This Preliminary Official Statement and the information herein is subject to change, completion, and amendment without notice. A definitive Official Statement will be made available prior to the delivery of these securities. See "INTRODUCTION–Changes to the Preliminary Official Statement". Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 28, 2026

NEW ISSUE – BOOK-ENTRY ONLY **Ratings: See "RATINGS" herein**

In the opinion of Bond Counsel, under existing law, interest on the Offered Series 2026 Bonds (except the Series 2026D Bonds) (i) will be excludable from gross income for federal income tax purposes if each of the Issuer and ALDOT complies with all requirements of the Internal Revenue Code that must be satisfied subsequent to the issuance of the Offered Series 2026 Bonds (except the Series 2026D Bonds) in order that interest thereon be and remain excludable from gross income, and (ii) will not be an item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that, under existing law, interest on all Offered Series 2026 Bonds (including the Series 2026D Bonds) will be exempt from State of Alabama income taxation. See "TAX MATTERS" herein for further information and certain other tax consequences arising with respect to the Offered Series 2026 Bonds.

ALABAMA TOLL ROAD, BRIDGE AND TUNNEL AUTHORITY

$625,145,000*	$2,521,710,000*	$472,090,000*	$91,105,000*
First Lien	Second Lien	Enhanced Third Lien	Taxable Enhanced Third Lien
Toll Revenue Bonds	Toll Revenue	Toll and Project	Toll and Project
Series 2026A	Bond Anticipation Notes	Revenue Bonds	Revenue Bonds
	Series 2026-1	Series 2026C	Series 2026D

Dated: Date of Delivery **Due: As shown on the inside cover page**

The Alabama Toll Road, Bridge and Tunnel Authority (the "Issuer") is issuing its $625,145,000* First Lien Toll Revenue Bonds, Series 2026A (the "Series 2026A Bonds"), $2,521,710,000* Second Lien Toll Revenue Bond Anticipation Notes, Series 2026-1 (the "Series 2026-1 Notes"), $472,090,000* Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026C (the "Series 2026C Bonds"), $91,105,000* Taxable Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026D (the "Series 2026D Bonds" and together with the Series 2026A Bonds, the Series 2026-1 Notes and the Series 2026C Bonds, the "Offered Series 2026 Bonds") pursuant to a Trust Indenture dated September 1, and various supplemental indentures thereto (as supplemented, the "Indenture") between the Issuer and Computershare Trust Company, National Association, as trustee (the "Trustee"). The Offered Series 2026 Bonds are issuable as fully registered bonds or notes, as applicable, and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, as described more particularly herein. Interest will be payable on the Series 2026 Bonds each January 1 and July 1, beginning January 1, 2027, and with respect to the Series 2026-1 Notes, at final maturity.

As a condition to the issuance of the Offered Series 2026 Bonds, the Issuer will enter into a loan agreement (the "TIFIA Loan Agreement") with the U.S. Department of Transportation, an agency of the United States of America, acting by and through the Executive Director of the Build America Bureau (the "TIFIA Lender"), pursuant to which the TIFIA Lender will make a loan to the Issuer, in an amount not to exceed $2,522,502,000* (the "TIFIA Loan"). In connection with the TIFIA Loan, the Issuer will issue its Second Lien Toll Revenue Bond, Series 2026B (the "Series 2026B Bond" and together with the Offered Series 2026 Bonds, the "Series 2026 Bonds") pursuant to the Indenture and a pledge and assignment of the Trust Estate on parity with the Series 2026-1 Notes. The principal amount of the Series 2026B Bonds will be the same as the principal amount of the TIFIA Loan. pursuant to the Indenture and a pledge and assignment of the Trust Estate on parity with the Series 2026-1 Notes. The proceeds of the TIFIA Loan must be drawn no later than one year after substantial completion of the Project, and such proceeds are expected to be available to pay the Series 2026-1 Notes on their maturity date, subject to satisfaction or waiver of the applicable conditions to disbursement under the TIFIA Loan Agreement. See "PLAN OF FINANCING" herein.

The Series 2026 Bonds are being issued for the combined purpose of financing all or a portion of (i) the development, acquisition, design, construction, improvement, installation and equipping of the I-10 Mobile River Bridge and Bayway, (ii) with respect to the Series 2026A Bonds, funding reserves for the Series 2026A Bonds, (iii) with respect to the Offered Series 2026 Bonds, funding capitalized interest on the Offered Series 2026 Bonds, (iv) with respect to the Offered Series 2026 Bonds, the costs of issuing the Offered Series 2026 Bonds, (v) with respect to the Series 2026C Bonds or the Series 2026D Bonds, the costs of issuing the Series 2026B Bond, and (vi) with respect to the Series 2026D Bonds, funding the debt service reserve fund for the Series 2026B and the initial deposit to the Toll Collection Operating Reserve Fund. Pursuant to an Amended and Restated Lease Agreement dated September 1, 2026 (the "Lease Agreement"), by and between the Issuer and the Alabama Department of Transportation ("ALDOT"), ALDOT will be obligated (a) if Issuer revenues are otherwise insufficient, to make certain lease payments to the Issuer in an amount necessary for the Issuer to pay debt service on the Series 2026C Bonds and the Series 2026D Bonds (as further defined herein, the "Basic Lease Payments"), (b) if Issuer revenues are otherwise insufficient, to make certain payments with respect to toll collection operation and maintenance expenses, and (c) to maintain and repair the Project after it has been placed in service.

The Series 2026 Bonds will be limited obligations of the Issuer payable solely out of, and secured by a pledge and assignment of, the Trust Estate, subject to the priority of payment set forth in the Indenture, which consists of: (i) Project Revenues, (ii) Indenture Funds, (iii) the Basic Lease Payments (but only with respect to the Series 2026C Bonds and the Series 2026D Bonds) and the Issuer's right, title and interest in the Lease Agreement, except for certain reserved rights, and (iv) other property that may be added to the Trust Estate in the future.

The Series 2026 Bonds do not constitute general obligations of the Issuer nor will the Series 2026 Bonds constitute a charge against the general credit or taxing power of the State of Alabama or any other political subdivision of the State of Alabama. Neither the Issuer nor ALDOT has taxing power.

The pledge of the Trust Estate in favor of the First Lien Bonds (as defined below) will be senior to the pledge thereof for the benefit of the Second Lien Obligations (as defined below) and the Third Lien Bonds (as defined below). The pledge of the Trust Estate in favor of the Second Lien Obligations will be senior to the pledge thereof for the benefit of the Third Lien Bonds. The TIFIA Loan contains a "springing lien", which provides that in the event of a Bankruptcy Related Event (as defined below) with respect to the Issuer, the TIFIA Loan (and therefore the Series 2026B Bond, but NOT the Series 2026-1 Notes) will not be subordinated, and will be on parity with the First Lien Bonds. The Indenture provides for the issuance of additional bonds secured on a parity with each of the First Lien Bonds, the Second Lien Obligations and the Third Lien Bonds. ALDOT's obligations to make Basic Lease Payments in support of the Third Lien Bonds pursuant to the Lease Agreement are payable solely from all legally available ALDOT revenues, except for revenues appropriated to ALDOT pursuant to the Rebuild Alabama Act, Alabama Act No. Act 2019-2 (the "MRB Designated Revenues"). The MRB Designated Revenues are NOT pledged by ALDOT pursuant to the Lease Agreement. See "SECURITY AND SOURCE OF PAYMENT".

The Series 2026A Bonds, the Series 2026C Bonds and the Series 2026D Bonds will be subject to redemption prior to their respective maturities as described herein. The 2026-1 Notes are not subject to redemption prior to maturity.

An insurance policy for the Series 2026A Bonds may be obtained, which, if obtained, would insure the scheduled payment of principal and interest the Series 2026A Bonds when due. The decision whether or not to obtain such a policy will be made at or about the time of the pricing. No assurance can be given as to whether such an insurance policy will be obtained. See "SECURITY AND SOURCE OF PAYMENT – Potential Bond Insurance" herein.

The Issuer may obtain a municipal bond debt service reserve insurance policy to satisfy the Series 2026A Reserve Requirement (as defined below) (a "Series 2026A Reserve Policy"). The decision whether or not to obtain a Series 2026A Reserve Policy will be made at or about the time of the pricing. No assurance can be given as to whether a Series 2026 A Reserve Policy will be obtained. See "SECURITY AND SOURCE OF PAYMENT–Reserve Fund."

For a description of certain risk factors and other considerations involved in an investment in the Series 2026 Bonds, see "RISK FACTORS" and "DISCLAIMERS AND OTHER MISCELLANEOUS MATTERS".

FOR MATURITIES, AMOUNTS, RATES, PRICES, YIELDS, AND CUSIP NUMBERS, SEE INSIDE COVER.

The Offered Series 2026 Bonds are offered when, as and if issued, subject to approval of validity by Bond Counsel, Maynard Nexsen PC, Birmingham, Alabama. For a description of certain other legal matters that will be passed on by counsel in connection with the issuance of the Offered Series 2026 Bonds, see "LEGAL MATTERS". It is expected that the Offered Series 2026 Bonds in definitive form will be available for delivery through the facilities of The Depository Trust Company in New York, New York on or about _____.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

Wells Fargo Securities
Raymond James & Associates, Inc.
Piper Sandler & Co.

BofA Securities
Siebert Williams Shank
PNC Capital Markets LLC

Stifel Nicolaus & Company, Incorporated

The date of this Official Statement is _____.

* Preliminary; subject to change.

$625,145,000*
Alabama Toll Road, Bridge and Tunnel Authority
First Lien Toll Revenue Bonds, Series 2026A

MATURITIES, AMOUNTS, RATES, PRICES, YIELDS, AND CUSIP NUMBERS

Maturity (January 1)*	Principal Amount*	Interest Rate	Price	Yield**	CUSIP***
2045	$ 765,000				
2046	1,840,000				
2047	3,140,000				
2048	8,985,000				
2049	9,460,000				
2050	9,955,000				
2051	10,480,000				
2052	18,190,000				
2053	19,240,000				
2054	20,345,000				
2055	21,515,000				
2056	22,750,000				
2057	32,535,000				
2058	34,325,000				
2059	36,215,000				
2060	38,205,000				
2061	40,310,000				
2062	53,195,000				
2063	56,120,000				
2064	59,210,000				
2065	62,465,000				
2066	65,900,000				

$_____ ___% Term Bonds maturing on _____ 1, ____ (Price: _____/Yield: _____), CUSIP No._____

---

* Preliminary; subject to change.

** The yield on these Series 2026A Bonds was computed to the January 1, 20___ optional redemption date.

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$2,521,710,000*
Alabama Toll Road, Bridge and Tunnel Authority
Second Lien Toll Revenue Bond Anticipation Notes, Series 2026-1

MATURITIES, AMOUNTS, RATES, PRICES, YIELDS, AND CUSIP NUMBERS

Maturity (October 1)*	Principal Amount*	Interest Rate	Price	Yield	CUSIP**
2032	$2,521,710,000				

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* Preliminary; subject to change.

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$472,090,000*
Alabama Toll Road, Bridge and Tunnel Authority
Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026C

MATURITIES, AMOUNTS, RATES, PRICES, YIELDS, AND CUSIP NUMBERS

Maturity (January 1)*	Principal Amount*	Interest Rate	Price	Yield**	CUSIP***
2052	$ 1,270,000				
2053	14,740,000				
2054	16,910,000				
2055	19,160,000				
2056	21,545,000				
2057	23,260,000				
2058	26,290,000				
2059	29,480,000				
2060	32,810,000				
2061	36,330,000				
2062	37,940,000				
2063	42,995,000				
2064	49,455,000				
2065	56,335,000				
2066	63,570,000				

$_____ ___% Term Bonds maturing on _____ 1, ____ (Price: _____/Yield: _____), CUSIP No._____

---

* Preliminary; subject to change.

** The yield on these Series 2026C Bonds was computed to the January 1, 20___ optional redemption date.

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$91,105,000*
Alabama Toll Road, Bridge and Tunnel Authority
Taxable Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026D

MATURITIES, AMOUNTS, RATES, PRICES, YIELDS, AND CUSIP NUMBERS

Maturity (January 1)*	Principal Amount*	Interest Rate	Price	Yield	CUSIP**
2042	$ 2,570,000				
2043	3,845,000				
2044	5,135,000				
2045	6,455,000				
2046	7,655,000				
2047	8,730,000				
2048	9,600,000				
2049	10,720,000				
2050	11,900,000				
2051	13,160,000				
2052	11,335,000				

$_____ ___% Term Bonds maturing on _____ 1, ____ (Price: _____/Yield: _____), CUSIP No._____

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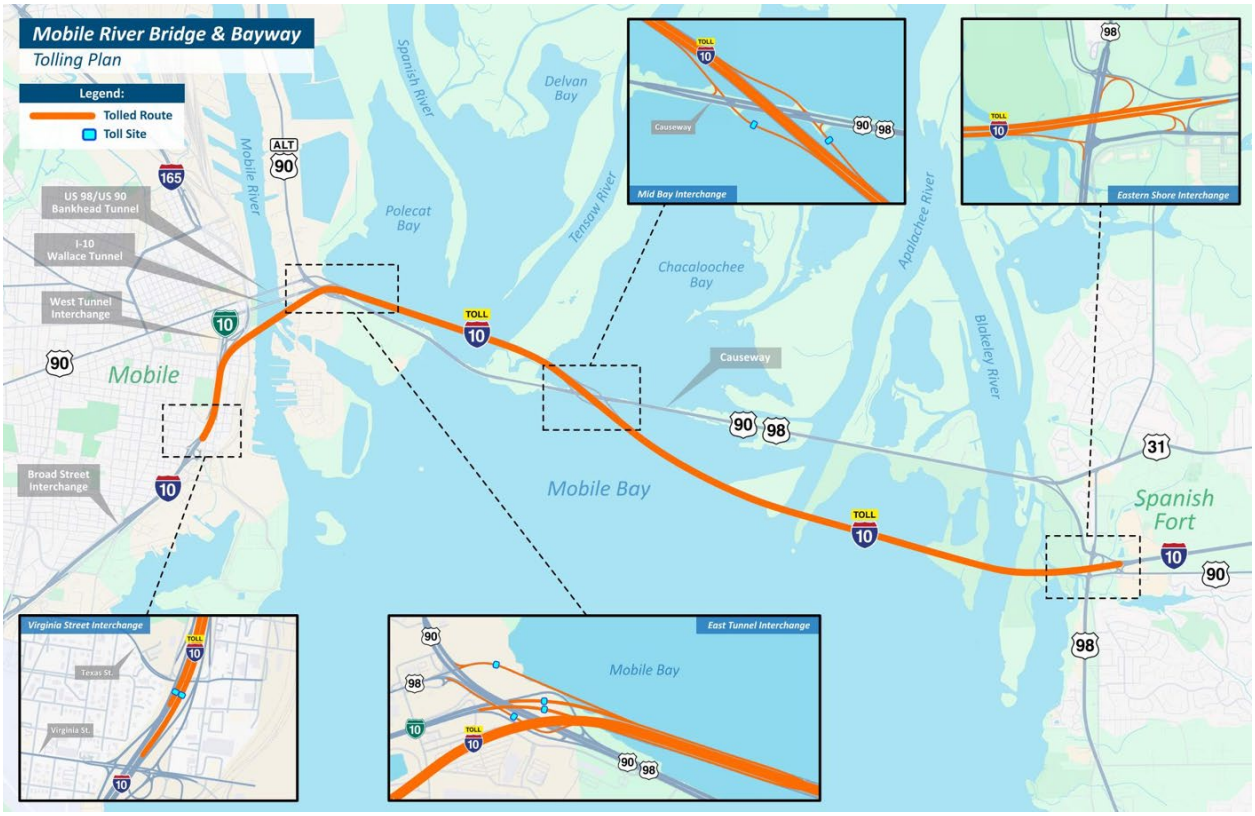
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Project Renderings and Maps






Mobile River Bridge & Bayway
Tolling Plan
Legend:
Tolled Route
Toll Site
US 98/US 90 Bankhead Tunnel
I-10 Wallace Tunnel
West Tunnel Interchange
Broad Street Interchange
Virginia Street Interchange
Texas St.
Virginia St.
Mid Bay Interchange
Causeway
Eastern Shore Interchange
East Tunnel Interchange
Mobile
Mobile River
Spanish River
Delvan Bay
Polecat Bay
Tensaw River
Chacaloochee Bay
Apalachee River
Blakeley River
Mobile Bay
Spanish Fort
TOLL
ALT
165
10
90
98
31

Alabama Toll Road, Bridge and Tunnel Authority

MEMBERS

Governor Kay Ivey, Chairman
Lieutenant Governor Will Ainsworth
John R. Cooper, Director of Department of Transportation
Bill Poole, Director of Finance, Secretary
Representative Nathaniel Ledbetter, Speaker of the House of Representatives
Representative Rex Reynolds, Chair of the House Ways and Means General Fund Committee
Senator Greg Albritton, Chair of the Senate Finance and Taxation General Fund Committee
Liz Filmore, State at Large
Brooks McClendon, State at Large

MUNICIPAL ADVISOR

PFM Financial Advisors LLC

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TRAFFIC AND REVENUE CONSULTANT

CDM Smith Inc.

CONSULTING ENGINEER

Michael Baker International, Inc.

UNDERWRITERS' COUNSEL

Nixon Peabody LLP

UNDERWRITERS

Wells Fargo Bank, N.A.

BofA Securities, Inc.

Raymond James & Associates, Inc.

Siebert Williams Shank & Co., LLC

Piper Sandler & Co.

PNC Capital Markets LLC

Stifel Nicolaus & Company, Incorporated

IMPORTANT INFORMATION ABOUT THIS OFFICIAL STATEMENT

The information set forth herein has been obtained from the Issuer, ALDOT, and other sources which are believed to be reliable. As to information and expressions of opinion from the Issuer, it is to be construed as a representation by or opinion of the Issuer and not a representation by or opinion of ALDOT. As to information and expressions of opinion from ALDOT, it is to be construed as a representation by or opinion of ALDOT and not a representation by or opinion of the Issuer. The information and expressions of opinion contained in this Official Statement are subject to change without notice, and neither the delivery of this Official Statement nor any sale hereunder shall under any circumstances create any implication that there has been no change in the information or opinions stated herein or in the affairs of the Issuer or ALDOT since the date hereof.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with and as part of their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

IN CONNECTION WITH THE OFFERING, THE UNDERWRITERS MAY EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE OFFERED SERIES 2026 BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITERS MAY ALSO COMMUNICATE INDEPENDENT INVESTMENT RECOMMENDATIONS, MARKET COLOR, OR TRADING IDEAS AND/OR PUBLISH OR EXPRESS INDEPENDENT RESEARCH VIEWS IN RESPECT OF THE OFFERED SERIES 2026 BONDS AND MAY AT ANY TIME HOLD OR RECOMMEND TO CLIENTS THAT THEY SHOULD ACQUIRE LONG AND/OR SHORT POSITIONS IN SUCH OFFERED SERIES 2026 BONDS.

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SUMMARY

The following information is a brief summary of the information contained in this Official Statement and is qualified in its entirety by reference to the more detailed information and descriptions appearing elsewhere in this Official Statement and should be read together therewith. The terms used in this Summary and not otherwise defined shall have the respective meanings assigned to them elsewhere in this Official Statement. The offering of the First Lien Toll Revenue Bonds, Series 2026A (the "Series 2026A Bonds"), Second Lien Toll Revenue Bond Anticipation Notes, Series 2026-1 (the "Series 2026-1 Notes"), Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026C (the "Series 2026C Bonds"), Taxable Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026D (the "Series 2026D Bonds" and together with the Series 2026A Bonds, the Series 2026-1 Notes, and the Series 2026C Bonds, the "Offered Series 2026 Bonds") is made only by means of the entire Official Statement, including the Appendices hereto. No person is authorized to make offers to sell, or solicit offers to buy, the Offered Series 2026 Bonds unless the entire Official Statement is delivered in connection therewith.

Issuer……... The Alabama Toll Road, Bridge and Tunnel Authority (the "Issuer") is a public corporation organized under the laws of the State of Alabama created in 1980 to facilitate vehicular traffic and safety in the State by providing for the construction of modern toll roads, bridges and tunnels in strategic and essential locations, without taxes and without a pledge of the faith and credit of the State. With the consent and approval of ALDOT, the Issuer is empowered to acquire and construct toll road, bridge, or tunnel projects, including the Project, at locations as the Issuer may determine to be desirable, practicable, and economically feasible and to maintain, repair, and operate such projects. The Enabling Law, (1) Section 23-1-40 of the Code of Alabama 1975, (2) Article 5 of Chapter 2 of Title 23 (Section 23-2-140 et seq.) of the Code of Alabama 1975, and (3) Article 6 of Chapter 2 of Title 23 (Section 23-2-165 et seq.) of the Code of Alabama 1975, authorizes the Issuer to issue toll road, bridge, or tunnel revenue bonds for any of its corporate purposes, payable solely from its tolls, other revenues, and proceeds of such bonds. See "THE ISSUER AND ALDOT" herein.

ALDOT……... The Alabama Department of Transportation ("ALDOT") is a state agency of the State of Alabama with the primary responsibility of statewide transportation through all modes of travel. Section 23-2-144 of the Enabling Law provides that "[ALDOT] shall be primarily responsible for administration and management of the planning, construction, and operation of [the Project]." In accordance with such provision, resolutions of the Issuer delegating management and oversight of the Project to ALDOT and the provisions of the Lease Agreement, the Project will be primarily managed by ALDOT, and the executive leadership of ALDOT is, and has been since inception, heavily involved in the Project.

Description of the Offered Series 2026 Bonds……. The Offered Series 2026 Bonds are being issued by the Issuer in the aggregate principal amount of $3,710,050,000* pursuant to a Trust Indenture between the Issuer and the Computershare Trust Company, N.A., as trustee (the "Trustee"), dated September 1, 2026, and various supplemental indentures thereto (as supplemented, the "Indenture"). The Series 2026A Bonds are being issued in a principal amount of $625,145,000*. The Series 2026-1 Notes are being issued in a principal amount of $2,521,710,000* and will mature on October 1, 2032.* The Series 2026C Bonds are being issued in a principal amount of $472,090,000*. The Series 2026D Bonds are being issued in a principal amount of $91,105,000*. The Offered Series 2026 Bonds will mature on the dates as shown on the inside cover pages. The Offered Series 2026 Bonds will be issued in Authorized Denominations of $5,000 or any multiple thereof.

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* Preliminary, subject to change.

Lease Agreement…….	The Issuer is leasing the Project to the Alabama Department of Transportation ("ALDOT") pursuant to an Amended and Restated Lease Agreement dated September 1, 2026 (the "Lease Agreement"). Under the Lease Agreement, ALDOT will be obligated (a) if Issuer revenues are otherwise insufficient, to make certain lease payments to the Issuer in an amount necessary for the Issuer to pay debt service on the Series 2026C Bonds and the Series 2026D Bonds (as further defined herein, the "Basic Lease Payments"), (b) if Issuer revenues are otherwise insufficient, to make certain payments with respect to toll collection operation and maintenance expenses, and (c) to maintain and repair the Project after it has been placed in service. ALDOT's obligations to make Basic Lease Payments in support of the Third Lien Bonds pursuant to the Lease Agreement are payable solely from all legally available ALDOT revenues, except for revenues appropriated to ALDOT pursuant to the Rebuild Alabama Act, Alabama Act No. Act 2019-2 (the "MRB Designated Revenues"). The MRB Designated Revenues are NOT pledged by ALDOT pursuant to the Lease Agreement. See "SECURITY AND SOURCE OF PAYMENT".
TIFIA Loan Agreement……..….	As a condition to the issuance of the Offered Series 2026 Bonds, the Issuer will enter into a loan agreement (the "TIFIA Loan Agreement") with the U.S. Department of Transportation, an agency of the United States of America, acting by and through the Executive Director of the Build America Bureau (the "TIFIA Lender"), pursuant to which the TIFIA Lender will make a loan to the Issuer, in an amount not to exceed $2,522,502,000* (the "TIFIA Loan"). In connection with the TIFIA Loan, the Issuer will issue its Second Lien Toll Revenue Bond, Series 2026B (the "Series 2026B Bond" and together with the Offered Series 2026 Bonds, the "Series 2026 Bonds") pursuant to the Indenture and a pledge and assignment of the Trust Estate on parity with the Series 2026-1 Notes. The principal amount of the Series 2026B Bonds will be the same as the principal amount of the TIFIA Loan. The proceeds of the TIFIA Loan must be drawn no later than one year after substantial completion of the Project, and such proceeds are expected to be available to pay the Series 2026-1 Notes on their maturity date. See "PLAN OF FINANCING" and "TIFIA LOAN AGREEMENT" herein.
Relationship Between Indenture, Lease Agreement, and TIFIA Loan Agreement ……..……	See "RELATIONSHIP BETWEEN INDENTURE, LEASE AGREEMENT, AND TIFIA LOAN AGREEMENT" for a description of how, in the event of any inconsistency between the provisions of the TIFIA Loan Agreement, on the one hand, and the provisions of the Indenture and the Lease Agreement, on the other hand, the TIFIA Loan Agreement will prevail.

Optional Redemption…….....	Series 2026A Bonds maturing on January 1, 2038,* or thereafter, or any smaller principal amount of such Series 2026A Bonds that is a multiple of the smallest authorized denomination, may be redeemed at the option of the Issuer on January 1, 2037,* or any date thereafter at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest to the redemption date. Series 2026-1 Notes shall not be subject to optional redemption. Series 2026C Bonds maturing on January 1, 2038,* or thereafter, or any smaller principal amount of such Series 2026C Bonds that is a multiple of the smallest authorized denomination, may be redeemed at the option of the Issuer on January 1, 2037,* or any date thereafter at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest to the redemption date. The Series 2026D Bonds may be redeemed at the option of the Issuer on any date prior to January 1, 2037,* at a redemption price equal to the Make-Whole Redemption Price. Series 2026D Bonds maturing on January 1, 2038,* or thereafter, or any smaller principal amount of such Series 2026D Bonds that is a multiple of the smallest authorized denomination, may be redeemed at the option of the Issuer on January 1, 2037* or any date thereafter at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest to the redemption date. See "DESCRIPTION OF THE OFFERED SERIES 2026 BONDS – Redemption Prior to Maturity" herein.
Limited Obligations……	The Series 2026 Bonds will be limited obligations of the Issuer payable solely from, and secured by a pledge and assignment of, the Trust Estate, subject to the priority of payment set forth in the Indenture, which consists of: (i) Project Revenues, (ii) Indenture Funds, (iii) the Basic Lease Payments (but only with respect to the Series 2026C Bonds and the Series 2026D Bonds) and the Issuer's right, title and interest in the Lease Agreement, except for certain reserved rights, and (iv) other property that may be added to the Trust Estate in the future, each as more fully described herein.
The Project……	The Mobile River Bridge and Bayway Project is a portion of Interstate 10 in Mobile and Baldwin Counties, Alabama. The project includes a new six-lane cable-stay bridge with 215 feet of air draft clearance over the Mobile River, improvements west of the river to the Broad Street interchange, and a portion of new Bayway that will connect to the existing Bayway Bridges. From this connection point to the Eastern Shore Interchange, the existing Bayway Bridges will be restriped for 3 lanes of traffic. See "THE MOBILE RIVER BRIDGE AND BAYWAY PROJECT" herein.

* Preliminary, subject to change.

Plan of Financing...……... The Series 2026A Bonds are being issued for the purpose of financing all or a portion of (i) the development, acquisition, design, construction, improvement, installation and equipping of the Project, (ii) funding reserves for the Series 2026A Bonds, (iii) capitalized interest on the Series 2026A Bonds and (iv) the costs of issuing the Series 2026A Bonds.

