Request has not been reimbursed, the Credit Facility Provider shall be subrogated to and assigned the rights of and be deemed a subrogee and assignee of the rights of the Holders of those Variable Rate Series 2022E Subordinate Bonds to receive such Debt Service Charges. For purposes of the subrogation and assignment rights of a Credit Facility Provider hereunder, (a) any reference to the Holders of those Variable Rate Series 2022E Subordinate Bonds shall mean the Credit Facility Provider, (b) any Debt Service Charges on the Variable Rate Series 2022E Subordinate Bonds paid with proceeds of the Credit Facility shall be deemed to be unpaid Debt Service Charges payable under and secured as Subordinate Debt by the lien of the Indenture, and (c) the Credit Facility Provider may exercise any rights it would have as Holder of the Variable Rate Series 2022E Subordinate Bonds. The subrogation rights granted to such Credit Facility Provider in this Thirty-Second Supplemental Indenture are not intended to be exclusive of any other remedy or remedies available to a Credit Facility Provider,

and such subrogation rights shall be cumulative and in addition to every other remedy given under the Indenture, under the Reimbursement Agreement or under any other agreement or instrument with respect to the reimbursement of moneys paid by a Credit Facility Provider under a Credit Facility or with respect to security for the Reimbursement Obligations, and every other remedy now or hereafter existing at law or in equity. The Trustee, at the expense of the Authority, shall register in the name of the Credit Facility Provider the ownership of that portion of the Variable Rate Series 2022E Subordinate Bonds the principal of which was paid by such Credit Facility Provider from the proceeds of a Credit Facility Request that has not been reimbursed by the Authority in accordance with the Reimbursement Agreement. The Trustee also shall take such action, at the expense of the Authority, as is reasonably necessary to evidence the Credit Facility Provider as the subrogee and assignee of the Holders of the Variable Rate Series 2022E Subordinate Bonds for which interest payments have been made by the Credit Facility Provider from the proceeds of a Credit Facility Request that has not been reimbursed by the Authority in accordance with the Reimbursement Agreement.

(b) To the extent that proceeds of a Credit Facility Request are used to pay the Purchase Price of the Variable Rate Series 2022E Subordinate Bonds and the amount of such Credit Facility Request is not subsequently reimbursed to the Credit Facility Provider pursuant to the provisions of the Reimbursement Agreement, those Variable Rate Series 2022E Subordinate Bonds shall be Credit Facility Provider Bonds, and the transfer and assignment of property to the Trustee pursuant to the granting clauses hereof and in the Indenture, and all covenants, agreement and other obligations of the Trustee to the Holders shall continue to exist and shall run to the benefit of the Credit Facility Provider, and such Credit Facility Provider Bonds shall bear interest and be payable and secured as provided in this Thirty-Second Supplemental Indenture and in the Reimbursement Agreement.

(c) Except as provided in subsections (a) and (b) above, all fees, expenses and other amounts payable by the Authority to the Credit Facility Provider under the Reimbursement Agreement shall be treated as Operating Expenses under the Indenture payable from the Revenue Fund.

Section 415. Credit Facility Provider Deemed Holder of Variable Rate Series 2022E Subordinate Bonds.

Notwithstanding any provision to the contrary in this Thirty-Second Supplemental Indenture, and provided that (a) the Credit Facility Provider is and remains solvent and not a party to any proceeding for the rehabilitation, liquidation, conservation or dissolution of the Credit Facility Provider, (b) the Credit Facility is in full force and effect, and (c) the Credit Facility Provider shall have made and be continuing to make all payments pursuant to Credit Facility Requests, then the Credit Facility Provider shall be deemed to be the Holder of all the Variable Rate Series 2022E Subordinate Bonds and may act in the place of the Holders of the Variable Rate Series 2022E Subordinate Bonds for purposes of making requests and giving directions and consents to the Trustee and exercising any and all other rights which the holders of those Variable Rate Series 2022E Subordinate Bonds would have the power and authority to make, give, or exercise as Holders of Subordinate Debt under Article IX hereof as a result of the occurrence and continuation of an Event of Default, and making or giving any other consent,

direction, or approval permitted or required under the Indenture to be made or given by Holders of the Variable Rate Series 2022E Subordinate Bonds.

Section 416. Trustee Provisions.

(a) While any Credit Facility is in effect, the Trustee may seek indemnification pursuant to the Indenture before suffering, taking or omitting any action under the Indenture unless such action is directly related to (i) paying the Purchase Price of or Debt Service Charges on the Variable Rate Series 2022E Subordinate Bonds when due, (ii) submitting Credit Facility Requests, or (iii) exercising its obligations in connection with a mandatory tender of the Variable Rate Series 2022E Subordinate Bonds under Section 408, and (iv) exercising its obligations in connection with the redemption of Variable Rate Series 2022E Subordinate Bonds. The Trustee may not use the proceeds from a Credit Facility Request or remarketing proceeds to pay any fees or costs of the Trustee.

(b) Upon resignation by or removal of the Trustee in accordance with Sections 1106 or 1107 of the Master Indenture, the Trustee shall transfer any Credit Facility to the successor Trustee. Such resignation or removal shall not take effect until the appointment of a successor Trustee and acceptance by the successor Trustee of such trusts as required by Article XI of the Master Indenture and transfer to the successor Trustee of any Credit Facility then outstanding.

(c) While a Credit Facility is in effect with respect to the Variable Rate Series 2022E Subordinate Bonds, the Trustee shall act as Tender Agent for the Variable Rate Series 2022E Subordinate Bonds.

Section 417. Modification of Dates and Times.

Notwithstanding any other provision of this Thirty-Second Supplemental Indenture, and with respect to this Article IV, the dates and times by which notices are to be given and draws, transfers, disbursements and deposits are to be made may be modified upon written approval by the Trustee of a letter of instructions from the Authority, any Credit Facility Provider and the Remarketing Agent setting forth the preferred dates and times and written confirmation from each of the Rating Agencies that have rated the Variable Rate Series 2022E Subordinate Bonds that such changes will not affect the rating(s) on the Variable Rate Series 2022E Subordinate Bonds.

Section 418. Particular Defeasance Provisions.

(a) If the Variable Rate Series 2022E Subordinate Bonds are to be deemed paid or discharged pursuant to Article XII of the Master Indenture (“Defeased Variable Rate Series 2022E Subordinate Bonds”), and the Rate Period for the Variable Rate Series 2022E Subordinate Bonds ends prior to the maturity or redemption date to which provision for payment of Debt Services Charges is to be made, then for purposes of calculating those Debt Service Charges, interest on the Variable Rate Series 2022E Subordinate Bonds shall be calculated at the Maximum Rate for each day after the end of the Rate Period and prior to such maturity or redemption date. The Defeased Variable Rate Series 2022E Subordinate Bonds will continue to be subject to all payment provisions under this Thirty-Second Supplemental Indenture until and including the maturity or redemption date, as applicable. Debt Service Charges on Defeased

Variable Rate Series 2022E Subordinate Bonds subject to a remarketing shall not be paid with proceeds from a draw on a Credit Facility. At such time as the Debt Service Charges are paid on any Defeased Variable Rate Series 2022E Subordinate Bonds that were unsuccessfully remarketed, such Defeased Variable Rate Series 2022E Subordinate Bonds shall be cancelled.

(b) If and to the extent that payment of Debt Service Charges on Variable Rate Series 2022E Subordinate Bonds has been made from a draw on the Credit Facility then, so long as the Authority owes any amounts to the Credit Facility Provider pursuant to the Reimbursement Agreement (as certified in writing by the Credit Facility Provider to the Trustee): (a) the lien of the Indenture shall not be discharged; (b) the Credit Facility Provider shall be subrogated to the extent of such amounts owed by the Authority to that Credit Facility Provider to all rights of the Holders of the Variable Rate Series 2022E Subordinate Bonds to enforce the payment of the Variable Rate Series 2022E Subordinate Bonds from the Net Revenues and all other rights of the Holders under the Variable Rate Series 2022E Subordinate Bonds and the Indenture; (c) the Credit Facility Provider shall be entitled in its own right upon payment in full of Debt Service Charges on the Variable Rate Series 2022E Subordinate Bonds to exercise all rights of enforcement and remedies set forth in Article IX of this Thirty-Second Supplemental Indenture of the Master Indenture; (d) the Holders will be deemed paid to the extent of money drawn by the Trustee under the Credit Facility; and (e) the Trustee shall sign, execute and deliver all documents or instruments and do all things that may be reasonably required by the Credit Facility Provider to effect the Credit Facility Provider's subrogation of rights of enforcement and remedies set forth in Article IX of this Thirty-Second Supplemental Indenture in accordance with the intent of this Section.

ARTICLE V

REDEMPTION OF VARIABLE RATE SERIES 2022E SUBORDINATE BONDS

Section 501. Redemption of the Variable Rate Series 2022E Subordinate Bonds.

The Variable Rate Series 2022E Subordinate Bonds shall be subject to redemption in Authorized Denominations prior to maturity under the circumstances, in the manner and subject to the conditions provided in this Section and in the form of the Variable Rate Series 2022E Subordinate Bonds.

(a) Optional Redemption. The Variable Rate Series 2022E Subordinate Bonds are subject to redemption and payment prior to maturity, in whole or in part, at the option of the Authority, upon written direction from the Authorized Official to the Trustee, as follows:

(i) Daily Rate Bonds and Weekly Rate Bonds are subject to optional redemption on any date at the redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date.

(ii) Short-Term Rate Bonds are subject to optional redemption on any Interest Payment Date at the redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date.

(iii) Long-Term Rate Bonds are subject to optional redemption, on any date or dates specified in the applicable Notice of Conversion (or for the Initial Period, in the Certificate of Award), as an optional redemption date, at a redemption price equal to 100% of the principal amount redeemed, plus interest accrued to the redemption date.

(iv) Index Rate Bonds are subject to optional redemption, in whole or in part, at a redemption price equal to the principal amount of the Index Rate Bonds to be redeemed plus interest accrued to, but not including, the redemption date on any date or dates specified in the applicable Notice of Conversion as an optional redemption date.

(v) Fixed Rate Bonds are subject to optional redemption at any time on and after the no-call period shown below, at the respective redemption prices set out below, plus accrued interest thereon to the redemption date (unless an alternate optional redemption schedule is determined pursuant to this subparagraph (v)):

Period to Final Maturity	No Call Period	Redemption Price
Greater than or equal to 11 Years	8 years	100%
Greater than or equal to 8 years and less than 11 years	6 years	100%
Greater than or equal to 4 years and less than 8 years	3 years	100%
Less than 4 years	No optional redemption	N/A

Notwithstanding the foregoing, if before the first day of a Fixed Rate Period an alternate optional redemption schedule is delivered by the Authority to the Trustee setting forth redemption dates and redemption prices during that Fixed Rate Period together with a certificate of the Remarketing Agent certifying that the redemption terms set forth therein are advantageous for the Remarketing Agent to remarket those Bonds for that period and a Favorable Opinion of Bond Counsel, then the Variable Rate Series 2022E Subordinate Bonds shall be subject to redemption during that period in accordance with that optional redemption schedule rather than the schedule set forth above, provided that ten (10) years shall be the longest period that any Variable Rate Series 2022E Subordinate Bonds shall not be subject to optional redemption.

If a Credit Facility in the form of a direct pay bank letter of credit is in effect for the Variable Rate Series 2022E Subordinate Bonds, the Trustee shall call the Variable Rate Series 2022E Subordinate Bonds for optional redemption only if the Trustee, prior to the mailing of the notice of redemption as provided in Section 502, is entitled to draw on that Credit Facility in an aggregate amount sufficient to pay the redemption price of the Variable Rate Series 2022E Subordinate Bonds called for redemption, plus accrued and unpaid interest.

(b) Mandatory Sinking Fund Redemption Requirements of Variable Rate Series 2022E Subordinate Bonds. The Variable Rate Series 2022E Subordinate Bonds shall be

redeemed by the Authority on October 1 (or, if the Variable Rate Series 2022E Subordinate Bonds are Daily Rate Bonds or Weekly Rate Bonds and that date is not an Interest Payment Date, on the Interest Payment Date immediately succeeding that date) in the years and the amounts set forth below (the Mandatory Sinking Fund Redemption Requirements) at a redemption price equal to the principal amount thereof plus accrued interest to the redemption date, without premium (subject to any adjustment in connection with a conversion of the interest rate to a Fixed Rate in accordance with this Thirty-Second Supplemental Indenture).

**Mandatory Sinking Fund Redemption Requirements
for Series 2022E Subordinate Bonds**

Year	Amount
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¹ Final Maturity.

(c) Credits Against Scheduled Mandatory Sinking Fund Redemption Requirements.

At the option of the Authority, to be exercised by delivery of a certificate of the Authorized Official to the Trustee on or before the 45th day next preceding any scheduled mandatory redemption date, the Authority may (1) deliver to the Trustee for cancellation Variable Rate Series 2022E Subordinate Bonds subject to scheduled mandatory redemption on that date or portions thereof in Authorized Denominations or (2) specify a principal amount of Variable Rate Series 2022E Subordinate Bonds or portions thereof in Authorized Denominations which prior to that date have been purchased or redeemed (otherwise than pursuant to this Section) and canceled by the Trustee at the request of the Authority and not theretofore applied as a credit against any scheduled mandatory redemption payment of Variable Rate Series 2022E Subordinate Bonds. Each Variable Rate Series 2022E Subordinate Bond or portion thereof so delivered or previously redeemed shall be credited by the Trustee at the principal amount thereof against the obligation of the Authority to redeem Variable Rate Series 2022E Subordinate Bonds on the scheduled mandatory redemption date or dates designated in writing to the Trustee by the Authorized Official occurring at least 45 days after delivery of such designation to the Trustee, provided that if no such designation is made, such credit shall not be credited against such obligation.

(d) Special Mandatory Redemption of Credit Facility Provider Bonds.

Credit Facility Provider Bonds shall be subject to special mandatory redemption upon the written direction to the Trustee from the Credit Facility Provider on the date and in the amount set forth in the Reimbursement Agreement with respect to any required principal amortization of Credit Facility Provider Bonds or upon an event of default under the Reimbursement Agreement.

Section 502. Notice of Redemption.

The Trustee shall cause notice of any redemption of Variable Rate Series 2022E Subordinate Bonds to be (i) mailed to the Holders of all Variable Rate Series 2022E Subordinate Bonds to be redeemed at the registered addresses appearing in the Register, (ii) transmitted by Electronic Means to each Depository and to the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board; provided however, failure to deliver notice as described in (ii) shall not affect the validity of the redemption of any Variable Rate Series 2022E Subordinate Bond. Each such notice shall (i) be sent not more than 45 nor fewer than 15 calendar days (30 days for Long-Term Rate Bonds or Fixed Rate Bonds) prior to the date fixed for redemption, (ii) identify the Bonds to be redeemed (specifying the CUSIP numbers, if any, assigned to the Variable Rate Series 2022E Subordinate Bonds), (iii) specify the redemption date and the redemption price, (iv) set forth the name, address and telephone number of the person from whom information pertaining to the redemption may be obtained, and (v) state that on the redemption date the Variable Rate Series 2022E Subordinate Bonds called for redemption will be payable at the Designated Office of the Trustee, that from that date interest will cease to accrue, and that no representation is made as to the accuracy or correctness of the CUSIP numbers printed therein or on the Variable Rate Series 2022E Subordinate Bonds. No defect affecting any Variable Rate Series 2022E Subordinate Bond, whether in the notice of redemption or the delivery thereof (including any failure to mail such notice), shall affect the validity of the redemption proceedings for any other Variable Rate Series 2022E Subordinate Bonds.

If at the time of mailing of notice of an optional redemption of Variable Rate Series 2022E Subordinate Bonds there has not been deposited with the Trustee moneys sufficient to redeem all Variable Rate Series 2022E Subordinate Bonds called for such redemption, then such notice shall state that the redemption is conditional upon the deposit of moneys sufficient for the redemption with the Trustee and satisfaction of such requirements not later than the opening of business on the redemption date, and such notice will be of no effect and such Variable Rate Series 2022E Subordinate Bonds shall not be redeemed unless such moneys or such Direct Obligations are so deposited.

Any notice of redemption shall be mailed by first-class mail, postage prepaid. Notice of redemption also shall be given by Electronic Means to a Depository. A certificate of the Trustee shall conclusively establish the mailing of any such notice for all purposes.

Section 503. Partial Redemption.

If fewer than all of the Variable Rate Series 2022E Subordinate Bonds that are stated to mature on different dates are called for redemption at one time, those Variable Rate Series 2022E Subordinate Bonds that are called shall be designated by the Authority; provided, that there shall be first redeemed any Credit Facility Provider Bonds. If fewer than all of the Variable Rate Series 2022E Subordinate Bonds of a single maturity are to be redeemed, the selection of the Variable Rate Series 2022E Subordinate Bonds to be redeemed, or portions thereof in amounts of \$5,000 or any integral multiple thereof, so long as the Variable Rate Series 2022E Subordinate Bonds remain in book-entry form, shall be made by the Depository (or any successor Depository) in accordance with the Depository's procedures and otherwise will be made as specified by and selected at the sole discretion of the Authority. In the case of a partial

redemption of the Variable Rate Series 2022E Subordinate Bonds by lot when the Variable Rate Series 2022E Subordinate Bonds of Authorized Denominations greater than \$5,000 are then outstanding, each \$5,000 unit of principal thereof shall be treated as though it were a separate Variable Rate Series 2022E Subordinate Bond of the denomination of \$5,000.

If it is determined that one or more, but not all of the \$5,000 units of principal amount represented by a Variable Rate Series 2022E Subordinate Bond are to be called for redemption, then upon notice of redemption of a \$5,000 unit or units the Holder of that Variable Rate Series 2022E Subordinate Bond may, but is not required to surrender the Variable Rate Series 2022E Subordinate Bond to the Trustee (a) for payment of the redemption price of the \$5,000 unit or units called for redemption (including without limitation, the interest accrued to the date fixed for redemption and any premium), and (b) for issuance, without charge to the Holder thereof, of a new Variable Rate Series 2022E Subordinate Bond or Bonds, of any authorized denomination or denominations in an aggregate principal amount equal to the unmatured and unredeemed portion of, and bearing interest at the same rate and maturing on the same date or dates as, the Variable Rate Series 2022E Subordinate Bond surrendered.

Section 504. Payment of Redeemed Variable Rate Series 2022E Subordinate Bonds.

Notice having been mailed in the manner provided in Section 502, and moneys having been deposited with the Trustee sufficient to pay the redemption price, the Variable Rate Series 2022E Subordinate Bonds and portions thereof called for redemption shall become due and payable on the redemption date, and upon presentation and surrender thereof at the place or places specified in that notice, shall be paid at the redemption price, plus interest accrued to the redemption date.

If the moneys for the redemption of all of the Variable Rate Series 2022E Subordinate Bonds and portions thereof to be redeemed, together with interest accrued thereon to the redemption date, is held by the Trustee on the redemption date, so as to be available therefor on that date and if notice of redemption has been deposited in the mail as aforesaid, then from and after the redemption date those Variable Rate Series 2022E Subordinate Bonds and portions thereof called for redemption shall cease to bear interest and no longer shall be considered to be Outstanding under the Indenture. If those moneys shall not be so available on the redemption date, or that notice shall not have been deposited in the mail as aforesaid, those Variable Rate Series 2022E Subordinate Bonds and portions thereof shall continue to bear interest, until they are paid, at the same rate as they would have borne had they not been called for redemption.

All moneys held by the Trustee for the redemption of particular Variable Rate Series 2022E Subordinate Bonds shall be held in trust for the account of the Holders thereof and shall be paid to them, respectively, upon presentation and surrender of those Variable Rate Series 2022E Subordinate Bonds.

Section 505. Purchase in Lieu of Redemption.

By their acceptance of the Variable Rate Series 2022E Subordinate Bonds, the Holders irrevocably grant to the Authority the option to purchase any Variable Rate Series 2022E

Subordinate Bond which is redeemable by optional redemption on any date on which the Variable Rate Series 2022E Subordinate Bond is redeemable at a purchase price no less than the redemption price to be paid to Holders upon optional redemption. The Authority may exercise such option by delivering written direction to the Trustee in time for the Trustee thereupon to give the Holders of the Variable Rate Series 2022E Subordinate Bonds to be purchased notice of such purchase in the manner specified in the Indenture as though such purchase were a redemption, and the Trustee shall thereupon do so, and the purchase of such Variable Rate Series 2022E Subordinate Bonds shall be mandatory and enforceable against the Holders. On the date fixed for purchase pursuant to any exercise of such option, the Authority shall pay the purchase price of the Variable Rate Series 2022E Subordinate Bonds then being purchased to the Trustee in immediately available funds, and the Trustee shall pay the same to the Holders of such Variable Rate Series 2022E Subordinate Bonds against delivery. Following such purchase, the Trustee shall cause such Variable Rate Series 2022E Subordinate Bonds to be registered in the name of the Authority or its nominee and shall deliver them to the Authority or its nominee. In the case of the purchase of less than all of the Variable Rate Series 2022E Subordinate Bonds, the particular Variable Rate Series 2022E Subordinate Bonds to be purchased shall be selected in accordance with the provisions of the Master Indenture as though such purchase were a redemption; or in such other manner as the Authority shall direct, provided such selection method is described in the Written Request to the Trustee. No purchase of Variable Rate Series 2022E Subordinate Bonds pursuant to this paragraph shall operate to extinguish the indebtedness evidenced by the purchased Variable Rate Series 2022E Subordinate Bonds. Notwithstanding the foregoing, no purchase shall be made pursuant to the provisions of this paragraph unless the Authority shall have delivered to the Trustee concurrently therewith a Favorable Opinion of Bond Counsel with respect to such purchase.

ARTICLE VI

APPLICATION OF PROCEEDS OF SERIES 2022E SUBORDINATE BONDS

(a) The net proceeds of the Series 2022E Subordinate Bonds in the amount of \$ _____, which represents the par amount of the Series 2022E Subordinate Bonds (\$ _____), minus the underwriters' discount (\$ _____), and plus original issue premium (\$ _____) by the Original Purchasers, at the request and direction of the Authority shall be applied as follows:

(1) \$ _____ shall be deposited in the Series 2022E Construction Account of the Construction Fund and used to pay Costs of the System.

(2) \$ _____ shall be deposited in the Series 2022E Costs of Issuance Subaccount of the Series 2022E Construction Account of the Construction Fund and used to pay costs of issuance.

ARTICLE VII

FUNDS AND ACCOUNTS

Section 701. Series 2022E Construction Account.

In the Construction Fund, there shall be established a Series 2022E Construction Account and, within that Account, a Series 2022E Costs of Issuance Subaccount. The portions of the proceeds of the Series 2022E Subordinate Bonds specified in Section 601(a)(2) shall be deposited in the Series 2022E Costs of Issuance Subaccount and used to pay costs of issuance related to the Series 2022E Subordinate Bonds. When all costs of issuance have been paid or moneys have been reserved to pay all remaining unpaid costs of issuance, the balance of any Series 2022E Subordinate Bond proceeds remaining in excess of the amount to be reserved for payment of unpaid costs of issuance shall, as directed by the Authority, either (i) be deposited in the Series 2022E Construction Account of the Construction Fund and used to pay Costs of the System, or (ii) be deposited in the Subordinate Bond Fund to be used solely to pay principal of and interest on the Series 2022E Subordinate Bonds, in either case subject to the condition of a Favorable Opinion of Bond Counsel.

In connection with the Authority's causing a Credit Facility to be delivered to the Trustee, the Trustee shall establish a Credit Facility Account for the purpose of receiving and disbursing such funds as are required to be paid to the Credit Facility Provider other than from the Series 2022E Subordinate Bonds Interest Subaccount.

Section 702. Series 2022E Subordinate Bonds Subaccounts in the Subordinate Interest Account and Subordinate Principal Account.

(a) Within the Subordinate Interest Account there shall be established a "Series 2022E Subordinate Bonds Interest Subaccount." Within the Subordinate Principal Account there shall be established a "Series 2022E Subordinate Bonds Principal Subaccount."

(b) In accordance with Section 604(e) of the Master Indenture, Net Revenues shall be deposited in the Series 2022E Subordinate Bond Interest Subaccount (i) on or prior to the last Business Day of each of the six months prior to any month in which an Interest Payment Date occurs for any Series 2022E Subordinate Bond that bears interest payable semi-annually, in an amount equal to one-sixth (1/6) of the interest due and payable on such Series 2022E Subordinate Bonds on such Interest Payment Date; and (ii) on or prior to the last Business Day of each of the six months prior to any month in which an Interest Payment Date occurs for any Series 2022E Subordinate Bond that bears interest more frequently than semi-annually, in an amount equal to the interest due and payable on such Series 2022E Subordinate Bonds on such Interest Payment Date.

(c) In accordance with Section 604(e) of the Master Indenture, Net Revenues shall be deposited in the Series 2022E Subordinate Bonds Principal Subaccount (i) on or prior to the last Business Day of each of the twelve months prior to any month in which principal of Series 2022E Subordinate Bonds is payable on their stated maturity date or pursuant to mandatory redemption requirements, in an amount equal to one-twelfth (1/12) of the principal amount

scheduled to be due and payable on the Series 2022E Subordinate Bonds in such month; and (ii) on or prior to the last Business Day of each month prior to any month in which principal of Series 2022E Subordinate Bonds is payable on their stated maturity date or pursuant to mandatory redemption requirements, any amount that may be required to supplement the amounts deposited therein pursuant to the preceding clause (i) to cause the balance in the Series 2022E Subordinate Bonds Principal Subaccount to suffice for the payment of the principal due on that maturity or mandatory redemption date.

ARTICLE VIII

SECURITY FOR SERIES 2022E SUBORDINATE BONDS

Section 801. Security for Series 2022E Subordinate Bonds.

The Series 2022E Subordinate Bonds shall be secured as Subordinate Debt under the Indenture, including, without limitation, by a pledge of: (i) Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures Subordinate Debt, including, without limitation, any other Subordinate Debt that the Authority may issue in the future, without preference, priority or distinction of any Series 2022E Subordinate Bond over any other Series 2022E Subordinate Bond or of any Subordinate Debt over any other Subordinate Debt, as provided in the Indenture; and (ii) the moneys and Permitted Investments in the Subordinate Bond Fund on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, any other Subordinate Debt that the Authority may issue in the future, without preference, priority or distinction of any Series 2022E Subordinate Bond over any other Series 2022E Subordinate Bond or of any Subordinate Debt over any other Subordinate Debt, as provided in the Indenture.

ARTICLE IX

DEFAULTS AND REMEDIES

Section 901. Application of Article IX and Other Remedies Provisions of the Master Indenture.

The Series 2022E Subordinate Bonds do not constitute “Bonds” under the Master Indenture. Accordingly, the provision of Article IX of the Master Indenture that confer certain rights upon the Holders of Bonds or a specified percentage thereof do not apply to the Series 2022E Subordinate Bonds or to the Series 2022E Subordinate Bondholders. Pursuant to Section 305 of the Master Indenture, the Series 2022E Subordinate Bonds, as Subordinate Debt, may not be accelerated if any Senior Debt is outstanding.

Section 902. Rights of Series 2022E Subordinate Bondholders Upon Occurrence of Events of Default.

In addition to and in furtherance and implementation of the rights that Series 2022E Subordinate Bondholders have under the penultimate paragraph of Section 906 of the Master

Indenture, Sections 903 through 911, inclusive, of this Thirty-Second Supplemental Indenture shall apply to the Series 2022E Subordinate Bonds.

Section 903. Events of Default.

Each of the following events shall be a Series 2022E Subordinate Bond Event of Default:

(a) Default in the due and punctual payment of the principal of or premium, if any, on any Series 2022E Subordinate Bond (whether at maturity or call for redemption);

(b) Default in the due and punctual payment of the interest on any Series 2022E Subordinate Bond;

(c) Failure of the Authority to make the deposits required by subsection (e) or subsection (f) of Section 604 of the Master Indenture at the time and in the amount required from Net Revenues available for such deposit under the Indenture; or

(d) Failure of the Trustee to apply moneys in accordance with the penultimate paragraph of Section 906 of the Master Indenture.

(e) If the Series 2022E Subordinate Bonds are Index Rate Bonds and have been designated Hard Tender Index Rate Bonds, default in the due and punctual payment of the Purchase Price of any Series 2022E Subordinate Bond.

(f) If the Series 2022E Subordinate Bonds are Long-Term Rate Bonds and have been designated Hard Tender Long-Term Rate Bonds, default in the due and punctual payment of the Purchase Price of any such Series 2022E Subordinate Bonds.

Section 904. Remedies of Series 2022E Subordinate Bondholders.

Upon the occurrence and continuation of a Series 2022E Subordinate Bond Event of Default, the Trustee may, and if requested by the holders of not less than 25% in aggregate principal amount of outstanding Series 2022E Subordinate Bonds and if indemnified to its reasonable satisfaction, shall proceed to protect and enforce their rights by mandamus or other suit, action or proceeding at law or in equity, including an action for specific performance.

No remedy conferred by this Indenture upon or reserved to the Trustee and Series 2022E Subordinate Bondholders is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee and Series 2022E Subordinate Bondholders hereunder or now or hereafter existing at law, in equity or by statute.

No delay or omission to exercise any right or power accruing upon any default or Series 2022E Subordinate Bond Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Series 2022E Subordinate Bond Event of Default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any default or Series 2022E Subordinate Bond Event of Default hereunder by the Trustee or Series 2022E Subordinate Bondholders shall extend to or shall affect any subsequent Series 2022E Subordinate Bond Event of Default or shall impair any rights or remedies consequent thereon.

The Authority agrees that the Trustee in its name or in the name of the Authority may, in the manner and to the extent provided herein, enforce all rights of the Trustee and of the Authority and all obligations of the Credit Facility Provider (including the obligation of the Credit Facility Provider to honor drafts duly presented in accordance with the terms and conditions of the Credit Facility) under and pursuant to the Credit Facility, for the benefit of the Series 2022E Subordinate Bondholders. The Trustee agrees to assume and perform the duties and obligations contemplated under the Credit Facility to be assumed and performed by the Trustee.

If a Credit Facility is in effect, and if the provider thereof has failed to honor its payment obligations under the Credit Facility, twenty five percent (25%) of the Series 2022E Subordinate Bondholders enhanced by such Credit Facility (excluding Series 2022E Subordinate Bonds owned by the Authority and Bank Bonds), shall have the right at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Credit Facility, or any other proceedings thereunder; provided that such direction shall be in accordance with applicable law.

In the event the Credit Facility Provider wrongfully dishonors a conforming drawing for any payment with respect to the Series 2022E Subordinate Bonds or the Credit Facility Provider repudiates such obligation, the Trustee agrees to take all reasonable steps to enforce the obligation of the Credit Facility Provider to honor drafts duly presented in accordance with the terms and conditions of the Credit Facility for the benefit of the Series 2022E Subordinate Bondholders.

Section 905. Right of Series 2022E Subordinate Bondholders to Direct Proceedings.

The holders of a majority in aggregate principal amount of Series 2022E Subordinate Bonds then outstanding shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Thirty-Second Supplemental Indenture or any other proceedings hereunder, provided, however, that such direction shall not be otherwise than in accordance with the provisions of law and of the Indenture.

Section 906. Application of Moneys.

All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the cost and expenses of the proceedings resulting in the collection of such moneys, the expenses, liabilities and advances incurred or

reasonably anticipated to be made by the Trustee, and its fees and the expenses of the Authority in carrying out this Thirty-Second Supplemental Indenture, be deposited in the Series 2022E Subordinate Bonds Interest Subaccount or the Series 2022E Subordinate Bonds Principal Subaccount, as the case may be, and applied as follows and for no other purpose:

(a) All such moneys shall be applied:

First - To the payment to the persons entitled thereto of all installments of interest then due on the Series 2022E Subordinate Bonds, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Series 2022E Subordinate Bonds; and

Second - To the payment to the persons entitled thereto of the unpaid principal of and premium, if any, on any of the Series 2022E Subordinate Bonds which shall have become due (other than Series 2022E Subordinate Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of the Indenture), in the order of their due dates, and, if the amount available shall not be sufficient to pay in full Series 2022E Subordinate Bonds due on any particular date, then to the payment of such principal and premium, if any, ratably, according to the amount of such principal due on such date, to the persons entitled thereto, without any discrimination or preference.

For purposes of paragraphs First and Second above, the interest component of any Purchase Price payable by the Authority shall be treated as interest, and the principal component of any Purchase Price payable by the Authority shall be treated as principal.

(b) Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times and from time to time as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such moneys, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) on which such application is to be made and on such date interest shall cease to accrue on the amounts of principal to be paid. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date.

Section 907. Remedies Vested in Trustee.

All rights of action (including the right to file proof of claims) under this Thirty-Second Supplemental Indenture or under any of the Series 2022E Subordinate Bonds may be enforced by the Trustee without the possession of any of the Series 2022E Subordinate Bonds or the production thereof in any trial or other proceeding relating thereto and any such suit or proceeding instituted by the Trustee may be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Series 2022E Subordinate Bondholders, and any

recovery of judgment shall be for the equal benefit of the Series 2022E Subordinate Bondholders.

Section 908. Limitation on Suits.

