

**OFFICIAL NOTICE OF SALE AND PRELIMINARY OFFICIAL STATEMENT DATED NOVEMBER 12, 2020**

**NEW ISSUE - BOOK ENTRY ONLY**

See “RATINGS” herein

*In the opinion of Bond Counsel, interest on the 2020A Bonds is generally subject to inclusion in federal gross income. In the opinion of Bond Counsel, under existing law, interest on the 2020A Bonds and any profit on the sale thereof are exempt from Massachusetts personal income taxes, and the 2020A Bonds are exempt from Massachusetts personal property tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the 2020A Bonds. See “TAX MATTERS” herein.*



**\$51,390,000\***  
**MASSACHUSETTS DEVELOPMENT FINANCE AGENCY**  
**SPECIAL OBLIGATION REFUNDING BONDS**  
**(COMMONWEALTH CONTRACT ASSISTANCE),**  
**SERIES 2020A (FEDERALLY TAXABLE)**



**Dated: Date of Delivery**

**Due: May 1, as shown on the inside cover**

The \$51,390,000\* aggregate principal amount of the Massachusetts Development Finance Agency Special Obligation Refunding Bonds (Commonwealth Contract Assistance), Series 2020A (Federally Taxable) (the “2020A Bonds”) are issuable only as fully registered bonds without coupons and, when issued, will be registered in the name of Cede & Co., as Bondowner and nominee for The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository for the 2020A Bonds. Purchases of the 2020A Bonds will be made in book-entry form, in the denomination of \$5,000 each or any multiple thereof, as more fully described herein. Interest on the 2020A Bonds will be payable semiannually on May 1 and November 1 of each year commencing May 1, 2021.\* The 2020A Bonds will be subject to optional make-whole and mandatory redemption prior to maturity as described herein. The 2020A Bonds are not subject to acceleration in the case of any default thereunder or under the below-defined Indenture.

The 2020A Bonds will be issued under and secured pursuant to Chapter 293 of the Acts of 2006 of The Commonwealth of Massachusetts (the “Commonwealth”), as amended to date and from time to time, and to the extent provided in said Chapter 293, Chapter 23G and Chapter 40D of the General Laws of the Commonwealth (collectively, the “Act”), and a Master Trust Indenture dated as of March 1, 2014 (as previously amended and supplemented, the “Master Indenture”), by and between the Massachusetts Development Finance Agency (the “Issuer”) and U.S. Bank National Association, as master trustee (the “Trustee”), as further supplemented by the Eleventh Supplement to Trust Indenture dated as of December 1, 2020\* (the “Eleventh Supplement” and together with the Master Indenture, the “Indenture”) between the Issuer and the Trustee. In accordance with the Act and a Contract for State Infrastructure Development Assistance dated as of March 1, 2014 (as previously supplemented, the “Master Assistance Contract”), by and between the Issuer and the Commonwealth, acting by and through the Secretary of the Executive Office for Administration and Finance (the “Secretary”), as further supplemented by the Eleventh Supplement to Contract for State Infrastructure Development Assistance dated as of December 1, 2020\* (the “2020A Assistance Contract” and together with the Master Assistance Contract, the “Assistance Contract”) by and between the Issuer and the Commonwealth, acting by and through the Secretary, the Commonwealth will provide Commonwealth Contract Assistance for Debt Service (as defined herein) to the Trustee for the account of the Issuer in amounts and at times sufficient to pay in full the principal of and interest on the Bonds (as defined herein), including the 2020A Bonds, as the same shall become due and payable.

The 2020A Bonds shall be special obligations of the Issuer payable solely from and secured by such Commonwealth Contract Assistance for Debt Service, and from certain other funds held under the Indenture. In the opinion of Locke Lord LLP, special counsel to the Commonwealth, the obligation of the Commonwealth to pay such Commonwealth Contract Assistance for Debt Service as provided in the Assistance Contract is a general obligation of the Commonwealth, for which its full faith and credit are pledged. However, for information regarding certain statutory limits on state tax revenue growth, see “SECURITY FOR THE 2020A BONDS” herein.

THE 2020A BONDS DO NOT CONSTITUTE A GENERAL OBLIGATION OF THE ISSUER OR AN OBLIGATION OF THE COMMONWEALTH OR A DEBT OR PLEDGE OF THE FULL FAITH AND CREDIT OR TAXING POWER OF THE COMMONWEALTH, THE CITY OF BOSTON, THE CITY OF SOMERVILLE OR THE CITY OF NEWTON OR ANY OTHER POLITICAL SUBDIVISION THEREOF, ALTHOUGH THE COMMONWEALTH CONTRACT ASSISTANCE FOR DEBT SERVICE IS A GENERAL OBLIGATION OF THE COMMONWEALTH FOR WHICH THE FULL FAITH AND CREDIT OF THE COMMONWEALTH ARE PLEDGED. THE PRINCIPAL OF AND INTEREST ON THE 2020A BONDS ARE PAYABLE SOLELY FROM COMMONWEALTH CONTRACT ASSISTANCE FOR DEBT SERVICE AND OTHER FUNDS SPECIFICALLY PLEDGED FOR THEIR PAYMENT UNDER THE INDENTURE. THE ISSUER HAS NO TAXING POWER UNDER THE ACT.

*The 2020A Bonds will be offered, when, as and if issued by the Issuer, and received by the original purchaser, subject to the legality and certain other matters by McCarter & English, LLP, Boston, Massachusetts, Bond Counsel to the Issuer. Certain legal matters will be passed upon for the Commonwealth by Locke Lord LLP, Boston, Massachusetts, special counsel to the Commonwealth, and by Mintz, Levin, Cohn, Ferris, Glovsky and Popeo P.C., Boston, Massachusetts, special counsel to the Commonwealth as disclosure counsel. PFM Financial Advisors LLC, serves as municipal advisor to the Issuer in connection with the issuance of the 2020A Bonds. The 2020A Bonds are expected to be available for delivery to DTC in New York, New York, or its custodial agent, on or about December 2, 2020.*

*The 2020A Bonds are offered on a competitive sale basis as described herein under “COMPETITIVE SALE OF 2020A BONDS” and pursuant to the Official Notice of Sale dated November 12, 2020 and attached hereto as Appendix G.*

November \_\_, 2020

\* Preliminary, subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment in a final Official Statement. This Preliminary Official Statement shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the 2020A Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or exemption under the securities laws of any such jurisdiction.

**\$51,390,000\***  
**MASSACHUSETTS DEVELOPMENT FINANCE AGENCY**  
**SPECIAL OBLIGATION REFUNDING BONDS**  
**(COMMONWEALTH CONTRACT ASSISTANCE)**  
**SERIES 2020A BONDS**  
**(FEDERALLY TAXABLE)**

**MATURITIES, AMOUNTS, RATES, YIELDS AND CUSIP NUMBERS\*\*†**

<u>Year*</u> <u>(May 1)</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP No.†</u>	<u>Year*</u> <u>(May 1)</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP No.†</u>
2025	\$1,465,000	%			2035	\$2,575,000	%		
2026	2,135,000				2036	2,655,000			
2027	2,160,000				2037	2,725,000			
2028	2,195,000				2038	2,805,000			
2029	2,230,000				2039	2,880,000			
2030	2,270,000				2040	2,965,000			
2031	2,310,000				2041	3,040,000			
2032	2,375,000				2042	3,130,000			
2033	2,445,000				2043	3,215,000			
2034	2,510,000				2044	3,305,000			

\* Preliminary, subject to change.

† The CUSIP (Committee on Uniform Securities Identification Procedures) numbers printed in this Official Statement have been assigned by an organization not affiliated with the Issuer, the Commonwealth, the City of Boston, the City of Somerville, the City of Newton, the 2014A Developer (defined herein), the 2014B Developer (defined herein), the 2014C Developer (defined herein) or the Trustee, and such parties are not responsible for the selection or use of the CUSIP numbers. The CUSIP numbers are included solely for the convenience of Bondowners and no representation is made as to the correctness of the CUSIP numbers printed herein. CUSIP numbers assigned to securities may be changed during the term of such securities based on a number of factors, including, but not limited to, the refunding or defeasance of such securities or the use of secondary market financial products. None of the Issuer, the Commonwealth, the City of Boston, the City of Somerville, the City of Newton, the 2014A Developer, the 2014B Developer, the 2014C Developer or the Trustee has agreed to, nor is there any duty or obligation to, update this Official Statement to reflect any change or correction in the CUSIP numbers printed herein.

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This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy the 2020A Bonds in any jurisdiction to any person to whom it is unlawful to make such offer in such jurisdiction. No dealer, salesperson or any other person has been authorized to give any information or make any representation, other than those contained herein, in connection with the offering of the 2020A Bonds, and if given or made, such information or representation must not be relied upon.

The information contained in this Official Statement has been obtained from the Issuer, the 2014A Developer (defined herein), the 2014B Developer (defined herein), the 2014C Developer (defined herein), the Commonwealth, The Depository Trust Company and other sources that are believed to be reliable. No representation or warranty is made, however, as to the accuracy or completeness of such information and nothing contained in this Official Statement is to be construed as a representation by the original purchaser of the 2020A Bonds. Neither the delivery of this Official Statement nor the sale of any of the 2020A Bonds implies that there has been no change in the affairs of the Issuer, the Commonwealth, or the other matters described herein since the date hereof. The information and expression of opinions set forth herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the parties referred to herein since the date hereof.

The 2020A Bonds have not been registered under the Securities Act of 1933, as amended (the “1933 Act”), in reliance on the provisions of Section 3(a)(2) thereof. Neither the Master Indenture nor the Eleventh Supplement has been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon exemptions therein. Further the 2020A Bonds have not been registered under the laws of any states or other jurisdiction of the United States. The 2020A Bonds may not be exempt in every jurisdiction in the United States. The 2020A Bonds have not been recommended by any federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Official Statement. Any representation to the contrary is a criminal offense.

#### CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

Information included in this Official Statement includes forward-looking statements about the future that are necessarily subject to various risks and uncertainties (“Forward-Looking Statements”). These Forward-Looking Statements are (i) based on the beliefs and assumptions of management of the Issuer and the Commonwealth and on information currently available to them and (ii) generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “budget,” “intend,” “projection” or other similar words. Events that could cause future results to differ materially from those expressed in or implied by Forward-Looking Statements or historical experience include the impact or outcome of many factors that are described throughout this Official Statement. Although the ultimate impact of such factors is uncertain, they may cause future performance to differ materially from results or outcomes that are currently sought or expected by the Issuer and the Commonwealth. In addition, forward-looking statements, reports and the Commonwealth’s Information Statement (as defined herein) included or incorporated by reference in this Official Statement do not contemplate the economic or other effects related to the COVID-19 pandemic, except as specifically referenced.

References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader’s convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this final official statement for purposes of, and as that term is defined in, SEC Rule 15c2-12.

## OFFICIAL STATEMENT

**\$51,390,000\***

**MASSACHUSETTS DEVELOPMENT FINANCE AGENCY  
SPECIAL OBLIGATION REFUNDING BONDS  
(COMMONWEALTH CONTRACT ASSISTANCE)  
SERIES 2020A (FEDERALLY TAXABLE)**

### INTRODUCTORY STATEMENT

This Official Statement, including the cover page, the inside cover and appendices hereto, sets forth certain information in connection with the issuance and sale of the \$51,390,000\* Special Obligation Refunding Bonds (Commonwealth Contract Assistance) Series 2020A (Federally Taxable) (the “2020A Bonds”) of the Massachusetts Development Finance Agency (the “Issuer”), a body corporate and politic and a public instrumentality of The Commonwealth of Massachusetts (the “Commonwealth”). The Issuer is authorized under Chapter 293 of the Acts of 2006 of the Commonwealth, as amended (“Chapter 293”), and to the extent provided in Chapter 293, Chapter 23G and Chapter 40D of the General Laws of the Commonwealth (said Chapters, collectively and as amended, the “Act”), and pursuant to a resolution of the Issuer adopted on September 10, 2020 (the “Resolution”) to issue the 2020A Bonds. The 2020A Bonds will be issued under and secured pursuant to the Act, and a Master Trust Indenture dated as of March 1, 2014 (as previously amended and supplemented, the “Master Indenture”), by and between the Issuer and U.S. Bank National Association, as master trustee (the “Trustee”), as further supplemented by the Eleventh Supplement to Trust Indenture dated as of December 1, 2020\* (the “Eleventh Supplement” and together with the Master Indenture, the “Indenture”) between the Issuer and the Trustee. Capitalized terms which are not otherwise defined herein are defined in Appendix A – “Definitions of Certain Terms.”

A portion of the proceeds of the 2020A Bonds will be used to advance refund the \$34,605,000 Special Obligation Bonds (Commonwealth Contract Assistance), Series 2014A (the “2014A Bonds”), currently outstanding in the principal amount of \$30,940,000, issued on April 8, 2014, the proceeds of which were used to finance certain public infrastructure improvements within the redevelopment project located in the Seaport District of the South Boston neighborhood of the City of Boston, Massachusetts (the “2014A Project”), which have been constructed by or on behalf of Fan Pier Development, LLC, (together with its successors and assigns, the “2014A Developer”) in accordance with that certain Amended and Restated Infrastructure Development Assistance Agreement dated as of August 12, 2013 (the “2014A Development Agreement”) among the 2014A Developer, Fifty Northern Avenue LLC and Eleven Fan Pier Boulevard LLC, the City of Boston, the Issuer and the Commonwealth, acting by and through the Secretary. Under the Contract for State Infrastructure Development Assistance dated as of March 1, 2014 (as the same may be amended from time to time, the “Master Assistance Contract”), as supplemented by the First Supplement to Contract for State Infrastructure Development Assistance dated as of March 1, 2014 (the “2014A Assistance Contract”), the Commonwealth agreed to pay State Infrastructure Development Assistance (as defined in the Act) to the Issuer to provide for the Debt Service (defined in the Master Indenture) payable on the 2014A Bonds (“State Infrastructure Development Assistance for Debt Service”) and to pay or reimburse the Issuer for all Issuer Expenses (as defined in the Master Indenture).

The 2014A Development Agreement has been discharged in accordance with its terms. However, the obligations of the Issuer and the Commonwealth under the 2014A Assistance Contract remain in full force and effect.

A portion of the proceeds of the 2020A Bonds will be used to advance refund the \$9,300,000 Special Obligation Bonds (Commonwealth Contract Assistance), Series 2014B (the “2014B Bonds”), currently outstanding in the principal amount of \$8,250,000, issued on June 4, 2014, the proceeds of which were used to finance certain public infrastructure improvements within the redevelopment project located in the Assembly Square area of the City of Somerville, Massachusetts (the “2014B Project”), which have been constructed by or on behalf of FR Sturtevant Street, LLC, Street Retail, Inc., SRI Assembly Row B2, LLC, SRI Assembly Row B3, LLC, SRI

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\* Preliminary, subject to change.

Assembly Row B5, LLC, SRI Assembly Row B6, LLC, SRI Assembly Row B7, LLC, SRI Assembly Row B8, LLC, SRI Assembly Row B9, LLC and FR Assembly Square, LLC (together and with each of their respective successors and assigns, the “2014B Developer”) in accordance with that certain Amended and Restated Infrastructure Development Assistance Agreement dated as of November 1, 2012 by and among Commonwealth, acting by and through the Secretary, the City of Somerville, the Issuer and the 2014B Developer (the “2014B Development Agreement”). Under the Master Assistance Contract, as supplemented by the Second Supplement to Contract for State Infrastructure Development Assistance dated as of June 1, 2014 (the “2014B Assistance Contract”), the Commonwealth agreed to pay State Infrastructure Development Assistance (as defined in the Act) to the Issuer to provide for the Debt Service (defined in the Master Indenture) payable on the 2014B Bonds (“State Infrastructure Development Assistance for Debt Service”) and to pay or reimburse the Issuer for all Issuer Expenses (as defined in the Master Indenture). The 2014B Development Agreement will be amended to set forth the terms of the 2020A Bonds related to the 2014B Project (as amended, the “2020B Development Agreement”).

A portion of the proceeds of the 2020A Bonds will be used to advance refund the \$8,880,000 Special Obligation Bonds (Commonwealth Contract Assistance), Series 2014C (the “2014C Bonds”), currently outstanding in the principal amount of \$8,000,000, issued on September 30, 2014, the proceeds of which were used to finance certain public infrastructure improvements, which have been constructed by or on behalf of the NEDRA CHS LLC (together with its successors and assigns, the “2014C Developer”) in connection with the Chestnut Hill Square redevelopment projected located in the City of Newton, Massachusetts (the “2014C Project”) in accordance with that certain Infrastructure Development Assistance Agreement dated as of June 1, 2014 (the “2014C Development Agreement”) among the 2014C Developer, the City of Newton, the Issuer and the Commonwealth, acting by and through the Secretary. Under the Master Assistance Contract, as supplemented by the Third Supplement to Contract for State Infrastructure Development Assistance dated as of September 1, 2014 (the “2014C Assistance Contract”), the Commonwealth agreed to pay State Infrastructure Development Assistance (as defined in the Act) to the Issuer to provide for the Debt Service (defined in the Master Indenture) payable on the 2014C Bonds (“State Infrastructure Development Assistance for Debt Service”) and to pay or reimburse the Issuer for all Issuer Expenses (as defined in the Master Indenture). The 2014C Development Agreement will be amended to set forth the terms of the 2020A Bonds related to the 2014C Project (as amended, the “2020C Development Agreement”).

The 2020A Bonds will be sold through a competitive, electronic bidding process on November 18, 2020 in accordance with the terms of the Official Notice of Sale attached hereto as Appendix G. As provided in the Official Notice of Sale, the Issuer may modify such bidding process by posting any changes on Thomson Municipal Market Monitor News ([www.tm3.com](http://www.tm3.com)) (“TM3”).

Pursuant to the Act, the Issuer is authorized to issue bonds and notes (collectively, the “Bonds”) up to an aggregate principal amount of \$600,000,000 (as such amount may be increased from time to time under the Act and excluding bonds issued to refund Bonds) under the Master Indenture to finance public infrastructure improvements in the Commonwealth and to refund the Bonds. To date, the Issuer has issued Bonds in an aggregate principal amount of \$191,040,000.

The 2020A Bonds shall be special obligations of the Issuer payable solely from and secured by the Commonwealth Contract Assistance for Debt Service (as defined below) received by the Trustee for the account of the Issuer from the Commonwealth pursuant to the Assistance Contract (defined below) and from all moneys, funds and accounts under the Master Indenture, other than the Rebate Fund, and with respect to the 2020A Cost of Issuance Fund, only from amounts held in the accounts, if any, specifically pledged therefor.

The payment of principal of and interest on the 2020A Bonds is secured on a parity with all other Bonds issued under the Master Indenture by payments (“Commonwealth Contract Assistance for Debt Service”) made by the Commonwealth to the Trustee, for the account of the Issuer, in amounts and at times sufficient to pay in full the principal of and interest on the Bonds, including the 2020A Bonds, as the same shall become due and payable under the Master Assistance Contract, as further supplemented by a Eleventh Supplement to Contract for State Infrastructure Development Assistance dated as of December 1, 2020\* (the “2020A Assistance Contract” and

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\* Preliminary, subject to change.

together with the Master Assistance Contract, the “Assistance Contract”), by and between the Issuer and the Commonwealth, acting by and through the Secretary. Principal of and interest on prior or additional Bonds has been and will be secured by Commonwealth Contract Assistance for Debt Service on a parity with the 2020A Bonds pursuant to supplements or amendments to the Master Assistance Contract. The obligation of the Commonwealth to pay Commonwealth Contract Assistance for Debt Service pursuant to the Assistance Contract shall not be affected by any default under the 2020B Development Agreement or the 2020C Development Agreement. See Appendix C – “Summary of Certain Provisions of the Assistance Contract”; Commonwealth Contract Assistance is referred to as “State Infrastructure Development Assistance” under the Act, the Assistance Contract and the Indenture.

The obligation of the Commonwealth to pay Commonwealth Contract Assistance for Debt Service under the Assistance Contract is a general obligation of the Commonwealth, for which its full faith and credit are pledged. However, for information regarding certain statutory limits on state tax revenue growth, see “SECURITY FOR THE 2020A BONDS” herein. The ability of the Commonwealth to pay Commonwealth Contract Assistance for Debt Service will depend upon a number of factors. Any prospective purchaser of the 2020A Bonds should take into consideration the financial condition of the Commonwealth in making an investment decision with respect to the 2020A Bonds. See “SECURITY FOR THE 2020A BONDS” and “ADDITIONAL INFORMATION CONCERNING THE COMMONWEALTH” herein.

Pursuant to the Master Indenture, the Issuer will pledge and grant to the Trustee on behalf of the Owners of the Bonds a security interest in: (1) the Assistance Contract including all Commonwealth Contract Assistance for Debt Service paid or required to be paid by the Commonwealth for Debt Service on the Bonds from time to time under the Assistance Contract and all of the Issuer’s rights to payment of such Commonwealth Contract Assistance for Debt Service; (2) all moneys and securities on deposit in the Debt Service Fund and the Infrastructure Development Assistance Fund established under the Master Indenture, whether any of the foregoing is now existing or is hereafter acquired and (3) any amounts payable to the Issuer pursuant to a Related Hedging Contract, if any, (collectively the “Trust Assets”), in each case subject only to the provisions of the Indenture permitting the application of amounts held thereunder for the purposes and on the terms and conditions set forth in the Indenture. The 2020A Bonds shall be further secured by moneys on deposit in the 2020A Cost of Issuance Account of the Cost of Issuance Fund, all as provided for in the Eleventh Supplement.

THE 2020A BONDS DO NOT CONSTITUTE A GENERAL OBLIGATION OF THE ISSUER OR AN OBLIGATION OF THE COMMONWEALTH OR A DEBT OR PLEDGE OF THE FULL FAITH AND CREDIT OR TAXING POWER OF THE COMMONWEALTH, THE CITY OF BOSTON, THE CITY OF SOMERVILLE, THE CITY OF NEWTON OR ANY OTHER POLITICAL SUBDIVISION THEREOF, ALTHOUGH THE COMMONWEALTH CONTRACT ASSISTANCE FOR DEBT SERVICE IS A GENERAL OBLIGATION OF THE COMMONWEALTH FOR WHICH THE FULL FAITH AND CREDIT OF THE COMMONWEALTH ARE PLEDGED. THE PRINCIPAL OF AND INTEREST ON THE 2020A BONDS ARE PAYABLE SOLELY FROM COMMONWEALTH CONTRACT ASSISTANCE FOR DEBT SERVICE AND OTHER FUNDS SPECIFICALLY PLEDGED FOR THEIR PAYMENT UNDER THE INDENTURE. THE ISSUER HAS NO TAXING POWER UNDER THE ACT.

NONE OF THE 2014A DEVELOPER, THE 2014B DEVELOPER, THE 2014C DEVELOPER NOR ANY AFFILIATE THEREOF, OR ANY MEMBER, MANAGER, TRUSTEE, OFFICER, DIRECTOR, AGENT OR REPRESENTATIVE THEREOF HAS PLEDGED ITS CREDIT OR ASSETS OR HAS PROVIDED ANY GUARANTEE, SURETY OR UNDERTAKING OF ANY KIND, MORAL OR OTHERWISE, TO PAY PRINCIPAL OF AND INTEREST ON THE 2020A BONDS.

The 2020A Bonds are subject to redemption prior to maturity as described under “THE 2020A BONDS” herein. The 2020A Bonds are not subject to acceleration in the case of any default thereunder or under the Indenture.

#### **THE ISSUER**

The Issuer is authorized and empowered under the laws of Massachusetts, including the Act, to issue the 2020A Bonds for the purposes described herein and to enter into the Indenture and other agreements and instruments necessary to issue and secure the 2020A Bonds.

The Members of the Board of Directors and the officers of the Issuer authorized to sign documents related to bond transactions are as follows:

### **Members of the Board of Directors**

#### *Ex-Officio Members*

Chairperson, Secretary of the Executive Office of Housing & Economic Development, The Commonwealth of Massachusetts

Secretary, the Executive Office for Administration & Finance, The Commonwealth of Massachusetts, or the Secretary's designee

#### *Appointed Members*

James W. Blake, President & CEO, HarborOne Bank

James E. Chisholm, Division President, Waypoint Commercial Solutions / Advantage Waypoint LLC

Joan C. Corey, Business Agent, Teamsters Local Union No. 25

Brian Kavogian, Managing Partner, National Development

Francesca M. Maltese, Retired land developer

Juan Carlos Morales, Founder and Managing Director, Surfside Capital Advisors

Kristina M. Spillane, Global Enterprise Relationship Executive, DST Systems, Inc.

Christopher P. Vincze, Chairman and CEO, TRC Companies, Inc.

Ellen M. Zane, CEO emeritus, Tufts Medical Center

### **Officers of the Issuer**

Lauren A. Liss, Executive Director/President and Chief Executive Officer

Robert M. Ruzzo, Senior Executive Vice President, Executive Vice President for Operations, Deputy Director, and Chief Operating Officer

Ricks P. Frazier, General Counsel and Secretary

Simon R. Gerlin, Treasurer, Chief Financial Officer and Executive Vice President for Finance and Administration

Laura L. Canter, Executive Vice President of Finance Programs

Steven J. Chilton, Senior Vice President, Investment Banking  
Mr. Chilton has signing authority for bond transactions only.



Except for the information contained herein under the caption “THE ISSUER” and “LITIGATION” insofar as it relates to the Issuer, the Issuer has not provided any of the information contained in this Official Statement. The Issuer is not responsible for and does not certify as to the accuracy or sufficiency of the disclosures made herein or any other information provided by the Commonwealth, the City of Boston, the City of Somerville, the City of Newton, the 2014A Developer, the 2014B Developer, the 2014C Developer, the purchaser or any other person.

## **SOURCES OF PAYMENT AND SECURITY FOR THE 2020A BONDS**

Set forth below is a narrative description of certain contractual and statutory provisions relating to the sources of payment and security for the 2020A Bonds issued under the Indenture. These provisions have been summarized and this description does not purport to be complete. References should be made to the Act, the Indenture, the Assistance Contract and the 2020A Bonds for a more complete description of such provisions. Copies of the Act, the Indenture, the Assistance Contract and the 2020A Bonds are on file with the Issuer and the Trustee. For a more complete statement of the rights, duties and obligations of the parties thereto, see Appendix B – “Summary of the Indenture” and Appendix C – “Summary of Certain Provisions of the Assistance Contract.”