The Series 2026B Bond is being issued for the purpose of financing all or a portion of the development, acquisition, design, construction, improvement, installation and equipping of the Project (subject to requirements of the TIFIA Loan Agreement). The Series 2026B Bond evidences the obligations of the Issuer pursuant to the TIFIA Loan, which the Issuer expects will remain undrawn until after the project achieves substantial completion, at which point the proceeds of the TIFIA Loan disbursement will be used to refund the Series 2026-1 Notes (subject to requirements of the TIFIA Loan Agreement).

The Series 2026-1 Notes are being issued for the purpose of financing all or a portion of (i) the development, acquisition, design, construction, improvement, installation and equipping of the Project, (ii) capitalized interest on the Series 2026-1 Notes and (iii) the costs of issuing the Series 2026-1 Notes.

The Series 2026C Bonds are being issued for the purpose of financing all or a portion of (i) the development, acquisition, design, construction, improvement, installation and equipping of the Project, (ii) capitalized interest on the Series 2026C Bonds and/or (iii) the costs of issuing the Series 2026B Bond and the Series 2026C Bonds.

The Series 2026D Bonds are being issued for the purpose of financing all or a portion of (i) the debt service reserve fund for the Series 2026B Bond, (ii) capitalized interest on the Series 2026D Bonds, (iii) the initial deposit to the Toll Collection Operating Reserve Fund and/or (iv) the costs of issuing the Series 2026B Bond and the Series 2026D Bonds.

Construction of the Project… The Project will be constructed by Kiewit Massman Traylor, a joint venture (the "Design-Builder") made up of Kiewit Infrastructure South Co. (together with its affiliates, "Kiewit"), Massman Construction Co. ("Massman") and Traylor Bros., Inc. ("Traylor"). The Issuer and the Design-Builder have entered into a Design-Build Agreement with respect to the Project, under which the Design-Builder has agreed to design and construct the project under a guaranteed maximum ("GMP") contract. On the sale date of the Offered Bonds, the Issuer will enter into an Amendment/NTP for Construction with respect to the DBA, which will establish a Substantial Completion Deadline of October 1, 2031 and maximum Compensation Cap under the DBA of $3.2 billion, $311,408,959 of which is for Preconstruction Phase Compensation (which will be fully earned as of the execution of the Amendment/NTP for Construction) and $2,888,591,040 of which is the GMP for the Construction Phase.

Operation and Maintenance of the Project……

Upon completion of the Project, ALDOT will, at its own expense, (a) maintain the Project in serviceable condition, repair and working order, (b) make all necessary repairs, renewals, replacements and improvements to the Project, and (c) pay all gas, electric, water, sewer and other charges for the operation, use and upkeep of the Project. See "SECURITY AND SOURCE OF PAYMENT – Maintenance and Other Operating Expenses."

To the extent any of the expenses of (a), (b) and (c) above constitute Toll Collection O&M Payments or Toll Collection Renewal and Replacement Payments, ALDOT must make such payments to the Trustee and applied to the Toll Collection O&M Fund or the Toll Collection Renewal and Replacement Fund, as applicable.

Tolling of the Project……

The Issuer expects to utilize an all-electronic tolling ("AET") system for the Project where vehicles are detected while traveling at highway speeds, without having to stop and pay cash tolls. Eight toll gantries for the Project will be located at or between interchanges to ensure that all users of the Project pay a toll. Customers may elect to pay tolls using an ALGOpass prepaid transponder-based account, which results in rates averaging approximately 50% below interoperable transponder rates and approximately 75% below video rates across the vehicle classes shown in the initial toll schedule, with actual discounts varying by vehicle classification and axle count. The Issuer will also offer an ALGOpass monthly flat fee plan, offering unlimited trips at the cost of 20 regular trips at the 2031 opening year rate ($60) for 2-axle low vehicles (nothing in tow) equipped with an ALGOpass transponder. The Issuer and ALDOT are also in the process of developing requests for proposals for the procurement of Roadside Toll Collection System (RTCS), Commercial Back Office System (CBOS), Operation Services/Customer Service Center (CSC), and Delinquent Back Office System (DBOS).

Toll Policy……..

By a resolution adopted August 27, 2026, the Issuer has established, and ALDOT has agreed to a Toll Policy setting forth an initial toll rate schedule and process for future adjustments. Under the policy the tolls set forth in the schedule shall be automatically adjusted annually on January 1 of each year, beginning in 2032 by the greater of: (i) for the first ten (10) years, 5.00%, and for each year after that, 2.50% (the "Base Increase Percentage") and (ii) the annual increase to the Consumer Price Index for All Urban Consumers (CPI-U) for the South region for the 12 months ending in June of the prior year (the "CPI Percentage"). The ALGOpass monthly flat fee plan will not be subject to automatic increase for the first ten (10) years after, and in 2042 will increase to $80.14 and then will be subject to the same annual automatic increase as other toll rates as set forth above.

While the TIFIA Loan is outstanding, the Issuer may not amend the Toll Policy without prior consent of the TIFIA Lender if such amendment (i) reduces the toll rates, or limits or postpones the increase of, or could reasonably be expected to result in a reduction, limit or postponement of the increase of, the toll rates or (ii) could reasonably be expected to result in a Material Adverse Effect (as defined in the TIFIA Loan Agreement).

Additional Bonds……... The Indenture permits the issuance of Additional Bonds (as defined in the Indenture) payable out of, and secured by a pledge of, the Trust Estate on a parity with the applicable First Lien Bonds, Second Lien Bonds or Third Lien Bonds, subject to satisfaction of the requirements applicable to the relevant lien level. While the TIFIA Loan is outstanding, the requirements of the TIFIA Loan Agreement and the requirements of the Indenture with respect to the issuance of Additional Bonds must be met. These requirements are more particularly described in "SECURITY AND SOURCE OF PAYMENT-Issuance of Additional Bonds."

Rate Covenant……. Pursuant to both the TIFIA Loan Agreement and the Indenture, the Issuer has covenanted to maintain toll rates at a certain level. While the TIFIA Loan Agreement is outstanding, the rate covenant will be calculated pursuant to the Rate Coverage Test set forth therein. Failure to meet the rate covenant in any given year is not in and of itself an event of default under either the TIFIA Loan Agreement or the Indenture, so long as the Issuer takes steps to engage a Traffic Consultant and adopts the recommendations of the Traffic Consultant with respect to toll rates. See "SECURITY AND SOURCE OF PAYMENT – Rate Covenant" herein.

Risk Factors……..... The Offered Series 2026 Bonds may not be suitable for all investors. Prospective purchasers of the Offered Series 2026 Bonds should read this entire Official Statement and give careful consideration to certain risk factors including those impacting the availability of the Project Revenues and the utilization, operation and maintenance of the Mobile River Bridge and Bayway, the completion of the Project, weather and other force majeure risks, and also including those affecting the Series 2026-1 Notes, such as disbursement of proceeds under the TIFIA Loan Agreement, the availability to the Issuer of temporary or permanent alternative refinancing options in the event the aggregate amount of proceeds received under the TIFIA Loan Agreement is not sufficient to pay off the Series 2026-1 Notes in full at maturity. See "RISK FACTORS."

Book-Entry Only System….. The Offered Series 2026 Bonds will be issued as fully registered bonds or notes, as applicable, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), to which payments of principal and interest will be made. Purchasers will acquire beneficial interests in the Offered Series 2026 Bonds in book-entry form only. DTC will remit such payments to its participants, who will be responsible for remittance to the beneficial owners. See "DESCRIPTION OF THE OFFERED SERIES 2026 BONDS - Book-Entry Only System" and Appendix H – "BOOK-ENTRY ONLY SYSTEM".

Tax Status……... In the opinion of Maynard Nexsen PC, Bond Counsel, under existing law, interest on the Offered Series 2026 Bonds (except the Series 2026D Bonds) (i) will be excludable from gross income for federal income tax purposes if each of the Issuer and ALDOT complies with all requirements of the Internal Revenue Code that must be satisfied subsequent to the issuance of the Offered Series 2026 Bonds (except the Series 2026D Bonds) in order that interest thereon be and remain excludable from gross income, and (ii) will not be an item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that, under existing law, interest on all Offered Series 2026 Bonds (including the Series 2026D Bonds) will be exempt from State of Alabama income taxation. See "TAX MATTERS" herein for further information and certain other tax consequences arising with respect to the Offered Series 2026 Bonds and Appendix I – "PROPOSED FORM OF BOND OPINIONS" for the forms of approving opinions of Bond Counsel.

General……... This Official Statement speaks only of its date and the information contained herein is subject to change. All summaries of documents and agreements in this Official Statement are qualified in their entirety by reference to such documents and agreements, copies of which are attached as appendices hereto.

Further Information…….. For further information during the initial offering period with respect to the Series 2026 Bonds, contact the Director of Finance, State of Alabama, State Capitol Complex, N-200, 600 Dexter Avenue, Montgomery, Alabama 36130 (telephone: (334) 242-7160).

OFFICIAL STATEMENT

Regarding

ALABAMA TOLL ROAD, BRIDGE AND TUNNEL AUTHORITY

$625,145,000* First Lien Toll Revenue Bonds Series 2026A	$2,521,710,000* Second Lien Toll Revenue Bond Anticipation Notes Series 2026-1	$472,090,000* Enhanced Third Lien Toll and Project Revenue Bonds Series 2026C	$91,105,000* Taxable Enhanced Third Lien Toll and Project Revenue Bonds Series 2026D

INTRODUCTION

General

This Official Statement is furnished in connection with the issuance of the $625,145,000* First Lien Toll Revenue Bonds, Series 2026A (the "Series 2026A Bonds"), $2,521,710,000* Second Lien Toll Revenue Bond Anticipation Notes, Series 2026-1 (the "Series 2026-1 Notes"), $472,090,000* Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026C (the "Series 2026C Bonds") and $91,105,000* Taxable Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026D (the "Series 2026D Bonds" and together with the Series 2026A Bonds, the Series 2026-1 Notes and the Series 2026C Bonds, the "Offered Series 2026 Bonds") by the Alabama Toll Road, Bridge and Tunnel Authority (the "Issuer").

The Issuer is a public corporation organized under the laws of the State of Alabama. The Issuer will construct and own the I-10 Mobile River Bridge and Bayway (as more specifically described herein, the "Project") in Mobile and Baldwin Counties, Alabama, including the cities of Mobile, Daphne and Spanish Fort, Alabama. The Series 2026 Bonds will be issued pursuant to a Trust Indenture September 1, 2026 and various supplemental agreements thereto (as supplemented, the "Indenture"), by and between the Issuer and Computershare Trust Company, N.A., as trustee (the "Trustee").

Pursuant to an Amended and Restated Lease Agreement dated September 1, 2026 (the "Lease Agreement"), by and between the Issuer and the Alabama Department of Transportation ("ALDOT"), ALDOT will be obligated (a) if Issuer revenues are otherwise insufficient, to make certain lease payments to the Issuer in an amount necessary for the Issuer to pay debt service on the Series 2026C Bonds and the Series 2026D Bonds (as further defined herein, the "Basic Lease Payments"), (b) if Issuer revenues are otherwise insufficient, to make certain payments with respect to toll collection operation and maintenance expenses, and (c) to maintain and repair the Project after it has been placed in service.

As a condition to the issuance of the Offered Series 2026 Bonds, the Issuer will enter into a loan agreement (the "TIFIA Loan Agreement" or "TLA") with the U.S. Department of Transportation, an agency of the United States of America, acting by and through the Executive Director of the Build America Bureau (the "TIFIA Lender"), pursuant to which the TIFIA Lender will make a loan to the Issuer, in an amount not to exceed $2,522,502,000* (the "TIFIA Loan"). In connection with the TIFIA Loan, the Issuer will issue its Second Lien Toll Revenue Bond, Series 2026B (the "Series 2026B Bond" and together with the Offered 2026 Bonds, the "Series 2026 Bonds") pursuant to the Indenture and a pledge and assignment of the Trust Estate on parity with the Series 2026-1 Notes. The principal amount of the Series 2026B Bonds will be the same as the principal amount of the TIFIA Loan. The proceeds of the TIFIA Loan must be drawn no later than one year after substantial completion of the Project, and such proceeds are expected to be used to pay the Series 2026-1 Notes on their maturity date. The maturity for the Series 2026-1 Notes is October 1, 2032,* approximately 12 months after anticipated substantial completion and 1 month before the TIFIA Long Stop Date (October 31, 2032). See "PLAN OF FINANCING" herein.

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* Preliminary, subject to change.

The Series 2026 Bonds will be limited obligations of the Issuer payable solely out of, and secured by a pledge and assignment of, the Trust Estate, subject to the priority of payment set forth in the Indenture, which consists of: (i) Project Revenues, (ii) Indenture Funds, (iii) the Basic Lease Payments (but only with respect to the Series 2026C Bonds and the Series 2026D Bonds) and the Issuer's right, title and interest in the Lease Agreement, except for certain reserved rights, and (iv) other property that may be added to the Trust Estate in the future.

THE SERIES 2026 BONDS DO NOT CONSTITUTE GENERAL OBLIGATIONS OF THE ISSUER NOR WILL THE SERIES 2026 BONDS CONSTITUTE A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE STATE OF ALABAMA, ALDOT OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE OF ALABAMA. NEITHER THE ISSUER NOR ALDOT HAS TAXING POWER.

The pledge of the Trust Estate in favor of the First Lien Bonds (as defined below) will be senior to the pledge thereof for the benefit of the Second Lien Obligations (as defined below) and the Third Lien Bonds (as defined below). The pledge of the Trust Estate in favor of the Second Lien Obligations will be senior to the pledge thereof for the benefit of the Third Lien Bonds. The TIFIA Loan contains a "springing lien", which provides that in the event of a Bankruptcy Related Event (as defined below) with respect to the Issuer, the TIFIA Loan (and therefore the Series 2026B Bond, but NOT the Series 2026-1 Notes) will not be subordinated, and will become First Lien Bonds on parity with the First Lien Bonds. The Indenture provides for the issuance of additional bonds secured on a parity with each of the First Lien Bonds, the Second Lien Obligations and the Third Lien Bonds.

ALDOT's obligations to make Basic Lease Payments in support of the Third Lien Bonds pursuant to the Lease Agreement are payable solely from all legally available ALDOT revenues, except for revenues appropriated to ALDOT pursuant to the Rebuild Alabama Act, Alabama Act No. Act 2019-2 (the "MRB Designated Revenues"). The MRB Designated Revenues are NOT pledged by ALDOT pursuant to the Lease Agreement. See " SECURITY AND SOURCE OF PAYMENT".

For information regarding the tax treatment of the Series 2026 Bonds, see "TAX MATTERS".

The Series 2026 Bonds are being issued for the combined purpose of financing all or a portion of (i) the development, acquisition, design, construction, improvement, installation and equipping of the I-10 Mobile River Bridge and Bayway, (ii) with respect to the Series 2026A Bonds, funding reserves for the Series 2026A Bonds, (iii) with respect to the Offered Series 2026 Bonds, capitalized interest on the Offered Series 2026 Bonds, (iv) with respect to the Offered Series 2026 Bonds, the costs of issuing the Offered Series 2026 Bonds, (v) with respect to the Series 2026C Bonds or the Series 2026D Bonds, the costs of issuing the Series 2026B Bond, and (vi) with respect to the Series 2026D Bonds, funding the debt service reserve fund for the Series 2026B Bond and the initial deposit to the Toll Collection Operating Reserve Fund. See "THE PLAN OF FINANCING".

The Offered Series 2026 Bonds are subject to redemption at the times and under the circumstances set forth herein. See "DESCRIPTION OF THE OFFERED SERIES 2026 BONDS - Redemption Prior to Maturity". The Offered Series 2026 Bonds are being offered in the denomination of $5,000 or any multiple thereof and may be transferred and exchanged subject to certain terms and conditions set forth herein. See "DESCRIPTION OF THE OFFERED SERIES 2026 BONDS".

For a description of certain risk factors and other considerations involved in an investment in the Series 2026 Bonds, see "RISK FACTORS" and "DISCLAIMERS AND OTHER MISCELLANEOUS MATTERS".

The Issuer and ALDOT have each agreed to provide certain continuing disclosure pursuant to Rule 15c2-12 of the Securities and Exchange Commission. See "CONTINUING DISCLOSURE".

This Official Statement speaks only as of its date, and the information contained herein is subject to change. This introduction contains certain information for quick reference only. It is <u>not</u> a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

Changes to the Preliminary Official Statement

This Preliminary Official Statement and the information herein are subject to change, completion, and amendment. A final, definitive Official Statement will be made available prior to the delivery of the Offered Series 2026 Bonds.

For purposes of this Preliminary Official Statement, selling compensation, delivery dates, and certain other information dependent on pricing of the Offered Series 2026 Bonds have been omitted. Further, for purposes of this Preliminary Official Statement, offering prices, interest rates, aggregate principal amount, principal amount per maturity, and certain other information dependent on pricing of the Offered Series 2026 Bonds have been estimated. Actual information dependent on pricing will be established after pricing of the Offered Series 2026 Bonds and will be reflected in the final Official Statement. Such actual information will vary from the estimates.

Investors should check under the heading "INTRODUCTION–Changes to the Preliminary Official Statement" in the final Official Statement for guidance regarding information dependent on pricing of the Offered Series 2026 Bonds and for guidance regarding other information that is changed between the date of this Preliminary Official Statement and the date of the final Official Statement.

GLOSSARY OF TERMS USED IN OFFICIAL STATEMENT

The following capitalized terms used in this Official Statement have the following meanings. Capitalized terms used but not defined herein shall have the meaning assigned them in the Form of Indenture attached hereto in Appendix B. If not defined herein or in the Form of Indenture attached hereto, capitalized terms used but not defined herein shall have the meaning assigned them in the Summary of the TIFIA Loan Agreement attached hereto as Appendix D.

"**ALDOT**" means State of Alabama, acting by and through the Alabama Department of Transportation, until a successor shall have become such pursuant to the applicable provisions of the Lease Agreement, and thereafter "ALDOT" shall mean such successor.

"**ALDOT Equalization Amount**" means an amount equal to all Lease Payments and any other payments made by ALDOT pursuant to the Lease Agreement or in connection with the Project, to the extent permitted by applicable law.

"**Authorized Denominations**" with respect to the Offered Series 2026 Bonds means denominations of $5,000 or any multiple thereof.

"**Bankruptcy Related Event**" has the meaning set forth in Appendix D – "SUMMARY OF TIFIA LOAN AGREEMENT".

"**Basic Lease Payments**" has the meaning stated in Article 4 of the Form of Lease Agreement attached hereto in Appendix C.

"**Bayway Project**" means the design and construction of approximately 4,500 feet of new Bayway bridge to tie-in to the Bayway approach (east high level approach) bridge and the existing Bayway bridges; design and construction of the restriping of the existing Bayway to three lanes, including drainage, design, and construction of I-10 widening from the east end of the existing Bayway bridges to the eastern end of Project; design and construction of a channelization island at the northern end of the Eastern Shore interchange; design and construction of toll gantries and other infrastructure to support ITS and roadside tolling systems (designed and constructed by others) at the east tunnel interchange ramps and Midbay ramps; oversight of dry utility relocations, including utilities at the US 90/98 roadway and bridge replacement over I-10 at the Eastern Shore interchange (designed and constructed by others); and design and construction of a wetland/submerged aquatic vegetation mitigation site; and final geotechnical subsurface data reports, boring logs, and final load test reports for the extent of the existing Bayway.

"**Bond Documents**" means the Bonds, the Indenture, the Fiscal Agent Agreement, the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Lease Agreement, the TIFIA Loan Agreement, and any Supplemental Indenture or supplemental lease agreement entered into by the Issuer and/or ALDOT in connection with the issuance of Additional Bonds.

"**Bonds**" means the Series 2026 Bonds and all Additional Bonds issued pursuant to the Indenture.

"**Bond Year**" means the period commencing on January 1 of any calendar year and ending on December 31 of such calendar year.

"**Bridge and Bayway Facilities**" or "**Project**" means the Mobile River Bridge Project and the Bayway Project. The Issuer may cause changes or amendments to be made in the description of the Bridge and Bayway Facilities and may add items to, or delete items from, the list of Bridge and Bayway Facilities, provided that (1) the Issuer delivers to the Trustee a resolution adopted by the Issuer's governing body specifying such changes, amendments, additions or deletions, (2) while the TIFIA Loan is outstanding, the Issuer delivers to the Trustee evidence of consent from the TIFIA Lender to such changes, amendments, additions or deletions, (3) the Issuer delivers to the Trustee a certificate to the effect that such action will not change the nature of the Bridge and Bayway Facilities to the extent that they would not qualify for financing under the Enabling Law, and (4) the Issuer delivers to the Trustee a Favorable Tax Opinion.

"**Capitalized Interest Period**" means the period beginning on the date of issuance of the Offered Series 2026 Bonds through and including (a) for the Series 2026A Bonds, October 1, 2032, (b) for the Series 2026-1 Notes, at final maturity, (c) for the Series 2026C Bonds, April 1, 2032, and (d) for the Series 2026D Bonds, April 1, 2032.

"**Continuing Disclosure Agreements**" means any Continuing Disclosure Agreements entered into by the Issuer and ALDOT in connection with the issuance of any series of Bonds.

"**Debt**" means (a) all indebtedness, whether or not represented by bonds, notes or other securities, for the repayment of borrowed money and (b) all capitalized leases, installment sale agreements and other similar obligations for the payment of the purchase price of property or assets purchased. For purposes of this Indenture, hedge agreements (including interest rate swaps, collars, or other similar agreements) shall not be considered "Debt". For the avoidance of doubt, "Debt" does not include trade accounts payable arising, and accrued expenses incurred, in the ordinary course of business.

"**Design-Build Agreement**" or "**DBA**" means that certain Third Amended and Restated Design-Build Agreement, dated May 8, 2026, by and between the Issuer and Kiewit Massman Traylor, a Joint Venture, as amended and supplemented.

"**Discretionary Contribution**" means a contribution made pursuant to Section 4.5 of the Lease Agreement.

"**Enabling Law**" means, collectively, (1) Section 23-1-40 of the Code of Alabama 1975, (2) Article 5 of Chapter 2 of Title 23 (Section 23-2-140 et seq.) of the Code of Alabama 1975, and (3) Article 6 of Chapter 2 of Title 23 (Section 23-2-165 et seq.) of the Code of Alabama 1975.

"**Federal Securities**" means noncallable, nonprepayable, direct obligations of, or obligations the full and timely payment of which is guaranteed by, the United States of America, excluding unit investment trusts and mutual funds.

"**Fifth Supplemental Indenture**" means that certain Fifth Supplemental Indenture dated September 1, 2026, by and between the Issuer and Trustee pursuant to which the Series 2026D Bonds are issued.

"**First Lien Bond**" or "**First Lien Bonds**" means the Series 2026A Bonds and any Additional First Lien Bonds, and, solely upon the occurrence of a Bankruptcy Related Event with respect to the Issuer, the Series 2026B Bond.

"**First Supplemental Indenture**" means that certain First Supplemental Indenture dated September 1, 2026, by and between the Issuer and Trustee pursuant to which the Series 2026A Bonds are issued.

"**Fiscal Agent Agreement**" means that certain Fiscal Agent Agreement dated of even date with the Indenture, by and among the Issuer, the State Treasurer and the Trustee.

"**Fourth Supplemental Indenture**" means that certain Fourth Supplemental Indenture dated September 1, 2026, by and between the Issuer and Trustee pursuant to which the Series 2026-1 Notes are issued.

"Ground Lease" means that certain Ground Lease, effective June 26, 2024 (the "Ground Lease"), pursuant to which the Issuer has leased from ALDOT certain right of way and existing facilities for Interstate 10, as described more particularly therein.

"**Highest Priority Obligations**" means, as of any date, First Lien Bonds, unless and until there are no First Lien Bonds Outstanding hereunder, in which case it shall mean Second Lien Bonds, unless and until there are no Second Lien Bonds Outstanding hereunder, in which case it shall mean Third Lien Bonds; provided, however, that, for so long as there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), "Highest Priority Obligations" shall in all circumstances also include the Outstanding Bonds under the TIFIA Loan Agreement(s) (including the Series 2026B Bond).

"**Indenture**" means the Trust Indenture dated September 1, 2026, pursuant to which the Series 2026 Bonds are being issued.

"**Indenture Funds**" means any funds or accounts established pursuant to the Indenture, including the accounts and subaccounts therein.

"**Insolvency Laws**" means the United States Bankruptcy Code, 11 U.S.C. § 101 et seq., as from time to time amended and in effect, and any state bankruptcy, insolvency, receivership, conservatorship or similar law now or hereafter in effect.

"**Internal Revenue Code**" means whichever of the following shall be applicable in the context: the Internal Revenue Code of 1986, as amended, the Internal Revenue Code of 1954, as amended, and the transition rules of related legislation.

"**Issuer**" or "**Authority**" means the Alabama Toll Road, Bridge and Tunnel Authority, a public corporation under the laws of the State of Alabama.

"**Lease Agreement**" means that certain Amended and Restated Lease Agreement dated September 1, 2026, between the Issuer and ALDOT.

"**Make-Whole Redemption Price**" means the price equal to the greater of: (a) the issue price (but not less than 100%) of the principal amount of the Series 2026D Bonds to be redeemed; or (b) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of such Series 2026D Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Series 2026D Bonds are to be redeemed, discounted to the date on which such Series 2026D Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate plus ___ basis points; plus, in each case, accrued interest to the redemption date.

"**Mobile River Bridge Project**" means the design and construction of a new six-lane I-10 cable-stayed bridge over the Mobile River, including aesthetic lighting, the bulkhead at the West Pylon, and the fender system at the East Pylon; design and construction of the west high level approach bridge and approximately 3,450 feet of the Bayway approach (east high level approach) bridge; design and construction of the I-10 Virginia Street interchange, the I-10 Broad Street interchange, and the Texas Street interchange; I-10 pavement resurfacing from the bridge over Broad Street to the Tennessee Street bridge and from the bridges over Canal Street to the Wallace Tunnel western portal approaches; design and construction of new I-10 Business from the Tennessee Street bridge to the existing I-10 bridges over Canal Street, including the replacement of the I-10 bridges over Pillans Street, Virginia Street, and Texas Street; reopening of the I-10 Business eastbound loop ramp and restriping of the eastbound I-10 Business bridge at the West Tunnel Interchange; design and construction of pedestrian access at the west pylon of the Mobile River cable-stayed bridge; design and construction of wet utility relocations and oversight of dry utility relocations;

and design and construction of toll gantries at the west end of the west high level approach and other infrastructure to support the intelligent transportation system and a roadside tolling system (designed and constructed by others).

"**MRB Designated Revenues**" means all legally available ALDOT revenues, except for revenues appropriated to ALDOT pursuant to the Rebuild Alabama Act, Alabama Act No. Act 2019-2.

"**Offered Series 2026 Bonds**" means the Series 2026A Bonds, the Series 2026-1 Notes, the Series 2026C Bonds and the Series 2026D Bonds.

"**Phase II Project**" means (A) the design and construction of (i) the replacement of the existing I-10 Bayway Bridges with a new six-lane bridge constructed above the 100-year storm surge elevation, from the connection point constructed as part of the Project to the Eastern Shore, (ii) the West Tunnel Interchange, and (iii) improvements to the East Tunnel, Midbay and Eastern Shore Interchange ramps and (B) the demolition of the existing Bayway bridges.