Except to enforce the rights given under Sections 904 and 905 of this Thirty-Second Supplemental Indenture, no Series 2022E Subordinate Bondholder shall have any right to institute any action, suit or proceeding at law or in equity for the enforcement of the Indenture or for the execution of any trust thereof or any other remedy hereunder, unless: (a) a Series 2022E Subordinate Bond Event of Default has occurred and is continuing and the Holders of 25% in aggregate principal amount of Series 2022E Subordinate Bonds then outstanding have made written request to the Trustee and offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, (b) such requesting Series 2022E Subordinate Bondholders have offered to the Trustee indemnity as provided in Section 1101(1) of the Master Indenture, (c) the Trustee has thereafter failed or refused to exercise the powers hereinbefore granted, or to institute such action, suit or proceeding in its own name, (d) no direction inconsistent with such written request has been given to the Trustee by the holders of a majority in aggregate principal amount of Series 2022E Subordinate Bonds then outstanding, and (e) notice of such action, suit or proceeding is given to the Trustee; it being understood and intended that no one or more Series 2022E Subordinate Bondholders shall have any right in any manner whatsoever to affect, disturb or prejudice the Indenture by its or their action or to enforce any rights hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted and maintained in the manner herein provided and for the equal benefit of all Series 2022E Subordinate Bondholders then outstanding. The notification, request and offer of indemnity set forth above, at the option of the Trustee, shall be conditions precedent to the execution of the powers and trusts of this Thirty-Second Supplemental Indenture and to any action or cause of action for the enforcement of this Thirty-Second Supplemental Indenture or for any other remedy hereunder.

Section 909. Termination of Proceedings.

In case the Trustee shall have proceeded to enforce any right under this Thirty-Second Supplemental Indenture and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee, then and in every such case the Authority and the Trustee shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 910. Waivers of Events of Default.

Subject to the Indenture (including, without limitation, Section 1101 of the Master Indenture), the Trustee may in its discretion waive any Series 2022E Subordinate Bond Event of Default hereunder or any action taken pursuant to any Series 2022E Subordinate Bond Event of Default, and shall do so at the written request of the holders of: (a) a majority in aggregate principal amount of Series 2022E Subordinate Bonds then outstanding in respect of which default in the payment of principal and/or premium, if any, and/or interest exists, or (b) a majority in aggregate principal amount of Series 2022E Subordinate Bonds then outstanding in

the case of any other Series 2022E Subordinate Bond Event of Default; provided, however, that there shall not be waived without the written consent of all then Outstanding Series 2022E Subordinate Bondholders (A) any Series 2022E Subordinate Bond Event of Default in the payment of the principal of any Outstanding Series 2022E Subordinate Bonds (whether at maturity or by mandatory redemption or as part of the Purchase Price payable upon mandatory tender), or (B) any default in the payment when due of the interest on any such Series 2022E Subordinate Bonds unless, prior to such waiver or rescission,

(i) there shall have been paid or provided for all arrears of interest with interest, to the extent permitted by law, at the rate borne by the Series 2022E Subordinate Bonds on overdue installments of interest, all arrears of principal and premium, if any, and all expenses of the Trustee in connection with such default, and

(ii) in case of any such waiver or rescission or in the case of any discontinuance, abandonment or adverse determination of any proceeding taken by the Trustee on account of any such default, the Authority, the Trustee, and the Series 2022E Subordinate Bondholders shall be restored to their former positions and rights hereunder respectively.

No such waiver or rescission relating to the Series 2022E Subordinate Bonds shall extend to any subsequent or other default or impair any right consequent thereon.

Section 911. Non-Impairment of Authority's Obligation to Pay Principal, Premium and Interest.

Nothing in this Thirty-Second Supplemental Indenture shall, however, affect or impair the obligation of the Authority to pay the principal of, premium, if any, and interest on each of the Series 2022E Subordinate Bonds to the respective Holders thereof at the time and place, from the source and in the manner specified in the Indenture.

**ARTICLE X
TAX COVENANTS**

Section 1001. Tax Covenants – General.

(i) The Authority covenants that it will use, and will restrict the use and investment of, the proceeds of the Series 2022E Subordinate Bonds in such manner and to such extent as may be necessary so that (a) the Series 2022E Subordinate Bonds will not constitute private activity bonds, arbitrage bonds or hedge bonds under Sections 141, 148 or 149 of the Code, or be treated other than as bonds to which Section 103(a) of the Code applies, and (b) the interest on the Series 2022E Subordinate Bonds will not be treated as an item of tax preference under Section 57 of the Code.

(ii) The Authority further covenants that (a) it will take or cause to be taken such actions that may be required of it for the interest on the Series 2022E Subordinate Bonds to be and remain excluded from gross income for federal income tax purposes, (b) it will not take or

authorize to be taken any actions that would adversely affect that exclusion, and (c) it, or persons acting for it, will, among other acts of compliance, (1) apply the proceeds of the Series 2022E Subordinate Bonds to the governmental purposes of the borrowing, (2) restrict the yield on investment property, (3) make timely and adequate payments to the federal government, including but not limited to the required payment of any Rebate Amounts under Section 148(f) of the Code, as further provided in Section 902 hereof, (4) maintain books and records and make calculations and reports, and (5) refrain from certain uses of those proceeds and, as applicable, of property financed with such proceeds, all in such manner and to the extent necessary to assure that exclusion of that interest under the Code.

(iii) The Authorized Representative of the Authority is hereby authorized (a) to make or effect any election, selection, designation, choice, consent, approval or waiver on behalf of the Authority with respect to the Series 2022E Subordinate Bonds as the Authority is permitted to make or give under the federal income tax laws, including, without limitation, any of the elections provided for or available under Section 148 of the Code, for the purpose of assuring, enhancing or protecting favorable tax treatment or status of the Series 2022E Subordinate Bonds or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing the rebate amount or payments of penalties, or making payments of special amounts in lieu of making computations to determine, or paying, excess earnings as rebate, or obviating those amounts or payments, as determined by the Authorized Representative of the Authority, which action shall be in writing and signed by the Authorized Representative of the Authority, (b) to take any and all other actions, make or obtain calculations, make payments, and make or give reports, covenants and certifications of and on behalf of the Authority, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Series 2022E Subordinate Bonds, and (c) to give one or more appropriate certificates, for inclusion in the transcript of proceedings for the Series 2022E Subordinate Bonds, setting forth the reasonable expectations of the Authority regarding the amount and use of all the proceeds of the Series 2022E Subordinate Bonds, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of the interest on and the tax status of the Series 2022E Subordinate Bonds.

Section 1002. Calculation and Payment of Rebate.

(i) As used in this Section 1002:

“Bond Year” means the annual period (or such shorter period from the date of issuance of the Series 2022E Subordinate Bonds) provided for the computation of the Rebate Amount for the Series 2022E Subordinate Bonds under Section 148(f) of the Code. The last day of a Bond Year shall be the close of business on the day preceding the anniversary of the issuance of the Series 2022E Subordinate Bonds unless the Authority selects another date on which to end a Bond Year in the manner permitted by the Code, and notifies the Trustee in writing of such selection.

“Computation Date” means:

(i) (a) the last day of each fifth Bond Year while the Series 2022E Subordinate Bonds are outstanding, and (b) the date on which the last Series 2022E Subordinate Bonds are retired, or

(ii) such other date or dates elected by the Authority as may be permitted under the Code for computation of the Rebate Amount.

“Rebate Amount” means, as of any Computation Date, the amount then payable (or payable within 60 days of such date) to the United States pursuant to Section 148(f) of the Code and the applicable Treasury Regulations (final or temporary) thereunder.

(ii) Promptly after each Computation Date, the Authority, or an independent public accounting firm or Bond Counsel engaged by or on behalf of the Authority, shall calculate the Rebate Amount, if any, as of that Computation Date.

(iii) Within 60 days after each Computation Date, and at any other time directed by the Authorized Representative of the Authority, the Authority shall pay to the United States in accordance with Section 148(f), from any lawfully available funds, an amount equal to 90% (or such greater percentage not in excess of 100% as the Authorized Representative of the Authority may determine to pay) of the Rebate Amount determined from the Delivery Date to the end of such fifth Bond Year (but less any portion of the Rebate Amount previously paid to the United States pursuant to this Section). Within 60 days after the payment in full of all outstanding Series 2022E Subordinate Bonds, the Authorized Representative of the Authority, on behalf of the Authority shall pay to the United States in accordance with Section 148(f), from any lawfully available funds, an amount equal to 100% of the Rebate Amount determined from the Delivery Date to the date of such payment in full of all outstanding Series 2022E Subordinate Bonds (but less any portion of the Rebate Amount previously paid to the United States pursuant to this Section 802(iii)).

(iv) The Authority shall keep or provide for the keeping of records of the computations made pursuant to this Section 1002, payments made pursuant to this Section and all original source documents pertaining to the investment of gross proceeds and the expenditure of gross proceeds for at least six years after the maturity or retirement of the Series 2022E Subordinate Bonds.

(v) The Authority, in connection with investments of the proceeds of the Series 2022E Subordinate Bonds in nonpurpose investments, will not pay or agree to pay to a party other than the United States any portion of the Rebate Amount with respect to the Series 2022E Subordinate Bonds through a transaction or series of transactions that reduce the aggregate amount earned on all nonpurpose investments in which gross proceeds of the Series 2022E Subordinate Bonds are invested or that result in a smaller profit or a larger loss than would have resulted in an arm’s length transaction in which yield on the Series 2022E Subordinate Bonds was not relevant to the Authority or the other party.

(vi) If the Authority and the Trustee receive a written opinion of Bond Counsel that such action would not adversely affect the exclusion from gross income for federal income tax

purposes of interest on the Series 2022E Subordinate Bonds, the Authorized Representative of the Authority may, without the consent of or notice to any bondholders, adopt supplements to this Thirty-Second Supplemental Indenture to the extent necessary or desirable to modify, supplement or replace this Section 1002 consistent with the other covenants of the Authority in this Thirty-Second Supplemental Indenture.

(vii) If at any time the Authority receives a written opinion of Bond Counsel that failure to comply with this Section 1002 or any part of this Section 1002 would not adversely affect the exclusion of interest on the Series 2022E Subordinate Bonds from gross income for federal income tax purposes, the Authority may discontinue compliance with this Section 802 or part of this Section 1002 to the extent set forth in that opinion.

ARTICLE XI

MISCELLANEOUS

Section 1101. Limitation of Rights.

With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Thirty-Second Supplemental Indenture or the Series 2022E Subordinate Bonds is intended or shall be construed to give to any person other than the parties hereto, the Series 2022E Subordinate Bondholders any legal or equitable right, remedy or claim under or in respect to this Thirty-Second Supplemental Indenture or any covenants, conditions and agreements herein contained since this Thirty-Second Supplemental Indenture and all of the covenants, conditions and agreements hereof are intended to be and are for the sole and exclusive benefit of the parties hereto, the Series 2022E Subordinate Bondholders as herein provided.

Section 1102. Severability.

If any provision of this Thirty-Second Supplemental Indenture shall be held invalid by any court of competent jurisdiction, such holding shall not invalidate any other provision hereof, and this Thirty-Second Supplemental Indenture shall be construed and enforced as if such illegal provision had not been contained herein.

Section 1103. Successors and Assigns.

This Thirty-Second Supplemental Indenture shall be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

Section 1104. Limitations on Liability.

No covenant, agreement or obligation contained herein shall be deemed to be a covenant, agreement or obligation of any present or future member of the Board of Directors of the Authority or officer, employee or agent of the Authority in his or her individual capacity, and neither the members of the Board of Directors of the Authority nor any officer of the Authority executing the Series 2022E Subordinate Bonds shall be liable personally on the Series 2022E Subordinate Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. No member of the Board of Directors of the Authority or officer, employee,

agent or advisor of the Authority shall incur any personal liability with respect to any other action taken by him or her pursuant to this Thirty-Second Supplemental Indenture or the Indenture or any other document authorized by the Indenture, provided such member, officer, employee, agent or advisor acts in good faith.

Section 1105. Applicable Law.

This Thirty-Second Supplemental Indenture shall be governed by the applicable laws of the District of Columbia.

Section 1106. Notice of Change.

The Trustee shall give notice to the Rating Agency, at the address or addresses set forth in Article I hereof, of any of the following events:

- (i) a change in the Trustee;
- (ii) a change in the Remarketing Agent;
- (iii) a change in the Tender Agent;
- (iv) the expiration, cancellation, renewal or substitution of the term of the Credit Facility;
- (v) the delivery of an Substitute Credit Facility;
- (vi) an amendment or supplement to the Indenture, a Remarketing Agreement, a Reimbursement Agreement, or the Credit Facility at least fifteen (15) days in advance of the execution thereof;
- (vii) any declaration of acceleration of the Series 2022E Subordinate Bonds pursuant to Section 901;
- (viii) payment or provision therefor of all the Bonds;
- (ix) any conversion of the Interest Period applicable to the Series 2022E Subordinate Bonds; and
- (x) any other event notice of which a Rating Agency may reasonably request.

The Trustee shall have no liability to the Rating Agency or any liability or obligation to any other Person if it shall fail to give such notice.

Section 1107. Counterparts.

This Thirty-Second Supplemental Indenture may be executed in several counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same instrument.

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IN WITNESS WHEREOF, the Authority and the Trustee have caused this Thirty-Second Supplemental Indenture to be executed in their respective corporate names as of the date first above written.

**DISTRICT OF COLUMBIA WATER
AND SEWER AUTHORITY**

By _____
Chief Financial Officer and Executive Vice
President, Finance and Procurement

**COMPUTERSHARE TRUST COMPANY, N.A.,
AS TRUSTEE**

By _____

Its _____

EXHIBIT A

SERIES 2022E SUBORDINATE BOND FORM

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the Authority or its agent for registration of transfer, exchange, or payment, and any certificate is 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 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.

REGISTERED **AMOUNT**
RC-1 **[\$[par amount]]**

UNITED STATES OF AMERICA

DISTRICT OF COLUMBIA

WATER AND SEWER AUTHORITY

**PUBLIC UTILITY SUBORDINATE LIEN MULTIMODAL REVENUE BOND,
 SERIES 2022E**

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP
Variable	October 1, 20__	_____, 2022	254845RN2

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The District of Columbia Water and Sewer Authority (the “Authority”), for value received, hereby promises to pay upon surrender hereof at the principal corporate trust office of Computershare Trust Company, N.A., as trustee, or its successor in trust (the “Trustee”), under the Indenture, as hereinafter defined, solely from the sources and as hereinafter provided, to the registered owner hereof, or registered assigns or legal representative, the principal sum stated above on the maturity date stated above, subject to prior redemption as hereinafter provided, and to pay, solely from such sources, interest hereon. Interest is payable by check or draft mailed to the registered owner hereof at its address as it appears on the business day preceding each interest payment date on registration books kept by the Trustee; provided, however, that if the Series 2022E Subordinate Bonds, as hereinafter defined, are registered in the name of a securities depository or its nominee as registered owner or at the option of a registered owner of at least \$1,000,000 of Series 2022E Subordinate Bonds, payment will be made by wire transfer pursuant to the most recent wire instructions received by the Trustee from such registered owner.

Principal, premium, if any, and interest are payable in lawful money of the United States of America. Capitalized terms which are not defined herein shall have the meanings set forth in the Indenture.

Notwithstanding any other provision hereof, this Series 2022E Subordinate Bond is subject to book-entry form maintained by The Depository Trust Company (“DTC”), and the payment of principal, premium, if any, and interest, the providing of notices and other matters shall be made as described in the Authority’s Blanket Letter of Representations to DTC.

This Series 2022E Subordinate Bond is one of an issue of \$[par amount] Public Utility Subordinate Lien Multimodal Revenue Bonds, Series 2022E (the “Series 2022E Subordinate Bonds”) of like date and tenor, except as to number, denomination, rate of interest, privilege of redemption and maturity. The Series 2022E Subordinate Bonds are issued under a Master Indenture of Trust, dated as of April 1, 1998, between the Authority and the Trustee (f.k.a. Norwest Bank, N.A.) (the “Master Indenture”), as amended and supplemented by the Thirty-Second Supplemental Indenture of Trust, dated _____, 2022, between the Authority and the Trustee (the “Thirty-Second Supplemental Indenture”), and as previously amended and supplemented by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture, the Eighth Supplemental Indenture, the Ninth Supplemental Indenture, the Tenth Supplemental Indenture, the Eleventh Supplemental Indenture, the Twelfth Supplemental Indenture, the Thirteenth Supplemental Indenture, the Fourteenth Supplemental Indenture, the Fifteenth Supplemental Indenture, the Sixteenth Supplemental Indenture, the Seventeenth Supplemental Indenture, the Eighteenth Supplemental Indenture, the Nineteenth Supplemental Indenture, the Twentieth Supplemental Indenture, the Twenty-First Supplemental Indenture, the Twenty-Second Supplemental Indenture, the Twenty-Third Supplemental Indenture, the Twenty-Fourth Supplemental Indenture, the Twenty-Fifth Supplemental Indenture, the Twenty-Sixth Supplemental Indenture, the Twenty-Seventh Supplemental Indenture, the Twenty-Eighth Supplemental Indenture, the Twenty-Ninth Supplemental Indenture and the Thirtieth Supplemental Indenture all as defined in the Thirty-Second Supplemental Indenture (the “Indenture”). The Series 2022E Subordinate Bonds are secured under the Indenture as Subordinate Debt by a pledge of Net Revenues subordinate to the pledge that secures Senior Debt and on a parity with the pledge that secures other Subordinate Debt. Reference is hereby made to the Indenture for a description of the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Authority and the Trustee, the rights of the holders of the Series 2022E Subordinate Bonds and the terms upon which the Series 2022E Subordinate Bonds are issued and secured. Any capitalized term used, but not otherwise defined, herein shall have the meaning provided in the Indenture.

The Series 2022E Subordinate Bonds and the premium, if any, and the interest thereon are limited obligations of the Authority payable from Net Revenues of the System, subject to the prior payment therefrom of the principal of and interest due and payable on all Senior Debt heretofore and hereafter issued or incurred by the Authority, and from certain other funds and accounts pledged thereto by, and on the terms set forth in, the Indenture. The Series 2022E Subordinate Bonds shall be without recourse to the District of Columbia (the “District”). The Series 2022E Subordinate Bonds shall not be general obligations of the District, shall not be a

pledge of or involve the faith and credit or the taxing power of the District, shall not constitute a debt of the District, and shall not constitute lending of the public credit for private undertakings.

The Series 2022E Subordinate Bonds may bear interest at a Daily Rate, Weekly Rate, Short-Term Rate, Long-Term Rate, SIFMA Index Rate, a LIBOR Index Rate, or a Fixed Interest Rate, each determined as provided in the Indenture, provided that in no event will the interest rate on any Series 2022E Subordinate Bonds exceed the Maximum Rate. The Series 2022E Subordinate Bonds shall bear interest from and including their date or from and including the most recent Interest Payment Date to which interest has been paid or duly provided for. All Series 2022E Subordinate Bonds shall bear interest initially at the Soft Tender Long-Term Rate as determined in accordance with the Indenture unless and until the Initial Period for the Series 2022E Subordinate Bonds is converted from the Soft Tender Long-Term Rate to a different Interest Period pursuant to the Indenture. Interest on the Series 2022E Subordinate Bonds shall be payable in arrears on each Interest Payment Date. The amount of interest payable with respect to any Series 2022E Subordinate Bond on any Interest Payment Date shall be computed (1) during a Daily Interest Period, a Weekly Interest Period, a Short-Term Interest Period, or an Index Rate Period, on the basis of a 365- or 366-day year for the number of days actually elapsed, and (2) during a Fixed Rate Period and a Long-Term Rate Period, on the basis of a 360-day year of twelve 30-day months.

The Series 2022E Subordinate Bonds are subject to redemption and payment prior to maturity, in whole or in part, at the option of the Authority, upon written direction from the Authorized Official to the Trustee, as follows:

(i) Daily Rate Bonds and Weekly Rate Bonds are subject to optional redemption on any date at the redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date.

(ii) Short-Term Rate Bonds are subject to optional redemption on any Interest Payment Date at the redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date.

(iii) Long-Term Rate Bonds are subject to optional redemption on any date or dates specified in the applicable Notice of Conversion (or for the Initial Period, in the Certificate of Award), as an optional redemption date, at a redemption price equal to 100% of the principal amount redeemed, plus interest accrued to the redemption date.

(iv) Index Rate Bonds are subject to optional redemption, in whole or in part, at a redemption price equal to the principal amount of the Index Rate Bonds to be redeemed plus interest accrued to, but not including, the redemption date on any date or dates specified in the applicable Notice of Conversion as an optional redemption date.

(v) Fixed Rate Bonds are subject to optional redemption at any time on and after the no-call period shown below, at the respective redemption prices set out below, plus accrued interest thereon to the redemption date (unless an alternate optional redemption schedule is determined pursuant to this subparagraph (v)):

Period to Final Maturity	No Call Period	Redemption Price
Greater than or equal to 11 Years	8 years	100%
Greater than or equal to 8 years and less than 11 years	6 years	100%
Greater than or equal to 4 years and less than 8 years	3 years	100%
Less than 4 years	No optional redemption	N/A

Notwithstanding the foregoing, if before the first day of a Fixed Rate Period an alternate optional redemption schedule is delivered by the Authority to the Trustee setting forth redemption dates and redemption prices during that Fixed Rate Period together with a certificate of the Remarketing Agent certifying that the redemption terms set forth therein are advantageous for the Remarketing Agent to remarket those Bonds for that period and a Favorable Opinion of Bond Counsel, then the Series 2022E Subordinate Bonds shall be subject to redemption during that period in accordance with that optional redemption schedule rather than the schedule set forth above, provided that ten (10) years shall be the longest period that any Series 2022E Subordinate Bonds shall not be subject to optional redemption.

If a Credit Facility in the form of a direct pay bank letter of credit is in effect for the Series 2022E Subordinate Bonds, the Trustee shall call the Series 2022E Subordinate Bonds for optional redemption only if the Trustee, prior to the mailing of the notice of redemption as provided in Section 502 of the Thirty-Second Supplemental Indenture, is entitled to draw on that Credit Facility in an aggregate amount sufficient to pay the redemption price of the Series 2022E Subordinate Bonds called for redemption, plus accrued and unpaid interest.

The Series 2022E Subordinate Bonds shall be subject to mandatory tender for purchase by the Tender Agent at the Purchase Price, as follows:

(i) Short-Term and Long-Term Rate Bonds. Each Short-Term Rate Bond shall be subject to mandatory tender for purchase by the Tender Agent on the first day following the last day of each Short-Term Interest Period applicable to such Short-Term Rate Bond, and each Long-Term Rate Bond shall be subject to mandatory tender for purchase on the first day following the last day of each Long-Term Interest Period; provided that either in the Certificate of Award or in any applicable Notice of Conversion, Long-Term Rate Bonds shall be designated as either Hard Tender Long-Term Rate Bonds or Soft Tender Long-Term Rate Bonds.

(ii) Conversion of Modes. The Series 2022E Subordinate Bonds shall be subject to mandatory tender for purchase by the Tender Agent on each Conversion Date for such subseries.

(iii) Expiration of a Credit Facility, Voluntary Termination of a Credit Facility or Replacement of a Credit Facility With a Substitute Credit Facility. Series 2022E Subordinate Bonds requiring the maintenance of a Credit Facility are subject to mandatory tender for purchase by the Tender Agent (1) on a Business Day selected by the Trustee which shall be at least five days prior to the Expiration Date of the Credit Facility; (2) on a Business Day selected by the Trustee which shall be at least five days prior to the Voluntary Termination Date of the Credit Facility; and (3) on each Substitution Date, which shall be at least five days prior to the Expiration Date of the Credit Facility being replaced. Payment of the Purchase Price shall be made from proceeds of remarketing or a draw of moneys upon the Credit Facility that is expiring or being replaced.

(iv) Notice by the Credit Facility Provider. While a Credit Facility is in effect, the Series 2022E Subordinate Bonds are subject to mandatory tender for purchase by the Tender Agent (a) on a Business Day selected by the Trustee that is not more than one Business Day after the Trustee’s receipt of notification from that Credit Facility Provider of that Credit Facility Provider’s decision to exercise its right of mandatory tender as a result of the occurrence of certain events of default or termination under the Reimbursement Agreement, and (b) on the date designated by the Trustee following receipt by the Trustee of notice from the Credit Facility Provider that the Credit Facility Provider is not reinstating the Credit Facility following a draw, which date shall be a Business Day and shall be not more than one Business Day after the Trustee receives notice of non-reinstatement from the Credit Facility Provider.

(v) Index Rate Bonds Purchase Dates. Series 2022E Subordinate Bonds that are converted to Index Rate Bonds (regardless of whether they are then currently Index Rate Bonds) for any Index Rate Period shall be subject to mandatory tender (A) on the Index Rate Bonds Purchase Date specified in the applicable Notice of Conversion, which shall also specify if such Series 2022E Subordinate Bonds shall be Hard Tender Index Rate Bonds or Soft Tender Index Rate Bonds, and (B) at the option of the Authority on any Business Day on or after a date specified in the applicable Notice of Conversion.

The Term Series 2022E Subordinate Bonds are required to be redeemed prior to maturity on October 1 in years and amounts upon payment of 100% of the principal amount thereof plus interest accrued to the redemption date, as follows:

Year	Amount
------	--------

¹ Final Maturity.

If fewer than all of the Series 2022E Subordinate Bonds are called for redemption, the Series 2022E Subordinate Bonds to be redeemed shall be selected by DTC or any successor securities depository pursuant to its rules and procedures or, if the book-entry system is discontinued, shall be selected by the Trustee in its discretion. In either case, (i) the portion of any of the Series 2022E Subordinate Bonds to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof and (ii) in selecting Series 2022E Subordinate Bonds for redemption each Series 2022E Subordinate Bond shall be considered as representing that number of Series 2022E Subordinate Bonds which is obtained by dividing the principal amount of such Series 2022E Subordinate Bond by \$5,000. If the Series 2022E Subordinate Bonds convert to a different Interest Period, the principal amounts stated in (i) and (ii) above may change pursuant to the Indenture.

If any of the Series 2022E Subordinate Bonds or portions thereof are called for redemption, the Trustee shall send notice of the call for redemption, identifying the Series 2022E Subordinate Bonds or portions thereof to be redeemed, not fewer than 30 nor more than 60 days prior to the redemption date, by facsimile, registered or certified mail or overnight express delivery, to the registered owner of each the Series 2022E Subordinate Bond. Provided funds for their redemption are on deposit at the place of payment on the redemption date, all Series 2022E Subordinate Bonds or portions thereof so called for redemption shall cease to bear interest on such date, shall no longer be secured by the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture. If a portion of the Series 2022E Subordinate Bonds shall be called for redemption, a new Series 2022E Subordinate Bond in principal amount equal to the unredeemed portion hereof will be issued to DTC or its nominee upon the surrender hereof, or if the book-entry system is discontinued, to the registered owners of the Series 2022E Subordinate Bonds.

The registered owner of this Series 2022E Subordinate Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein or to take any action with respect to any Event of Default or Series 2022E Subordinate Bond Event of Default under the Indenture or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture. Specifically, and without limiting the generality of the foregoing, the Series 2022E Subordinate Bonds, as Subordinate Debt, may not be accelerated if any Senior Debt is outstanding. Modifications or alterations of the Indenture, or of any supplement thereto, may be made only to the extent and in the circumstances permitted by the Indenture.

No covenant, agreement or obligation contained herein shall be deemed to be a covenant, agreement or obligation of any present or future member of the Board of Directors of the Authority or officer, employee or agent of the Authority in his or her individual capacity, and neither the members of the Board of Directors of the Authority nor any officer of the Authority executing the Series 2022E Subordinate Bonds shall be liable personally on the Series 2022E Subordinate Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. No member of the Board of Directors of the Authority or officer, employee, agent or advisor of the Authority shall incur any personal liability with respect to any other action taken by him pursuant to this Series 2022E Subordinate Bond, the Thirty-Second Supplemental Indenture or the Indenture or any other document authorized by the Indenture, provided such member, officer, employee, agent or advisor acts in good faith.

The Series 2022E Subordinate Bonds are issuable as registered bonds in the denomination of \$5,000 and integral multiples thereof. If the Series 2022E Subordinate Bonds convert to a different Interest Period, the minimum denomination requirements may change pursuant to the Indenture. Upon surrender for transfer or exchange of this Series 2022E Subordinate Bond at the principal corporate trust office of the Trustee, together with an assignment duly executed by the registered owner or its duly authorized attorney or legal representative in such form as shall be satisfactory to the Trustee, the Authority shall execute, and the Trustee shall authenticate and deliver in exchange, a new Series 2022E Subordinate Bond or Series 2022E Subordinate Bonds in the manner and subject to the limitations and conditions provided in the Indenture, having an equal aggregate principal amount, in authorized denominations, of the same series, form and maturity, bearing interest at the same rate and registered in the name or names as requested by the then registered owner hereof or its duly authorized attorney or legal representative. Any such exchange shall be at the expense of the Authority, except that the Trustee may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

The Trustee shall treat the registered owner as the person exclusively entitled to payment of principal, premium, if any, and interest and the exercise of all other rights and powers of the owner, except that interest payments shall be made to the person shown as owner on the fifteenth day of the month preceding each interest payment date.

All acts, conditions and things required to happen, exist or be performed precedent to and in the issuance of this Series 2022E Subordinate Bond have happened, exist and have been performed.

This Series 2022E Subordinate Bond shall not become obligatory for any purpose or be entitled to any security or benefit under the Indenture or be valid until the Trustee shall have executed the Certificate of Authentication appearing hereon and inserted the date of authentication hereon.

IN WITNESS WHEREOF, the DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY has caused this Series 2022E Subordinate Bond to be executed by the manual or facsimile signature of the Chairman of the Board of Directors of the Authority, its seal to be affixed hereto or a facsimile to be printed hereon and attested by the manual or facsimile signature of the Secretary to the Authority's Board of Directors, and this Series 2022E Subordinate Bond to be dated _____, 2022.

ATTEST:

Secretary to the Authority

Chairman of the Board of Directors

CERTIFICATE OF AUTHENTICATION

Date Authenticated: _____

This Series 2022E Subordinate Bond is one of the Series 2022E Subordinate Bonds described in the within mentioned Indenture.

Computershare Trust Company, N.A.,
Trustee

By _____
Authorized Officer or Employee

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto

(please print or typewrite name and address, including zip code, of Transferee)

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF TRANSFEREE

: :
: :
: :
: :

the within Series 2022E Subordinate Bond and all rights thereunder, hereby irrevocably
constituting _____ and _____ appointing

_____, Attorney, to transfer said Series
2022E Subordinate Bond on the books kept for the registration thereof, with full power of
substitution in the premises.

Dated: _____

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed
by an Eligible Guarantor Institution such
as a Commercial Institution such as a
Commercial Bank, Trust Company,
Securities Broker/Dealer, Credit Union, or
Savings Association who is a member of a
medallion program approved by The
Securities Transfer Association, Inc.

NOTICE: The signature above must
correspond with the name of the registered
owner as it appears on the front of this Series
2022E Subordinate Bond in every particular,
without alteration or enlargement or any
change whatsoever.

M&A draft 12/09/21

BOND PURCHASE AGREEMENT

\$100,000,000*

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
Public Utility Subordinate Lien Revenue Bonds, Series 2022B (Green Bonds)

\$120,000,000*

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
Public Utility Subordinate Lien Revenue Bonds, Series 2022C

\$80,000,000*

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2022D (Federally Taxable)

_____, 2022

District of Columbia Water and Sewer Authority
1385 Canal Street S.E.
Washington, DC 20003

Ladies and Gentlemen:

Goldman Sachs & Co. LLC, as representative of the underwriters (the “Representative”) on behalf of itself and on behalf of Ramirez & Co. Barclays Capital, FTN Financial Capital Markets, Loop Capital Markets, Mesirow Financial, Morgan Stanley & Co. LLC and TD Securities (collectively, the “Underwriters”), offer to enter into this bond purchase agreement (this “Agreement”) with the District of Columbia Water and Sewer Authority (the “Authority”). The offer made hereby is subject to acceptance thereof by execution of this Agreement and its delivery to the Representative, on behalf of the Underwriters, at or prior to 5:00 p.m., New York, New York Time, on the date hereof, or on such other date or such other time as may be agreed upon by the Underwriters. Upon such acceptance, this Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the Authority and the Underwriters. If this offer is not so accepted, it is subject to withdrawal by the Representative on behalf of the Underwriters upon written notice delivered to the Authority at any time prior to acceptance. Terms used but not defined herein are defined in the Indenture identified below.

1. **Background.** The Authority has invited the holders of certain of its Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2014C, maturing on October 1, 2025, 2039, 2041 and 2044 (the “Target 2014 Bonds”) to tender such bonds for purchase or, in the case of institutional holders or sophisticated municipal market professionals, for exchange, as more fully

* Preliminary, subject to change.

described in the Invitation to Tender or Exchange Bonds, dated _____, 2022 (the “Invitation”).

Subject to the terms of the Invitation, the Authority will issue its Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2022C (the “Series 2022C Bonds”) in exchange for the Target 2014 Bonds tendered for exchange and accepted by the Authority pursuant to the Invitation (the “Exchanged Series 2022C Bonds”).

Subject to the terms of the Invitation, the Authority will apply the proceeds of the Series 2022C Bonds sold pursuant to this Agreement (the “Purchased Series 2022C Bonds”) to refund and discharge the Target 2014 Bonds tendered for purchase and accepted by the Authority pursuant the Invitation and to pay certain costs of issuing the Series 2022C Bonds. Only the Purchased 2022C Bonds are being purchased pursuant to this Agreement.