The 2020A Bonds will be special obligations of the Issuer payable solely from and secured by the Trust Assets under the Indenture on parity with any prior and additional Bonds issued under the Master Indenture and from moneys pledged specifically therefor in the Eleventh Supplement. The Trust Assets consist of the assigned rights of the Issuer under the Assistance Contract, including the right to receive all Commonwealth Contract Assistance for Debt Service from the Commonwealth thereunder, all amounts held in, and investment earnings with respect to, the Debt Service Fund and the Infrastructure Development Assistance Fund under the Indenture, and all amounts payable to the Issuer pursuant to a Related Hedging Contract, if any. Currently, there are no Related Hedging Contracts. The 2020A Bonds are also payable from and secured by all amounts held in the 2020A Cost of Issuance Account of the Cost of Issuance Fund under the Eleventh Supplement. The Commonwealth has agreed pursuant to the Assistance Contract to pay Commonwealth Contract Assistance for Debt Service to the Trustee for the account of the Issuer no later than one (1) Business Day prior to each interest payment date and principal payment date of the Bonds in amounts sufficient to provide for the full amount of principal and interest due on the Bonds on such dates, less amounts available for such purpose on deposit in the Debt Service Fund and the Infrastructure Development Assistance Fund. Furthermore, investment earnings on moneys held in any Fund under the Indenture shall be transferred by the Trustee upon receipt thereof to either the applicable account of the Debt Service Fund as directed by the Secretary or otherwise as directed in a certificate of an Authorized Officer of the Issuer, approved by the Secretary, filed with the Trustee, accompanied by a Bond Counsel Opinion to the effect that the application of such amount as directed by the Issuer, with the approval of the Secretary, is authorized and permitted by the Act. No other revenues or physical assets of the Issuer, 2014A Developer, 2014B Developer, 2014C Developer, the City of Boston, the City of Somerville, or the City of Newton, including without limitation the public infrastructure improvements and any revenues therefrom, are or will be pledged or subject to a mortgage or lien in favor of the Trustee for the benefit of the owners of the 2020A Bonds.

**The 2020A Bonds are not subject to acceleration in the case of any default thereunder or under the Indenture.**

Pursuant to the Act and the Indenture, the Issuer has pledged and granted to the Trustee its rights to receive Commonwealth Contract Assistance for Debt Service from the Commonwealth in accordance with the Assistance Contract. In the opinion of Locke Lord LLP, special counsel to the Commonwealth, the obligation of the Commonwealth to pay Commonwealth Contract Assistance for Debt Service at the times and in the amounts provided in the Assistance Contract is a general obligation of the Commonwealth for which the full faith and credit of the Commonwealth are pledged for the benefit of the Issuer. The obligation of the Commonwealth to pay Commonwealth Contract Assistance for Debt Service is absolute and unconditional. Without limiting the generality of the foregoing, the Commonwealth has no lawful power to set off Commonwealth Contract Assistance for Debt Service against any obligation due it from the Issuer, the 2014A Developer, the 2014B Developer, the 2014C Developer, the City of Boston, the City of Somerville, the City of Newton or any other person and the Commonwealth shall have no lawful power to impose conditions on payment of Commonwealth Contract Assistance for Debt Service under the Assistance Contract.

However, it should be noted that Chapter 62F of the Massachusetts General Laws imposes a state tax revenue growth limit and does not exclude the Commonwealth debt obligations, including the Commonwealth Contract Assistance for Debt Service obligation, from the scope of the limit. This statute is subject to amendment or repeal by the Legislature. Currently, actual tax revenue growth is below the statutory limit. See “COMMONWEALTH REVENUES – Limitations on Tax Revenues” within the Commonwealth Information Statement (described below).

The Commonwealth has waived its sovereign immunity and consented to be sued on its contractual obligations, including the Assistance Contract and all claims with respect thereto. Pursuant to the Indenture, the Trustee is authorized to sue the Commonwealth on behalf of the holders of the 2020A Bonds in the event payments of Commonwealth Contract Assistance for Debt Service required by the Indenture are not made on a timely basis by the Commonwealth. However, the property of the Commonwealth is generally not subject to attachment or levy to pay a judgment and the satisfaction of any judgment generally requires a legislative appropriation. Enforcement of a claim for payment of amounts due under the Assistance Contract may also be subject to the provisions of federal or Commonwealth statutes, if any, hereafter enacted extending the time for payment or imposing other constraints upon enforcement, insofar as the same may be constitutionally applied. Neither the 2020A Bonds nor the Commonwealth Contract Assistance for Debt Service are subject to acceleration in the event of default under the Assistance Contract. The United States Bankruptcy Code is not applicable to the Commonwealth.

THE 2020A BONDS DO NOT CONSTITUTE A GENERAL OBLIGATION OF THE ISSUER OR AN OBLIGATION OF THE COMMONWEALTH OR A DEBT OR PLEDGE OF THE FULL FAITH AND CREDIT OR THE TAXING POWER OF THE COMMONWEALTH, THE CITY OF BOSTON, THE CITY OF SOMERVILLE, THE CITY OF NEWTON, OR ANY OTHER POLITICAL SUBDIVISION THEREOF, ALTHOUGH THE COMMONWEALTH CONTRACT ASSISTANCE FOR DEBT SERVICE IS A GENERAL OBLIGATION OF THE COMMONWEALTH FOR WHICH THE FULL FAITH AND CREDIT OF THE COMMONWEALTH ARE PLEDGED. THE PRINCIPAL OF AND INTEREST AND PREMIUM, IF ANY, ON THE 2020A BONDS ARE PAYABLE SOLELY FROM COMMONWEALTH CONTRACT ASSISTANCE FOR DEBT SERVICE FOR WHICH THE FULL FAITH AND CREDIT OF THE COMMONWEALTH ARE PLEDGED AND OTHER FUNDS SPECIFICALLY PLEDGED FOR THEIR PAYMENT UNDER THE INDENTURE. THE 2020A BONDS DO NOT CONSTITUTE AN OBLIGATION OF THE 2014A DEVELOPER, 2014B DEVELOPER, 2014C DEVELOPER OR ANY OF THEIR AFFILIATES.

The ability of the Commonwealth to pay the Commonwealth Contract Assistance for Debt Service will depend upon a number of factors. Any prospective purchaser of the 2020A Bonds should take into consideration the financial position of the Commonwealth in making an investment decision with respect to the 2020A Bonds. See “ADDITIONAL INFORMATION CONCERNING THE COMMONWEALTH” herein.

## **THE 2020A BONDS**

The following is a summary of certain provisions of the 2020A Bonds. Reference is hereby made to the 2020A Bonds and the Indenture, each in their entirety, for the detailed provisions of the 2020A Bonds. A summary of the Indenture is provided in Appendix B hereto.

### **General**

The 2020A Bonds will be dated the date of initial delivery thereof, and will bear interest from such date, payable semiannually on May 1 and November 1 in each year, commencing May 1, 2021\* at the rates per annum shown on the inside cover page of this Official Statement. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. The 2020A Bonds will mature on May 1 in the years and in the principal amounts shown on the inside cover page of this Official Statement. The principal and redemption price of the 2020A Bonds will be payable at the designated corporate trust agency office of the Trustee. Interest on the 2020A Bonds will be paid by the Trustee to the registered owner as of the applicable record date. The Eleventh Supplement

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\* Preliminary subject to change.

establishes the 15th day preceding any interest payment date (or the next earliest business day if such day is not a business day) as the record date for such interest payment date.

As long as the 2020A Bonds are registered in book-entry only form, principal and interest will be payable solely to Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), as the sole registered owner of the 2020A Bonds. See “THE DEPOSITORY TRUST COMPANY - Book-Entry Only System” herein. If 2020A Bonds are issued in certificated form, interest on the 2020A Bonds will be payable thereafter to the person appearing on the registration books of the Trustee as the registered owner thereof on the applicable record date by check or draft mailed on the interest payment date to the registered owner or, following appropriate notice to the Trustee, by wire transfer on the interest payment date to any owner of at least \$1,000,000 in aggregate principal amount of the 2020A Bonds.

## **Redemption Provisions**

The 2020A Bonds will be issued as serial bonds, term bonds or a combination of serial bonds and term bonds in accordance with the bid submitted by the successful bidder. See Appendix G – “Official Notice of Sale dated November 12, 2020.”

For the purposes of effecting mandatory redemption of term bonds prior to maturity, the Trustee on behalf of the Issuer and without necessity for further action by the Issuer, shall cause to be redeemed, in the manner described below the heading “Notice to Bondholders,” on each mandatory redemption date, such an aggregate principal amount of the 2020A Bonds of a maturity as equals the mandatory sinking fund requirement for such maturity on the applicable mandatory redemption date.

The Commonwealth or the Issuer, at the written direction of the Secretary, may purchase 2020A Bonds of any maturity and credit them against any principal payment for the 2020A Bonds of such maturity, or as the case may be, any sinking fund installment of such maturity at the principal amount or applicable redemption price, as the case may be, by delivering them to the Trustee for cancellation at least 60 days before the applicable Principal Payment Date or sinking fund installment date.

The Commonwealth or the Issuer, at the direction of the Secretary, is entitled to reduce its mandatory sinking fund redemption obligation in any year with respect to any 2020A Bonds issued as term bonds by the principal amount of any such 2020A Bonds previously purchased or optionally redeemed by the Commonwealth or the Issuer, at the direction of the Secretary.

### Optional Make-Whole Redemption

The 2020A Bonds are redeemable by the Issuer prior to maturity at the written direction of the Secretary to the Issuer and the Trustee, at least sixty (60) days prior to the redemption date and either (i) application to such redemption at the direction of the Secretary of amounts available in the Infrastructure Development Assistance Fund, established pursuant to the Indenture, on such redemption date or (ii) payment to the Trustee by the Commonwealth for the account of the Issuer and deposit in the 2020A Debt Service Fund, established pursuant to the Indenture, of Commonwealth Contract Assistance for Debt Service pursuant to the 2020A Assistance Contract on or prior to such redemption date, of an amount sufficient to pay or provide for the “Make-Whole Redemption Price” as described below. Such redemption shall be in accordance with the terms of the 2020A Bonds, as a whole or in part at any time, in such order of maturity or sinking fund installment as directed by the Secretary (provided that, if less than all of the 2020A Bonds outstanding of any maturity and similar tenor shall be called for redemption, the 2020A Bonds to be so redeemed shall be selected by the Trustee on a pro rata basis or in any customary manner of selection as determined by the Trustee), at the “Make-Whole Redemption Price” described below and in the form of 2020A Bonds in Exhibit A of the Indenture. At the direction of the Secretary, the Issuer shall retain an independent accounting firm or financial advisor to determine the Make-Whole Redemption Price and perform all actions and make all calculations required to determine the Make-Whole Redemption Price. The Commonwealth, the Issuer and the Trustee may conclusively rely on such accounting firm’s or financial advisor’s calculations in

connection with, and determination of, the Make-Whole Redemption Price, and none of the Commonwealth, the Issuer nor the Trustee will have any liability for their reliance.

“Make-Whole Redemption Price” means the greater of (i) 100% of the principal amount of the 2020A Bonds to be redeemed, and (ii) the sum of the present values of the remaining scheduled payments of principal and interest to the maturity date of the 2020A Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such 2020A Bonds are to be redeemed, discounted to the date on which such 2020A Bonds are to be redeemed on a semiannual basis, assuming a 360-day year consisting of twelve 30-day months, at the “Treasury Rate” plus 25 basis points, plus, in each case, accrued and unpaid interest on the 2020A Bonds to be redeemed on the redemption date. “Treasury Rate” means, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days, but no more than 45 calendar days, prior to the redemption date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of the 2020A Bonds to be redeemed. However, if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

#### Selection of 2020A Bonds to be Redeemed

If less than all of the outstanding 2020A Bonds of any maturity are to be called for redemption, the 2020A Bonds of that maturity (or portions thereof) to be redeemed will be selected by the Trustee on a pro rata basis or in any customary manner as determined by the Trustee. If the particular bond is of a denomination in excess of five thousand dollars (\$5,000), portions of the principal amount in the amount of five thousand dollars (\$5,000) or any multiple thereof may be redeemed.

If the 2020A Bonds are registered in book-entry only form and so long as DTC or a successor securities depository is the sole registered owner of such 2020A Bonds, if less than all of the 2020A Bonds of a maturity are called for prior redemption, the particular 2020A Bonds or portions thereof to be redeemed shall be selected on a “pro rata pass-through distribution of principal basis” in accordance with the operational arrangements of DTC then in effect, and, if the DTC operational arrangements do not allow for redemption on a “pro rata pass-through distribution of principal basis,” the 2020A Bonds within a maturity will be selected for redemption, in accordance with DTC procedures.

#### Notice to Bondowners

When 2020A Bonds are to be redeemed, the Trustee shall give notice in the name of the Issuer, which notice shall identify the 2020A Bonds to be redeemed by CUSIP number, principal amount and maturity, state the date fixed for redemption and state that such 2020A Bonds will be redeemed at the Designated Office of the Trustee. The notice shall further state that on such date there shall become due and payable upon each 2020A Bond to be redeemed the redemption price thereof, together with interest accrued to the redemption date, and that moneys therefor having been deposited with the Trustee, from and after such date, interest thereon shall cease to accrue. If such moneys are not available on the redemption date, the 2020A Bonds or portions thereof will continue to bear interest until paid at the same rate they would have borne had they not been called for redemption.

The Trustee shall mail the redemption notice not more than 45 nor less than 30 days prior to the date fixed for redemption, to the registered owners of any 2020A Bonds which are to be redeemed, at their addresses shown on the registration books maintained by the registrar, and to the principal office of the Trustee of the 2020A Bonds. Failure to mail notice to a particular Bondowner, or any defect in the notice to such Bondowner, shall not affect the redemption of any other 2020A Bond.

Any notice of optional make-whole redemption may state that the redemption is conditional and, if so, the notice shall state what the conditions are. If at the time of mailing a notice of redemption there shall not have been deposited with the Trustee moneys sufficient to redeem the 2020A Bonds called for redemption, such notice may state that it is conditional in that it is subject to the deposit of the redemption moneys with the Trustee not later than

the opening of business on the redemption date, and such notice shall be of no effect unless such moneys are so deposited.

## THE DEPOSITORY TRUST COMPANY

### Book-Entry Only System

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the 2020A Bonds. The 2020A Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of the same tenor of the 2020A Bonds, in the principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of the 2020A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2020A Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2020A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in 2020A Bonds, except in the event that use of the book-entry system for the 2020A Bonds is discontinued.

To facilitate subsequent transfers, all 2020A Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2020A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2020A Bonds. DTC’s records reflect only the identity of the Direct Participants to whose accounts such 2020A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the 2020A Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the 2020A Bonds, such as redemptions, defaults, and proposed amendments to the

security documents. For example, Beneficial Owners of the 2020A Bonds may wish to ascertain that the nominee holding the 2020A Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners.

Redemption notices shall be sent to DTC. If less than all of the 2020A Bonds within a single maturity of the same tenor are being redeemed, DTC's practice is to determine on a pro rata basis the amount of the interest of each Direct Participant in such maturity to be redeemed. However, with respect to the Bonds, the Trustee will instruct DTC to select specific Bonds for redemption using the "pro rata" method described herein.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the 2020A Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2020A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal (including sinking fund installments), redemption premium, if any, and interest payments on the 2020A Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or the Trustee on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

The Issuer cannot give any assurances that Direct Participants or others will distribute payments of principal of and interest on the 2020A Bonds paid to DTC or its nominee, as the registered owner, to the Beneficial Owners, or that they will do so on a timely basis or that DTC will serve and act in a manner described in this document.

Beneficial Owners of the 2020A Bonds will not receive or have the right to receive physical delivery of such 2020A Bonds and will not be or be considered to be the registered owners thereof. So long as Cede & Co. is the registered owner of the 2020A Bonds, as nominee of DTC, references herein to the holders or registered owners of the 2020A Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the 2020A Bonds, except as otherwise expressly provided herein.

DTC may discontinue providing its services as securities depository with respect to the 2020A Bonds at any time by giving reasonable notice to the Issuer or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, bond certificates are required to be printed and delivered.

In addition, the Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer believes to be reliable, but none of the Issuer, the City of Boston, the City of Somerville, the City of Newton or the Commonwealth takes responsibility for the accuracy thereof.

## **PLAN OF REFUNDING**

A portion of the proceeds of the 2020A Bonds will be used to advance refund the 2014A Bonds (the "Refunded 2014A Bonds"). Such proceeds of the 2020A Bonds will be deposited into a refunding escrow fund held by U.S. Bank National Association, as escrow agent, in an amount that will be invested in direct, general obligations of the United States of America, or obligations the payment of the principal and interest on which by Act of Congress, are unconditionally guaranteed by the United States of America (the "Defeasance Obligations"). A

portion of the proceeds of the 2020A Bonds will be used to advance refund the 2014B Bonds (the “Refunded 2014B Bonds”). Such proceeds of the 2020A Bonds will be deposited into a refunding escrow fund held by U.S. Bank National Association, as escrow agent, in an amount that will be invested in Defeasance Obligations. A portion of the proceeds of the 2020A Bonds will be used to advance refund the 2014C Bonds (the “Refunded 2014C Bonds” and collectively with the Refunded 2014A Bonds and the Refunded 2014B Bonds, the “Refunded Bonds”). Such proceeds of the 2020A Bonds will be deposited into a refunding escrow fund held by U.S. Bank National Association, as escrow agent, in an amount that will be invested in Defeasance Obligations. The Defeasance Obligations will mature at such times and earn interest in such amounts that, together with any initial cash deposits, will produce sufficient moneys to provide for the payment of the maturing principal of and accrued interest on the Refunded Bonds prior to the redemption date and the redemption prices of, plus accrued interest on the Refunded Bonds to the applicable redemption dates.

**VERIFICATION OF MATHEMATICAL COMPUTATIONS**

The arithmetical accuracy of certain computations included in the schedules provided by the original purchaser and PFM Financial Advisors LLC (“PFMFA”), on behalf of the Issuer relating to (a) computation of anticipated receipts of principal and interest on Defeasance Obligations and the anticipated payments of principal and interest to pay all amounts due on and prior to the redemption date of the Refunded Bonds, and (b) computation of the yields on the 2020A Bonds and the Defeasance Obligations was verified by American Municipal Tax-Exempt Compliance Corp dba AMTEC and Michael Torsiello, C.P.A. (a Certified Public Accountant) (together the “Verification Agent”). Such computations were based solely upon information supplied by the original purchaser and PFMFA, on behalf of the Issuer. The Verification Agent has restricted its procedures to verifying the arithmetical accuracy of certain computations and has not made any study or evaluation of the information upon which the computations are based and, accordingly, has not expressed an opinion on the data used, the reasonableness of the assumptions reflected in its report, or the achievability of future events.

**APPLICATION OF BOND PROCEEDS**

The proceeds of the 2020A Bonds will be used to advance refund the Refunded Bonds and to pay certain costs of issuance of the 2020A Bonds. The proceeds of the 2020A Bonds are expected to be applied in the approximate amounts as follows:

<u>Sources</u>	Total
Principal Amount	
[Net] Original Issue Premium	
Total	
<u>Uses</u>	
Deposit to Refunding Escrow Fund for:	
Refunded 2014A Bonds	
Refunded 2014B Bonds	
Refunded 2014C Bonds	
Costs of Issuance of the 2020A Bonds (including underwriter’s discount)	
Total	

## LITIGATION

There is no litigation pending against the Issuer or, to the knowledge of the officers of the Issuer, threatened against the Issuer seeking to restrain or enjoin the issuance or delivery of the 2020A Bonds or in any way contesting the existence or the powers of the Issuer relating to the issuance of the 2020A Bonds.

There is no controversy or litigation pending or threatened against the Commonwealth seeking to restrain or enjoin the execution, delivery, and performance by the Commonwealth of the Assistance Contract or contesting or affecting the Commonwealth's agreement therein to provide Commonwealth Contract Assistance for Debt Service with respect to the 2020A Bonds.

## TAX MATTERS

The following discussion summarizes certain U.S. federal income tax considerations relating to the acquisition, ownership, and disposition of the 2020A Bonds and it may not contain all information that may be important to a particular investor. It is based on provisions of Internal Revenue Code of 1986, as amended (the "Code"), Treasury Regulations promulgated thereunder, and administrative and judicial interpretations thereof, all in effect or proposed on the date hereof and all of which are subject to change, possibly with retroactive effect. Prospective investors should note that no rulings have been or are expected to be sought from the Internal Revenue Service ("IRS") with respect to any of the U.S. federal income tax consequences discussed below. Accordingly, no assurance can be given that the IRS will agree with the views expressed in this summary, or that a court will not sustain any challenge by the IRS in the event of litigation.

The following relates only to 2020A Bonds that are acquired in the initial offering for an amount of cash equal to the initial offering price (i.e., the price at which a substantial amount of such 2020A Bonds is first sold to the public) and that are held as "capital assets" within the meaning of Section 1221 of the Code (i.e., generally, property held for investment).

This discussion does not address all U.S. federal income tax consequences applicable to any given investor, nor does it address the U.S. federal income tax considerations applicable to investors who may be subject to special tax treatment (regardless of whether or not such persons constitute U.S. Holders (defined below)), such as banks and other financial institutions, retirement plans, employee stock ownership plans, certain U.S. expatriates, banks, real estate investment trusts, regulated investment companies, insurance companies, tax-exempt organizations, dealers or traders in securities or currencies, partnerships or other pass-through entities for U.S. federal income tax purposes (or investors in such entities), S corporations, estates and trusts, investors who hold their 2020A Bonds as part of a hedge, straddle, or an integrated or conversion transaction, investors whose "functional currency" is not the U.S. dollar, or persons subject to the alternative minimum tax. In addition, this discussion does not include any description of the tax laws of any state, local, or non-U.S. jurisdiction that may be applicable to a particular investor and does not consider any aspects of U.S. federal tax law other than income taxation.

As used herein, "U.S. Holder" means a beneficial owner of a 2020A Bond that is, for U.S. federal income tax purposes: (i) an individual citizen or resident, as defined in Section 7701(b) of the Code, of the United States, (ii) a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States or any State thereof (including the District of Columbia), (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source, or (iv) a trust if (A) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined in the Code) have the authority to control all substantial decisions of the trust or (B) the trust validly elected to be treated as a domestic trust). As used herein, "Non-U.S. Holder" generally means a beneficial owner of a 2020A Bond (other than a partnership) who is not a U.S. Holder.

The U.S. federal income tax treatment of an entity classified as a partnership for U.S. federal income tax purposes that holds the 2020A Bonds generally will depend on such partner's particular circumstances and on the activities of the partnership. Partners in such partnerships should consult their own tax advisors regarding the consequences of acquiring, owning and disposing of the 2020A Bonds (including their status as U.S. Holders or Non-U.S. Holders).



## U.S. Holders

**Interest.** Stated interest on the 2020A Bonds generally will be taxable to a U.S. Holder as ordinary interest income at the time such amounts are accrued or received, in accordance with the U.S. Holder's method of accounting for U.S. federal income tax purposes.

"Original issue discount" will arise for U.S. federal income tax purposes in respect of any 2020A Bonds if its stated redemption price at maturity exceeds its issue price by more than a de minimis amount (as determined for U.S. federal income tax purposes). For any 2020A Bonds issued with original issue discount, the amount of original issue discount is equal to the excess of the stated redemption price at maturity of that 2020A Bond over its issue price. The stated redemption price at maturity of a 2020A Bond is the sum of all scheduled amounts payable on such 2020A Bond other than qualified stated interest. U.S. Holders generally will be required to include any original issue discount in income for U.S. federal income tax purposes as it accrues, in accordance with a constant yield method based on a compounding of interest (which may be before the receipt of cash payments attributable to such income).

"Premium" generally will arise for U.S. federal income tax purposes in respect of any 2020A Bond to the extent its issue price exceeds its stated principal amount. A U.S. Holder of a 2020A Bond issued at a premium may make an election, applicable to all debt securities purchased at a premium by such U.S. Holder, to amortize such premium, using a constant yield method over the term of such 2020A Bond.

**Market Discount.** A holder who acquires a 2020A Bond in a secondary market transaction may be subject to U.S. federal income tax rules providing that accrued market discount will be subject to taxation as ordinary income on the sale or other disposition of a "market discount bond." Dispositions subject to this rule include a redemption or retirement of a 2020A Bond. The market discount rules may also limit a holder's deduction for interest expense for debt that is incurred or continued to purchase or carry a 2020A Bond. A market discount bond is defined generally as a debt obligation purchased subsequent to issuance, at a price that is less than the principal amount of the obligation, subject to a de minimis rule. The Code allows a taxpayer to compute the accrual of market discount by using a ratable accrual method or a constant interest rate method. Also, a taxpayer may elect to include the accrued discount in gross income each year while holding the bond, as an alternative to including the total accrued discount in gross income at the time of a disposition, in which case the tax basis of the bond will be increased by the amount of discount included in gross income and the interest expense deduction limitation described above will not apply.

**Disposition of the 2020A Bonds.** Unless a nonrecognition provision of the Code applies, the sale, exchange, redemption, retirement (including pursuant to an offer by the Authority), reissuance or other disposition of a 2020A Bond will be a taxable event for U.S. federal income tax purposes. In such event, a U.S. Holder generally will recognize gain or loss equal to the difference between (i) the amount of cash plus the fair market value of property received (except to the extent attributable to accrued but unpaid interest on the 2020A Bond which will be taxed in the manner described above under "Interest") and (ii) the U.S. Holder's adjusted tax basis in the 2020A Bond at the time of disposition. A U.S. Holder's adjusted basis in a 2020A Bond will generally equal the purchase price paid by the U.S. Holder for the 2020A Bond, increased by the amount of any original issue discount previously included in income by such U.S. Holder with respect to such 2020A Bond and decreased by any payments previously made on such 2020A Bond, other than payments of qualified stated interest, or decreased by any amortized premium. Any such gain or loss generally will be capital gain or loss and will be long term capital gain or loss if such 2020A Bond is held by the U.S. Holder for more than one year. Long-term capital gain of non-corporate U.S. Holders is generally subject to tax at preferential rates. The deductibility of capital losses is subject to limitations.

A material modification of the terms of any 2020A Bond may result in a deemed reissuance thereof, in which event a beneficial owner of the modified 2020A Bonds generally will recognize taxable gain or loss equal to the difference between the amount realized from the sale, exchange or retirement (less any accrued qualified stated interest which will be taxable as such) and the beneficial owner's adjusted tax basis in the 2020A Bonds.

**Net Investment Income Tax.** Section 1411 of the Code generally imposes a 3.8% Medicare contribution tax on the net investment income of certain individuals, trusts, and estates to the extent their income exceeds certain threshold amounts. For these purposes, "net investment income" may include, among other things, interest and gains

from the sale or other disposition of the 2020A Bonds. Prospective investors are advised to consult their tax advisors regarding the possible implications of this additional tax on their investment in the 2020A Bonds.

**Information Reporting and Backup Withholding.** In general, a U.S. Holder will be subject to backup withholding with respect to interest on the 2020A Bonds, and the proceeds of a sale or other disposition of the 2020A Bonds (including a redemption or retirement), at the applicable tax rate of 28%, unless such holder (a) is an entity that is exempt from backup withholding (including corporations) and, when required, demonstrates this fact, or (b) provides the payor with its taxpayer identification number (“TIN”), certifies that the TIN provided to the payor is correct and that the holder has not been notified by the IRS that such holder is subject to backup withholding due to underreporting of interest or dividends, and otherwise complies with applicable requirements of the backup withholding rules. In addition, such payments to U.S. Holders that are not exempt entities will generally be subject to information reporting requirements. A U.S. Holder who does not provide the payor with its correct TIN may be subject to penalties imposed by the IRS. Backup withholding is not an additional tax. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against such holder’s U.S. federal income tax liability and may entitle such holder to a refund, provided that certain required information is timely furnished to the IRS.