"**Project Revenues**" means (a) Toll Revenues, (b) the proceeds of delay-in-startup insurance, business interruption insurance, or loss-of-advance-profits insurance payable to or received by the Issuer with respect to the Bridge and Bayway Facilities (whether by way of claims, return of premiums, ex gratia settlements or otherwise), (c) liquidated damages or other amounts related to delayed delivery of the Bridge and Bayway Facilities received pursuant to the Design-Build Agreement, and (d) all other receipts, revenues, income, proceeds and money received by the Issuer in respect of the Bridge and Bayway Facilities, including investment earnings on money in the Indenture Funds

"**Rate Stabilization Fund Minimum Balance Requirement**" means, (a) as of the first Calculation Date, an amount not less than $23,814,041,* (b) as of the second Calculation Date, an amount not less than $76,796,534,* and (c) as of the third Calculation Date and on each date of determination thereafter, an amount of not less than $100,000,000, which such amount shall be reduced to $20,000,000 if the Issuer is in compliance with all Restricted Payment Conditions as of the most recent testing date therefor; provided, however, that such amount shall not be reduced to $20,000,000 prior to the third Calculation Date.

"**Restricted Payment**" means the transfer of (a) any Cost Savings (as defined in the TIFIA Loan Agreement), except to the extent such amount is deposited into any Indenture Fund other than the Surplus Fund or the ALDOT Rebate Fund, and (b) any funds from the Revenue Fund or the Distribution Lock-Up Fund to the Surplus Fund or ALDOT Rebate Fund, other than transfers of amounts into the ALDOT Rebate Fund that are applied to reimburse ALDOT for Basic Lease Payments, Additional Lease Payments, payments of Toll Collection Operating and Maintenance Expenses or payments of Toll Collection Renewal and Replacement Expenses.

"**Second Lien Bond**" or "**Second Lien Bonds**" means the Series 2026B Bond (for so long as no Bankruptcy Related Event with respect to the Issuer has occurred), the Series 2026-1 Notes and any Additional Second Lien Bonds.

"**Second Supplemental Indenture**" means that certain Second Supplemental Indenture dated September 1, 2026, by and between the Issuer and Trustee pursuant to which the Series 2026B Bond is issued.

"**Series 2026 Bonds**" means the Offered Series 2026 Bonds and the Series 2026B Bond.

"**Series 2026A Bonds**" means the Issuer's $625,145,000* First Lien Toll Revenue Bonds, Series 2026A, which are being offered by this Official Statement.

"**Series 2026A Reserve Fund Requirement**" shall mean $_____ for the Series 2026A Bonds; provided, however, that the Issuer may reduce the Reserve Fund Requirement for the Series 2026A Bonds to the maximum amount that, according to an Opinion of Counsel delivered to the Trustee, may be invested without yield restriction under law applicable to tax-exempt obligations. The Series 2026A Reserve Fund Requirement may be fulfilled with bond proceeds or with a Qualified Surety Bond.

* Preliminary; subject to change.

"**Series 2026B Bond**" means the Issuer's not-to-exceed $2,522,502,000* Second Lien Toll Revenue Bond, Series 2026B, which secures the Issuer's obligations under the TIFIA Loan.

"**Series 2026C Bonds**" means the Issuer's $472,090,000* Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026C, which are being offered by this Official Statement.

"**Series 2026D Bonds**" means the Issuer's $91,105,000* Taxable Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026D, which are being offered by this Official Statement.

"**Series 2026-1 Notes**" means the Issuer's $2,521,710,000* Second Lien Toll Revenue Bond Anticipation Notes, Series 2026-1, which are being offered by this Official Statement.

"**State**" means the State of Alabama.

"**State Treasurer**" means the Treasurer of the State of Alabama.

"**Tax Certificate and Agreement**" means that certain Tax Certificate and Agreement entered into by the Issuer and ALDOT in connection with the issuance of the Series 2026 Bonds.

"**Third Lien Bond**" or "**Third Lien Bonds**" means the Series 2026C Bonds, the Series 2026D Bonds and any Additional Third Lien Bonds.

"**Third Supplemental Indenture**" means that certain Third Supplemental Indenture dated September 1, 2026, by and between the Issuer and Trustee pursuant to which the Series 2026C Bonds are issued.

"**TIFIA Debt Service Reserve Fund Requirement**" means, (a) from the date of the initial funding of the TIFIA Debt Service Reserve Fund to the date of any withdrawal that causes the balance on deposit in the TIFIA Debt Service Reserve Fund to be lower than the amount described in clause (a)(ii) hereof (the date of such withdrawal, the "TIFIA DSRF Reset Trigger"), the greater of (i) $70 million* and (ii) the lowest of (A) ten percent (10%) of the issuance amount of the TIFIA Loan, (B) the maximum TIFIA Mandatory Debt Service for the five (5) succeeding twelve (12) month-periods commencing on such payment date, or (C) one hundred twenty-five percent (125%) of the average annual TIFIA Debt Service through the Final Maturity Date; and (b) following any TIFIA DSRF Reset Trigger, the amount described in clause (a)(ii) above.

"**TIFIA Lender**" means United States Department of Transportation, an agency of the United States of America, acting by and through the Executive Director of the Build America Bureau, until a successor shall have become such pursuant to the applicable provisions of the TIFIA Loan Agreement(s), and thereafter "TIFIA Lender" shall mean such successor.

"**TIFIA Loan Agreement**" or "**TLA**" means that certain TIFIA Loan Agreement expected to be entered into on September 16, 2026, by the Issuer and the TIFIA Lender in connection with the issuance of the Series 2026B Bond.

"**TIFIA Mandatory Debt Service**" means the debt service on the TIFIA Loan further described as such in "TIFIA LOAN AGREEMENT – Repayment Terms – TIFIA Mandatory Debt Service" herein.

"**TIFIA Scheduled Debt Service**" means the debt service on the TIFIA Loan further described as such in "TIFIA LOAN AGREEMENT – Repayment Terms – TIFIA Scheduled Debt Service" herein.

"**Toll Collection O&M Payments**" means the total budgeted Toll Collection Operating and Maintenance Expenses for the current Bond Year, as set forth in the Annual Budget.

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* Preliminary, subject to change.

"**Toll Collection Operating and Maintenance Expenses**" means the Issuer's current expenses for the operation, maintenance, and repair of the Toll Collection Facilities, as determined in accordance with generally accepted accounting principles, except as modified by this definition, including the following:

(a) all ordinary and usual expenses of operation, toll collection, maintenance, and repair, which may include expenses not annually recurring;

(b) direct administrative expenses;

(c) salaries, benefits and other compensation;

(d) operating lease payments;

(e) payments to any pension or retirement plan or plans properly chargeable to the Issuer;

(f) insurance premiums and expenses;

(g) engineering and architectural expenses relating to the operation, maintenance, or repair of the Toll Collection Facilities; and

(h) any other similar-type operating expenses relating to the Toll Collection Facilities required to be paid by the Issuer under this Indenture or by law.

"**Toll Collection Renewal and Replacement Payments**" means the payment of Toll Collection Renewal and Replacement Expenses.

"**Toll Collection Renewal and Replacement Expenses**" means all expenses incurred or to be incurred by the Issuer relating to all reasonably necessary periodic major overhaul and repair (excluding Toll Collection Operating and Maintenance Expenses and any other maintenance or repair of a routine or ordinary-course nature) of the Toll Collection Facilities, including the equipment and systems of the Toll Collection Facilities and any expenditures and liabilities incurred for the acquisition of any assets, improvements or replacements thereof that have a useful life of more than one (1) year and that are capitalized in accordance with generally accepted accounting principles. "Toll Collection Renewal and Replacement Expenses" do not include costs of the Bridge and Bayway Facilities paid or to be paid with the proceeds of Bonds.

"**Toll Revenues**" means gross revenues of the Project, as determined in accordance with generally accepted accounting principles, including tolls, fees, rentals, penalties, fines, and other charges for the use of, and for services furnished or to be furnished by, the Project.

"**Treasury Rate**" means, with respect to any redemption date for a particular Series 2026D Bond, the yield to maturity as of such redemption or tender date of United States Treasury securities with a constant maturity (as compiled and published in the Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two (2) Business Days, but not more than sixty (60) 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 Series 2026D Bond to be redeemed.

"**Trust Estate**" has the meaning stated in Article 3 of the form of Indenture attached hereto as Appendix B – "FORM OF INDENTURE AND SUPPLEMENTAL INDENTURES".

"**Trustee**" means Computershare Trust Company, N.A., in its capacity as trustee under the Indenture.

THE ISSUER AND ALDOT

Alabama Toll Road, Bridge and Tunnel Authority

The Issuer is a public corporation created in 1980 to facilitate vehicular traffic and safety in the State by providing for the construction of modern toll roads, bridges and tunnels in strategic and essential locations, without taxes and without a pledge of the faith and credit of the State. With the consent and approval of ALDOT, the Issuer is empowered to acquire and construct toll road, bridge, or tunnel projects, including the Project, at locations as the Issuer may determine to be desirable, practicable, and economically feasible and to maintain, repair, and operate such projects. The Enabling Law authorizes the Issuer to fix, revise, charge and collect tolls and fees for the use of such projects, including the Project. The Issuer has not been active prior to the development of the Project, and the Project is the first project undertaken and financed by the Issuer. Pursuant to the Enabling Law, as confirmed by the Lease Agreement and resolutions of the Issuer with respect to the same, ALDOT is responsible for administering projects, including the Project, on behalf of the Issuer. See "THE ISSUER AND ALDOT – Alabama Department of Transportation" below.

The Issuer is governed by a nine-member board with the Governor (or his or her designee) serving as chair. Members of the Issuer are the Governor (or his or her designee), the Lieutenant Governor (or his or her designee), the Speaker of the House of Representatives (or his or her designee), the State Director of Transportation, the State Director of Finance, the Chair of the House Government Appropriations Committee (which is now the House Ways and Means General Fund Committee), the Chair of the Senate Finance and Taxation General Fund Committee, and two persons from the state at large appointed by the Governor.

The current membership of the Issuer is as set forth below:

Role	Member
Governor (Chairperson)*	Governor Kay Ivey
Lieutenant Governor*	Lt. Governor Will Ainsworth
Speaker of the House of Representatives*	Representative Nathaniel Ledbetter
Director of Transportation	Director John Cooper
Director of Finance (Secretary by Resolution)	Director Bill Poole
Chair of the House Ways and Means General Fund Committee*	Representative Rex Reynolds
Chair of Senate Finance & Taxation General Fund Committee*	State Senator Greg Albritton
At-Large Governor Appointee	Liz Filmore
At-Large Governor Appointee	Brooks McClendon

There is a general election in the State in November 2026, including elections with respect to all positions denoted with an asterisk above. In Alabama, the Governor is subject to term limits, which Governor Ivey will have reached at the end of this term, and as such, a new Governor will be elected in the November 2026 election and will take office in January 2027. The positions not denoted with an asterisk above serve at the pleasure of the Governor of the State.

The Enabling Law authorizes the Issuer to issue toll road, bridge, or tunnel revenue bonds for any of its corporate purposes, payable solely from its tolls, other revenues, and proceeds of such bonds. The Enabling Law further authorizes the Issuer, by entering into the Indenture, to pledge or assign tolls or other revenues to which the Issuer's right then exists or which may thereafter come into existence, and the moneys derived therefrom, and the proceeds of bonds so secured.

Alabama Department of Transportation

The Alabama Department of Transportation is a state agency of the State of Alabama with the primary responsibility of statewide transportation through all modes of travel. ALDOT employs approximately 4,000 people and utilizes federal, state, and local funds. All but a few of ALDOT's employees (who are appointed to their roles) are members of the Alabama Merit System.

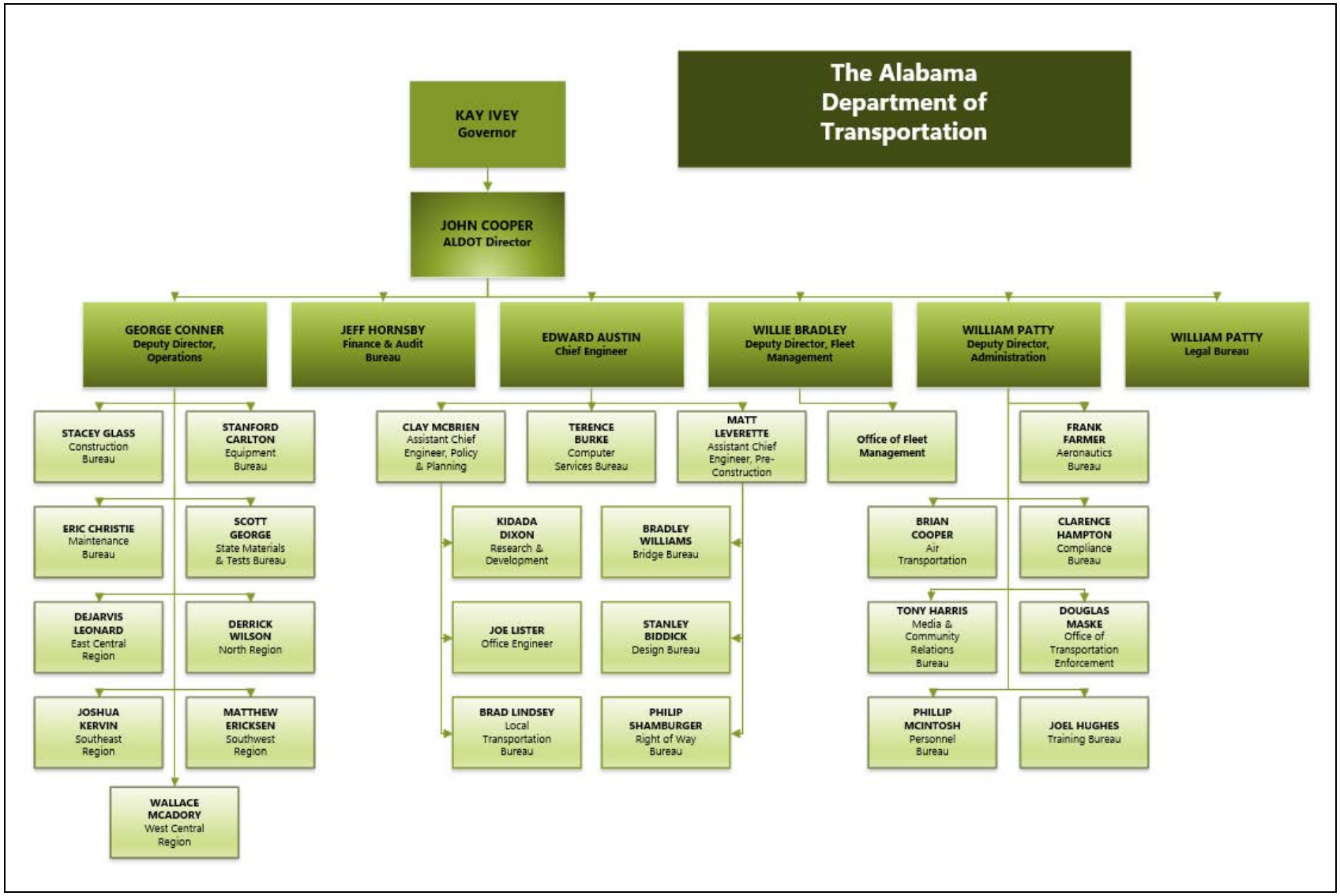
ALDOT is organized into five geographic regions, with a Central Office located in Montgomery. The Central Office is organized into the Office of the Transportation Director and the Office of the Chief Engineer. The

five Region Engineers report to the Director and Deputy Director of Operations. The organization of the various bureaus and offices are designed to report to the Director and the Deputy Directors, Chief Engineer, or the Assistant Chief Engineers. ALDOT has several boards and committees that operate either within a bureau or as a cooperative effort among several bureaus and/or regions.

Pursuant to Section 23-2-144 of the Enabling Law, "[ALDOT] shall be primarily responsible for administration and management of the planning, construction, and operation of [the Project]." In accordance with such provision, resolutions of the Issuer delegating management and oversight of the Project to ALDOT and the provisions of the Lease Agreement, the Project will be primarily managed by ALDOT, and the executive leadership of ALDOT is, and has been since inception, heavily involved in the Project.

On the following page, the chart depicts the organizational structure of ALDOT, including bureaus and departments:

Chart 1.
ALDOT Organizational Structure



In 2022, ALDOT established an executive committee to steer the procurement of the Project (the "Executive Committee"). The Executive Committee was created to make recommendations to the Chief Engineer and the Director of Transportation regarding the procurement of the Project and the terms of the project documents, including the Design-Build Agreement. In the aggregate, the Executive Committee has over 100 years of experience in transportation. Throughout the four years of work on the procurement and contract negotiations for the Project, the Executive Committee as a whole has generally met at least weekly with key Project staff and advisors.

The following are biographies of the ALDOT employees who have been extensively involved in the Project development (members of the Executive Committee are denoted with an asterisk):

Director of Transportation. John R. Cooper serves as the Director of Transportation for the State of Alabama. Mr. Cooper came out of retirement to serve as Alabama's Transportation Director effective January 17, 2011. From 2002 to 2008, John was Chief Executive Officer of Avocent Corporation in Huntsville, a global provider of information technology infrastructure management; he was chairman of Avocent from 2003 to 2008. John has a business background that has seen him serve as a CEO, CFO, Corporate Vice President and as a partner in large accounting firms. He holds bachelor's and master's degrees in accounting from the University of Alabama.

Chief Engineer. Edward N. Austin was appointed Chief Engineer for ALDOT on October 1, 2020 by the Transportation Director and Governor. In accordance with the Code of Alabama, the Chief Engineer coordinates the general mathematical, physical, and engineering sciences as applied to the planning and design of highways and bridges in Alabama. The duties of the Chief Engineer are subject to and under the direction, control, and supervision of the Transportation Director. Ed began working with ALDOT in 1991 after graduating from Auburn University with a Bachelor of Civil Engineering degree. Ed is a Registered Professional Engineer in the State of Alabama. He has held engineering positions in several bureaus during his ALDOT career, including Design Bureau, Bridge Bureau, Local Transportation Bureau and Innovative Programs Bureau. Prior to his appointment as Chief Engineer, Ed served as Assistant Chief Engineer for Policy and Planning since 2016. Ed is a member of the University of Alabama – Birmingham Civil Construction and Environmental Engineering Advisory Board, Auburn University Civil and Environmental Engineering Advisory Board and the Employee's Retirement System Board of Control.

Deputy Director of Operations.* George H. Conner served as an officer in the Air Force for four years at Wright Patterson Air Force Base in Ohio. He began his career with the Alabama Department of Transportation in 1992 as the Bridge Rating and Load Testing Engineer and within a few years was named the Assistant Bridge Maintenance Engineer. In 1998 he was promoted to Assistant State Maintenance Engineer and in 2008 to State Maintenance Engineer. With the realignment of the department to regions, George was named the Region Engineer for the Southeast Region of ALDOT from October 1, 2014, to December 1, 2016. On December 1, 2016, George was promoted to Deputy Director of Operations. George is a registered Professional Engineer in the State of Alabama. George is the Chair of the University of Alabama Department of Civil, Construction, and Environmental Engineering Board of Advisors, of which he has been a member since 2010, and he has been the Chair of both the AASHTO Committee on Maintenance (COM) and the Oversight Committee for the AASHTO Preservation Management Technical Service Program (PM TSP) since 2017.

Deputy Director of Administration and Chief Legal Counsel. William (Bill) Patty graduated from Auburn University in 1985 with a Bachelor of Science in Business Administration, and from Cumberland School of Law in 1990 with a Juris Doctorate. He is admitted to practice law in Alabama, the United States Supreme Court, Eleventh Circuit Court of Appeals, and all federal district courts in Alabama. Bill joined the Alabama Department of Transportation (ALDOT) on May 15, 2017, as Chief Legal Counsel. Prior to this position, Bill served as the Deputy Legal Advisor in the Office of the Governor. Before working for the Office of the Governor, Bill worked in private practice for 26 years. Bill was appointed Deputy Director of Administration for ALDOT on December 1, 2023. The Deputy Director of Administration oversees Aeronautics, Air Transportation, Media and Community Relations, Personnel, Compliance and Business, and Training Bureaus. Bill also continues to serve as Chief Legal Counsel.

Assistant Chief Engineer for Policy and Planning.* Clay P. McBrien is the Assistant Chief Engineer for Policy and Planning. Clay graduated from Auburn University with a Bachelor of Civil Engineering degree in 1988 and a Master of Science degree in Civil Engineering in 1989 and is a Registered Professional Engineer in the State of Alabama. He began working with ALDOT in 1992 in the Bureau of Office Engineer as a Graduate Civil Engineer reviewing construction plans prior to letting. Over his career with ALDOT, Clay has held various positions

including State BAMS Coordinator, Assistant Design and Plans Engineer, Chief Estimator, Assistant State Office Engineer, and State Office Engineer. As an Assistant Chief Engineer, Clay oversees the operation of the Bureau of Office Engineer, Local Transportation Bureau, Research and Development Bureau, and the Office of Engineering Services. Clay is also a member of the American Society of Civil Engineers.

Assistant Chief Engineer for Pre-Construction.* Kyle M. "Matt" Leverette, P.E., is the Assistant Chief Engineer for Pre-Construction. As Assistant Chief Engineer, Matt oversees the Bridge Bureau, Design Bureau, and Right of Way Bureau. Matt began his career with ALDOT in 1989 as a Professional Civil Engineer Trainee on a survey crew in the Troy area (former Seventh Division Office). While completing his education, he continued within ALDOT's engineering training program working summers on various construction projects. Matt attended Troy State University and Auburn University where he earned a Bachelor of Civil Engineering degree in 1993. Matt has held various positions within ALDOT's Troy Area, Southeast Region, and Construction Bureau during his career, including Project Engineer, Assistant State Road Construction Engineer, Area Design Engineer, Area Pre-Construction Engineer, Region Pre-Construction Engineer, Assistant Region Engineer, and State Construction Engineer. Matt is a member of the American Society of Civil Engineers and a voting member of the AASHTO Council on Rail and the AASHTO Council on Active Transportation and a non-voting member of AASHTO's Committee on Design. Further, Matt is an Eagle Scout and a licensed Professional Engineer in Alabama.

Chief Financial Officer. Jeffery P. Hornsby is the Chief Financial Officer for ALDOT. Jeff graduated from Auburn University at Montgomery with a Bachelor of Science in Business Administration with a specialization in Accounting degree in 1995. He holds his Certified Public Accountant credentials but is currently inactive. He began working with ALDOT in 1993 in the Auburn District Office, where he inspected construction projects. After completing his degree, he joined the Alabama Department of Examiners of Public Accounts, conducting audits such as the Single Audit and the Annual Comprehensive Financial Report (ACFR). He returned to ALDOT in 2012 and has since held several positions including Internal Audit Manager, Assistant Director of Finance and Audit, and Deputy Director of Finance and Audit. As Chief Financial Officer he oversees the development and implementation of a $2.6 billion annual budget, daily financial operations, and internal and external audit activities. He also works closely with the Director and Chief Engineer on funding strategies.

Southwest Regional Engineer. Matthew J. Ericksen, P.E., is the Southwest Region Engineer for ALDOT. Since 2019 as the Southwest Region Engineer, Matt oversees a 10 County Region (Baldwin, Conecuh, Escambia, Mobile, Clarke, Choctaw, Marengo, Monroe, Washington, and Wilcox) that has 630 employees. He oversees all region activities that include design, construction, material testing, and maintenance. Matt graduated from the University of Alabama with a Bachelor of Civil Engineering degree in 1992 and is a Registered Professional Engineer in the State of Alabama. He began working with ALDOT in 1993. Over his career with ALDOT, Matt has held various positions including Project Engineer, Mobile District Engineer, County Transportation Engineer, Material & Test Engineer, Construction Engineer, Mobile River Bridge and Bayway Project Director, and assistant Region Engineer. Matt is also on the University of Alabama Civil Engineering Board of Advisors.

Mobile River Bridge and Bayway Project Director. Edwin L. Perry III, P.E., is the Mobile River Bridge and Bayway Project Director for ALDOT. Edwin graduated from Auburn University with a Bachelor of Civil Engineering degree in 2005 and is a Registered Professional Engineer in the State of Alabama. He began working with ALDOT in 2005 in the Southwest Region as a Graduate Civil Engineer as a project inspector in construction. Over his career with ALDOT, Edwin has held various positions including assistant Consultant Management Engineer, Consultant Management Engineer, Southwest Region Design Engineer, I-10 Corridor Engineer, and Region Pre-Construction Engineer. As Project Director, Edwin oversees and participates in all aspects of the project including, contract administration, environmental, right-of-way, utilities, design, construction, tolling, financial planning, and project coordination.

Mobile River Bridge and Bayway Project Manager. Andrew D. Wood, P.E., is the Project Manager for the Mobile River Bridge and Bayway Project. As Project Manager, Andrew assists the Project Director with oversight of the Project including overseeing ALDOT's consultants working on the Project, reviewing the design-builder's designs and submittals to ensure they are following the applicable standards and provisions, and coordinating with other agencies and stakeholders. Andrew graduated from Auburn University with a Bachelor of Civil Engineering degree in 2006 and a Master of Science degree in Civil Engineering in 2009 and is a Registered Professional Engineer in the State of Alabama. Andrew began his career at ALDOT in 2010 as a Civil Engineering Graduate in Pre-Construction where he held positions of designer, assistant consultant management engineer, and consultant

management engineer. In 2017, Andrew became the Mobile River Bridge and Bayway Assistant Project Manager and then in 2018, the Project Manager.

Mobile River Bridge and Bayway Assistant Project Manager. Stephanie Dragotta, P.E., is a Civil Engineer with the Alabama Department of Transportation (ALDOT), working within the Mobile Area. Stephanie graduated from the University of South Alabama in 2009 with her Bachelor of Civil Engineering degree and is a Registered Professional Engineer in the State of Alabama. Stephanie began her career with ALDOT in May 2008, contributing to vital local infrastructure projects, technical design reviews, and regional development. In November 2017, she stepped into the role of Assistant Mobile River Bridge and Bayway Manager, where she reviewed technical documents and preliminary designs, provided technical oversight, and coordinated and managed aspects of the procurement process for the Mobile River Bridge and Bayway Project.

Area Design Engineer – Mobile Area; MRB Toll Operations. John C. Reece, P.E., is the Area Design Engineer for the Mobile Area (Baldwin, Conecuh, Escambia, and Mobile Counties) of the Southwest Region and since 2023, he has taken on the role of Toll Operations Leader for ALDOT. He is responsible for the planning, design, implementation, and operation of ALDOT's toll collection systems and operation services. John began his career at ALDOT in 2013 as a Civil Engineer Graduate in Pre-Construction. Over his career with ALDOT, John has held various positions including Assistant Consultant Management Engineer and Consultant Management Engineer. Prior to his working at ALDOT, John worked for eight years at a national consulting firm as a roadway design engineer. John graduated from Auburn University with a Bachelor of Civil Engineering degree in 2005 and is a Registered Professional Engineer in the State of Alabama.

DESCRIPTION OF THE OFFERED SERIES 2026 BONDS

General Provisions

The Series 2026 Bonds will be fully registered bonds or notes, as applicable, in the denomination of $5,000 or any multiple thereof, will be dated the date of their delivery, and will be numbered separately from 1 upward.

The Series 2026A Bonds will mature annually on January 1 in the amounts and years set forth on the inside cover pages hereof. The Series 2026A Bonds will bear interest at the applicable per annum rates set forth on the inside cover pages hereof. All Series 2026A Bonds with the same maturity will bear interest at the same rate. Interest shall be computed on the basis of a 360-day year with 12 months of 30 days each. Interest on the Series 2026A Bonds will be payable on each January 1 and July 1, beginning January 1, 2027[*].