Pursuant to this Agreement, the Authority is also selling its Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2022D-1 (Federally Taxable) (the “Series 2022D-1 Taxable Bonds”) to refund and defease any Target 2014 Bonds which are not tendered for exchange or purchase (the “Refunded Bonds”) and to pay certain costs of issuing the Series 2022D-1 Taxable Bonds.

All of the Bonds (as defined below) being offered, whether for exchange under the Invitation or for sale under this Agreement are described in the Official Statement, and the issuance of the Exchanged Series 2022C Bonds will occur concurrently with issuance of the Purchased Series 2022C Bonds. Goldman Sachs & Co. LLC (the “Dealer Manager”) is serving as dealer manager for the tender and exchange under the Invitation pursuant to a Dealer Manager Agreement with the Authority, dated _____, 2022 (the “Dealer Manager Agreement”), and will be paid compensation under such agreement separate and apart from any compensation received hereunder. As the Official Statements describes all Series 2022 Bonds, whether offered for exchange or sale, for the convenience of the parties, the Authority acknowledges that all representations and warranties made hereunder to the Underwriters and all certificates and opinions delivered hereunder for the benefit of the Underwriters are also made for the benefit of, or will be delivered, to the Dealer Manager. As it relates to the Exchanged Series 2022C Bonds, the Dealer Manager Agreement is made solely for the benefit of the Dealer Manager and the Authority and any partner, director, officer, agent, employee, controlling person or affiliate, and their respective successors, assigns, and legal representatives; and no other person, including any other underwriters, shall acquire or have any right or obligation under or by virtue of the Dealer Manager Agreement.

2. **Purchase and Sale of Bonds.** On the terms and conditions and on the basis of the representations, warranties, covenants and agreements set forth herein, the Representative, on behalf of the Underwriters, hereby agrees to purchase from the Authority for offering to the public, and the Authority hereby agrees to sell and deliver to the Underwriters for such purpose, all (but not less than all) of its Public Utility Subordinate Lien Revenue Bonds, Series 2022B (Green Bonds), in the original principal amount of \$000,000,000 (the “Series 2022B Bonds”) and its Public Utility Subordinate Lien Revenue Bonds, Series 2022C, in the original principal amount of \$000,000,000 consisting of \$ ___ of Subseries 2022C-1 and \$ ___ of Subseries 2022C-2

(collectively, the “Series 2022C Bonds”) and its Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2022D (Federally Taxable), in the original principal amount of \$00,000,000 consisting of \$ ___ of Subseries 2022D-1 and \$ ___ of Subseries 2022D-2 (the “Series 2022D Bonds” and collectively with the Series 2022B Bonds and the Series 2022C Bonds, the “Bonds”). The proceeds of the Series 2022B Bonds will be used to pay (i) a portion of the costs of the Authority’s DC Clean Rivers Project, and (ii) pay costs of issuing the Series 2022B Bonds. The proceeds of the Series 2022C Bonds will be used to (i) pay the costs of certain capital improvements to the System, and (ii) pay the costs of issuing the Series 2022C Bonds. The proceeds of the Series 2022D Bonds will be used to (i) refund all or a portion of outstanding Series ___ Subordinate Bonds and (ii) pay the costs of issuing the Series 2022D Bonds. The purchase price of the Series 2022B Bonds will be \$ _____ (the par amount of the Series 2022B Bonds less the Underwriters’ discount of \$ _____ plus original issue premium of \$ _____). The purchase price of the Series 2022C Bonds will be \$ _____ (the par amount of the Series 2022C Bonds less the Underwriters’ discount of \$ _____ plus original issue premium of \$ _____). The purchase price of the Series 2022D Bonds will be \$ _____ (the par amount of the Series 2022D Bonds less the Underwriters’ discount of \$ _____ plus original issue premium of \$ _____). The Bonds will mature on the dates and in the amounts and will bear interest and will be subject to redemption prior to maturity as set forth on Exhibit A hereto.

3. **Bond Authorization.** The Bonds shall be issued under and pursuant to provisions of the laws of the United States of America and the District of Columbia (the “District”), including particularly, an act of the Council of the District entitled the “Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996,” as amended, codified at District of Columbia Official Code Ann. Sections 34-2201.01 *et seq.*, and the acts amendatory thereof and supplemental thereto (the “Act”), and an act of the United States Congress entitled the “District of Columbia Water and Sewer Authority Act of 1996” (Public Law 104-184), as amended (the “Federal Act”), and all proceedings necessary to authorize and provide for the issuance of the Bonds, including Resolution No. 22-__ adopted by the Board of Directors of the Authority, on January 6, 2022 (the “Resolution”). The Series 2022B Bonds and the Series 2022C Bonds are also issued under the Master Indenture of Trust, dated as of April 1, 1998 (the “Master Indenture”), between the Authority and Computershare Trust Company, N.A., as trustee (the “Trustee”), as amended and supplemented, including by the Thirtieth Supplemental Indenture of Trust, dated as of the Closing Date (as defined below) (the “Thirtieth Supplemental Indenture”) between the Authority and the Trustee, substantially in the forms previously delivered to us. The Series 2022D Bonds will also be issued under the Master Indenture including by the Thirty-First Supplemental Indenture of Trust, dated as of the Closing Date, between the Authority and the Trustee (the “Thirty-First Supplemental Indenture” and together with the Master Indenture as previously amended and supplemented, the “Indenture”) substantially in the forms previously delivered to us.

4. **Closing.** At 11:00 a.m. Eastern Standard Time on March , 2022, or at such other time and date as may be mutually agreed upon by the Authority and the Underwriters (the “Closing Date”), the Authority will, subject to the terms and conditions hereof, deliver the Bonds to the Underwriters in definitive form, duly executed and authenticated, together with the other documents hereinafter required, and, subject to the terms and conditions hereof, the Underwriters will accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof in federal funds to the order of the Authority (the “Closing”). Delivery of the Bonds will be

made through the facilities of The Depository Trust Company, New York, New York. The Closing will occur at the offices of Squire Patton Boggs (US) LLP, Washington, D.C., or such other place as may be mutually agreed on by the Authority and the Underwriters.

5. **Public Offering of the Bonds.** It is a condition of the Authority's obligation to sell and deliver the Bonds to the Underwriters, and of the obligation of the Underwriters to purchase and accept delivery of the Bonds, that the entire principal amount of the Bonds is sold and delivered by the Authority and accepted and paid for by the Underwriters at the Closing, including, but not limited to, the Exchanged Series 2022C Bonds. The Underwriters intend to make an initial public offering of all of the Bonds at prices not in excess of the initial public offering prices set forth on the cover page of the Official Statement. The Underwriters may offer and sell the Bonds to certain dealers (including dealers depositing Bonds into investment trusts) at prices lower than the initial public offering prices.

6. **Preliminary and Final Official Statement.** The Authority ratifies and consents to the legally permissible use by the Underwriters, prior to the date hereof, of the Preliminary Official Statement, dated _____, 2022, relating to the Bonds (the "Preliminary Official Statement") in connection with the public offering of the Bonds and the Authority represents that such Preliminary Official Statement is deemed final as of its date and as of the date hereof under Rule 15c2-12 ("Rule 15c2-12") promulgated by the U.S. Securities and Exchange Commission (the "SEC") under the Securities Exchange Act of 1934, as amended (the "1934 Exchange Act"), except for Permitted Omissions (as defined in Rule 15c2-12). The form of the final Official Statement of the Authority relating to the Bonds, dated _____, 2022, including the cover page and Appendices thereto, and any revisions, amendments or supplements thereto (the "Official Statement") as have been approved by the Authority, Co-Bond Counsel, and the Representative. The Authority authorizes, approves, ratifies and confirms the distribution of the Preliminary Official Statement and the Official Statement in paper and electronic format by the Underwriters in connection with the public offering and sale of the Bonds.

The Authority agrees to provide to the Underwriters, at such addresses as the Underwriters specify, as many copies of the Official Statement as the Underwriters reasonably request as necessary to comply with Rule G-32 and all other applicable rules of the Municipal Securities Rulemaking Board (the "MSRB"). The Authority agrees to deliver the Official Statement within seven business days after the date hereof and not later than one business day before the Closing Date and in sufficient time to accompany any confirmation that requests payment from any customer and to permit the Underwriters to comply with the requirements of Rule 15c2-12 (defined below). The Preliminary Official Statement and the Official Statement may be revised, amended, changed or supplemented by the Authority after the execution of this Agreement only with the permission of the Underwriters.

If, during the period from the date hereof to and including the date which is 25 days after the "end of the underwriting period" (as hereinafter defined), there shall exist any event, including, but not limited to, any material adverse change in the financial condition, results of operation or condition, financial or otherwise, of the Authority, and of which the Authority has knowledge, which, in the opinion of the Underwriters and counsel to the Underwriters or in the opinion of the Authority, requires a supplement or amendment to the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in

order to make the statements therein, in the light of the circumstances under which they were made, not misleading, when it is delivered to a potential investor, the Authority will supplement or amend or cause to be supplemented or amended the Official Statement in a form and in a manner approved by the Underwriters and the Authority and will furnish to the Underwriters such supplement or amendment in sufficient quantity to permit the Underwriters to comply with the requirements of Rule 15c2-12 (“Rule 15c2-12”) promulgated by the Securities and Exchange Commission (the “SEC”) under the 1934 Exchange Act.

For the purpose of the preceding paragraph, the Authority may assume that the “end of the underwriting period” (in accordance with and as defined in Rule 15c2-12) means the Closing Date unless the Representative advises the Authority in writing on the Closing Date that there remains an unsold balance of the Bonds, in which case the “end of the underwriting period” means the date as of which the Representative notifies the Authority that the Underwriters, directly or as a syndicate, no longer retain an unsold balance of the Bonds for sale to the public. The deemed end of the underwriting period, in order to allow the Underwriters to comply with Rule 15c2-12, shall be extended for additional periods of 30 days each upon receipt of written notification from the Underwriters that any Bonds remain unsold however, in no event shall the “end of the underwriting period” extend beyond the date sixty (60) days from the Closing Date. The Representative agrees to provide to the Authority written notification that none of the Bonds remain unsold which will be deemed the end of the underwriting period.

The Representative hereby agrees to deliver a copy of the printed paper form of the Official Statement to the MSRB in an electronic format prescribed by the MSRB for its Electronic Municipal Market Access (“EMMA”) website at www.emma.msrb.org within one (1) business day of receipt of the executed final Official Statement by the Underwriters.

7. **Representations, Warranties and Covenants of the Authority.** The Authority hereby represents, warrants, covenants and agrees as follows:

a. The Authority is, and at the Closing Date will be, a duly organized and validly existing corporate body and independent authority of the District established under the laws of the United States and the District, including the Act and the Federal Act, with the full legal right, power and authority to (i) adopt the Resolution, (ii) execute, deliver and perform its obligations under this Agreement, the Indenture, the Certificate of Award of the Authority establishing the purchase price, maturities, interest rates, redemption provisions and other terms of the Bonds, dated the date hereof (the “Certificate of Award”), and the Continuing Disclosure Agreement of the Authority dated as of the Closing Date (the “Continuing Disclosure Agreement,” and together with this Agreement and the Indenture, the “Bond Documents”); (iii) perform its obligations under the Water Sales Agreement, dated as of July 31, 1997, between the Authority and the United States of America, acting through the Secretary of the Army (the “Water Sales Agreement”) and the Blue Plains Intermunicipal Agreement of 2012 between the District, Fairfax County, Virginia, Montgomery County, Maryland, Prince George’s County, Maryland and the Washington Suburban Sanitary Commission (the “IMA,” and together with the Water Sales Agreement, the “System Agreements”), (iv) sell, issue and deliver the Bonds to the Underwriters as provided herein, and (v) carry out and consummate the transactions contemplated by the Resolution, the Bond Documents, the Preliminary Official Statement, the Official Statement and the System Agreements; and the Authority has complied, and at the

Closing Date will be in compliance, in all material respects, with the Act and the Federal Act and with the obligations on its part in connection with the issuance of the Bonds contained in the Bonds, the Resolution, the Indenture, the Preliminary Official Statement, the Official Statement and this Agreement.

b. The Authority (i) has duly and validly adopted the Resolution, (ii) has authorized the execution and delivery of the Bond Documents, (iii) is authorized to execute, issue, sell and deliver the Bonds in book-entry form, (iv) is authorized to appoint, and has appointed, Computershare Trust Company, N.A., as Trustee (the “Trustee”), (v) is authorized to apply and will apply the proceeds of the Bonds as provided in and subject to all of the terms and provisions of the Resolution, including the payment or reimbursement of the Authority expenses incurred in connection with the negotiation, marketing, issuance and delivery of the Bonds to the extent required by Section 14, (vi) has taken or will take on or before the Closing Date, all action necessary or appropriate for (a) execution, issuance, sale and delivery of the Bonds in book-entry form to the Underwriters, (b) approval, execution and delivery of and the performance by the Authority of its obligations contained in the Bonds and the Bond Documents, (c) the approval, distribution and use of the Preliminary Official Statement and the approval, execution, distribution and use of the Official Statement for use by the Underwriters in connection with the public offering of the Bonds and (d) the consummation by it of all other transactions described in the Official Statement, the Bond Documents and any and all such other agreements and documents as may be required to be executed, delivered and/or received by the Authority in order to carry out, give effect to, and consummate the transactions described herein and in the Official Statement.

c. The adoption of the Resolution, the execution and delivery of the Bond Documents, the execution, issuance, sale and delivery of the Bonds in book-entry form and the performance by the Authority of its obligations hereunder and thereunder, and the performance by the Authority of its obligations under the System Agreements (collectively, the “Authority Undertakings”) are within the corporate powers of the Authority and are not in conflict with and will not constitute a breach, default or result in a violation of (i) the Act, (ii) any federal constitutional or federal or District statutory provision, including the Federal Act, (iii) any agreement or other instrument to which the Authority is a party, or (iv) any order, rule, regulation, decree or ordinance of any court of competent jurisdiction, government or governmental authority having jurisdiction over the Authority or its property.

d. The District has authorized the Authority to use all of the property and assets of the water distribution and wastewater collection, treatment and disposal systems of the Authority (the “System”), uninterrupted by the District, for as long as any revenue bonds of the Authority, including the Bonds, remain outstanding. The Authority has the full legal right, power and authority to operate the System and to collect and pledge the Revenues therefrom in accordance with the Indenture.

e. The Resolution or other appropriate actions adopted or taken by the Authority establishing the rates and charges for services of the System described in the Preliminary Official Statement and the Official Statement have been duly adopted or taken and are in full force and effect.

f. The System Agreements and all other agreements, permits, licenses, consents, approvals, actions, consent decrees and settlement orders material to the operation and management of the System, including the collection of the Revenues therefrom as described in the Preliminary Official Statement and the Official Statement, are in full force and effect as of the date hereof and will be on the Closing Date, and the Authority is not and will not be in default thereunder or in breach thereof. The System Agreements have been duly authorized, executed and delivered by the Authority and constitute valid and binding obligations of the Authority enforceable in accordance with their respective terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity.

g. The Bonds, when issued, delivered to the Underwriters and paid for, in accordance with the Act, the Resolution, the Indenture and this Agreement, will have been duly authorized, executed, issued and delivered by the Authority and will constitute valid and binding obligations of the Authority, enforceable against the Authority in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity. The Bonds are not a pledge of and do not involve the faith and credit or the taxing power of the District and the District shall not be liable thereon. The Bonds, the Indenture and the Resolution conform to the descriptions thereof contained in the Preliminary Official Statement and the Official Statement and the proceeds of the sale of the Bonds will be applied as described in the Preliminary Official Statement and the Official Statement.

h. The Authority is not currently failing to comply and except as disclosed in the Preliminary Official Statement and the Official Statement, has not failed to comply during the past five years with any continuing disclosure obligation pursuant to Rule 15c2-12. The Authority has agreed to deliver to the Underwriters a Continuing Disclosure Agreement with respect to the Bonds that complies with the requirements of Rule 15c2-12.

i. This Agreement constitutes, and, upon execution and delivery by the Authority and the other parties thereto, each of the other Bond Documents will constitute, the valid, binding and enforceable obligation of the Authority in accordance with their respective terms, subject to applicable bankruptcy, insolvency, and similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity.

j. The Authority is not in material breach of or material default under any applicable constitutional provision or law of the United States, the District or any applicable judgment or decree, or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which it is a party or to which it or any of its property or assets is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument; and the execution and delivery of the Bonds, this Agreement and the other Bond Documents and the adoption of the Resolution, and compliance with the provisions contained therein and herein, and in the System Agreements, do not conflict with or constitute a breach of or default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement, or other instrument to which it is a party or any of its property or assets are otherwise subject, nor will any such execution, delivery,

adoption, or compliance result in the creation or imposition of any lien, charge, or other security interest or encumbrance of any nature whatsoever upon any of its property or assets or under the terms of any such law, regulation or instrument, except as provided by the Bonds.

k. All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter have been duly obtained or, with respect to the issuance of the Bonds, will be obtained prior to the issuance of the Bonds, which are required for the due authorization by or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the Authority of its obligations in connection with the issuance of the Bonds and under this Agreement, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds.

l. Except as otherwise described in the Preliminary Official Statement and the Official Statement, there is no litigation, action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to the best knowledge of the Authority, threatened against the Authority (i) affecting or seeking to prohibit, restrain or enjoin the issuance, sale or delivery of the Bonds, the use of the Preliminary Official Statement or the Official Statement or the collection of the Revenues pledged to the payment of the principal of and interest on the Bonds, (ii) in any way contesting or affecting any authority for the issuance of the Bonds or the validity, enforceability, due authorization, execution or delivery of the Bonds, including this Agreement or the other Bond Documents, or the validity or enforceability of the System Agreements, nor, to the best knowledge of the Authority, is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bonds or the Bond Documents, (iii) questioning the tax-exempt status of the Bonds under the laws of the District or the United States, (iv) affecting or in any way contesting the corporate existence or powers of the Authority or the titles of the officers of the Authority to their respective offices, (v) which may result in any material adverse change in the business or the financial condition or the financial prospects of the Authority or (vi) asserting that the Preliminary Official Statement or the Official Statement or any supplement thereto contains any untrue statement of a material fact or omits any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

m. The Authority will furnish such information, execute such instruments and take such other action in cooperation with the Underwriters as the Underwriters may reasonably request in order to (i) qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriters may designate, (ii) determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and (iii) continue such qualifications in effect so long as required for the distribution of the Bonds and will advise the Representative promptly of receipt by the Authority of any written notification with respect to the suspension of the qualification of the Bonds for sale in any jurisdiction or the initiation or threat of any proceeding for that purpose; provided, however, that the Authority will not be required to execute a general or special consent to service of process or qualify to do business in connection with any such qualification or determination in any jurisdiction.

n. The audited balance sheets of the Authority for the years ended September 30, 2021 and September 30, 2020, and the related statements of revenues, expenditures and changes in net assets and cash flows for the fiscal year ended on such date, as set forth in the Preliminary Official Statement and the Official Statement, are true, complete and correct and fairly present the financial condition of the Authority as of such date and the results of its operations for such fiscal year. There has been no material adverse change in the financial condition of the Authority since September 30, 2021, except as described in the Preliminary Official Statement and the Official Statement. The financial statements of, and other financial information of the Authority in the Preliminary Official Statement and in the Official Statement fairly present the financial position and results of the Authority as of the dates and for the periods therein set forth, and except as noted in the Preliminary Official Statement and in the Official Statement, the other historical financial information set forth in the Preliminary Official Statement and in the Official Statement has been presented on a basis consistent with that of the Authority's audited financial statements included or incorporated by reference in the Preliminary Official Statement and in the Official Statement.

o. The Authority has duly authorized, approved and delivered the Preliminary Official Statement and the Official Statement to the Underwriters.

p. The Preliminary Official Statement, as of its date and as of the date of this Agreement, did not and does not, and the Official Statement, is, as of its date and (unless the Official Statement is amended or supplemented pursuant to this Agreement) at all times subsequent thereto during the period up to and including the Closing Date, did not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If between the date of the Official Statement and the Closing Date any event shall occur or any pre-existing fact or condition shall become known to the Authority that might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Authority shall promptly notify the Underwriters thereof, and if in the reasonable opinion of the Representative, such event, fact or condition requires the preparation and publication of a supplement or amendment to the Official Statement, the Authority will at its expense supplement or amend the Official Statement in a form and in a manner approved by the Underwriters, which approval shall not be unreasonably withheld. If the Official Statement is supplemented or amended as aforesaid, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto during the underwriting period, as defined in Section 5, the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which made, not misleading.

q. The obligation of the Authority to know or provide information within the knowledge of the Authority is limited to providing information that is in the actual knowledge of, or reasonably should have been in the actual knowledge of, the key staff members of the Authority listed in the Official Statement under the caption "Senior Management" or their respective successors.

r. The Authority undertakes that, for a period beginning with the day on which the Bonds are delivered to the Underwriters and ending on the 25th day following the end of the underwriting period, as defined in Section 5, it will apprise the Underwriters of all material developments, if any, occurring with respect to the Authority, and if requested by the Underwriters, at the Authority's expense, prepare a supplement to the Official Statement in respect of any such material event.

s. The Authority has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the Authority is a bond issuer whose arbitrage certificates may not be relied upon.

t. Any certificate signed by an authorized delegate of the Authority in connection with the transactions described in this Agreement will be deemed a representation, warranty, covenant and agreement by the Authority to the Underwriters as to the statements made therein.

u. Prior to the Closing, the Authority will not take any action within or under its control that will cause any adverse change of a material nature in the Authority's financial position, or its results of operations or condition, financial or otherwise.

v. The Authority will not, prior to the Closing, offer or issue any bonds, notes or other obligations for borrowed money or incur any material liabilities, direct or contingent, except in the ordinary course of business, without the prior approval of the Representative, other than its Public Utility Subordinate Lien Multimodal Revenue Bonds, Series 2022E and the Exchanged Series 2022C Bonds, dated the date of Closing.

w. The Bonds, the Thirtieth Supplemental Indenture and the Thirty-First Supplemental Indenture conform to the descriptions thereof contained in the Preliminary Official Statement and the Official Statement under the caption "THE SERIES 2022B/C/D BONDS" and in Appendix C "GLOSSARY AND SUMMARY OF THE INDENTURE."

8. **Representations of Underwriters.** The Underwriters represent and warrant that they will offer the Bonds only pursuant to the Official Statement and the Underwriters agree to make a public offering of the Bonds at the initial offering prices or yields set forth in the Official Statement as the Underwriters may deem necessary or desirable in connection with the offering and sale of the Bonds and to sell the Bonds to dealers (including dealer banks and dealers depositing Bonds into investment trusts) and others at prices lower than the public offering prices. At the Closing, the Representative, on behalf of the Underwriters, shall deliver to the Authority a certificate, acceptable to Co-Bond Counsel, substantially in the form of Exhibit D hereto. The Underwriters agree to deliver a final Official Statement to all purchasers of the Bonds in accordance with all applicable legal requirements.

9. **Rights to Cancellation by Underwriters.** The Underwriters will have the right to cancel their obligation to purchase, accept delivery of and to pay for the Bonds if between the date hereof and the Closing Date, the market price or marketability of the Bonds or the ability of the Underwriters to enforce contracts for the sale of the Bonds shall be materially adversely affected in the reasonable judgment of the Representative, on behalf of the Underwriters, by the

occurrence of any of the following: (a) legislation has been enacted by or introduced in Congress or a decision by a federal court of the United States or the United States Tax Court has been rendered, or a ruling, regulation or official statement by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency has been made or proposed to be made with respect to federal taxation on revenues or other income to be derived from the operation of the Authority, or other actions or events have occurred which have the purpose or effect, directly or indirectly, of materially adversely affecting the federal income tax consequences of any of the transactions contemplated in connection herewith, including the tax-exempt status of bonds issued by the Authority under the Internal Revenue Code of 1986, as amended, or (b) legislation has been enacted, or actively considered for enactment with an effective date being prior to the date of the issuance of the Bonds, or a decision by a court of the United States has been rendered, or a ruling or regulation by the SEC or another governmental agency having jurisdiction of the subject matter has been made, the effect of which is that the Bonds are not exempt from the registration or other requirements of the Securities Act of 1933, as amended and as then in effect (the "1933 Securities Act"), or that the Indenture is not exempt from the qualification or other requirements of the Trust Indenture Act of 1939, as amended and as then in effect (the "Trust Indenture Act"), or (c) a stop order, ruling or regulation by the SEC has been issued or made, the effect of which is that the issuance, offering or sale of the Bonds as contemplated hereby or by the Official Statement is or would be in violation of any provision of the 1933 Securities Act, or of the 1934 Exchange Act, or of the Trust Indenture Act, or (d) there exists any event which in the reasonable judgment of the Underwriters either (i) makes untrue or incorrect any statement or information of a material fact contained in the Official Statement or (ii) is not reflected in the Official Statement but should be reflected therein in order to make the statements and information contained therein, in light of the circumstances under which they were made, not misleading, and, in either such event the Authority refuses to permit the Official Statement to be supplemented to correct or supply such statement or information, or the statement or information as supplemented is such as in the reasonable judgment of the Underwriters would materially adversely affect the market for the Bonds or the sale, at the contemplated offering price, by the Underwriters of the Bonds, or (e) there has occurred any new outbreak of hostilities (including, without limitation, an act of terrorism) or escalation of hostilities existing prior to the date hereof or any other extraordinary event, material national or international calamity or crisis, including a financial crisis, not existing on the date hereof, or (f) any new restriction on transactions in securities materially affecting the market for securities (including the imposition of any limitation on interest rates or the establishment of minimum or maximum prices) or any material increase of restrictions now in force (including the extension of credit by, or a charge to the net capital requirements of, Underwriters) shall have been established by the New York Stock Exchange, the SEC, any other federal agency, the Congress of the United States, or by Executive Order, or (g) there is in force a general suspension of trading in securities on the New York Stock Exchange or any other national securities exchange or (h) a general banking moratorium has been declared by Federal, District or New York authorities, or (i) there has occurred since the date hereof any material adverse change in the affairs of the Authority from that reflected in the financial information and data of the Authority included in or as an appendix to the Official Statement, other than as previously disclosed to the Underwriters, or (j) a material disruption in securities settlement, payment or clearance services shall have occurred, or (k) there shall have occurred any downgrading or published negative credit watch or similar published information from a rating agency that on the date hereof has

published a rating (or has been asked to furnish a rating on the Bonds) on any of the Authority's debt obligations, which action reflects a change or possible change in the ratings accorded any such obligations of the Authority (including any rating to be accorded to the Bonds) or (l) there shall have occurred any downgrading or published negative credit watch or similar published information from a rating agency that at the date of this Agreement has published a rating (or has been asked to furnish a rating on the Bonds) on any of the Authority's debt obligations, which action reflects a change or possible change, in the ratings accorded any such obligations of the Authority (including any rating to be accorded the Bonds).

10. Rights to Cancellation by the Authority. The Authority will have the right to cancel its obligation to issue, sell and deliver the Bonds if between the date hereof and the Closing Date, the market price or marketability of the Bonds shall be materially adversely affected, in the reasonable judgment of the Authority, by the occurrence of any of the following: (a) legislation has been enacted by or introduced in Congress or a decision by a federal court of the United States or the United States Tax Court has been rendered, or a ruling, regulation or official statement by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency has been made or proposed to be made with respect to federal taxation on revenues or other income to be derived from the operation of the Authority, or other actions or events have occurred which have the purpose or effect, directly or indirectly, of materially adversely affecting the federal income tax consequences of any of the transactions contemplated in connection herewith, or (b) legislation has been enacted, or actively considered for enactment with an effective date being prior to the date of the issuance of the Bonds, or a decision by a court of the United States has been rendered, or a ruling or regulation by the SEC or another governmental agency having jurisdiction of the subject matter has been made, the effect of which is that the Bonds are not exempt from the registration or other requirements of the 1933 Securities Act, or that the Indenture is not exempt from the qualification or other requirements of the Trust Indenture Act, or (c) a stop order, ruling or regulation by the SEC has been issued or made, the effect of which is that the issuance, offering or sale of the Bonds as contemplated hereby or by the Official Statement is or would be in violation of any provision of the 1933 Securities Act, or of the 1934 Exchange Act, or of the Trust Indenture Act, or (d) there has occurred any new outbreak of hostilities (including, without limitation, an act of terrorism) or escalation of hostilities existing prior to the date hereof or any other extraordinary event, material national or international calamity or crisis, including a financial crisis, not existing on the date hereof, or (e) any new restriction on transactions in securities materially affecting the market for securities (including the imposition of any limitation on interest rates or the establishment of minimum or maximum prices) or any material increase of restrictions now in force (including the extension of credit by, or a charge to the net capital requirements of, Underwriters) shall have been established by the New York Stock Exchange, the SEC, any other federal agency, the Congress of the United States, or by Executive Order, or (f) there is in force a general suspension of trading in securities on the New York Stock Exchange or any other national securities exchange or (g) a general banking moratorium has been declared by Federal, District or New York authorities, or (h) a material disruption in securities settlement, payment or clearance services shall have occurred.

11. Conditions to Obligations of Underwriters at Closing. The Underwriters have entered into this Agreement in reliance on the representations, warranties, covenants and

agreements of the Authority contained herein, and in reliance on the representations, warranties, covenants and agreements to be contained in the documents and instruments to be delivered at the Closing and on the performance by the Authority of its obligations hereunder, as of the Closing Date. Accordingly, the Underwriters' obligations under this Agreement to purchase, to accept delivery of and to pay for the Bonds, are conditioned on the performance by the Authority of its obligations to be performed hereunder and the delivery of such documents and instruments enumerated herein in form and substance reasonably satisfactory to the Underwriters and Orrick, Herrington & Sutcliffe LLP, and McKenzie & Associates, co-counsel to the Underwriters, at or before the Closing, and are also subject to the following additional conditions:

a. The representations, warranties, covenants and agreements of the Authority contained herein are true, complete and correct on the date hereof and on and as of the Closing Date, as if made on the Closing Date;

b. The provisions of the Act and the Federal Act, as in effect on the date of this Agreement, shall be in full force and effect and shall not have been amended, except as to amendments which, in the reasonable opinion of the Underwriters, are not adverse to the interest of the Underwriters or the Bondholders;

c. At the time of the Closing, the Resolution is in full force and effect in accordance with its terms and has not been amended, modified or supplemented, and the Official Statement has not been supplemented or amended, except in any such case as may have been agreed to by the Underwriters;

d. At the time of the Closing, all official action of the Authority relating to the Bonds, the Bond Documents and the System Documents are in full force and effect in accordance with their respective terms and have not been amended, modified or supplemented, except in each case as may have been agreed to by the Underwriters;

e. At the time of the Closing the Authority will perform or will have performed all of its obligations required under or specified in this Agreement, the Resolution and the Indenture, or contemplated by the Resolution, the Indenture or the Official Statement, to be performed prior to the Closing; and

f. At or before the Closing, the Underwriters will have received true and correct copies of each of the following documents:

i. A certified copy of the Resolution;

ii. The Official Statement and each supplement or amendment, if any, thereto, executed by the Authority;

iii. Counterparts of each of the fully executed Bond Documents and the System Agreements;

iv. The approving opinion of Co-Bond Counsel in substantially the form attached to Preliminary Official Statement and the Official Statement as Appendix F and a supplemental opinion, dated the Closing Date, in form and substance satisfactory to

the Underwriters, and reliance letters with respect to such opinions addressed to Computershare Trust Company, N.A., as Trustee;

v. An opinion, dated the Closing Date, of the Executive Vice President Legal Affairs, of the Authority, substantially in the form of Exhibit B hereto;

vi. An opinion, dated the Closing Date, of Orrick, Herrington & Sutcliffe LLP and McKenzie & Associates, co-counsel to the Underwriters, substantially in the form of Exhibit C hereto;

vii. An opinion, dated the Closing Date, of Squire Patton Boggs (US) LLP and Bellamy Penn LLP, in their capacity as co-disclosure counsel to the Authority, in form and substance satisfactory to the Underwriters and their co-counsel;

viii. An opinion, dated the Closing Date, of counsel to the Trustee, in a form approved by the Underwriters and their co-counsel;

ix. A manually signed Financial Feasibility Opinion Letter dated _____, 2022, of Amawalk Consulting Group LLC (the “Financial Feasibility Consultant”), regarding the financial feasibility of the issuance of the Bonds in substantially the form attached to the Preliminary Official Statement and the final Official Statement as Appendix A and a certificate of the Financial Feasibility Consultant with respect to the issuance and sale of the Bonds, permitting the use of such letter and references to said firm in the Preliminary Official Statement and the Official Statement in form and substance satisfactory to the Underwriters;

x. One or more certificates of the Authority, dated the Closing Date, (A) to the effect that the representations, warranties, covenants and agreements of the Authority herein are true and correct on and as of the Closing Date as if made on the Closing Date, and that the Authority has performed all obligations to be performed hereunder as of the Closing Date; (B) to the effect that the Bond Documents, the Bonds and the System Agreements have not been modified, amended or repealed after the date hereof without the written consent of the Underwriters; (C) to the effect that no material change has occurred with respect to the System from the period from the date of this Agreement through the Closing Date;

xi. Evidence of the completion of Internal Revenue Service Form 8038-G with respect to the issuance of the Bonds;

xii. Evidence that Moody’s Investors Service, Inc. (“Moody’s”), S&P Global Ratings Services (“S&P”) and Fitch Ratings (“Fitch”) have issued ratings on the Bonds of “ ”, “ ” and “ ” respectively;

xiii. Such additional legal opinions, certificates, instruments and other documents as the Underwriters may reasonably request to evidence the truth and accuracy, as of the Closing Date, of the Authority’s representations, warranties, covenants and agreements contained herein and of the statements and information contained in the Official Statement and the due performance or satisfaction by the

Authority on or prior to the Closing Date of all the agreements then to be performed and conditions then to be satisfied by it.