#### Non-U.S. Holders

The following discussion applies only to Non-U.S. Holders of 2020A Bonds. This discussion does not address all aspects of U.S. federal income taxation that may be relevant to Non-U.S. Holders in light of their particular circumstances. For example, special rules may apply to a Non-U.S. Holder that is a “controlled foreign corporation” or a “passive foreign investment company,” and, accordingly, Non-U.S. Holders should consult their own tax advisors to determine the effect of U.S. federal, state, local and non U.S. tax laws, as well as tax treaties, with regard to an investment in the 2020A Bonds.

**Interest.** Subject to the discussions below under the headings “FATCA Withholding” and “Information Reporting and Backup Withholding,” a Non-U.S. Holder will not be subject to U.S. federal income or withholding taxes in respect of interest paid or accrued on a 2020A Bond (including original interest discount income) if the interest qualifies for the “portfolio interest exemption.” This generally will be the case if each of the following applicable requirements are satisfied:

- the interest is not effectively connected with a U.S. trade or business;
- the Non-U.S. Holder is not, and is not treated as, a bank receiving interest on an extension of credit pursuant to a loan agreement entered into in the ordinary course of its trade or business, as described in Section 881(c)(3)(A) of the Code;
- certain certification requirements are met. Under current law, the certification requirement will be satisfied in any of the following circumstances:
  - If a Non-U.S. Holder provides to the payor a statement on an applicable IRS Form W-8 (or suitable successor form), together with all appropriate attachments, signed under penalties of perjury, identifying the Non-U.S. Holder by name and address and stating, among other things, that the Non U.S. Holder is not a United States person.
  - If a 2020A Bond is held through a securities clearing organization, bank, or another financial institution that holds customers’ securities in the ordinary course of its trade or business, (i) the Non-U.S. Holder provides such a form to such organization or institution, and (ii) such organization or institution, under penalty of perjury, certifies to the payor that it has received such statement from the beneficial owner or another intermediary and furnishes the payor with a copy thereof.
  - If a financial institution or other intermediary that holds the 2020A Bond on behalf of the Non-U.S. Holder has entered into a withholding agreement with the IRS and submits an IRS Form W-8IMY (or suitable successor form) and certain other required documentation to the payor.

If the requirements of the portfolio interest exemption described above are not satisfied, a 30% withholding tax will apply to the gross amount of interest on the 2020A Bonds that is paid to a Non-U.S. Holder, unless either: (a) an applicable income tax treaty reduces or eliminates such tax, and the Non-U.S. Holder claims the benefit of that treaty by providing a properly completed and duly executed IRS Form W-8BEN or Form W-8BEN-E, as applicable (or suitable successor or substitute form) establishing qualification for benefits under the treaty, or (b) the interest is effectively connected with the Non-U.S. Holder's conduct of a trade or business in the United States and the Non-U.S. Holder provides an appropriate statement to that effect on a properly completed and duly executed IRS Form W-8ECI (or suitable successor form).

If a Non-U.S. Holder is engaged in a trade or business in the United States and its investment in a 2020A Bond is effectively connected with the conduct of that trade or business, the Non-U.S. Holder generally will be required to pay U.S. federal income tax on that interest on a net income basis in the same manner as a U.S. Holder and the 30% withholding tax described above will not apply provided the duly executed IRS Form W-8ECI is provided to the Authority's paying agent. If a Non-U.S. Holder is eligible for the benefits of an income tax treaty between the U.S. and its country of residence, and the Non-U.S. Holder claims the benefit of the treaty by properly submitting an IRS Form W-8BEN or Form W 8BEN E, as applicable, any interest income that is effectively connected with a U.S. trade or business will be subject to U.S. federal income tax in the manner specified by the treaty and generally will only be subject to such tax if such income is attributable to a permanent establishment (or a fixed base in the case of an individual) maintained by the Non-U.S. Holder in the United States. In addition, a Non-U.S. Holder that is treated as a foreign corporation for U.S. federal income tax purposes may be subject to a branch profits tax equal to 30% (or such lower rate provided by an applicable income tax treaty) of its earnings and profits for the taxable year, subject to adjustments, that are effectively connected with its conduct of a trade or business in the United States.

Disposition of the 2020A Bonds. Subject to the discussions below under the headings "FATCA Withholding" and "Information Reporting and Backup Withholding," any gain realized by a Non-U.S. Holder upon the sale, exchange, redemption, retirement, reissuance or other disposition of a 2020A Bond generally will not be subject to U.S. federal income tax, unless (i) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business within the United States (and, in the case of certain income tax treaties, is attributable to a permanent establishment or "fixed base" within the United States); or (ii) in the case of any gain realized by an individual Non-U.S. Holder, such holder is present in the United States for 183 days or more in the taxable year of such sale, exchange, redemption, retirement, reissuance or other disposition and certain other conditions are met. If the first exception applies, the Non U.S. Holder will generally be subject to U.S. federal income tax on the net gain derived from the sale, exchange, redemption, retirement at maturity, or other taxable disposition of the 2020A Bonds in the same manner as a U.S. Holder unless an applicable income tax treaty provides otherwise. If the second exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30% (except as otherwise provided by an applicable income tax treaty) on the amount by which its U.S.-source capital gains exceed its U.S.-source capital losses. In addition, corporate Non-U.S. Holders may be subject to a 30% (or lower applicable treaty rate) branch profits tax on any such effectively connected earnings and profits attributable to such gain.

U.S. Federal Estate Tax. A 2020A Bond that is held by an individual who at the time of death is not a citizen or resident of the United States will not be subject to U.S. federal estate tax as a result of such individual's death, provided that at the time of such individual's death, payments of interest with respect to such 2020A Bond would not have been effectively connected with the conduct by such individual of a trade or business within the United States.

FATCA Withholding. The Foreign Account Tax Compliance Act ("FATCA") together with administrative guidance and certain intergovernmental agreements entered into thereunder generally imposes a 30% U.S. withholding tax on certain U.S. source payments, including interest, and, after December 31, 2018, on gross proceeds from a disposition of property of a type which can produce U.S. source interest ("withholdable payments"), paid to (i) a "foreign financial institution" (as specifically defined in the Code) which does not provide sufficient documentation, typically on IRS Form W-8BEN-E, evidencing either (x) an exemption from FATCA, or (y) its compliance (or deemed compliance) with FATCA (which may alternatively be in the form of compliance with an intergovernmental agreement with the United States) in a manner which avoids withholding, or (ii) or to a "non-financial foreign entity" (as specifically defined in the Code)" which does not provide sufficient documentation,

typically on IRS Form W-8BEN-E, evidencing either (x) an exemption from FATCA, or (y) adequate information regarding certain substantial United States beneficial owners of such entity (if any). The 30% withholding tax under FATCA applies regardless of whether the foreign financial institution or non-financial foreign entity receives payments as a beneficial owner or intermediary and whether the applicable payment otherwise is exempt from U.S. withholding (e.g., as “portfolio interest” or as capital gain upon the sale, exchange, redemption or other disposition of a 2020A Bond). Interest paid with respect to the 2020A Bonds and, after December 31, 2018, gross proceeds from the sale or disposition of the 2020A Bonds, may be subject to the 30% withholding tax if the holder fails to comply with FATCA. Non-U.S. holders are urged to consult their own tax advisors with respect to these information reporting rules and due diligence requirements and the potential application of FATCA to them.

**Information Reporting and Backup Withholding.** In general, the amount of any interest paid on the 2020A Bonds in each calendar year, and the amount of U.S. federal income tax withheld, if any, with respect to these payments will be reported to the IRS and each Non-U.S. Holder. Copies of the information returns reporting such interest payments and any withholding may also be made available to the tax authorities in the country in which the Non-U.S. Holder resides under an applicable income tax treaty or other information exchange agreement.

Non-U.S. Holders who have provided certification as to their non-U.S. status or who have otherwise established an exemption will generally not be subject to backup withholding tax on payments of interest if the payor does not have actual knowledge or reason to know that such certification is unreliable or that the conditions of the exemption are in fact not satisfied.

Payments of the proceeds from the disposition of a 2020A Bond (including a redemption or retirement) to or through a foreign office of a broker generally will not be subject to information reporting or backup withholding. However, information reporting, but generally not backup withholding, may apply to those payments if the broker is one of the following: (a) a United States person, (b) a “controlled foreign corporation” for U.S. federal income tax purposes, (c) a foreign person, 50% or more of whose gross income from all sources for the three-year period ending with the close of its taxable year preceding the payment was effectively connected with a U.S. trade or business, or (d) a foreign partnership with specified connections to the United States, unless the Non-U.S. Holder certifies as to its non-U.S. status or otherwise establishes an exemption.

Payment of the proceeds from a disposition of a 2020A Bond (including a redemption or retirement) to or through the United States office of a broker will be subject to information reporting and backup withholding unless the Non-U.S. Holder certifies as to its non-U.S. status or otherwise establishes an exemption from information reporting and backup withholding.

Backup withholding is not an additional tax, and amounts withheld as backup withholding are allowed as a refund or credit against a holder’s federal income tax liability, provided that the required information as to withholding is furnished to the IRS.

THE FOREGOING SUMMARY IS INCLUDED HEREIN FOR GENERAL INFORMATION ONLY AND DOES NOT DISCUSS ALL ASPECTS OF U.S. FEDERAL INCOME TAXATION THAT MAY BE RELEVANT TO A PARTICULAR BENEFICIAL OWNER OF THE 2020A BONDS IN LIGHT OF THE BENEFICIAL OWNER’S PARTICULAR CIRCUMSTANCES AND INCOME TAX SITUATION. PROSPECTIVE INVESTORS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS AS TO ANY TAX CONSEQUENCES TO THEM FROM THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE 2020A BONDS.

#### State, Local and Foreign Taxes

Bondholders may be subject to state, local and foreign taxes with respect to an investment in the 2020A Bonds. In light of the potential impact of state, local and foreign taxes (including the limitations on deductibility of state and local taxes), prospective purchasers are urged to consult their tax advisors with respect to the state, local and foreign tax consequences of an investment in the 2020A Bonds.

On the date of delivery of the 2020A Bonds, the original purchaser will be furnished with an opinion of Bond Counsel substantially in the form attached hereto as Appendix D – “Form of Opinion of Bond Counsel” and an opinion of special counsel to the Executive Office for Administration and Finance of the Commonwealth in the form attached hereto as Appendix E – “Form of Opinion of Special Counsel to the Commonwealth.”

### **LEGALITY OF 2020A BONDS FOR INVESTMENT AND DEPOSIT**

The Act provides that the 2020A Bonds are legal investments in which all public officers and public bodies of the Commonwealth, its political subdivisions, all municipalities and municipal subdivisions, all Massachusetts insurance companies and associations, and other persons carrying on an insurance business in the Commonwealth, Massachusetts banks, banking associations, trust companies, savings banks and savings associations, including cooperative banks, building and loan associations, investment companies and other persons carrying on a banking business, and all other persons whatsoever who are now or may hereafter be authorized to invest in bonds or other obligations of the Commonwealth, may properly and legally invest funds, including capital, in their control or belonging to them. The Act also provides that the 2020A Bonds are securities which may properly and legally be deposited with and received by all public officers and bodies of the Commonwealth or any agency or political subdivision thereof and all municipalities and public corporations for any purposes for which the deposit of bonds or other obligations of the Commonwealth is now or may hereafter be authorized by law.

### **COMMONWEALTH NOT LIABLE ON 2020A BONDS**

The 2020A Bonds are not a general obligation of the Issuer and shall not be deemed to constitute a debt or liability of the Commonwealth, the City of Boston, the City of Somerville, the City of Newton or any other political subdivision thereof, or a pledge of the full faith and credit of the Issuer or the Commonwealth, the City of Boston, the City of Somerville, the City of Newton or any other political subdivision, but shall be payable solely from and to the extent of the payments made by the Commonwealth of Commonwealth Contract Assistance for Debt Service pursuant to the Assistance Contract and any other funds held under the Indenture for such purpose. Neither the full faith and credit of the Issuer or the Commonwealth nor the taxing power of the Commonwealth, the City of Boston, the City of Somerville, the City of Newton or any other political subdivision thereof is pledged to the payment of the principal of or interest on the 2020A Bonds. The Act does not in any way create a so-called moral obligation of the Commonwealth or of any political subdivision thereof to pay debt service on the 2020A Bonds in the event of default by the Issuer. The Issuer has no taxing power under the Act.

The obligation of the Commonwealth to pay Commonwealth Contract Assistance for Debt Service as provided in the Assistance Contract, however, is a general obligation of the Commonwealth, and the full faith and credit of the Commonwealth are pledged to make such payments. However, it should be noted that Chapter 62F of the Massachusetts General Laws imposes a state tax revenue growth limit and does not exclude Commonwealth debt obligations, including the Commonwealth Contract Assistance for Debt Service obligation, from the scope of the limit. See Commonwealth Information Statement (described below) under the headings “COMMONWEALTH REVENUES – Limitations on Tax Revenues.”

### **RATINGS**

The 2020A Bonds have been rated “AA+” outlook (stable) by Fitch Ratings, Inc. (“Fitch”), One State Street Plaza, New York, New York, and “Aa1” outlook (stable) by Moody’s Investors Service (“Moody’s”), 7 World Trade Center at 250 Greenwich Street, New York, New York. The ratings assigned by Fitch and Moody’s express only the views of the rating agencies. The explanation of the significance of the ratings may be obtained from Fitch and Moody’s, respectively. There is no assurance that any rating will continue for any period of time or that it will not be revised or withdrawn. Any revision or withdrawal of ratings on the 2020A Bonds may have an effect on the market price thereof.

## **MUNICIPAL ADVISOR**

PFMFA is serving as municipal advisor to the Issuer for the issuance of the 2020A Bonds. PFMFA is not obligated to undertake, and has not undertaken, either to make an independent verification of or to assume responsibility for, the accuracy, completeness, or fairness of the information contained in this Official Statement. PFMFA is an independent financial advisory firm and is not engaged in the business of underwriting, trading, or distributing securities.

## **COMPETITIVE SALE OF 2020A BONDS**

The 2020A Bonds will be offered for sale at competitive, electronic bidding via PARITY on November 18, 2020 at 10:00 a.m., unless postponed or cancelled on TM3 ([www.tm3.com](http://www.tm3.com)), as described in the Official Notice of Sale of the Issuer dated November 12, 2020 for the 2020A Bonds, attached hereto as Appendix G. This Preliminary Official Statement has been deemed final as of its date within the meaning of Rule 15c2-12, as amended, of the Securities and Exchange Commission (“Rule 15c2-12”) with permitted omissions, (i) by the Issuer, except with respect to the Commonwealth Portions (defined below) and (ii) by the Commonwealth with respect to information under the captions “INTRODUCTORY STATEMENT” (but only with respect to paragraph 9 as it relates to the Assistance Contract and paragraph 10 therein), “SOURCES OF PAYMENT AND SECURITY FOR THE 2020A BONDS” (but only with respect to paragraphs 4, 5, 6 and 8 therein), “LITIGATION” (but only with respect to the statements therein with respect to the Commonwealth), “COMMONWEALTH NOT LIABLE ON 2020A BONDS” (but only with respect to the second paragraph therein), “ADDITIONAL INFORMATION CONCERNING THE COMMONWEALTH,” “CONTINUING DISCLOSURE” (but only with respect to paragraphs 2 through 6, inclusive, thereof) and Appendices C and F attached thereto (collectively, the “Commonwealth Portions”). After the 2020A Bonds have been awarded, the Issuer will prepare a final Official Statement (the “Final Official Statement”), which will be a “final official statement” within the meaning of Rule 15c2-12. The Final Official Statement will be similar in form to this Preliminary Official Statement, and will include, among other matters, the identity of the winning bidder and the managers of the syndicate or syndicates, if any, submitting the winning bid, the purchase price of the 2020A Bonds from the Issuer and other information regarding the maturity or maturities, interest rate or rates and reoffering prices or yields of the 2020A Bonds, as supplied by the winning bidder.

## **LEGAL MATTERS**

All legal matters incidental to the authorization and issuance of the 2020A Bonds are subject to approval of McCarter & English, LLP, Boston, Massachusetts, Bond Counsel and counsel to the Issuer. The opinion of Bond Counsel, substantially in the form set forth in Appendix D hereto, will be delivered with the 2020A Bonds. The opinion of Locke Lord LLP, Boston, Massachusetts, special counsel to the Commonwealth with respect to the Assistance Contract, substantially in the form set forth in Appendix E hereto, will be delivered with the 2020A Bonds. Certain legal matters will be passed upon by Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Boston, Massachusetts, disclosure counsel to the Commonwealth.

## **ADDITIONAL INFORMATION CONCERNING THE COMMONWEALTH**

For further information about the Commonwealth, specific reference is made to the Commonwealth’s Information Statement dated October 28, 2020 (the “Information Statement”), which is filed with the Municipal Securities Rulemaking Board (the “MSRB”) through the Electronic Municipal Market Access system (“EMMA”). Subsequent filings by the Commonwealth to EMMA, prior to the sale of the 2020A Bonds, of continuing disclosure documents identified as “other financial/operating data,” including supplements to the Information Statement, also are hereby deemed to be included by reference in the Information Statement. The Information Statement contains certain fiscal, budgetary, financial and other general information concerning the Commonwealth. Exhibit A to the Information Statement contains certain economic information concerning the Commonwealth. Exhibit B to the Information Statement contains the financial statements of the Commonwealth for the fiscal year ended June 30, 2019, prepared on a statutory basis. Exhibit C to the Information Statement contains the financial statements of the Commonwealth for the fiscal year ended June 30, 2019, prepared on a GAAP basis. Specific reference is made to said Exhibits A, B and C, copies of which have been filed with EMMA.

The Commonwealth prepares its Statutory Basis Financial Report and its Comprehensive Annual Financial Report with respect to each fiscal year ending June 30. The Statutory Basis Financial Report becomes available by

October 31 of the following fiscal year and the Comprehensive Annual Financial Report becomes available in January of the following fiscal year. Due to delays as a result of the COVID-19 pandemic, the Comptroller anticipates that the SBFR for fiscal 2020 will be delayed until November 2020. Copies of such reports and other financial reports of the Comptroller referenced in this document may be obtained by requesting the same in writing from the Office of the Comptroller, One Ashburton Place, Room 909, Boston, Massachusetts 02108. The financial statements are also available at the Comptroller's web site located at <http://www.mass.gov/comptroller> by clicking on "Financial Reporting" on the homepage.

### **CONTINUING DISCLOSURE**

No financial or operating data concerning the Issuer is material to any decision to purchase, hold or sell the 2020A Bonds and the Issuer will not provide any such information. The Commonwealth has undertaken all responsibilities for any continuing disclosure to the owners of the 2020A Bonds as described below, and the Issuer shall have no liability to the owners of the 2020A Bonds or any other person with respect to such disclosures.

The Commonwealth will undertake for the benefit of the owners (including the beneficial owners) of the 2020A Bonds to provide certain continuing disclosure. The undertakings have been made pursuant to the provisions of Subsection (b)(5) of Rule 15c2-12.

Prior to the issuance of the 2020A Bonds, the Commonwealth will execute a Commonwealth Continuing Disclosure Agreement pursuant to which the Treasurer and Receiver-General of the Commonwealth will agree, for the benefit of the owners of the 2020A Bonds, to provide certain annual financial information and operating data concerning the Commonwealth. The Commonwealth will also execute a Continuing Events Disclosure Agreement pursuant to which the Secretary will agree, for the benefit of the owners of the 2020A Bonds, to provide notice of the occurrence of certain enumerated events (an "Event Notice"). Such information and any Event Notices will be filed by the Commonwealth with EMMA.

The nature of the information to be provided by the Commonwealth and the events relating to the 2020A Bonds that may give rise to an Event Notice are set forth in Appendix F-1 – "Form of Commonwealth Continuing Disclosure Agreement" and Appendix F-2 – "Form of Commonwealth Continuing Events Disclosure Agreement."

The sole remedy for any owner or beneficial owner of a 2020A Bond upon failure by the Commonwealth to fulfill its continuing disclosure undertakings is a suit in equity for specific performance of the undertaking and not for money damages.

For information concerning the Commonwealth's compliance with its undertakings under Rule 15c2-12 and the availability of certain other financial information from the Commonwealth, see the Information Statement under the heading "Continuing Disclosure."

### **MISCELLANEOUS**

The Issuer and the Commonwealth have consented to the use of this Official Statement in connection with the sale of the 2020A Bonds.

The references to the Act, the Indenture and the Assistance Contract are brief summaries of certain provisions thereof. Such summaries do not purport to be complete, and reference is made to the Act and the Indenture for full and complete statements of such provisions. The agreements of the Issuer and the Commonwealth with the holders of the 2020A Bonds are fully set forth in the Indenture and the Assistance Contract and neither any advertisement of the 2020A Bonds nor this Official Statement is to be construed as constituting an agreement with the Bondowners. So far as any statements are made in this Official Statement involving matters of opinion, whether or not expressly so stated, they are intended merely as such and not as representations of fact. Copies of the documents mentioned in this paragraph are on file at the offices of the Issuer and of the Trustee.

Appendix A – "Definitions of Certain Terms," Appendix B – "Summary of the Indenture" and the form of legal opinion contained in Appendix D have been prepared by McCarter & English, LLP, Bond Counsel.

Appendix C – “Summary of Certain Provisions of the Assistance Contract” and the form of legal opinion contained in Appendix E have been prepared by Locke Lord LLP, special counsel to the Commonwealth.

Appendix F-1 – “Form of Commonwealth Continuing Disclosure Agreement” has been prepared by Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., disclosure counsel to the Commonwealth.

Appendix F-2 – “Form of Commonwealth Continuing Events Disclosure Agreement” has been prepared by Locke Lord LLP, special counsel to the Commonwealth.

Appendix G – “Official Notice of Sale Dated November 12, 2020” has been prepared by McCarter & English, LLP, Bond Counsel with information provided by PFMFA, the Issuer’s municipal advisor.

The Appendices are incorporated herein as an integral part of this Official Statement.



**DEFINITIONS OF CERTAIN TERMS**

*The following are definitions of certain terms used in the Master Trust Indenture dated as of March 1, 2014, as amended (the “Master Indenture”), by and between the Massachusetts Development Finance Agency (the “Issuer”) and U.S. Bank National Association, as master trustee (the “Trustee”), as supplemented by the Eleventh Supplement to Trust Indenture dated as of December 1, 2020 between the Issuer and the Trustee (the “Eleventh Supplement” and together with the Master Indenture, the “Indenture”) and used in this Official Statement:*

“Act” shall mean Chapter 293 of the Acts of 2006 of the Commonwealth, as amended from time to time, or any successor provisions of law of comparable import; to the extent provided in said Chapter 293, the term “Act” shall also mean and include Chapter 23G and Chapter 40D of the General Laws of the Commonwealth.

“Applicable Assistance Supplement” shall mean the particular supplement to the Assistance Contract pursuant to which the Commonwealth will agree to pay State Infrastructure Development Assistance to the Issuer to provide for the Debt Service payable on a particular Series of Bonds.

“Assistance Contract” shall mean the Contract for State Infrastructure Development Assistance between the Issuer and the Commonwealth, as the same may be amended and supplemented from time to time, and, with respect any Series of Bonds, the Applicable Assistance Supplement shall mean the particular supplement to the Assistance Contract pursuant to which the Commonwealth will agree to pay State Infrastructure Development Assistance to the Issuer to provide for the Debt Service payable on a particular Series of Bonds.

“Authorized Officer,” in the case of the Issuer, shall mean one of the Issuer’s Executive Director/President and Chief Executive Officer; Senior Executive Vice President, Executive Vice President for Operations, Deputy Director and Chief Operating Officer; General Counsel and Secretary; Treasurer, Chief Financial Officer and Executive Vice President, Finance and Administration; Executive Vice President of Finance Programs; and Senior Vice President, Investment Banking; or any other person authorized to perform the act or execute the document; in the case of an Infrastructure Developer, shall mean the officer, manager or employee of the Infrastructure Developer designated by the Infrastructure Developer in a certificate of an Authorized Officer of the Infrastructure Developer filed with the Trustee and the Issuer; and in the case of the Commonwealth, shall mean the Secretary or the Secretary’s designee.

“Bond” or “Bonds” shall mean any bonds, notes or other evidences of indebtedness, as the case may be, authenticated, issued and delivered under the Indenture and any Supplemental Indenture hereto, and which are entitled to the benefits of the Indenture.

“Bond Counsel’s Opinion” shall mean a Counsel’s Opinion signed by an attorney or firm of attorneys selected by the Issuer and satisfactory to the Trustee and the Commonwealth of national repute in the field of law relating to municipal securities.

“Bondowner” or “Owner” shall mean when used with reference to Bonds the registered owner of any Bond or Bonds.

“Business Day” shall mean each day of the year except a Saturday, Sunday or any other day on which banks are authorized or required to be closed in the Commonwealth, the city in which the Designated Office of the Trustee is located or New York City.

“Code” shall mean the Internal Revenue Code of 1986, as amended.

“Credit Enhancement” shall mean any agreement, including, but not limited to a policy of bond insurance, surety bond, irrevocable letter of credit, credit agreement, credit facility or guaranty arrangement with a bank, trust company, insurance company, surety bonding company, pension fund or other financial institution that provides increased credit on or security for any Series of Bonds.

## APPENDIX A

“Commonwealth” shall mean The Commonwealth of Massachusetts.

“Cost of Issuance Fund” shall mean the fund so designated and established by the Indenture.

“Counsel’s Opinion” shall mean an opinion signed by an attorney or firm of attorneys (who may be general or special counsel to the Issuer) selected by the Issuer and satisfactory to the Trustee and the Commonwealth.

“Debt Service” shall mean, with respect to any particular period of time or date, an amount equal to the sum of (a) all interest payable on the Bonds during such period or on such date, plus (b) the principal or redemption price of and premium, if any, on the Bonds payable during such period or on such date.

“Debt Service Fund” shall mean the fund so designated and established by the Indenture.

“Defeasance Obligations” shall mean direct, general obligations of the United States of America or obligations the payment of the principal of and interest on which, by Act of Congress, are unconditionally guaranteed by the United States of America.

“Designated Office,” when used with respect to the Trustee, shall mean the office where the Trustee maintains its designated trust agency office.

“Development Agreement” shall mean an infrastructure development assistance agreement or agreements under the Act.

“Economic Development Proposal” shall have the meaning given such term in the Development Agreement.

“Event of Default” shall mean an event of default as described under the heading “Events of Default” and “Remedies” in Appendix B to this Official Statement.