The Series 2026-1 Notes will mature on October 1, 2032,* as set forth on the inside cover pages hereof. The Series 2026-1 Notes will bear interest at the applicable per annum rate set forth on the inside cover pages hereof. All Series 2026-1 Notes will bear interest at the same rate. Interest shall be computed on the basis of a 360-day year with 12 months of 30 days each. Interest on the Series 2026-1 Notes will be payable on each January 1 and July 1, beginning January 1, 2027*, and at maturity.

The Series 2026C Bonds will mature annually on January 1 in the amounts and years set forth on the inside cover pages hereof. The Series 2026C Bonds will bear interest at the applicable per annum rates set forth on the inside cover pages hereof. All Series 2026C Bonds with the same maturity will bear interest at the same rate. Interest shall be computed on the basis of a 360-day year with 12 months of 30 days each. Interest on the Series 2026C Bonds will be payable on each January 1 and July 1, beginning January 1, 2027*.

The Series 2026D Bonds will mature annually on January 1 in the amounts and years set forth on the inside cover pages hereof. The Series 2026D Bonds will bear interest at the applicable per annum rates set forth on the inside cover pages hereof. All Series 2026D Bonds with the same maturity will bear interest at the same rate. Interest shall be computed on the basis of a 360-day year with 12 months of 30 days each. Interest on the Series 2026D Bonds will be payable on each January 1 and July 1, beginning January 1, 2027*.

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[*] Preliminary, subject to change.

Method and Place of Payment

The Offered Series 2026 Bonds will be issued in book-entry only form, as described below under "Book-Entry Only System", and the method and place of payment will be as provided in the book-entry only system. The provisions set forth in this section below will apply in the event that the use of the book-entry only system for the Offered Series 2026 Bonds is discontinued.

Payment of interest due on each interest payment date will be made by check or draft mailed on such interest payment date to the persons who were registered holders of the Offered Series 2026 Bonds on the regular record date for such interest payment date, which will be the 15th day of the month preceding such interest payment date. Payment of the principal of (and premium, if any, on) the Offered Series 2026 Bonds and payment of accrued interest due upon redemption on any date other than an interest payment date will be made only upon surrender of the Offered Series 2026 Bonds at the principal office of the Trustee, Computershare Trust Company, N.A. in St. Paul, Minnesota.

The holder of Offered Series 2026 Bonds in an aggregate principal amount of $100,000 or more may, upon the terms and conditions of the Indenture, request payment of debt service by wire transfer to an account of such holder maintained at a bank in the continental United States or by any other method providing for payment in same-day funds that is acceptable to the Trustee.

Redemption Prior to Maturity

Series 2026A Bonds.

Optional Redemption. Series 2026A Bonds maturing on January 1, 2038,* or thereafter, or any smaller principal amount of such Series 2026A Bonds that is a multiple of the smallest authorized denomination, may be redeemed at the option of the Issuer on January 1, 2037,* or any date thereafter at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest to the redemption date.

Scheduled Mandatory Redemption of 2026A Term Bonds. The Series 2026A Bonds maturing on _____ 1, ____ (the "2026A Term Bonds") are subject to mandatory redemption, by lot, at a redemption price equal to 100% of the principal amount thereof to be redeemed plus accrued interest thereon to the redemption date, on _____ 1 in years and principal amounts (after credits as provided below) as follows:

Year	Amount

_____

$_____ of the 2026A Term Bonds will be retired at maturity

Not less than 45 or more than 60 days prior to each mandatory redemption date with respect to 2026A Term Bonds, the Trustee shall proceed to select for redemption, by lot, 2026A Term Bonds or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such 2026A Term Bonds or portions thereof for redemption on such mandatory redemption date. The Issuer may, not less than 60 days prior to any such mandatory redemption date, direct that any or all of the following amounts be credited against the 2026A Term Bonds scheduled for redemption on such date: (i) the principal amount of 2026A Term Bonds delivered by the

* Preliminary, subject to change.

Issuer to the Trustee for cancellation and not previously claimed as a credit; (ii) the principal amount of 2026A Term Bonds previously redeemed (other than 2026A Term Bonds redeemed pursuant to this paragraph) and not previously claimed as a credit; and (iii) the principal amount of 2026A Term Bonds otherwise deemed paid in full and not previously claimed as a credit.

Mandatory Redemption Upon Failure to Meet Rate Covenant.

While the TIFIA Loan is outstanding, if the Issuer fails to meet the Rate Coverage Test in the TIFIA Loan Agreement for five consecutive calculations, mandatory redemption of the Series 2026B Bond is required on a pro rata basis with the Series 2026A Bonds, other First Lien Bonds then outstanding and any other Second Lien Bonds outstanding, in an amount equal to lesser of (A) the amount necessary to regain compliance with the Rate Coverage Test and (B) the amount then on deposit in the Distribution Lock-Up Fund.

Series 2026-1 Notes.

The Series 2026-1 Notes are not subject to redemption prior to the date of their maturity.

Series 2026C Bonds.

Optional Redemption. Series 2026C Bonds maturing on January 1, 2038,* or thereafter, or any smaller principal amount of such Series 2026C Bonds that is a multiple of the smallest authorized denomination, may be redeemed at the option of the Issuer on January 1, 2037,* or any date thereafter at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest to the redemption date.

Scheduled Mandatory Redemption of 2026C Term Bonds. The Series 2026C Bonds maturing on _____ 1, ____ (the "2026C Term Bonds") are subject to mandatory redemption, by lot, at a redemption price equal to 100% of the principal amount thereof to be redeemed plus accrued interest thereon to the redemption date, on _____ 1 in years and principal amounts (after credits as provided below) as follows:

Year	**Amount**

_____

$_____ of the 2026C Term Bonds will be retired at maturity

Not less than 45 or more than 60 days prior to each mandatory redemption date with respect to 2026C Term Bonds, the Trustee shall proceed to select for redemption, by lot, 2026C Term Bonds or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such 2026C Term Bonds or portions thereof for redemption on such mandatory redemption date. The Issuer may, not less than 60 days prior to any such mandatory redemption date, direct that any or all of the following amounts be credited against the 2026C Term Bonds scheduled for redemption on such date: (i) the principal amount of 2026C Term Bonds delivered by the Issuer to the Trustee for cancellation and not previously claimed as a credit; (ii) the principal amount of 2026C Term Bonds previously redeemed (other than 2026C Term Bonds redeemed pursuant to this paragraph) and not previously claimed as a credit; and (iii) the principal amount of 2026C Term Bonds otherwise deemed paid in full and not previously claimed as a credit.

* Preliminary, subject to change.

Series 2026D Bonds.

Optional Redemption. Series 2026D Bonds maturing on January 1, 2038,* or thereafter, or any smaller principal amount of such Series 2026D Bonds that is a multiple of the smallest authorized denomination, may be redeemed at the option of the Issuer on January 1, 2037,* or any date thereafter at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest to the redemption date.

Make-Whole Optional Redemption. The Series 2026D Bonds are subject to make-whole optional redemption prior to January 1, 2037,* at the Make-Whole Redemption Price on the redemption date.

Scheduled Mandatory Redemption of 2026D Term Bonds. The Series 2026D Bonds maturing on _____ 1, ____ (the "2026D Term Bonds" and together with the 2026A Term Bonds and the 2026C Bonds, the "Term Bonds") are subject to mandatory redemption, by lot, at a redemption price equal to 100% of the principal amount thereof to be redeemed plus accrued interest thereon to the redemption date, on _____ 1 in years and principal amounts (after credits as provided below) as follows:

Year	**Amount**

_____

$_____ of the 2026D Term Bonds will be retired at maturity

Not less than 45 or more than 60 days prior to each mandatory redemption date with respect to 2026D Term Bonds, the Trustee shall proceed to select for redemption, by lot, 2026D Term Bonds or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such 2026D Term Bonds or portions thereof for redemption on such mandatory redemption date. The Issuer may, not less than 60 days prior to any such mandatory redemption date, direct that any or all of the following amounts be credited against the 2026D Term Bonds scheduled for redemption on such date: (i) the principal amount of 2026D Term Bonds delivered by the Issuer to the Trustee for cancellation and not previously claimed as a credit; (ii) the principal amount of 2026D Term Bonds previously redeemed (other than 2026D Term Bonds redeemed pursuant to this paragraph) and not previously claimed as a credit; and (iii) the principal amount of 2026D Term Bonds otherwise deemed paid in full and not previously claimed as a credit.

Other Matters Related to Redemption Prior to Maturity. Except in the case of mandatory redemption of Term Bonds, if less than all of a series of Offered Series 2026 Bonds outstanding are to be redeemed, the particular Offered Series 2026 Bonds to be redeemed may be specified by the Issuer by written notice to the Trustee, or, in the absence of timely receipt by the Trustee of such notice, shall be determined in accordance with the Book-Entry Only System or, if the Book-Entry Only System is no longer in effect, shall be selected by the Trustee by lot or by such other method as the Trustee shall deem fair and appropriate; provided, however, that the principal amount of Offered Series 2026 Bonds of each maturity to be redeemed may not be larger than the principal amount of Bonds of such maturity then eligible for redemption and may not be smaller than the smallest Authorized Denomination.

If less than all Offered Series 2026 Bonds with the same series and maturity are to be redeemed, the particular Offered Series 2026 Bonds of such series and maturity to be redeemed shall be selected by the Trustee from the Outstanding Offered Series 2026 Bonds of such series and maturity then eligible for redemption in

* Preliminary, subject to change.

accordance with the Book-Entry Only System or, if the Book-Entry Only System is no longer in effect, by lot or by such other method as the Trustee shall deem fair and appropriate and which may provide for the selection for redemption of portions (in Authorized Denominations) of the principal of Offered Series 2026 Bonds of such maturity of a denomination larger than the smallest Authorized Denomination.

Notice of redemption shall be given by first-class mail, or registered or certified mail, mailed not less than 20 nor more than 60 days prior to the redemption date, to the holders of Offered Series 2026 Bonds to be redeemed. A notice of optional redemption may state that the redemption of Offered Series 2026 Bonds is contingent upon specified conditions such as receipt of a specified source of funds or the occurrence of specified events. If the conditions for such redemption are not met, the Issuer shall not be required to redeem Offered Series 2026 Bonds (or portions thereof) identified in such notice.

If a trust is established for payment of less than all Offered Series 2026 Bonds of a particular series and maturity, the Offered Series 2026 Bonds of such series and maturity to be paid from the trust shall be selected by the Trustee within 7 days after such trust is established and shall be identified by a separate CUSIP number or other designation satisfactory to the Trustee. The Trustee shall notify holders whose Offered Series 2026 Bonds (or portions thereof) have been selected for payment from such trust and shall direct such holders to surrender their Offered Series 2026 Bonds to the Trustee in exchange for Offered Series 2026 Bonds with the appropriate designation.

Upon any partial redemption of a Offered Series 2026 Bond, such Offered Series 2026 Bond shall be surrendered to the Trustee in exchange for one or more new Offered Series 2026 Bonds in authorized form for the unredeemed portion of principal.

Any Offered Series 2026 Bond (or portion thereof) which is to be redeemed must be surrendered to the Trustee for payment of the redemption price. Offered Series 2026 Bonds (or portions thereof) duly called for redemption will cease to bear interest after the redemption date, unless the Issuer defaults in payment of the redemption price.

Purchase in Lieu of Redemption

The Issuer may purchase Offered Series 2026 Bonds then subject to optional redemption in lieu of such optional redemption. If a Offered Series 2026 Bond has been called for optional redemption, the Issuer may exercise its right of purchase by delivery to the Trustee on or prior to the Business Day preceding the optional redemption date of written notice from the Issuer specifying that the Offered Series 2026 Bonds shall not be redeemed but instead shall be purchased. Upon delivery of such notice from the Issuer, such Series 2026 Bonds shall not be redeemed, but shall instead be subject to mandatory tender on the date that would have been the optional redemption date at a purchase price equal to the redemption price that would have been payable with respect to such Offered Series 2026 Bonds. The Issuer's option to purchase shall be effective whether or not the notice of optional redemption sent to Holders indicates that the Issuer has exercised, or intends to exercise, such option. No further or additional notice to Holders shall be required in connection with the purchase in lieu of redemption. The Offered Series 2026 Bonds so purchased (i) shall not be cancelled or retired, but shall continue to be Outstanding, (ii) shall be delivered to, or as directed by, the Issuer, and (iii) shall continue to bear interest at the rate provided for in the Indenture.

Registration and Exchange

The Offered Series 2026 Bonds will be issued in book-entry only form, as described below under "Book-Entry Only System", and the method for registration and exchange of the Offered Series 2026 Bonds will be as provided in the book-entry only system. The provisions set forth in this section below will apply in the event that the use of the book-entry only system for the Offered Series 2026 Bonds is discontinued.

The Offered Series 2026 Bonds are transferable only on the bond register maintained at the principal office of the Trustee. Upon surrender of a Offered Series 2026 Bond to be transferred, properly endorsed, a new Offered Series 2026 Bond will be issued to the designated transferee.

The Offered Series 2026 Bonds will be issued in denominations of $5,000 or any multiple thereof and, subject to the provisions of the Indenture, may be exchanged for a like aggregate principal amount of Offered Series 2026 Bonds, of any authorized denominations and of the same maturity, as requested by the holder surrendering the same.

No service charge shall be made for any transfer or exchange, but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Provision for Payment

For the defeasance provisions of the Indenture relating to the Series 2026 Bonds, see Appendix B - "FORM OF INDENTURE AND SUPPLEMENTAL INDENTURES."

Certain Other Provisions of the Indenture

For other provisions of the Indenture relating to the Series 2026 Bonds, see Appendix B - "FORM OF INDENTURE AND SUPPLEMENTAL INDENTURES." See also "RELATIONSHIP BETWEEN INDENTURE, LEASE AGREEMENT, AND TIFIA LOAN AGREEMENT" for a description of how, in the event of any inconsistency between the provisions of the TIFIA Loan Agreement, on the one hand, and the provisions of the Indenture and the Lease Agreement, on the other hand, the TIFIA Loan Agreement will prevail.

Book-Entry Only System

The Offered Series 2026 Bonds are issuable as fully registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York, to which debt service payments on the Offered Series 2026 Bonds will be made so long as Cede & Co. is the registered owner of the Offered Series 2026 Bonds. Individual purchases of the Offered Series 2026 Bonds will be made in book-entry only form, and individual purchasers ("Beneficial Owners") of the Offered Series 2026 Bonds will not receive physical delivery of bond certificates.

So long as DTC or its nominee is the registered owner of the Offered Series 2026 Bonds, disbursement of debt service payments to DTC is the responsibility of the Trustee, disbursement of debt service payments to DTC Participants is the responsibility of DTC, and disbursement of debt service payments to the Beneficial Owners is the responsibility of DTC Participants or Indirect Participants as more fully described herein.

For more details on DTC and the book-entry only system, see Appendix H to this Official Statement.

SECURITY AND SOURCE OF PAYMENT

Limited Obligations

The Series 2026 Bonds are not obligations of, and will not constitute a charge against the general credit or taxing power of, the State of Alabama or any other political subdivision of the State of Alabama. Neither the Issuer nor ALDOT has taxing power.

The Series 2026 Bonds will be limited obligations of the Issuer payable solely from, and secured by a pledge and assignment of, the Trust Estate, subject to the priority of payment set forth in the Indenture, which consists of: (i) Project Revenues, (ii) Indenture Funds, (iii) the Basic Lease Payments (but only with respect to the Series 2026C Bonds and the Series 2026D Bonds) and the Issuer's right, title and interest in the Lease Agreement, except for certain reserved rights, and (iv) other property that may be added to the Trust Estate in the future.

Information describing the projected revenues of the Issuer with respect to the Project is set forth in the Traffic and Revenue Study attached hereto as Appendix E "TRAFFIC AND REVENUE STUDY".

Series 2026-1 Notes

The Series 2026-1 Notes are being issued in anticipation of disbursement of proceeds of the TIFIA Loan, which will be used to pay principal of the Series 2026-1 Notes at maturity. See "PLAN OF FINANCING", "TIFIA LOAN AGREEMENT", "RISK FACTORS - TIFIA Loan Disbursement and Rollover Bond Anticipation Note Risk" herein and Appendix D – "SUMMARY OF TIFIA LOAN AGREEMENT" attached hereto. Pursuant to the Fourth Supplemental Indenture, the Issuer will direct such disbursement to be transferred to the Trustee, and the Trustee will cause such amounts to be deposited into the Debt Service Fund – Series 2026-1 Principal Subaccount to pay the Series 2026-1 Notes at maturity.

The Issuer has covenanted in the Fourth Supplemental Indenture to take all actions necessary to ensure that it will submit timely the requisition under the TIFIA Loan Agreement to pay the Series 2026-1 Notes in full at maturity. The Issuer currently expects that it will be able to satisfy the conditions set forth in the TIFIA Loan Agreement to pay the Series 2026-1 Notes in full at maturity. While the Series 2026-1 Notes are secured by the Trust Estate under the Indenture, interest on the Series 2026-1 Notes is payable from the proceeds of the Series 2026-1 Notes deposited in the Capitalized Interest Fund- Series 2026-1 Subaccount, including investment earnings thereon, and the principal of the Series 2026-1 Notes is expected to be paid from a disbursement under the TIFIA Loan Agreement. In the event that the disbursement under the TIFIA Loan Agreement is not available to the Issuer in full at the maturity of the Series 2026-1 Notes, the Issuer has covenanted in the Fourth Supplemental Indenture to use its best efforts to find an alternative refinancing solution, which the Issuer expects would be the issuance of rollover bond anticipation notes and/or other obligations secured by the Trust Estate under the Indenture. If rollover bond anticipation notes are issued, the Issuer may need to utilize an external source to fund any additional interest due on such rollover bond anticipation notes. The external sources may include, without limitation, MRB Designated Revenues or additional allocation of PROTECT Formula Program funds, among other sources. In addition, in the event that alternative financing for payment of the principal of the Series 2026-1 Notes at maturity is available and economically preferable to a disbursement under the TIFIA Loan, such alternative financing may be entered into and so utilized.

See "TIFIA LOAN AGREEMENT", "PLAN OF FINANCING" and "RISK FACTORS - TIFIA Loan Disbursement and Rollover Bond Anticipation Note Risk" and Appendix D – "SUMMARY OF TIFIA LOAN AGREEMENT".

Potential Bond Insurance – Series 2026A Bonds

A municipal bond insurance policy (the "Policy") may be obtained from one or more bond insurers (each a "Bond Insurer") for the Series 2026A Bonds which, if obtained, would insure the scheduled payment of principal of and interest on the Series 2026A Bonds when due. The decision whether or not to obtain such a Policy will be made at or about the time of the pricing of the Offered Series 2026 Bonds and will be based upon, among other things, market conditions at the time of such pricing. No assurance can be given as to whether such Policy will be obtained.

If a Policy is obtained and in the event of default of the payment of principal or interest with respect to the Series 2026A Bonds when all or some becomes due, any Owner of the Series 2026A Bonds shall have a claim under the Policy issued by the Bond Insurer for such payments. However, in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments are to be made in such amounts and at such times as such payments would have been due had there not been any such acceleration. If a Policy is obtained, the Policy does not insure against redemption premium, if any.

Under most circumstances, default of payment of principal and interest does not obligate acceleration of the obligations of the Bond Insurer without appropriate consent. If a Policy is obtained, the Bond Insurer may be permitted to vote the bonds it insures, and the Bond Insurer's consent may be required in connection with amendments to any applicable bond documents.

If a Policy is obtained and in the event the Bond Insurer is unable to make payment of principal and interest as such payments become due under the Policy, the Series 2026A Bonds are payable solely from the moneys received pursuant to the applicable bond documents. In the event the Bond Insurer becomes obligated to make

payments with respect to the Series 2026A Bonds, no assurance is given that such event will not adversely affect the market price of the Series 2026A Bonds or the marketability (liquidity) for the Series 2026A Bonds.

The long-term ratings on the Series 2026A Bonds are dependent in part on the financial strength of the Bond Insurer and its claim paying ability. The Bond Insurer's financial strength and claims paying ability are predicated upon a number of factors which could change over time. If a Policy is obtained, no assurance is given that the long-term ratings of the Bond Insurer and of the ratings on the Series 2026A Bonds so insured by the Bond Insurer will not be subject to downgrade and such event could adversely affect the market price of the Series 2026A Bonds or the marketability (liquidity) for the Series 2026A Bonds.

If a Policy is obtained, none of the Issuer, ALDOT or the Underwriters will make an independent investigation of the claims paying ability of the Bond Insurer, and no assurance or representation regarding the financial strength or projected financial strength thereof is being made by the Issuer, ALDOT or the Underwriters in this Official Statement. Therefore, when making an investment decision with respect to the Series 2026A Bonds, potential investors should carefully consider the ability of the Issuer to pay principal and interest on the Series 2026A Bonds, assuming that the Policy is not available, and the claims-paying ability of the Bond Insurer through final maturity of the Series 2026A Bonds.

If a Policy is obtained, the obligations of the Bond Insurer are general obligations of the Bond Insurer and in an event of default by the Bond Insurer, the remedies available may be limited by applicable bankruptcy law or other similar laws related to insolvency.

Lease Agreement

Basic Lease Payments.

ALDOT's obligations to make Basic Lease Payments in support of the Third Lien Bonds pursuant to the Lease Agreement are payable solely from all legally available ALDOT revenues, except for revenues appropriated to ALDOT pursuant to the Rebuild Alabama Act, Alabama Act No. Act 2019-2 (the "MRB Designated Revenues"). **Though available to be used by ALDOT to make Lease Payments, the MRB Designated Revenues are <u>NOT</u> pledged for payment of debt service on the Third Lien Bonds or for payment of the Basic Lease Payments or Additional Lease Payments under the Lease Agreement. Information describing certain taxes and other revenues of ALDOT under the caption "SECURITY AND SOURCE OF PAYMENT - Description of MRB Designated Revenues".**

Basic Lease Payments, if necessary, will be paid by ALDOT to the Trustee approximately 25 days before each semi-annual payment date of the Offered Series 2026 Bonds, more specifically on the December 5 prior to a January 1 bond payment date and on the June 5 prior to a July 1 bond payment date.

Because appropriations of the MRB Designated Revenues are made to ALDOT as program (or block) appropriations and are not designated to specific line items or projects, the Director of Transportation generally has significant discretion to determine where funds will be expended in any given year. Therefore, if ALDOT is required to make a Basic Lease Payment, it expects to have the authorization to spend MRB Designated Revenues already appropriated to ALDOT for such Basic Lease Payments and does not expect to have to seek a specific appropriation from the Alabama Legislature. Because the MRB Designated Revenues are appropriated to ALDOT as program (or block) appropriations, the Basic Lease Payments will not be specifically named in the appropriations to ALDOT in the State's annual budget. However, ALDOT expects there will be sufficient capacity within its program (or block) appropriation to make such Basic Lease Payments, if necessary. For more information about the State's budget and appropriation process, see Appendix A-1 "CERTAIN INFORMATION ABOUT THE STATE OF ALABAMA".

If ALDOT makes Basic Lease Payments to the Trustee, for the account of the Issuer, and, subsequently, Project Revenues are deposited into (i) the Debt Service Fund-Series 2026C Interest Subaccount and/or the Debt Service Fund-Series 2026C Principal Subaccount so that the amount in such funds is equal to the Debt Service on the Series 2026C Bonds due on such Bond Payment Date and/or (ii) the Debt Service Fund-Series 2026D Interest Subaccount and/or the Debt Service Fund-Series 2026D Principal Subaccount so that the amount in such funds is

equal to the Debt Service on the Series 2026D Bonds due on such Bond Payment Date, then the Trustee shall refund any such excess Basic Lease Payments to ALDOT within 5 days of the deposit of such funds.

Maintenance and Other Operating Expenses; Prioritization of Payments.

Upon completion of the Project, ALDOT will, at its own expense, (a) maintain the Project in serviceable condition, repair and working order, (b) make all necessary repairs, renewals, replacements and improvements to the Project, and (c) pay all gas, electric, water, sewer and other charges for the operation, use and upkeep of the Project.

To the extent any payments by ALDOT pursuant to the paragraph immediately above constitute Toll Collection O&M Payments or Toll Collection Renewal and Replacement Payments, ALDOT shall make such payments to the Trustee, for the account of the Issuer, and the Trustee shall deposit such payments in the Toll Collection O&M Fund or the Toll Collection Renewal and Replacement Fund, as the case may be. If ALDOT makes payments to the Trustee, it shall be entitled to be reimbursed for such expenses out of the Toll Collection O&M Fund, the Toll Collection Operating Reserve Fund, and the Toll Collection Renewal and Replacement Fund.

ALDOT and the Issuer shall cause the Trustee to apply payments under the Lease Agreement as follows:

First: The Trustee shall deposit on a pro rata basis, (a) in the Debt Service Fund-Interest Subaccount for the Series 2026C Bonds an amount that, together with the balance already on deposit in such subaccount for such series of Bonds, will equal the sum of (i) the interest payable on such Bonds on the next Interest Payment Date and (ii) any accrued, but unpaid, interest on such Bonds and (b) in the Debt Service Fund-Interest Subaccount for the Series 2026D Bonds an amount that, together with the balance already on deposit in such subaccount for such series of Bonds, will equal the sum of (i) the interest payable on such Bonds on the next Interest Payment Date and (ii) any accrued, but unpaid, interest on such Bonds.

Second: The Trustee shall deposit on a pro rata basis (a) in the Debt Service Fund-Principal Subaccount for the Series 2026C Bonds an amount that, together with the balance already on deposit in such subaccount for such series of Bonds, will equal the principal amount on such Bonds maturing or subject to scheduled mandatory redemption on the next Bond Payment Date and (b) in the Debt Service Fund-Principal Subaccount for the Series 2026D Bonds an amount that, together with the balance already on deposit in such subaccount for such series of Bonds, will equal the principal amount on such Bonds maturing or subject to scheduled mandatory redemption on the next Bond Payment Date.

Third: The Trustee shall deposit in the Toll Collection O&M Fund an amount that will equal the Toll Collection O&M Payments ALDOT is obligated to pay pursuant to the first paragraph of this subsection.

Fourth: The Trustee shall deposit in the Toll Collection Renewal and Replacement Fund an amount that will equal the Toll Collection Renewal and Replacement Payments ALDOT is obligated to pay pursuant to the first paragraph of this subsection.

Discretionary Contributions.

ALDOT, in its sole and absolute discretion, may make, or cause to be made, contributions (the "Discretionary Contributions", and together with the Basic Lease Payments, the Additional Lease Payments, the Capital Improvement Payments, and all other payments by ALDOT pursuant to the Lease Agreement, the "Lease Payments") to the Trustee, for the account of the Issuer. At the election of ALDOT, Discretionary Contributions shall be deposited by the Trustee into any Indenture Fund. Discretionary Contributions may be made from any legally available source and are not limited to MRB Designated Revenues.

ALDOT Rebate Payments.

On each January 30 and July 30, beginning on the first January 30 or July 30 to occur after the first Calculation Date, upon direction from the Issuer and ALDOT, the Issuer shall remit, or cause to be remitted, to ALDOT all amounts on deposit in the ALDOT Rebate Fund or the Surplus Fund (which deposits shall be in accordance with the terms of the Bond Documents) (the "ALDOT Rebates") until the ALDOT Rebates equal the ALDOT Equalization Amount. The ALDOT Equalization Amount shall be an amount equal to all Lease Payments

and any other payments made by ALDOT pursuant to the Lease Agreement or in connection with the Project, to the extent permitted by applicable law.