All the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Agreement will be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Underwriters.

12. Obligations Upon Cancellation. If the Authority is unable to satisfy the conditions to the obligations of the Underwriters to purchase, to accept the delivery of and to pay for the Bonds contained in this Agreement, or if the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds is terminated for any reason permitted by this Agreement, this Agreement will terminate and neither the Underwriters nor the Authority will be under any further obligation hereunder, except that the Authority and the Underwriters shall pay their respective expenses as set forth in Section 15.

13. Certain Information Provided by Underwriters. The Underwriters confirm and the Authority acknowledges that the statements with respect to the public offering of the Bonds by the Underwriters set forth on the cover page of the Official Statement, the legend concerning over-allotments in the Official Statement and the text under the caption “UNDERWRITING” in the Official Statement constitute the only information concerning the Underwriters furnished in writing to the Authority by or on behalf of the Underwriters for inclusion in the Official Statement.

14. Establishment of Issue Price.

a. The Representative on behalf of the Underwriters agrees to assist the Authority in establishing the issue price of the Bonds and shall execute and deliver to the Authority at Closing an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as **Exhibit D**, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Representative, the Authority and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. All actions to be taken by the Authority under this Section to establish the issue price of the Bonds may be taken on behalf of the Authority by PFM Financial Advisors LLC and Sustainable Capital Advisors (collectively, the “Municipal Advisor”) and any notice or report to be provided to the Authority may be provided to the Municipal Advisor.

b. The Authority will treat the first price at which at least 10% of each maturity of the Bonds (the “10% test”) is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Bond Purchase Agreement, the Representative shall report to the Authority the price or prices at which the Underwriters have sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Representative agrees to promptly report to the Authority the prices at which Bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold to the public, provided that, the

Underwriters' reporting obligation after the Closing Date may be reasonable periodic intervals or otherwise upon request of the Authority.

c. The Authority acknowledges that, in making the representation set forth in this subsection, the Representative will rely on (i) the agreement of each Underwriter to comply with the hold-the-offering price rule, if applicable, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, if applicable, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the retail distribution agreement and the related pricing wires. The Authority further acknowledges that each Underwriter shall solely be liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

d. The Representative confirms that:

(i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the Representative is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the Representative that either the 10% test has been satisfied as to the Bonds of that maturity or all of the Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative and as set forth in the related pricing wires, and

(ii) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with any related pricing wires, contains or will contain language obligating each Underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the Representative or the Underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative or the Underwriter and as set forth in the related pricing wires.

e. The Underwriters acknowledge that sales of any Bonds to any person that is a related party to an Underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

- i. “public” means any person other than an underwriter or a related party,
- ii. “underwriter” means (A) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),
- iii. a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- iv. “sale date” means the date of execution of this Bond Purchase Agreement by all parties.

15. **No Advisory or Fiduciary Role.** The Authority acknowledges and agrees that: (i) the transactions contemplated by this Agreement are arm’s-length, commercial transactions between the Authority and the Underwriters in which the Underwriters are acting solely as principals, and are not acting as an agent, a municipal advisor, financial advisor or fiduciary to the Authority; (ii) the Underwriters have not assumed any advisory or fiduciary responsibility to the Authority with respect to the transactions contemplated hereby and the discussions, conferences, negotiations, undertakings and procedures leading thereto (irrespective of whether the Underwriters or their affiliates have provided other services or are currently providing other services to the Authority on other matters); (iii) the only obligations the Underwriters have to the Authority with respect to the transaction contemplated hereby expressly are set forth in this Agreement; (iv) the Authority has consulted its own financial and/or municipal, legal, accounting, tax, and other advisors, as applicable, to the extent it has deemed appropriate; and (v) this Agreement expresses the entire relationship between the parties hereto.

16. **Expenses.** The Authority will pay all costs of issuance of the Bonds including, but not limited to (a) the cost of preparation and posting of the Preliminary Official Statement and the cost of preparation, posting, printing and delivery of the Official Statement, including the number of copies the Underwriters and the Authority deem reasonable; (b) any cost of preparation of the Bonds; (c) the fees and disbursements of Co-Bond Counsel; (d) the fees and disbursements of any accountants, consultants, financial advisors or additional legal counsel retained in connection with the issuance of the Bonds, including the Independent Engineer and the Financial Feasibility Consultant; (e) fees for Bond ratings and CUSIP numbers; (f) the expenses of travel, lodging and meals for Authority representatives in connection with the

negotiation, marketing, issuance and delivery of the Bonds; (g) all advertising expenses in connection with the public offering of the Bonds, including investor meetings; (h) the costs of filing fees required by any of the Blue Sky laws; and (i) all reasonable and necessary out-of-pocket associated with the issuance of the Bonds. The Authority shall reimburse the Underwriters for the fees and expenses of Underwriters' counsel, any expense advanced or incurred by the Underwriters for which the Authority is responsible hereunder including (f) above and other reasonable expenses incurred in connection with the performance of Underwriters' obligations hereunder (reimbursement may be included in the expense component of the Underwriters' discount, which the Underwriters acknowledge includes their expenses as set forth in Section 1).

17. Notices. Any notice or other communication to be given to the Authority under this Agreement may be given by delivering the same in writing to the address shown on the first page of this Agreement to the attention of the Chief Financial Officer, and any notice or other communication to be given to the Representative under this Agreement may be given by delivering the same in writing to Goldman Sachs & Co. LLC, 200 West Street, New York, NY10282, Attention: Freda Wang, Managing Director.

18. Parties in Interest; Survival of Representations and Warranties. This Agreement, when accepted in accordance with the provisions hereof, shall constitute the entire agreement between the Authority and the Underwriters and is made solely for the benefit of the Authority and the Underwriters (including the successors or assigns of the Authority or the Underwriters) and no other person will acquire or have any right hereunder or by virtue hereof. All of the Authority's and Underwriters' representations, warranties, covenants and agreements contained in this Agreement will remain operative and full force and effect regardless of (a) any investigations made by or on behalf of the Underwriters; or (b) delivery of and payment for the Bonds pursuant to this Agreement.

19. Effective Date. This Agreement will become effective upon its acceptance by the Authority, as evidenced by the execution hereof by the appropriate official of the Authority and will be valid and enforceable at the time of such acceptance.

20. Execution in Counterparts. This Agreement may be executed in counterparts each of which shall be regarded as an original and all of which shall constitute one and the same document.

21. Finder. The Authority represents and warrants that no finder or other agent of a finder has been employed or consulted by it in connection with this transaction.

21. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the District of Columbia.

GOLDMAN SACHS & CO. LLC
RAMIEREZ & CO.
BARCLAYS CAPITAL
FTN FINANCIAL CAPITAL MARKETS
LOOP CAPITAL MARKETS
MESIROW FINANCIAL
MORGAN STANLEY & CO. LLC
TD SECURITIES

By: GOLDMAN SACHS & CO. LLC,
as Representative of the Underwriters

By: _____
Authorized Representative

[SIGNATURE PAGE TO SERIES 2022B/C/D BOND PURCHASE AGREEMENT]

Accepted: _____, 2022

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

By _____

Name: Matthew Brown

Title: Chief Financial Officer and Executive Vice
President Finance and Procurement

[SIGNATURE PAGE TO SERIES 2022B/C/D BOND PURCHASE AGREEMENT]

EXHIBIT A

\$100,000,000
 DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
 Public Utility Subordinate Lien Revenue Bonds
 Series 2022B (Green Bonds)

Serial Bonds

Year (Oct. 1)	Principal Amount	Interest Rate	Yield*
20__	\$000	____%	%
20__	000	____%	%
20__	000	____%	%

2022B Term Bonds

\$00,000,000 __% Term Bonds, due October 1, 20__, Yield __%*

\$00,000,000 __% Term Bonds, due October 1, 20__, Yield __%*

*Priced to the par call date.

\$120,000,000
 DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
 Public Utility Subordinate Lien Revenue Bonds
 Series 2022C
Serial Bonds

Year (Oct. 1)	Principal Amount	Interest Rate	Yield
202_	\$000	%	%
202_	000	%	%
203_	000	%	%
203_	000	%	%
203_	000	%	%
203_	000	%	%*
203_	000	%	%*
203-	000	%	%*
203_	000	%	%*
203_	000	%	%*
203_	000	%	%*
203_	000	%	%*
203_	000	%	%*
20\$	000	%	%*

*Priced to the par call date.

TERMS OF REDEMPTION

Optional Redemption

The Series 2022__ Bonds are subject to optional redemption prior to maturity on or after October 1, 20__ from any source, in whole or in part on any date, in such order of maturities as shall be determined by the Authority (and by lot within a maturity), at a redemption price of 100% of the principal amount thereof, together with accrued interest, if any, to the redemption date.

The Series 2022_ Bonds are subject to optional redemption prior to maturity on or after October 1, 20__ from any source, in whole or in part on any date, in such order of maturities as shall be determined by the Authority (and by lot within a maturity), at a redemption price of 100% of the principal amount thereof, together with accrued interest, if any, to the redemption date.

MANDATORY SINKING FUND REDEMPTION

The Series 2022_ Term Bonds maturing on October 1, 20__ shall be subject to mandatory sinking fund redemption, on October 1 of that respective year, as follows:

<u>Year</u>	<u>Principal Amount</u>
20__	\$
20__	
20__	
20__	
20__*	

*Final maturity.

The Series 2022_ Term Bonds maturing on October 1, 20__ shall be subject to mandatory sinking fund redemption, on October 1 of that respective year, as follows:

<u>Year</u>	<u>Principal Amount</u>
20__	\$
20__	
20__	
20__	
20__*	

*Final maturity.

\$80,000,000

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2022D (Federally Taxable)

[to come]

EXHIBIT B

FORM OF AUTHORITY'S EXECUTIVE VICE PRESIDENT, LEGAL AFFAIRS OPINION

March , 2022

District of Columbia Water and Sewer Authority
1385 Canal Street S.E.
Washington, DC 20003

\$100,000,000

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
Public Utility Subordinate Lien Revenue Bonds, Series 2022B (Green Bonds)

\$120,000,000

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
Public Utility Subordinate Lien Revenue Bonds, Series 2022C

\$80,000,000

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2022D (Federally Taxable)

Ladies and Gentlemen:

I am the Executive Vice President, Legal Affairs to the District of Columbia Water and Sewer Authority (the "Authority") and in connection with the issuance by the Authority of its Public Utility Subordinate Lien Revenue Bonds, Series 2022B, in the original principal amount of \$100,000,000 (the "Series 2022B Bonds") and its Public Utility Subordinate Lien Revenue Bonds, Series 2022C, in the original principal amount of \$120,000,000 (the "Series 2022C Bonds") and its Public Utility Subordinate Lien Revenue Bonds, Series 2022D, in the original principal amount of \$80,000,000 (the "Series 2022D Bonds" and collectively with the Series 2022B Bonds and the Series 2022C Bonds, the "Bonds"). I have reviewed an executed copy of the Bond Purchase Agreement, dated _____, 2022, between the Authority and Goldman Sachs & Co. LLC, as Representative on behalf of the Underwriters, with respect to the Bonds (the "Bond Purchase Agreement") and the Preliminary Official Statement, dated _____, 2022 (the "Preliminary Official Statement") and the Official Statement, dated _____, 2022, being distributed in connection with the issuance of the Bonds (collectively, the "Official Statement"). Capitalized terms used and not defined herein shall have the respective meanings given to such terms in the Bond Purchase Agreement.

I have also examined an act of the Council of the District of Columbia entitled the "Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996," codified, as amended, at District of Columbia Official Code Ann. Sections 34-2201.01 *et seq.*, and the acts amendatory thereof and supplemental thereto (the "Act"), and an act of the United States Congress entitled the "District of Columbia Water and Sewer Authority Act of

1996” (Public Law 104-184), as amended (the “Federal Act”), certified copies of proceedings of the Authority authorizing the issuance of the Bonds, including the Resolution and such other proceedings as I have considered necessary or advisable to render the following opinions.

In rendering the following opinions, I have relied on representations of the Authority as to matters of fact without independent investigation or verification and, as to matters of law, the representations of Co-Bond Counsel without independent research or verification and have assumed the genuineness of all signatures, the authenticity of all documents tendered to me as originals and the conformity to original documents of all documents submitted to me as certified or photostatic copies.

Based upon review of the materials described above and subject to the recitals and qualifications herein contained, to the best of my knowledge, information and belief, it is my opinion that:

1. The Authority is a body corporate duly created, organized and validly existing as an independent authority of the District under the Act and under the Federal Act (the Act and the Federal Act being sometimes hereinafter referred to as, the “Acts”). The Authority has the full legal right, power and authority to (i) adopt the Resolution, (ii) issue the Bonds, (iii) execute, deliver and perform its obligations under the Bond Documents, and (iv) perform its obligations under the System Agreements.

2. The Federal Act was duly enacted by Congress and the Act was duly enacted by the Council of the District of Columbia. The Acts remain in full force and effect. The Act transferred all assets and liabilities of the Water and Sewer Utility Administration (“WASUA”) as indicated on the balance sheet prepared by WASUA, effective April 17, 1996, on an interim basis for the exclusive use and possession of the Authority for so long as any revenue bonds of the Authority, including the Bonds, remain outstanding.

3. The Resolution was adopted by the Authority and has not been amended since the date of the adoption thereof and remains in full force and effect as of the date hereof.

4. (i) The adoption of the Resolution, the issuance of the Bonds, the execution and delivery of the Bond Documents and the performance of the Authority’s obligations thereunder, and (ii) the performance of the Authority’s obligations under the System Agreements, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the Authority, a breach of or default under any agreement or other instrument to which the Authority is a party, or any existing law, administrative regulation, court order, settlement order or consent decree to which the Authority is subject.

5. Except as otherwise described in the Preliminary Official Statement and the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to the best of my knowledge, threatened against the Authority (i) seeking to prohibit, restrain or enjoin the issuance, sale or delivery of the Bonds, the use of the Official Statement or the collection of the revenues pledged to the payment of the principal of and interest on the Bonds, (ii) in any way

contesting or affecting any authority for the issuance of the Bonds or the validity, enforceability, due authorization, execution or delivery of the Bonds, including the Bond Purchase Agreement or the other Bond Documents, or the validity or enforceability of the System Agreements, (iii) questioning the tax-exempt status of the Bonds under the laws of the District or the United States, (iv) in any way contesting the corporate existence or powers of the Authority or the titles of the officers of the Authority to their respective offices, (v) which may result in any material adverse change in the business or the financial condition or the financial prospects of the Authority or (vi) asserting that the Preliminary Official Statement or the Official Statement contains any untrue statement of a material fact or omits any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

6. The statements and information contained in the Preliminary Official Statement and the Official Statement under the caption entitled "LITIGATION," are true, correct and complete in all material respects, and the information under such caption does not contain any untrue statement of a material fact and does not omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading in any material respect.

7. Pursuant to the Acts, the Authority has the full legal right, power and authority to operate the System and to collect and pledge the Revenues therefrom in accordance with the Indenture.

8. The Authority has approved the form of the Preliminary Official Statement and the Official Statement, the execution of the Official Statement and the delivery of the Official Statement to the purchasers of the Bonds.

9. The Authority has obtained the consents, approvals, authorizations or other orders required for the consummation of the transactions contemplated by the Bond Purchase Agreement, including the issuance of the Bonds.

This opinion and all documents which relate to this opinion are to be construed in accordance with the laws of the District and the United States of America. This opinion is rendered solely for the use of the Authority and may not be relied on by any other person.

Very truly yours,

Executive Vice President Legal Affairs

EXHIBIT C

FORM OF OPINION OF UNDERWRITERS' COUNSEL

March , 2022

\$100,000,000

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
Public Utility Subordinate Lien Revenue Bonds, Series 2022B (Green Bonds)

\$120,000,000

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
Public Utility Subordinate Lien Revenue Bonds, Series 2022C

\$80,000,000

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2022D (Federally Taxable)

Goldman Sachs & Co. LLC, as Representative
200 West Street
New York, NY 10282

Ladies and Gentlemen:

We have acted as counsel for you as the representative (the "Representative") acting on behalf of yourself and other underwriters (the "Underwriters") in connection with your purchase from the District of Columbia Water and Sewer Authority (the "Authority") of its Public Utility Subordinate Lien Revenue Bonds, Series 2022B (Green Bonds), in the original principal amount of \$100,000,000 (the "Series 2022B Bonds"), and its Public Utility Subordinate Lien Revenue Bonds, Series 2022C, in the original principal amount of \$120,000,000 (the "Series 2022C Bonds") and its Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2022D (Federally Taxable), in the original principal amount of \$80,000,000 (the "Series 2022D Bonds" and collectively with the Series 2022B Bonds and the Series 2022C Bonds, the "Bonds"), pursuant to the Bond Purchase Agreement, dated _____, 2022 (the "Purchase Agreement"), between you and the Authority. The Bonds are to be issued pursuant to the Master Indenture of Trust, dated as of April 1, 1998 (the "Master Indenture"), as amended and supplemented to the date of delivery of the Bonds (the "Indenture"), including by the Thirtieth Supplemental Indenture of Trust and the Thirty-First Supplemental Indenture of Trust, each to be dated the date of issuance and delivery of the Bonds (the "Supplemental Indentures"), each by and between the Authority and Computershare Trust Company, N.A., as trustee (the "Trustee"). The proceeds of the Series 2022B Bonds will be used to pay (i) a portion of the costs of the Authority's DC Clean Rivers Project, and (ii) pay costs of issuing the Series 2022B Bonds. The proceeds of the Series 2022C Bonds will be used to (i) pay the costs of certain capital improvements to the System, and (ii) pay the costs of issuing the Series 2022C Bonds. The proceeds of the Series 2022D Bonds will be used to (i) refund all or a portion of outstanding Series ____ Subordinate Bonds and (ii)

pay the costs of issuing the Series 2022D Bonds. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Purchase Agreement.

In that connection, we have reviewed the Indenture, the Preliminary Official Statement of the Authority dated _____, 2022 (the “Preliminary Official Statement”) and the Official Statement of the Authority, dated _____, 2022, with respect to the Bonds (the “Official Statement”), the Continuing Disclosure Agreement, dated _____, 2022 (the “Continuing Disclosure Agreement”), the Purchase Agreement, certificates of the Authority, the Trustee and others, the opinions referred to in paragraph 10(f)(vi) of the Purchase Agreement, and such records and documents, and we have made such investigations of law, as we have deemed appropriate as a basis for the opinions and conclusions hereinafter expressed. We do not assume any responsibility for any electronic version of the Official Statement and assume that any such version is identical in all material respects to the printed version.

In arriving at the opinions and conclusions hereinafter expressed, we are not expressing any opinion or view on, and with your permission are assuming and relying on, the validity, accuracy and sufficiency of the records, documents, certificates and opinions referred to above, including the accuracy of all factual matters represented and legal conclusions contained therein, including (without limitation) any representations and legal conclusions regarding the due authorization, issuance, delivery, validity and enforceability of the Bonds, and any laws, documents and instruments that may be related to the issuance, payment or security of the Bonds. We have assumed that all records, documents, certificates and opinions that we have reviewed, and the signatures thereto, are genuine.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions or conclusions:

1. The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

2. We are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Preliminary Official Statement and the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements. In our capacity as your counsel, to assist you with your responsibility with respect to the Preliminary Official Statement and the Official Statement, we participated in conferences with your representatives and representatives of the Authority, Squire Patton Boggs (US) LLP and Bellamy Penn LLP, as co-bond counsel and as co-disclosure counsel, financial advisors, feasibility consultants and others, during which the contents of the Official Statement and related matters were discussed. Based on our participation in the above-mentioned conferences (which did not extend beyond the date of the Official Statement), and in reliance thereon, on oral and written statements and representations of the Authority and others and on the records, documents, certificates, opinions and matters herein mentioned (as set forth above), we advise you as a matter of fact and not opinion that, during the course of our representation of you on this matter, no facts came to the attention of the attorneys in our firm rendering legal services to you in connection with the Preliminary Official Statement and the Official Statement which caused us to believe that the Preliminary Official Statement and

the Official Statement as of their dates and as of the date hereof (except for any CUSIP numbers, financial, accounting, statistical or economic, engineering or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any information about litigation to which the Authority is a party, any management discussion and analysis, Appendices to the Preliminary Official Statement and the Official Statement, or any information about book-entry, DTC, ratings, rating agencies, and tax exemption of the Bonds, which we expressly exclude from the scope of this paragraph and as to which we express no opinion or view) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. No responsibility is undertaken or view expressed with respect to any other disclosure document, materials or activity, or as to any information from another document or source referred to by or incorporated by reference in the Preliminary Official Statement and the Official Statement.

3. In our opinion, the Continuing Disclosure Agreement with respect to the Bonds for the benefit of the holders thereof, satisfies in all material respects the requirements for such an agreement in paragraph (b) (5) of the Rule 15c2-12; provided that, for purposes of this opinion, we are not expressing any view regarding the content of the Official Statement that is not expressly stated in numbered paragraph 2 of this letter.

We are furnishing this letter to you pursuant to paragraph 11(f)(vi) of the Purchase Agreement solely for your benefit as the Representative. We disclaim any obligation to update this letter. This letter is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to, and may not, be relied upon by owners of Bonds or by any other party to whom it is not specifically addressed.

Very truly yours,

EXHIBIT D

FORM OF UNDERWRITERS' CERTIFICATE

\$000,000,000

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
Public Utility Subordinate Lien Revenue Bonds, Series 2022B (Green Bonds)

\$00,000,000

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
Public Utility Subordinate Lien Revenue Bonds, Series 2022C

\$00,000,000

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2022D (Federally Taxable)

UNDERWRITERS' CERTIFICATE

March , 2022

Goldman Sachs & Co. LLC ("Goldman Sachs"), for itself and as representative of the other underwriters for the bonds identified above (the "Issue"), issued by the District of Columbia Water and Sewer Authority (the "Issuer"), based on its knowledge regarding the sale of the Issue, certifies as of this date as follows:

1. Issue Price.

[If the issue price is determined using only the general rule (actual sales of at least 10%) in Regulations § 1.148-1(f)(2)(i) and at least 10% of each maturity has been sold as of the Closing Date:

1.1 As of the date of this certificate, for each Maturity of the Issue, the first price at which at least 10% of such Maturity of the Issue was sold to the Public is the respective price listed in the final Official Statement, dated _____, 2022 for the Issue (the "Sale Price" as applicable to respective Maturities). The aggregate of the Sale Prices of each Maturity is \$ _____ (the "Issue Price").]

[If the issue price is determined using only the general rule (actual sales of at least 10%) in Regulations § 1.148-1(f)(2)(i) and at least 10% of each maturity has not been sold as of the Closing Date:

1.1 As of the date of this Certificate, for each [Maturity] [of the _____ Maturities] of the Issue, the first price at which at least 10% of [each] such Maturity of the Issue

was sold to the Public (the “10% Test”) are the respective prices listed in **Schedule A** attached hereto.

1.2 With respect to each of the _____ Maturities of the Issue:

(i) As of the date of this Certificate, the Underwriters have not sold at least 10% of these Maturities of the Issue at any single price.

(ii) As of the date of this Certificate, the Goldman Sachs reasonably expects that the price at which at least 10% of each of these Maturities of the Issue will be sold to the Public will be the respective price or prices listed on the attached **Schedule A** as the “Reasonably Expected Sale Prices for Undersold Maturities.”

(iii) Goldman Sachs will provide actual sales information (substantially similar to the information contained on **Schedule B**) as to the price at which at least 10% of each such Maturity (i.e., the Undersold Maturity or Maturities) of the Issue is sold to the Public.

(iv) On the date the 10% Test is satisfied with respect to all Maturities of the Issue, Goldman Sachs will execute a supplemental certificate substantially in the form attached hereto as **Schedule C** with respect to any Maturities for which the 10% Test has not been satisfied as of the Closing Date.**]

[If the issue price is determined using a combination of actual sales (Regulations § 1.148-1(f)(2)(i)) and hold-the-offering-price (Regulations § 1.148-1(f)(2)(ii)):

1.1 As of the date of this certificate, for each Maturity of the Issue listed on Schedule A as the “General Rule Maturities,” the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A (the “Sale Price” as applicable to each Maturity of the General Rule Maturities).

1.2 The Underwriters offered the Maturities listed on Schedule A as the “Hold-the-Offering-Price Maturities” to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices” as applicable to each Maturity of the Hold-the-Offering-Price Maturities) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Issue is attached to this certificate as Schedule B.

1.3 As set forth in the Bond Purchase Agreement dated _____, 2022, between the Authority and Underwriters, the Underwriters agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Issue of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement contains the agreement of each dealer who is a member of the selling group, and any retail distribution agreement contains the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. The Underwriters have not offered or sold any Maturity of the Hold-the-Offering-Price Maturities at

a price that is higher than the respective Initial Offering Price for that Maturity of the Issue during the Holding Period.

The aggregate of the Sale Prices of the General Rule Maturities and the Initial Offering Prices of the Hold-the-Offering-Price Maturities is \$[_____] (the “Issue Price”).]

[If the issue price is determined using only the hold-the-offering-price rule in Regulations § 1.148-1(f)(2)(ii):

1.1 As set forth in the Bond Purchase Agreement dated _____, 2022, between the Authority and the Underwriters, the Underwriters agreed in writing that, (i) for each Maturity of the Issue, it would neither offer nor sell any of such Maturity of the Issue to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement contains the agreement of each dealer who is a member of the selling group, and any retail distribution agreement contains the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. The Underwriters have not offered or sold any Maturity of the Issue at a price that is higher than the respective Initial Offering Price for that Maturity of the Issue during the Holding Period.]

[1.2, 1.3, 1.4, 1.2] Definitions. [NOTE: If issue price is determined using only the general rule (actual sales of 10%), delete the definitions of “Holding Period” and “Sale Date.”]

["Holding Period" means, for each Hold-the-Offering-Price Maturity of the Issue, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (_____, 2022), or (ii) the date on which the Underwriters sold at least 10% of such Maturity of the Issue to the Public at prices that are no higher than the Initial Offering Price for such Maturity.]

“Maturity” means bonds of the Issue with the same credit and payment terms. Bonds of the Issue with different maturity dates, or bonds of the Issue with the same maturity date but different stated interest rates, are treated as separate Maturities.

“Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

["Sale Date" means the first day on which there is a binding contract in writing for the sale of a Maturity of the Issue. The Sale Date of the Issue is _____, 2022.]

“Underwriter” means (i) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Issue to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate

in the initial sale of the Issue to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Issue to the Public).

All capitalized terms not defined in this Certificate have the meaning set forth in the Authority's Tax Compliance Certificate or in Attachment A to it.

[2. Reserve Fund.

The funding of the Reserve Fund as provided in the Trust Agreement securing the Issue is reasonably required, was a vital factor in marketing the Issue, facilitated the marketing of the Issue at an interest rate comparable to that of bonds and other obligations of a similar type and is not in excess of the amount necessary for such purpose.]

[3. Yield.

3.1 The Yield on the Issue is _____%, being the discount rate that, when used in computing the present worth of all payments of principal and interest to be paid on the Issue, computed on the basis of a 360-day year and semi-annual compounding, produces an amount equal to the Issue Price of the Issue as stated in paragraph 1.1 [and computed with the adjustments stated in paragraphs 3.2 and 4.3].

3.2 Discount Bonds Subject to Mandatory Early Redemption. [No bond of the Issue that is subject to mandatory early redemption has a stated redemption price that exceeds the Initial Offering Price of such bond by more than one-fourth of 1% multiplied by the product of its stated redemption price at maturity and the number of years to its weighted average maturity date.] **[Or]** [The stated redemption price at maturity of the bonds of the Issue maturing in the year[s] 20__, which are the only bonds of the Issue that are subject to mandatory early redemption, exceeds the Initial Offering Price of such bonds by more than one-fourth of 1% multiplied by the product of the stated redemption price at maturity and the number of years to the weighted average maturity date of such bonds. Accordingly, in computing the Yield on the Issue stated in paragraph 3.1, those bonds were treated as redeemed on each mandatory early redemption date at their present value rather than at their stated principal amount.]

3.3 Premium Bonds Subject to Optional Redemption. No bond of the Issue:

- Is subject to optional redemption within five years of the Issuance Date of the Issue.
- That is subject to optional redemption has an Initial Offering Price that exceeds its stated redemption price at maturity by more than one-fourth of 1% multiplied by the product of its stated redemption price at maturity and the number of complete years to its first optional redemption date.]]

[4. Weighted Average Maturity.

The weighted average maturity (defined below) of the Issue is _____ years [**For refunding issues:** and the remaining weighted average maturity of the Refunded Bonds is _____ years. The weighted average maturity of an issue is equal to the sum of the products of the Initial Offering Price of each maturity of the issue and the number of years to the maturity date of the respective maturity (taking into account mandatory but not optional redemptions), divided by the Initial Offering Price of the entire Issue.]

5. Underwriter’s Discount. The Underwriter’s discount is \$ _____, being the amount by which the aggregate Issue Price (as set forth in paragraph 1.1) exceeds the price paid by Goldman Sachs to the Authority for the Issue.

The signer is an officer of Goldman Sachs and duly authorized to execute and deliver this Certificate of the Underwriters for itself and as representative of the other Underwriters. Goldman Sachs understands that the certifications contained in this Certificate will be relied on by the Issuer in making certain of its representations in its Tax Compliance Certificate and in completing and filing the Information Return for the Issue, and by Squire Patton Boggs (US) LLP and Bellamy Penn LLP, as co-bond counsel (“Bond Counsel”), in rendering certain of their legal opinions in connection with the issuance of the Issue.

Goldman Sachs has performed these calculations with the express understanding and agreement of Bond Counsel and the Issuer that, notwithstanding the performance of these calculations and the delivery of this certificate: (i) in doing so we are not acting as Municipal Advisor (as defined in Section 15 of the Securities Exchange Act), (ii) we do not have a fiduciary duty to the Issuer, and (iii) we are not to be construed as a “paid preparer” of any tax returns of the Issuer, including specifically (but not limited to) Form 8038-G.

Notwithstanding the foregoing, Goldman Sachs reminds you that we are not accountants or actuaries, nor are we engaged in the practice of law. Accordingly, while we believe the calculations described above to be correct, we do not warrant them to be so, nor do we warrant their validity for purposes of Sections 103 and 141 through 150 of the Code.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Goldman Sachs’s interpretation of any laws, including specifically Sections 103 and 148 of the Code and the Treasury Regulations thereunder.

Dated: _____, 2022

GOLDMAN SACHS & CO. LLC
 RAMIEREZ & CO.
 BARCLAYS CAPITAL
 FTN FINANCIAL CAPITAL MARKETS
 LOOP CAPITAL MARKETS LLC
 MESIROW FINANCIAL
 MORGAN STANLEY & CO., LLC
 TD SECURITIES

By: GOLDMAN SACHS & CO. LLC,
 as Representative of the Underwriters

[NOTE: If the general rule is used for each Maturity (i.e., actual sales of at least 10% of each Maturity) and at least 10% of each Maturity has been sold as of the Closing, there is no schedule to attach if the initial offering prices set forth in the Official Statement for the Issue are the first prices at which at least 10% of each Maturity is sold. Otherwise, attach a schedule that shows the first price at which at least 10% of each Maturity was sold.]

[OR]

[If the issue price is determined using a combination of the general rule (actual sales) and hold-the-offering-price rule:

SCHEDULE A
SALE PRICES OF THE GENERAL RULE MATURITIES AND
INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES
(Attached)

[NOTE: With respect to each Maturity of the Issue, Schedule A should include each Maturity's (i) maturity date, (ii) principal amount, (iii) coupon, (iv) yield, and (v) the sale prices/initial offering prices (as applicable).]

SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION
(Attached)

[OR]

[If the issue price is determined using only the hold-the-offering-price rule in Regulations § 1.148-1(f)(2)(ii):

SCHEDULE A
INITIAL OFFERING PRICES OF THE ISSUE
(Attached)

SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION
(Attached)

[OR]

If the issue price is determined using only the general rule (actual sales of at least 10%) in Regulations § 1.148-1(f)(2)(i) and at least 10% of each maturity has not been sold as of the Closing Date:

SCHEDULE A
TO
ISSUE PRICE CERTIFICATE

Actual Sales Information as of Closing Date

<u>Maturity/CUSIP</u>	<u>Coupon</u>	<u>Date Sold</u>	<u>Time Sold</u>	<u>Par Amount</u>	<u>Sale Price</u>
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]Reasonably Expected Sales Prices for Undersold Maturities as of Closing Date**

<u>Maturity/CUSIP</u>	<u>Coupon</u>	<u>Par Amount</u>	<u>Offering Prices</u>
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**]

[**SCHEDULE B
TO
ISSUE PRICE CERTIFICATE

Actual Sales for Undersold Maturities as of the Closing Date

<u>Maturity/CUSIP</u>	<u>Date Sold</u>	<u>Time Sold</u>	<u>Par Amount</u>	<u>Sale Price</u>
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**]

M&A draft 12/05/21

BOND PURCHASE AGREEMENT

\$00,000,000

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
Public Utility Subordinate Lien Multimodal Revenue Bonds, Series 2022E

_____, 2022

District of Columbia Water and Sewer Authority
1385 Canal Street S.E.
Washington, DC 20003

Ladies and Gentlemen:

RBC Capital Markets, LLC and Citigroup Global Markets, as the underwriters (the “Underwriters”), offer to enter into this bond purchase agreement (this “Agreement”) with the District of Columbia Water and Sewer Authority (the “Authority”). The offer made hereby is subject to acceptance thereof by execution of this Agreement and its delivery to the Underwriters, at or prior to 5:00 p.m., New York, New York Time, on the date hereof, or at such other time or on other date as may be agreed upon by the Underwriters. Upon such acceptance, this Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the Authority and the Underwriters. If this offer is not so accepted, it is subject to withdrawal by the Underwriters upon written notice delivered to the Authority at any time prior to acceptance. Terms used but not defined herein are defined in the Indenture identified below.

1. **Purchase and Sale of Bonds.** On the terms and conditions and on the basis of the representations, warranties, covenants and agreements set forth herein, the Underwriters, hereby agrees to purchase from the Authority for offering to the public, and the Authority hereby agrees to sell and deliver to the Underwriters for such purpose, all (but not less than all) of its Public Utility Subordinate Lien Multimodal Revenue Bonds, Series 2022E, in the original principal amount of \$00,000,000 (the “Bonds”). The proceeds of the Series 2022E Bonds will be used to (i) pay the costs of certain capital improvements to the System, and (ii) pay the costs of issuing the Series 2022E Bonds. The purchase price of the Bonds will be \$_____ (the par amount of the Bonds less the Underwriters’ discount of \$_____ plus original issue premium of \$_____). The Bonds will mature on the dates and in the amounts and will bear interest and will be subject to redemption prior to maturity as set forth on Exhibit A hereto.

2. **Bond Authorization.** The Bonds shall be issued under and pursuant to provisions of the laws of the United States of America and the District of Columbia (the “District”), including particularly, an act of the Council of the District entitled the “Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996,” as amended, codified at District of Columbia Official Code Ann. Sections 34-2201.01 *et seq.*, and the acts amendatory thereof and supplemental thereto (the “Act”), and an act of the United States Congress entitled the “District of Columbia Water and Sewer Authority Act of 1996”

(Public Law 104-184), as amended (the “Federal Act”), and all proceedings necessary to authorize and provide for the issuance of the Bonds, including Resolution No.22- adopted by the Board of Directors of the Authority, on January 6, 2022 (the “Resolution”), and the Master Indenture of Trust, dated as of April 1, 1998 (the “Master Indenture”), between the Authority and Computershare Trust Company, N.A., as trustee (the “Trustee”), as amended and supplemented, including by the Thirty-First Supplemental Indenture of Trust, dated as of the Closing Date (as defined below) (the “Thirty-First Supplemental Indenture,” and together with the Master Indenture as previously amended and supplemented, the “Indenture”), between the Authority and the Trustee, substantially in the forms previously delivered to us.

3. **Closing.** At 11:00 a.m. Eastern Standard Time on March , 2022, or at such other time and date as may be mutually agreed upon by the Authority and the Underwriters (the “Closing Date”), the Authority will, subject to the terms and conditions hereof, deliver the Bonds to the Underwriters in definitive form, duly executed and authenticated, together with the other documents hereinafter required, and, subject to the terms and conditions hereof, the Underwriters will accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof in federal funds to the order of the Authority (the “Closing”). Delivery of the Bonds will be made through the facilities of The Depository Trust Company, New York, New York. The Closing will occur at the offices of Squire Patton Boggs (US) LLP, Washington, D.C., or such other place as may be mutually agreed on by the Authority and the Underwriters.

4. **Public Offering of the Bonds.** It is a condition of the Authority’s obligation to sell and deliver the Bonds to the Underwriters, and of the obligation of the Underwriters to purchase and accept delivery of the Bonds, that the entire principal amount of the Bonds is sold and delivered by the Authority and accepted and paid for by the Underwriters at the Closing. The Underwriters intend to make an initial public offering of all of the Bonds at prices not in excess of the initial public offering prices set forth on the cover page of the Official Statement. The Underwriters may offer and sell the Bonds to certain dealers (including dealers depositing Bonds into investment trusts) at prices lower than the initial public offering prices.

5. **[Preliminary and] Final Official Statement.** [The Authority ratifies and consents to the legally permissible use by the Underwriters, prior to the date hereof, of the Preliminary Official Statement, dated _____, relating to the Bonds (the “Preliminary Official Statement”) in connection with the public offering of the Bonds and the Authority represents that] such Preliminary Official Statement is deemed final as of its date and as of the date hereof under Rule 15c2-12 (“Rule 15c2-12”) promulgated by the U.S. Securities and Exchange Commission (the “SEC”) under the Securities Exchange Act of 1934, as amended (the “1934 Exchange Act”), except for Permitted Omissions (as defined in Rule 15c2-12). The form of the final Official Statement of the Authority relating to the Bonds, dated ____, 2022, including the cover page and Appendices thereto, and any revisions, amendments or supplements thereto (the “Official Statement”) as have been approved by the Authority, Co-Bond Counsel, and the Underwriters. The Authority authorizes, approves, ratifies and confirms the distribution of the Preliminary Official Statement and the Official Statement in paper and electronic format by the Underwriters in connection with the public offering and sale of the Bonds.

The Authority agrees to provide to the Underwriters, at such addresses as the Underwriters specifies, as many copies of the Official Statement as the Underwriters reasonably

request as necessary to comply with Rule G-32 and all other applicable rules of the Municipal Securities Rulemaking Board (the “MSRB”). The Authority agrees to deliver the Official Statement within seven business days after the date hereof and not later than one business day before the Closing Date and in sufficient time to accompany any confirmation that requests payment from any customer and to permit the Underwriters to comply with the requirements of Rule 15c2-12 (defined below). The [Preliminary Official Statement and the] Official Statement may be revised, amended, changed or supplemented by the Authority after the execution of this Agreement only with the permission of the Underwriters.

If, during the period from the date hereof to and including the date which is 25 days after the “end of the underwriting period” (as hereinafter defined), there shall exist any event, including, but not limited to, any material adverse change in the financial condition, results of operation or condition, financial or otherwise, of the Authority, and of which the Authority has knowledge, which, in the opinion of the Underwriters and counsel to the Underwriters or in the opinion of the Authority, requires a supplement or amendment to the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, when it is delivered to a potential investor, the Authority will supplement or amend or cause to be supplemented or amended the Official Statement in a form and in a manner approved by the Underwriters and the Authority and will furnish to the Underwriters such supplement or amendment in sufficient quantity to permit the Underwriters to comply with the requirements of Rule 15c2-12 (“Rule 15c2-12”) promulgated by the Securities and Exchange Commission (the “SEC”) under the 1934 Exchange Act.

For the purpose of the preceding paragraph, the Authority may assume that the “end of the underwriting period” (in accordance with and as defined in Rule 15c2-12) means the Closing Date unless the Underwriters advises the Authority in writing on the Closing Date that there remains an unsold balance of the Bonds, in which case the “end of the underwriting period” means the date as of which the Underwriters notifies the Authority that the Underwriters, directly or as a syndicate, no longer retain an unsold balance of the Bonds for sale to the public. The deemed end of the underwriting period, in order to allow the Underwriters to comply with Rule 15c2-12, shall be extended for additional periods of 30 days each upon receipt of written notification from the Underwriters that any Bonds remain unsold however, in no event shall the “end of the underwriting period” extend beyond the date sixty (60) days from the Closing Date. The Underwriters agrees to provide to the Authority written notification that none of the Bonds remain unsold which will be deemed the end of the underwriting period.

The Underwriters hereby agree to deliver a copy of the printed paper form of the Official Statement to the MSRB in an electronic format prescribed by the MSRB for its Electronic Municipal Market Access (“EMMA”) website at www.emma.msrb.org within one (1) business day of receipt of the executed final Official Statement by the Underwriters.

6. **Representations, Warranties and Covenants of the Authority.** The Authority hereby represents, warrants, covenants and agrees as follows:

a. The Authority is, and at the Closing Date will be, a duly organized and validly existing corporate body and independent authority of the District established under the

laws of the United States and the District, including the Act and the Federal Act, with the full legal right, power and authority to (i) adopt the Resolution, (ii) execute, deliver and perform its obligations under this Agreement, the Indenture, the Certificate of Award of the Authority establishing the purchase price, maturities, interest rates, redemption provisions and other terms of the Bonds, dated the date hereof (the "Certificate of Award"), and the Continuing Disclosure Agreement of the Authority dated as of the Closing Date (the "Continuing Disclosure Agreement," and together with this Agreement and the Indenture, the "Bond Documents"); (iii) perform its obligations under the Water Sales Agreement, dated as of July 31, 1997, between the Authority and the United States of America, acting through the Secretary of the Army (the "Water Sales Agreement") and the Blue Plains Intermunicipal Agreement of 2012 between the District, Fairfax County, Virginia, Montgomery County, Maryland, Prince George's County, Maryland and the Washington Suburban Sanitary Commission (the "IMA," and together with the Water Sales Agreement, the "System Agreements"), (iv) sell, issue and deliver the Bonds to the Underwriters as provided herein, and (v) carry out and consummate the transactions contemplated by the Resolution, the Bond Documents, the Preliminary Official Statement, the Official Statement and the System Agreements; and the Authority has complied, and at the Closing Date will be in compliance, in all material respects, with the Act and the Federal Act and with the obligations on its part in connection with the issuance of the Bonds contained in the Bonds, the Resolution, the Indenture, the Preliminary Official Statement, the Official Statement and this Agreement.

b. The Authority (i) has duly and validly adopted the Resolution, (ii) has authorized the execution and delivery of the Bond Documents, (iii) is authorized to execute, issue, sell and deliver the Bonds in book-entry form, (iv) is authorized to appoint, and has appointed, Wells Fargo Bank, N.A., as Trustee (the "Trustee"), (v) is authorized to apply and will apply the proceeds of the Bonds as provided in and subject to all of the terms and provisions of the Resolution, including the payment or reimbursement of the Authority expenses incurred in connection with the negotiation, marketing, issuance and delivery of the Bonds to the extent required by Section 14, (vi) has taken or will take on or before the Closing Date, all action necessary or appropriate for (a) execution, issuance, sale and delivery of the Bonds in book-entry form to the Underwriters, (b) approval, execution and delivery of and the performance by the Authority of its obligations contained in the Bonds and the Bond Documents, (c) the approval, distribution and use of the Preliminary Official Statement and the approval, execution, distribution and use of the Official Statement for use by the Underwriters in connection with the public offering of the Bonds and (d) the consummation by it of all other transactions described in the Official Statement, the Bond Documents and any and all such other agreements and documents as may be required to be executed, delivered and/or received by the Authority in order to carry out, give effect to, and consummate the transactions described herein and in the Official Statement.

c. The adoption of the Resolution, the execution and delivery of the Bond Documents, the execution, issuance, sale and delivery of the Bonds in book-entry form and the performance by the Authority of its obligations hereunder and thereunder, and the performance by the Authority of its obligations under the System Agreements (collectively, the "Authority Undertakings") are within the corporate powers of the Authority and are not in conflict with and will not constitute a breach, default or result in a violation of (i) the Act, (ii) any federal constitutional or federal or District statutory provision, including the Federal Act, (iii) any

agreement or other instrument to which the Authority is a party, or (iv) any order, rule, regulation, decree or ordinance of any court of competent jurisdiction, government or governmental authority having jurisdiction over the Authority or its property.

d. The District has authorized the Authority to use all of the property and assets of the water distribution and wastewater collection, treatment and disposal systems of the Authority (the "System"), uninterrupted by the District, for as long as any revenue bonds of the Authority, including the Bonds, remain outstanding. The Authority has the full legal right, power and authority to operate the System and to collect and pledge the Revenues therefrom in accordance with the Indenture.

e. The Resolution or other appropriate actions adopted or taken by the Authority establishing the rates and charges for services of the System described in the Preliminary Official Statement and the Official Statement have been duly adopted or taken and are in full force and effect.

f. The System Agreements and all other agreements, permits, licenses, consents, approvals, actions, consent decrees and settlement orders material to the operation and management of the System, including the collection of the Revenues therefrom as described in the Preliminary Official Statement and the Official Statement, are in full force and effect as of the date hereof and will be on the Closing Date, and the Authority is not and will not be in default thereunder or in breach thereof. The System Agreements have been duly authorized, executed and delivered by the Authority and constitute valid and binding obligations of the Authority enforceable in accordance with their respective terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity.

g. The Bonds, when issued, delivered to the Underwriters and paid for, in accordance with the Act, the Resolution, the Indenture and this Agreement, will have been duly authorized, executed, issued and delivered by the Authority and will constitute valid and binding obligations of the Authority, enforceable against the Authority in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity. The Bonds are not a pledge of and do not involve the faith and credit or the taxing power of the District and the District shall not be liable thereon. The Bonds, the Indenture and the Resolution conform to the descriptions thereof contained in the Preliminary Official Statement and the Official Statement and the proceeds of the sale of the Bonds will be applied as described in the Preliminary Official Statement and the Official Statement.

h. The Authority is not currently failing to comply and except as disclosed in the Preliminary Official Statement and the Official Statement, has not failed to comply during the past five years with any continuing disclosure obligation pursuant to Rule 15c2-12. The Authority has agreed to deliver to the Underwriters a Continuing Disclosure Agreement with respect to the Bonds that complies with the requirements of Rule 15c2-12.

i. This Agreement constitutes, and, upon execution and delivery by the Authority and the other parties thereto, each of the other Bond Documents will constitute, the

valid, binding and enforceable obligation of the Authority in accordance with their respective terms, subject to applicable bankruptcy, insolvency, and similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity.

j. The Authority is not in material breach of or material default under any applicable constitutional provision or law of the United States, the District or any applicable judgment or decree, or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which it is a party or to which it or any of its property or assets is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument; and the execution and delivery of the Bonds, this Agreement and the other Bond Documents and the adoption of the Resolution, and compliance with the provisions contained therein and herein, and in the System Agreements, do not conflict with or constitute a breach of or default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement, or other instrument to which it is a party or any of its property or assets are otherwise subject, nor will any such execution, delivery, adoption, or compliance result in the creation or imposition of any lien, charge, or other security interest or encumbrance of any nature whatsoever upon any of its property or assets or under the terms of any such law, regulation or instrument, except as provided by the Bonds.

k. All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter have been duly obtained or, with respect to the issuance of the Bonds, will be obtained prior to the issuance of the Bonds, which are required for the due authorization by or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the Authority of its obligations in connection with the issuance of the Bonds and under this Agreement, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds.

l. Except as otherwise described in the Preliminary Official Statement and the Official Statement, there is no litigation, action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to the best knowledge of the Authority, threatened against the Authority (i) affecting or seeking to prohibit, restrain or enjoin the issuance, sale or delivery of the Bonds, the use of the Preliminary Official Statement or the Official Statement or the collection of the Revenues pledged to the payment of the principal of and interest on the Bonds, (ii) in any way contesting or affecting any authority for the issuance of the Bonds or the validity, enforceability, due authorization, execution or delivery of the Bonds, including this Agreement or the other Bond Documents, or the validity or enforceability of the System Agreements, nor, to the best knowledge of the Authority, is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bonds or the Bond Documents, (iii) questioning the tax-exempt status of the Bonds under the laws of the District or the United States, (iv) affecting or in any way contesting the corporate existence or powers of the Authority or the titles of the officers of the Authority to their respective offices, (v) which may result in any material adverse change in the business or the financial condition or the financial prospects of the Authority or (vi) asserting that the Preliminary Official Statement or the Official Statement or

any supplement thereto contains any untrue statement of a material fact or omits any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

m. The Authority will furnish such information, execute such instruments and take such other action in cooperation with the Underwriters as the Underwriters may reasonably request in order to (i) qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriters may designate, (ii) determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and (iii) continue such qualifications in effect so long as required for the distribution of the Bonds and will advise the Underwriters promptly of receipt by the Authority of any written notification with respect to the suspension of the qualification of the Bonds for sale in any jurisdiction or the initiation or threat of any proceeding for that purpose; provided, however, that the Authority will not be required to execute a general or special consent to service of process or qualify to do business in connection with any such qualification or determination in any jurisdiction.

n. The audited balance sheets of the Authority for the years ended September 30, 2018 and September 30, 2017, and the related statements of revenues, expenditures and changes in net assets and cash flows for the fiscal year ended on such date, as set forth in the Preliminary Official Statement and the Official Statement, are true, complete and correct and fairly present the financial condition of the Authority as of such date and the results of its operations for such fiscal year. There has been no material adverse change in the financial condition of the Authority since September 30, 2018, except as described in the Preliminary Official Statement and the Official Statement. The financial statements of, and other financial information of the Authority in the Preliminary Official Statement and in the Official Statement fairly present the financial position and results of the Authority as of the dates and for the periods therein set forth, and except as noted in the Preliminary Official Statement and in the Official Statement, the other historical financial information set forth in the Preliminary Official Statement and in the Official Statement has been presented on a basis consistent with that of the Authority's audited financial statements included or incorporated by reference in the Preliminary Official Statement and in the Official Statement.

o. The Authority has duly authorized, approved and delivered the Preliminary Official Statement and the Official Statement to the Underwriters.

p. The Preliminary Official Statement, as of its date and as of the date of this Agreement, did not and does not, and the Official Statement, is, as of its date and (unless the Official Statement is amended or supplemented pursuant to this Agreement) at all times subsequent thereto during the period up to and including the Closing Date, did not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If between the date of the Official Statement and the Closing Date any event shall occur or any pre-existing fact or condition shall become known to the Authority that might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the

Authority shall promptly notify the Underwriters thereof, and if in the reasonable opinion of the Underwriters, such event, fact or condition requires the preparation and publication of a supplement or amendment to the Official Statement, the Authority will at its expense supplement or amend the Official Statement in a form and in a manner approved by the Underwriters, which approval shall not be unreasonably withheld. If the Official Statement is supplemented or amended as aforesaid, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto during the underwriting period, as defined in Section 5, the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which made, not misleading.

q. The obligation of the Authority to know or provide information within the knowledge of the Authority is limited to providing information that is in the actual knowledge of, or reasonably should have been in the actual knowledge of, the key staff members of the Authority listed in the Official Statement under the caption "Senior Management" or their respective successors.

r. The Authority undertakes that, for a period beginning with the day on which the Bonds are delivered to the Underwriters and ending on the 25th day following the end of the underwriting period, as defined in Section 5, it will apprise the Underwriters of all material developments, if any, occurring with respect to the Authority, and if requested by the Underwriters, at the Authority's expense, prepare a supplement to the Official Statement in respect of any such material event.

s. The Authority has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the Authority is a bond issuer whose arbitrage certificates may not be relied upon.

t. Any certificate signed by an authorized delegate of the Authority in connection with the transactions described in this Agreement will be deemed a representation, warranty, covenant and agreement by the Authority to the Underwriters as to the statements made therein.

u. Prior to the Closing, the Authority will not take any action within or under its control that will cause any adverse change of a material nature in the Authority's financial position, or its results of operations or condition, financial or otherwise.

v. The Authority will not, prior to the Closing, offer or issue any bonds, notes or other obligations for borrowed money or incur any material liabilities, direct or contingent, except in the ordinary course of business, without the prior approval of the Underwriters, other than its Public Utility Subordinate Lien Revenue Bonds Series 2022B, its Public Utility Subordinate Lien Revenue Bonds Series 2022C, and its Public Utility Subordinate Lien Revenue Bonds Series 2022D each dated the date of Closing.

w. The Bonds and the Thirty-First Supplemental Indenture conform to the descriptions thereof contained in [the Preliminary Official Statement and] the Official Statement

under the caption “THE SERIES 2022E BONDS” and in Appendix C “GLOSSARY AND SUMMARY OF THE INDENTURE.”

7. **Representations of Underwriters.** The Underwriters represent and warrant that they will offer the Bonds only pursuant to the Official Statement and the Underwriters agree to make a public offering of the Bonds at the initial offering prices or yields set forth in the Official Statement as the Underwriters may deem necessary or desirable in connection with the offering and sale of the Bonds and to sell the Bonds to dealers (including dealer banks and dealers depositing Bonds into investment trusts) and others at prices lower than the public offering prices. At the Closing, the Underwriters shall deliver to the Authority a certificate, acceptable to Co-Bond Counsel, substantially in the form of Exhibit D hereto. The Underwriters agree to deliver a final Official Statement to all purchasers of the Bonds in accordance with all applicable legal requirements.

8. **Rights to Cancellation by Underwriters.** The Underwriters will have the right to cancel their obligation to purchase, accept delivery of and to pay for the Bonds if between the date hereof and the Closing Date, the market price or marketability of the Bonds or the ability of the Underwriters to enforce contracts for the sale of the Bonds shall be materially adversely affected in the reasonable judgment of the Underwriters, by the occurrence of any of the following: (a) legislation has been enacted by or introduced in Congress or a decision by a federal court of the United States or the United States Tax Court has been rendered, or a ruling, regulation or official statement by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency has been made or proposed to be made with respect to federal taxation on revenues or other income to be derived from the operation of the Authority, or other actions or events have occurred which have the purpose or effect, directly or indirectly, of materially adversely affecting the federal income tax consequences of any of the transactions contemplated in connection herewith, including the tax-exempt status of bonds issued by the Authority under the Internal Revenue Code of 1986, as amended, or (b) legislation has been enacted, or actively considered for enactment with an effective date being prior to the date of the issuance of the Bonds, or a decision by a court of the United States has been rendered, or a ruling or regulation by the SEC or another governmental agency having jurisdiction of the subject matter has been made, the effect of which is that the Bonds are not exempt from the registration or other requirements of the Securities Act of 1933, as amended and as then in effect (the “1933 Securities Act”), or that the Indenture is not exempt from the qualification or other requirements of the Trust Indenture Act of 1939, as amended and as then in effect (the “Trust Indenture Act”), or (c) a stop order, ruling or regulation by the SEC has been issued or made, the effect of which is that the issuance, offering or sale of the Bonds as contemplated hereby or by the Official Statement is or would be in violation of any provision of the 1933 Securities Act, or of the 1934 Exchange Act, or of the Trust Indenture Act, or (d) there exists any event which in the reasonable judgment of the Underwriters either (i) makes untrue or incorrect any statement or information of a material fact contained in the Official Statement or (ii) is not reflected in the Official Statement but should be reflected therein in order to make the statements and information contained therein, in light of the circumstances under which they were made, not misleading, and, in either such event the Authority refuses to permit the Official Statement to be supplemented to correct or supply such statement or information, or the statement or information as supplemented is such as in the reasonable judgment of the

Underwriters would materially adversely affect the market for the Bonds or the sale, at the contemplated offering price, by the Underwriters of the Bonds, or (e) there has occurred any new outbreak of hostilities (including, without limitation, an act of terrorism) or escalation of hostilities existing prior to the date hereof or any other extraordinary event, material national or international calamity or crisis, including a financial crisis, not existing on the date hereof, or (f) any new restriction on transactions in securities materially affecting the market for securities (including the imposition of any limitation on interest rates or the establishment of minimum or maximum prices) or any material increase of restrictions now in force (including the extension of credit by, or a charge to the net capital requirements of, Underwriters) shall have been established by the New York Stock Exchange, the SEC, any other federal agency, the Congress of the United States, or by Executive Order, or (g) there is in force a general suspension of trading in securities on the New York Stock Exchange or any other national securities exchange or (h) a general banking moratorium has been declared by Federal, District or New York authorities, or (i) there has occurred since the date hereof any material adverse change in the affairs of the Authority from that reflected in the financial information and data of the Authority included in or as an appendix to the Official Statement, other than as previously disclosed to the Underwriters, or (j) a material disruption in securities settlement, payment or clearance services shall have occurred, or (k) there shall have occurred any downgrading or published negative credit watch or similar published information from a rating agency that on the date hereof has published a rating (or has been asked to furnish a rating on the Bonds) on any of the Authority's debt obligations, which action reflects a change or possible change in the ratings accorded any such obligations of the Authority (including any rating to be accorded to the Bonds) or (l) there shall have occurred any downgrading or published negative credit watch or similar published information from a rating agency that at the date of this Agreement has published a rating (or has been asked to furnish a rating on the Bonds) on any of the Authority's debt obligations, which action reflects a change or possible change, in the ratings accorded any such obligations of the Authority (including any rating to be accorded the Bonds).

9. **Rights to Cancellation by the Authority.** The Authority will have the right to cancel its obligation to issue, sell and deliver the Bonds if between the date hereof and the Closing Date, the market price or marketability of the Bonds shall be materially adversely affected, in the reasonable judgment of the Authority, by the occurrence of any of the following: (a) legislation has been enacted by or introduced in Congress or a decision by a federal court of the United States or the United States Tax Court has been rendered, or a ruling, regulation or official statement by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency has been made or proposed to be made with respect to federal taxation on revenues or other income to be derived from the operation of the Authority, or other actions or events have occurred which have the purpose or effect, directly or indirectly, of materially adversely affecting the federal income tax consequences of any of the transactions contemplated in connection herewith, or (b) legislation has been enacted, or actively considered for enactment with an effective date being prior to the date of the issuance of the Bonds, or a decision by a court of the United States has been rendered, or a ruling or regulation by the SEC or another governmental agency having jurisdiction of the subject matter has been made, the effect of which is that the Bonds are not exempt from the registration or other requirements of the 1933 Securities Act, or that the Indenture is not exempt from the qualification or other requirements of the Trust Indenture Act, or (c) a stop order, ruling or regulation by the SEC has been issued or made, the effect of which is that the issuance, offering

or sale of the Bonds as contemplated hereby or by the Official Statement is or would be in violation of any provision of the 1933 Securities Act, or of the 1934 Exchange Act, or of the Trust Indenture Act, or (d) there has occurred any new outbreak of hostilities (including, without limitation, an act of terrorism) or escalation of hostilities existing prior to the date hereof or any other extraordinary event, material national or international calamity or crisis, including a financial crisis, not existing on the date hereof, or (e) any new restriction on transactions in securities materially affecting the market for securities (including the imposition of any limitation on interest rates or the establishment of minimum or maximum prices) or any material increase of restrictions now in force (including the extension of credit by, or a charge to the net capital requirements of, Underwriters) shall have been established by the New York Stock Exchange, the SEC, any other federal agency, the Congress of the United States, or by Executive Order, or (f) there is in force a general suspension of trading in securities on the New York Stock Exchange or any other national securities exchange or (g) a general banking moratorium has been declared by Federal, District or New York authorities, or (h) a material disruption in securities settlement, payment or clearance services shall have occurred.

10. **Conditions to Obligations of Underwriters at Closing.** The Underwriters have entered into this Agreement in reliance on the representations, warranties, covenants and agreements of the Authority contained herein, and in reliance on the representations, warranties, covenants and agreements to be contained in the documents and instruments to be delivered at the Closing and on the performance by the Authority of its obligations hereunder, as of the Closing Date. Accordingly, the Underwriters' obligations under this Agreement to purchase, to accept delivery of and to pay for the Bonds, are conditioned on the performance by the Authority of its obligations to be performed hereunder and the delivery of such documents and instruments enumerated herein in form and substance reasonably satisfactory to the Underwriters and Orrick, Herrington & Sutcliffe LLP, and McKenzie & Associates, co-counsel to the Underwriters, at or before the Closing, and are also subject to the following additional conditions:

a. The representations, warranties, covenants and agreements of the Authority contained herein are true, complete and correct on the date hereof and on and as of the Closing Date, as if made on the Closing Date;

b. The provisions of the Act and the Federal Act, as in effect on the date of this Agreement, shall be in full force and effect and shall not have been amended, except as to amendments which, in the reasonable opinion of the Underwriters, are not adverse to the interest of the Underwriters or the Bondholders;

c. At the time of the Closing, the Resolution is in full force and effect in accordance with its terms and has not been amended, modified or supplemented, and the Official Statement has not been supplemented or amended, except in any such case as may have been agreed to by the Underwriters;

d. At the time of the Closing, all official action of the Authority relating to the Bonds, the Bond Documents and the System Documents are in full force and effect in accordance with their respective terms and have not been amended, modified or supplemented, except in each case as may have been agreed to by the Underwriters;

e. At the time of the Closing the Authority will perform or will have performed all of its obligations required under or specified in this Agreement, the Resolution and the Indenture, or contemplated by the Resolution, the Indenture or the Official Statement, to be performed prior to the Closing; and

f. At or before the Closing, the Underwriters will have received true and correct copies of each of the following documents:

- i. A certified copy of the Resolution;
- ii. The Official Statement and each supplement or amendment, if any, thereto, executed by the Authority;
- iii. Counterparts of each of the fully executed Bond Documents and the System Agreements;
- iv. The approving opinion of Co-Bond Counsel in substantially the form attached to Preliminary Official Statement and the Official Statement as Appendix F and a supplemental opinion, dated the Closing Date, in form and substance satisfactory to the Underwriters, and reliance letters with respect to such opinions addressed to Computershare Trust Company, N.A., as Trustee;
- v. An opinion, dated the Closing Date, of the Executive Vice President Legal Affairs of the Authority, substantially in the form of Exhibit B hereto;
- vi. An opinion, dated the Closing Date, of Orrick, Herrington & Sutcliffe LLP and McKenzie & Associates, co-counsel to the Underwriter, substantially in the form of Exhibit C hereto;
- vii. An opinion, dated the Closing Date, of Squire Patton Boggs (US) LLP and Bellamy Penn LLP, in their capacity as co-disclosure counsel to the Authority, in form and substance satisfactory to the Underwriter and its co-counsel;
- viii. An opinion, dated the Closing Date, of counsel to the Trustee, in a form approved by the Underwriter and its co-counsel;
- ix. A manually signed Financial Feasibility Opinion Letter dated March , 2022, of Amawalk Consulting Group LLC (the “Financial Feasibility Consultant”), regarding the financial feasibility of the issuance of the Bonds in substantially the form attached to the Preliminary Official Statement and the final Official Statement as Appendix A and a certificate of the Financial Feasibility Consultant with respect to the issuance and sale of the Bonds, permitting the use of such letter and references to said firm in the Preliminary Official Statement and the Official Statement in form and substance satisfactory to the Underwriters;
- x. One or more certificates of the Authority, dated the Closing Date, (A) to the effect that the representations, warranties, covenants and agreements of the Authority herein are true and correct on and as of the Closing Date as if made on the

Closing Date, and that the Authority has performed all obligations to be performed hereunder as of the Closing Date; (B) to the effect that the Bond Documents, the Bonds and the System Agreements have not been modified, amended or repealed after the date hereof without the written consent of the Underwriters; (C) to the effect that no material change has occurred with respect to the System from the period from the date of this Agreement through the Closing Date;

xi. Evidence of the completion of Internal Revenue Service Form 8038-G with respect to the issuance of the Bonds;

xii. Evidence that Moody's Investors Service, Inc. ("Moody's"), S&P Global Ratings Services ("S&P") and Fitch Ratings have issued ratings on the Bonds of "___", "___" and "___" respectively;

xiii. Such additional legal opinions, certificates, instruments and other documents as the Underwriters may reasonably request to evidence the truth and accuracy, as of the Closing Date, of the Authority's representations, warranties, covenants and agreements contained herein and of the statements and information contained in the Official Statement and the due performance or satisfaction by the Authority on or prior to the Closing Date of all the agreements then to be performed and conditions then to be satisfied by it.

All the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Agreement will be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Underwriters.

11. **Obligations Upon Cancellation.** If the Authority is unable to satisfy the conditions to the obligations of the Underwriters to purchase, to accept the delivery of and to pay for the Bonds contained in this Agreement, or if the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds is terminated for any reason permitted by this Agreement, this Agreement will terminate and neither the Underwriters nor the Authority will be under any further obligation hereunder, except that the Authority and the Underwriters shall pay their respective expenses as set forth in Section 14.

12. **Certain Information Provided by Underwriters.** The Underwriters confirm and the Authority acknowledges that the statements with respect to the public offering of the Bonds by the Underwriters set forth on the cover page of the Official Statement, the legend concerning over-allotments in the Official Statement and the text under the caption "UNDERWRITING" in the Official Statement constitute the only information concerning the Underwriters furnished in writing to the Authority by or on behalf of the Underwriters for inclusion in the Official Statement.