“Indenture” shall mean the Master Trust Indenture dated as of March 1, 2014 between the Issuer and the Trustee, as amended and supplemented from time to time in accordance with the provisions thereof.

“Independent Construction Agent” shall have the meaning given such term in the Development Agreement.

“Infrastructure Developer” shall mean the Developer, as defined in the Act.

“Infrastructure Development Assistance Fund” shall mean the fund so named and established by the Indenture.

“Interest Payment Date” shall mean any date on which interest is payable on the Bonds as provided in the Indenture and in the Bonds.

“Investment Obligations” shall mean and include (i) any investment obligations which at the time are legal investments for moneys of the Commonwealth and (ii) with respect to moneys on deposit in the Project Fund, if any, investments in the Massachusetts Municipal Depository Trust, the Massachusetts Development Finance Agency Short Term Asset Reserve (STAR) Fund, or any other similar fund established by, or on behalf of, the Issuer that is rated, investment agreements rated, or with banks, bank holding companies, insurance companies or other financial institutions or entities whose senior long-term debt obligations are rated, at the time such agreement is entered into, in one of the three highest rating categories by Moody’s Investors Service, Inc., Fitch Ratings, Inc. or Standard & Poor’s Ratings Services.

“Issuer” shall mean the Massachusetts Development Finance Agency, a body politic and corporate and a public instrumentality of the Commonwealth established under Chapter 23G of the Massachusetts General Laws, as amended, and its successors.

“Issuer Expenses” shall mean all costs and expenses not otherwise funded by the Bonds incurred by the Issuer in issuing and carrying the Bonds and otherwise in performing its obligations and duties pursuant to the Act including but not limited to indemnification and extraordinary expenses and costs and expenses in excess of the limitation set forth in the Development Agreement.

“Liquidity Facility” shall mean any agreement with a bank, trust company, insurance company, surety bonding company, pension fund or financial institution under which it agrees to purchase a Series of Bonds from time to time.

“Outstanding,” when used with reference to Bonds, shall mean, as of any date, all Bonds theretofore or thereupon being delivered under the Indenture and any Supplemental Indenture hereto except: (i) any Bonds cancelled by the Trustee at or prior to such date; (ii) Bonds (or portions of Bonds) for the payment of which moneys equal to the principal amount thereof and premium, if any, and interest thereon to the date of maturity shall be held in trust under the Indenture and set aside for such payment; (iii) Bonds in lieu of or in substitution for which other Bonds shall have been executed and delivered pursuant to the Indenture; and (iv) Bonds deemed to have been paid as described under the heading “Defeasance” in Appendix B – Summary of Certain Provisions of the Indenture.

“Principal Payment Date” shall mean any date on which any principal or redemption price of the Bonds is payable as provided in the Indenture and in the Bonds.

“Project Fund” shall mean the fund so designated and established by the Indenture.

“Public Infrastructure Improvements” shall have the meaning given such term in the Act.

“Rebate Fund” shall mean the fund so designated and established by the Indenture.

“Registrar” shall mean the Trustee and any other agent of the Issuer appointed from time to time by the Issuer, at the office of which Bonds may be authenticated and thereafter may be presented for registration, transfer, or exchange as provided in the Indenture.

“Related Hedging Contract” shall mean an interest rate exchange, cap, floor or collar agreement between the Issuer and a counterparty.

“Resolution” shall mean the Resolution adopted on September 10, 2020, pursuant to which the Issuer has duly approved the issuance of up to \$54,000,000 aggregate principal amount of the 2020A Bonds under and pursuant to the Master Indenture and the Eleventh Supplement for the purpose of paying a portion of the costs of the North Point Public Infrastructure Improvements.

“Secretary” means the Secretary of the Executive Office for Administration and Finance of the Commonwealth.

“Series” shall mean all of the Bonds authenticated and delivered on original issuance identified pursuant to the Supplemental Indenture authorizing such Bonds as a separate Series of Bonds and any Bonds thereafter authenticated and delivered in lieu of or in substitution therefor pursuant to the Indenture regardless of variations in maturity, interest rate or other provisions.

“State Infrastructure Development Assistance for Debt Service” shall mean payments made by the Commonwealth to or for the benefit of the Issuer in accordance with the Act and the Assistance Contract to provide for Debt Service on the Bonds.

“Supplemental Indenture” shall mean an indenture of the Issuer authorizing the issuance of a Series of Bonds or otherwise amending or supplementing the Indenture, adopted in accordance with Article VIII, and, with respect any Series of Bonds, the Applicable Supplemental Indenture shall mean the Supplemental Indenture authorizing such Series of Bonds.

## **APPENDIX A**

“Tax-Exempt Series” shall mean a Series of Bonds which, on the date of issuance of such Series of Bonds, is excluded from the gross income of the Owners of such Series of Bonds for federal income tax purposes.

“Trust Assets” shall mean the moneys, securities and rights of the Issuer pledged to the Trustee on behalf of the Owners of the Bonds under the Indenture, as described under the heading “Pledge of Issuer” in Appendix B – Summary of Certain Provisions of the Indenture.

“Trustee” shall mean U.S. Bank National Association, a national banking association duly organized and existing under the laws of the United States, and its successor or successors.

Words importing persons include firms, associations and corporations, and the singular and plural forms of words shall be deemed interchangeable wherever appropriate.

## SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

*The following is a brief summary, prepared by McCarter & English, LLP, Bond Counsel, of certain provisions of the Master Trust Indenture dated as of March 1, 2014, as amended (the “Master Indenture”), by and between the Massachusetts Development Finance Agency (the “Issuer”) and U.S. Bank National Association, as master trustee (the “Trustee”), as supplemented by the Eleventh Supplement to Trust Indenture dated as of December 1, 2020 (the “Eleventh Supplement” and together with the Master Indenture, the “Indenture”) pertaining to the 2020A Bonds. This summary does not purport to be complete, and reference is made to the Indenture for full and complete statements of such and all provisions. Section references are to the Master Indenture unless otherwise noted.*

### **Indenture to Create Contract**

The Indenture is deemed to be and shall constitute a contract among the Issuer, the Trustee and the Owners from time to time of the Bonds; and the pledge made in the Indenture and the covenants and agreements therein set forth to be performed on behalf of the Issuer shall be for the benefit, protection and security of, ratably as their interests may appear, the Owners of any and all of the Bonds, all of which Bonds, regardless of the time or times of their delivery or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof except as expressly provided in or permitted by the Indenture. Notwithstanding the foregoing, nothing in the Indenture shall prohibit the Issuer from pledging additional moneys or funds to particular Series of Bonds issued thereunder, as provided in an Applicable Supplemental Indenture, such additional pledged funds being “Applicable Trust Assets” pledged to the particular Series of Bonds issued under the related Applicable Supplemental Indenture. (Section 103)

### **Authorization and Issuance of Bonds**

The Indenture creates, in the manner and to the extent provided therein, a continuing pledge and lien on the Trust Assets to secure ratably for the benefit of the Bondowners of the Bonds the full and final payment of the principal of, premium, if any, and interest on all the Bonds. The Bonds shall be special obligations of the Issuer, payable from State Infrastructure Development Assistance for Debt Service received from the Commonwealth for Debt Service pursuant to the Assistance Contract, and, to the extent provided in the Master Indenture and in the Applicable Supplemental Indenture, from the moneys and funds pledged therefor. The Bonds shall not constitute a general obligation of the Issuer or an obligation of the Commonwealth or a debt or a pledge of the faith and credit or the taxing power of the Issuer or of the Commonwealth or any other political subdivision thereof but are payable solely from the funds specifically pledged for their payment under the Master Indenture and in the Applicable Supplemental Indenture. (Section 201)

### **Supplemental Indentures**

The Issuer and the Trustee may from time to time enter into a Supplemental Indenture in order to issue a Series of Bonds under the Indenture. Each Supplemental Indenture authorizing the issuance of a Series of Bonds shall specify and determine the date of the Bonds, the principal amount thereof, the purposes for which such Bonds are being issued, the form, title, designation, and the manner of numbering or denominations, if applicable, of such Bonds, the date or dates of maturity of such Bonds, the rate or rates of interest (or method of determining the rate or rates of interest), the taxability of interest on the Bonds, premium, if any, borne by such Bonds, the arrangement for place and medium of payment, the designation of any Funds and Accounts or subaccounts to be established and any other provisions deemed advisable or necessary, and any of the foregoing may be referenced into the Supplemental Indenture from another document. Each Supplemental Indenture authorizing the issuance of a Series of Bonds shall specify the Applicable Assistance Supplement relating to such Series of Bonds. Each Bond shall be issuable, shall be transferable and exchangeable and shall be subject to redemption as specified in this Trust Indenture or in the Supplemental Indenture related thereto.

A Supplemental Indenture and the Bonds issued thereunder may contain, as applicable, provisions relating to bond insurance or other Credit Enhancement or Liquidity Facilities, may provide for Bonds to be issued in fixed or variable rate forms, as the case may be, with such tender and redemption provisions as may be deemed necessary

## APPENDIX B

for the issuance thereof and provide for the execution of required documents necessary for such purposes, and may designate the Bonds of such Series as a Tax-Exempt Series or a taxable Series, as the case may be. A Supplemental Indenture and the Bonds issued thereunder may contain, as applicable, provisions relating to additional funds or moneys pledged to the Series of Bonds authorized in such Supplemental Indenture. The 2020A Bonds are designated as a taxable Series. (Section 203 and Eleventh Supplement)

### Additional Bonds

Bonds of each Series shall be signed on behalf of the Issuer for issuance under the Indenture and the Applicable Supplemental Indenture and delivered to the Trustee for authentication and upon authentication by it delivered to the Issuer or upon its order, but only upon the receipt by the Trustee of:

(a) A Bond Counsel's Opinion, dated the date of delivery of a Series of Bonds, to the effect, among other things, that (i) the Issuer has the right and power to enter into the Indenture and the Supplemental Indenture and perform the agreements on its part contained therein and to issue such Series of Bonds; (ii) the Indenture and the Supplemental Indenture have been duly authorized, executed and delivered by the Issuer and are valid and binding agreements of the Issuer enforceable upon the Issuer in accordance with their terms; (iii) pursuant to the Act, the Indenture creates a valid lien on the Trust Assets pledged by the Indenture for the security of such Series of Bonds, subject to no prior lien under the Act; (iv) such Series of Bonds have been duly authorized, executed and delivered by the Issuer and are valid and binding special obligations of the Issuer, payable solely from the sources provided therefor in the Indenture; (v) the Supplemental Indenture is authorized and permitted by the terms of the Indenture; (vi) to the extent applicable for a Series of Bonds, interest on such Series of Bonds will not be included in the gross income of Owners of such Series of Bonds for federal income tax purposes and interest on such Series of Bonds is exempt from Massachusetts personal income taxes and such Series of Bonds are exempt from Massachusetts personal property taxes, provided no opinion need be expressed as to the taxability of the Bonds or interest thereon under the laws of states other than the Commonwealth or as to any other federal tax consequences arising with respect to the Bonds and provided further that a Series of Bonds may be issued under the Indenture that are subject to federal income tax; and (vii) such Series of Bonds are exempt from registration under the Securities Act of 1933, as amended, and Chapter 110A of the Massachusetts General Laws, and the Indenture and Supplemental Indenture are exempt from qualification under the Trust Indenture Act of 1939, as amended; provided that such Bond Counsel's Opinion may take exceptions for limitations on the rights of the Owners of the Bonds of a Series and the enforceability of the Bonds of a Series and the Indenture and Supplemental Indenture imposed by or resulting from bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights theretofore or thereafter enacted to the extent constitutionally applicable and considerations of equity.

(b) An opinion of counsel to the Commonwealth, dated the date of delivery of a Series of Bonds, to the effect, among other things, that (i) the Commonwealth has the right and power to enter into the Assistance Contract and the Applicable Assistance Supplement and perform the agreements on its part contained therein; (ii) the Assistance Contract and the Applicable Assistance Supplement have been duly executed and delivered by the Commonwealth and is a valid and binding agreement of the Commonwealth, enforceable upon the Commonwealth in accordance with its terms; and (iii) the obligation of the Commonwealth to pay State Infrastructure Development Assistance for Debt Service as provided in the Assistance Contract, including the Applicable Assistance Supplement, is a general obligation of the Commonwealth, and the full faith and credit of the Commonwealth are pledged to make such payments; provided that such counsel's opinion may take exceptions for limitations on the enforceability of the Assistance Contract imposed by or resulting from bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights theretofore or thereafter enacted to the extent constitutionally applicable and considerations of equity.

(c) A copy, certified by an Authorized Officer of the Infrastructure Developer, of the Development Agreement (as defined in the Act).

(d) A copy, certified by an Authorized Officer of the Issuer and by the Secretary, of the Applicable Assistance Supplement.

- (e) Certificate of the Secretary pursuant to the Act declaring the Economic Development Proposal to be a Certified Economic Development Project (as defined in the Act). (Section 207)

**Refunding Bonds**

One or more Series of Refunding Bonds may be issued under the Indenture for the purpose of refunding all or any part of the Bonds of one or more Series Outstanding and delivered to the Trustee for authentication and upon authentication by it delivered to the Issuer or upon its order, but only upon the receipt by the Trustee of:

- (a) The documents and opinions required by paragraphs (a) and (b) under the heading “Additional Bonds” above.
- (b) The documents and opinions required by the Applicable Supplemental Indenture.
- (c) A copy, certified by an Authorized Officer of the Issuer and by the Secretary, of the Applicable Assistance Supplement.
- (d) If any Bonds are to be redeemed prior to maturity, irrevocable instructions to the Trustee satisfactory to it to give due notice of redemption of the Bonds to be redeemed on a redemption date specified in such instructions, in accordance with the Indenture. (Section 208)

**Credit Enhancement and Liquidity Facilities**

In connection with any Series of Bonds issued under the Indenture, the Issuer, at the direction of an Authorized Officer of the Commonwealth, may obtain or cause to be obtained Credit Enhancement or Liquidity Facility providing for payment of all or a portion of the principal, premium, if any, and interest due or to become due on such Series of Bonds, or providing for the purchase of such Series of Bonds or a portion thereof by the issuer of such Credit Enhancement or a Liquidity Facility. In connection therewith, the Issuer may enter into such agreements with the issuer of Credit Enhancement or Liquidity Facility providing for payment of fees and expenses of the issuer of such Credit Enhancement or Liquidity Facility and the terms and conditions of such Credit Enhancement or Liquidity Facility and the Series of Bonds related thereto. The Applicable Supplemental Indenture and the Series of Bonds issued thereunder may contain, as applicable, provisions relating to such Credit Enhancement or Liquidity Facility, as well as any and all compatible provisions necessary in order to make the Bonds meet the requirements of an issuer of such Credit Enhancement or Liquidity Facility. Any such Credit Enhancement or Liquidity Facility shall be for the benefit of and secure such Series of Bonds as specified in the Applicable Supplemental Indenture, and obligations due under such Credit Enhancement or Liquidity Facility may be secured with a pledge of the Trust Assets if provided in the Applicable Supplemental Indenture. (Section 205)

**Related Hedging Contracts**

The Issuer, at the direction of an Authorized Officer of the Commonwealth, may from time to time enter into Related Hedging Contracts with respect to all or a portion of a Series of Bonds issued under the Indenture. The obligations of the Issuer thereunder may be secured with a pledge of the Trust Assets. The Applicable Supplemental Indenture, the Series of Bonds issued thereunder and related documents may contain, as applicable, provisions relating to such Related Hedging Contract. (Section 206)

**Pledge of Issuer**

There are pledged for the payment of the principal of, redemption price, and interest on the Bonds a security interest in (1) the Assistance Contract including all State Infrastructure Development Assistance for Debt Service paid or required to be paid by the Commonwealth from time to time under the Assistance Contract and all of the Issuer’s rights to payment of such State Infrastructure Development Assistance for Debt Service; provided, however that such pledge and security interest does not include State Infrastructure Development Assistance to be paid to or for the benefit of the Issuer with respect to Issuer Expenses, (2) all moneys and securities on deposit and investment earnings with respect thereto in the Debt Service Fund and the Infrastructure Development Assistance

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Fund and Accounts within such Funds, whether any of the foregoing is now existing or is hereafter acquired, and (3) any amounts payable to the Issuer pursuant to a Related Hedging Contract (collectively the “Trust Assets”), in each case subject only to the provisions of the Indenture permitting the application of amounts held thereunder for the purposes and on the terms and conditions set forth in the Indenture. Each Series of Bonds may be further secured by a pledge of moneys and securities held in funds or accounts established pursuant to the Applicable Supplemental Indenture. (Section 401)

### **Additional Pledge of Issuer**

As additional security for the payment of the principal of, premium, if any, and interest on the 2020A Bonds, the Issuer has pledged and granted to the Trustee on behalf of the Bondowners a security interest in all moneys and securities on deposit in the 2020A Costs of Issuance Account of the Costs of Issuance Fund created under the Eleventh Supplement (collectively the “2020A Trust Assets”); such 2020A Trust Assets being the Applicable Trust Assets with respect to the 2020A Bonds, in each case subject only to the provisions of the Indenture permitting the application of amounts held thereunder for the purposes and on the terms and conditions set forth in the Indenture. To the extent permitted by law, the foregoing pledge shall be valid and binding from the time of delivery by the Issuer of the 2020A Bonds, shall be effective as to all such rights and other pledged property whether now existing or coming into existence after the effective date of the Eleventh Supplement, whether now held or thereafter acquired by the Issuer and whether or not segregated or held in trust by the Issuer. The moneys, contract rights, other property and proceeds so pledged shall immediately be subject to the lien of such pledge without any physical delivery or segregation thereof or further act and the lien of such pledge shall be valid and binding against any and all parties having a claim of any kind, in tort, contract or otherwise, against the Issuer, irrespective of whether such parties have notice thereof. (Eleventh Supplement)

### **Establishment of Funds**

The following Funds are established to be held by the Trustee:

Debt Service Fund (including 2020A Debt Service Account)  
Infrastructure Development Assistance Fund  
Cost of Issuance Fund (including 2020A Cost of Issuance Account)

The Debt Service Fund, the Infrastructure Development Assistance Fund and Accounts within such Funds are subject to the pledge of the Master Indenture. (Section 402 and Eleventh Supplement)

### **Application of Bond Proceeds and Other Moneys**

The proceeds of the sale of each Series or Subseries of Bonds including accrued interest thereon and any premium received upon the sale thereof, shall be paid to the Trustee and deposited in such Funds and Accounts as directed in the Supplemental Indenture providing for the issue of a Series or Subseries of Bonds. (Section 403)

### **Application of Project Fund**

Proceeds of each Series of Bonds shall be deposited in the Project Fund Account for such Series, as set forth in the Applicable Supplemental Indenture.

The moneys in each Series Account of the Project Fund and any investments held as part of such Account shall be held in trust and, except as otherwise provided in the Indenture, shall be applied by the Trustee in accordance with requisitions from the Issuer in compliance with the provisions of the Eleventh Supplement, if applicable, and the Development Agreement.

Disbursements from the applicable Project Fund Account shall be made by the Trustee to reimburse the applicable Infrastructure Developer or pay its designee directly within five (5) days of receipt of a requisition in form as referenced below, for costs of Public Infrastructure Improvements incurred by the Infrastructure Developer,



as directed by requisitions signed on behalf of the Infrastructure Developer by an Authorized Officer thereof and approved by the Independent Construction Agent in each case to the extent provided in the Development Agreement. Each requisition for costs of Public Infrastructure Improvements shall be in substantially the applicable form set forth in the Development Agreement and shall identify the sums requisitioned for payment to a party other than the Infrastructure Developer by item number, amount, name of payee and purpose and shall identify the sums requisitioned for reimbursement to the Infrastructure Developer by item number, amount, name of original payee and purpose.

When all costs of Infrastructure Improvements to be funded from the proceeds of the Bonds of a Series have been paid or reimbursed to the Infrastructure Developer or to its order, as evidenced by the filing with the Trustee of a certificate to such effect signed by an Authorized Officer of the Infrastructure Developer, any balance in the Project Fund for such Series not then needed to pay costs of Public Infrastructure Improvements shall be transferred to the Account of the Debt Service Fund for such Series or transferred as otherwise directed in a certificate of the Secretary filed with the Trustee accompanied by a Bond Counsel's Opinion to the effect that the application of such amount as otherwise directed by the Secretary is authorized and permitted by the Act and, if the interest on such Bonds is excluded from gross income for federal income taxation, will not adversely affect the exclusion from gross income of interest on any Tax-Exempt Series of Bonds Outstanding for federal income tax purposes. (Section 404)

**Application of Debt Service Fund and Infrastructure Development Assistance Fund**

The Issuer shall pay or cause to be paid all State Infrastructure Development Assistance for Debt Service and any other moneys received by it from the Commonwealth under the Assistance Contract to the Trustee for deposit to the Debt Service Fund promptly upon receipt as set forth in the Indenture and described below.

Immediately upon receipt thereof, the Trustee shall deposit all State Infrastructure Development Assistance for Debt Service received by it to the Debt Service Fund. Subject to the next succeeding paragraph, the Trustee shall pay out of the Debt Service Fund on each Interest Payment Date and Principal Payment Date to the registered Owners of the Bonds an amount sufficient to pay in full the principal of and interest on the Bonds due on such date.

If, on the Business Day following any Interest Payment Date and Principal Payment Date, the amount of State Infrastructure Development Assistance for Debt Service paid by the Commonwealth together with any other moneys received by the Trustee and deposited to the Debt Service Fund are in excess of the Debt Service due on the Bonds on the next date (whether an Interest Payment Date or Principal Payment Date) on which Debt Service is so due, and there is no default or Event of Default, the excess amount shall first be applied to the Debt Service on the Bonds on the next succeeding Interest Payment Date or Principal Payment Date, as applicable, following such deposit, and second be transferred by the Trustee to and deposited in the Infrastructure Development Assistance Fund. Amounts deposited in the Infrastructure Development Assistance Fund shall be applied first to any deficiency in the Debt Service Fund and second to the Rebate Fund or to the redemption of Bonds at the times and in the amounts directed by the Secretary. Any moneys transferred to the Infrastructure Development Assistance Fund pending application to the payment of debt service on or redemption of Bonds and held therein in excess of thirteen (13) months after the date of deposit shall be invested at a yield not exceeding the yield on the Bonds unless the Issuer shall deliver a Bond Counsel's opinion to the effect that investment of such moneys at a higher yield is permitted without adversely affecting the exclusion of interest on any Series of Bonds Outstanding from gross income for federal income tax purposes.

If on any Interest Payment Date or Principal Payment Date there shall be insufficient moneys available in the Debt Service Fund to provide for payment of the Debt Service then due, the Trustee shall withdraw and apply the necessary moneys to provide for such insufficiency from the amount in the Infrastructure Development Assistance Fund not yet committed to the redemption of Bonds. (Section 405)

**Application of Cost of Issuance Fund**

A portion of the proceeds of each Series of Bonds may be deposited in the Costs of Issuance Account of the Costs of Issuance Fund for such Series, as set forth in the Applicable Supplemental Indenture. The moneys in the Costs of Issuance Fund and any investments held as part of such Fund and Accounts thereunder shall be held in trust

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and shall be applied by the Trustee solely to the payment or reimbursement of the costs of issuing the respective Series of Bonds related to each such Account, at the written direction of an Authorized Officer of the Issuer. At any time prior to the delivery of the certificate signed by the Infrastructure Developer required by Section 404(d), after all costs of issuing a Series of Bonds have been paid from the Costs of Issuance Account related to such Series, as evidenced by a certificate of the Issuer filed with the Trustee, any amounts remaining in the Cost of Issuance Account for such Series shall be transferred to the Debt Service Account for such Series or shall otherwise be applied as directed in a certificate of an Authorized Officer of the Issuer and filed with the Trustee, accompanied by a Bond Counsel's Opinion to the effect that the application of such amount as directed by the Issuer, with the approval of the Secretary, is authorized and permitted by the Act and, if the interest on such Series of Bonds is excluded from gross income for federal income taxation, will not adversely affect the exclusion from gross income of interest on any Series of Bonds Outstanding for federal income tax purposes. (Section 406)

### **Rebate Fund; Payment of Rebate.**

Upon the issuance of a Tax-Exempt Series of Bonds, the Trustee will establish within the Rebate Fund a separate Account for such Series and the Applicable Assistance Supplement may provide for the deposits of amounts therein to pay "rebate" in accordance with Section 148(f) of the Code. The Trustee shall not be responsible for compliance with the Code. At any time when any amount required to be paid under Section 148(f) of the Code and the regulations thereunder (the "Rebate Provision") is due with respect to any Tax-Exempt Series of Bonds issued under the Indenture, upon receipt of a Form 8038-T (or other similar information reporting form) executed by the Issuer, the Trustee shall submit payment to the United States of America from amounts available in the Rebate Fund of the full amount then required to be paid under the Rebate Provision, accompanied by such executed Form 8038-T. If the amount then held in the Rebate Fund is less than the amount so required to be paid, the Trustee shall immediately notify the Issuer and the Commonwealth of the amount of the deficiency. The Trustee and the Issuer shall keep such records and make such arrangements as will enable them and the Commonwealth to fulfill their responsibilities under the Indenture with respect to rebate and the Rebate Provision.

Unless otherwise specified in writing by the Secretary, interest or other income derived from the investment or deposit of monies in the Rebate Fund shall be held therein. The Rebate Fund and investments and monies on deposit therein shall not be deemed to be subject to the pledge of the Indenture. (Section 407)

### **Investments and Deposits**

Except as otherwise provided in the Indenture as described under the heading "Defeasance" below, moneys held for the credit of any Fund established under the Indenture shall, to the fullest extent practicable, be invested by the Trustee at the written direction of an Authorized Officer of the Commonwealth in Investment Obligations which shall mature as directed or be redeemable at the option of the Owner thereof on such dates and in such amounts as may be necessary to provide moneys to meet the payments required to be made from such Fund. In making investments under the Indenture, the Trustee shall have no discretion and shall be protected in relying on the written directions of the Secretary. The Trustee shall not be liable for any decrease in value of any investments made in accordance with the Indenture nor for any loss, direct or indirect, resulting from any investment made in accordance with the written instructions of the Secretary. All earnings upon investment or deposit of moneys held in any Account of any Fund under the Indenture shall be retained in such Account unless otherwise provided thereunder or under an Applicable Supplemental Indenture, and shall be transferred by the Trustee to the Debt Service Account of the Debt Service Fund for such Series of Bonds or otherwise only as directed in a certificate of an Authorized Officer of the Issuer, approved by the Secretary, filed with the Trustee, and accompanied by a Bond Counsel's Opinion to the effect that the application of such amount as directed by the Issuer, with the approval of the Secretary, is authorized and permitted by the Act and, if the interest on such Bonds is excluded from gross income for federal income taxation, will not adversely affect the exclusion from gross income of interest on any Tax-Exempt Series of Bonds Outstanding for federal income tax purposes.