The ALDOT Equalization Amount shall be determined by the Issuer and ALDOT on each February 1 and August 1. See "TIFIA LOAN AGREEMENT" herein and "APPENDIX D – Summary of TIFIA Loan Agreement" attached hereto.

Assignment of Lease Agreement.

Pursuant to the Indenture and with the consent of ALDOT, the Issuer assigns and pledges to the Trustee, for the benefit of the Holders, all right, title and interest of the Issuer in and to the Lease Payments and the Lease Agreement; provided, however, that (1) the Issuer shall retain the right to certain payments under the Lease Agreement; (2) the Issuer shall retain the right to receive notices and other communications to be sent to it under the Lease Agreement; and (3) nothing contained in the Lease Agreement shall impair, diminish or otherwise affect the Issuer's obligations under the Lease Agreement or impose any of such obligations on the Trustee.

Until all Indenture Indebtedness has been Fully Paid, if a Lease Default shall occur and be continuing, the Trustee (acting at the direction of a majority in principal amount of the Outstanding Highest Priority Obligations) may exercise all rights and remedies accorded to the Issuer in the Lease Agreement; provided, however, that the Issuer shall retain the rights to reimbursement of expenses granted to it by the Lease Agreement.

Lease Defaults and Remedies.

Each of the following constitutes an event of default (a "Lease Default") under the Lease Agreement:

(a) default in the payment of any Basic Lease Payment when such Basic Lease Payment becomes due and payable, unless such payment is made on or prior to the related Bond Payment Date; or

(b) default in the payment of any Capital Improvement Payment when such Capital Improvement Payment becomes due and payable and such default continues for 60 days after notice thereof has been delivered to ALDOT; or

(c) a Bankruptcy Related Event by ALDOT or the State of Alabama; or

(d) default in the performance, or breach, of ALDOT's covenants under Sections 6.6, 6.7, or 9.3 of the Lease Agreement; or

(e) default in the performance, or breach, of ALDOT's covenants under Sections 6.2, 6.9, or 6.10 of the Lease Agreement, and the continuance of such default or breach for a period of 30 days after there has been given, by registered or certified mail, to ALDOT by the Issuer or by the Trustee a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "notice of default" hereunder; provided, however, that if such failure is capable of cure but cannot reasonably be cured within such 30-day cure period, then no Lease Default shall be deemed to have occurred or be continuing under this Section 8.1(d), and such 30-day cure period shall be extended by up to 60 additional days, if and so long as within such 30-day cure period ALDOT shall commence actions reasonably designed to cure such failure and shall diligently pursue such actions until such failure is cured; or

(f) default in the performance, or breach, of any covenant or warranty of ALDOT in the Lease Agreement (other than a covenant or warranty, a default in the performance or breach of which is elsewhere specifically dealt with), and the continuance of such default or breach for a period of 60 days after there has been given, by registered or certified mail, to ALDOT by the Issuer or by the Trustee a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "notice of default" hereunder; provided, however, that if such failure is capable of cure but cannot reasonably be cured within such 60-day cure period, then no Lease Default shall be deemed to have occurred or be continuing, and such 60-day cure period shall be extended by up to 180 additional days, if

and so long as within such 60-day cure period ALDOT shall commence actions reasonably designed to cure such failure and shall diligently pursue such actions until such failure is cured; or

(g) the occurrence of an event of default, as therein defined, under the Indenture, and the expiration of the applicable grace period, if any, specified therein.

If a Lease Default occurs and is continuing, the Issuer or the Trustee (acting at the direction of a majority in principal amount of the Outstanding Highest Priority Obligations), as applicable, may exercise any of the following remedies:

(a) reenter the Bridge and Bayway Facilities, without terminating the Lease Agreement, and, upon 60 days' prior written notice to ALDOT, relet the Bridge and Bayway Facilities or any part thereof for the account of ALDOT, for such term (including a term extending beyond the term of this Lease Agreement) and at such rentals and upon such other terms and conditions, including the right to make alterations to the Bridge and Bayway Facilities or any part thereof, as the Issuer may deem advisable, and such reentry and reletting of the Bridge and Bayway Facilities shall not be construed as an election to terminate the Lease Agreement nor relieve ALDOT of its obligations to make payments required by the Lease Agreement and to perform and observe any of its other agreements and covenants under the Lease Agreement, all of which shall survive such reentry and reletting, and ALDOT shall continue to make all payments required by the Lease Agreement until the end of the term of the Lease Agreement, less the net proceeds, if any, of any reletting of the Bridge and Bayway Facilities after deducting all of the Issuer's expenses in connection with such reletting, including all repossession costs and allowable expenses of preparation for reletting;

(b) terminate the Lease Agreement, exclude ALDOT from possession of the Bridge and Bayway Facilities and, if the Issuer elects so to do, lease the same for the account of the Issuer, holding ALDOT liable for all payments due under the Lease Agreement up to the date of such termination; and

(c) take whatever legal or other proceedings may appear necessary or desirable to collect the payments under this Lease Agreement then due, whether by declaration or otherwise, or to enforce any obligation or covenant or agreement of ALDOT under the Lease Agreement or by law; provided, however, with respect to the payment of money, the Issuer's sole remedy is the filing of a claim with the Board of Adjustment for the State of Alabama.

Term of Lease Agreement.

The Lease Agreement term runs until September 30, 2111, unless terminated prior to expiration in accordance with the terms of the Lease Agreement. While indebtedness of the Authority is outstanding, termination is only permitted if a Lease Default (as defined in the Lease Agreement) occurs and is continuing.

Under no circumstances shall the commitments under the Lease Agreement constitute a debt of the State of Alabama as prohibited by Section 213 of the Constitution of Alabama 2022.

Description of MRB Designated Revenues

The largest component of MRB Designated revenues includes gasoline taxes, motor fuel taxes, motor vehicle license taxes and registration fees, and petroleum products inspection fees. Smaller amounts are derived from motor carrier mileage taxes and fees, truck identification decals, the lubricating oil tax, liquified petroleum (LP) gas vehicle permits, and motor vehicle excise taxes.

The following table contains historical revenues for the State's fiscal years ending September 30, 2021, through September 30, 2025.

Table 1.
MRB Designated Revenues

Revenue	2021	2022	2023	2024	2025	Debt Pledge
Gasoline Excise Tax $0.05	98,817,044	98,086,354	98,811,368	99,117,180	99,384,312	AFAHFA
Gasoline Excise Tax $0.04	46,292,160	45,949,858	46,289,501	46,432,762	46,557,904	AFAHFA
Motor Fuel Tax $0.06	47,479,486	48,270,165	48,635,103	48,207,459	50,206,575	ATIB
LP Gas Vehicle Permits	42,941	40,532	39,893	33,248	33,893	
Motor Vehicle License	115,932,374	118,877,066	118,063,778	117,712,415	116,723,666	ATIB
Gasoline Excise Tax $0.07	79,148,719	78,562,603	79,145,124	79,389,901	79,603,799	AFAHFA
Lubricating Oil Tax	485,863	514,230	400,166	512,093	497,147	
Motor Carrier Mileage, Taxes, Fees	476,197	477,071	477,385	471,687	450,092	ATIB
Motor Fuel Tax $0.13	107,791,045	109,624,073	110,490,649	109,613,236	114,151,303	ATIB
Truck Identification Decals	1,092,948	1,167,865	1,121,583	1,821,977	331,584	ATIB
Petroleum Products Inspection Fees	43,924,151	43,953,652	43,357,689	44,051,697	44,606,109	AFAHFA
Motor Vehicle Excise Tax	298,879	303,149	309,884	445,769	536,824	
Total:	**541,781,806**	**545,826,619**	**547,142,123**	**547,809,424**	**553,083,206**	

Source: ALDOT

As noted in Table 1, portions of the MRB Designated Revenues are pledged and available to support, if needed, outstanding debt obligations of the Alabama Federal Aid Highway Finance Authority ("AFAHFA") and the Alabama Transportation Infrastructure Bank ("ATIB").

The AFAHFA issues bonds for the purpose of funding the costs of constructing any roads, streets, parks, right of ways, bridges, railroad crossings, drainage structures, signs, guard rails, structures, interstates, surfaces, resurfaces, shoulders, road sides, or any other work which is eligible for federal aid financing assistance under Title 23, Chapter 1, of the United States Code (the "Federal Aid Authorization") and applicable regulations. The bonds are issued in anticipation of the receipt of federal aid funds by ALDOT with respect to federal aid projects and pursuant to the Federal Aid Authorization. According to the State's ACFR for the fiscal year ended September, 30, 2025, Federal Aid Obligation receipts for the fiscal year ended September 30, 2025, totaled $1,208,851,000. As additional security for the payment of debt service on the AFAHFA bonds, ALDOT has provided for the pledge of, to the extent needed, certain revenues as noted above in Table 1. Additionally, ALDOT has committed that the portion of the MRB Designated Revenues pledged to AFAHFA's bonds will exceed 150% of maximum annual debt service on any additional AFAHFA bonds issued. As of August 15, 2026, the maximum annual debt service issued through AFAHFA totaled $134,898,257 and is scheduled to occur in fiscal year 2028. To date, ALDOT has not needed to use any of the AFAHFA pledged revenues to support AFAHFA debt service. To ALDOT's knowledge, neither the AFAHFA nor the ATIB have plans to issue additional debt. However, the ATIB could receive applications from local governments, in which case the ATIB would consider such application(s) and may issue debt with respect thereto. For additional information, including outstanding bonds of the AFAHFA, historical federal aid funds received by ALDOT and coverage, please refer to the State's Annual Comprehensive Financial Reports.

The ATIB was created pursuant to Act No. 2015-50, as amended by Act No. 2018-290, to provide economic support for road, bridge and mass transit capital projects. To support local government entities, ALDOT provides a guaranty of ATIB bonds issued to fund loans to local government entities across the State. Pursuant to Act No. 2024-355, the State's fiscal year ending September 30, 2027, the Public Road and Bridge Fund budget provides an annual contribution to the ATIB in an amount not to exceed $25,000,000, if needed, for debt service in the event of a borrower default scenario. As of August 15, 2026, the maximum annual debt service issued through ATIB totaled $6,579,649 and is scheduled to occur in the State's fiscal year 2027. To date, ALDOT has not needed to use any of the ATIB pledged revenues to support ATIB debt service.

For State's fiscal year ending September 30, 2025, the MRB Designated Revenues totaled $553,083,206. The table below provides various coverage calculations of MRB Designated Revenues available to make Basic Lease Payments in support of the Third Lien Bonds pursuant to the Lease Agreement. Additional coverage calculations are provided to the extent any payments are made by ALDOT from MRB Designated Revenues for Toll Collection O&M Payments, Toll Collection Renewal and Replacement Payments or other administrative costs (referred to in Table 2 below as "Total Operating Expenditures").

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Table 2.
MRB Designated Revenues Coverage Calculations

Sources	Prior Costs	CY 2026	CY 2027	CY 2028	CY 2029	CY 2030	CY 2031
Series 2026 Total Debt Proceeds[1]	-	262,868,636	629,878,006	778,531,972	812,132,083	771,230,217	518,050,3
Construction Fund Investment Proceeds[2]	-	27,335,813	81,398,061	66,844,082	43,347,266	20,591,931	3,661,7
Capitalized Interest Fund Investment Proceeds[3]	-	9,980,425	31,645,090	26,055,071	20,267,980	14,276,870	8,074,5
Series 2026AB DSRF Investment Proceeds[4]	-	1,139,138	3,993,048	4,072,524	4,154,807	4,239,994	3,673,2
State Funds[5]	246,503,745	12,646,436	127,590,121	-	-	-	
Federal Funds/Grants[6]	312,778,346	115,258,130	251,884,061	81,195,003	11,000,000	-	
Total Sources	**559,282,091**	**429,228,577**	**1,126,388,386**	**956,698,651**	**890,902,136**	**810,339,012**	**533,459,8**

Uses	Prior Costs	CY 2026	CY 2027	CY 2028	CY 2029	CY 2030	CY 2031
Construction Costs	559,282,091	244,112,858	932,185,455	762,416,243	696,537,445	615,889,134	339,576,7
Capitalized Interest[7]	-	55,452,763	191,951,872	191,951,872	191,951,872	191,951,872	191,951,8
Series 2026A DSRF	-	49,771,083	-	-	-	-	
Series 2026B DSRF[8]	-	59,363,715	2,095,910	2,169,909	2,246,520	2,325,836	1,798,1
Toll Collection Operating Reserve	-	4,394,395	155,150	160,627	166,299	172,170	133,1
Issuance Costs Paid at Financial Close[9]	-	16,133,764	-	-	-	-	
Total Uses	**559,282,091**	**429,228,577**	**1,126,388,386**	**956,698,651**	**890,902,136**	**810,339,012**	**533,459,8**

1) Includes original issue bond premium and discount.

2) Estimated interest earned on Series 2026A, Series 2026-1, and Series 2026C Project Funds. Assumed interest rate earnings at 3.5% annually.

3) Capitalized interest on the Offered Series 2026 Bonds. Assumed interest rate earnings at 3.5% annually.

4) Interest earnings on Series 2026D proceeds to be deposited in the Series 2026B DSRF. Assumed interest rate earnings at 3.5% annually.

5) $250 million of funding from GARVEE issuance plus $50.3 million of State Match ($23.8 million from bond premium and $26.5 million from State funds). Interes bond proceeds excluded.

6) Federal Funds include approved $125 million INFRA Grant, $43.8 million of PROTECT Formula Program funds, and $550 million Bridge Improvement Program

7) Interest capitalized on Series 2026A through October 1, 2032; on the Series 2026C & Series 2026D through April 1, 2032; and on the Series 2026-1 through final r

8) Initial Series 2026B DSRF deposit funded with Series 2026D proceeds.

9) Includes cost of issuance and underwriters' discount related to the Offered Series 2026 Bonds.

Operation of the Project

The primary source of Project Revenues available in the Trust Estate for the repayment of the Series 2026 Bonds will be Toll Revenues derived from tolling users of the Project. **Information describing the projected revenues of the Issuer with respect to the Project is set forth in the Traffic and Revenue Study attached hereto as Appendix E "TRAFFIC AND REVENUE STUDY".**

Rate Covenant

TIFIA Loan Agreement Rate Covenant

While the TIFIA Loan is outstanding, Issuer shall comply with the rate coverage test set forth in the TIFIA Loan Agreement, which is summarized below (capitalized terms are as defined in Appendix D – "SUMMARY OF TIFIA LOAN AGREEMENT"):

> The Issuer shall fix, charge and collect rates and charges for use of the Project such that the Revenues are sufficient to comply with the Rate Coverage Test set forth below. The Rate Coverage Test requires, as of each Calculation Date, that the Revenues (x) were sufficient for the most recent Calculation Period to produce or otherwise satisfy (as applicable) each of the following ratios or requirements, and (y) are projected to be sufficient to produce or otherwise satisfy (as applicable) each of the following ratios or requirements, (1) in the case of clauses (A) through (D) and clause (F) below (and clause (E) following a Lease Default as described in the TIFIA Loan Agreement), for each Calculation Date through the Final Maturity Date, and (2) in the case of clause (E) (in the absence of a Lease Default as described in the TIFIA Loan Agreement), for each of the four (4) immediately succeeding Calculation Dates) (the "Rate Coverage Test"):
>
> (A) a First Lien Debt Service Coverage Ratio at least equal to 1.45:1.00;

(B) a Second Lien Debt Service Coverage Ratio at least equal to 1.30:1.00;

(C) (1) the Third Lien Cost Coverage Ratio and (2) a Third Lien Projected Debt Service Coverage Ratio at least equal to 1.10:1.00;

(D) a Loan Life Coverage Ratio at least equal to 1.30:1.00;

(E) the All-in-Cost Coverage Requirement; and

(F) the Rate Stabilization Fund Minimum Balance Requirement.

The following definitions apply to this subsection "-TIFIA Loan Agreement Rate Covenant".

"**All-in-Cost Coverage Requirement**" means, subject to change based on events of default with respect to the Lease Agreement, as of any Calculation Date, the sum of amounts (a) on deposit (or projected to be on deposit) in the Revenue Fund or (b) otherwise available (or projected to be available) to the Borrower through (i) Lease Payments (including Discretionary Contributions (as defined in the Lease Agreement)), (ii) the Rate Stabilization Fund and (iii) the Surplus Fund, was (in the case of an historical calculation) or are projected to be (in the case of a projected calculation) sufficient to make in full the deposits required to be made in levels *First* through *Nineteenth* of the Flow of Funds for such Calculation Period (and in the case of an historical calculation, such amounts were actually applied to such deposits).

"**First Lien Debt Service Coverage Ratio**" means as of any Calculation Date, the ratio of Revenues for the Calculation Period ending on such Calculation Date to Debt Service in respect of all First Lien Obligations for such Calculation Period; provided that, for purposes of such calculation for any future period, projected Revenues shall be calculated using the then current Revised Financial Model.

"**Loan Life Coverage Ratio**" means, as of each applicable Calculation Date, the ratio of (a) the present value of all projected Revenues for each Calculation Date from and including such Calculation Date to the Final Maturity Date, in each case discounted at the Weighted Average Interest Cost, using the most recent Revised Financial Model (or the Base Case Financial Model if no Revised Financial Model has been submitted to the TIFIA Lender), adjusted to take into account actual results and updated Revenue projections calculated based on the most recent updated Traffic and Revenue Study provided by the Traffic Consultant; to (b) the aggregate outstanding principal amount of all First Lien Obligations, all Second Lien Obligations (including the Outstanding TIFIA Loan Balance) and all Third Lien Obligations on such Calculation Date.

"**Second Lien Debt Service Coverage Ratio**" means as of any Calculation Date, the ratio of Revenues for the Calculation Period ending on such Calculation Date to the aggregate Debt Service and TIFIA Debt Service in respect of all First Lien Obligations and Second Lien Obligations for such Calculation Period; provided that (a) for purposes of such calculation during any future period, projected Revenues shall be calculated using the then current Revised Financial Model and (b) for purposes of any Calculation Period, (i) for the Rate Coverage Test only, TIFIA Scheduled Debt Service will be excluded from the calculation of TIFIA Debt Service and (ii) any deposits from the Revenue Fund into the First Lien Debt Service Reserve Fund shall be subtracted from Revenues.

"**Third Lien Cost Coverage Requirement**" means, as of any Calculation Date, the sum of (a) amounts that were on deposit (or projected to be on deposit) in the Revenue Fund during the Calculation Period ending on such Calculation Date, and (b) amounts otherwise available (or projected to be available) to the Borrower during the Calculation Period ending on such Calculation Date (including through (i) Lease Payments (including Discretionary Contributions), (ii) the Rate Stabilization Fund and (iii) the Surplus Fund), was (in the case of an historical calculation) or are projected to be (in the case of a projected calculation) sufficient to make in full the deposits required to be made at levels *Eighth* and *Ninth* of the Flow of Funds for such Calculation Period (and, in the case of an historical calculation, such amounts were actually applied to such deposits and related Debt Service payments).

"**Third Lien Projected Debt Service Coverage Ratio**" means as of any future Calculation Date, the ratio of projected Revenues for the Calculation Period ending on such Calculation Date to the aggregate Debt Service and TIFIA Debt Service, as applicable, in respect of all First Lien Obligations, Second Lien Obligations and Third Lien Obligations for such Calculation Period; provided that (a) such projected Revenues shall be calculated using the then current Revised Financial Model, (b) with respect to the Rate Coverage Test only, TIFIA Scheduled Debt Service will be excluded from the calculation of TIFIA Debt Service and (c) any deposits from the Revenue Fund into the First Lien Debt Service Reserve Fund, the Second Lien Debt Service Reserve Fund or the TIFIA Debt Service Reserve Fund shall be subtracted from Revenues.

Under the TIFIA Loan Agreement, coverage ratios shall be calculated in accordance with the Rate Coverage Test requirements, including those set forth in the TIFIA Loan Agreement's Revenue Calculation Methodology and Debt Service Calculation Methodology set forth below:

Part I: Revenue Calculation Methodology

1. Restricted Payment Conditions

For any period, for purposes of determining the satisfaction of Restricted Payment Conditions, "Revenues" shall not include amounts available in any Reserve Account.

2. All Ratio Tests

(a) All or any extraordinary, non-recurring amounts or one-time receipts (other than as expressly provided in clause (b) of the definition of "Revenues") shall be excluded from the calculation of "Revenues".

(b) For purposes of any historical coverage ratio test, "Revenues" shall include all amounts described in the definition thereof.

(c) For purposes of any projected coverage ratio test, (i) Revenues shall include only the amounts described in clauses (a) and (c) of the definition of Revenues and (ii) projected investment earnings will be limited to lower of (A) the weighted average rate of interest earned with respect to amounts on deposit in the relevant Indenture Fund during the six (6) month period ending on the date of determination and (B) the assumed rate for the applicable period set forth in the most recent Revised Financial Model delivered by the Issuer pursuant to the TIFIA Loan Agreement;

3. Rate Coverage Test

As of any Calculation Date prior to the Debt Service Payment Commencement Date, amounts on deposit in the Rate Stabilization Fund or the Surplus Fund may be applied to increase the amount of Revenues for purposes of calculating any historical or projected coverage ratio under the Rate Coverage Test; provided that any amount so credited with respect to any such Calculation Date cannot be included in any coverage ratio for any subsequent Calculation Date (whether before or after the Debt Service Payment Commencement Date).

Part II: Debt Service Calculation Methodology

For purposes of calculating the amount of Debt Service for all ratio tests:

(a) Debt Service for which amounts on deposit with the Trustee specifically to pay such bonds, including defeasance obligations in the form of non-callable Permitted Investments, are irrevocably held in an escrow account, may be excluded from the denominator.

(b) All amounts deposited into or withdrawn from any Reserve Account shall be excluded from the calculation.

At any time when the TIFIA Loan is no longer outstanding, the rate covenant will be calculated as set forth in the Indenture. See Appendix B – "FORM OF INDENTURE AND SUPPLEMENTAL INDENTURES" for the details of such calculation. The calculation methodology set forth above applies to calculations under the TIFIA

Loan Agreement and does not, unless specifically incorporated by the Indenture, apply to calculations under the Indenture.

Neither the rate covenant described above nor the rate covenant set forth in the Indenture constitute a guarantee that Project Revenues will be sufficient at any time to pay debt service on the Series 2026 Bonds, and a failure to generate sufficient Project Revenues could adversely affect the Issuer's ability to make such payments notwithstanding compliance with the procedures described below under "- Failure to Meet Rate Covenant". See "RISK FACTORS - Rate Covenant Not a Guarantee".

Failure to Meet Rate Covenant

While the TIFIA Loan is outstanding, except as described in the succeeding paragraph, failure of the Issuer to meet the Rate Coverage Test set forth in the TIFIA Loan Agreement as of the most recent Calculation Date will not constitute an event of default under the TIFIA Loan Agreement or the Indenture so long as the Issuer complies with the following requirements: the Issuer shall (i) within thirty (30) days after request by the TIFIA Lender, engage the Traffic Consultant to review and analyze the operations of the Project and recommend actions regarding revising the rates or changing the methods of operations, or any other actions to increase Revenues so as to satisfy the Rate Coverage Test, (i) cause the Traffic Consultant to issue its report, including any such recommended actions, no later than ninety (90) days following such engagement, and (iii) no later than one hundred twenty (120) days following such engagement, either (A) implement the Traffic Consultant's recommendation or (B) undertake an alternative course of action after demonstrating to the TIFIA Lender's satisfaction the manifest errors contained in the Traffic Consultant's recommended actions, or to the extent agreed upon by the TIFIA Lender, undertake an alternative course of action that will ensure the Issuer's ability to meet its payment obligations under the TIFIA Loan Agreement and the Indenture.

While the TIFIA Loan is outstanding, if the Issuer fails to meet the Rate Coverage Test in the TIFIA Loan Agreement for five consecutive calculations, a prepayment of the TIFIA Loan is required, in accordance with Section 8.12 of the Indenture and on a pro rata basis with the First Lien Bonds and any other Second Lien Bonds, in an amount equal to the lesser of (A) the amount necessary to regain compliance with the Rate Coverage Test and (B) the amount then on deposit in the Distribution Lock-Up Fund. See Appendix D – "SUMMARY OF TIFIA LOAN AGREEMENT".

At any time when the TIFIA Loan is no longer outstanding, failure of the Issuer to meet the Rate Coverage Test set forth in the Indenture shall not be a default threunder as long as the Issuer complies the provisions of the Indenture with respect thereto. See Appendix B – "FORM OF INDENTURE AND SUPPLEMENTAL INDENTURES" for the applicable provisions.

Pursuant to the Toll Policy adopted by the Issuer, if the Issuer fails to meet the rate covenant, the Director of Transportation is authorized and directed to take the steps set forth in the TIFIA Loan Agreement and the Indenture described in this section.

Additional Toll Covenants

Prohibition on Amending Toll Policy. While the TIFIA Loan is outstanding, the Issuer may not amend the Toll Policy without prior consent of the TIFIA Lender if such amendment (i) reduces the toll rates, or limits or postpones the increase of, or could reasonably be expected to result in a reduction, limit or postponement of the increase of, the toll rates or (ii) could reasonably be expected to result in a Material Adverse Effect (as defined in the TIFIA Loan Agreement).

Other Changes to Toll Rates. In the Indenture, the Issuer covenants that it will not effect any reduction in any rate of tolls, fees, rentals, and other charges for the use of, and for services furnished or to be furnished by, the Project unless it shall first obtain or certify as follows in connection with any action of the Issuer authorizing such reduction:

(1) The Issuer shall have obtained a certificate of an Independent T&R Consultant setting forth estimates of the tolls, fees, rentals, and other charges pledged to the Bonds for the then-current and each future Bond Year to and including the latest maturity of the Bonds, which may take into consideration,

among other things, the additional use of the Project projected to result from such reduction in the rate of tolls, fees, rentals, and other charges and estimated costs, deposits, and expenses; and

(2) The certificate of the Independent T&R Consultant described in subsection (1) above shall be accompanied by a certificate of the Issuer setting forth: (A) the Annual Debt Service requirement; (B) that the Issuer is not in default in the performance of any of the covenants, conditions, agreements or provisions contained in this Indenture, and (C) that immediately prior to such proposed reduction, the amount on deposit in the Reserve Fund was equal to each applicable Reserve Fund Requirement.

The Issuer may increase toll rates and may increase the number of toll gantries at any time and from time to time based upon a study of an Independent T&R Consultant. The Issuer may make any other adjustment or reclassification of toll rates or establish special, introductory, or temporary tolls, fees, rentals, and other charges, provided that such action is recommended by the Independent T&R Consultant and will not cause the Issuer to fail to comply with subsection (a), as evidenced by a certificate of the Independent T&R Consultant.

Classification of Tolls. In the Indenture, the Issuer covenants that tolls, fees, rentals, and other charges will be classified in a reasonable way to cover all traffic, so that the tolls, fees, rentals, and other charges will be uniform in application to all traffic falling within any reasonable class regardless of the status or character of any person, firm or corporation participating in the traffic, provided however, that classification of tolls, fees, rentals, and other charges based upon frequency, volume, time of such traffic, distance traveled, method of payment, or other method of classification used by comparable tolling authorities shall be deemed to be a reasonable classification for the purposes of the Indenture.

Covenant to Impose Tolls on All Users. In the Indenture, the Issuer covenants that it will charge tolls, fees, rentals, and other charges for the use of, and for services furnished or to be furnished by, the Project on all users of the Project unless a user operates an Exempt Vehicle.

Flow of Funds

All Project Revenues will be deposited in the Revenue Fund and will be disbursed as follows:

[Remainder of page intentionally blank.]