13. **Establishment of Issue Price.**

a. The Underwriters agree to assist the Authority in establishing the issue price of the Bonds and shall execute and deliver to the Authority at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as **Exhibit D**, with such modifications as may be appropriate or necessary,

in the reasonable judgment of the Underwriters, the Authority and Co-Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. All actions to be taken by the Authority under this Section to establish the issue price of the Bonds may be taken on behalf of the Authority by PFM Financial Advisors LLC and Sustainable Capital Advisors (collectively, the “Municipal Advisor”) and any notice or report to be provided to the Authority may be provided to the Municipal Advisor.

b. The Authority will treat the first price at which at least 10% of each maturity of the Bonds (the “10% test”) is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Bond Purchase Agreement, the Underwriters shall report to the Authority the price or prices at which the Underwriters have sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Underwriters agree to promptly report to the Authority the prices at which Bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold to the public, provided that, the Underwriters’ reporting obligation after the Closing Date may be reasonable periodic intervals or otherwise upon request of the Authority.

c. The Authority acknowledges that, in making the representation set forth in this subsection, the Underwriters will rely on (i) the agreement of the Underwriters to comply with the hold-the-offering price rule, if applicable, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, if applicable, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriters is a party to a retail distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the retail distribution agreement and the related pricing wires. The Authority further acknowledges that the Underwriters shall solely be liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and no Underwriters shall be liable for the failure of any other Underwriters, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

d. The Underwriters confirm that:

(i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the Underwriter is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the Underwriters that either the 10% test has been satisfied as to the Bonds of that maturity or all of the Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price

rule, if applicable, in each case if and for so long as directed by the Underwriters and as set forth in the related pricing wires, and

(ii) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with any related pricing wires, contains or will contain language obligating each Underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the Underwriters that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriters and as set forth in the related pricing wires.

e. The Underwriters acknowledge that sales of any Bonds to any person that is a related party to an Underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

i. “public” means any person other than an underwriter or a related party,

ii. “underwriter” means (A) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),

iii. a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

iv. “sale date” means the date of execution of this Bond Purchase Agreement by all parties.

14. **No Advisory or Fiduciary Role.** The Authority acknowledges and agrees that: (i) the transactions contemplated by this Agreement are arm’s-length, commercial transactions between the Authority and the Underwriters in which the each Underwriter is acting solely as a principal, and are not acting as an agent, a municipal advisor, financial advisor or fiduciary to the Authority; (ii) the Underwriters have not assumed any advisory or fiduciary responsibility to the Authority with respect to the transactions contemplated hereby and the

discussions, conferences, negotiations, undertakings and procedures leading thereto (irrespective of whether the Underwriters or its affiliates have provided other services or are currently providing other services to the Authority on other matters); (iii) the only obligations the Underwriters have to the Authority with respect to the transaction contemplated hereby expressly are set forth in this Agreement; (iv) the Authority has consulted its own financial and/or municipal, legal, accounting, tax, and other advisors, as applicable, to the extent it has deemed appropriate; and (v) this Agreement expresses the entire relationship between the parties hereto.

15. **Expenses.** The Authority will pay all costs of issuance of the Bonds including, but not limited to (a) the cost of preparation and posting of the Preliminary Official Statement and the cost of preparation, posting, printing and delivery of the Official Statement, including the number of copies the Underwriters and the Authority deem reasonable; (b) any cost of preparation of the Bonds; (c) the fees and disbursements of Co-Bond Counsel; (d) the fees and disbursements of any accountants, consultants, financial advisors or additional legal counsel retained in connection with the issuance of the Bonds, including the Independent Engineer and the Financial Feasibility Consultant; (e) fees for Bond ratings and CUSIP numbers; (f) the expenses of travel, lodging and meals for Authority representatives in connection with the negotiation, marketing, issuance and delivery of the Bonds; (g) all advertising expenses in connection with the public offering of the Bonds, including investor meetings; (h) the costs of filing fees required by any of the Blue Sky laws; and (i) all reasonable and necessary out-of-pocket associated with the issuance of the Bonds. The Authority shall reimburse the Underwriters for the fees and expenses of Underwriters' counsel, any expense advanced or incurred by the Underwriter for which the Authority is responsible hereunder including (f) above and other reasonable expenses incurred in connection with the performance of Underwriter's obligations hereunder (reimbursement may be included in the expense component of the Underwriters' discount, which the Underwriter acknowledges includes their expenses as set forth in Section 1).

16. **Notices.** Any notice or other communication to be given to the Authority under this Agreement may be given by delivering the same in writing to the address shown on the first page of this Agreement to the attention of the Chief Financial Officer and Executive Vice President Finance and Procurement, and any notice or other communication to be given to the Underwriters under this Agreement may be given by delivering the same in writing to RBC Capital Markets, LLC, 200 Vesey Street 9th floor, New York, NY ____, Attention: .

17. **Parties in Interest; Survival of Representations and Warranties.** This Agreement, when accepted in accordance with the provisions hereof, shall constitute the entire agreement between the Authority and the Underwriters and is made solely for the benefit of the Authority and the Underwriters (including the successors or assigns of the Authority or the Underwriters) and no other person will acquire or have any right hereunder or by virtue hereof. All of the Authority's and Underwriters' representations, warranties, covenants and agreements contained in this Agreement will remain operative and full force and effect regardless of (a) any investigations made by or on behalf of the Underwriters; or (b) delivery of and payment for the Bonds pursuant to this Agreement.

18. **Effective Date.** This Agreement will become effective upon its acceptance by the Authority, as evidenced by the execution hereof by the appropriate official of the Authority, and will be valid and enforceable at the time of such acceptance.

19. **Execution in Counterparts.** This Agreement may be executed in counterparts each of which shall be regarded as an original and all of which shall constitute one and the same document.

20. **Finder.** The Authority represents and warrants that no finder or other agent of a finder has been employed or consulted by it in connection with this transaction.

21. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the District of Columbia.

By: RBC CAPITAL MARKETS, LLC
CITIGROUP GLOBAL MARKETS,
as the Underwriters

RBC CAPITAL MARKETS, LLC

By: _____
Authorized Representative

[SIGNATURE PAGE TO SERIES 2022E BOND PURCHASE AGREEMENT]

Accepted: _____, 2022

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

By _____

Name: Matthew Brown

Title: Chief Financial Officer and Executive Vice
President Finance and Procurement

[SIGNATURE PAGE TO SERIES 2022E BOND PURCHASE AGREEMENT]

EXHIBIT A

\$00,000,000
 DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
 Public Utility Subordinate Lien Multimodal Revenue Bonds
 Series 2022E

Initial Interest Period Commencement	Initial Interest Period Expiration	Mandatory Tender Date	Initial Interest Rate (%)	Initial Yield (%)	Penalty Rate (%)
	, 20__	____ 1, 20__	__%	__%	__%

\$00,000,000 __% Term Bonds, due October 1, 20 __, Yield __%*

*Priced to the _____ call date.

TERMS OF REDEMPTION

OPTIONAL REDEMPTION

The Series 2022E Bonds are subject to optional redemption, at the price of par, plus accrued but unpaid interest on or after July 1, 20___. In addition, the Series 2022E Bonds are subject to optional redemption, at the price of par, plus accrued but unpaid interest, on any date on which the Series2022E Bonds bear interest at the Penalty Rate.

MANDATORY SINKING FUND REDEMPTION

The \$00,000,000 Series 2022E Bonds maturing on October 1, 20__ shall be subject to mandatory sinking fund redemption, on October 1 of that respective year, as follows:

<u>Year</u>	<u>Principal Amount</u>
20__	\$
20__	\$
20__	\$
20__	\$
20__*	\$

*Final maturity.

EXHIBIT B

FORM OF AUTHORITY'S EXECUTIVE VICE PRESIDENT, LEGAL AFFAIRS OPINION

March , 2022

District of Columbia Water and Sewer Authority
1385 Canal Street S.E.
Washington, DC 20003

\$00,000,000

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
Public Utility Subordinate Lien Multimodal Revenue Bonds, Series 2022E

Ladies and Gentlemen:

I am the Executive Vice President, Legal Affairs to the District of Columbia Water and Sewer Authority (the "Authority") and in connection with the issuance by the Authority of its and its Public Utility Subordinate Lien Multimodal Revenue Bonds, Series 2022E, in the original principal amount of \$00,000,000 (the "Bonds"). I have reviewed an executed copy of the Bond Purchase Agreement, dated _____, 2022, between the Authority and RBC Capital Markets, LLC, as the Underwriter, with respect to the Bonds (the "Bond Purchase Agreement") and the Preliminary Official Statement, dated _____, 2022 (the "Preliminary Official Statement") and the Official Statement, dated _____, 2022, being distributed in connection with the issuance of the Bonds (collectively, the "Official Statement"). Capitalized terms used and not defined herein shall have the respective meanings given to such terms in the Bond Purchase Agreement.

I have also examined an act of the Council of the District of Columbia entitled the "Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996," codified, as amended, at District of Columbia Official Code Ann. Sections 34-2201.01 *et seq.*, and the acts amendatory thereof and supplemental thereto (the "Act"), and an act of the United States Congress entitled the "District of Columbia Water and Sewer Authority Act of 1996" (Public Law 104-184), as amended (the "Federal Act"), certified copies of proceedings of the Authority authorizing the issuance of the Bonds, including the Resolution and such other proceedings as I have considered necessary or advisable to render the following opinions.

In rendering the following opinions, I have relied on representations of the Authority as to matters of fact without independent investigation or verification and, as to matters of law, the representations of Co-Bond Counsel without independent research or verification and have assumed the genuineness of all signatures, the authenticity of all documents tendered to me as originals and the conformity to original documents of all documents submitted to me as certified or photostatic copies.

Based upon review of the materials described above and subject to the recitals and qualifications herein contained, to the best of my knowledge, information and belief, it is my opinion that:

1. The Authority is a body corporate duly created, organized and validly existing as an independent authority of the District under the Act and under the Federal Act (the Act and the Federal Act being sometimes hereinafter referred to as, the "Acts"). The Authority has the full legal right, power and authority to (i) adopt the Resolution, (ii) issue the Bonds, (iii) execute, deliver and perform its obligations under the Bond Documents, and (iv) perform its obligations under the System Agreements.

2. The Federal Act was duly enacted by Congress and the Act was duly enacted by the Council of the District of Columbia. The Acts remain in full force and effect. The Act transferred all assets and liabilities of the Water and Sewer Utility Administration ("WASUA") as indicated on the balance sheet prepared by WASUA, effective April 17, 1996, on an interim basis for the exclusive use and possession of the Authority for so long as any revenue bonds of the Authority, including the Bonds, remain outstanding.

3. The Resolution was adopted by the Authority and has not been amended since the date of the adoption thereof and remains in full force and effect as of the date hereof.

4. (i) The adoption of the Resolution, the issuance of the Bonds, the execution and delivery of the Bond Documents and the performance of the Authority's obligations thereunder, and (ii) the performance of the Authority's obligations under the System Agreements, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the Authority, a breach of or default under any agreement or other instrument to which the Authority is a party, or any existing law, administrative regulation, court order, settlement order or consent decree to which the Authority is subject.

5. Except as otherwise described in the Preliminary Official Statement and the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to the best of my knowledge, threatened against the Authority (i) seeking to prohibit, restrain or enjoin the issuance, sale or delivery of the Bonds, the use of the Official Statement or the collection of the revenues pledged to the payment of the principal of and interest on the Bonds, (ii) in any way contesting or affecting any authority for the issuance of the Bonds or the validity, enforceability, due authorization, execution or delivery of the Bonds, including the Bond Purchase Agreement or the other Bond Documents, or the validity or enforceability of the System Agreements, (iii) questioning the tax-exempt status of the Bonds under the laws of the District or the United States, (iv) in any way contesting the corporate existence or powers of the Authority or the titles of the officers of the Authority to their respective offices, (v) which may result in any material adverse change in the business or the financial condition or the financial prospects of the Authority or (vi) asserting that the Preliminary Official Statement or the Official Statement contains any untrue statement of a material fact or omits any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

6. The statements and information contained in the Preliminary Official Statement and the Official Statement under the caption entitled "LITIGATION," are true, correct and complete in all material respects, and the information under such caption does not contain any untrue statement of a material fact and does not omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading in any material respect.

7. Pursuant to the Acts, the Authority has the full legal right, power and authority to operate the System and to collect and pledge the Revenues therefrom in accordance with the Indenture.

8. The Authority has approved the form of the Preliminary Official Statement and the Official Statement, the execution of the Official Statement and the delivery of the Official Statement to the purchasers of the Bonds.

9. The Authority has obtained the consents, approvals, authorizations or other orders required for the consummation of the transactions contemplated by the Bond Purchase Agreement, including the issuance of the Bonds.

This opinion and all documents which relate to this opinion are to be construed in accordance with the laws of the District and the United States of America. This opinion is rendered solely for the use of the Authority and may not be relied on by any other person.

Very truly yours,

Executive Vice President Legal Affairs

EXHIBIT C

FORM OF OPINION OF UNDERWRITERS' COUNSEL

March , 2022

\$00,000,000

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
Public Utility Subordinate Lien Multimodal Revenue Bonds, Series 2022E

RBC Capital Markets, LLC, as Underwriter
200 Vesey Street 9th floor
New York, NY

Ladies and Gentlemen:

We have acted as counsel for you as the underwriter (the "Underwriter") in connection with your purchase from the District of Columbia Water and Sewer Authority (the "Authority") of its Public Utility Subordinate Lien Multimodal Revenue Bonds, Series 2022E, in the original principal amount of \$00,000,000 (the "Bonds"), pursuant to the Bond Purchase Agreement, dated _____, 2022 (the "Purchase Agreement"), between you and the Authority. The Bonds are to be issued pursuant to the Master Indenture of Trust, dated as of April 1, 1998 (the "Master Indenture"), as amended and supplemented to the date of delivery of the Bonds (the "Indenture"), including by the Thirty-First Supplemental Indenture of Trust, to be dated the date of issuance and delivery of the Bonds (the "Thirty-First Supplemental Indenture"), each by and between the Authority and Computershare Trust Company, N.A., as trustee (the "Trustee"). The proceeds of the Bonds will be used to pay (i) a portion of the costs of the Authority's DC Clean Rivers Project, (ii) a portion of the costs of certain other capital improvements to the System and (iii) pay costs of issuing the Bonds. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Purchase Agreement.

In that connection, we have reviewed the Indenture, the Preliminary Official Statement of the Authority dated _____, 2022 (the "Preliminary Official Statement") and the Official Statement of the Authority, dated _____, 2022, with respect to the Bonds (the "Official Statement"), the Continuing Disclosure Agreement, dated March , 2022 (the "Continuing Disclosure Agreement"), the Purchase Agreement, certificates of the Authority, the Trustee and others, the opinions referred to in paragraph 10(f)(vi) of the Purchase Agreement, and such records and documents, and we have made such investigations of law, as we have deemed appropriate as a basis for the opinions and conclusions hereinafter expressed. We do not assume any responsibility for any electronic version of the Official Statement and assume that any such version is identical in all material respects to the printed version.

In arriving at the opinions and conclusions hereinafter expressed, we are not expressing any opinion or view on, and with your permission are assuming and relying on, the validity, accuracy and sufficiency of the records, documents, certificates and opinions referred to above, including the accuracy of all factual matters represented and legal conclusions contained therein,

including (without limitation) any representations and legal conclusions regarding the due authorization, issuance, delivery, validity and enforceability of the Bonds, and any laws, documents and instruments that may be related to the issuance, payment or security of the Bonds. We have assumed that all records, documents, certificates and opinions that we have reviewed, and the signatures thereto, are genuine.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions or conclusions:

1. The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

2. We are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Preliminary Official Statement and the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements. In our capacity as your counsel, to assist you with your responsibility with respect to the Preliminary Official Statement and the Official Statement, we participated in conferences with your representatives and representatives of the Authority, Squire Patton Boggs (US) LLP and Bellamy Penn LLP, as co-bond counsel and as co-disclosure counsel, financial advisors, feasibility consultants and others, during which the contents of the Official Statement and related matters were discussed. Based on our participation in the above-mentioned conferences (which did not extend beyond the date of the Official Statement), and in reliance thereon, on oral and written statements and representations of the Authority and others and on the records, documents, certificates, opinions and matters herein mentioned (as set forth above), we advise you as a matter of fact and not opinion that, during the course of our representation of you on this matter, no facts came to the attention of the attorneys in our firm rendering legal services to you in connection with the Preliminary Official Statement and the Official Statement which caused us to believe that the Preliminary Official Statement and the Official Statement as of their dates and as of the date hereof (except for any CUSIP numbers, financial, accounting, statistical or economic, engineering or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any information about litigation to which the Authority is a party, any management discussion and analysis, Appendices to the Preliminary Official Statement and the Official Statement, or any information about book-entry, DTC, ratings, rating agencies, and tax exemption of the Bonds, which we expressly exclude from the scope of this paragraph and as to which we express no opinion or view) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. No responsibility is undertaken or view expressed with respect to any other disclosure document, materials or activity, or as to any information from another document or source referred to by or incorporated by reference in the Preliminary Official Statement and the Official Statement.

3. In our opinion, the Continuing Disclosure Agreement with respect to the Bonds for the benefit of the holders thereof, satisfies in all material respects the requirements for such an agreement in paragraph (b) (5) of the Rule 15c2-12; provided that, for purposes of this opinion,

we are not expressing any view regarding the content of the Official Statement that is not expressly stated in numbered paragraph 2 of this letter.

We are furnishing this letter to you pursuant to paragraph 10(f)(vi) of the Purchase Agreement solely for your benefit as the Underwriter. We disclaim any obligation to update this letter. This letter is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to, and may not, be relied upon by owners of Bonds or by any other party to whom it is not specifically addressed.

Very truly yours,

EXHIBIT D

FORM OF UNDERWRITERS' CERTIFICATE

\$00,000,000

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
Public Utility Subordinate Lien Multimodal Revenue Bonds, Series 2022E

UNDERWRITERS' CERTIFICATE

March __, 2022

RBC Capital Markets, LLC ("RBC"), for itself and as representative of the other underwriters for the bonds identified above (the "Issue"), issued by the District of Columbia Water and Sewer Authority (the "Issuer"), based on its knowledge regarding the sale of the Issue, certifies as of this date as follows:

1. Issue Price.

[If the issue price is determined using only the general rule (actual sales of at least 10%) in Regulations § 1.148-1(f)(2)(i) and at least 10% of each maturity has been sold as of the Closing Date:

1.1 As of the date of this certificate, for each Maturity of the Issue, the first price at which at least 10% of such Maturity of the Issue was sold to the Public is the respective price listed in the final Official Statement, dated _____, 2022 for the Issue (the "Sale Price" as applicable to respective Maturities). The aggregate of the Sale Prices of each Maturity is \$ _____ (the "Issue Price").]

[If the issue price is determined using only the general rule (actual sales of at least 10%) in Regulations § 1.148-1(f)(2)(i) and at least 10% of each maturity has not been sold as of the Closing Date:

1.1 As of the date of this Certificate, for each [Maturity] [of the _____ Maturities] of the Issue, the first price at which at least 10% of [each] such Maturity of the Issue was sold to the Public (the "10% Test") are the respective prices listed in **Schedule A** attached hereto.

1.2 With respect to each of the _____ Maturities of the Issue:

(i) As of the date of this Certificate, the Underwriter has not sold at least 10% of these Maturities of the Issue at any single price.

(ii) As of the date of this Certificate, the RBC reasonably expects that the price at which at least 10% of each of these Maturities of the Issue will be sold to the Public will be the respective price or prices listed on the attached **Schedule A** as the “Reasonably Expected Sale Prices for Undersold Maturities.”

(iii) RBC will provide actual sales information (substantially similar to the information contained on **Schedule B**) as to the price at which at least 10% of each such Maturity (i.e., the Undersold Maturity or Maturities) of the Issue is sold to the Public.

(iv) On the date the 10% Test is satisfied with respect to all Maturities of the Issue, RBC will execute a supplemental certificate substantially in the form attached hereto as **Schedule C** with respect to any Maturities for which the 10% Test has not been satisfied as of the Closing Date.**]

[If the issue price is determined using a combination of actual sales (Regulations § 1.148-1(f)(2)(i)) and hold-the-offering-price (Regulations § 1.148-1(f)(2)(ii)):

1.1 As of the date of this certificate, for each Maturity of the Issue listed on Schedule A as the “General Rule Maturities,” the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A (the “Sale Price” as applicable to each Maturity of the General Rule Maturities).

1.2 The Underwriter offered the Maturities listed on Schedule A as the “Hold-the-Offering-Price Maturities” to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices” as applicable to each Maturity of the Hold-the-Offering-Price Maturities) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Issue is attached to this certificate as Schedule B.

1.3 As set forth in the Bond Purchase Agreement dated _____, 2022, between the Authority and Underwriter, the Underwriter agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Issue of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement contains the agreement of each dealer who is a member of the selling group, and any retail distribution agreement contains the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. The Underwriter has not offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Issue during the Holding Period.

The aggregate of the Sale Prices of the General Rule Maturities and the Initial Offering Prices of the Hold-the-Offering-Price Maturities is \$[_____] (the “Issue Price”).]

[If the issue price is determined using only the hold-the-offering-price rule in Regulations § 1.148-1(f)(2)(ii):

1.1 As set forth in the Bond Purchase Agreement dated _____, 2022, between the Authority and the Underwriter, the Underwriter agreed in writing that, (i) for each Maturity of the Issue, it would neither offer nor sell any of such Maturity of the Issue to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement contains the agreement of each dealer who is a member of the selling group, and any retail distribution agreement contains the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. The Underwriter has not offered or sold any Maturity of the Issue at a price that is higher than the respective Initial Offering Price for that Maturity of the Issue during the Holding Period.]

[1.2, 1.3, 1.4, 1.2] Definitions. [NOTE: If issue price is determined using only the general rule (actual sales of 10%), delete the definitions of “Holding Period” and “Sale Date.”]

[“Holding Period” means, for each Hold-the-Offering-Price Maturity of the Issue, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (_____, 2022), or (ii) the date on which the Underwriter sold at least 10% of such Maturity of the Issue to the Public at prices that are no higher than the Initial Offering Price for such Maturity.]

“Maturity” means bonds of the Issue with the same credit and payment terms. Bonds of the Issue with different maturity dates, or bonds of the Issue with the same maturity date but different stated interest rates, are treated as separate Maturities.

“Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

[“Sale Date” means the first day on which there is a binding contract in writing for the sale of a Maturity of the Issue. The Sale Date of the Issue is _____, 2022.]

“Underwriter” means (i) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Issue to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Issue to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Issue to the Public).

All capitalized terms not defined in this Certificate have the meaning set forth in the Authority’s Tax Compliance Certificate or in Attachment A to it.

[2. Reserve Fund.

The funding of the Reserve Fund as provided in the Trust Agreement securing the Issue is reasonably required, was a vital factor in marketing the Issue, facilitated the marketing of the Issue at an interest rate comparable to that of bonds and other obligations of a similar type and is not in excess of the amount necessary for such purpose.]

[3. Yield.

3.1 The Yield on the Issue is _____%, being the discount rate that, when used in computing the present worth of all payments of principal and interest to be paid on the Issue, computed on the basis of a 360-day year and semi-annual compounding, produces an amount equal to the Issue Price of the Issue as stated in paragraph 1.1 [and computed with the adjustments stated in paragraphs 3.2 and 4.3].

3.2 Discount Bonds Subject to Mandatory Early Redemption. [No bond of the Issue that is subject to mandatory early redemption has a stated redemption price that exceeds the Initial Offering Price of such bond by more than one-fourth of 1% multiplied by the product of its stated redemption price at maturity and the number of years to its weighted average maturity date.] **[Or]** [The stated redemption price at maturity of the bonds of the Issue maturing in the year[s] 20__, which are the only bonds of the Issue that are subject to mandatory early redemption, exceeds the Initial Offering Price of such bonds by more than one-fourth of 1% multiplied by the product of the stated redemption price at maturity and the number of years to the weighted average maturity date of such bonds. Accordingly, in computing the Yield on the Issue stated in paragraph 3.1, those bonds were treated as redeemed on each mandatory early redemption date at their present value rather than at their stated principal amount.]

3.3 Premium Bonds Subject to Optional Redemption. No bond of the Issue:

- Is subject to optional redemption within five years of the Issuance Date of the Issue.
- That is subject to optional redemption has an Initial Offering Price that exceeds its stated redemption price at maturity by more than one-fourth of 1% multiplied by the product of its stated redemption price at maturity and the number of complete years to its first optional redemption date.]]

[4. Weighted Average Maturity.

The weighted average maturity (defined below) of the Issue is _____ years **[For refunding issues:** and the remaining weighted average maturity of the Refunded Bonds is _____ years. The weighted average maturity of an issue is equal to the sum of the products of the Initial Offering Price of each maturity of the issue and the number of years to the maturity date of the respective maturity (taking into account mandatory but not optional redemptions), divided by the Initial Offering Price of the entire Issue.]

5. Underwriter's Discount. The Underwriter's discount is \$_____, being the amount by which the aggregate Issue Price (as set forth in paragraph 1.1) exceeds the price paid by RBC to the Authority for the Issue.

The signer is an officer of RBC and duly authorized to execute and deliver this Certificate of the Underwriter for itself. RBC understands that the certifications contained in this Certificate will be relied on by the Issuer in making certain of its representations in its Tax Compliance Certificate and in completing and filing the Information Return for the Issue, and by Squire Patton Boggs (US) LLP and Bellamy Penn, LLP, as co-bond counsel ("Bond Counsel"), in rendering certain of their legal opinions in connection with the issuance of the Issue.

RBC has performed these calculations with the express understanding and agreement of Bond Counsel and the Issuer that, notwithstanding the performance of these calculations and the delivery of this certificate: (i) in doing so we are not acting as Municipal Advisor (as defined in Section 15 of the Securities Exchange Act), (ii) we do not have a fiduciary duty to the Issuer, and (iii) we are not to be construed as a "paid preparer" of any tax returns of the Issuer, including specifically (but not limited to) Form 8038-G.

Notwithstanding the foregoing, RBC reminds you that we are not accountants or actuaries, nor are we engaged in the practice of law. Accordingly, while we believe the calculations described above to be correct, we do not warrant them to be so, nor do we warrant their validity for purposes of Sections 103 and 141 through 150 of the Code.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents RBC's interpretation of any laws, including specifically Sections 103 and 148 of the Code and the Treasury Regulations thereunder.

Dated: _____, 2022

By: RBC CAPITAL MARKETS, LLC,
as the Underwriter

[NOTE: If the general rule is used for each Maturity (i.e., actual sales of at least 10% of each Maturity) and at least 10% of each Maturity has been sold as of the Closing, there is no schedule to attach if the initial offering prices set forth in the Official Statement for the Issue are the first

prices at which at least 10% of each Maturity is sold. Otherwise, attach a schedule that shows the first price at which at least 10% of each Maturity was sold.]

[OR]

[If the issue price is determined using a combination of the general rule (actual sales) and hold-the-offering-price rule:

SCHEDULE A
SALE PRICES OF THE GENERAL RULE MATURITIES AND
INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES
(Attached)

[NOTE: With respect to each Maturity of the Issue, Schedule A should include each Maturity's (i) maturity date, (ii) principal amount, (iii) coupon, (iv) yield, and (v) the sale prices/initial offering prices (as applicable).]

SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION
(Attached)

[OR]

[If the issue price is determined using only the hold-the-offering-price rule in Regulations § 1.148-1(f)(2)(ii):

SCHEDULE A
INITIAL OFFERING PRICES OF THE ISSUE
(Attached)

SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION
(Attached)

[OR]

If the issue price is determined using only the general rule (actual sales of at least 10%) in Regulations § 1.148-1(f)(2)(i) and at least 10% of each maturity has not been sold as of the Closing Date:

SCHEDULE A
TO
ISSUE PRICE CERTIFICATE

Actual Sales Information as of Closing Date

<u>Maturity/CUSIP</u>	<u>Coupon</u>	<u>Date Sold</u>	<u>Time Sold</u>	<u>Par Amount</u>	<u>Sale Price</u>
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]**Reasonably Expected Sales Prices for Undersold Maturities as of Closing Date

<u>Maturity/CUSIP</u>	<u>Coupon</u>	<u>Par Amount</u>	<u>Offering Prices</u>
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**]

[**SCHEDULE B
TO
ISSUE PRICE CERTIFICATE

Actual Sales for Undersold Maturities as of the Closing Date

<u>Maturity/CUSIP</u>	<u>Date Sold</u>	<u>Time Sold</u>	<u>Par Amount</u>	<u>Sale Price</u>
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**]

DEALER MANAGER AGREEMENT

Dated as of [_____], 2022

Goldman Sachs & Co. LLC,
as Dealer Manager
200 West Street
New York, New York 10282

Ladies and Gentlemen:

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY (the “Authority”) is an independent authority of the District of Columbia. On or after [_____], 2022, the Authority plans to commence a tender or exchange offer (the “Tender or Exchange Offer”) for some or all of its outstanding: (i) Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2014C, (ii) Public Utility Subordinate Lien Revenue Bonds, Series 2015A, and (iii) Public Utility Subordinate Lien Revenue Bonds, Series 2015B (collectively, the “Target Bonds”). The date upon which such Tender or Exchange Offer is commenced by the Authority is herein referred to as the “Launch Date.” The Tender or Exchange Offer shall be made upon the terms and subject to the conditions set forth in the Offer Material (as defined below) which the Authority has caused to be prepared and will furnish to the Dealer Manager on or prior to the Launch Date for use in connection with the Tender or Exchange Offer, including (a) an Invitation to Tender or Exchange Bonds dated the Launch Date (the “Invitation”) (to be attached hereto upon delivery by the Authority to the Dealer Manager as Attachment A), including the Preliminary Official Statement dated the Launch Date (the “Preliminary Official Statement”) relating to the Authority’s Public Utility Subordinate Lien Revenue Bonds, Series 2022B (Green Bonds) (the “Series 2022B Bonds”), its Public Utility Subordinate Lien Revenue and Revenue Refunding Bonds, Series 2022C (the “Series 2022C Bonds”), and its Public Utility Subordinate Lien Revenue Bonds, Series 2022D, (the “Series 2022D Bonds” and collectively with the Series 2022B Bonds and the Series 2022C Bonds, the “Series 2022 Bonds”) attached to the Invitation as Appendix A, (b) the letter to holders of Target Bonds from the Authority (to be attached hereto upon delivery by the Authority to the Dealer Manager as Attachment B), (c) the letter to brokers, dealers, commercial banks, trust companies and nominees and the form of letter from any of them to their clients (to be attached hereto upon delivery by the Authority to the Dealer Manager as Attachment C) and (d) a press release relating to the Tender or Exchange Offer (to be attached hereto upon delivery by the Authority to the Dealer Manager as Attachment D) (the materials described in the preceding clauses (a) through (d) collectively, the “Offer Material”). The final Official Statement for the Series 2022 Bonds and any other offering materials and information relating to the Tender or Exchange Offer that the Authority may prepare or approve subsequent to the Launch Date shall be called “Additional Material.”

Series 2022[C-2] Bonds shall be delivered in exchange for Target Bonds tendered for exchange pursuant to the Tender or Exchange Offer (such Series 2022[C-2] Bonds issued in exchange for Target Bonds, the “2022 Exchange Bonds”). The 2022 Exchange Bonds shall be as described in, and shall be issued and secured under the provisions of the laws of the United States

of America and the District of Columbia (the “District”), including particularly, an act of the Council of the District entitled the “Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996,” as amended, codified at District of Columbia Official Code Ann. Sections 34-2201.01 *et seq.*, and the acts amendatory thereof and supplemental thereto (the “Act”), and an act of the United States Congress entitled the “District of Columbia Water and Sewer Authority Act of 1996” (Public Law 104-184), as amended (the “Federal Act”), and all proceedings necessary to authorize and provide for the issuance of the Bonds, including Resolution No.22-__ adopted by the Board of Directors of the Authority, on January 6, 2022 (the “Resolution”), and the Master Indenture of Trust, dated as of April 1, 1998 (the “Master Indenture”), between the Authority and Computershare Corporate Trust, N.A., as trustee (the “Trustee”), as amended and supplemented, including by the [Thirtieth] Supplemental Indenture of Trust, dated as of the Closing Date (as defined below) (the “[Thirtieth] Supplemental Indenture,” and together with the Master Indenture as previously amended and supplemented, the “Indenture”), between the Authority and the Trustee. The date on which Target Bonds are exchanged for 2022 Exchange Bonds or are purchased for cash purchase to the Tender or Exchange Offer is referred to herein as the “Settlement Date.”

1. Appointment of Dealer Manager.

(a) The Authority hereby appoints Goldman Sachs & Co. LLC as exclusive dealer manager (the “Dealer Manager”) in connection with the Tender or Exchange Offer and authorizes the Dealer Manager to act on its behalf in accordance with this agreement (this “Agreement”) and the terms of the Offer Material and Additional Material. The Dealer Manager hereby accepts such appointment. The Authority has prepared and approved the Offer Material and authorizes the Dealer Manager to use the Offer Material and Additional Material in connection with the Tender or Exchange Offer. The Dealer Manager agrees to furnish no written material to holders of Target Bonds in connection with the Tender or Exchange Offer other than the Offer Material and Additional Material. The Authority has engaged _____ as information agent and tender/exchange agent (the “Information Agent” and “Tender/Exchange Agent”), and authorizes and directs the Dealer Manager to communicate regularly with The Depository Trust Company (“DTC”) and the Information Agent and Tender/Exchange Agent as to the principal amount of Target Bonds that have been tendered for purchase and/or tendered for exchange pursuant to the Tender or Exchange Offer and such other matters in connection with the Tender or Exchange Offer as the Dealer Manager may reasonably request.

(b) [Reserved.]

(c) It is understood that nothing in this Agreement nor the nature of the Dealer Manager’s services shall be deemed to create a fiduciary or agency relationship between the Dealer Manager and the Authority.