In computing the amount in the Debt Service Fund held by the Trustee under the provisions of the Indenture, Investment Obligations shall be valued at the market price thereof plus accrued interest paid as part of the purchase price. (Section 408)

## Particular Covenants of the Issuer

Payment of Bonds. The Issuer shall duly and punctually pay or cause to be paid solely from State Infrastructure Development Assistance for Debt Service received from the Commonwealth pursuant to the Assistance Contract and any other funds pledged therefor by the Indenture, the principal of every Bond and the interest thereon, at the dates and places and in the manner mentioned in the Bonds, according to the true intent and meaning thereof. (Section 501)

Extension of Payment of Bonds. Subject to the provisions of the Indenture described under the heading “Amendments—Powers of Amendment” below, the Issuer shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any claims for interest by the purchase or funding of such Bonds or claims for interest or by any other arrangement, and in case the maturity of any of the Bonds or the time for payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any default under the Indenture, to the benefit of the Indenture or to any payment out of State Infrastructure Development Assistance for Debt Service or the Debt Service Fund established by any Supplemental Indenture, including the investments, if any, thereof pledged under any Supplemental Indenture or the moneys (except moneys held in trust for the payment of particular Bonds or claims for interest pursuant to any Supplemental Indenture) held by the Trustee except subject to the prior payment of the principal of all Bonds Outstanding the maturity of which has not been extended and of such portion of the accrued interest on the Bonds as shall not be represented by such extended claims for interest. (Section 502)

Issuance of Additional Obligations. The Issuer shall not, after the effective date of the Master Indenture, create or permit the creation of or issue any obligations or create any additional indebtedness, other than as contemplated therein, which will be secured by a charge and lien on the Trust Assets, so long as the same are so pledged. (Section 503)

Power to Issue Bonds and Pledge State Infrastructure Development Assistance for Debt Service and the Debt Service Fund. The Issuer is duly authorized under all applicable laws to create and issue the Bonds and to enter into the Indenture and to pledge the Trust Assets in the manner and to the extent provided in the Indenture. The Trust Assets so pledged are and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto other than the pledge created by the Indenture. The Issuer shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Trust Assets and all the rights of the Owners of the Bonds under the Indenture against all claims and demands of all persons whomsoever. (Section 504)

Further Assurance. At any and all times the Issuer shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver all such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for better assuring, conveying, granting, assigning or confirming all and singular the Trust Assets. (Section 505)

Creation of Liens. The Issuer shall not issue any bonds or other evidences of indebtedness, other than the Bonds, secured by a pledge of the Trust Assets and shall not create or cause to be created any lien or charge on the Trust Assets; provided, however, that nothing in the Indenture shall prevent the Issuer from issuing evidences of indebtedness or notes or bonds of the Issuer not secured by Trust Assets under the Indenture. (Section 506)

General. The Issuer shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Issuer under the provisions of the Indenture. Upon the date of delivery of each Series of Bonds, all conditions, acts and things required by law and the Indenture to exist, to have happened and to have been performed precedent to and in the issuance of such Bonds shall exist, have happened and have been performed and the issue of such Bonds, together with all other indebtedness of the Issuer, shall be within every debt and other limit prescribed by the laws of the Commonwealth. (Section 507)

Tax Exemption of Bonds. To the extent the interest on a Series of Bonds on the date of issuance of such Series of Bonds is excluded from the gross income of the Owners of such Series of Bonds for federal income tax purposes (a “Tax-Exempt Series”), the Issuer shall not take or fail to take any action, or cause or permit any circumstance within its control to arise or continue, if such action, inaction or circumstance, or its expectation on the date of issue of a Tax-Exempt Series, would cause the interest paid by the Issuer on a Tax-Exempt Series to be

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included in the gross income of the Owners of such Tax-Exempt Series for federal income tax purposes. Without limiting the generality of the foregoing, the Issuer shall not permit at any time or times any of the proceeds of a Tax-Exempt Series or any other funds of the Issuer to be used directly or indirectly to acquire any securities, obligations or other investment property the acquisition or holding of which would cause any Bond of such Tax-Exempt Series to be an “arbitrage bond” as defined in Section 148(a) of the Internal Revenue Code of 1986, as amended. In furtherance of the foregoing, the Issuer and the Commonwealth shall enter into a no-arbitrage certificate with respect to matters of federal tax law pertaining to the Bonds dated the date of issuance of each Series of the Bonds. Further, in the event that payments are received in respect of property used or to be used for a private business use in excess of amounts allowable under Section 141(b)(2) of said Code, the Issuer will take or will cause the Commonwealth to take such remedial action under Section 1.141-12 of the United States Treasury Regulations or any other such action as may be required pursuant to a Bond Counsel’s Opinion to assure that interest on the Tax-Exempt Series is and continues to be excluded from the gross income of the Owners of the Tax-Exempt Series for federal income tax purposes. A Tax-Exempt Series of Bonds shall be designated as a Tax-Exempt Series in the Applicable Supplemental Indenture pursuant to which such Series of Bonds is issued. (Section 508)

### Events of Default and Remedies

Events of Default. Each of the following events constitutes an “Event of Default” under the Indenture:

- (a) payment of the principal or redemption price of any Bond shall not be made when and as the same shall become due, whether at maturity or by mandatory redemption or in the payment of any sinking fund installment when due; or
- (b) payment of any installment of interest on any of the Bonds shall not be made when and as the same shall become due; or
- (c) failure by the Commonwealth to pay any State Infrastructure Development Assistance for Debt Service when due. (Section 601)

Remedies. Upon the happening and continuance of any Event of Default, the Trustee shall proceed in its own name, subject to the right to be indemnified pursuant to the provisions of the Indenture described under the heading “Concerning the Trustee—Responsibilities of Trustee” below, to protect and enforce the rights of the Bondowners by such of the following remedies set forth below as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights:

- (a) by mandamus or other suit, action or proceeding at law or in equity to enforce all right of the Bondowners, and to require the Issuer to carry out any other covenants or agreements with Bondowners, and to perform their respective duties as prescribed by law;
- (b) by bringing suit upon the Bonds;
- (c) by action or suit in equity to require the Issuer to account as if it were the trustee of an express trust for the Owners of the Bonds;
- (d) by action or suit in equity to enjoin any acts or things which may be unlawful or in violation of the rights of the Owners of the Bonds; and
- (e) by bringing suit upon the Assistance Contract.

In the enforcement of any rights and remedies under the Indenture, the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due and unpaid from the Issuer for principal, interest or otherwise, under any provisions of the Indenture or of the Bonds, with interest on overdue payments of principal and interest at the rate of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings thereunder and under such Bonds, without prejudice to any other right or remedy of the Trustee or of the Bondowners, and to recover and

enforce a judgment or decree against the Issuer for any portion of such amounts remaining unpaid, with interest, costs and expenses (including without limitation pretrial, trial and appellate attorneys' fees and expenses), and to collect from any moneys available for such purpose, in any manner provided by law, the moneys adjudged or decreed to be payable, provided, however, that State Infrastructure Development Assistance may be used only to pay Debt Service on the Bonds. (Section 602)

No Right of Acceleration. Neither the Bondowners nor the Trustee shall have any right to accelerate the payment of principal or interest on any Bonds Outstanding upon the occurrence of any Event of Default. (Section 602(c))

Priority of Payments After Default. In the event that upon the happening and continuance of any Event of Default the funds held by the Trustee shall be insufficient for the payment of principal, premium, if any, and interest then due on the Bonds, such funds and any other amounts received or collected by the Trustee acting pursuant to the Indenture, after making provision for the payment of the charges and expenses (including but not limited to attorneys' fees and expenses) and liabilities incurred and advances made by the Trustee in the performance of its duties under the Indenture, all such expenses, charges and, liabilities and advances constituting Issuer Expenses, shall be applied as follows:

FIRST: To the payment to the persons entitled thereto of all installments of interest on the Bonds then due or accrued and unpaid as of the next prior Interest Payment Date in the order of the maturity of such installments and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference;

SECOND: To the payment to the persons entitled thereto of the unpaid principal of any Bonds which shall have become due and, if the amounts available shall not be sufficient to pay in full all the Bonds due, then to the payment thereof ratably, according to the amounts of principal due on such date, to the persons entitled thereto, without any discrimination or preference;

THIRD: To be held for the payment to the persons entitled thereto as the same shall become due of the principal of and interest on the Bonds that may thereafter become due and, if the amounts available shall not be sufficient to pay in full all the Bonds due on any date, together with such interest, payment shall be made ratably according to the amount of principal due on such date, to the persons entitled thereto, without any discrimination or preference.

Whenever moneys are to be applied by the Trustee pursuant to the provisions of the Indenture described above, such moneys shall be applied by the Trustee at such times, and from time to time, as the Trustee in its sole discretion shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional money becoming available for such application in the future. The setting aside of such moneys in trust for the proper purpose shall constitute proper application by the Trustee, and the Trustee shall incur no liability whatsoever to the Issuer, to any Bondowner or to any other person for any delay in applying any such moneys, so long as the Trustee acts with reasonable diligence, having due regard for the circumstances, and ultimately applies the same in accordance with such provisions of the Indenture as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such moneys, it shall fix the date (which shall be an Interest Payment Date or a Principal Payment Date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate for the fixing of any such date. The Trustee shall not be required to make payment to the Owner of any Bond unless such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid. (Section 603)

Termination of Proceedings. In case any proceedings taken by the Trustee on account of any Event of Default shall have been discontinued or abandoned for any reason, then in every such case the Issuer, the Commonwealth, the Trustee and the Bondowners shall be restored to their former positions and rights under the Indenture, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no such proceeding had been taken. (Section 604)

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Limitation on Rights of Bondowners. No Owner of any Bond shall have any right to institute any suit, action, mandamus or other proceeding in equity or at law under the Indenture or for the protections or enforcement of any right under the Indenture unless such Owner shall have given to the Trustee written notice of the Event of Default or breach of duty on account of which such suit, action or proceeding is to be taken and unless the Owners of not less than a majority in principal amount of the Bonds then Outstanding shall have made written request of the Trustee after the right to exercise such powers or right of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the power therein granted or granted under the law or to institute such action, suit or proceeding in its name and unless, also, there shall have been offered to the Trustee satisfactory security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time; and such notification, request and offer of indemnity are declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers under the Indenture or for any other remedy under the Indenture or by law. It is understood and intended that no one or more Owners of the Bonds thereby secured shall have any right in any manner whatever by its or their action to affect, disturb or prejudice the security of the Indenture, or to enforce any right thereunder or under law with respect to the Bonds or the Indenture, except in the manner therein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner therein provided and for the benefit of all Owners of the Outstanding Bonds. Nothing contained in the provisions of the Indenture described in this paragraph shall affect or impair the right of any Bondowner to enforce the payment of the principal of and interest on its Bonds, or the obligation of the Issuer to pay the principal of and interest on each Bond issued under the Indenture to the Owner thereof at the time and place in said Bond expressed. (Section 605)

Possession of Bonds by Trustee Not Required. All rights of action under the Indenture or under any of the Bonds enforceable by the Trustee may be enforced by it without the possession of any of the Bonds or the production thereof on the trial or other proceeding relative thereto and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all the Owners of such Bonds, subject to the provisions of the Indenture. (Section 606)

Remedies Not Exclusive. No remedy conferred upon or reserved to the Trustee or to the Owners of the Bonds in the Indenture is intended to be exclusive of any other remedy or remedies and each and every such remedy shall be cumulative and shall be in addition to any other remedy given thereunder or now or thereafter existing at law or in equity or by statute. (Section 607)

No Waiver of Default. No delay or omission of the Trustee or of any Owner of the Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein and every power and remedy given by the Indenture to the Trustee and the Owners of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient. (Section 608)

Notice of Event of Default. The Trustee shall give notice to the Bondowners within 30 days of obtaining knowledge of each Event of Default unless such Event of Default shall have been remedied or cured before the giving of such notice. Each such notice of Event of Default shall be given by the Trustee by mailing written notice thereof: (i) to all Owners of Bonds, as the names and addresses of such Owners appear upon the books for registration and transfer of Bonds as kept by the Trustee, and (ii) to such other persons as is required by law. The Trustee shall also give notice to the Commonwealth and the Issuer of each Event of Default promptly upon obtaining knowledge of such Event of Default. (Section 609)

### Concerning the Trustee

Responsibilities of Trustee. The recitals contained in the Indenture and in the Bonds and any offering documents related to such Bonds shall be taken as the statements of the Issuer and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representations as to the validity or sufficiency of the Indenture or of any Bonds issued thereunder or as to the security afforded by the Indenture and the Trustee shall incur no liability in respect thereof. The Trustee shall be under no obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect of the Indenture, or to advance any of its own moneys, unless it is adequately indemnified in its reasonable determination in advance of performing such act or incurring such expense or liability. The duties and obligations of the Trustee shall be determined by the

express provisions of the Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in the Indenture. No permissive right or power to act shall be construed as a requirement or duty to act. Subject to the provisions of Indenture described in the third paragraph under this subheading, the Trustee shall not be liable in connection with the performance of its duties under the Indenture except for its own gross negligence or willful misconduct. The Trustee shall not be liable in connection with the performance of its duties under the Indenture (1) for any error of judgment made in good faith by one or more of its officers unless it shall be proved that the Trustee was grossly negligent in ascertaining the pertinent facts or (2) for any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of a majority in principal amount of the Bonds. The Trustee shall, however, be responsible for its representation contained in its certificate of authentication on the Bonds to the extent provided in Article 8, Section 208, as amended, of the Massachusetts Uniform Commercial Code. Before taking any action pursuant to the provisions of the Indenture described under the heading “Events of Default and Remedies” above, the Trustee may require that a satisfactory indemnity bond be furnished to it for the reimbursement of all expenses which it may incur and to protect it against all liability by reason of any action so taken, except liability which is adjudicated to have resulted from its gross negligence or willful misconduct.

All moneys held by the Trustee, as such, at any time pursuant to the terms of the Indenture shall be and thereby are assigned, transferred and set over unto the Trustee in trust for the purposes and under the terms and conditions of the Indenture, but such moneys need not be segregated from other funds except to the extent required by law.

The Trustee, prior to the occurrence of an Event of Default, undertakes to perform such duties and only such duties as are specifically set forth in the Indenture and no implied covenants or obligations shall be read into the Indenture against the Trustee. In case an Event of Default has occurred, the Trustee shall exercise such of the rights and powers vested in it by the Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs. The Trustee shall not be charged with knowledge of any Event of Default under the Indenture other than a default in the payment of the principal of or interest on any Bond or of any default under the Assistance Contract unless written notice of such Event of Default or default shall have been received by an officer in the designated corporate trust agency office of the Trustee by the Issuer, the Commonwealth or by Owners of 10% or more in principal amount of the Outstanding Bonds. Any provision of the Indenture relating to action taken or to be taken by the Trustee or to evidence upon which the Trustee may rely shall be subject to the provisions of the Indenture described under this subheading “Responsibilities of Trustee”. The Trustee shall be protected, in the absence of negligence and willful misconduct, in acting upon any certificates, opinions, requests and other written documentation furnished to the Trustee under the Indenture. (Section 702)

Evidence on Which Trustee May Act. The Trustee, upon receipt of any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document furnished to it pursuant to any provision of the Indenture, shall examine such instrument to determine whether it conforms to the requirements of the Indenture and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee shall not be deemed to have notice of any default or Event of Default under the Indenture or under the Assistance Contract which may be disclosed (whether explicitly or implicitly) in information which it receives from the Issuer or the Commonwealth, except for any specific notice thereof contained in any Authorized Officer’s certificate delivered by the Issuer or the Commonwealth to the Trustee pursuant to the Indenture. The Trustee may execute any of its trusts or powers and perform any of its duties under the Indenture by or through attorneys, agents or employees. The Trustee may consult with counsel, who may or may not be of counsel to the Issuer or the Commonwealth, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under the Indenture in good faith and in accordance therewith.

Whenever the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under the Indenture, such matter (unless other evidence in respect thereof be therein specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized Officer and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of the Indenture upon the faith thereof; but in its discretion the Trustee may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as may seem reasonable to it.

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Except as otherwise expressly provided in the Indenture, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision thereof by the Issuer or the Secretary to the Trustee shall be sufficiently executed if executed by an Authorized Officer. (Section 703)

Certain Permitted Acts. The Trustee in its individual or any other capacity may become the owner of any Bonds, with the same rights it would have if it were not Trustee. To the extent permitted by law, the Trustee may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners of Bonds or to effect or aid in any reorganization growing out of the enforcement of the Bonds or the Indenture, whether or not any such committee shall represent the Owners of a majority in principal amount of the Bonds then Outstanding. (Section 705)

Resignation of Trustee. The Trustee may at any time resign and be discharged of the duties and obligations created by the Indenture by giving not less than 60 days' written notice to the Issuer and the Commonwealth specifying the date when such resignation shall take effect and such resignation shall take effect upon the day specified in such notice unless previously a successor shall not have been appointed by the Issuer or the Owners of Bonds as provided in the Indenture as described under the subheading "Appointment of Successor" below, in which event such resignation shall take effect immediately on the appointment of such successor. (Section 706)

Removal of Trustee or Depository. The Trustee may be removed at any time by an instrument or concurrent instruments in writing, filed with the Trustee, and signed by the Owners of a majority in principal amount of the Bonds then Outstanding or their attorneys-in-fact duly authorized, excluding any Bonds held by or for the account of the Issuer or the Commonwealth. Except during the existence of an Event of Default, the Issuer may remove the Trustee at any time for cause or upon not less than 30 days' prior written notice to the Trustee for such other reason as shall be determined in the sole discretion of the Issuer. (Section 707)

Appointment of Successor Trustee. In case at any time the Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee, or of its property or affairs, a successor may be appointed by the Owners of a majority in principal amount of the Bonds then Outstanding, excluding any Bonds held by or for the account of the Issuer or the Commonwealth, by an instrument or concurrent instruments in writing signed and acknowledged by such Owners of Bonds or by their attorneys-in-fact duly authorized and delivered to such successor Trustee, notification thereof being given to the Issuer and the Commonwealth and the predecessor Trustee. Pending the appointment of a successor Trustee by the Owners of a majority in principal amount of the Bonds then Outstanding, the Issuer by a written instrument signed by an Authorized Officer of the Issuer and delivered to the predecessor Trustee shall forthwith appoint a Trustee to fill such vacancy until a successor Trustee shall be appointed by the Owners as authorized in the Indenture. Notwithstanding the foregoing, unless a successor Trustee shall have been appointed by the Issuer or by the Owners of Bonds as aforesaid, the Trustee may not resign until the Issuer by a duly executed written instrument signed by an Authorized Officer of the Issuer and approved by the Secretary shall have appointed a Trustee to fill such vacancy and assume all of the duties and obligations of the Trustee or until a successor Trustee shall be appointed by the Owners of Bonds as authorized in the provision of the Indenture described in this paragraph and assumes such duties and obligations. The Issuer shall give notice of any such appointment by first-class mail, postage prepaid, made by it within 25 days after such appointment. Any successor Trustee appointed by the Issuer shall, immediately and without further act, be superseded by a Trustee appointed by the Owners of Bonds.

If in a proper case no appointment of a successor Trustee shall be made pursuant to the foregoing provisions within 45 days after the Trustee shall have given to the Issuer written notice as provided under the subheading "Resignation of Trustee" above or after a vacancy in the office of the Trustee shall have occurred by reason of its inability to act, the Trustee or the Owner of any Bonds may apply to any court of competent jurisdiction to appoint a successor Trustee. Said court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor Trustee. (Section 708)

### Supplemental Indentures

Supplemental Indentures with Consent of Trustee. The Issuer and the Trustee may, with the consent of the Secretary, from time to time and at any time without the consent of the Owners of the Bonds, enter into one or more



Supplemental Indentures for any one or more of the following purposes, which upon the execution thereof shall thereafter form a part of the Indenture:

- (a) To authorize a Series of Bonds and, in connection therewith specify and determine the matters and things required by the Indenture, and any other matters and things relative to such Bonds that are not contrary to or inconsistent with the Indenture as theretofore in effect;
- (b) To add to the covenants and agreements of the Issuer in the Indenture other covenants and agreements to be observed by the Issuer that are not contrary to or inconsistent with the Indenture as theretofore in effect;
- (c) To add to the limitations and restrictions in the Indenture other limitations and restrictions to be observed by the Issuer which are not contrary to or inconsistent with the Indenture as theretofore in effect;
- (d) To confirm, as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by, the Indenture of the State Infrastructure Development Assistance or of any other moneys, securities or funds;
- (e) To issue additional Bonds and Refunding Bonds as provided in the Indenture and described above under the headings “Additional Bonds” and “Refunding Bonds”, respectively; and
- (f) To cure any ambiguity, supply any omission or cure or correct any inconsistent provision in the Indenture or to insert such provisions clarifying matters or questions arising under the Indenture as are necessary or desirable and are not contrary to or inconsistent with the Indenture as theretofore in effect, provided that such action or actions shall not adversely affect the interests of the Bondowners. (Section 801)

Supplemental Indentures with Consent of Bondowners. The Issuer and the Trustee may, at any time and from time to time, enter into a Supplemental Indenture subject to consent by the Owners of Bonds and by the Secretary, in accordance with and subject to the provisions of the Indenture described under the heading “Amendments” below, which Supplemental Indenture, upon the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Issuer and upon compliance with said provisions, shall become fully effective in accordance with its terms as provided in the Indenture. (Section 802)

General Provisions. The Indenture shall not be modified or amended in any respect except as provided in and in accordance with and subject to the provisions of the Indenture described under this heading “Supplemental Indentures” and under the heading “Amendments”. Nothing in contained in such provisions shall affect or limit the right or obligation of the Issuer to adopt, make, do, execute, acknowledge or deliver any resolution, act or other instrument or the right or obligation of the Issuer to execute and deliver to the Trustee any instrument which elsewhere in the Indenture it is provided shall be delivered to the Trustee.

Any Supplemental Indenture referred to and permitted or authorized by the Indenture as described above under the subheading “Supplemental Indentures with Consent of Trustee” may be entered into by the Issuer and the Trustee with the consent of the Secretary but without the consent of the Owners of Bonds but shall become effective only on the conditions, to the extent and at the time provided in said Section. The copy of every Supplemental Indenture when filed with the Trustee shall be accompanied by a Counsel’s Opinion stating that such Supplemental Indenture has been duly and lawfully entered into in accordance with the provisions of the Indenture, is authorized or permitted by the Indenture and is valid and binding upon the Issuer and enforceable in accordance with its terms.

The Trustee is authorized to accept the delivery of a certified copy of any Supplemental Indenture referred to and permitted or authorized by the Indenture as described above under the subheadings “Supplemental Indentures with Consent of Trustee” and “Supplemental Indentures with Consent of Bondowners” above, and to make all further agreements and stipulations which may be therein contained and the Trustee, in taking such action, shall be

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fully protected in relying on an opinion of counsel (which may be a Counsel's Opinion) that such Supplemental Indenture is authorized or permitted by the provisions of the Indenture.

No Supplemental Indenture shall change or modify any of the rights or obligations of the Trustee or the Commonwealth without its written assent thereto. (Section 803)

### Amendments

Powers of Amendment. Any modification or amendment of the Indenture and of the rights and obligations of the Issuer and of the Owners of the Bonds may be made by a Supplemental Indenture, with the written consent given as provided in the Indenture and described under the subheading "Consent of Owners of the Bonds" below of the Owners of at least a majority in principal amount of the Bonds outstanding at the time such consent is given and the consent of the Secretary; provided, however, that any modification or amendment of the Indenture or a Supplemental Indenture which is applicable only to particular Series of Bonds, and of the rights and obligations of the Issuer and of the Owners of the Bonds of such Series issued under the Applicable Supplemental Indenture, may be made by a Supplemental Indenture with the written consent given as provided in the Indenture and described under the subheading "Consent of Owners of the Bonds" below of the Owners of at least a majority in principal amount of such Series of Bonds outstanding at the time such consent is given and the consent of the Secretary; and provided further that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified maturity remain Outstanding, the consent of the Owners of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of outstanding Bonds under this paragraph; and provided further that no such modification or amendment shall permit (i) a change in the terms of maturity of the principal of any Outstanding Bonds or of any installment of interest thereon without the consent of the Owner of such Bonds, (ii) reduce the principal amount of or rate of interest payable on any Bond without the consent of the Owner of such Bonds; (iii) reduce the percentages or otherwise affect the classes of Bonds the consent of the Owners of which is required to effect any such modification or amendment without the consent of the Owner of such Bonds, or (iv) change or modify any of the rights or obligations of the Trustee without its written assent thereto. The Trustee shall be entitled to a Counsel's Opinion, and in reliance thereupon, may determine whether or not in accordance with the foregoing powers of amendment, Bonds of any particular maturity would be affected by any modification or amendment of the Indenture and any such determination shall be binding and conclusive on the Issuer, the Commonwealth and all Owners of Bonds. Notwithstanding anything to the contrary in the Indenture or any Supplemental Indenture, the Indenture and any Supplemental Indenture may only be amended with the prior written consent of the Secretary. (Section 902)

Consent of Owners of Bonds. The Issuer may at any time execute a Supplemental Indenture making a modification or amendment permitted by the provisions of the Indenture described under the subheading "Powers of Amendment" above, to take effect as provided in this paragraph. A copy of such Supplemental Indenture (or brief summary thereof or reference thereto in form prepared by or on behalf of the Issuer), together with a request to the Owners of Bonds for their consent thereto, shall be mailed by the Issuer to the Owners of Bonds (but failure to mail such copy and request shall not affect the validity of the Supplemental Indenture when consented to as in this paragraph provided). Such Supplemental Indenture shall not be effective unless and until (i) there shall have been filed with the Trustee (a) the written consents of the Owners of the percentages of Outstanding Bonds specified in the provisions of the Indenture described under the subheading "Powers of Amendment" above and (b) a Counsel's Opinion stating that such Supplemental Indenture has been duly and lawfully entered into and filed by the Issuer in accordance with the provisions of the Indenture, is authorized or permitted by the Indenture, and is valid and binding upon the Issuer and enforceable in accordance with its terms and (ii) a notice shall have been mailed as provided in this paragraph. Each such consent shall be effective only if accompanied by proof of the holding, at the date of such consent, of the Bonds with respect to which such consent is given, which proof shall be used as is permitted by the provisions of the Indenture described under the subheading "Powers of Amendment" above. A certificate or certificates by the Trustee filed with the Trustee that it has examined such proof and that such proof is sufficient shall be conclusive that the consents have been given by the Owners of the Bonds described in such certificate or certificates of the Trustee. Any such consent of the Owner shall be binding upon the Owner of the Bonds giving such consent and upon any subsequent Owner of such Bonds and of any Bonds issued in exchange therefor (whether or not such subsequent Owner thereof has notice thereof) unless such consent is revoked in writing by the Owner of such Bonds giving such consent or a subsequent Owner thereof by filing with the Trustee, prior to the time when the written statement of the Trustee described in this paragraph is filed, such revocation and, if such Bonds are

transferable by delivery, proof that such Bonds are held by the signer of such revocation. The fact that a consent has not been revoked may likewise be proved by a certificate of the Trustee filed with the Trustee to the effect that no revocation thereof is on file with the Trustee. At any time after the Owners of the required percentage of Bonds shall have filed their consents to the Supplemental Indenture, the Trustee shall make and file with the Issuer and the Trustee a written statement that the Owners of such required percentages of Bonds have filed such consents. Such written statement shall be conclusive that such consents have been so filed. At any time thereafter notice, stating in substance that the Supplemental Indenture (which may be referred to as a Supplemental Indenture entered into by the Issuer on a stated date, a copy of which is on file with the Trustee) has been consented to by the Owners of the required percentages of Bonds and will be effective as provided in this paragraph, may be given to Owners of Bonds by the Issuer by mailing such notice to Owners of Bonds (but failure to mail such notice shall not prevent such Supplemental Indenture from becoming effective and binding as in this paragraph provided). The Issuer shall file with the Trustee a copy of such notice and, if the same shall have been mailed to Owners of Bonds, proof of the mailing thereof. A record, consisting of the papers required or permitted by this paragraph to be filed with the Trustee, shall be proof of the matters therein stated. (Section 903)

Modifications by Unanimous Consent. The terms and provisions of the Indenture and the rights and obligations of the Issuer and of the Owners of the Bonds may be modified or amended in any respect upon the execution and filing by the Issuer of a Supplemental Indenture and the consent of the Owners of the Bonds in the percentages of Outstanding Bonds specified in the Indenture as described under the subheading “Powers of Amendment” above, such consent to be given as provided in the Indenture as described under the subheading “Consent of Owners of Bonds” above except that notice to Owners of Bonds by mailing shall be required, provided however, that no such modification or amendment shall change or modify any of the rights or obligations of the Trustee without the filing with the Trustee of the written assent thereto of the Trustee and the Secretary in addition to the consent of the Owners of Bonds. (Section 904)

Amendment of Assistance Contract. Without notice to or the consent of any of the Bondowners, the Issuer and the Commonwealth may, with prior written notice to the Trustee, execute and deliver one or more amendments to or supplements to the Assistance Contract for any of the following purposes:

- (a) To add to the covenants and agreements of the Commonwealth in the Assistance Contract other covenants and agreements to be observed by the Commonwealth, which are not contrary to or inconsistent with the Assistance Contract as theretofore in effect;
- (b) To add to the limitations and restrictions in the Assistance Contract other limitations and restrictions to be observed by the Commonwealth, which are not contrary to or inconsistent with the Assistance Contract as theretofore in effect; and
- (c) To cure any ambiguity, supply any omission or cure or correct any inconsistent provision in the Assistance Contract or to insert such provisions clarifying matters or questions arising under the Assistance Contract as are necessary or desirable and are not contrary to or inconsistent with the Assistance Contract as then in effect, provided that such action or actions shall not adversely affect the interests of the Bondowners.