If the Issuer receives any Project Revenues or Basic Lease Payments, the Issuer must immediately deliver such receipts to the Trustee with certifications sufficient to enable the Trustee to deposit the receipts in the proper Indenture Fund or account.

Revenue Fund

The Indenture establishes a special trust fund designated the "Revenue Fund". The Trustee will be the depository, custodian and disbursing agent for the Revenue Fund. The Issuer will deposit, or cause to be deposited, all Project Revenues in the Revenue Fund. The Issuer shall take all actions as are necessary or desirable in order to ensure that all Project Revenues are delivered to the Trustee for deposit in the Revenue Fund.

The Trustee will administer the Revenue Fund as described in Section 8.1 of the Indenture. All Project Revenues and certain of the proceeds from insurance paid to or for the benefit of the Issuer (as described more particularly in Section 8.17 of the Indenture) shall be deposited in the Revenue Fund. On the fifteenth (15th) day of each month (the "Monthly Transfer Date"), the Trustee shall disburse funds as follows from the Revenue Fund:

(1) **First**: The Trustee shall deposit in the applicable Debt Service Fund-Interest Subaccount for each series of First Lien Bonds or, following the occurrence of a Bankruptcy Related Event with respect to the Issuer, in the Debt Service Fund-Interest Subaccount for each series of First Lien Bonds and in the Debt Service Fund-TIFIA Mandatory Interest Subaccount and the Debt Service Fund-TIFIA Scheduled Interest Subaccount for each series of Second Lien Bonds held by the TIFIA Lender, an amount equal to (i) 1/6 of the interest payable on such Bonds on the next Interest Payment Date, plus (ii) the amount of any continuing shortfall in transfers under this clause required to have been made on any preceding Monthly Transfer Date and, if the Monthly Transfer Date is the last Monthly Transfer Date prior to an Interest Payment Date, such additional amount as is required to pay the interest due and payable on such Bonds on such Interest Payment Date.

(2) **Second**: The Trustee shall deposit in the Debt Service Fund-Principal Subaccount for each series of First Lien Bonds or, following the occurrence of a Bankruptcy Related Event with respect to the Issuer, in the Debt Service Fund-Principal Subaccount for each series of First Lien Bonds and in the Debt Service Fund-TIFIA Mandatory Principal Subaccount and the Debt Service Fund-TIFIA Scheduled Principal Subaccount for each series of Second Lien Bonds held by the TIFIA Lender, an amount equal to (A) with respect to each series of First Lien Bonds, 1/12 of the principal amount on such Bonds maturing or subject to scheduled mandatory redemption on the next Bond Payment Date, and (B) with respect to each series of Second Lien Bonds held by the TIFIA Lender (following the occurrence of a Bankruptcy Related Event with respect to the Issuer), 1/6 of the principal amount on such Bonds maturing or subject to scheduled mandatory redemption (or otherwise payable) on the next Bond Payment Date, in each case plus any continuing shortfall in transfers under this clause required to have been made on any preceding Monthly Transfer Date and, if the Monthly Transfer Date is the last Monthly Transfer Date prior to a Bond Payment Date, such additional amount as is required to pay the principal then due and payable on such Bonds on such Bond Payment Date.

(3) **Third**: The Trustee shall deposit in the Reserve Fund an amount (if any) as shall be required to make the balance in each subaccount of the Reserve Fund for each series of First Lien Bonds secured thereby or, following the occurrence of a Bankruptcy Related Event with respect to the Issuer, for each series of First Lien Bonds and each series of Second Lien Bonds held by the TIFIA Lender, equal to the Reserve Fund Requirement for such subaccount.

(4) **Fourth**: The Trustee shall deposit (A) with respect to the Second Lien Bonds held by the TIFIA Lender, in the Debt Service Fund-TIFIA Mandatory Interest Subaccount (except that, following the occurrence of a Bankruptcy Related Event with respect to the Issuer, such deposit shall instead be made pursuant to level First), and (B) with respect to each other series of Second Lien Bonds, in the relevant interest subaccount of the Debt Service Fund, in each case an amount equal to (i) 1/6 of the interest payable on such Bonds on the next Interest Payment Date (which, with respect to the Second Lien Bonds held by the TIFIA Lender, shall be the interest portion of TIFIA Mandatory Debt Service), plus (ii) any continuing shortfall in transfers under this clause required to have been made on any preceding Monthly Transfer Date and, if the Monthly Transfer Date is the last Monthly Transfer Date prior to an Interest Payment Date, such additional amount as is required to pay the interest (or, with respect to the Second Lien Bonds held by the TIFIA Lender, the interest portion of TIFIA Mandatory Debt Service) due and payable on such Bonds on such Interest Payment Date.

(5) **Fifth**: The Trustee shall deposit (A) with respect to the Second Lien Bonds held by the TIFIA Lender, in the Debt Service Fund-TIFIA Mandatory Principal Subaccount (except that, following the occurrence of a Bankruptcy Related Event with respect to the Issuer, such deposit shall instead be made pursuant to level Second), an amount equal to 1/6 of the principal portion of TIFIA Mandatory Debt Service due and payable on the next Bond Payment Date, and (B) with respect to each other series of Second Lien Bonds, in the relevant principal subaccount of the Debt Service Fund, an amount equal to 1/12 of the principal amount on such Bonds maturing or subject to scheduled mandatory redemption on the next Bond Payment Date, in each case plus any continuing shortfall in transfers under this clause required to have been made on any preceding Monthly Transfer Date and, if the Monthly Transfer Date is the last Monthly Transfer Date prior to a Bond Payment Date, such additional amount as is required to pay the principal (or, with respect to the Second Lien Bonds held by the TIFIA Lender, the principal portion of TIFIA Mandatory Debt Service) due and payable on such Bonds on such Bond Payment Date.

(6) **Sixth**: The Trustee shall deposit in the Reserve Fund an amount (if any) as shall be required to make the balance in each subaccount of the Reserve Fund for each series of Second Lien Bonds secured thereby (excluding any Second Lien Bonds held by the TIFIA Lender upon the occurrence of a Bankruptcy Related Event with respect to the Issuer) equal to the Reserve Fund Requirement for such subaccount.

(7) **Seventh**: The Trustee shall deposit in the Debt Service Fund-Interest Subaccount for each series of Third Lien Bonds an amount equal to (i) 1/6 of the interest payable on such Bonds on the next Interest Payment Date, plus (ii) any continuing shortfall in transfers under this clause required to have been made on any preceding Monthly Transfer Date and, if the Monthly Transfer Date is the last Monthly

Transfer Date prior to an Interest Payment Date, such additional amount as is required to pay the interest due and payable on such Bonds on such Interest Payment Date.

(8) **Eighth**: The Trustee shall deposit in the Debt Service Fund-Principal Subaccount for each series of Third Lien Bonds an amount equal to (i) 1/12 of the principal amount on such Bonds maturing or subject to scheduled mandatory redemption on the next Bond Payment Date, plus (ii) any continuing shortfall in transfers under this clause required to have been made on any preceding Monthly Transfer Date and, if the Monthly Transfer Date is the last Monthly Transfer Date prior to a Bond Payment Date, such additional amount as is required to pay the principal due and payable on such Bonds on such Bond Payment Date.

(9) **Ninth**: The Trustee shall deposit in the Reserve Fund an amount (if any) as shall be required to make the balance in each subaccount of the Reserve Fund for each series of Third Lien Bonds secured thereby (which, for clarity, shall not include the Series 2026C Bonds or the Series 2026D Bonds) equal to the Reserve Fund Requirement for such subaccount.

(10) **Tenth**: The Trustee shall deposit in the Bond Insurance/Credit Facility/Hedging Fund an amount that, together with the balance already on deposit in such fund, will equal 1/12 of the Required Bond Insurance/Credit Facility/Hedging Payments for the current Bond Year, as set forth in the Annual Budget.

(11) **Eleventh**: The Trustee shall deposit in the Bond Compliance Rebate Fund an amount that, together with the balance already on deposit in such fund, will equal 1/12 of the Required Rebate for the current Bond Year, as set forth in the Annual Budget.

(12) **Twelfth**: The Trustee shall deposit in the Administrative Expense Fund an amount that, together with the balance already on deposit in such fund, will equal the sum of (i) advances made by the Trustee pursuant to Section 10.5 of this Indenture and (ii) 1/12 of the Administrative Expenses of the Issuer for the current Bond Year, as set forth in the Annual Budget.

(13) **Thirteenth**: The Trustee shall deposit in the Toll Collection O&M Fund an amount that, together with the balance already on deposit in such fund, will equal 1/12 of the Toll Collection O&M Payments for the current Bond Year, as set forth in the Annual Budget.

(14) **Fourteenth**: The Trustee shall deposit in the Toll Collection Operating Reserve Fund an amount that, together with the balance already on deposit in such fund, will equal the Toll Collection Operating Reserve Requirement as determined by the Issuer and ALDOT.

(15) **Fifteenth**: The Trustee shall deposit in the Toll Collection Renewal and Replacement Fund an amount that, together with the balance already on deposit in such fund, will equal the Toll Collection Renewal and Replacement Requirement as determined by the Issuer and ALDOT.

(16) **Sixteenth**: Until the amount on deposit in the Rate Stabilization Fund initially reaches $100 million, the Trustee shall deposit the balance (if any) in the Rate Stabilization Fund.

(17) **Seventeenth**: After the amount on deposit in the Rate Stabilization Fund initially reaches $100 million, the Trustee shall deposit in the Debt Service Fund-TIFIA Scheduled Interest Subaccount for each series of Second Lien Bonds held by the TIFIA Lender (except that, following the occurrence of a Bankruptcy Related Event with respect to the Issuer, such deposit shall instead be made pursuant to level First) an amount equal to (i) 1/6 of the interest portion of TIFIA Scheduled Debt Service payable on such Bonds on the next Interest Payment Date, plus (ii) any continuing shortfall in transfers under this clause required to have been made on any preceding Monthly Transfer Date and, if the Monthly Transfer Date is the last Monthly Transfer Date prior to an Interest Payment Date, such additional amount as is required to pay the interest portion of TIFIA Scheduled Debt Service due and payable on such Bonds on such Interest Payment Date. See Appendix D – "SUMMARY OF TIFIA LOAN AGREEMENT" for a more detailed discussion of TIFIA Scheduled Debt Service and "DEBT SERVICE REQUIREMENTS" for estimates of TIFIA Scheduled Debt Service to be paid in each fiscal year.

(18) **Eighteenth**: After the amount on deposit in the Rate Stabilization Fund initially reaches $100 million, the Trustee shall deposit in the Debt Service Fund-TIFIA Scheduled Principal Subaccount for each series of Second Lien Bonds (except that, following the occurrence of a Bankruptcy Related Event with respect to the Issuer, such deposit shall instead be made pursuant to level Second) an amount equal to (i) 1/6 of the principal portion of TIFIA Scheduled Debt Service payable on such Bonds on the next Bond Payment Date, plus (ii) any continuing shortfall in transfers under this clause required to have been made on any preceding Monthly Transfer Date and, if the Monthly Transfer Date is the last Monthly Transfer Date prior to a Bond Payment Date, such additional amount as is required to pay the principal portion of TIFIA Scheduled Debt Service due and payable on such Bonds on such Bond Payment Date. See Appendix D – "SUMMARY OF TIFIA LOAN AGREEMENT" for a more detailed discussion of TIFIA Scheduled Debt Service and "DEBT SERVICE REQUIREMENTS" for estimates of TIFIA Scheduled Debt Service to be paid in each fiscal year.

(19) **Nineteenth**: The Trustee shall deposit in the Rate Stabilization Fund an amount that, together with the balance already on deposit in such fund, will equal the Rate Stabilization Fund Minimum Balance Requirement.

(20) **Twentieth**: While there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), the Trustee shall deposit the balance (if any) in the Distribution Lock-Up Fund.

(21) **Twenty-First**: While there are not Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), the Trustee shall deposit in the ALDOT Rebate Fund an amount that, together with the balance already on deposit in such fund, will equal the ALDOT Equalization Amount as determined by the Issuer and ALDOT.

(22) **Twenty-Second**: While there are not Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), the Trustee shall deposit the balance (if any) in the Surplus Fund.

In the case that, on any Monthly Transfer Date, the aggregate amount available to be transferred from the Revenue Fund to make the required deposits pursuant to clauses First through Tenth is insufficient to make such deposits in full, such amount shall be transferred on a pro rata basis based on the amount of the deficiency in the relevant subaccount or other amount payable pursuant to such clause, as applicable.

If ALDOT makes Basic Lease Payments to the Trustee, for the account of the Issuer, and, subsequently, Project Revenues are deposited into (i) the Debt Service Fund-Series 2026C Interest Subaccount and/or the Debt Service Fund-Series 2026C Principal Subaccount so that the amount in such funds is equal to the Debt Service on the Series 2026C Bonds due on such Bond Payment Date and/or (ii) the Debt Service Fund-Series 2026D Interest Subaccount and/or the Debt Service Fund-Series 2026D Principal Subaccount so that the amount in such funds is equal to the Debt Service on the Series 2026D Bonds due on such Bond Payment Date, then the Trustee shall refund any such excess Basic Lease Payments to ALDOT within 5 days of the deposit of such funds.

Debt Service Fund

The Indenture establishes a special trust fund designated the "Debt Service Fund" and within such Debt Service Fund two subaccounts, one designated the "Debt Service Fund-Interest Subaccount" and the other designated the "Debt Service Fund-Principal Subaccount".

Within the Debt Service Fund-Interest Subaccount there are subaccounts for the benefit of (i) the Holders of the Series 2026A Bonds which is designated the "Debt Service Fund-Series 2026A Interest Subaccount", (ii) the Holders of the Series 2026B Bond which are designated the "Debt Service Fund-TIFIA Mandatory Interest Subaccount" and the "Debt Service Fund-TIFIA Scheduled Interest Subaccount", (iii) the Holders of the Series 2026-1 Notes which is designated the "Debt Service Fund-Series 2026-1 Interest Subaccount", (iv) the Holders of the Series 2026C Bonds which is designated the "Debt Service Fund-Series 2026C Interest Subaccount" and (v) the Holders of the Series 2026D Bonds which is designated the "Debt Service Fund-Series 2026D Interest Subaccount".

Within the Debt Service Fund-Principal Subaccount there are subaccounts for the benefit of (i) the Holders of the Series 2026A Bonds which is designated the "Debt Service Fund-Series 2026A Principal Subaccount", (ii) the

Holders of the Series 2026B Bond which are designated the "Debt Service Fund-TIFIA Mandatory Principal Subaccount" and the "Debt Service Fund-TIFIA Scheduled Principal Subaccount", (iii) the Holders of the Series 2026-1 Notes which is designated the "Debt Service Fund-Series 2026-1 Principal Subaccount", (iv) the Holders of the Series 2026C Bonds which shall be designated the "Debt Service Fund-Series 2026C Principal Subaccount" and (v) the Holders of the Series 2026D Bonds which shall be designated the "Debt Service Fund-Series 2026D Principal Subaccount".

Deposits are made to the Debt Service Fund in the manner described in "SECURITY AND SOURCE OF PAYMENT – Revenue Fund" and "- Flow of Funds" above.

On each Bond Payment Date money in the Debt Service Fund shall be applied by the Trustee to pay Debt Service on the Bonds, provided that funds on deposit in a subaccount of the Debt Service Fund shall be applied to pay Debt Service for the series of Bonds for which such subaccount of the Debt Service Fund was established.

Subject to Article 4 of the Lease Agreement and in certain circumstances described more particularly therein, ALDOT is required to make Basic Lease Payments at times and in amounts sufficient for the Issuer to pay Debt Service on the Series 2026C Bonds and the Series 2026D Bonds and on any Additional Bonds issued as Third Lien Bonds that by their terms are enhanced with Basic Lease Payments made pursuant to the Lease Agreement (but not the First Lien Bonds or the Second Lien Bonds). Such Basic Lease Payments are to be deposited in the subaccounts of the Debt Service Fund established for the benefit of the Holders of the Series 2026C Bonds, the Series 2026D Bonds and any such enhanced Third Lien Bonds (and not in the Revenue Fund).

Capitalized Interest Fund

The Indenture establishes a trust fund designated the "Capitalized Interest Fund" and within the Capitalized Interest Fund four subaccounts, one designated the "Capitalized Interest Fund-Series 2026A Subaccount", one designated as the "Capitalized Interest Fund-Series 2026-1 Subaccount", one designated the "Capitalized Interest Fund-Series 2026C Subaccount" and one designated the "Capitalized Interest Fund-Series 2026D Subaccount". A deposit to the Capitalized Interest Fund is to be made pursuant to the First Supplemental Indenture, the Third Supplemental Indenture and the Fourth Supplemental Indenture. There is no subaccount in the Capitalized Interest Fund with respect to the Series 2026B Bond as the Issuer does not expect to draw on the TIFIA Loan and accrue or make payments of interest with respect to such loan until after Substantial Completion of the Project.

Proceeds of the Offered Series 2026 Bonds will be deposited in the respective accounts of the Capitalized Interest Fund at closing in amounts that, together with interest earned thereon, will be sufficient to pay the interest on the respective series of Offered Series 2026 Bonds due and payable during their respective Capitalized Interest Periods. See "SOURCES AND USES OF FUNDS" herein.

On each Interest Payment Date during the Capitalized Interest Period, the Trustee shall transfer from the Capitalized Interest Fund to the Debt Service Fund an amount sufficient, when added to the amount already on deposit therein, to pay the interest due on the Interest Payment Date, provided that funds on deposit in a subaccount of the Capitalized Interest Fund shall be applied to pay interest for the series of Bonds for which such subaccount of the Capitalized Interest Fund was established.

If the amount on deposit in the Capitalized Interest Fund exceeds the amount required to pay the remainder of the interest due on the Series 2026 Bonds during the Capitalized Interest Period, such excess may be transferred to the series-specific Debt Service Fund-Interest Subaccount upon direction of an Authorized Issuer Representative.

After the Capitalized Interest Period, any balance remaining in the Capitalized Interest Fund shall be deposited in the series-specific Debt Service Fund-Interest Subaccount, except for proceeds of the Capitalized Interest Fund-Series 2026-1 Subaccount, which shall be deposited in the Debt Service Fund- Series 2026-1 Principal Subaccount.

Reserve Fund

The Indenture establishes a special trust fund designated the "Reserve Fund" and within the Reserve Fund, subaccounts for the benefit of (i) the Holders of the Series 2026A Bonds designated the "Reserve Fund-Series

2026A Subaccount" and (ii) the Holders of the Series 2026B Bond which shall be designated the "Reserve Fund-Series 2026B Subaccount". An initial deposit to the Reserve Fund-Series 2026A Subaccount is to be made pursuant to the First Supplemental Indenture. No initial deposit to the Reserve Fund-Series 2026B Subaccount is to be made pursuant to the Second Supplemental Indenture; instead, an initial deposit to the Reserve Fund-Series 2026B Subaccount shall be made when the Project achieves substantial completion from proceeds of the Series 2026D Bonds. Subsequent deposits to the Reserve Fund are to be made in connection with the issuance of Additional Bonds, if any, and, to the extent necessary to maintain the Reserve Fund Requirement in the Reserve Fund, as described in "SECURITY AND SOURCE OF PAYMENT – Revenue Fund" and "- Flow of Funds".

The Issuer, in its discretion, may, at any time, substitute a Qualified Surety Bond for all or a portion of the moneys and/or securities on deposit in the Reserve Fund. The Issuer currently anticipates that the initial deposit to the Reserve Fund-Series 2026A Subaccount may be satisfied in whole or in part with a Qualified Surety Bond. For so long as the TIFIA Loan is outstanding, the use of a Qualified Surety Bond for the Reserve Fund is subject to the prior written consent of the TIFIA Lender.

Withdrawals from the Reserve Fund shall be made as follows (provided that funds on deposit in a subaccount of the Reserve Fund may be transferred to the subaccount of the Debt Service Fund or applied to pay Debt Service only for the series of Bonds for which such subaccount of the Reserve Fund was established):

(1) On each Bond Payment Date money in the Reserve Fund shall be transferred to the Debt Service Fund and applied by the Trustee to pay Debt Service on the Bonds, but only if and to the extent that funds available in the Debt Service Fund are not sufficient for such purpose and payment from the Reserve Fund is necessary to prevent a default in the payment of such Debt Service.

(2) Investment earnings from the Reserve Fund shall be transferred to the Debt Service Fund so long as the balance in each subaccount of the Reserve Fund, after giving effect to such transfer, is not less than the Reserve Fund Requirement for the series of Bonds for which such subaccount of the Reserve Fund was established.

(3) Upon request of the Issuer, the amount by which the balance in any subaccount of the Reserve Fund exceeds the Reserve Fund Requirement on any funding date shall be deposited in the Debt Service Fund and shall be applied to the redemption of as many Bonds as possible on the next date on which the Bonds are subject to redemption and for which the required notice of redemption can be given, and the balance remaining, if any, after such redemption shall be applied to the payment of Debt Service on the Bonds on the next ensuing Bond Payment Date.

The "Reserve Fund Requirement" and the balance in the Reserve Fund shall be determined as follows:

(1) On the Series 2026A Bonds initial funding date, the Series 2026B Bond initial funding date, and on each Additional Bonds initial funding date (if any), the Issuer shall deliver to the Trustee a certificate of an officer of the Issuer stating the Reserve Fund Requirement for each series of Bonds as of such date, based on Bonds Outstanding on such funding date (which amount shall be, with respect to the Series 2026B Bond, the TIFIA Debt Service Reserve Fund Requirement). At the option of the Issuer, a certificate of an officer of the Issuer may be delivered to the Trustee on any other funding date stating the Reserve Fund Requirement as of such date. The Reserve Fund Requirement shall be determined according to the most recent certificate delivered to the Trustee.

On the Series 2026A Bonds initial funding date, the Reserve Fund Requirement for the Series 2026A Bonds shall be equal to _____.

(2) The balance in the Reserve Fund on each funding date shall be determined by valuing the Qualified Surety Bond or Bonds (as applicable) on deposit at face value and by valuing Permitted Investments in accordance with Section 9.2 of the Indenture.

There is no Reserve Fund for the Series 2026-1 Notes and there is no Reserve Fund for the Third Tier Bonds, including the Series 2026C Bonds and the Series 2026D Bonds.

Bond Insurance/Credit Facility/Hedging Fund

The Indenture establishes a special trust fund designated the "Bond Insurance/Credit Facility/Hedging Fund". Deposits to the Bond Insurance/Credit Facility/Hedging Fund are to be made as described in "SECURITY AND SOURCE OF PAYMENT – Revenue Fund" and "- Flow of Funds" above.

Money in the Bond Insurance/Credit Facility/Hedging Fund shall be paid out by the Trustee from time to time for the purpose of paying the Required Bond Insurance/Credit Facility/Hedging Payments upon delivery to the Trustee of a requisition of the Issuer.

After the Issuer certifies to the Trustee that money remaining in the Bond Insurance/Credit Facility/Hedging Fund is not needed to pay the Required Bond Insurance/Credit Facility/Hedging Payments, any balance remaining in the Bond Insurance/Credit Facility/Hedging Fund shall be deposited in the Revenue Fund.

For so long as the TIFIA Loan is outstanding, the incurrence by the Issuer of any Credit Facility, Bond Insurance Policy or Hedge Agreement shall be subject to the prior written consent of the TIFIA Lender.

Bond Compliance Rebate Fund

The Indenture establishes a special trust fund designated the "Bond Compliance Rebate Fund". Deposits to the Bond Compliance Rebate Fund are to be made as described in "SECURITY AND SOURCE OF PAYMENT – Revenue Fund" and "- Flow of Funds".

Money in the Bond Compliance Rebate Fund shall be paid out by the Trustee from time to time for the purpose of paying the Required Rebate upon delivery to the Trustee of a requisition of the Issuer.

After the Issuer certifies to the Trustee that money remaining in the Bond Compliance Rebate Fund is not needed to pay the Required Rebate, any balance remaining in the Bond Compliance Rebate Fund shall be deposited in the Revenue Fund.

Administrative Expense Fund

The Indenture establishes a special trust fund designated the "Administrative Expense Fund". Deposits to the Administrative Expense Fund are to be made as described in "SECURITY AND SOURCE OF PAYMENT – Revenue Fund" and "- Flow of Funds".

Money in the Administrative Expense Fund shall be paid out by the Trustee from time to time for the purpose of paying Administrative Expenses upon delivery to the Trustee of a requisition of the Issuer.

After the Issuer certifies to the Trustee that money remaining in the Administrative Expense Fund is not needed to pay Administrative Expenses and no fees or expenses remain owed to the Trustee, any balance remaining in the Administrative Expense Fund shall be deposited in the Revenue Fund.

Toll Collection O&M Fund

The Indenture establishes a special trust fund designated the "Toll Collection O&M Fund". Deposits to the Toll Collection O&M Fund are to be made as described in "SECURITY AND SOURCE OF PAYMENT – Revenue Fund" and "- Flow of Funds".

Money in the Toll Collection O&M Fund shall be paid out by the Trustee from time to time for the purpose of paying the Toll Collection O&M Payments upon delivery to the Trustee of a requisition of the Issuer and ALDOT.

After the Issuer certifies to the Trustee that money remaining in the Toll Collection O&M Fund is not needed to pay the Toll Collection O&M Payments for the current Bond Year, any balance remaining in the Toll Collection O&M Fund shall be deposited in the Revenue Fund.

Toll Collection Operating Reserve Fund

The Indenture establishes a special trust fund designated the "Toll Collection Operating Reserve Fund". Deposits to the Toll Collection Operating Reserve Fund are to be made as described in "SECURITY AND SOURCE OF PAYMENT – Revenue Fund" and "- Flow of Funds". The Toll Collection Operating Reserve Fund Requirement shall be twenty-five percent (25%) of the total budgeted Toll Collection Operating and Maintenance Expenses for the current Issuer fiscal year, as set forth in the Annual Budget.

Money in the Toll Collection Operating Reserve Fund shall be paid out by the Trustee from time to time for the purpose of paying the Toll Collection O&M Payments upon delivery to the Trustee of a requisition of the Issuer and ALDOT, but only if and to the extent that funds available in the Toll Collection O&M Fund are not sufficient for such purpose.

After the Issuer certifies to the Trustee that money remaining in the Toll Collection Operating Reserve Fund exceeds the Toll Collection Operating Reserve Requirement, any balance remaining in the Toll Collection Operating Reserve Fund shall be deposited in the Revenue Fund.

Toll Collection Renewal and Replacement Fund

The Indenture establishes a special trust fund designated the "Toll Collection Renewal and Replacement Fund". Deposits to the Toll Collection Renewal and Replacement Fund are to be made as described in "SECURITY AND SOURCE OF PAYMENT – Revenue Fund" and "- Flow of Funds". The Toll Collection Renewal and Replacement Reserve Fund Requirement shall be, for any Issuer fiscal year, the aggregate of (A) one hundred percent (100%) of budgeted Toll Collection Renewal and Replacement Expenses for such Issuer fiscal year in the then current Annual Budget, (B) ninety percent (90%) of expected Toll Collection Renewal and Replacement Expenses for the next succeeding Issuer Fiscal Year (i.e., year 2), (C) eighty percent (80%) of expected Toll Collection Renewal and Replacement Expenses for the next succeeding Issuer Fiscal Year (i.e., year 3), (D) seventy percent (70%) of expected Toll Collection Renewal and Replacement Expenses for the next succeeding Issuer Fiscal Year (i.e., year 4), (E) sixty percent (60%) of expected Toll Collection Renewal and Replacement Expenses for the next succeeding Issuer Fiscal Year (i.e., year 5), (F) fifty percent (50%) of expected Toll Collection Renewal and Replacement Expenses for the next succeeding Issuer Fiscal Year (i.e., year 6), (G) forty percent (40%) of expected Toll Collection Renewal and Replacement Expenses for the next succeeding Issuer Fiscal Year (i.e., year 7), (H) thirty percent (30%) of expected Toll Collection Renewal and Replacement Expenses for the next succeeding Issuer Fiscal Year (i.e., year 8), (I) twenty percent (20%) of expected Toll Collection Renewal and Replacement Expenses for the next succeeding Issuer Fiscal Year (i.e., year 9), and (J) ten percent (10%) of expected Toll Collection Renewal and Replacement Expenses for the next succeeding Issuer Fiscal Year (i.e., year 10), in the case of each of clauses (B)-(J) above, as projected in the then current Revised Financial Model; provided that, notwithstanding anything to the contrary set forth herein or in any other Related Document, on any date described in clause (a) or (b) above, the amount of cash on deposit in the Toll Collection Renewal and Replacement Fund shall be equal to at least one hundred percent (100%) of expected Toll Collection Renewal and Replacement Expenses for the then current Issuer Fiscal Year.

