REIMBURSEMENT RESOLUTION FOR MID-CURRITUCK BRIDGE FINANCING

WHEREAS, the North Carolina Turnpike Authority (the *"Authority"*) is duly organized and existing under the laws of the State of North Carolina (the *"State"*) within the State Department of Transportation, and is authorized under Article 6H (Turnpike Authority and Toll Projects) of Chapter 136, as amended (the *"Act"*), of the North Carolina General Statutes (the *"NCGS"*) and The State and Local Government Revenue Bond Act, Article 5 of Chapters 159, as amended, of the NCGS (the *"Revenue Bond Act"*), to issue revenue bonds for the purpose of financing and refinancing the cost of acquiring, constructing and equipping "turnpike projects," as defined in the Act;

WHEREAS, the Secretary of Transportation, pursuant to Section 143B-10 and 143B-349 of the NCGS, has delegated to the Board of the Authority certain powers including the power to fix, revise, charge, and collect tolls and fees for the use of turnpike projects and the power to issue bonds or notes of the Authority to finance such projects;

WHEREAS, pursuant to the Act, the Revenue Bond Act and resolutions of this Board, the Authority has issued revenue bonds to finance the turnpike projects known as the Triangle Expressway System and the Monroe Connector System and intends to finance other turnpike projects;

WHEREAS, under the Act the Authority is authorized to enter into agreements with private entities for the purpose of financing costs of any project and may use alternative contracting methods for projects;

WHEREAS, pursuant to such authorizations, including NCGS Section 136-89.183A, the Authority has entered into a Pre-Development Agreement with The Currituck Development Group, LLC (*"CDG"*) with respect to the Mid-Currituck Bridge and is in the course of negotiation therewith concerning such project;

WHEREAS, it appears certain that any such financing will include the issuance of bonds in an aggregate principal amount of up to $700,000,000, with a portion thereof supported by State appropriations, including the appropriations specified for the financing of such project as described in NCGS Section 136-176(b2) as provided in North Carolina Session Laws 2008-107, 2009-56 and 2010-31, and some supported by toll and other project revenues, but such bonds may not be issued until after some costs for the project have been incurred either by the Authority, by CDG or by other entities; and

WHEREAS, under the provisions of the Internal Revenue Code of 1986, as amended, and the regulations thereunder, it is required that the issuer of bonds which will, among other purposes, provide for the reimbursement of certain costs paid prior to the issuance thereof adopt a resolution stating its intent to make such reimbursement before the costs are incurred;

NOW THEREFORE, THE BOARD OF THE NORTH CAROLINA TURNPIKE AUTHORITY HEREBY RESOLVES:

1. The Board hereby states its intent to reimburse itself, the North Carolina Department of Transportation, CDG or other parties incurring costs with respect to the Mid-Currituck Bridge from proceeds of the bonds issued by the Authority for the financing of such project, including the financing of the costs to be reimbursed as well as other costs of the project, provided any such reimbursement to parties other than the Authority or the North Carolina Department of Transportation shall only be made as provided in the Pre-Development Agreement or agreements arising therefrom. Such reimbursement may be in an aggregate amount of up to $50,000,000, with such limit subject to increase by this Board.

2. This resolution shall constitute a statement of official intent pursuant to Treasury Regulations Section 1.150-2(e).

3. This resolution shall take effect immediately upon its passage.

Adopted September 8, 2011.

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Eugene A. Conti, Jr.
Chairman

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Robert D. Teer, Jr.
Secretary-Treasurer