Except as provided herein under this subheading “Amendment of Assistance Contract”, the Issuer and the Commonwealth shall not execute and deliver any amendment of or supplement to the Assistance Contract unless such amendment or supplement shall have been consented to by or on behalf of the Bondowners, to the same extent and in the same manner as if such amendment or supplement were a Supplemental Indenture to which the provisions of the Indenture described above apply. (Section 905)

Exclusion of Bonds. Bonds owned or held by or for the account of the Issuer and the Commonwealth shall not be deemed outstanding for the purpose of consent or other action or any calculation of Outstanding Bonds provided for in the Indenture and the Issuer and the Commonwealth shall not be entitled with respect to such Bonds to give any consent or take any other action provided for in the Indenture as described under this heading “Amendments”. At the time of any consent or other action taken under the Indenture relating to matters described under this heading “Amendments”, the Issuer shall furnish the Trustee and the Secretary a certificate of an Authorized Officer, upon which the Trustee may rely, describing all Bonds so to be excluded. (Section 906)

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### Defeasance

If the Issuer shall cause to be paid to the Trustee all amounts due the Trustee under the Indenture and to the Owners of the Bonds of a Series the principal and interest to become due thereon, then the pledge of any Trust Assets and other moneys thereby pledged to the payment of the Bonds and all other rights granted thereby securing the Bonds shall be discharged and satisfied. All amounts held in the Debt Service Fund (except for such amounts held for the payment of Bonds not theretofore surrendered for such payment) shall be distributed in accordance with a certificate of an Authorized Officer of the Issuer, approved by the Secretary, instructing the Trustee to distribute the amounts therein. The Trustee shall execute any and all documents as are necessary or appropriate to effectuate the distributions described above. The Trustee shall, upon the written request of the Issuer, execute and deliver to the Issuer all such instruments as may be desirable to evidence such discharge and satisfaction. If the Issuer shall cause to be paid, or there shall otherwise be paid, to the Owners of all Outstanding Bonds the principal and interest due or to become due thereon, such Bonds shall cease to be entitled to any lien, benefit or security under the Indenture and all covenants, agreements and obligations of the Issuer to the Owners of such Bonds and all covenants, agreements and obligations of the Commonwealth to make State Infrastructure Development Assistance for Debt Service shall thereupon cease, terminate and become void and be discharged and satisfied.

Bonds of a Series or interest installments for the payment of which moneys and investment earnings thereon, if any, shall have been set aside and shall be held in trust by the Trustee shall, at the maturity thereof; be deemed to have been paid within the meaning and with the effect expressed in the preceding paragraph. All Bonds of a Series shall, prior to the maturity date thereof, be deemed to have been paid within the meaning and with the effect expressed in the preceding paragraph if (a) there shall have been deposited with the Trustee moneys in an amount which shall be sufficient, or when invested in Defeasance Obligations shall, together with the investment earnings thereon, be sufficient, to pay when due the principal of and interest due and to become due on said Bonds on and prior to the maturity date thereof and (b) the Issuer shall have given the Trustee in form satisfactory to it irrevocable instructions to mail, as soon as practicable, a notice to each of the Owners of such Bonds, first-class postage prepaid, to its address appearing upon the registration books of the Issuer, that the deposit required as described in (a) of this paragraph has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with the provisions of the Indenture described under the heading "Defeasance" and stating such maturity date upon which moneys are to be available for the payment of the principal of said Bonds. Money deposited with the Trustee pursuant to the provisions of the Indenture described in this paragraph shall be withdrawn or used only for the purpose of, and shall be held in trust for, the payment of the principal of and interest on said Bonds, but any cash received from such principal or interest payments on such Defeasance Obligations deposited with the Trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested, at the written direction of an Authorized Officer of the Commonwealth, in Defeasance Obligations maturing at times and in amounts sufficient to pay when due the principal and interest to become due on said Bonds on and prior to such maturity date and interest earned from such reinvestments shall be paid over to the Issuer, as received by the Trustee, free and clear of any trust, lien or pledge. (Section 1001)

## SUMMARY OF CERTAIN PROVISIONS OF THE ASSISTANCE CONTRACT

*The following is a brief summary, prepared by Locke Lord LLP, Boston, Massachusetts, special counsel to The Commonwealth of Massachusetts (the “Commonwealth”), of certain provisions of the Contract for State Infrastructure Development Assistance, as previously supplemented (the “Master Assistance Contract”) between the Massachusetts Development Finance Agency (the “Issuer”) and the Commonwealth, as further supplemented by the Eleventh Supplement to Contract for State Infrastructure Development Assistance (the “2020A Assistance Contract”) and, with the Master Assistance Contract, the “Assistance Contract”) between the Issuer and the Commonwealth. This summary does not purport to be complete, and reference is made to the Assistance Contract for full and complete statements of such and all provisions. All terms not defined herein have the meanings as set forth in Sections 5 through 12B, inclusive, of Chapter 293 of the Acts of 2006 of the Commonwealth, as amended from time to time (as amended, the “Act”), or in Appendix A.*

### **Infrastructure Development Assistance Payments**

Not less than one Business Day prior to each Interest Payment Date or Principal Payment Date for the Outstanding Bonds, the Commonwealth shall pay to the Trustee, for the account of the Issuer, as and for State Infrastructure Development Assistance (“State Infrastructure Development Assistance for Debt Service”) an amount in immediately available funds at least equal to the full amount of Debt Service payable on the Bonds on such Interest Payment Date or Principal Payment Date, as shown on the Aggregate Debt Service Schedule, less any amount available for such purpose on deposit in the Debt Service Fund created under the Indenture on such Interest Payment Date or Principal Payment Date.

All State Infrastructure Development Assistance for Debt Service paid to the Trustee by the Commonwealth pursuant to the Master Assistance Contract or any Supplemental Assistance Contract shall be applied as provided in the Indenture to pay Debt Service on, or to redeem, the Bonds; provided, however, that if at any time the amount of such State Infrastructure Development Assistance for Debt Service paid by the Commonwealth pursuant to the Master Assistance Contract or any Supplemental Assistance Contract is in excess of the amount of Debt Service then due on the Bonds, the excess amount shall be deposited by the Trustee in the Infrastructure Development Assistance Fund established under the Indenture and shall be applied by the Issuer and the Trustee as directed by the Secretary in accordance with the Master Indenture.

In addition to Infrastructure Development Assistance for Debt Service as provided under the Master Assistance Contract, the Commonwealth agrees to provide to the Issuer additional State Infrastructure Development Assistance (“State Infrastructure Development Assistance for Issuer Expenses”) to pay directly or to reimburse the Issuer upon requisition therefor for its payment of Issuer Expenses (as defined in the Master Indenture) with respect to the 2020A Bonds, including without limitation all compensation, fees, expenses and other charges due to the Trustee from time to time pursuant to the Master Indenture (including without limitation Annual Administrative Fees provided in each Infrastructure Development Assistance Agreement among the applicable developers, municipalities, the Issuer and the Commonwealth, acting by and through the Secretary of the Executive Office for Administration and Finance).

### **Pledge of Credit of the Commonwealth; Obligation Unconditional**

The Master Assistance Contract and the obligation of the Commonwealth to pay State Infrastructure Development Assistance for Debt Service thereunder and under any Supplemental Assistance Contract at the times and in the amounts provided therein shall constitute an irrevocable general obligation of the Commonwealth for which the full faith and credit of the Commonwealth are pledged for the benefit of the Issuer and the Owners of the Bonds. The obligation of the Commonwealth to pay such State Infrastructure Development Assistance for Debt Service shall be absolute and unconditional. Without limiting the generality of the foregoing, the Commonwealth shall not terminate its obligations under the Assistance Contract in the event that the applicable infrastructure development assistance agreement is terminated or the applicable Developer (as defined in the Act) or applicable municipality is in default under such infrastructure development assistance agreement. The Commonwealth shall have no power to set off State Infrastructure Development Assistance for Debt Service against any obligation due it from the applicable Developer, the applicable municipality, the Issuer or any other person and the Commonwealth

shall have no power to impose conditions on payment of such State Infrastructure Development Assistance for Debt Service.

### **Pledge of Contract Assistance by the Issuer**

Pursuant to the Indenture, the Issuer shall pledge and grant a security interest in the Master Assistance Contract and each Supplemental Assistance Contract, including the applicable State Infrastructure Development Assistance for Debt Service paid or required to be paid by the Commonwealth thereunder, as security for the payment of the Outstanding Bonds from time to time.

### **Investment Earnings**

In accordance with the Master Indenture, unless otherwise directed by the Secretary all earnings on investment or deposit of moneys in all Funds held with respect to the Bonds under the Indenture shall be deposited in the Debt Service Fund for the Bonds under the Indenture upon receipt thereof by the Trustee and applied to Debt Service on the Bonds.

### **Rebate to the United States**

The Commonwealth is obligated to pay any rebate owed with respect to any Tax-Exempt Series of Bonds that are issued under the Indenture. *The 2020A Bonds are not a Tax-Exempt Series.*

### **Supplemental Assistance Contracts**

**Issuance.** In connection with the issuance from time to time of each series or subseries of the Bonds, the Issuer and the Commonwealth, acting by and through the Secretary, shall supplement the Master Assistance Contract (each such supplement, a “Supplemental Assistance Contract”) to provide for payments of State Infrastructure Development Assistance with respect to such Bonds. Each such Supplemental Assistance Contract shall provide, without limitation:

(i) A schedule of the Debt Service payable on the applicable series or subseries of the Bonds on each Interest Payment Date and Principal Payment Date therefor;

(ii) A schedule of the aggregate Debt Service payable on all Outstanding Bonds on each Interest Payment Date and Principal Payment Date therefor (the “Aggregate Debt Service Schedule”);

(iii) That in addition to Infrastructure Development Assistance for Debt Service, the Commonwealth will provide to the Issuer additional State Infrastructure Development Assistance (“State Infrastructure Development Assistance for Issuer Expenses”) to pay directly or to reimburse the Issuer upon requisition therefor for its payment of Issuer Expenses relating to such series or subseries of the Bonds including without limitation all compensation, fees, expenses, indemnities and other charges due to the Trustee from time to time pursuant to the Master Indenture; and

(iv) To assist the underwriters of the applicable series or subseries of Bonds in complying with their obligations pursuant to Rule 15c2-12 adopted by the Securities and Exchange Commission (the “Rule”) the Commonwealth may enter into a continuing events disclosure agreement with respect to such Bonds to provide notices of the occurrence of certain significant events (each a “Listed Event”) pursuant to the Rule, a copy of which agreement shall be attached to the applicable Supplemental Assistance Contract. The Issuer agrees to notify the Commonwealth promptly upon becoming aware of the occurrence of any such Listed Event, without regard to any determination of materiality.

**Refunding or Defeasance.** In connection with the refunding or defeasance from time to time of less than all Outstanding Bonds, the Issuer and the Commonwealth, acting by and through the Secretary, shall enter into a Supplemental Assistance Contract to provide for any related adjustment in payments of State Infrastructure

Development Assistance with respect to the Outstanding Bonds. Each such Supplemental Assistance Contract shall provide, without limitation:

(i) A schedule showing change, as a result of such refunding or defeasance, in Debt Service payable on the applicable series or subseries of the Bonds on each Interest Payment Date and Principal Payment Date therefor; and

(ii) An updated Aggregate Debt Service Schedule.

**Amendment**

The provisions of the Assistance Contract may be amended by written agreement of the parties to the Assistance Contract, provided that no such amendment shall be effective except upon the terms and conditions provided in the Indenture.

**Indemnification**

The Commonwealth has agreed to indemnify the Issuer, to the extent permitted by law, under certain circumstances as described in the Assistance Contract. Any amounts payable by the Commonwealth pursuant to such indemnification shall be subject to appropriation by the Commonwealth.

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\_\_\_\_\_, 2020

Massachusetts Development Finance Agency  
99 High Street  
Boston, Massachusetts 02110

Ladies and Gentlemen:

We have examined the Constitution and laws of The Commonwealth of Massachusetts (the "Commonwealth"), particularly Chapter 293 of the Acts of 2006 of the Commonwealth, as amended to date and to the extent provided in said Chapter 293, Chapter 23G and Chapter 40D of the General Laws of the Commonwealth (collectively, as so amended, the "Act"), a Certificate of Legal Existence as to the Massachusetts Development Finance Agency (the "Issuer"), a record of the proceedings of the Issuer and other proofs submitted to us relating to the issuance and sale of

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Massachusetts Development Finance Agency  
Special Obligation Refunding Bonds  
(Commonwealth Contract Assistance)  
Series 2020A (Federally Taxable)

dated their date of delivery (the "Bonds"). The Bonds bear interest at the rates, are payable as to principal and interest and are subject to redemption upon certain terms and conditions, all as provided in the Master Trust Indenture dated as of March 1, 2014 (the "Master Indenture"), by and between the Issuer and U.S. Bank National Association, as master trustee (the "Trustee"), as previously amended and supplemented and further supplemented by a Eleventh Supplement to Trust Indenture dated as of December 1, 2020 (the "Eleventh Supplement" and together with the Master Indenture, the "Indenture") between the Issuer and the Trustee.

The Bonds are issued initially in registered form by means of a book-entry system, with the bond certificates immobilized at The Depository Trust Company, New York, New York ("DTC"), and are not available for distribution to the public, with transfers of beneficial ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants.

Each Bond should be signed by the manual or facsimile signature of the Executive Director/President and Chief Executive Officer; Senior Executive Vice President, Executive Vice President for Operations, Deputy Director, and Chief Operating Officer; General Counsel and Secretary; Treasurer, Chief Financial Officer and Executive Vice President for Finance and Administration; Executive Vice President of Finance Programs or Senior Vice President, Investment Banking of the Issuer and should bear

Massachusetts Development Finance Agency  
\_\_\_\_\_, 2020

Page 2

the seal of the Issuer or a facsimile thereof and the authenticating certificate, duly executed, of the Trustee.

Of the issue described, we have examined Bonds No. RA-1 through RA-\_\_\_, inclusive, as executed, and we are of the opinion that the form of such Bonds and the form of their execution and authentication is regular and proper.

As to questions of fact material to our opinion we have relied upon representations and covenants of the Issuer, the Commonwealth, the City of Boston, the City of Somerville, the City of Newton, the 2014B Developer (defined below) and the 2014C Developer (defined below) contained in the Bond Document (defined below), the certified proceedings and other certifications of public officials of the Commonwealth furnished to us, and certifications by officials of the 2014B Developer, the 2014C Developer and others, without undertaking to verify the same by independent investigation.

A portion of the proceeds of the Bonds will be used to refinance the \$34,605,000 Massachusetts Development Finance Agency Special Obligation Bonds (Commonwealth Contract Assistance) Series 2014A issued on April 8, 2014 (the "2014A Bonds"), which financed or refinanced of the costs of the construction by the Fan Pier Development, LLC, (together with its successors and assigns, the "2014A Developer") of certain Public Infrastructure Improvements (the "Fan Pier Public Infrastructure Improvements") on land in the City of Boston under and pursuant to an Amended and Restated Infrastructure Development Assistance Agreement dated as of August 12, 2013 (the "2014A Development Agreement") among the 2014A Developer, Fifty Northern Avenue LLC and Eleven Fan Pier Boulevard LLC, the City of Boston, the Issuer and the Commonwealth, acting by and through the Secretary, and pay the cost of issuance on the 2014A Bonds. The 2014A Development Agreement has been discharged in accordance with its terms.

A portion of the proceeds of the Bonds will be used to refinance the \$9,300,000 Massachusetts Development Finance Agency Special Obligation Bonds (Commonwealth Contract Assistance) Series 2014B issued on June 4, 2014 (the "2014B Bonds"), which financed or refinanced of the construction by the FR Sturtevant Street, LLC, Street Retail, Inc., SRI Assembly Row B2, LLC, SRI Assembly Row B3, LLC, SRI Assembly Row B5, LLC, SRI Assembly Row B6, LLC, SRI Assembly Row B7, LLC, SRI Assembly Row B8, LLC, SRI Assembly Row B9, LLC and FR Assembly Square, LLC (together and with each of their respective successors and assigns, the 2014B Developer") of certain Public Infrastructure Improvements (the "Assembly Square Public Infrastructure Improvements") on land in the City of Somerville (the "2014B Project") under and pursuant to an Amended and Restated Infrastructure Development Assistance Agreement dated as of December 1, 2012 (the "2014B Development Agreement") among the 2014B Developer, the City of Somerville, the Issuer and the Commonwealth, acting by and through the Secretary, and pay the cost of issuance on the 2014B Bonds. The 2014B Development Agreement will be amended to set forth the terms of the 2020A Bonds related to the 2014B Project.

A portion of the proceeds of the Bonds will be used to refinance the \$8,800,000 Massachusetts Development Finance Agency Special Obligation Bonds (Commonwealth Contract Assistance) Series 2014C issued on September 30, 2014 (the "2014C Bonds"), which financed or refinanced of the construction by the NEDRA CHS LLC (together with its successors and assigns, the "2014C Developer") of certain Public Infrastructure Improvements (the "Chestnut Hill Public Infrastructure Improvements") on land in the City of Newton (the "2014C Project") under and pursuant to an Infrastructure Development Assistance Agreement dated as of June 1, 2014 (the "2014C Development Agreement") among the 2014C Developer, CHS Commercial Owner LLC, as parcel owner, the City of Newton, the Issuer and the Commonwealth, acting by and through the Secretary, and pay the cost of issuance on the 2014C Bonds. The 2014C Development Agreement will be amended to set forth the terms of the 2020A Bonds related to the 2014C Project.

Pursuant to the Act and a Contract for State Infrastructure Development Assistance dated as of March 1, 2014, as previously supplemented and as further supplemented by the Eleventh Supplement to Contract for State Infrastructure Development Assistance dated as of December 1, 2020 (as so supplemented, the "Contract" and, collectively with the Indenture, the 2014A Development Agreement, the 2014B Development Agreement, and the 2014C Development Agreement, the "Bond Documents"), by and between the Issuer and the Commonwealth, acting by and through the Secretary, the Commonwealth has agreed to make payments: (i) to the Trustee, for the account of the Issuer, in amounts and at times sufficient to pay in full the principal or regularly scheduled redemption price of, premium, if any, and interest on, the Bonds as the same shall become due and payable; and (ii) to the Issuer, amounts sufficient to pay all other costs and expenses not otherwise funded by the Bonds incurred by the Issuer in issuing and carrying the Bonds and otherwise in performing its obligations and duties pursuant to the Act.

Based on the foregoing, we are of the opinion that:

1. The Issuer is a duly constituted and existing body politic and corporate and a public instrumentality of the Commonwealth with power to issue the Bonds and to enter into and perform its obligations under the Indenture.
2. The Indenture has been duly authorized, executed and delivered by the Issuer and is the valid and binding obligation of the Issuer, and, subject to the penultimate paragraph of this opinion, is enforceable in accordance with its terms.
3. The Bonds have been duly authorized, executed and delivered by the Issuer and are valid and binding special obligations of the Issuer. The Bonds do not constitute a general obligation of the Issuer or a debt or a pledge of the faith and credit of the Commonwealth.
4. The Eleventh Supplement is authorized and permitted by the terms of the Master Indenture.

5. Under existing law, interest on the Bonds will be included in gross income of the owners of the Bonds for federal income tax purposes. We express no opinion as to any other federal tax consequences or other federal tax matters with respect to the Bonds.

6. Under existing law, interest on the Bonds and any profit on the sale of the Bonds are exempt from Massachusetts personal income taxes and the Bonds are exempt from Massachusetts personal property taxes. We express no opinion as to any other state tax matters with respect to the Bonds.

7. Executed copies of the Master Indenture and the Eleventh Supplement are on file with the Issuer. No other filing or recording is required to make effective the pledge and assignment made by the Issuer in the Indenture.

8. Pursuant to the Act, the Indenture creates a valid lien on the Trust Assets (as defined in the Indenture) pledged by the Indenture for the security of the Bonds, subject to no prior lien under the Act.

This opinion is expressed as of the date hereof, and we neither assume nor undertake any obligation to update, revise, supplement or restate this opinion to reflect any action taken or omitted, or any facts or circumstances or changes in law or in the interpretation thereof, that may hereafter arise or occur, or for any other reason.

Neither we nor the Issuer has assumed any responsibility for the accuracy or sufficiency of representations made or materials furnished by any other party to the purchaser of the Bonds for the purpose of inducing the purchase of the Bonds. It is understood that the rights of the holders of the Bonds and the enforceability of the Bonds and the Indenture are subject to the exercise of judicial discretion in accordance with general equitable principles and to bankruptcy, insolvency, reorganization, moratorium and other laws for the relief of debtors heretofore or hereafter enacted, to the extent that the same may be constitutionally applied.

This opinion is limited to the matters expressly set forth herein and no opinion is implied or may be inferred beyond the matters expressly stated herein. Copies of this opinion may not be delivered to and may not be relied upon by any other party without our express prior written consent.

Very truly yours,

McCarter & English, LLP

December \_\_, 2020

The Commonwealth of Massachusetts  
Boston, Massachusetts

Massachusetts Development Finance Agency  
Boston, Massachusetts

§ \_\_\_\_\_  
Massachusetts Development Finance Agency  
Special Obligation Refunding Bonds  
(Commonwealth Contract Assistance),  
Series 2020A (Federally Taxable)

We have acted as special counsel to The Commonwealth of Massachusetts (the “Commonwealth”) with respect to the issue by the Massachusetts Development Finance Agency (the “Issuer”) of the above-referenced Bonds (the “Bonds”). In such capacity, we have examined the law and such certified proceedings and other papers as we have deemed necessary to render this opinion, including the Contract for State Infrastructure Development Assistance dated as of March 1, 2014, as previously supplemented (the “Master Assistance Contract”), and as further supplemented by the Eleventh Supplement to Contract for State Infrastructure Development Assistance dated as of December 1, 2020 (the “2020 Assistance Contract” and, together with the Master Assistance Contract, the “Assistance Contract”), each between the Issuer and the Commonwealth, acting by and through the Secretary of the Executive Office for Administration and Finance.

As to questions of fact material to our opinion we have relied upon representations of the Commonwealth contained in the Assistance Contract, in the certified proceedings, and upon certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation.

Subject to the foregoing, we advise you that we are of the opinion, under existing law, that:

1. The Commonwealth has the right and power to enter into the Assistance Contract and perform the agreements on its part contained therein.
2. The Assistance Contract has been duly authorized, executed and delivered by the Commonwealth, and constitutes a valid and binding obligation on the part of the Commonwealth, enforceable in accordance with its terms.

3. The obligation of the Commonwealth under the Assistance Contract to pay to the Issuer State Infrastructure Development Assistance for Debt Service (as defined in the Assistance Contract) for application as provided in the Assistance Contract constitutes a valid and binding general obligation of the Commonwealth for which its full faith and credit are pledged. It should be noted, however, that Chapter 62F of the General Laws of the Commonwealth establishes a state tax revenue growth limit and does not exclude Commonwealth debt obligations, including State Infrastructure Development Assistance, from the scope of the limit.

The enforceability of the Assistance Contract may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and to the exercise of judicial discretion in appropriate cases.

The foregoing opinions are expressed as of the date hereof, and we neither assume nor undertake any obligation to update, revise, supplement or restate this letter to reflect any facts or circumstances or changes in law or in the interpretation thereof that may hereafter arise or occur, or for any other reason.