Money in the Toll Collection Renewal and Replacement Fund shall be paid out by the Trustee from time to time for the purpose of paying the Toll Collection Renewal and Replacement Payments upon delivery to the Trustee of a requisition of the Issuer and ALDOT.

After the Issuer certifies to the Trustee that money remaining in the Toll Collection Renewal and Replacement Fund exceeds the Toll Collection Renewal and Replacement Requirement, any balance remaining in the Toll Collection Renewal and Replacement Fund shall be deposited in the Revenue Fund.

Rate Stabilization Fund

The Indenture establishes a special trust fund designated the "Rate Stabilization Fund". Deposits to the Rate Stabilization Fund are to be made as described in "SECURITY AND SOURCE OF PAYMENT – Revenue Fund" and "- Flow of Funds".

Money in the Rate Stabilization Fund shall be paid out by the Trustee from time to time for the purpose of paying the Permitted Rate Stabilization Fund Payments (which are deposits to any of the Indenture Funds other than the ALDOT Rebate Fund or the Surplus Fund) upon delivery to the Trustee of a requisition of the Issuer and ALDOT; provided that amounts on deposit in the Rate Stabilization Fund shall be available to, and prior to any transfer pursuant to this sentence shall be applied by the Trustee to, fund any deficiency in any Indenture Fund having a higher level of priority in the application of funds set forth in the Indenture.

The initial Rate Stabilization Fund Minimum Balance Requirement shall be $100,000,000; provided that, as of any date when all Restricted Payment Conditions under the TIFIA Loan Agreement have been satisfied, such amount may be reduced to $20,000,000 at the Issuer's election by notice to the TIFIA Lender. See Appendix D – "SUMMARY OF TIFIA LOAN AGREEMENT" for a more detailed discussion of the Restricted Payment Conditions. Based on the current forecast of Project Revenues, the Issuer expects that it will meet all Restricted Payment Conditions under the TIFIA Loan Agreement no earlier than January 1, 2042. See "PROJECTED CASHFLOW AND DEBT SERVICE COVERAGE" herein.

After the Issuer certifies to the Trustee that money remaining in the Rate Stabilization Fund exceeds the Rate Stabilization Fund Minimum Balance Requirement, any balance remaining in the Rate Stabilization Fund shall be deposited in the Revenue Fund.

Distribution Lock-Up Fund

The Indenture establishes a special trust fund designated the "Distribution Lock-Up Fund". Deposits to the Distribution Lock-Up Fund are to be made as described in "SECURITY AND SOURCE OF PAYMENT – Revenue Fund" and "- Flow of Funds" while the TIFIA Loan is outstanding.

On each January 15 and July 15, beginning on the first January 15 or July 15 to occur after the first Calculation Date, any balance remaining in the Distribution Lock-Up Fund shall be deposited in the ALDOT Rebate Fund in an amount that, together with the balance already on deposit in such fund, will equal the ALDOT Equalization Amount (excluding the portion of the ALDOT Equalization Amount attributable to Discretionary Contributions), as determined by the Issuer and ALDOT.

On each January 15 and July 15, beginning on the first January 15 or July 15 to occur after the first Calculation Date, once the Issuer certifies to the Trustee that it is in compliance with all Restricted Payment Conditions as of the most recent Calculation Date, any balance remaining in the Distribution Lock-Up Fund shall be deposited in the ALDOT Rebate Fund in an amount that, together with the balance already on deposit in such fund, will equal the portion of the ALDOT Equalization Amount attributable to Discretionary Contributions, as determined by the Issuer and ALDOT, and, once the balance already on deposit in the ALDOT Rebate Fund exceeds the portion of the ALDOT Equalization Amount attributable to Discretionary Contributions, as determined by the Issuer and ALDOT, the Trustee shall deposit the balance (if any) in the Surplus Fund.

Notwithstanding the above, amounts on deposit in the Distribution Lock-up Fund shall be available to, and prior to any transfer pursuant to the above shall be applied by the Trustee to, fund any deficiency in any Indenture Fund having a higher level of priority in the application of funds.

After the Issuer certifies to the Trustee that money remaining in the Distribution Lock-Up Fund is not needed to make deposits to the ALDOT Rebate Fund or the Surplus Fund, any balance remaining in the Distribution Lock-Up Fund shall be deposited in the Revenue Fund.

Restricted Payments Test

The Issuer shall not make, nor permit to be made, any Restricted Payments unless (x) such payment is made on or within thirty (30) days following a Calculation Date and (y) on the date of such payment (or the relevant Calculation Date in the case of clause (vi) (f) below), all of the following conditions have been satisfied (the "Restricted Payment Conditions"):

(i) the Substantial Completion Date has occurred;

(ii) no Default or Event of Default under the TIFIA Loan Agreement and no event of default (howsoever described or designated) under any other Related Document shall have occurred and be continuing, or, in each case, would occur as a direct result of the applicable transfer;

(iii) the Debt Service Payment Commencement Date has occurred;

(iv) the Issuer has paid in full (1) all TIFIA Debt Service due and payable as of such date, including all previously due but unpaid TIFIA Scheduled Debt Service, and (2) all Debt Service in respect of the other Secured Obligations due and payable as of such date;

(v) each Reserve Account is fully funded at its applicable requirement;

(vi) (1) the First Lien Debt Service Coverage Ratio as of such Calculation Date is, and was for each of the two Calculation Dates prior to such Calculation Date, equal to at least 1.45:1.00, (2) the Second Lien Debt Service Coverage Ratio as of such Calculation Date is, and was for each of the two Calculation Dates prior to such Calculation Date, equal to at least 1.30:1.00, (3) the Third Lien Cost Coverage Requirement was satisfied as of such Calculation Date and as of the two Calculation Dates prior to such Calculation Date; (4) the All-in-Cost Coverage Requirement was satisfied as of such Calculation Date and as of each of the two Calculation Dates prior to such Calculation Date, and (5) the Loan Life Coverage Ratio as of such Calculation Date is, and was for each of the two Calculation Dates prior to such Calculation Date, equal to at least 1.30:1.00;

(vii) (1) the First Lien Debt Service Coverage Ratio projected for each Calculation Date immediately succeeding such date through the Final Maturity Date is equal to at least 1.45:1.00, (2) the Second Lien Debt Service Coverage Ratio projected for each Calculation Date immediately succeeding such date through the Final Maturity Date is equal to at least 1.30:1.00, (3) the Third Lien Projected Debt Service Coverage Ratio for each Calculation Date immediately succeeding such date through the Final Maturity Date is equal to at least 1.10:1.00, (4) the All-in-Cost Coverage Requirement is projected to be satisfied for each of the four (4) Calculation Dates immediately succeeding such date (or, following an Event of Default described in Section 19(a)(iii) (Lease Default)), for each Calculation Date through the Final Maturity Date), and (5) the Loan Life Coverage Ratio projected for each Calculation Date immediately succeeding such date through the Final Maturity Date is equal to at least 1.30:1.00;

(viii) the Issuer is not insolvent and would not be rendered insolvent by the making of such proposed Restricted Payment; and

(ix) the Issuer shall have delivered to the TIFIA Lender a certificate of the Issuer's Authorized Representative (including calculations in reasonable detail of the applicable coverage ratios, and demonstrating satisfaction with the same) certifying that the above conditions have been satisfied.

ALDOT Rebate Fund

The Indenture establishes a special trust fund which shall be designated the "ALDOT Rebate Fund". Deposits to the ALDOT Rebate Fund are to be made as described in "SECURITY AND SOURCE OF PAYMENT – Revenue Fund" and "- Flow of Funds".

Money in the ALDOT Rebate Fund shall be paid out by the Trustee from time to time for the purpose of paying the ALDOT Rebates upon delivery to the Trustee of a requisition of the Issuer and ALDOT.

After the Issuer certifies to the Trustee that money remaining in the ALDOT Rebate Fund is not needed to pay the ALDOT Rebates, any balance remaining in the ALDOT Rebate Fund shall be deposited in the Surplus Fund.

Surplus Fund

The Indenture establishes a special trust fund designated the "Surplus Fund". Deposits to the Surplus Fund are to be made as described in "SECURITY AND SOURCE OF PAYMENT – Revenue Fund" and "- Flow of Funds".

Money in the Surplus Fund shall be paid out by the Trustee from time to time for the purpose of paying the Permitted Surplus Fund Payments upon delivery to the Trustee of a requisition of the Issuer and ALDOT.

Costs of Issuance Fund

The Indenture establishes a trust fund designated the "Costs of Issuance Fund". A deposit to the Costs of Issuance Fund is to be made upon issuance of the Series 2026 Bonds.

Money in the Costs of Issuance Fund shall be paid out by the Trustee from time to time for the purpose of paying Costs of Issuance with respect to the Series 2026 Bonds upon delivery to the Trustee of a requisition of the Issuer and ALDOT.

After an Authorized ALDOT Representative certifies to the Trustee that money remaining in the Costs of Issuance Fund is not needed to pay Costs of Issuance with respect to the Series 2026 Bonds, any balance remaining in the Costs of Issuance Fund shall be deposited in the Acquisition Fund.

Acquisition Fund

The Indenture establishes a trust fund which shall be designated the "Acquisition Fund". Deposits to the Acquisition Fund are to be made upon issuance of the Series 2026 Bonds.

Money in the Acquisition Fund shall be paid out by the Trustee from time to time for the purpose of paying Acquisition Costs (including reimbursement of the Issuer and ALDOT for any such costs paid by them) upon delivery to the Trustee of a requisition of the Issuer and ALDOT.

After ALDOT certifies to the Trustee that remaining proceeds of the Series 2026 Bonds are not needed to pay Acquisition Costs, any balance remaining in the Acquisition Fund, at the direction of an ALDOT, either(i) shall be deposited in the Debt Service Fund and shall be applied to the redemption of the Series 2026A and Series 2026B Bond on the next date on which such Bonds are subject to redemption and for which the required notice of redemption can be given, in each case on a pro rata basis based on the aggregate principal amount of each of the Series 2026A and Series 2026B Bond Outstanding, or (ii) upon delivery to the Trustee of a Favorable Tax Opinion, shall be deposited in any of the other Indenture Funds other than the Surplus Fund or the ALDOT Rebate Fund.

Insurance and Condemnation Proceeds Fund

The Indenture establishes a special trust fund designated the "Insurance and Condemnation Proceeds Fund". Deposits to the Insurance and Condemnation Proceeds Fund are to be made as described in this section.

All Loss Proceeds payable to or received by the Issuer or ALDOT with respect to the Project (whether by way of claims, return of premiums, ex gratia settlements or otherwise) including proceeds of fire and other casualty insurance and proceeds of any condemnation awards payable to or received by the Issuer or ALDOT with respect to the Project shall be transferred to the Trustee and deposited by the Trustee into the Insurance and Condemnation Proceeds Fund; however, proceeds of any business interruption insurance, delay-in-startup insurance, or loss-of-advance-profits insurance payable to or received by the Issuer with respect to the Project (whether by way of claims, return of premiums, ex gratia settlements or otherwise) shall be deposited to the Revenue Fund.

If received prior to the applicable Substantial Completion Date, amounts on deposit in the Insurance and Condemnation Proceeds Fund shall be used to pay Acquisition Costs. If received after the applicable Substantial Completion Date, amounts on deposit in the Insurance and Condemnation Proceeds Fund may be used by the Issuer to pay the costs of restoration, repair, or rehabilitation of the Project or portion thereof to which such insurance or condemnation proceeds relate.

After ALDOT certifies to the Trustee that amounts on deposit in the Insurance and Condemnation Proceeds Fund are not needed to pay Acquisition Costs or to pay the costs of restoration, repair, or rehabilitation of the Project or portion thereof, any balance remaining in the Insurance and Condemnation Proceeds Fund, at the direction of ALDOT, either (i) shall be deposited in the Debt Service Fund and shall be applied to the redemption of the Series 2026A and Series 2026B Bond on the next date on which such Bonds are subject to redemption and for which the required notice of redemption can be given, in each case on a pro rata basis based on the aggregate principal amount of each of the Series 2026A and Series 2026B Bond Outstanding, or (ii) upon delivery to the Trustee of a Favorable

Tax Opinion, shall be deposited in any of the other Indenture Funds other than the Surplus Fund or the ALDOT Rebate Fund.

Other Covenants of the Issuer

Completion of Project. If the proceeds derived from the sale of the Series 2026 Bonds and the Capital Improvement Payments are insufficient to pay in full all Acquisition Costs and Costs of Issuance, the Issuer shall meet and consider the following solutions (in order of priority) in order to complete the acquisition and construction of the Project: (a) using best efforts to obtain from the Alabama Legislature an appropriation for such funds; (b) reducing the scope of the Project, re-engineering, and/or considering value engineering options; and (c) identifying other funding sources.

Disbursement of TIFIA Loan. The Issuer will take all actions necessary to ensure that it will submit timely the requisition under the TIFIA Loan Agreement to pay the Series 2026-1 Notes in full at maturity. In the event that the disbursement under the TIFIA Loan Agreement is not available to the Issuer in full at the maturity of the Series 2026-1 Notes, the Issuer will use its best efforts to find an alternative refinancing solution.

Annual Budget. The Issuer shall adopt an Annual Budget for the Project for each Bond Year. To the extent possible, the Issuer shall prepare its Annual Budget so that it will be possible to determine from such Annual Budget (a) the amount of Project Revenues budgeted for deposit into the Revenue Fund during such year and (b) the amounts to be deposited or paid into Indenture Funds. In preparing its Annual Budget, the Issuer shall give due consideration to the provisions of "SECURITY AND SOURCE OF PAYMENT – Rate Covenant" above.

No Sale or Lease of Project; Maintenance of Project in Repair. The Issuer will not sell or lease the whole or any integral part of the Project, except as described in the Lease Agreement, until all of the Indenture Indebtedness has been paid in full or unless and until provision for such payment has been made. Once completed, and while Indenture Indebtedness is outstanding, the Issuer will continuously operate the Project (or cause the same to be operated, including by ALDOT), and it will keep the same in serviceable condition, repair and working order, making from time to time all needful repairs and replacements thereto and thereof.

Relationship Among Series and Subordination of Certain Series

Each of the Second Lien Bonds and Third Lien Bonds are subordinate in security and right of payment to the First Lien Bonds and, with respect to the Third Lien Bonds, are also subordinate to the Second Lien Bonds. The obligation of the Issuer to make payments on each of the Second Lien Bonds and the Third Lien Bonds is expressly subordinated to the payment of the principal of, premium if any, and interest on the First Lien Bonds and, with respect to the Third Lien Bonds, the Second Lien Bonds, pursuant to the terms of the Indenture.

Upon the occurrence of an Event of Default that is a Bankruptcy Related Event with respect to the Issuer under the Indenture, in the event that a TIFIA Loan is outstanding, the Series 2026B Bonds, and any other bonds of the Issuer securing the Issuer's obligations under the TIFIA Agreement (but NOT the Series 2026-1 Notes) will be deemed to be First Lien Bonds, on parity with other First Lien Bonds then outstanding. In such event, the Series 2026B Bonds, and any other bonds of the Issuer securing the Issuer's obligations under the TIFIA Agreement would be secured by and payable from the Trust Estate (except for the Reserve Fund-Series 2026A Subaccount) on a basis equal to that of other outstanding First Lien Bonds.

The following table summarizes certain material differences among the Offered Series 2026 Bonds. The table is qualified in its entirety by the more detailed descriptions contained elsewhere in the Official Statement.

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Table 3.Material Differences Among the Offered Series 2026 Bonds

Offered Series	Lien on Trust Estate	Rating	Primary Source of Payment	Dedicated Debt Service Reserve	Capitalized Interest	Other Material Support or Exposure
2026A Bonds	First	BBB (Fitch, Expected) / Baa2 (Moody's)	Project Revenues and other amounts in the Trust Estate	Series 2026A Reserve Fund subaccount	Through October 1, 2032	Senior lien position; no Basic Lease Payment support
2026-1 Notes	Second	BBB (Fitch, Expected) / Baa3 (Moody's)	Project Revenues; principal expected to be paid from the TIFIA Loan disbursement at maturity	None	Through maturity	TIFIA takeout remains subject to satisfaction or waiver of applicable disbursement conditions; alternative refinancing may be required if proceeds are unavailable
2026C Bonds	Enhanced Third	AA- (Fitch, Expected) / Aa3 (Moody's)	Project Revenues and Basic Lease Payments under the Lease Agreement	None	Through April 1, 2032	Basic Lease Payments are payable solely from MRB Designated Revenues if Issuer revenues are insufficient
2026D Bonds (Taxable)	Enhanced Third	AA- (Fitch, Expected) / Aa3 (Moody's)	Project Revenues and Basic Lease Payments under the Lease Agreement	None	Through April 1, 2032	Basic Lease Payments are payable solely from MRB Designated Revenues if Issuer revenues are insufficient

Notes

(1) The Series 2026B Bond securing the TIFIA Loan is initially a Second Lien Bond. Upon a Bankruptcy Related Event with respect to the Issuer, the Series 2026B Bond, but not the Series 2026-1 Notes, becomes secured on parity with the First Lien Bonds.

(2) MRB Designated Revenues are not pledged by ALDOT under the Lease Agreement.

(3) This table does not summarize all terms, covenants, funds, remedies or risks applicable to the Offered Series 2026 Bonds. See "SECURITY AND SOURCE OF PAYMENT," "TIFIA LOAN AGREEMENT" and "RISK FACTORS."

Issuance of Additional Bonds

While the TIFIA Loan is outstanding, Additional Bonds may be issued upon satisfaction of the requirements of the TIFIA Loan Agreement, one of which requires that requirements for the issuance of Additional Bonds set forth in the Indenture also be satisfied. The requirements for the issuance of Additional Bonds pursuant to the TIFIA Loan Agreement and the Indenture are summarized below. See Appendix B – "FORM OF INDENTURE AND SUPPLEMENTAL INDENTURES" and Appendix D – "SUMMARY OF TIFIA LOAN AGREEMENT".

TIFIA Loan Agreement Requirements. Pursuant to the TIFIA Loan Agreement, Additional Secured Obligations may be issued as First Lien Obligations, Second Lien Obligations or Third Lien Obligations upon satisfaction of the requirements set forth in the Indenture, in paragraphs (a), (b) and (c) below and in the last paragraph of this subsection, to the extent permitted by the negative covenants of the TIFIA Loan Agreement. Capitalized terms used in this section have the meaning given thereto in the TIFIA Loan Agreement.

(a) Such Additional Secured Obligations may be issued or incurred as Refunding Bonds so long as (i) the net proceeds thereof (after deducting any amounts required to be deposited to satisfy the applicable Reserve Account Requirement for the Debt Service Reserve Fund applicable to such Additional Secured Obligations and costs of issuance (or original issue discount) not to exceed five percent (5%) of the principal amount of such Additional Secured Obligations) must not exceed the principal amount of the Secured Obligations being refinanced, (ii) Debt Service in respect of such Additional Secured Obligations, in each year of the remaining term of the TIFIA Loan, must be projected to be less than the aggregate Debt Service in respect of the refunded Secured Obligations projected for each such year in the Base Case Financial Model or, if applicable, the Revised Financial Model, (iii) the maturity date for such Additional Secured Obligations shall be no later than the maturity date of the refunded Bonds and (iv) if such Additional Secured Obligations are First Lien Obligations, the proceeds thereof shall solely be used to refinance other First Lien Obligations and if such Additional Secured Obligations are Second Lien Obligations, the proceeds thereof shall solely be used to refinance other Second Lien Obligations.

(b) In the event that the Substantial Completion Date has not occurred, or is not expected to occur, on or before the maturity date of the then-outstanding Project BANs, such Additional Secured Obligations may be issued as new Project BANs to refinance the then-outstanding Project BANs one or more times; provided that: (i) such Additional Secured Obligations are First Lien Obligations or Second Lien Obligations; (ii) the aggregate principal amount of such Additional Secured Obligations does not exceed the aggregate principal amount of the Project BANs; (iii) as conditions to the issuance of such Additional Secured Obligations, (A) all interest (including capitalized interest), issuance costs and any other amounts owed in respect of such Additional Secured Obligations (other than the principal amount thereof to be repaid with the proceeds of the initial disbursement of the TIFIA Loan) are (1) arranged from sources other than the proceeds of the TIFIA Loan, any other Secured Obligations or any other amount identified in the Financial Plan and (2) deposited with the Trustee at the time of the issuance of such Additional Secured Obligations in a dedicated account and applied solely to pay such amounts.

(c) Such Additional Secured Obligations may be issued or incurred for any purpose other than as described in clause (a) or (b) above, including for purposes of funding an expansion or other enhancement of the Project, including costs related to the Phase II Project; provided that (i) such purpose does not include the funding of Renewal and Replacement Expenses and (ii) the prior written consent of the TIFIA Lender (in its sole discretion) has been obtained.

For each of clauses (a), (b) and (c) above, (A) no Event of Default and no event of default under any Indenture Document has occurred and is continuing, (B) each Reserve Account is fully funded at its applicable requirement, and (C) repayment of the principal amount of such Additional Secured Obligations does not commence before the Debt Service Payment Commencement Date (other than, in the case of clause (b) above, repayment of the Project BANs from the proceeds of the initial disbursement of the TIFIA Loan). Solely with respect to clauses (a) and (c) above, (A) such Additional Secured Obligations shall have received an Investment Grade Rating, and (B) the Rating Agency that provided the most recent public ratings of the Secured Obligations shall have provided a confirmation or affirmation (or the equivalent) that the incurrence of such Additional Secured Obligations shall not result in a downgrade of the lower of (1) the then-existing credit ratings of the First Lien Obligations, the Second Lien Obligations, and the Third Lien Obligations, respectively, and (2) the credit ratings of the First Lien Obligations, the Second Lien Obligations, and the Third Lien Obligations, respectively, as of the Effective Date or the closing date of the relevant Secured Obligations (to the extent the relevant Secured Obligations are issued on a

day other than the Effective Date). Solely with respect to clause (a), the Issuer shall have delivered to the TIFIA Lender an original fully executed counterpart (or a certified copy) of an updated Traffic and Revenue Study in form and substance acceptable to the TIFIA Lender, accompanied by a letter from the Traffic Consultant certifying that the assumptions and projections contained in such updated Traffic and Revenue Study are reasonable and may be relied upon by the TIFIA Lender.

Indenture Requirements. Capitalized terms used in this section have the meaning given thereto in the Indenture. Prior to the issuance of any Additional Bonds that are not Completion Bonds, Refunding Bonds, or Additional Bonds that constitute Revenue Bond Anticipation Notes, the Issuer shall deliver to the Trustee a certificate of the Issuer stating that, based on a report from a T&R Consultant, the Project Revenues for each Bond Year beginning with the Bond Year in which such Bonds are issued through maturity of all Bonds will be not less than 100% of the sum of:

(A) the Annual Debt Service payable during each of such Bond Years with respect to the First Lien Bonds Outstanding, the Second Lien Bonds Outstanding, the Third Lien Bonds Outstanding, and the Additional Bonds to be issued,

(B) the Required Bond Insurance/Credit Facility/Hedging Payments during each of such Bond Years,

(C) the payments required to meet the Reserve Fund Requirement for each of such Bond Years,

(D) the payments required to meet the TIFIA Debt Service Reserve Fund Requirement for each of such Bond Years,

(E) the payments required to meet the Required Rebate for each of such Bond Years,

(F) the Administrative Expenses for the Issuer for each of such Bond Years,

(G) the Toll Collection O&M Payments for each of such Bond Years,

(H) the payments required to meet the Toll Collection Operating Reserve Requirement for each of such Bond Years,

(I) the payments required to meet the Toll Collection Renewal and Replacement Requirement for each of such Bond Years, and

(J) the payments required to meet the Rate Stabilization Fund Minimum Balance Requirement for each of such Bond Years.

Additional Bonds to be issued in each of the following liens shall not be issued unless a certificate of the Issuer is delivered to the Trustee stating that, based on a report of a T&R Consultant, projected Project Revenues for each Bond Year beginning with the Bond Year in which such Bonds are issued through maturity of all existing Bonds and Additional Bonds to be issued, will be not less than the percentage (as set forth in the table below) of the sum of (A) Annual Debt Service payable during each such Bond Year with respect to the Bonds Outstanding and the Additional Bonds to be issued and (B) the annual payments required to meet the TIFIA Debt Service Reserve Fund Requirement:

Indenture Additional Bonds Test

Lien Tier	Applicable Percentage
First Lien Bonds	160%
Second Lien Bonds	140%
Third Lien Bonds	110%

Completion Bonds. Completion Bonds may be issued by delivery to the Trustee of a certificate of the Issuer stating that (A) the scope of the project to be financed with the Completion Bonds remains substantially unchanged, (B) the Completion Bonds do not exceed 10% of the Series 2026 Bonds, and (C) proceeds from the Completion Bonds, together with other available funds, will be sufficient to achieve substantial completion of the Project.

Refunding Bonds. Refunding Bonds may be issued by delivery to the Trustee of (A) an Opinion of Counsel stating that, upon issuance of such proposed Refunding Bonds and application of the proceeds thereof, the Bonds to be refunded thereby will be considered Fully Paid and (B) a certificate by an Authorized Issuer Representative stating that either (i) such refunding does not result in an increase of more than 10% in Annual Debt

Service with respect to the Bonds to be refunded or (ii) such refunding is with respect to Revenue Bond Anticipation Notes, in which case only (A) above is required.

Revenue Bond Anticipation Notes. Additional Revenue Bond Anticipation Notes may be issued as First Lien Bonds, Second Lien Bonds or Third Lien Bonds upon delivery by the Issuer of a certificate stating that: (A) Debt Service of any such Revenue Bond Anticipation Notes shall be payable from Project Revenues in the manner provided in Article 2, Article 3, and Article 8 of the Indenture; from the proceeds of other Revenue Bond Anticipation Notes, First Lien Bonds, Second Lien Bonds, or Third Lien Bonds; or from any other legally available source and (B) the Issuer is in compliance with the requirements set forth in "Issuance of Additional Bonds – Indenture Requirements" above. In showing compliance with the requirements set forth in "Issuance of Additional Bonds – Indenture Requirements" above for the applicable lien level, the principal amount of such assumed First Lien Bonds, Second Lien Bonds, or Third Lien Bonds shall be deemed to be equal to the principal amount of such Revenue Bond Anticipation Notes being issued, and the Issuer shall be entitled to assume that such First Lien Bonds, Second Lien Bonds, or Third Lien Bonds will mature at such times and in such principal amounts as if such principal were amortized from the date of issuance thereof over a period of forty (40) years on a level debt service basis and bear such interest rates as it may in its best judgment determine.