2. Mailing of Offer Material.

The Authority, with the assistance of the Information Agent, shall cause to be delivered to each registered holder of any Target Bonds, to each participant in DTC appearing in the most recent available DTC securities position listing as a holder of Target Bonds and to each Non-Objecting Beneficial Owner (“NOBO”) appearing in the most recent available NOBO list as

an owner of Target Bonds (each such registered holder, participant or owner, a “Registered or Beneficial Owner”), as soon as practicable, by hand, by overnight courier, or by electronic means or by another means of expedited delivery, copies of appropriate Offer Material and Additional Material. Thereafter, to the extent practicable until the expiration of the Tender or Exchange Offer, the Authority shall use its best efforts to cause copies of such material to be sent to each person who becomes a Registered or Beneficial Owner of Target Bonds.

3. Solicitation of Tenders for Purchase or Exchanges.

(a) The Dealer Manager agrees to use its customary reasonable efforts to solicit tenders of Target Bonds for purchase or exchange pursuant to the Tender or Exchange Offer. The Dealer Manager agrees to perform those services as are customarily performed by investment banking institutions in connection with a tender or exchange offer of municipal securities of like nature, including soliciting tenders of Target Bonds for purchase or exchange pursuant to the Tender or Exchange Offer and communicating generally regarding the Tender or Exchange Offer with brokers, dealers, commercial banks, trust companies and other entities and persons, including Bondowners, Registered Owners and Participants. None of the Dealer Manager or its affiliates, or any partners, directors, officers, agents, employees or controlling persons (if any) of the Dealer Manager or any of its affiliates, shall have any liability to the Authority or any other person for any act or omission on the part of any securities broker or dealer (other than the Dealer Manager), commercial bank or trust company that solicits tenders of Target Bonds for purchase or exchange; and neither the Dealer Manager nor any of such persons or entities referred to above shall have any liability to the Authority or any person asserting claims on behalf of or in right of the Authority in connection with or as a result of either its engagement or any matter referred to in this Agreement except to the extent that such liability results from the Dealer Manager’s own gross negligence, willful misconduct or bad faith in performing the services that are the subject of this Agreement. In soliciting tenders of Target Bonds for purchase or exchange, no securities broker or dealer (other than the Dealer Manager), commercial bank or trust company shall be deemed to act as the agent of the Dealer Manager or the agent of the Authority; and the Dealer Manager shall not be deemed the agent of any other securities broker or dealer or of any commercial bank or trust company. The Authority shall have sole authority for the acceptance or rejection of any and all tenders of Target Bonds for purchase or exchange.

(b) The Authority agrees to furnish to the Dealer Manager as many copies as the Dealer Manager may reasonably request of the Offer Material and Additional Material in final form for use by the Dealer Manager in connection with the Tender or Exchange Offer. The Authority shall not use, file, amend or supplement the Offer Material, or prepare or approve any Additional Material for use in connection with the Tender or Exchange Offer or refer to the Dealer Manager in the Offer Material or Additional Material, as applicable, without the Dealer Manager’s consent (which consent shall not be unreasonably withheld or delayed by the Dealer Manager) and without first submitting copies of such Offer Material and Additional Material, as applicable, to the Dealer Manager a reasonable time prior to using, filing, publishing, amending or supplementing such Offer Material and Additional Material, as applicable. The Authority will not use or publish any material in connection with the Tender or Exchange Offer, or refer to the Dealer Manager in any such material, without the Dealer Manager’s consent, which consent shall not be unreasonably withheld.

(c) The Authority agrees to advise the Dealer Manager promptly of (i) the occurrence of any event which could cause the Authority to withdraw, rescind, terminate or modify the Tender or Exchange Offer, (ii) any proposal or requirement to amend or supplement any Offer Material or Additional Material, as applicable, (iii) any litigation or administrative action or claim with respect to the Tender or Exchange Offer, (iv) the occurrence or discovery of any event or circumstance which would cause the Offer Material or Additional Material (except for information regarding DTC and its book-entry only system, information under the caption “UNDERWRITING” in the Preliminary Official Statement, and CUSIP numbers, prices and yields for the Series 2022 Bonds) to contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading for purposes of the Tender or Exchange Offer, or (v) any other information relating to the Tender or Exchange Offer which the Dealer Manager may from time to time reasonably request. In the event that the Dealer Manager shall receive notice from the Authority of the occurrence of one of the events described in clauses (i) through (iv) of the preceding sentence, the Dealer Manager may terminate this Agreement with respect to itself by delivering prompt written notice of such termination to the Authority. The Authority hereby acknowledges, subject to Section 4 hereof, the Dealer Manager’s right to terminate this Agreement in accordance with this Section without loss of any right of the Dealer Manager to the payment of all fees and expenses payable hereunder which have accrued or have been incurred to date of such termination.

(d) The Dealer Manager will periodically consult with the Authority with respect to the status of the Tender or Exchange Offer, based on the most recent available information available from DTC and the Information Agent and Tender/Exchange Agent. The Dealer Manager agrees to use such information only in connection with the Tender or Exchange Offer and not to furnish such information to any other person except in connection with the Tender or Exchange Offer. The Dealer Manager shall notify the Information Agent and Tender/Exchange Agent of the Authority’s request that the Information Agent and Tender/Exchange Agent orally inform the Dealer Manager during each business day during the Tender or Exchange Offer (to be followed on a daily basis by written confirmation) as to the principal amount of Target Bonds which have been tendered for purchase or exchange pursuant to the Tender or Exchange Offer during the interval since its previous daily report under this provision, and the names and addresses of any registered holder tendering \$50,000 or more aggregate principal amount of Target Bonds.

(e) [Reserved.]

4. Compensation and Expenses.

(a) The Authority shall pay to the Dealer Manager, as compensation for the Dealer Manager’s services as Dealer Manager, a fee of \$___ for each \$1,000 principal amount of Target Bonds exchanged pursuant to the Tender or Exchange Offer, and a fee of \$___ per \$1,000 principal amount of Target Bonds purchased for cash pursuant to the Tender or Exchange Offer. Such fee shall be payable concurrently with the payment for or delivery of Target Bonds under the Tender or Exchange Offer. Such fee shall only be payable by the Authority to the Dealer Manager upon issuance of the Series 2022 Bonds.

(b) Whether or not any Target Bonds are tendered for purchase or exchanged pursuant to the Tender or Exchange Offer, the Authority shall pay all expenses of the preparation, printing, mailing and publishing of the Offer Material and Additional Material, all fees payable to securities dealers (including the Dealer Manager), commercial banks, trust companies and nominees as reimbursement of their customary mailing and handling expenses incurred in forwarding the Offer Material and Additional Material to their customers, all fees and expenses of DTC, the Trustee under the Indenture and any information agent and tender/exchange agent, all advertising charges, any applicable transfer taxes payable in connection with the Tender or Exchange Offer and all other expenses in connection with the Tender or Exchange Offer and shall reimburse the Dealer Manager for all expenses incurred by the Dealer Manager in connection with the Dealer Manager's services under this Agreement, including, without limitation, the fees and the disbursements of the Dealer Manager's counsel; provided, however, that the total amount of all such reasonable out-of-pocket expenses to be reimbursed by the Authority to the Dealer Manager including fee and disbursements of counsel shall not exceed _____ Dollars (\$_____) without the prior consent of the Authority, such consent not to be unreasonably withheld. The Dealer Manager, upon the Authority's request, will deliver reasonable back-up documentation for the expenses to be reimbursed pursuant to this paragraph to the extent such documentation is available. For purposes of this Agreement, the term "out-of-pocket expenses" shall also include reasonable expenses relating to document production, graphics, word processing, delivery, communications, and other similar expenses that may not be directly payable to third party vendors.

5. Representations and Warranties by the Authority.

The Authority represents and warrants to, and agrees with, the Dealer Manager that:

(a) The Authority is a duly organized and validly existing corporate body and independent authority of the District established under the laws of the United States and the District, including the Act and the Federal Act.

(b) The Authority has the requisite power and authority and has duly taken all necessary action to authorize the making and consummation of the Tender or Exchange Offer (including authorizing any related borrowings or other provisions for the payment by the Authority for Target Bonds tendered for purchase and for the issuance and delivery by the Authority of the 2022 Exchange Bonds in exchange for Target Bonds tendered for exchange, the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby; and this Agreement has been duly executed and delivered by, and constitutes a valid and binding Agreement of, the Authority, enforceable in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles.

(c) [Reserved.]

(d) The Offer Material and Additional Material comply and (as amended or supplemented, if amended or supplemented) will comply in all material respects with all applicable requirements of the federal securities laws; and the Offer Material and Additional Material do not and (as amended or supplemented, if amended or supplemented) will not contain

any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(e) The making and consummation of the Tender or Exchange Offer (including any related borrowings or other provisions for the payment by the Authority for Target Bonds tendered for purchase or for the issuance and delivery by the Authority of 2022 Exchange Bonds in exchange for Target Bonds tendered for exchange), the execution, delivery and performance by the Authority of this Agreement and the consummation of the transactions contemplated hereby are not in conflict with and will not constitute a breach, default or result in a violation of (i) the Act, (ii) any federal constitutional or federal or District statutory provision, including the Federal Act, (iii) any agreement or other instrument to which the Authority is a party, or (iv) any order, rule, regulation, decree or ordinance of any court of competent jurisdiction, government or governmental authority having jurisdiction over the Authority or its property.

(f) No consent, approval, authorization or order of, or registration, qualification or filing with, any court or regulatory agency or other governmental agency or instrumentality is required in connection with the making and consummation of the Tender or Exchange Offer (including any related borrowings or other provisions for the payment by the Authority for Target Bonds tendered for purchase or for the issuance and delivery by the Authority of the 2022 Exchange Bonds in exchange for Target Bonds tendered for exchange), the execution, delivery and performance of this Agreement or the consummation of the transactions contemplated hereby.

(g) Subject to the successful sale and closing of the Series 2022 Bonds, the Authority has or will have available funds, and is authorized to use such funds under applicable law, to pay the full purchase price of the Target Bonds tendered for purchase that it may become committed to purchase pursuant to the Tender or Exchange Offer and all related fees and expenses, and will have available for delivery, and is authorized to issue and deliver the 2022 Exchange Bonds in exchange for Target Bonds that it may become committed to exchange pursuant to the Tender or Exchange Offer; and such 2022 Exchange Bonds when issued, authenticated and delivered in exchange for Target Bonds will be valid and legally enforceable obligations of the Authority in accordance with their terms and the terms of the Indenture.

(h) Subject to the successful sale and closing of the Series 2022 Bonds, the Authority agrees, in accordance with the terms and subject to the conditions of the Offer Material and Additional Material or any Bond Exchange Agreement, as applicable, to pay promptly the full purchase price of the Target Bonds it has committed to purchase and all related fees and expenses, and to cause the delivery to tendering Bondowners of the 2022 Exchange Bonds to be delivered in exchange for Target Bonds tendered for exchange and to pay all related fees and expenses.

(i) The representations and warranties of the Authority with respect to the Series 2022 Bonds set forth in any Purchase Contract executed by the Authority with the underwriters of Series 2022 Bonds to be sold in a public offering thereof (the "Purchase Contract") are hereby incorporated into this Agreement and made to the Dealer Manager with respect to the 2022 Exchange Bonds.

(j) The Authority has made appropriate arrangements with DTC to allow for the book-entry movement of tendered Target Bonds between depository participants and the depository referred to above.

6. Representations and Warranties of the Dealer Manager.

The Dealer Manager hereby represents and warrants to, and agrees with, the Authority that:

(a) This Agreement has been duly authorized, executed and delivered by the Dealer Manager and constitutes its legal, valid and binding obligation, enforceable in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization and similar laws affecting creditors' rights and by general principles of equity.

(b) To the best knowledge of the Dealer Manager, after reasonable investigation, execution, delivery and performance of this Agreement by the Dealer Manager does not violate, in any material respect, any law, regulation or rule applicable to the Dealer Manager when acting in such capacity for transactions of this type.

(c) The Dealer Manager shall assist the Authority in disseminating the Offer Material and any Additional Material, but will not have any obligation to cause copies thereof to be transmitted generally to Bondowners, Registered Owners or Participants.

7. Conditions of Obligation.

The obligation of the Dealer Manager hereunder shall at all times be subject, in the Dealer Manager's discretion, to the conditions that:

(a) All representations, warranties and other statements of the Authority contained herein are now, and at all times during the Tender or Exchange Offer and at the time of execution of any Bond Exchange Agreement and at all times at or prior to the Settlement Date, will be, true and correct.

(b) The Authority at all times during the Tender or Exchange Offer and at the time of execution of any Bond Exchange Agreement and at all times at or prior to the Settlement Date shall have performed all of its obligations hereunder theretofore required to have been performed.

(c) The Executive Vice President Legal Affairs, of the Authority, shall furnish to the Dealer Manager within three business days of the Launch Date, one or more opinions, dated the date thereof, that will be substantially to the effect set forth in Exhibit I hereto.

(d) At or prior to the Settlement Date, the Dealer Manager shall have received the opinions of Orrick, Herrington & Sutcliffe LLP and McKenzie & Associates, co-counsel to the Dealer Manager, to the effect that the Invitation, and the actions of the Authority in connection with the Tender or Exchange Offer as specifically set forth in the Offer Material, are exempt from the provisions of Section 14(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), Regulation 14D and 14E of the Securities and Exchange Commission and the related rules promulgated thereunder.

8. Delivery of Documents.

On the Settlement Date, the Authority shall furnish to the Dealer Manager, with respect to any 2022 Exchange Bonds delivered by the Authority: (i) the approving opinion, dated the Settlement Date and addressed to the Authority, of Squire Patton Boggs (US) LLP and Bellamy Penn LLP, in their capacity as co-Bond Counsel, in substantially the form included as Appendix ___ to the Preliminary Official Statement; and (ii) the legal opinions, certificates, instruments and other documents delivered under the Purchase Contract to the underwriters for the publicly offered Series 2022 Bonds issued concurrently with such 2022 Exchange Bonds, or, in the event that a Purchase Contract is not then executed, in the forms set forth in the form of the Purchase Contract approved by the Authority.

9. Miscellaneous.

(a) This Agreement is made solely for the benefit of the Dealer Manager and the Authority and any partner, director, officer, agent, employee, controlling person or affiliate, and their respective successors, assigns, and legal representatives; and no other person shall acquire or have any right under or by virtue of this Agreement.

(b) In the event that any provision hereof shall be determined to be invalid or unenforceable in any respect, such determination shall not affect such provision in any other respect or any other provision hereof, which shall remain in full force and effect.

(c) Except as otherwise expressly provided in this Agreement, whenever notice is required by the provisions of this Agreement to be given to (i) the Authority, such notice shall be in writing addressed to the Authority at 1385 Canal Street S.E., Washington, DC 20003, facsimile number (202) _____, Attention: Matthew T. Brown, Chief Financial Officer and Executive Vice President Finance and Procurement; and (ii) the Dealer Manager, such notice shall be in writing addressed to Goldman Sachs & Co. LLC, at 200 West Street, New York, NY 10282, Attention: Freda Wang, Managing Director, E-mail: Freda.Wang@gs.com.

(d) This Agreement contains the entire understanding of the parties with respect to Goldman Sachs & Co. LLC acting as Dealer Manager for the Tender or Exchange Offer, superseding any prior agreements with respect thereto and may not be modified or amended except in writing executed by the parties hereto. This Agreement may be executed in any number of separate counterparts, each of which shall be an original, but all such counterparts shall together constitute one and the same agreement.

(e) THIS AGREEMENT AND ANY MATTERS RELATED TO THIS TRANSACTION SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE DISTRICT OF COLUMBIA WITHOUT REGARD TO PRINCIPLES OF CONFLICT OF LAWS THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE LAWS OF THE DISTRICT OF COLUMBIA. The Authority and the Dealer Manager agree, to the fullest extent permitted by applicable law, to waive any right to trial by jury with respect to any action or proceeding arising in connection with or as a result of either the engagement of the Dealer Manager as Dealer Manager hereunder or any matter referred to in this Agreement.

(f) The Dealer Manager is not acting as a Municipal Advisor (as defined in Section 15B of the Exchange Act), and shall not have a fiduciary duty, to the Authority in connection with the issuance of the Series 2022 Bonds, the Tender or Exchange Offer. The Authority has consulted its municipal advisor to the extent it deems appropriate in connection with the issuance of the Authority's Series 2022 Bonds and the Tender or Exchange Offer.

(g) The Dealer Manager does not provide accounting, tax or legal advice. The Authority is authorized, subject to applicable law, to disclose any and all aspects of this potential transaction that are necessary to support any U.S. federal income tax benefits expected to be claimed with respect to such transaction, without the Dealer Manager imposing any limitation of any kind.

(h) This Agreement shall terminate upon the earlier of (i) the 10th day following the expiration, withdrawal or termination of the Tender or Exchange Offer, (ii) the close of business on the day of actual receipt of written notice by the Dealer Manager from the Authority stating that this Agreement is terminated, (iii) the close of business on the date of actual receipt of written notice by the Authority from the Dealer Manager stating that this Agreement is terminated, (iv) the time and date on which this Agreement shall be terminated by mutual consent of the parties hereto, or (v) 90 days from the date first written above, it being understood that (1) such termination shall not be deemed to terminate any of the rights or obligations of the Dealer Manager or the Authority previously accrued under this Agreement and (2) the last of Section 3(c), Section 3(e), and Sections 4, 5, 6 and 9(a) through (g) hereof will survive any termination of this Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

Please sign and return to us a duplicate of this letter, whereupon it will become a binding agreement.

Very truly yours,

**DISTRICT OF COLUMBIA WATER AND
SEWER AUTHORITY**

By: _____
Matthew T. Brown
Chief Financial Officer and Executive
Vice President Finance and Procurement

The undersigned hereby confirms that the foregoing letter, as of the date thereof, correctly sets forth the agreement between the Authority and the undersigned.

GOLDMAN SACHS & CO. LLC

By: _____
Title: _____

EXHIBIT I
FORM OF OPINION

_____, 202_

Goldman Sachs & Co. LLC,
as Dealer Manager
200 West Street
New York, New York 10282

Ladies and Gentlemen:

I am the Executive Vice President, Legal Affairs to the District of Columbia Water and Sewer Authority (the “Authority”). The Authority plans to commence a Tender or Exchange offer for some or all of its outstanding: (i) Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2014C, (ii) Public Utility Subordinate Lien Revenue Bonds, Series 2015A, and (iii) Public Utility Subordinate Lien Revenue Bonds, Series 2015B (collectively, the “Target Bonds”), upon the terms and subject to the conditions set forth in the Dealer Manager Agreement referred to below. Terms used herein and defined in such Dealer Manager Agreement are used herein as so defined.

In that connection, we have examined the Preliminary Official Statement relating to the Authority’s Public Utility Subordinate Lien Revenue Bonds, Series 2022B (Green Bonds), its Public Utility Subordinate Lien Revenue and Revenue Refunding Bonds, Series 2022C, and its Public Utility Subordinate Lien Revenue Bonds, Series 2022D (the “Preliminary Official Statement”), a signed copy of the agreement, dated as of [_____], 2022, between the Authority and you providing for your services as Dealer Manager for the Tender or Exchange Offer (the “Dealer Manager Agreement”).

I have also examined an act of the Council of the District of Columbia entitled the “Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996,” codified, as amended, at District of Columbia Official Code Ann. Sections 34-2201.01 *et seq.*, and the acts amendatory thereof and supplemental thereto (the “Act”), and an act of the United States Congress entitled the “District of Columbia Water and Sewer Authority Act of 1996” (Public Law 104-184), as amended (the “Federal Act”), certified copies of proceedings of the Authority authorizing the issuance of the Bonds, including the Resolution and such other proceedings as I have considered necessary or advisable for the purpose of this opinion and advise you as follows:

(1) The Authority is a body corporate duly created, organized and validly existing as an independent authority of the District under the Act and under the Federal Act (the Act and the Federal Act being sometimes hereinafter referred to as, the “Acts”).

(2) The Authority has the requisite power and authority and has duly taken all

Exhibit I, page 1

necessary action to authorize the making and consummation of the Tender or Exchange Offer, the delivery and performance of the Dealer Manager Agreement; and the Dealer Manager Agreement has been duly executed and delivered by, and constitutes a valid and binding agreement of, the Authority, enforceable in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles.

(3) We are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Preliminary Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements. During the course of acting as counsel to the Authority in connection with the making and consummation of the Tender or Exchange Offer, no information came to the attention of the attorneys in our firm rendering legal services in connection with such Tender or Exchange Offer which caused us to believe that the Preliminary Official Statement as of the date hereof (except for any financial or statistical data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion or the Appendices included therein, the information relating to DTC and the book-entry system as to which we express no opinion or view), contains any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(4) The making and consummation of the Tender or Exchange Offer (including any related borrowings or other provisions for the payment for or exchange of Bonds by the Authority), and the execution, delivery and performance by the Authority of the Dealer Manager Agreement do not and will not in any material respect conflict with or constitute on the part of the Authority, a breach of or default under any agreement or other instrument to which the Authority is a party, or any existing law, administrative regulation, court order, settlement order or consent decree to which the Authority is subject.

(5) To the best of our knowledge (after reasonable investigation), no consent, approval, authorization or order of, or registration, qualification or filing with, any court or regulatory agency or other governmental agency or instrumentality is required in connection with the making and consummation of the Tender or Exchange Offer (including any related borrowings or other provisions for the payment for Bonds by the Authority), and the execution, delivery or performance of the Dealer Manager Agreement (except that no opinion is expressed with respect to the application of Blue Sky or federal securities laws).

Very truly yours,

Executive Vice President Legal Affairs

Exhibit I, page 2

ATTACHMENT A

*(Invitation to Tender or Exchange Bonds to be attached,
including Preliminary Official Statement as Appendix thereto)*

ATTACHMENT B

(Letter to Bondholders to be attached)

ATTACHMENT C

(Letter to Brokers, Dealers and Others to be attached)

ATTACHMENT D

(Press Release to be attached)

ESCROW AGREEMENT

Among

DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY

COMPUTERSHARE TRUST COMPANY, N.A.
As Trustee

and

COMPUTERSHARE TRUST COMPANY, N.A.
as Escrow Agent

with respect to

\$000,000,000
Public Utility Subordinate Lien Revenue Refunding Bonds
Subseries 2022D-2
(Federally Taxable)

Dated: _____, 2022

ESCROW AGREEMENT

This ESCROW AGREEMENT is made and entered into as of _____, 2022 between the District of Columbia Water and Sewer Authority (the “Authority”) and Computershare Trust Company, N.A., a national banking association, having a corporate trust office in [Minneapolis, Minnesota], as the trustee (in such capacity, the “Trustee”), and as the escrow agent (in such capacity, the “Escrow Agent”).

WITNESSETH:

WHEREAS, the Authority has heretofore duly issued, pursuant to a Master Indenture of Trust, dated as of April 1, 1998 (the “Master Indenture”), as supplemented and amended through the Seventeenth Supplemental Indenture of Trust, dated November 20, 2014, its Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2014C (the “Series 2014C Bonds”), of which \$000,000,000 is currently outstanding; and

WHEREAS, the Authority has heretofore duly issued, pursuant to the Master Indenture, as supplemented and amended through the Eighteenth Supplemental Indenture of Trust, dated October 15, 2015, its Public Utility Subordinate Lien Revenue Bonds, Series 2015A (Green Bonds) (the “Series 2015A Bonds”), of which \$000,000,000 is currently outstanding, and its Public Utility Subordinate Lien Revenue Bonds, Series 2015B (the “Series 2015B Bonds”), of which \$000,000,000 is currently outstanding; and

WHEREAS, the Authority has decided to issue its Public Utility Subordinate Lien Revenue and Revenue Refunding Bonds, Series 2022D (Federally Taxable) that includes the Subseries 2022D-2 Bonds (the “Subseries 2022D-2 Bonds”) issued in an aggregate principal amount of \$000,000,000, pursuant to the Master Indenture, as previously amended and supplemented and as further supplemented by the Thirty-First Supplemental Indenture of Trust, dated _____, 2022, by and between the Authority and the Trustee (the “Thirty-First Supplemental Indenture” and, together with the Master Indenture, as previously amended and supplemented, the “Indenture”); and

WHEREAS, a portion of the proceeds of the Subseries 2022D-2 Bonds, together with other funds of the Authority, will be used to purchase, on behalf of and for the account of the Authority, escrow securities in the par amount, at the yield and with the maturity set forth in **Appendix C** attached hereto (the “Escrow Securities”) which, along with cash, shall be deposited in the Series 2022D Escrow Account established pursuant to the Thirty-First Supplemental Indenture; and

WHEREAS, the cash and the Escrow Securities deposited into the Series 2022D Escrow Account, together with investment income thereon, will provide sufficient funds to (i) pay interest on the Series 2014C Bonds, Series 2015A Bonds and Series 2015B Bonds identified in **Appendix A** (the “Refunded Bonds”) prior to October 1, 2024, in the case of the 2014C Bonds, and October 1, 2025, in the case of the Series 2015A Bonds and the Series 2015B Bonds, as specified in **Appendix B**; (ii) redeem the Refunded Bonds on October 1, 2024 in the case of the 2014C Bonds, and October 1, 2025, in the case of the Series 2015A Bonds and the Series 2015B Bonds, as specified in **Appendix B** (collectively, the payments set forth in **Appendix B** are referred to as the “Refunded Bond Payments”); and

WHEREAS, the Authority is entering into this Escrow Agreement with the Escrow Agent simultaneously with the delivery of the Subseries 2022D-2 Bonds in order to insure that the required procedures will be followed to make the Refunded Bond Payments; and

WHEREAS, the Authority has taken action to cause to be delivered to the Escrow Agent for deposit in or credit to the Series 2022D Escrow Account immediately available funds from the proceeds of the Subseries 2022D-2 Bonds and other funds of the Authority, which will be used to purchase the Escrow Securities and which, together with the investment earnings thereon and certain uninvested cash, will be sufficient to make the Refunded Bond Payments, and to have the mathematical accuracy of the computations relating to the sufficiency of such Series 2022D Escrow Account moneys to be verified by _____ (the "Verification Agent").

NOW, THEREFORE, the Authority, the Trustee and the Escrow Agent hereby agree as follows:

Section 1. Funding and Maintenance of the Series 2022D Escrow Account.

(a) The Authority hereby directs the Trustee to transfer to the Escrow Agent \$000,000,000.00 of the proceeds of the Subseries 2022D-2 Bonds and \$0,000,000.00 from the Series 2014C Subordinate Bonds Interest Subaccount in the Subordinate Interest Account, \$0,000,000.00 from the Series 2015A Subordinate Bonds Interest Subaccount in the Subordinate Interest Account and \$0,000,000.00 from the Series 2015B Subordinate Bonds Interest Subaccount in the Subordinate Interest Account, for deposit into the Series 2022D Escrow Account.

(b) The Escrow Agent hereby acknowledges the receipt and deposit in the Series 2022D Escrow Account of an amount equal to \$000,000,000.00 in immediately available funds.

(c) Until all principal of, premium, if any, and interest on the Refunded Bonds have been paid in full, the Escrow Agent shall maintain the Series 2022D Escrow Account as a special segregated and irrevocable escrow account. The Series 2022D Escrow Account shall be for the benefit of the holders of the Refunded Bonds. All securities, investments and moneys held therein shall be wholly segregated from all other securities, investments or moneys on deposit with the Escrow Agent, if any. All securities, investments and moneys held in the Series 2022D Escrow Account shall be irrevocably pledged to secure the payment of the principal of, premium, if any, and interest on the Refunded Bonds.

Section 2. Investment of the Series 2022D Escrow Account.

(a) The Escrow Agent represents and acknowledges that, concurrently with the deposit of the amounts into the Series 2022D Escrow Account as described in Section 1 hereof, it shall apply \$000,000,000.00 of such funds to purchase, on behalf of and for the account of the Authority, the Escrow Securities as shown on **Appendix C**. The remaining deposit of \$000.00 shall be held in cash. The Escrow Securities shall be non-callable prior to the date upon which such securities shall be needed to pay the applicable Refunded Bond Payment. The Escrow Securities may be sold, transferred, disposed of or redeemed only at the direction of the Authority, as set forth in subsection (d) hereof, and shall mature on or before the time the proceeds thereof will be required for the payment of the applicable Refunded Bond Payment.

(b) Any amounts received from the Escrow Securities or held in cash referenced in clause (a) above that are not needed at the time of receipt to make the aforesaid payments on the Refunded Bonds shall remain in trust for the benefit of the holders of the Refunded Bonds, uninvested, until applied as aforesaid; provided, that such amounts shall be applied to the purchase of Substitute Obligations (as defined in Section 2(d)(ii) hereof), and the interest thereon shall be applied in such manner, as may be specified in writing by the Authority, but only if the Escrow Agent receives (i) the certificate of an independent public accountant described in Section 2(d)(ii)(A) hereof with respect to such purchase of Substitute Obligations and such application of the interest thereon, and (ii) an approving opinion of Bond Counsel to the effect that such use of funds will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Refunded Bonds.

(c) The Series 2022D Escrow Account shall be maintained to and including the date upon which the Escrow Agent makes the final payment of the principal of, premium, if any, and interest on the Refunded Bonds, whereupon the Escrow Agent shall, upon the written direction of the Authority, sell or redeem any Escrow Securities remaining in the Series 2022D Escrow Account and shall deliver to the Authority any money received from such sales and any money then remaining in the Series 2022D Escrow Account.

Based on the report, dated _____, 2022, prepared by the Verification Agent (the “Verification Report”), a copy of which is attached as **Appendix D** hereto, which verifies the mathematical accuracy of the computations prepared by PFM Financial Advisors LLC and confirms the calculations of PFM Financial Advisors LLC that the Escrow Securities, together with the investment earnings thereon and certain uninvested cash on deposit in the Series 2022D Escrow Account will be sufficient to make the Refunded Bond Payments as specified in **Appendix B**, the Authority represents that the Escrow Securities and certain uninvested cash on deposit in the Series 2022D Escrow Account, together with interest thereon, will be sufficient to (i) pay interest on the Refunded Bonds prior to October 1, 2024, in the case of the Series 2014C Bonds, and October 1, 2025, in the case of the Series 2015A Bonds and Series 2015B Bonds; and (ii) redeem the Refunded Bonds on October 1, 2024, in the case of the Series 2014C Bonds, and October 1, 2025, in the case of the Series 2015A Bonds and Series 2015B Bonds. The Escrow Agent shall not be liable or responsible (y) for the accuracy of the Verification Report or (z) the accuracy of the calculations of PFM Financial Advisors LLC with respect to required deposits into the Series 2022D Escrow Account.

(d)(i) Except as otherwise provided in this Section 2, the Escrow Agent shall have no power or duty to invest any funds held under this Escrow Agreement or to sell, redeem, transfer or otherwise dispose of or make substitutions of the Escrow Securities. Subject to the provisions of subsection (b), any funds held in the Series 2022D Escrow Account that are not invested shall be held in cash.

(ii) At the request of the Authority and upon compliance with the conditions contained herein, the Escrow Agent shall sell, transfer or otherwise dispose of or request the redemption of all or a portion of the Escrow Securities, and shall substitute for such Escrow Securities, direct non-callable obligations of the United States of America (the “Substitute Obligations”), whereupon, references in this Escrow Agreement to Escrow Securities shall include any such Substitute Obligations. The Authority hereby covenants and agrees that it will not request

the Escrow Agent to exercise any of the powers described in this Section in any manner which would adversely affect the exclusion from gross income for Federal income tax purposes of interest on the Refunded Bonds. The Escrow Agent shall purchase such Substitute Obligations with the proceeds derived from the sale, transfer, disposition or redemption of such Escrow Securities. The transaction may be effected only if the Authority delivers to the Escrow Agent:

(A) a report of nationally recognized independent certified public accountants which verifies the mathematical accuracy of the computations which reflect the principal amount of such Substitute Obligations, together with the interest income to be received thereon, will be sufficient to make timely payments on the Refunded Bonds;

(B) a certificate of the Authority that, based on such verification report prepared by independent certified public accountants, the amount deposited in the Series 2022D Escrow Account will be sufficient to pay the Refunded Bond Payments as specified in **Appendix B**;

(C) a certificate of the Trustee acknowledging the deposit of moneys and the receipt of the verification report described in (A) above as to the sufficiency of the Substitute Obligations to make the Refunded Bond Payments; and

(D) an opinion of Bond Counsel to the effect that the sale, transfer, disposition or redemption of the Escrow Securities and purchase of such Substitute Obligations (i) will not affect the exclusion from gross income for Federal income tax purposes of interest on the Refunded Bonds, and (ii) is permitted hereunder.

The Escrow Agent shall not be liable or responsible for any loss resulting from any investment or reinvestment made pursuant to this subsection unless such loss is due to the gross negligence or willful misconduct of the Escrow Agent.

(e) The Escrow Agent shall have no liability for the payment of the principal of, premium, if any, and interest on the Refunded Bonds, except from the Escrow Securities and moneys on deposit in the Series 2022D Escrow Account.

Section 3. Payment and Redemption of the Refunded Bonds. The Authority hereby requests and irrevocably instructs the Escrow Agent, and the Escrow Agent hereby agrees, to collect and deposit in the Series 2022D Escrow Account the principal of and interest on the Escrow Securities held for the account of the Series 2022D Escrow Account as promptly as such principal and interest becomes due, and to apply such principal and interest, together with any other moneys and the principal of and interest on any other securities deposited in the Series 2022D Escrow Account to pay the Refunded Bond Payments specified in **Appendix B**.