LOCKE LORD LLP

**APPENDIX F-1**

**FORM OF COMMONWEALTH CONTINUING DISCLOSURE AGREEMENT**

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## FORM OF COMMONWEALTH CONTINUING DISCLOSURE AGREEMENT

This Commonwealth Continuing Disclosure Agreement dated as of December \_\_, 2020 (this "Disclosure Agreement") is executed and delivered by the Massachusetts Development Finance Agency (the "Issuer") and The Commonwealth of Massachusetts, acting by and through its Treasurer and Receiver-General (the "Commonwealth"), in connection with the issuance by the Issuer of its Special Obligation Refunding Bonds (Commonwealth Contract Assistance) Series 2020A (the "Bonds"). The Bonds will be issued and secured under and pursuant to Chapter 293 of the Acts of 2006 of the Commonwealth, as amended from time to time (as so amended, the "Act"), and to the extent provided in the Act, Chapter 23G and Chapter 40D of the General Laws of the Commonwealth, and a Master Trust Indenture dated as of March 1, 2014 (the "Master Indenture"), by and between the Issuer and U.S. Bank National Association, as master trustee (the "Trustee"), as previously supplemented and as further supplemented by the Eleventh Supplement to Trust Indenture dated as of December 1, 2020 (the "Eleventh Supplement," and together with the Master Indenture, the "Indenture") between the Issuer and the Trustee. The Issuer and the Commonwealth covenant and agree as follows:

1. Purpose of the Disclosure Agreement and Beneficiaries. This Disclosure Agreement is being executed and delivered by the Issuer and the Commonwealth to assist the Participating Underwriter (defined below) in complying with subsection (b)(5) of the Rule (defined below). This Disclosure Agreement constitutes a written undertaking for the benefit of the beneficial owners (within the meaning of the Rule) of the Bonds (such beneficial owners being sometimes called herein "owners").

2. Definitions. The following words and terms used in this Disclosure Agreement shall have the following respective meanings:

- (a) "MSRB" means the Municipal Securities Rulemaking Board, or any successor thereto.
- (b) "EMMA" shall mean the MSRB's Electronic Municipal Market Access system ("EMMA") or its successor as designated by the MSRB.
- (c) "Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.
- (d) "Rule" means Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934, as amended, as in effect on the date of this Disclosure Agreement, including any official interpretation thereof.
- (e) "SEC" means the United States Securities and Exchange Commission.

All capitalized words and terms used in this Disclosure Agreement and not otherwise defined herein shall have the meaning ascribed to such words and terms in the Official Statement dated November \_\_, 2020 pertaining to the Bonds.

3. The Undertaking of the Commonwealth. On behalf of the Commonwealth, the Treasurer and Receiver-General of the Commonwealth (the "Treasurer") hereby undertakes for the benefit of the owners of the Bonds to provide to the MSRB through EMMA, no later than 270 days after the end of each fiscal year of the Commonwealth, commencing with the fiscal year ending June 30, 2020: (a) the annual financial information described below, together with audited financial statements of the Commonwealth for such fiscal year if audited financial statements are then available; provided, however, that if audited financial statements of the Commonwealth are not then available, such audited financial statements shall be delivered to EMMA when they become available (but in no event later than 350 days after the end of such fiscal year); or (b) notice of the Commonwealth's failure, if any, to provide any such information. The annual financial information to be provided as aforesaid shall include financial information and operating data, in each case updated through the last day of such fiscal year unless otherwise noted, relating to the following information contained in the Commonwealth's Information Statement dated October 28, 2020 (as supplemented from time to time, the "Information Statement"), and in each case substantially the same level of detail as is found in the referenced section of the

**APPENDIX F-1**

Information Statement. The Information Statement has been filed with EMMA.

<b>Financial Information and Operating Data Category</b>	<b>Reference to Information Statement for Level of Detail</b>
1. Summary presentation on statutory accounting and five-year comparative basis of selected budgeted operating funds operations, revenues and expenditures, concluding with prior fiscal year, plus estimates for current fiscal year	“SELECTED FINANCIAL DATA — Statutory Basis Distribution of Budgetary Revenues and Expenditures”
2. Summary presentation on GAAP and five-year comparative basis of governmental funds operations, concluding with prior fiscal year	“SELECTED FINANCIAL DATA — GAAP Basis”
3. Summary presentation on a five-year comparative basis of lottery revenues and profits	“COMMONWEALTH REVENUES — Federal and Other Non-Tax Revenues; <i>Lottery Revenues</i> ”
4. Summary presentation of payments received pursuant to the tobacco master settlement agreement	“COMMONWEALTH REVENUES — Federal and Other Non-Tax Revenues; <i>Tobacco Settlement</i> ”
5. So long as Commonwealth statutes impose limits on tax revenues, information as to compliance therewith in the prior fiscal year	“COMMONWEALTH REVENUES — Limitations on Tax Revenues”
6. Summary description of the retirement systems for which the Commonwealth is responsible, including membership and contribution rates	“PENSION AND OPEB FUNDING — Retirement Systems” and “PENSION AND OPEB FUNDING — Employee Contributions”
7. Summary presentation of the then-current, statutorily imposed funding schedule for future Commonwealth pension liabilities, if any	“PENSION AND OPEB FUNDING — Funding Schedule”
8. Summary presentation on a ten-year comparative basis of actuarial valuations of pension fund assets, liabilities and funding progress	“PENSION AND OPEB FUNDING — Actuarial Valuations”
9. Summary presentation on a five-year comparative basis of annual required pension contributions under GAAP and pension contributions made	“PENSION AND OPEB FUNDING — Annual Required Contributions”
10. Summary presentation on a five-year comparative basis of PRIT Fund asset allocation and investment returns	“PENSION AND OPEB FUNDING — PRIT Fund Investments”
11. Summary presentation of actuarial valuations of OPEB assets, liabilities and funding progress	“PENSION AND OPEB FUNDING — Other Post-Employment Benefit Obligations (OPEB)”

12.	If and to the extent otherwise updated in the prior fiscal year, summary presentation of the size of the state workforce	“STATE WORKFORCE”
13.	Five-year summary presentation of actual capital project expenditures	“COMMONWEALTH CAPITAL INVESTMENT PLAN”
14.	Statement of general and special obligation long-term debt issuance and repayment analysis on a five-year comparative basis through the end of the prior fiscal year	“LONG-TERM LIABILITIES — General and Special Obligation Long-Term Debt Issuance and Repayment Analysis”
15.	Statement of outstanding Commonwealth debt on a five-year comparative basis through the end of the prior fiscal year	“LONG-TERM LIABILITIES — Outstanding Long-Term Commonwealth Debt”
16.	Annual fiscal year debt service requirements for Commonwealth general obligation and special obligation bonds, beginning with the current fiscal year	“LONG-TERM LIABILITIES — Debt Service Requirements”
17.	Annual fiscal year contract assistance requirements for Commonwealth general obligation contract assistance, beginning with the current fiscal year	“LONG-TERM LIABILITIES — General Obligation Contract Assistance Liabilities”
18.	Annual fiscal year long-term leasing liabilities for Commonwealth, beginning with the current fiscal year	“LONG-TERM LIABILITIES — Long-Term Operating Leases and Capital Leases”
19.	Five-year summary presentation of authorized but unissued general obligation debt	“LONG-TERM LIABILITIES — Authorized and Unissued Debt”
20.	So long as Commonwealth statutes impose a limit on the amount of outstanding “direct” bonds, information as to compliance therewith as of the end of the prior fiscal year	“LONG-TERM LIABILITIES — General Authority to Borrow; <i>Statutory Limit on Direct Debt</i> ”
21.	Summary presentation of the then-current, Commonwealth interest rate swap agreements	“LONG-TERM LIABILITIES — Interest Rate Swaps”
22.	Summary presentation of the then-current, Commonwealth liquidity facilities	“LONG-TERM LIABILITIES — Liquidity Facilities”

Any or all of the items listed above may be included by reference to other documents, including official statements pertaining to debt issued by the Commonwealth, which have been submitted to EMMA. The Commonwealth's annual financial statements for each fiscal year shall consist of (a) combined financial statements prepared in accordance with a basis of accounting that demonstrates compliance with the Massachusetts General Laws and other applicable state finance laws, if any, in effect from time to time and (b) general purpose financial statements prepared in accordance with generally accepted accounting principles in effect from time to time and shall be audited by a firm of certified public accountants appointed by the Commonwealth.

## APPENDIX F-1

If this Disclosure Agreement is amended with respect to the annual financial information to be submitted by the Commonwealth hereunder, the annual financial information containing the amended financial information will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of financial information being provided. If this Disclosure Agreement is amended with respect to the accounting principles to be followed in preparing financial statements, the annual financial information for the year in which the change is made will present a comparison between the financial statements or information prepared on the basis of the new accounting principles and the financial statements or information prepared on the basis of the former accounting principles. Such comparison will include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the Commonwealth to meet its obligations. To the extent reasonably feasible, the comparison will also be quantitative. The Commonwealth will give notice of any change in the accounting principles to the MSRB as promptly as practicable after such change has been determined.

4. Notice of Changes in Rating. The Treasurer, on behalf of the Commonwealth, will provide in a timely manner to EMMA notice of any change in the rating of outstanding general obligation bonds of the Commonwealth maintained by any nationally recognized municipal security rating agency.

5. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Commonwealth from providing any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, in addition to that which is required by this Disclosure Agreement. If the Commonwealth chooses to provide any information in addition to that which is specifically required by this Disclosure Agreement, the Commonwealth shall have no obligation under this Disclosure Agreement to update such information in the future.

6. Enforceability of this Disclosure Agreement: Termination. To the extent permitted by law, the provisions of this Disclosure Agreement are enforceable against the Commonwealth in accordance with the terms hereof by any owner of a Bond, including any beneficial owner acting as a third-party beneficiary (upon proof of its status as a beneficial owner reasonably satisfactory to the Treasurer). To the extent permitted by law, any such owner shall have the right, for the equal benefit and protection of all owners of the Bonds, by mandamus or other suit or proceeding at law or in equity, to enforce its rights against the Commonwealth and to compel the Commonwealth and any of its officers, agents or employees to perform and carry out their duties under such provisions of this Disclosure Agreement; provided, however, that the sole remedy for a violation of this Disclosure Agreement shall be limited to an action to compel specific performance of the obligations of the Commonwealth under this Disclosure Agreement and shall not include any rights to monetary damages. This Disclosure Agreement shall terminate if no Bonds remain outstanding (without regard to an economic defeasance) or if the provisions of the Rule concerning continuing disclosure are no longer in effect, whichever occurs first.

7. Amendments. This Disclosure Agreement may be amended, changed or modified by the Commonwealth, without the consent of, or notice to, any owners of the Bonds, and without the consent of, but with notice to, the Issuer, (a) to comply with or conform to the provisions of the Rule or any amendments thereto or authoritative interpretations thereof by the Securities and Exchange Commission or its staff (whether required or optional), (b) to add a dissemination agent for the information required to be provided pursuant to this Disclosure Agreement by the Treasurer on behalf of the Commonwealth and to make any necessary or desirable provisions with respect thereto, (c) to add to the covenants of the Commonwealth for the benefit of the owners of the Bonds, (d) to modify the contents, presentation and format of the annual financial information from time to time as a result of a change in circumstances that arises from a change in legal requirements, or (e) to otherwise modify the undertaking of the Treasurer on behalf of the Commonwealth in this Disclosure Agreement in a manner consistent with the requirements of the Rule concerning continuing disclosure; provided, however, that in the case of any amendment pursuant to clause (d) or (e), (i) the undertaking, as amended, would have complied with the requirements of the Rule at the time of the offering of the Bonds, after taking into account any amendments or authoritative interpretations of the Rule, as well as any change in circumstances, and (ii) the amendment does not materially impair the interests of the owners of the Bonds, as determined either by a party unaffiliated with the Commonwealth or the Issuer (such as a firm eligible to serve at the time as bond counsel or disclosure counsel to the Commonwealth) or by the vote or consent of the owners of a majority in outstanding principal amount of the Bonds affected thereby at or prior to the time of such amendment, which consent shall be obtained as provided in the Indenture with respect to consents of Registered Owners. Any amendment, change or

modification to this Disclosure Agreement shall be in writing.

8. Disclaimer. No information provided by or on behalf of the Commonwealth under this Disclosure Agreement shall obligate the Commonwealth to file any information regarding matters other than those specifically described in paragraphs 3 and 4 hereof, nor shall any such filing constitute a representation by the Commonwealth or raise any inference that no other material events have occurred with respect to the Commonwealth or the Bonds or that all material information regarding the Commonwealth or the Bonds has been disclosed. The Commonwealth shall have no obligation under this Disclosure Agreement to update information provided pursuant to this Disclosure Agreement except as specifically stated herein.

9. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

10. Governing Law. This Disclosure Agreement shall be governed by and construed in accordance with the laws of the Commonwealth and applicable law of the United States of America.

11. Titles of Sections. The titles of sections in this Disclosure Agreement shall have no effect in construing this Disclosure Agreement.

12. Actions to be Performed on Non-Business Days. Any action required by this Disclosure Agreement to be taken on a Saturday, Sunday or holiday within the Commonwealth may be taken on the next business day with the same force and effect as if taken on the day so required.

*[Remainder of this page intentionally left blank; signature page(s) to follow.]*

**APPENDIX F-1**

IN WITNESS WHEREOF, THE COMMONWEALTH OF MASSACHUSETTS, acting by and through its Treasurer and Receiver-General, and the MASSACHUSETTS DEVELOPMENT FINANCE AGENCY, acting by a duly authorized officer, have executed this Disclosure Agreement, all as of the day and year first above written.

**THE COMMONWEALTH OF MASSACHUSETTS**

By: \_\_\_\_\_  
Deborah B. Goldberg  
Treasurer and Receiver-General

**MASSACHUSETTS DEVELOPMENT FINANCE AGENCY**

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

**APPENDIX F-2**

**FORM OF COMMONWEALTH CONTINUING EVENTS DISCLOSURE AGREEMENT**

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**FORM OF  
COMMONWEALTH CONTINUING EVENTS DISCLOSURE AGREEMENT**

This Continuing Events Disclosure Agreement dated as of December \_\_, 2020 (the “Disclosure Agreement”) is executed and delivered by The Commonwealth of Massachusetts, acting by and through the Secretary of the Executive Office for Administration and Finance (the “Commonwealth”) under the Indenture (as defined herein) in connection with the issuance by the Massachusetts Development Finance Agency (the “Issuer”) of its Special Obligation Refunding Bonds (Commonwealth Contract Assistance), Series 2020A (the “Bonds”). The Bonds will be issued and secured under and pursuant to Chapter 293 of the Acts of 2006 of the Commonwealth, as amended from time to time (as so amended, the “Act”), and to the extent provided in the Act, Chapter 23G and Chapter 40D of the General Laws of the Commonwealth, and a Master Trust Indenture dated as of March 1, 2014 (the “Master Indenture”), by and between the Issuer and U.S. Bank National Association, as master trustee (the “Trustee”), as previously supplemented and as further supplemented by the Eleventh Supplement to Trust Indenture dated as of December 1, 2020 (the “Eleventh Supplement”) between the Issuer and the Trustee. The Master Indenture, as supplemented by the Eleventh Supplement is hereinafter referred to as the “Indenture.” The Commonwealth covenants and agrees as follows:

1. Purpose of the Disclosure Agreement and Beneficiaries. This Disclosure Agreement is being executed and delivered by the Commonwealth to assist the Participating Underwriters (defined below) in complying with subsection (b)(5) of the Rule (defined below). This Disclosure Agreement constitutes a written undertaking for the benefit of the beneficial owners (within the meaning of the Rule) of the Bonds (such beneficial owners being sometimes called herein “Owners”).

2. Definitions. The following words and terms used in this Disclosure Agreement shall have the following respective meanings:

(a) “EMMA” shall mean the MSRB’s Electronic Municipal Market Access (EMMA) system, or its successor as designated by the MSRB.

(b) “MSRB” means the Municipal Securities Rulemaking Board, or any successor thereto.

(c) “Listed Event” means any of the events listed in Section 3 hereof.

(d) “Participating Underwriters” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

(e) “Rule” means Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934, as amended, as in effect on the date of this Disclosure Agreement, including any official interpretation thereof.

(f) “SEC” means the United States Securities and Exchange Commission.

All capitalized words and terms used in this Disclosure Agreement and not otherwise defined herein shall have the meaning ascribed to such words and terms in the Official Statement dated \_\_\_\_\_, 2020, pertaining to the Bonds.

3. Reporting of Listed Events. Upon the occurrence of any of the following Listed Events with respect to the Bonds, the Commonwealth shall give, or cause to be given, to EMMA in a timely manner not in excess of ten business days after the occurrence of the event, notice of such occurrence (numbered in accordance with the provisions of the Rule):

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
- (vii) modifications to rights of any owners of the Bonds, if material;
- (viii) bond calls, if material, and tender offers;
- (ix) defeasances;
- (x) release, substitution or sale of property securing repayment of the Bonds, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership or similar event of the Commonwealth;<sup>1</sup>
- (xiii) the consummation of a merger, consolidation, or acquisition involving the Commonwealth or the sale of all or substantially all of the assets of the Commonwealth, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material;

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<sup>1</sup> For the purposes of the event identified in subparagraph (xii) above, the event is the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Commonwealth in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Commonwealth, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Commonwealth.

- (xiv) incurrence of a financial obligation<sup>2</sup> of the Commonwealth, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Commonwealth, any of which affect security holders, if material; and
- (xv) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Commonwealth, any of which reflect financial difficulties.

4. Termination of Reporting Obligation. The Commonwealth's obligations under this Disclosure Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds or upon delivery to the Commonwealth of an opinion of counsel expert in federal securities laws selected by the Commonwealth to the effect that compliance with this Disclosure Agreement no longer is required by the Rule.

5. Dissemination Agent. The Commonwealth may, from time to time with notice to the Trustee and the Issuer, appoint or engage a third-party dissemination agent ("Dissemination Agent") to assist it in carrying out its obligations under this Disclosure Agreement, and may, with notice to the Trustee and the Issuer, discharge any such third-party Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent (if other than the Commonwealth) may resign upon thirty (30) days' written notice to the Commonwealth, the Trustee and the Issuer.

6. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Commonwealth may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to the Commonwealth to the effect that such amendment or waiver would not, in and of itself, violate the Rule. Without limiting the foregoing, the Commonwealth may amend this Disclosure Agreement if (a) such amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Commonwealth or of the type of business conducted by the Commonwealth, (b) this Disclosure Agreement, as so amended, would have complied with the requirements of the Rule at the time the Bonds were issued, taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and (c) (i) the Commonwealth receives an opinion of counsel expert in federal securities laws to the effect that the amendment does not materially impair the interests of the Owners or (ii) the amendment is consented to by the Owners as though it were an amendment to the Indenture pursuant to Section 902 of the Indenture. The Dissemination Agent shall not be required to accept or acknowledge any amendment of this Disclosure Agreement if the amendment adversely affects its rights or immunities or increases its duties hereunder.

7. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Commonwealth from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Commonwealth chooses to include any information in any notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Agreement, the Commonwealth shall have no obligation

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<sup>2</sup> For the purposes of the events identified in subparagraphs (xv) and (xvi) above, the term "financial obligation" means: (i) a debt obligation; (ii) a derivative instrument entered into in connection with, or pledged as a security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "financial obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

under this Disclosure Agreement to update such information or include it in any future notice of occurrence of a Listed Event.

8. Default. In the event of a failure of the Commonwealth or its Dissemination Agent, to comply with any provision of this Disclosure Agreement, the Trustee may (and, at the request of registered owners representing at least 25% in aggregate principal amount of Outstanding Bonds, shall), take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Commonwealth or the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. Without regard to the foregoing, any Bondholder may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Commonwealth or the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Agreement in the event of any failure of the Commonwealth or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance.

9. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent (if other than the Commonwealth) shall have only such duties as are specifically set forth in this Disclosure Agreement, and the Commonwealth agrees, to the extent permitted by law, to indemnify and save the Dissemination Agent (if other than the Commonwealth), its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorney's fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct; provided, however, that any payments by the Commonwealth pursuant to such indemnification shall be subject to appropriation by the Commonwealth. The obligations of the Commonwealth under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. Commonwealth covenants that whenever it is serving as Dissemination Agent, it shall take any action required of the Dissemination Agent under this Disclosure Agreement.

The Trustee shall have no obligation under this Disclosure Agreement to report any information to MSRB or any Bondholder. If an officer of the Trustee obtains actual knowledge of the occurrence of a Listed Event hereunder, whether or not such event is material, the Trustee shall timely notify the Commonwealth of such occurrence, provided, however, that any failure by the Trustee to give such notice to the Commonwealth shall not affect the Commonwealth's obligations under this Disclosure Agreement or give rise to any liability by the Trustee for such failure.

10. Notices. Any notices or communications to or among any of the parties to this Disclosure Agreement may be given as follows:

To the Commonwealth: Secretary of the Executive Office for Administration and Finance  
The Commonwealth of Massachusetts  
State House, Room 373  
Boston, MA 02133

To the Trustee: U.S. Bank National Association  
Attn: Global Corporate Trust Services  
One Federal Street, 3<sup>rd</sup> Floor  
Boston, MA 02110

To the Issuer: Massachusetts Development Finance Agency  
99 High Street  
Boston, MA 02110  
Attn: General Counsel

11. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Commonwealth, the Participating Underwriters and the Owners, and shall create no rights in any other person or entity.

12. Disclaimer. No notice of a Listed Event filed by or on behalf of the Commonwealth under this Disclosure Agreement shall obligate the Commonwealth to file any information regarding matters other than those specifically described in Section 3 hereof, nor shall any such filing constitute a representation by the Commonwealth or raise any inference that no other material events have occurred with respect to the Commonwealth or the Bonds or that all material information regarding the Commonwealth or the Bonds has been disclosed. The Commonwealth shall have no obligation under this Disclosure Agreement to update information provided pursuant to this Disclosure Agreement except as specifically stated herein.

IN WITNESS WHEREOF, the undersigned have executed this Disclosure Agreement, under seal, all as of the day and year first above written.

THE COMMONWEALTH OF MASSACHUSETTS

By: \_\_\_\_\_  
Secretary of the Executive Office for  
Administration and Finance

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## OFFICIAL NOTICE OF SALE DATED NOVEMBER 12, 2020

\$51,390,000\*

MASSACHUSETTS DEVELOPMENT FINANCE AGENCY  
SPECIAL OBLIGATION REFUNDING BONDS  
(COMMONWEALTH CONTRACT ASSISTANCE)  
SERIES 2020A (FEDERALLY TAXABLE)

November 12, 2020

NOTICE IS HEREBY GIVEN that electronic bids will be received by Massachusetts Development Finance Agency (the “Issuer”), for the purchase of its Special Obligation Refunding Bonds (Commonwealth Contract Assistance) Series 2020A (Federally Taxable) (the “2020A Bonds”), to be sold in an aggregate principal amount of \$51,390,000.\* Bids for the purchase of the 2020A Bonds will be submitted via Parity. No other method of submitting bids will be accepted. The bids will be received via Parity up to the time described below under the captions “Time” and “Procedures for Electronic Bidding.”

The 2020A Bonds will be issued under and secured pursuant to Chapter 293 of the Acts of 2006 of The Commonwealth of Massachusetts (the “Commonwealth”), as amended to date and as amended from time to time, and to the extent provided in said Chapter 293, Chapter 23G and Chapter 40D of the General Laws of the Commonwealth (collectively, the “Act”), and a Master Trust Indenture dated as of March 1, 2014 (as previously amended and supplemented, the “Master Indenture”), by and between the Issuer and U.S. Bank National Association, as master trustee (the “Trustee”), as further supplemented by the Eleventh Supplement to Trust Indenture dated as of December 1, 2020\* (the “Eleventh Supplement” and together with the Master Indenture, the “Indenture”) between the Issuer and the Trustee.

In accordance with the Act and a Contract for State Infrastructure Development Assistance dated as of March 1, 2014 (as previously supplemented, the “Master Assistance Contract”), by and between the Issuer and the Commonwealth, acting by and through the Secretary of the Executive Office for Administration and Finance (the “Secretary”), as further supplemented by the Eleventh Supplement to Contract for State Infrastructure Development Assistance dated as of December 1, 2020\* (the “2020A Assistance Contract” and together with the Master Assistance Contract, the “Assistance Contract”), by and between the Issuer and the Commonwealth, acting by and through the Secretary, the Commonwealth will provide Commonwealth Contract Assistance for Debt Service (as defined below) to the Trustee for the account of the Issuer in amounts and at times sufficient to pay in full the principal of and interest on the 2020A Bonds related to the 2014A Project, the 2014B Project and the 2014C Project (each as defined in the Indenture), as the same shall become due and payable.

The payment of principal of and interest on the 2020A Bonds is secured on a parity with all other bonds (the “Bonds”) issued under the Master Indenture by payments (“Commonwealth

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\* Preliminary, subject to change.

## APPENDIX G

Contract Assistance for Debt Service”) made by the Commonwealth to the Trustee, for the account of the Issuer, in amounts and at times sufficient to pay in full the principal of and interest on the Bonds, as the same shall become due and payable under the Assistance Contract. The 2020A Bonds shall be special obligations of the Issuer payable solely from and secured by such Commonwealth Contract Assistance for Debt Service, and from certain other funds held under the Indenture. In the opinion of Locke Lord LLP, special counsel to the Commonwealth, the obligation of the Commonwealth to pay such Commonwealth Contract Assistance for Debt Service as provided in the Assistance Contract is a general obligation of the Commonwealth, for which its full faith and credit are pledged. The Preliminary Official Statement referred to below contains certain information regarding statutory limits on state tax revenue growth and should be read in conjunction herewith.

THE 2020A BONDS DO NOT CONSTITUTE A GENERAL OBLIGATION OF THE ISSUER OR AN OBLIGATION OF THE COMMONWEALTH OR A DEBT OR PLEDGE OF THE FAITH AND CREDIT OR TAXING POWER OF THE COMMONWEALTH, THE CITY OF BOSTON, THE CITY OF SOMERVILLE, THE CITY OF NEWTON OR ANY OTHER POLITICAL SUBDIVISION THEREOF, ALTHOUGH THE COMMONWEALTH CONTRACT ASSISTANCE FOR DEBT SERVICE IS A GENERAL OBLIGATION OF THE COMMONWEALTH FOR WHICH THE FULL FAITH AND CREDIT OF THE COMMONWEALTH ARE PLEDGED. THE PRINCIPAL OF AND INTEREST ON THE 2020A BONDS ARE PAYABLE SOLELY FROM COMMONWEALTH CONTRACT ASSISTANCE FOR DEBT SERVICE AND OTHER FUNDS SPECIFICALLY PLEDGED FOR THEIR PAYMENT UNDER THE INDENTURE. THE ISSUER HAS NO TAXING POWER UNDER THE ACT.

**Time.** Bids will be received by the Issuer via Parity at 10:00 a.m. (Boston, Massachusetts time) on November 18, 2020 (subject to the provisions described below under the caption “Procedures for Electronic Bidding”) or at such later date and/or other time as shall be established by the Authorized Officer and communicated on Thomson Municipal Market Monitor News ([www.tm3.com](http://www.tm3.com)) (“TM3”), as described herein under the caption “Change of Bid Date or Time.”<sup>†</sup> If no legal bid or bids are received for the 2020A Bonds on November 18, 2020, an alternative date and time may be designated by the Issuer and communicated on TM3.

**Details of the 2020A Bonds.** The 2020A Bonds will be dated and bear interest, calculated on the basis of 30-day months and a 360-day year, from the date of delivery, which is expected to be December 2, 2020 (the “Closing Date”) at the rate per annum per maturity specified by the successful bidder, payable semiannually on May 1 and November 1 in each year until maturity, beginning May 1, 2021.\* The 2020A Bonds shall mature or come due through mandatory sinking fund redemptions on May 1 of the years shown below, subject to change as set forth in this Official Notice of Sale, in the principal amounts specified by the successful bidder:

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<sup>†</sup> Preliminary; subject to change. Any change will be announced on TM3 not later than 8:30 a.m. (Boston, Massachusetts time) on ANY ANNOUNCED DATE FOR RECEIPT OF BIDS.

\* Preliminary, subject to change.



<u>Year*</u>	<u>Principal Amount*</u>	<u>Year*</u>	<u>Principal Amount*</u>
2025	\$1,465,000	2035	\$2,575,000
2026	2,135,000	2036	2,655,000
2027	2,160,000	2037	2,725,000
2028	2,195,000	2038	2,805,000
2029	2,230,000	2039	2,880,000
2030	2,270,000	2040	2,965,000
2031	2,310,000	2041	3,040,000
2032	2,375,000	2042	3,130,000
2033	2,445,000	2043	3,215,000
2034	2,510,000	2044	3,305,000

The 2020A Bonds will be issued as serial bonds, term bonds or as a combination of serial bonds and term bonds in accordance with the bid submitted by the successful bidder (see “Bidding Parameters” below).

The 2020A Bonds will be delivered as registered bonds and issued by means of a book-entry-only system evidencing ownership therein, in principal amounts of \$5,000 or integral multiples thereof, and transfer thereof on the records of The Depository Trust Company (“DTC”) and its participants. The book-entry-only system is more fully described in the Preliminary Official Statement.

#### **Redemption.\***

*Optional Redemption of 2020A Bonds with Make Whole Payment.* The 2020A Bonds are redeemable by the Issuer prior to maturity at the written direction of the Secretary to the Issuer and the Trustee, at least sixty (60) days prior to the redemption date and either (i) application to such redemption at the direction of the Secretary of amounts available in the Infrastructure Development Assistance Fund, established pursuant to the Indenture, on such redemption date or (ii) payment to the Trustee by the Commonwealth for the account of the Issuer and deposit in the 2020A Debt Service Fund, established pursuant to the Indenture, of Commonwealth Contract Assistance for Debt Service pursuant to the 2020A Assistance Contract on or prior to such redemption date, of an amount sufficient to pay or provide for the “Make-Whole Redemption Price” as described below. Such redemption shall be in accordance with the terms of the 2020A Bonds, as a whole or in part at any time, in such order of maturity or sinking fund installment as directed by the Secretary (provided that, if less than all of the 2020A Bonds outstanding of any maturity and similar tenor shall be called for redemption, the 2020A Bonds to be so redeemed shall be selected by the Trustee on a pro rata basis or in any customary manner of selection as determined by the Trustee and so long as the 2020A Bonds are registered in book-entry only form, the 2020A Bonds to be so redeemed shall be selected on a “pro rata pass-through distribution of principal basis” in accordance with DTC procedures), at the “Make-Whole

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\* Preliminary, subject to change.

## APPENDIX G

Redemption Price” described below and in the form of 2020A Bonds in Exhibit A to the Indenture. At the direction of the Secretary, the Issuer shall retain an independent accounting firm or financial advisor to determine the Make-Whole Redemption Price and perform all actions and make all calculations required to determine the Make-Whole Redemption Price. The Commonwealth, the Issuer and the Trustee may conclusively rely on such accounting firm’s or financial advisor’s calculations in connection with, and determination of, the Make-Whole Redemption Price, and none of the Commonwealth, the Issuer nor the Trustee will have any liability for their reliance.

“Make-Whole Redemption Price” means the greater of (i) 100% of the principal amount of the 2020A Bonds to be redeemed, and (ii) the sum of the present values of the remaining scheduled payments of principal and interest to the maturity date of the 2020A Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such 2020A Bonds are to be redeemed, discounted to the date on which such 2020A Bonds are to be redeemed on a semiannual basis, assuming a 360-day year consisting of twelve 30-day months, at the “Treasury Rate” plus 25 basis points, plus, in each case, accrued and unpaid interest on the 2020A Bonds to be redeemed on the redemption date. “Treasury Rate” means, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days, but no more than 45 calendar days, prior to the redemption date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of the 2020A Bonds to be redeemed. However, if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

Term bonds, if any, shall be subject to mandatory sinking fund redemption on May 1 in the year or years immediately prior to the stated maturity of such term bonds as specified by the successful bidder. See “Bidding Parameters” below.

### **Adjustments to Principal Amount and Rates of Interest.**

*Changes Prior to Bidding.* The preliminary aggregate principal amount of the 2020A Bonds and the preliminary annual principal amounts as set forth in this Official Notice of Sale (the “Preliminary Aggregate Principal Amount” and the “Preliminary Annual Principal Amounts,” respectively; together, the “Preliminary Amounts”) may be revised before the receipt of electronic bids for the purchase of the 2020A Bonds. Any such revisions (the “Revised Aggregate Principal Amount” and the “Revised Annual Principal Amounts,” respectively; and together, the “Revised Amounts”) will be ANNOUNCED on TM3 not later than 8:30 a.m. (Boston, Massachusetts time) on ANY ANNOUNCED DATE FOR RECEIPT OF BIDS. In the event that no such revisions are made, the Preliminary Amounts will constitute the Revised Amounts. Bidders shall submit bids BASED ON THE REVISED AMOUNTS.

*Changes to the Winning Bid.* After selecting the winning bid, the Issuer will determine the final aggregate principal amount of the 2020A Bonds and each final annual principal amount (the “Final Aggregate Principal Amount” and the “Final Annual Principal Amounts,” respectively; and together, the “Final Amounts”). In determining the Final Amounts, the Issuer intends to increase or decrease the Revised Final Aggregate Principal Amount as necessary to produce sufficient funds for the purposes for which the 2020A Bonds are being issued, taking into account the amount of the net premium to be received, but the Issuer will not reduce or increase the Revised Final Aggregate Principal Amount by more than 15%. THE SUCCESSFUL BIDDER MAY NOT WITHDRAW ITS BID OR CHANGE THE INTEREST RATES BID OR THE INITIAL REOFFERING PRICES (AS HEREIN DEFINED) AS A RESULT OF ANY CHANGES MADE TO THE REVISED AMOUNTS WITHIN THIS LIMIT.

The dollar amount bid by the successful bidder will be adjusted to reflect any adjustments in the aggregate principal amount of the 2020A Bonds. Such adjusted bid price will reflect changes in the dollar amount of the underwriter’s discount and original issue net premium, if any, but will not change the selling compensation per \$1,000 of par amount of the 2020A Bonds from the selling compensation that would have been received based on the purchase price in the winning bid and the initial reoffering prices. The interest rate specified by the successful bidder for each maturity as the initial reoffering prices will not change. The Final Amounts and the adjusted bid price will be communicated to the successful bidder by 3:00 p.m. (Boston, Massachusetts time) on the day of the sale.

**Bidding Parameters.** Bids must be for all of the 2020A Bonds offered and must offer to pay an aggregate price for all maturities of not less than 100% of the aggregate principal amount of each maturity of the 2020A Bonds. No bids will be accepted with an aggregate net discount from the principal amount of the 2020A Bonds.

Bids may provide for all the 2020A Bonds to be issued as serial bonds only, term bonds only or may designate certain consecutive annual principal amounts (bearing interest at the same rate) to be combined into term bonds. The 2020A Bonds will be issued as serial bonds, term bonds or as serial bonds and term bonds in accordance with the bid submitted by the successful bidder. Any 2020A Bonds issued as term bonds shall be subject to mandatory sinking fund redemption commencing on May 1 of the first year in which maturities have been combined to form such term bond and continuing on May 1 in each year thereafter until the stated maturity date of such term bond.

Bids must state a single fixed interest rate for the 2020A Bonds of each maturity. The rate of interest stated for any given maturity shall be in a multiple of one-one-hundredth of 1% per annum. Bids must be in an amount equal to at least 100% of the aggregate principal amount of each maturity of the 2020A Bonds

Bids may not include any conditions not otherwise expressly provided for herein.

**Procedures for Electronic Bidding.** A prospective electronic bidder must register electronically to bid for the 2020A Bonds via Parity pursuant to this Official Notice of Sale. By submitting its bid for the 2020A Bonds, a prospective bidder represents and warrants to the

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Issuer that such bidder's bid for the purchase of the 2020A Bonds is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder to a legal, valid and enforceable contract for the purchase of the 2020A Bonds.

Each prospective electronic bidder shall be solely responsible to register to bid via Parity. Each qualified prospective electronic bidder shall be solely responsible to make necessary arrangements to access Parity for the purpose of submitting its bid in a timely manner and in compliance with the requirements of this Official Notice of Sale. Neither the Issuer nor Parity shall have any duty or obligation to undertake such registration to bid for any prospective bidder or to provide or assure such access to any qualified prospective bidder, and neither the Issuer nor Parity shall be responsible for a bidder's failure to register to bid or for proper operation of or have any liability for any delays or interruptions of, or any damages caused by Parity. The Issuer is using Parity as a communication mechanism, and not as the Issuer's agent, to conduct the electronic bidding for the 2020A Bonds. The Issuer is not bound by any advice and determination of Parity to the effect that any particular bid complies with the terms of this Official Notice of Sale. All costs and expenses incurred by prospective bidders in connection with their registration and submission of bids via Parity are the sole responsibility of the bidders, and the Issuer is not responsible, directly or indirectly, for any such costs or expenses. To the extent that any instructions or directions set forth in Parity conflict with this Official Notice of Sale, the terms of this Official Notice of Sale shall control. If a prospective bidder encounters any difficulty in registering to bid or submitting, modifying or withdrawing a bid for the 2020A Bonds, such bidder should telephone Parity's new issues desk at (212) 849-5021 and notify the Issuer's municipal advisor, PFM Financial Advisors LLC by telephone at (617) 330-6914.

Electronic bids must be submitted for the purchase of the 2020A Bonds (all or none) via Parity by 10:00 a.m. (Boston, Massachusetts time) on November 18, 2020. Bids submitted after such time will not be deemed received via Parity for the purposes of this bidding process. Bids will be communicated electronically to the Issuer at 10:00 a.m. (Boston, Massachusetts time) on November 18, 2020. Prior to that time, an eligible prospective bidder may (i) input the proposed terms of its bid via Parity, (ii) modify the proposed terms of its bid, in which event the proposed terms as last modified will (unless the bid is withdrawn as described herein) constitute its bid for the 2020A Bonds, or (iii) withdraw its proposed bid. Once the bids are communicated electronically via Parity to the Issuer, each bid will constitute an irrevocable offer to purchase the 2020A Bonds on the terms therein provided. For purposes of the electronic bidding process, the time as maintained on Parity shall constitute the official time. For information purposes only, bidders are requested to state in their bids the true interest cost to the Issuer, as described under "Basis of Award" set forth below, represented by the rate or rates of interest and the bid price specified in their respective bids.

**Good Faith Deposit.** Upon notification from the Issuer, the successful bidder shall wire transfer to the Issuer an amount equal to 1% of the Final Aggregate Principal Amount (the "Good Faith Deposit"), in immediately available funds, no later than 3:00 p.m. (Boston, Massachusetts time) on the bid date. The Issuer will provide wiring instructions for the Good Faith Deposit to the successful bidder upon verification and award. In the event that the Issuer has not received such funds by the time stated, the Issuer may revoke its acceptance of the bid. No interest on the Good Faith Deposit will accrue to the successful bidder. The Good Faith

Deposit will be applied to the purchase price of the 2020A Bonds. If the successful bidder fails to honor its accepted bid, the Good Faith Deposit will be retained by the Issuer.

**Basis of Award.** The 2020A Bonds will be awarded to the bidder offering to purchase all of the 2020A Bonds at the lowest true interest cost (TIC) to the Issuer. The TIC (expressed as an annual interest rate) will be determined as being twice that factor or discount rate, compounded semiannually, which, when applied against each semiannual debt service payment (interest, or principal and interest, as due) for the 2020A Bonds, will cause the sum of such discounted semiannual payments to be equal to the total purchase price. The TIC shall be calculated from the expected settlement date of the 2020A Bonds, which is December 2, 2020. If there is more than one proposed offer to purchase the 2020A Bonds at the same TIC, the 2020A Bonds will be sold to the bidder whose proposal is selected by the Issuer by lot from among all such proposals.

The Issuer reserves the right to reject any or all proposals and to waive any irregularity or informality with respect to any proposal.

**Official Statement.** The Preliminary Official Statement dated November 12, 2020 and the information contained therein have been deemed final as of its date within the meaning of Rule 15c2-12, as amended, of the Securities and Exchange Commission (“Rule 15c2-12”) with permitted omissions, (i) by the Issuer except with respect to the Commonwealth Portions (defined below) and (ii) by the Commonwealth with respect to information under the captions “INTRODUCTORY STATEMENT” (but only with respect to paragraph 9 as it relates to the Assistance Contract and paragraph 10 therein), “SOURCES OF PAYMENT AND SECURITY FOR THE 2020A BONDS” (but only with respect to paragraphs 4, 5, 6 and 8 therein), “LITIGATION” (but only with respect to the statements therein with respect to the Commonwealth), “COMMONWEALTH NOT LIABLE ON 2020A BONDS” (but only with respect to the second paragraph therein), “ADDITIONAL INFORMATION CONCERNING THE COMMONWEALTH,” “CONTINUING DISCLOSURE” (but only with respect to paragraphs 2 through 6, inclusive, thereof) and Appendices C, F-1 and F-2 attached thereto (collectively, the “Commonwealth Portions”) but are subject to change without notice and to completion or amendment in the Official Statement in final form (the “Final Official Statement”). The Preliminary Official Statement will be available via the Electronic Municipal Market Access system (EMMA) established by the Municipal Securities Rulemaking Board at [www.emma.msrb.org](http://www.emma.msrb.org).

The Issuer will make available to the successful bidder, within seven business days of the date of sale but no later than two business days prior to settlement, a reasonable number of copies of the Final Official Statement for delivery (at the expense of the successful bidder or bidders) to each potential investor requesting a copy of the Final Official Statement and to each person to whom such bidder and members of its bidding group initially sell the 2020A Bonds; provided that the successful bidder cooperates in providing the information required to complete the Final Official Statement. The successful bidder shall comply with the requirements of Rule 15c2-12 and the rules of the Municipal Securities Rulemaking Board, including an obligation, if any, to update the Final Official Statement.

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**Continuing Disclosure.** To assist bidders in complying with paragraph (b)(5) of Rule 15c2-12, the Commonwealth will undertake in the 2020A Bonds to provide annual reports and notices of certain events. A form of these undertakings are set forth in Appendices F-1 and F-2 of the Preliminary Official Statement and will also be set forth in the Final Official Statement.

**Expenses.** Each bid will be deemed to be an all-in bid. The successful bidder will be under no obligation to pay the Issuer's issuance costs. The Issuer will not pay any expenses of the successful bidder in connection with the purchase of the 2020A Bonds.

**Settlement.** The 2020A Bonds are expected to be delivered on December 2, 2020 to the Trustee pursuant to a "FAST" closing in Boston, Massachusetts against payment of the purchase price therefor (the "Closing"). The successful bidder must make payment of the purchase price of the 2020A Bonds by 10:00 a.m. (Boston, Massachusetts time) on December 2, 2020 (the expected settlement date) in immediately available funds in Boston.

There will also be furnished the usual closing papers, including:

(i) a certificate, dated as of the date of the settlement of the 2020A Bonds, of an authorized officer of the Issuer, to the effect that (A) no litigation is pending or, to his or her knowledge, threatened against the Issuer (either in state or federal courts) seeking to restrain or enjoin the issuance, execution or delivery of the 2020A Bonds or in any manner questioning the proceedings or authority for the issuance of them or affecting directly or indirectly the validity of the 2020A Bonds or of any provisions made or authorized for their payment, including the Indenture, the Assistance Contract and any other documents to which the Issuer is a party or contesting the existence of the Issuer or the title of any of its members or officers to their respective offices (but in lieu of such certificate, the successful bidder may accept an opinion of counsel to the Issuer in form and substance acceptable to the successful bidder, that in its opinion the issues raised in any such pending or threatened litigation are without substance or that the contentions of any plaintiffs therein are without merit); (B) that the representations and warranties of the Issuer contained in the Indenture, the Assistance Contract and any other documents to which the Issuer is a party are true and correct in all material aspects as of the Closing; (C) that the resolutions with respect to the 2020A Bonds adopted by the Issuer were adopted in accordance with law and the by-laws of the Issuer and remain in full force and effect in the form initially adopted; and (D) that the Indenture, the Assistance Contract and any other documents to which the Issuer is a party, and the 2020A Bonds were executed by duly authorized officers of the Issuer;

(ii) a certificate, dated as of the date of the settlement of the 2020A Bonds, of an authorized officer of the Issuer, to the effect that the Preliminary Official Statement (but only with respect to information under the captions "THE ISSUER" and "LITIGATION" as it relates to the Issuer) as of its date and as of the date of the sale of the 2020A Bonds, and the Final Official Statement (but only with respect to information under the captions "THE ISSUER" and "LITIGATION" as it relates to the Issuer), as the date of the sale of the 2020A Bonds and as of the Closing Date, will be true, correct and complete in all material respects, and did not, does not and will not omit any material statement which should be included therein for the purpose for which the Preliminary Official Statement or the Final Official Statement are to be used, or which

is necessary to make the statements as to such matters contained therein not misleading in light of the circumstances in which they were made;

(iii) a certificate of the Attorney General of the Commonwealth to the effect that no litigation is pending or, to the knowledge of the Attorney General, threatened against the Commonwealth affecting the creation, organization or existence or powers of the Commonwealth seeking to prohibit, restrain or enjoin the issuance, sale, execution or delivery of the 2020A Bonds or the execution and delivery, or adoption, as applicable, or the performance of, the Assistance Contract or the validity of or security for the 2020A Bonds (except as described in the Official Statement under the caption “LITIGATION”), or contesting in any way the completeness, accuracy or fairness of the Preliminary Official Statement or the Final Official Statement;

(iv) a certificate of the Treasurer of the Commonwealth and the Secretary to the effect that, to the best of their knowledge and belief, the Information Statement (as defined in the Preliminary Official Statement), as of its date, as of the date of the sale of the 2020A Bonds and as of the Closing Date, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading; and

(v) a certificate of the Secretary to the effect that, to the best of his knowledge and belief, the Preliminary Official Statement (but only the Commonwealth Portions), as of its date and as of the date of the sale of the 2020A Bonds, and the Final Official Statement (but only the Commonwealth Portions), as the date of the sale of the 2020A Bonds and as of the Closing Date, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

**Legal Opinions.** The approving opinion of McCarter & English, LLP, Boston, Massachusetts, Bond Counsel to the Issuer, in substantially the form set forth as Appendix D to the Preliminary Official Statement, will be furnished to the successful bidder. The Preliminary Official Statement contains a discussion of the effect of the Internal Revenue Code of 1986, as amended, on the inclusion in gross income of interest on the 2020A Bonds and a discussion of Bond Counsel’s opinion insofar as it concerns such inclusion.

An opinion of McCarter & English, LLP, Boston, Massachusetts, Bond Counsel, will also be furnished to the successful bidder to the effect that (i) the information contained in the Preliminary Official Statement and the Final Official Statement under the captions “INTRODUCTORY STATEMENT” (paragraphs 1, 6, 7, 8 (except with regards to the Assistance Contract), 11, 12 and 13 only), “THE ISSUER,” “SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2020A BONDS” (paragraphs 1 through 3, inclusive, the first sentence of paragraph 4 only, and paragraph 7), “THE 2020A BONDS,” “LITIGATION” (insofar as such information relates to the Issuer), “LEGALITY OF 2020A BONDS FOR INVESTMENT AND DEPOSIT,” and “COMMONWEALTH NOT LIABLE ON 2020A BONDS” (but only with respect to the first paragraph therein) and in Appendix A and Appendix B thereto, does not contain any untrue statement of a material fact and does not omit to state any

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material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading, and the sections of the Preliminary Official Statement and the Final Official Statement under the caption “TAX MATTERS” insofar as such sections purport to summarize certain provisions of the Internal Revenue Code of 1986, as amended; and (ii) based upon Bond Counsel’s participation in the preparation of the Preliminary Official Statement and the Final Official Statement and, except as to the information referenced above, without having undertaken to determine independently the accuracy or completeness of the statements contained in the Final Official Statement, Bond Counsel has no reason to believe that the information contained in the Preliminary Official Statement as of its date and as of the date of the sale of the 2020A Bonds, or the Final Official Statement, as of its date and as of the date of the settlement of the 2020A Bonds (except for the financial and statistical data included therein, the public offering prices (or yields) of the 2020A Bonds on the inside cover page thereof, the information contained therein under the caption “THE DEPOSITORY TRUST COMPANY,” the information contained therein relating to the Commonwealth (whether contained therein or incorporated by reference), the Assistance Contract, the information contained in Appendix C, the information relating to the Commonwealth contained under the caption “LITIGATION,” and the information contained under the captions “MUNICIPAL ADVISOR” and “COMPETITIVE SALE OF 2020A BONDS” as to which no opinion is expressed) contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

The opinion of Locke Lord LLP, Boston, Massachusetts, special counsel to the Commonwealth, with respect to the right and power of the Commonwealth to enter into the Assistance Contract and the validity and binding effect of the Assistance Contract will also be furnished to the successful bidder in substantially the form set forth as Appendix E to the Preliminary Official Statement.

In addition, an opinion of Locke Lord LLP, Boston, Massachusetts, special counsel to the Commonwealth, to the effect that (i) the Commonwealth has the right and power to enter into the Commonwealth Events Disclosure Agreement; (ii) the Commonwealth Events Disclosure Agreement has been duly authorized, executed and delivered by the Commonwealth and constitutes a valid and binding obligation of the Commonwealth in accordance with its terms; and (iii) the information contained in the Preliminary Official Statement as of its date and as of the date of the sale of the 2020A Bonds and the Final Official Statement as of its date and as of the Closing Date under the captions “INTRODUCTORY STATEMENT” (but only with regard to information in paragraphs 8 through 10, inclusive, thereof with respect to the statements relating to the Commonwealth Assistance Contract), “SOURCES OF PAYMENT AND SECURITY FOR THE 2020A BONDS” (but only with regard to information in paragraphs 4 through 6, inclusive, thereof with respect to the statements relating to the Commonwealth Assistance Contract), and “COMMONWEALTH NOT LIABLE ON 2020A BONDS” (but only with respect to the second paragraph therein) and in Appendix C – “Summary of Certain Provisions of the Assistance Contract” and the information regarding the Commonwealth Continuing Events Disclosure Agreement in Appendix F-2 attached thereto (collectively, the “Commonwealth Portions”) thereto did not and does not contain any untrue statement of a



material fact and does not omit to state any material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

In addition, an opinion of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Boston, Massachusetts, disclosure counsel to the Commonwealth, to the effect that (i) the Commonwealth has the right and power to enter into the Commonwealth Continuing Disclosure Agreement; (ii) the Commonwealth Continuing Disclosure Agreement has been duly authorized, executed and delivered by the Commonwealth and constitutes a valid and binding obligation of the Commonwealth in accordance with its terms; (iii) the information contained in the Preliminary Official Statement and the Final Official Statement under the captions “ADDITIONAL INFORMATION CONCERNING THE COMMONWEALTH,” “CONTINUING DISCLOSURE” (but only with respect to paragraphs 2 and 6, inclusive, thereof) and Appendix F-1 thereto did not and does not contain any untrue statement of a material fact and does not omit to state any material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading and (iv) in the course of such counsel’s participation in the preparation of the Information Statement (as defined in the Preliminary Official Statement), and as it may have been further supplemented as of the date of sale of the 2020A Bonds, no facts came to such counsel’s attention that have caused it to conclude that the Information Statement (as so defined) as of its date, or, as it may have been supplemented as of the date of sale of the 2020A Bonds, as of said date of sale or as of the Closing Date (except for the financial and statistical data included therein and the information contained in the Exhibits thereto, as to which no opinion need be expressed), contained any untrue statement of a material fact or omitted to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

**CUSIP Numbers.** CUSIP numbers will be applied for by Issuer’s municipal advisor, PFM Financial Advisors LLC, with respect to the 2020A Bonds; neither the Issuer nor the Trustee will assume any obligation for the assignment or printing of such numbers on the 2020A Bonds or for the correctness of such numbers. Neither failure to print such numbers on any 2020A Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder to accept delivery of and make payment for the 2020A Bonds. The CUSIP Service Bureau charge for the assignment of CUSIP numbers on the 2020A Bonds shall be the responsibility of and shall be paid for by the successful bidder.

**Right to Modify or Amend Official Notice of Sale.** The Issuer reserves the right to modify or amend this Official Notice of Sale prior to the bid date. If any modifications occur, supplemental information with respect to the 2020A Bonds will be communicated by posting on TM3 not later than 8:30 a.m. (Boston, Massachusetts time) on any announced date for receipt of bids, and bidders shall bid upon the 2020A Bonds based upon the terms thereof set forth in this Official Notice of Sale, as so modified by such supplemental information.

**Change of Bid Date or Time.** The Issuer reserves the right to change the date and/or time established for the receipt of bids. Any such change will be announced by posting on TM3 no later than 8:30 a.m. (Boston, Massachusetts time) on the announced bid date. If any date and time fixed for the receipt of bids and the sale of the 2020A Bonds is changed, an alternative sale

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date and time will be announced at least one business day prior to such alternative sale date. On any such alternative sale date and/or time, any bidder may submit bids electronically as described above for the purchase of the 2020A Bonds in conformity in all respects with the provision of this Official Notice of Sale, except for the date and/or time of sale and except for any changes announced by posting on TM3 at the time the sale date and/or time are announced.

**Additional Information.** Further information concerning the Issuer, the Commonwealth, the Infrastructure Developer, the 2020A Bonds and the use of proceeds of the 2020A Bonds is contained in the Preliminary Official Statement dated November 12, 2020, to which prospective bidders are directed, and to which this Official Notice of Sale is attached. The Preliminary Official Statement is provided for informational purposes only and is not a part of this Official Notice of Sale. The Preliminary Official Statement will be available via EMMA established by the Municipal Securities Rulemaking Board at [www.emma.msrb.org](http://www.emma.msrb.org). Copies of the Preliminary Official Statement and this Official Notice of Sale may be viewed and downloaded at <https://www.massdevelopment.com/51390000specialobligationbondseries2020>

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Questions regarding this Official Notice of Sale should be directed to the Issuer's municipal advisor, PFM Financial Advisors LLC, by telephone at (617) 330-6914.

Massachusetts Development Finance Agency

By: 

Name: Steven J. Chilton

Title: Senior Vice President, Investment Banking