Section 4. Defeasance and Redemption Notices.

(a) The Authority hereby requests and irrevocably instructs the Trustee and the Trustee hereby agrees to promptly provide notice by first class mail to the Municipal Securities Rulemaking Board (“MSRB”), Standard & Poor’s, a division of The McGraw-Hill Companies, Inc. (“S&P”), Moody’s Investor Service, Inc. (“Moody’s”) and Fitch Ratings, Inc. (“Fitch”) of the advanced refunding of the Refunded Bonds and the deposit of the Escrow Securities and any

money in escrow for that purpose. A form of the defeasance notice for each of the Refunded Bonds is attached as **Appendix E** hereto.

(b) The Authority hereby requests and irrevocably instructs the Trustee and the Trustee hereby agrees to provide notice of redemption of the Refunded Bonds not less than thirty (30) days nor more than sixty (60) days prior to October 1, 2023, in the form of the notice attached hereto as **Appendix F**, by registered or certified mail or overnight express delivery, to (a) the registered owner of each the Refunded Bonds at the address as it appears on the registration books kept by the Trustee and (b) MSRB.

(c) To the extent permitted by the bond documents pertaining to the Refunded Bonds, any of the notices provided in this Section 4 may be provided by means of facsimile transmission, email transmission or other similar electronic means of communications providing evidence of transmission.

Section 5. Possible Deficiencies.

(a) If at any time the Escrow Agent has actual knowledge that the moneys in the Series 2022D Escrow Account, including the anticipated proceeds of the Escrow Securities, will not be sufficient to make all payments required by Section 3 hereof, the Escrow Agent shall notify the Authority in writing as soon as is reasonably practicable of the amount of such deficiency and the reason therefor, if the reason is known to the Escrow Agent.

(b) The Escrow Agent shall in no manner be responsible for the Authority's failure to address any such deficiency.

Section 6. Duties of Escrow Agent. So long as the Refunded Bonds are outstanding, the Escrow Agent shall forward a monthly statement to the Authority describing the Escrow Securities held, including the income earned thereon and the maturities thereof, and any withdrawals of moneys from the Series 2022D Escrow Account since the last statement furnished pursuant to this Section.

Section 7. Fees and Costs.

(a) The Escrow Agent shall be compensated, based on itemized invoices submitted to the Authority, for its reasonable fees, expenses and disbursements incurred with respect to service rendered hereunder.

(b) The Escrow Agent also shall be entitled to additional fees and reimbursements for costs incurred, including, but not limited to, legal and accountants' services, in connection with any litigation which may at any time be instituted involving this Escrow Agreement.

(c) The right to receive compensation notwithstanding, the Escrow Agent acknowledges that it, as Escrow Agent, has no claim for any such payment under the Indenture and that it has no lien on the moneys on deposit in the Series 2022D Escrow Account for such payment.

(d) In the event of the resignation of the Escrow Agent prior to the expiration of this Escrow Agreement, the Escrow Agent shall rebate to the Authority a ratable portion of any fee theretofore paid by the Authority to the Escrow Agent for its services under this Escrow Agreement.

(e) The provisions of this Section 7 shall survive the termination of this Agreement and the resignation or removal of the Escrow Agent.

Section 8. Resignation of Escrow Agent. The Escrow Agent may resign and be discharged of its duties hereunder provided that: (i) the Authority has received written notice at least thirty (30) days prior to such resignation; (ii) the Authority has appointed a successor to the resigning party; (iii) the Authority has received an instrument of acceptance in form and substance acceptable to it, executed by the successor; and (iv) the resigning party has duly delivered to its successor hereunder all of the escrow documents including the Indenture and this Escrow Agreement, the Escrow Securities, and moneys and investments held by the resigning party. Such resignation shall take effect only upon the occurrence of all of the events listed in clauses (i) through (iv) above. Upon receipt by the Authority of the written notice described in clause (i) above, the Authority shall use its best efforts to obtain a successor to such resigning party as soon as possible. Notwithstanding the foregoing, if the Authority fails to appoint a successor within thirty (30) days, the Escrow Agent reserves the right to petition a court of competent jurisdiction to appoint a successor.

Section 9. Termination of Escrow Agreement. This Escrow Agreement shall terminate when the principal of, premium, if any, and interest on the Refunded Bonds have been paid in full; provided, that moneys held by the Escrow Agent for the payment and discharge of any of the Refunded Bonds which remain unclaimed five (5) years after the date when all of such Refunded Bonds shall have become due and payable, either at their stated maturity dates or by call for earlier redemption, shall at the written request of the Authority, be repaid by the Escrow Agent to the Authority, as its absolute property, free from the lien created by the Indenture. The Escrow Agent shall thereupon be released and discharged with respect thereto and hereto and the holders of such Refunded Bonds shall look only to the Authority for the payment of such Refunded Bonds.

Section 10. Benefit of Agreement; Amendments.

(a) This Agreement is made for the benefit of the Authority and the holders from time to time of the Refunded Bonds except as otherwise expressly provided herein.

(b) This Agreement shall not be repealed, revoked, rescinded, altered, amended or supplemented in whole or in part without the written consent of the Escrow Agent and the holders of the unpaid Refunded Bonds; provided, however, that upon prior written notice to Moody's, Fitch and S&P and (1) receipt by each such agency of draft copies of any such proposed amendment, and (2) receipt from each such agency of the notice that such amendment shall not adversely affect its rating on the Refunded Bonds, the Authority and the Escrow Agent may, without the consent of, or notice to, such holders, enter into such amendment to this Agreement that will not adversely affect the rights of such holders and that will not be inconsistent with the terms and provisions of this Agreement (the "Amendment"), for any one or more of the following purposes:

(i) to correct or cure any ambiguity or formal defect or omission in this Agreement;

(ii) to grant to, or confer upon, the Escrow Agent for the benefit of such holders any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent;

(iii) to subject to this Agreement additional funds, securities or property; and

(iv) to sever any invalid provision from this Agreement.

(c) The Escrow Agent shall not undertake or execute any Amendment unless it has received:

(i) If the Amendment affects the aggregate amount or payment terms of the Escrow Securities, an opinion of an independent certified public accountant reasonably acceptable to the Authority that after such Amendment the interest on and maturing principal of the Escrow Securities, without further reinvestment, and any other funds then held pursuant to this Agreement will provide moneys in amounts and at times as necessary to pay all principal of and redemption premium and interest on the Refunded Bonds as the same are due or are called for redemption as set forth in Section 2; and

(ii) An opinion of Bond Counsel that the Amendment (A) will not affect the exclusion from gross income for Federal income tax purposes of interest on the Refunded Bonds, (B) is in compliance with the Internal Revenue Code of 1986, as amended, and (C) the Amendment complies with the requirements of this Section 10.

(d) The Authority shall provide Moody's, Fitch and S&P with written notice prior to such time as this Agreement shall be replaced, revoked, rescinded, altered, amended or supplemented at the following addresses:

Moody's Investors Service, Inc.
Public Finance Rating Desk/Refunded Bonds
7 World Trade Center
250 Greenwich Street, 23rd Floor
New York, NY 10007

Standard & Poor's, a division of The McGraw-Hill Companies, Inc.
25 Broadway, 21st Floor
New York, New York 10004

Fitch Ratings
300 West 57th Street
New York, New York 10004

Section 11. Notices. Any notice, authorization, request or demand required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given when mailed by registered or certified mail, postage prepaid, addressed as follows:

If to the Authority, at:

District of Columbia Water and Sewer Authority
1385 Canal Street, S.E.
Washington, DC 20003
Attn: Chief Financial Officer and Executive Vice
President, Finance and Procurement

If to the Escrow Agent, at:

Computershare Trust Company, N.A.
600 S 4th Street, 7th floor
Minneapolis, MN 55415
Attn: _____

Any of such addresses may be changed at any time upon written notice of such change being sent by United States registered mail, postage prepaid, to the other parties by the party affecting the change. Any notices to the holders of the Refunded Bonds shall be made in a manner as prescribed in the Indenture.

Section 12. Time of Performance. Whenever, under the terms of this Escrow Agreement, the performance date of any act to be done hereunder shall fall on a day which is not a legal banking day or upon which the Escrow Agent is not open for business, the performance thereof on the next succeeding business day shall be deemed to be in full compliance with this Escrow Agreement. The Escrow Agent shall perform all obligations imposed upon it under this Escrow Agreement in a timely manner.

Section 13. Reliance by Escrow Agent; Force Majeure; No Special, Indirect or Consequential Damages.

(a) The Escrow Agent shall be entitled to rely and act upon any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document reasonably believed by it to be genuine and to have been signed and presented by the proper party or parties. The Escrow Agent may consult with Bond Counsel, or, in the discretion of the Escrow Agent, it may consult with its own counsel as to anything arising in connection with the duties herein undertaken, and it shall not be liable for any action taken or omitted by it in good faith in reasonable reliance upon such written instructions or upon the written opinions of such counsel; provided, however, that before relying upon the opinion of its own counsel it shall furnish to the Authority and to Bond Counsel a copy of such opinion.

(b) In no event shall the Escrow Agent be liable for any failure or delay in the performance of its obligations hereunder because of circumstances beyond the Escrow Agent's control, including, but not limited to, acts of God, flood, war (whether declared or undeclared),

terrorism, fire, riot, strikes or work stoppages for any reason, embargo, government action, including any laws, ordinances, regulations or the like which restrict or prohibit the providing of the services contemplated by this Agreement, inability to obtain material, equipment, or communications or computer facilities, or the failure of equipment or interruption of communications or computer facilities, and other causes beyond the Escrow Agent's control whether or not of the same class or kind as specifically named above.

(c) Anything in this Agreement to the contrary notwithstanding, in no event shall the Escrow Agent be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action.

Section 14. Governing Law. To the fullest extent permitted by law, this Escrow Agreement shall be interpreted, construed and enforced pursuant to the laws of the District.

Section 15. Severability. If any provision of this Escrow Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Escrow Agreement. The Escrow Agent shall provide Moody's, Fitch and S&P with written notice, at the addresses set forth in Section 10, if any provision of this Escrow Agreement should be held to be invalid or unenforceable.

Section 16. Execution of Counterparts. This Escrow Agreement may be executed in any number of counterparts each of which shall for all purposes be deemed to be an original and all of which shall together constitute but one and the same instrument.

Section 17. Successors of the Escrow Agent. Any corporation or association into which the Escrow Agent may be converted or merged or with which it may be consolidated or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, ipso facto shall be and become the successor Escrow Agent hereunder, vested and subject to all duties and obligations imposed hereunder with all of the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding; provided, that the Escrow Agent shall promptly give notice of such conversion, sale, merger, consolidation or transfer to the Authority, and the Authority shall have 45 days to exercise an option to appoint a successor Escrow Agent by an instrument in writing delivered to the then current Escrow Agent.

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be executed each on its behalf as of the day and year first above written.

**DISTRICT OF COLUMBIA WATER
AND SEWER AUTHORITY**

By: _____
Matthew Brown
Chief Financial Officer and Executive Vice
President, Finance and Procurement

**COMPUTERSHARE TRUST COMPANY, N.A.,
AS ESCROW AGENT**

By: _____
Name: _____
Title: _____

APPENDIX A

LISTING OF REFUNDED BONDS

Series 2014C Bonds

Maturity (October 1)	Principal Amount	Interest Rate	CUSIP

Series 2015A Bonds

Maturity (October 1)	Principal Amount	Interest Rate	CUSIP

Series 2015B Bonds

Maturity (October 1)	Principal Amount	Interest Rate	CUSIP

APPENDIX B

REFUNDED BOND PAYMENTS

Date	Interest	Redeemed Principal	Total

APPENDIX D

VERIFICATION REPORT

APPENDIX E

FORM OF DEFEASANCE NOTICE

APPENDIX F

FORM OF REDEMPTION NOTICE

M&A draft 12/05/21

REMARKETING AGREEMENT

Between

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

Issuer

and

RBC CAPITAL MARKETS, LLC

Remarketing Agent

Dated March , 2022

Relating to

\$ _____ Public Utility Subordinate Lien Multimodal Revenue Bonds, Series 2022E

This REMARKETING AGREEMENT (the “Agreement”), dated March , 2022 (the “Closing Date”), between the DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY (the “Issuer” or the “Authority”) and RBC Capital Markets, LLC (“RBC” or the “Remarketing Agent”).

W I T N E S S E T H:

WHEREAS, the Issuer has issued \$00,000,000 aggregate principal amount of the District of Columbia Water and Sewer Authority Public Utility Subordinate Lien Multimodal Revenue Bonds, Series 2022E (the “Bonds”) under and pursuant to provisions of the laws of the United States of America and the District of Columbia (the “District”), including particularly, an act of the Council of the District entitled the “Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996,” as amended, codified at District of Columbia Official Code Sections 34-2201.01 *et seq.*, and the acts amendatory thereof and supplemental thereto, and an act of the United States Congress entitled the “District of Columbia Water and Sewer Authority Act of 1996” (Public Law 104-184), as amended, and all proceedings necessary to authorize and provide for the issuance of the Bonds, including a resolution adopted by the Board of Directors of the Authority, dated September 5, 2019 (the “Resolution”), and the Master Indenture of Trust, dated as of April 1, 1998 (the “Master Indenture”), between the Authority and Computershare Trust Company, N.A., as trustee (the “Trustee”), as amended and supplemented, including by the Thirty-First Supplemental Indenture of Trust, dated as of the Closing Date (the “Thirty-First Supplemental Indenture,” and together with the Master Indenture as previously amended and supplemented, the “Indenture”);

WHEREAS, the Bonds and the Indenture provide among other things, that the owners of the Bonds (the “Owners”), may elect (or may be required) in certain instances to tender their Bonds for purchase upon the terms and conditions contained in the Bonds and the Indenture;

WHEREAS, the Indenture provides for the appointment of a remarketing agent to perform certain duties, including the use of its best efforts to remarket any Bonds tendered for purchase by the Owners; and

WHEREAS, RBC has agreed to accept the duties and responsibilities of the remarketing agent under the Indenture and this Agreement;

NOW, THEREFORE, for and in consideration of the mutual covenants made herein and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. Definitions. Unless otherwise defined herein, all capitalized terms shall have the meanings ascribed to them in the Indenture.

“MSRB” shall mean: the Municipal Securities Rulemaking Board.

“Rule G-34 Documents” shall mean: (i) the letter of credit agreement, reimbursement agreement, standby bond purchase agreement, loan agreement, guaranty agreement or any other document establishing an obligation to provide credit and/or liquidity support with respect to the Bonds; (ii) the Indenture, Resolution, or any other authorizing document under which the Bonds were issued; (iii) any amendments, extensions, renewals, replacements or terminations thereof; and (iv) any other document required to comply with MSRB Rule G-34(c), as it may be amended from time to time; and, in each case where required to be delivered, such delivery shall be by electronic means in a word-searchable PDF file (or in such other form as the Remarketing Agent shall notify the Issuer/Borrower in writing) labeled with the following information: (a) CUSIP number; (b) name of issuer; (c) name of transaction; (d) name of document; and (e) whether the document is an execution version or a redacted version.

“SHORT System” shall mean: the MSRB’s Short-term Obligation Rate Transparency System.

Section 2. Appointment of Remarketing Agent. Subject to the terms and conditions contained herein, the Issuer hereby appoints RBC, as exclusive Remarketing Agent for the Bonds, and RBC hereby accepts such appointment. Notwithstanding Section 10 hereof, the Remarketing Agent is not required to perform under this agreement until an agreement for fees has been agreed to under Section 6 hereof.

Section 3. Responsibilities of Remarketing Agent. Subject to the terms and conditions set forth in this Agreement, RBC agrees to perform the duties of Remarketing Agent, with respect to the Bonds, set forth in the Indenture. It is understood that, in undertaking to perform such duties, and in the performance thereof, it is the intention of the parties that the Remarketing Agent will act solely as an agent and not as a principal except as expressly provided in Section 13. The Remarketing Agent shall not be liable for any action taken or omitted to be taken pursuant to this Agreement, except for its own gross negligence or willful misconduct.

(a) Determination of Interest Rates. The Remarketing Agent shall determine the interest rates on the Bonds in the manner and at the times specified therefor in the Indenture.

(b) Remarketing of Tendered Bonds.

(i) The Remarketing Agent shall use its best efforts to remarket Bonds to be purchased as described in the Indenture.

(ii) The Remarketing Agent

(A) will suspend its remarketing efforts upon the receipt of notice of the occurrence of an event of default under the Indenture (as defined in the Indenture), which suspension will continue for so long as such event of default shall continue (the Remarketing Agent being under no obligation to determine when such event of default shall cease); and

(B) may suspend its remarketing efforts immediately upon the occurrence of any of the following events, which suspension will continue so long as the situation continues to exist:

(1) there shall hereafter be placed into effect a general suspension of trading on the New York Stock Exchange or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on the New York Stock Exchange, whether by virtue of a determination by that Exchange or by order of the United States Securities and Exchange Commission or any other governmental authority having jurisdiction;

(2) a general moratorium on commercial banking activities in New York is declared by either federal or New York State authorities;

(3) there shall have occurred any new outbreak of hostilities or any material escalation in any present hostilities or other new national or international calamity, crisis or terrorist activity, the effect of such outbreak, escalation, calamity, crisis or terrorist activity on the financial markets of the United States being such, in the judgment of the Remarketing Agent, as to substantially adversely affect the marketability of the Bonds;

(4) legislation shall be introduced by committee, by amendment or otherwise, in, or be enacted by, the House of Representatives or the Senate of the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the United States Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter shall be made or proposed, to the effect that the offering or sale of obligations of the general character of the Bonds, as contemplated hereby, is or would be in violation of any provision of the Securities Act of 1933, as amended (the "Securities Act") and as then in effect, or the Securities Exchange Act of 1934, as amended (the "Exchange Act") and as then in effect, or the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act") and as then in effect, or with the purpose or effect of otherwise prohibiting the offering or sale of obligations of the general character of the Bonds, or the Bonds, as contemplated hereby;

(5) any event shall occur or information shall become known, which, in the Remarketing Agent's reasonable opinion, makes untrue, incorrect or misleading in any material respect any statement or information contained in the disclosure documents provided to the Remarketing Agent in connection with the performance of its duties hereunder, whether provided pursuant to Section 5 or otherwise, or causes such documents to contain an

untrue, incorrect or misleading statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading;

(6) any governmental authority shall impose, as to the Bonds, or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force;

(7) any of the representations and warranties of the Issuer made hereunder shall not have been true and correct on the date made;

(8) the Issuer fails to observe any of the covenants or agreements made herein;

(9) any of the rating agencies then rating the Bonds shall downgrade the ratings assigned to the Bonds, which, in the reasonable judgment of the Remarketing Agent, materially adversely affects the market for the Bonds;

(10) legislation shall have been enacted by the Congress of the United States, or shall have been reported out of committee of either body or be pending in committee of either body, or a decision shall have been rendered by a court of the United States, the Tax Court of the United States or a court of the District of Columbia, or a ruling shall have been made or a regulation or temporary regulation shall have been issued by the Treasury Department of the United States or the Internal Revenue Service or other federal authority, with respect to federal taxation upon revenues or other income of the general character to be derived by the Authority, or upon interest received on obligations of the general character of the Bonds, which, in the reasonable judgment of the Remarketing Agent, materially adversely affects the market for the Bonds;

(11) in the reasonable judgment of the Remarketing Agent, the market price or marketability of the Bonds or the ability of the Remarketing Agent to enforce contracts for the sale of Bonds shall have been materially adversely affected by an amendment of or supplement to the Official Statement, notwithstanding the Remarketing Agent's approval of such amendment or supplement prior to its distribution; or

(12) an actual or imminent default or a moratorium in respect of payment of any U.S. Treasury bills, bonds or notes the effect of which in either Remarketing Agent's judgment makes it

impractical to market the Bonds or to enforce contracts for the sale of the Bonds.

Section 4. Resignation and Removal of Remarketing Agent; Termination Events. The Remarketing Agent may at any time resign and be discharged of its duties and obligations hereunder upon providing the Trustee, the Issuer, the Tender Agent, and each Rating Agency with [sixty (60)] days' prior written notice. The Remarketing Agent may be removed at any time, at the direction of the Trustee, the Paying Agent, and the Issuer upon [fifteen (15)] days' prior written notice to the Remarketing Agent; provided, however, that no such removal shall be or become effective unless and until a successor Remarketing Agent shall have been appointed and accepted such appointment in accordance with the Indenture. Upon removal or resignation of the Remarketing Agent, the Issuer shall promptly cause the Paying Agent to give notice thereof by mail to all Bondholders and to any rating agency which has assigned a rating to the Bonds. The Remarketing Agent shall assign and deliver this Agreement to its successor, if any.

In addition to its ability to suspend its remarketing efforts as set forth above under Section 3(b)(ii)(B)(9), the Remarketing Agent may, upon notice to the Issuer, cease offering and selling the Bonds with immediate effect if any of the rating agencies then rating the Bonds shall downgrade the ratings assigned to the Bonds, which, in the reasonable judgment of the Remarketing Agent, materially adversely affects the market for the Bonds. The Remarketing Agent shall also have the right to immediately terminate this Agreement if there is a down-rating below Baa3/BBB- or withdrawal of the rating on the Bonds.

Following termination, the provisions of Section 6 hereof will continue in effect as to transactions prior to the date of termination, and each party will pay the other party any amounts owing at the time of termination.

Section 5. Disclosure Materials.

(a) General. If the Remarketing Agent determines that it is necessary or desirable to use an official statement or other disclosure document in connection with its remarketing of the Bonds, the Remarketing Agent will notify the Issuer which will provide the Remarketing Agent with a disclosure document in respect of the Bonds satisfactory to the Remarketing Agent and its counsel. The Issuer will supply the Remarketing Agent with such number of copies of the disclosure document as the Remarketing Agent requests from time to time and the Issuer will amend the document (and all documents incorporated by reference) so that at all times the document will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. In connection with the use of any disclosure document by the Remarketing Agent in its remarketing of the Bonds, the Issuer will furnish to the Remarketing Agent such certificates, accountants' letters and opinions of counsel as the Remarketing Agent reasonably requests.

(b) Compliance with Rule 15c2-12. In the event the Remarketing Agent is asked to remarket the Bonds in any situation which requires compliance with Rule 15c2-12 of the Exchange Act (the "Rule"),

(i) the Issuer will provide the Remarketing Agent with an official statement or other disclosure document in connection with its remarketing of the Bonds which the Issuer deems final as of its date (exclusive of pricing and other sales information), prior to the date the Remarketing Agent bids for, offers or sells any Bonds;

(ii) the Issuer will provide the Remarketing Agent with such number of copies of any official statement or other disclosure document prepared in connection therewith, as the Remarketing Agent may need to supply at least one copy thereof to each potential customer who requests it; and

(iii) the Issuer shall provide the Remarketing Agent within seven (7) Business Days after the interest rate is determined or by the time “money confirmations” are to be sent to customers, whichever is earlier, with a number of copies of the final official statement or other disclosure document adequate to provide at least one copy of such final official statement or disclosure document to any customer or any potential customer for a period commencing on the date such final official statement or disclosure document is available and extending for the underwriting period as defined in the Rule (the “Underwriting Period”) and, thereafter, for as long as may be required by the Rule. During the Underwriting Period, the Issuer agrees to update, by written supplement or amendment or otherwise, the final official statement or disclosure document such that at all times during such period the final official statement or disclosure document will not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Section 6. Fees and Expenses. When Bonds are remarketed in connection with the conversion of the interest rate to a Daily Rate, Weekly Rate, Long-Term Rate, Index Rate, Short-Term Rate, Term Rate or a Fixed Rate, the Issuer and the Remarketing Agent will agree on a fee.

The Issuer will pay all expenses of delivering remarketed Bonds and reimburse the Remarketing Agent for all direct, out-of-pocket expenses incurred by it as Remarketing Agent, including reasonable counsel fees and disbursements.

Section 7. Representations, Warranties, Covenants and Agreements of the Remarketing Agent. The Remarketing Agent, by its acceptance hereof, represents, warrants and covenants and agrees with the Issuer as follows:

(a) the Remarketing Agent is a member of the Financial Industry Regulatory Authority, Inc. (FINRA), having a total capitalization of at least [\$15,000,000], and otherwise meets the requirements for the Remarketing Agent set forth in the Indenture;

(b) the Remarketing Agent has been duly organized, is validly existing and is in good standing under the laws of the State of _____, and is authorized by law to perform all the duties and obligations imposed upon it as Remarketing Agent by this Agreement and the Indenture; and

(c) the Remarketing Agent has full power and authority to take all actions required or permitted to be taken by the Remarketing Agent by or under, and to perform and

observe the covenants and agreements on its part contained in, this Agreement and the Indenture.

Section 8. Representations, Warranties, Covenants and Agreements of the Issuer. The Issuer, by its acceptance hereof, represents, warrants, covenants, and agrees with the Remarketing Agent that:

(a) The Issuer is a duly organized and validly existing corporate body and independent authority of the District established under the laws of the United States and the District;

(b) The Issuer has full power and authority to take all actions required or permitted to be taken by the Issuer by or under, and to perform and observe the covenants and agreements on its part contained in, this Agreement and any other instrument or agreement relating thereto to which the Issuer is a party;

(c) The Issuer has, on or before the date hereof, duly taken all action necessary to be taken by it prior to such date to authorize (i) the execution, delivery and performance of this Agreement and any other instrument or agreement to which the Issuer is a party and which has been or will be executed in connection with the transactions contemplated by the foregoing documents; and (ii) the carrying out, giving effect to, consummation and performance of the transactions and obligations contemplated by the foregoing agreements and by the Official Statement; and

(d) The Issuer will promptly notify the Remarketing Agent by Electronic Means of any material adverse changes that may affect the remarketing of the Bonds or any fact or circumstance which may constitute, or with the passage of time will constitute, an event of default under the Indenture.

Section 9. Compliance with MSRB Rule G-34(c).

(a) The Issuer agrees that it shall provide the following to the Remarketing Agent to assist in complying with its obligations under MSRB Rule G-34(c):

(i) on the effective date of this Remarketing Agreement, a copy of each executed and currently effective Rule G-34 Document;

(ii) no later than ten (10) Business Days prior to the proposed date of any amendment, extension or renewal, replacement or termination of any of the then current Rule G-34 Documents, written notice that such document is proposed to be amended, extended, renewed, replaced or terminated, as the case may be, and the expected date of execution and delivery of such amendment, extension, renewal, replacement or termination, as the case may be;

(iii) within one (1) Business Day after the execution and delivery of any amendment, extension, renewal, replacement or termination, as the case may be, of any of the then current Rule G-34 Documents, a copy thereof; and

(iv) no later than three (3) Business Days after receiving a request from the Remarketing Agent for any Rule G-34 Document, a copy thereof.

In each instance that Rule G-34 Documents are delivered to the Remarketing Agent pursuant to this Section 9(a), the Issuer shall provide: (A) a clean final execution copy of each relevant document; and (B) in any such document where any redactions are made, (x) a redacted final execution copy of document, and (y) a file containing a list showing all redactions that have been made to such document.

(b) If the Issuer determines that any information in the Rule G-34 Documents is confidential or proprietary, the Issuer shall discuss such information and the potential redaction thereof with the Remarketing Agent and its counsel to ensure compliance with MSRB Rule G-34(c).

(c) In the event that the Issuer does not provide the Remarketing Agent with a copy of a document described in Section 9(a) above, the Issuer acknowledges that the Remarketing Agent may file a notice with the SHORT System that such document will not be provided at such times as specified by the MSRB and in the SHORT System users manual.

(d) The Issuer will hold harmless the Remarketing Agent with respect to any confidential or proprietary information that is made public when the Remarketing Agent files the Rule G-34 Documents with the SHORT System.

(e) If there are any additional regulatory requirements, amendments or modifications to the securities laws with which the Remarketing Agent must comply, the Issuer shall take all steps reasonably requested by the Remarketing Agent or its counsel necessary to comply with such additional requirements.

(f) The Issuer shall reimburse the Remarketing Agent for any costs incurred in connection with compliance with MSRB Rule G-34(c) including, but not limited to, fees charged by trustees or other parties supplying missing documents.

Section 10. Term of Agreement. This Agreement shall become effective on the date hereof and shall continue in full force and effect until the payment in full of the Bonds or the earlier conversion of all Bonds to the Fixed Rate, subject to the right of termination as provided herein.

Section 11. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the District applicable to agreements made and to be performed in the District. The parties all agree that all actions and proceedings arising out of this Agreement or any of the transactions contemplated hereby shall be brought exclusively in the District and, in connection with any such action or proceeding, submit to the exclusive jurisdiction of, and venue in, federal or state courts located in the District.

Section 12. Dealing in Bonds by the Remarketing Agent; not an Advisor.

(a) The Remarketing Agent, in its individual capacity, may in good faith buy, sell, own, hold and deal in any of the Bonds, including, without limitation, any Bonds offered

and sold by the Remarketing Agent pursuant to this Agreement, and may join in any action which any Owner may be entitled to take with like effect as if it did not act in any capacity hereunder. The Remarketing Agent may sell any of such Bonds at prices above or below par, at any time. The Remarketing Agent, in its individual capacity, either as principal or agent, may also engage in or be interested in any financial or other transaction with the Issuer and may act as depository, trustee, or agent for any committee or body of Owners or other obligations of the Issuer as freely as if it did not act in any capacity hereunder.

(b) Nothing in this Agreement shall be deemed to constitute the Remarketing Agent an underwriter of the Bonds or to obligate the Remarketing Agreement to purchase any Bonds at any time.

(c) The Issuer acknowledges and agrees that: (i) the Remarketing Agent has been engaged to remarket the Bonds hereunder and that the transactions contemplated by this Agreement are arm's length, commercial transactions between the Issuer and the Remarketing Agent and it is not acting as a municipal advisor, financial advisor or fiduciary to the Issuer and that the Remarketing Agent has financial and other interests that differ from those of the Issuer; (ii) the Remarketing Agent has not assumed any advisory or fiduciary responsibility to the Issuer with respect to the transactions contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Remarketing Agent has provided other services or is currently providing other services to the Issuer on other matters); (iii) the only obligations the Remarketing Agent has to the Issuer with respect to the transactions contemplated hereby expressly are set forth in this Agreement; and (iv) the Issuer has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate. If the Issuer would like a municipal advisor in this transaction that has legal fiduciary duties to the Issuer, then the Issuer is free to engage a municipal advisor to serve in that capacity.

Section 13. Intention of Parties. It is the express intention of the parties hereto that any purchase, sale or transfer of any Bonds, as herein provided, shall not constitute or be construed to be the extinguishment of any Bonds or the indebtedness represented thereby or the reissuance of any Bonds.

Section 14. Waiver of Trial by Jury. Each of the parties hereto also irrevocably waives all right to trial by jury in any action, proceeding or counterclaim arising out of this Agreement or the transactions contemplated hereby.

Section 15. Miscellaneous.

(a) Except as otherwise specifically provided in this Agreement, all notices, demands and formal actions under this Agreement shall be in writing and either (i) hand-delivered, (ii) sent by electronic means, or (iii) mailed by registered or certified mail, return receipt requested, postage prepaid, to:

The Remarketing Agent:

RBC Capital Markets, LLC,
200 Vesey Street

9th Floor
New York, New York

Attention:
Telephone:
Telecopy:
Email:

The Issuer: District of Columbia Water and Sewer Authority
1385 Canal Street S.E.
Washington, D.C. 20003
Attention: Chief Financial Officer and Executive
Vice President Finance and Procurement
Telephone: 202-787-2000
Telecopy: 202-787-2333

Tender Agent and
Trustee: Computershare Trust Company, N.A.

Attention: Corporate Trust Services
Telephone:

The Remarketing Agent, the Issuer, the Trustee and the Tender Agent may, by notice given under this Agreement, designate other addresses to which subsequent notices, requests, reports or other communications shall be directed.

(b) This Agreement shall inure to the benefit of and be binding only upon the parties hereto and their respective successors and assigns. The terms “successors” and “assigns” shall not include any purchase of any of the Bonds merely because of such purchase. No other party shall have any rights or privileges hereunder.

(c) All of the representations and warranties of the Issuer and the Remarketing Agent in this Agreement shall remain operative and in full force and effect, regardless of (i) any investigation made by or on behalf of the Remarketing Agent or the Issuer, (ii) the offering and sale of and any payment for any Bonds hereunder or (iii) the termination or cancellation of this Agreement.

(d) This Agreement and each provision hereof may be amended, changed, waived, discharged or terminated only by an instrument in writing signed by the parties hereto.

(e) Nothing herein shall be construed to make any party an employee of the other or to establish any fiduciary relationship between the parties except as expressly provided herein.

(f) If any provision of this Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable for any reason, such circumstances shall not have the effect of rendering any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatsoever.

(g) This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

By: _____
Chief Financial Officer and Executive Vice President
Finance and Procurement

RBC CAPITAL MARKETS, LLC

By: _____
Authorized Signatory



**D.C. WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS
FINANCE & BUDGET
JANUARY COMMITTEE MEETING**

**Thursday, January 25, 2022; 11:00 a.m.
DC Water Headquarters
1385 Canal Street, SE, DC
AGENDA**

Call to Order	Chairperson
December 2021 Financial Report	Chief Financial Officer
Agenda for February Committee Meeting	Chairperson
Adjournment	Chairperson

*Detailed agenda can be found on DC Water’s website at www.dewater.com/about/board_agendas.cfm