Subordinated Debt. The Issuer may at any time and from time to time, if no default exists under the Indenture, incur Subordinated Debt for any lawful purpose without compliance with the provisions above; provided, however, that, for so long as the TIFIA Loan is outstanding, the incurrence of such Subordinated Debt shall be subject to the prior written consent of the TIFIA Lender.

See Appendix B – "FORM OF INDENTURE AND SUPPLEMENTAL INDENTURES".

Events of Default

Any one or more of the following constitutes an event of default under the Indenture:

1) Failure to pay (a) the interest on any Highest Priority Obligation when such interest becomes due and payable, or (2) the principal of (or premium, if any, on) any Highest Priority Obligation when such principal (or premium, if any) becomes due and payable, whether at its stated Maturity, by call for redemption or otherwise (for clarity, excluding any TIFIA Scheduled Debt Service that is not then currently payable in accordance with TIFIA Loan Agreement(s));

2) Default in the performance, or breach, of any covenant or warranty of the Issuer in this Indenture (other than a covenant or warranty a default in the performance or breach of which is elsewhere in this Section specifically dealt with), and continuance of such default or breach for a period of 60 days after notice of such default or breach, stating that such notice is a "notice of default" hereunder, has been given to the Issuer by the Trustee, or to the Issuer and the Trustee by the Holders of at least 10% in principal amount of the Outstanding Bonds, unless, in the case of a default or breach that cannot be cured by the payment of money, the Issuer initiates efforts to correct such default or breach within 60 days from the receipt of such notice and diligently pursues such action until the default or breach is corrected;

3) A Lease Default shall occur and be continuing;

4) The occurrence of an event of default, as therein defined, under any other Bond Document and the expiration of the applicable grace period, if any, specified therein; or

5) A Bankruptcy Related Event by the Issuer

Remedies

If an event of default under the Indenture exists, then and in every such case, the Trustee (acting at the direction of a majority in principal amount of the Outstanding Highest Priority Obligations) may exercise all available remedies under the laws of the State of Alabama, whether in law or at equity. See Appendix B –"FORM

OF INDENTURE AND SUPPLEMENTAL INDENTURES" for further discussion of the rights of Holders if there is an event of default under the Indenture.

The Indenture does not provide for acceleration of the Offered Series 2026 Bonds if an event of default thereunder occurs; provided, however, that the TIFIA Loan Agreement provides that the TIFIA Lender has a right to accelerate the TIFIA Loan as a remedy for an event of default under the TIFIA Loan Agreement if the Issuer grants an acceleration right to other holders of Issuer indebtedness. The remedies of the owners of the Offered Series 2026 Bonds are limited to (i) a suit on the Offered Series 2026 Bonds, (ii) a suit to compel performance under the Indenture, (iii) an action for an accounting and (iv) an action to enjoin acts which may be unlawful or a violation of the rights of such owners. The rights of the owners of the Offered Series 2026 Bonds and the enforceability of the Offered Series 2026 Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, by equitable principles and by the principle of sovereign immunity. See "SOVEREIGN IMMUNITY" and Appendix B— "FORM OF INDENTURE AND SUPPLEMENTAL INDENTURES."

The United States Bankruptcy Code

Chapter 9 of the United States Bankruptcy Code permits political subdivisions and public agencies or instrumentalities of a state that are insolvent or unable to meet their debts as they come due to file petitions for relief in the federal bankruptcy courts if it is specifically authorized to do so by state law and can satisfy certain statutory requirements related to pre-filing negotiations with their creditors. While the matter is not entirely free from doubt, prospective purchasers of the Series 2026 Bonds should assume that existing Alabama statutes do not authorize the Issuer, the State or ALDOT to file a petition for relief. However, the United States Bankruptcy Code or Alabama law could be changed during the life of the Series 2026 Bonds to permit the Issuer, the State and ALDOT to file such a petition for relief.

Bankruptcy proceedings by the Issuer, the State or ALDOT could have adverse effects on holders of the Series 2026 Bonds, including (i) a loss of the revenues and properties pledged to them under the Indenture upon the initiation of bankruptcy proceedings, (ii) delay in the receipt of scheduled payments during such proceedings, (iii) delay in the enforcement of their remedies, (iv) subordination of their claims to the claims of those supplying goods and services to the Issuer or ALDOT after the initiation of bankruptcy proceedings and to the administrative expenses of bankruptcy proceedings, (v) with respect to the Series 2026A Bonds, the springing lien of the Series 2026B Bond causing it to become a First Lien Bond on parity with the Series 2026A Bonds and any other First Lien Bonds then outstanding, and (vi) imposition without their consent of a plan for the adjustment of the Issuer's or ALDOT's debts reducing or delaying payment on the Series 2026 Bonds. Such a plan of adjustment, when confirmed by the bankruptcy court, binds all creditors who had timely notice or actual knowledge of the petition or plan, even if they vote against the plan, and discharges all claims against the political subdivision debtor unless excepted from discharge by the plan or the order confirming the plan. Among other conditions for confirmation, the plan must either be accepted by each class of claims or interests that is impaired under the plan, or be accepted by at least one impaired class if the plan is otherwise confirmable, does not discriminate unfairly, and is fair and equitable. An impaired class accepts a plan only if it has been accepted by at least 2/3 in amount and more than 50% in number of the allowed claims of such class that vote to accept or reject the plan.

Certain Other Security/Source of Payment Provisions of the Indenture

For other provisions of the Indenture relating to the security and source of payment for the Series 2026 Bonds, see Appendix B - "FORM OF INDENTURE AND SUPPLEMENTAL INDENTURES." See also "RELATIONSHIP BETWEEN INDENTURE, LEASE AGREEMENT, AND TIFIA LOAN AGREEMENT" for a description of how, in the event of any inconsistency between the provisions of the TIFIA Loan Agreement, on the one hand, and the provisions of the Indenture and the Lease Agreement, on the other hand, the TIFIA Loan Agreement will prevail.

TIFIA LOAN AGREEMENT

General

Pursuant to the TIFIA Loan Agreement, the TIFIA Lender will agree to extend the TIFIA Loan to the Issuer in an amount not-to-exceed approximately $2,522,502,000.* The proceeds of the TIFIA Loan will be applied to the payment, reimbursement or refinancing of certain costs of the Project that are eligible to be financed with proceeds of the TIFIA Loan pursuant to federal law; provided, however, (i) the maximum principal amount of the TIFIA Loan cannot exceed 49% of expected eligible costs of the Project and (ii) the total amount of all disbursements under the TIFIA Loan cannot, when added to the total federal assistance (including any grants received from the U.S. Department of Transportation) provided to the Project, exceed 80% of eligible costs of the Project. Eligible costs of the Project include costs of design and construction, capitalized interest and certain other financing costs. The TIFIA Loan will bear interest at a fixed rate equal to the U.S. Treasury security rate with a maturity matching the weighted average life of the TIFIA Loan or a comparable term. The interest rate on the TIFIA Loan will be set on the effective date of the TIFIA Loan Agreement. As of August 19, 2026, the interest rate on the TIFIA Loan would have been 5.27%, which equals the U.S. Treasury security rate on that date for a security with a weighted average life of 32.5 years. For purposes of this Official Statement, a TIFIA Loan interest rate of 5.27% has been assumed.

THE FOLLOWING IS A BRIEF SUMMARY OF CERTAIN PROVISIONS OF THE TIFIA LOAN AGREEMENT. A MORE DETAILED SUMMARY OF THE TIFIA LOAN AGREEMENT, ATTACHED HERETO AS APPENDIX D, SHOULD BE READ IN ITS ENTIRETY TO OBTAIN A MORE COMPLETE DESCRIPTION OF THE TERMS AND PROVISIONS OF THE TIFIA LOAN INCLUDING THE VARIOUS COVENANTS, REPRESENTATIONS AND OBLIGATIONS OF THE ISSUER THEREUNDER.

See "RELATIONSHIP BETWEEN INDENTURE, LEASE AGREEMENT, AND TIFIA LOAN AGREEMENT" for a description of how, in the event of any inconsistency between the provisions of the TIFIA Loan Agreement, on the one hand, and the provisions of the Indenture and the Lease Agreement, on the other hand, the TIFIA Loan Agreement will prevail.

Disbursement Requirements

The Issuer expects to draw on the TIFIA Loan on or before the maturity date of the Series 2026-1 Notes to pay the principal of the Series 2026-1 Notes. Requests to disburse the TIFIA Loan have to be submitted by the Issuer to the TIFIA Lender in the form of a requisition and certification attached to the TIFIA Loan Agreement, which form requires the Issuer to make certain representations. Disbursement of the TIFIA Loan is subject to certain conditions precedent, including, but not limited to, the following:

The Issuer expects to pay the Series 2026-1 Notes at maturity by requisitioning the amounts available under the TIFIA Loan. There are numerous conditions that must be satisfied by the Issuer in connection with the requisitioning of monies under the TIFIA Loan Agreement. In addition, the TIFIA Lender may refuse to honor a requisition if, among other things, an event of default has occurred and is continuing under the TIFIA Loan Agreement or if the Issuer or certain other parties are not in compliance with federal law or their obligations under certain material contracts relating to the construction of the Project.

Certain of the conditions to disbursement under the TIFIA Loan Agreement are required to be satisfied on or prior to the first requisition and others at the time of each requisition. The TIFIA Loan Agreement will be effective prior to the issuance of the Series 2026-1 Notes, so certain of the conditions, which are conditions both to the effectiveness of the TIFIA Loan Agreement and each disbursement, have previously been satisfied.

The Issuer expects to regularly provide updated information to the TIFIA Lender on Project costs and construction status as it requisitions moneys from the proceeds of the Series 2026-1 Notes and to otherwise keep the

* Preliminary, subject to same.

TIFIA Lender current so that the requisition process can be accomplished within the timeframe necessary to provide for timely payment of principal on the Series 2026-1 Notes at maturity.

A request for a disbursement of the TIFIA Loan by the Issuer will be made to the TIFIA Lender by submission of a requisition in the form attached to the TIFIA Loan Agreement, which form contains certain representations to be made by the Issuer.

Certain conditions precedent to a disbursement that were satisfied in connection with the execution and delivery of the TIFIA Loan Agreement must continue to remain in place at the time of disbursement. Other than the delivery of customary certificates as to representations and warranties, no defaults and other corporate matters, the following, among others, are additional conditions to the TIFIA Lender's obligation to fund the requisition request:

(i) Delivery to the TIFIA Lender of updated Financial Plans and amendments and modifications, if any, to certain Project contracts;

(ii) Compliance with statutes and regulations relating to projects funded by the TIFIA Lender;

(iii) All applicable insurance policies are in full force and effect and all permits and governmental approvals necessary as of the time of the applicable disbursement for the development, construction, operation and maintenance of the Project have been issued and are in full force and effect;

(iv) No event of default under the TIFIA Loan Agreement (which includes defaults under the Indenture and the Lease Agreement) or other material contracts, or event which with the giving of notice or the passage of time or both under such documents would result in an event of default has occurred and is continuing;

(v) No Material Adverse Effect, or any event or condition that could reasonably be expected to result in a Material Adverse Effect, shall have occurred and be continuing; and

(vi) The Issuer has demonstrated to the TIFIA Lender's satisfaction that it can complete the Project timely and within budget, as the construction schedule and budget may be revised from time to time with the TIFIA Lender's consent, and has sufficient funds to complete the Project and no facts or circumstances have arisen that would reasonably be likely to cause such amounts not to be available as and when needed to pay such costs.

The TIFIA Lender shall be entitled to withhold approval of the disbursement of TIFIA Loan proceeds if:

(i) An event of default or an event that, with the giving of notice of the passage of time or both, would constitute an event of default, under the TIFIA Loan Agreement shall have occurred and be continuing; or

(ii) The Issuer knowingly takes any action, or omits to take any action, amounting to fraud or violation of any applicable federal or local criminal law, in connection with the transactions contemplated by the TIFIA Loan Agreement; or

(iii) The Issuer fails to construct the Project in a manner consistent with plans, specifications, engineering reports, permits or facilities plans previously submitted to and approved by the TIFIA Lender, or with good engineering practices, where such failure prevents or materially impairs the Project from fulfilling its intended purpose, or prevents or materially impairs the ability of the TIFIA Lender to monitor compliance by the Issuer with applicable federal or local law pertaining to the Project, or with the terms and conditions of the TIFIA Loan Agreement; or

(iv) The Issuer fails to observe or comply with any applicable law, or any term or condition of the TIFIA Loan Agreement; or

(v) The Issuer fails to deliver documentation satisfactory to the TIFIA Lender evidencing eligible Project Costs claimed for disbursement at the times and in the manner specified by the TIFIA Loan Agreement; provided, that in such case the TIFIA Lender may, in its sole discretion, partially approve a disbursement request in

respect of any amounts for which adequate documentation evidencing eligible Project Costs has been provided and may, in its sole discretion, disburse in respect of such properly documented amounts.

In no event shall the TIFIA Lender have any obligation to make any disbursement of proceeds of the TIFIA Loan to the Issuer if the TIFIA Lender's ability to make such disbursement is impaired as a result of a partial or total shutdown of the operations of any federal department or agency (including the USDOT or any of its agencies), or any contractor of any such department or agency, due to a lapse in appropriations by Congress.

See Appendix D - "SUMMARY OF TIFIA LOAN AGREEMENT" for a more complete description of the disbursement requirements of the TIFIA Loan.

Repayment Terms

Capitalized Interest Period. No payment of principal of or interest on the TIFIA Loan is required to be made during the Capitalized Interest Period (which is expected to be _____). On each January 1 and July 1 occurring on or after the effective date of the TIFIA Loan Agreement until (and including) the Semi-Annual Payment Date immediately following the last day of the capitalized interest period, interest accrued on the TIFIA Loan in the six month period ending immediately prior to such date will be capitalized and added to the principal amount of the TIFIA Loan. Thereafter, the debt service payable by the Issuer will fall into two categories: the mandatory portion of the scheduled debt service, which the Issuer must pay, and the non-mandatory portion of the scheduled debt service, which is payable by the Issuer to the extent funds are available for such payment in accordance with the terms of the Indenture. During this period, any unpaid portion of TIFIA Scheduled Debt Service constituting interest will be capitalized and added to the principal amount of the TIFIA Loan, as further detailed below.

TIFIA Mandatory Debt Service. On each Semi-Annual Payment Date occurring on or after the Debt Service Payment Commencement Date, the Issuer must pay TIFIA Mandatory Debt Service in the amounts set forth in the TIFIA Loan Agreement and in accordance with the terms and conditions set forth therein. On each Semi-Annual Payment Date commencing on the Level Payment Commencement Date, the Issuer must pay TIFIA Mandatory Debt Service in the amount of 100% of the Fixed Level Payment, in accordance with the terms and conditions of the TIFIA Loan Agreement.

TIFIA Scheduled Debt Service

On each Semi-Annual Payment Date occurring on or after the Debt Service Payment Commencement Date and prior to the Level Payment Commencement Date, the Issuer must pay TIFIA Scheduled Debt Service in the amounts set forth in the TIFIA Loan Agreement; provided that the Issuer's obligation to pay TIFIA Scheduled Debt Service on any Semi-Annual Payment Date shall be applicable only if and to the extent that funds shall be available therefor in the TIFIA Scheduled Debt Service Payment Sub-Accounts on such date. To the extent that the aggregate amount of TIFIA Scheduled Debt Service actually paid during any Payment Period in accordance with the provisions hereof shall be less than the aggregate amount of the TIFIA Scheduled Debt Service for such period determined as provided above as a result of insufficient funds available therefor in the TIFIA Scheduled Debt Service Payment Sub-Accounts on such date, then (i) the unpaid portion of such TIFIA Scheduled Debt Service constituting interest shall be capitalized, and (ii) such unpaid TIFIA Scheduled Debt Service shall be due and payable on the next Semi-Annual Payment Date. The total amount due and payable in respect of TIFIA Scheduled Debt Service on such next Semi-Annual Payment Date (but only if and to the extent that funds shall be available therefor in the TIFIA Scheduled Debt Service Payment Sub-Accounts on such date) shall be equal to the amount necessary to reduce the Outstanding TIFIA Loan Balance as of such Semi-Annual Payment Date to the amount that would be the Outstanding TIFIA Loan Balance if the Issuer made all TIFIA Scheduled Debt Service payments in full from the Debt Service Payment Commencement Date through such Semi-Annual Payment Date. **Non-payment of TIFIA Scheduled Debt Service is not an Event of Default under the TIFIA Loan Agreement if the Issuer has insufficient funds in the TIFIA Schedule Debt Service Payment Sub-Accounts to pay such TIFIA Scheduled Debt Service.**

Fixed Level Payments.

On each Semi-Annual Payment Date occurring during the Level Payment Period, the Issuer shall make payments of principal and interest (each, a "Fixed Level Payment"), and each such payment shall be approximately equal in amount. Fixed Level Payments constitute TIFIA Mandatory Debt Service. The amount of all Fixed Level Payments shall be calculated as of the Level Payment Commencement Date in such manner that the Outstanding TIFIA Loan Balance as of such date shall be reduced to $0 on the Final Maturity Date (assuming that interest accrues during such period on the Outstanding TIFIA Loan Balance at the interest rate set forth in the TIFIA Loan Agreement in the absence of an Event of Default, that all Fixed Level Payments are made in a timely manner during such period, and that no additional payments of principal of or interest on the TIFIA Loan are made during such period). To the extent that any mandatory or optional prepayment of the TIFIA Loan is made during the Level Payment Period in addition to the Fixed Level Payments, such prepayment shall be applied to the remaining Outstanding TIFIA Loan Balance, and as a result of such application the interest portion of the remaining Fixed Level Payments shall be recalculated, and such changes shall be reflected in a revised schedule of Fixed Level Payments. Fixed Level Payments constitute TIFIA Mandatory Debt Service.

See "DEBT SERVICE REQUIREMENTS" herein for an estimate of the TIFIA Mandatory Debt Service and TIFIA Scheduled Debt Service payments that are estimated to be due in each year. See Appendix D – "SUMMARY OF TIFIA LOAN AGREEMENT" for more information regarding payment of Debt Service on the TIFIA Loan, including Mandatory Debt Service Payments and Scheduled Debt Service Payments.

Prepayment of TIFIA Loan

Mandatory Prepayments. The Issuer must prepay the TIFIA Loan in whole or in part, without penalty or premium:

(i) upon the failure by the Issuer to satisfy the Rate Coverage Test for five (5) consecutive Calculation Dates and until the Issuer shall be in compliance with the Rate Coverage Test, then a prepayment shall be made from the Distribution Lock-Up Fund in accordance with Section 8.12 of the Indenture on a *pro rata* basis with the First Lien Obligations and any other Second Lien Obligations, in an amount equal to lesser of (A) the amount necessary to regain compliance with the Rate Coverage Test and (B) the amount then on deposit in the Distribution Lock-Up Fund.

(ii) following the determination for the application of Net Loss Proceeds as set forth in Section 8.17 of the Indenture, in the amount of any Net Loss Proceeds available to make such prepayment; and

(iii) upon any voluntary prepayment of any First Lien Obligations or any other Second Lien Obligations, on a *pro rata* basis with such voluntary prepayment; provided that no required prepayment of the TIFIA Loan shall be required in connection with (A) a voluntary prepayment of Secured Obligations from amounts withdrawn from Distribution Lock-Up Fund following satisfaction of the Restricted Payment Conditions, (B) repayment of any Project BANs with the proceeds of Secured Obligations or (C) repayment of any Secured Obligations with the proceeds of Refunding Bonds.

Optional Prepayments. The Issuer may prepay the TIFIA Loan at any time without penalty or premium, in whole or in part (and, if in part, the amounts thereof to be prepaid shall be determined by the Issuer.

TIFIA Debt Service Reserve Requirement

No initial deposit to the Reserve Fund-Series 2026B Subaccount is required to be made pursuant to the Second Supplemental Indenture; instead, a deposit to the Reserve Fund-Series 2026B Subaccount shall be made when the Project achieves substantial completion. The deposit to the Reserve Fund-Series 2026B Subaccount will be made from proceeds of the Series 2026D Bonds, which will initially be deposited in a subaccount of the Acquisition Fund and used to fund the Reserve Fund-Series 2026B Subaccount when the Project achieves substantial completion.

The TIFIA Debt Service Reserve Requirement is as defined in "GLOSSARY OF TERMS USED IN THIS OFFICIAL STATEMENT" and Appendix D – "SUMMARY OF TIFIA LOAN AGREEMENT".

Representations, Warranties and Covenants

Pursuant to the terms of the TIFIA Loan Agreement, the Issuer will provide certain customary representations and warranties as of the effective date of the TIFIA Loan Agreement and on the date a disbursement of the TIFIA Loan is requested or made. In addition, the Issuer will undertake to comply with certain covenants, for the benefit of the TIFIA Lender, including the Rate Covenant set forth above under "SECURITY AND SOURCE OF PAYMENT – Rate Covenant – TIFIA Loan Agreement Rate Covenant." See Appendix D – "SUMMARY OF TIFIA LOAN AGREEMENT" for a detailed description of such representations, warranties and covenants.

Events of Default and Remedies

Events of Default.

Each of the following events constitute events of default under the TIFIA Loan Agreement:

(i) Payment default
(ii) Covenant default
(iii) Lease default
(iv) Development default
(v) Misrepresentation default
(vi) Acceleration of Bonds
(vii) Cross default to other financing documents
(viii) Cross default to principal project contracts (i.e., the DBA)
(ix) Certain judgements in excess of $1,000,000 that are not insured
(x) Failure to maintain existence
(xi) Occurrence of a Bankruptcy Related Event
(xii) Abandonment of the Project
(xiii) Invalidity of documents and/or impairment of the Trust Estate
(xiv) Cessation of operations of the Project
(xv) Failure to fund reserves
(xvi) Failure to take actions required with respect to the rate covenant
(xvii) Termination of the ISRRPP Agreement and
(xviii) Repeal or amendment of the Enabling Law

See Appendix D - "SUMMARY OF TIFIA LOAN AGREEMENT" for a more complete description of the various events of default under the TIFIA Loan Agreement.

Remedies.

Upon the occurrence of a development default, the TIFIA Lender may (i) suspend the disbursement of TIFIA Loan proceeds, (ii) terminate all of its obligations hereunder with respect to the disbursement of any undisbursed amounts of the TIFIA Loan, and (iii) demand that the Issuer immediately repay any unexpended TIFIA Loan proceeds previously disbursed to the Issuer.

Upon the occurrence of any Bankruptcy Related Event with respect to the Issuer, all obligations of the TIFIA Lender with respect to the disbursement of any undisbursed amounts of the TIFIA Loan shall automatically be deemed terminated, and, if the TIFIA Lender has a right to accelerate the TIFIA Loan (which arises only if the Issuer grants such a right to any other Holders), the Outstanding Series 2026B Bond, together with all interest accrued thereon and all fees, costs, expenses, indemnities and other amounts payable under the TIFIA Loan Agreement, shall automatically become immediately due and payable.

Upon the occurrence of a Lease default, certain definitions that impact calculation of coverages are impacted.

Upon the occurrence of any other event of default under the TIFIA Loan Agreement, the TIFIA Lender may (i) suspend or terminate all of its obligations under the TIFIA Loan Agreement with respect to the disbursement of any undisbursed amounts of the TIFIA Loan, (ii) demand that the Issuer repay any unexpended TIFIA Loan proceeds disbursed to the Issuer, and (iii) if the TIFIA Lender has a right to accelerate the TIFIA Loan, declare the unpaid principal amount of the Series 2026B Bond to be immediately due and payable, together with the interest accrued thereon and all fees, costs, expenses, indemnities and other amounts payable under the TIFIA Loan Agreement.

Whenever any event of default has occurred and is continuing under the TIFIA Loan Agreement, the TIFIA Lender may suspend or debar the Issuer or ALDOT, as applicable, from further participation in any Federal Government program administered by the TIFIA Lender and to notify other government departments and agencies of such default.

See Appendix D - "SUMMARY OF TIFIA LOAN AGREEMENT" for a more complete description of the various remedies available to the TIFIA Lender upon the occurrence of an event of default under the TIFIA Loan Agreement.

Incurrence of Additional Indebtedness

As set forth in more detail above under "SECURITY AND SOURCE OF PAYMENT – Issuance of Additional Bonds", the Issuer has covenanted in the TIFIA Loan Agreement that, except for Permitted Debt (as defined in the TIFIA Loan Agreement), the Issuer must receive prior written consent of the TIFIA Lender to issue or incur indebtedness of any kind and must comply with certain other requirements. The applicability of specific conditions precedent is based on the type of Permitted Debt proposed to be issued, and in certain circumstances may affect the Issuer's ability to issue debt under the Indenture or otherwise. The definition of Permitted Debt under the TIFIA Loan Agreement specifically allows for the issuance of the Series 2026-1 Notes by the Issuer.

Certain Other Provisions of the TIFIA Loan Agreement

For other provisions of the TIFIA Loan Agreement, see Appendix D - "SUMMARY OF TIFIA LOAN AGREEMENT". See also "RELATIONSHIP BETWEEN INDENTURE, LEASE AGREEMENT, AND TIFIA LOAN AGREEMENT" for a description of how, in the event of any inconsistency between the provisions of the TIFIA Loan Agreement, on the one hand, and the provisions of the Indenture and the Lease Agreement, on the other hand, the TIFIA Loan Agreement will prevail.

RELATIONSHIP BETWEEN INDENTURE, LEASE AGREEMENT, AND TIFIA LOAN AGREEMENT

The financing of the Project is governed by three principal transaction documents, namely, the Indenture, the Lease Agreement, and the TIFIA Loan Agreement. Each of these documents is summarized in greater detail elsewhere in this Official Statement. In the event of any inconsistency between the provisions of the TIFIA Loan Agreement, on the one hand, and the provisions of the Indenture and the Lease Agreement, on the other hand, the TIFIA Loan Agreement will prevail. Prospective investors are advised that, in any area where the three documents address overlapping subject matter, the TIFIA Loan Agreement is the controlling document and should be consulted as the definitive statement of the Issuer's obligations at any time during which the TIFIA Loan is outstanding. The areas where the requirements of the TIFIA Loan Agreement differ significantly from, or impose additional obligations beyond, those set forth in the Indenture and the Lease Agreement include the following:

- Additional Bonds Tests
- Flow of Funds
- Asset Sales
- Condemnations and Casualties
- Mergers, Consolidations, and Other Fundamental Changes

- Negative Covenants and Consent Requirements
- Permitted Investments
- Permitted Liens
- Rate Covenant and Coverage Requirements
- Reporting, Oversight, and Monitoring
- Reserve Fund Requirements
- Subordinated Debt

THE PLAN OF FINANCING

The Series 2026A Bonds are being issued for the purpose of financing all or a portion of (i) the development, acquisition, design, construction, improvement, installation and equipping of the Project, (ii) funding reserves for the Series 2026A Bonds, (iii) capitalized interest on the Series 2026A Bonds and (iv) the costs of issuing the Series 2026A Bonds.

The Series 2026B Bond is being issued to evidence the obligations of the Issuer pursuant to the TIFIA Loan, which the Issuer expects will remain undrawn until after the project achieves substantial completion, at which point the proceeds of the TIFIA Loan disbursement will be used to refund the Series 2026-1 Notes (subject to requirements of the TIFIA Loan Agreement).

The Series 2026-1 Notes are being issued for the purpose of financing all or a portion of (i) the development, acquisition, design, construction, improvement, installation and equipping of the Project (subject to the requirements of the TIFIA Loan Agreement), (ii) capitalized interest on the Series 2026-1 Notes and (iii) the costs of issuing the Series 2026-1 Notes.

The Series 2026C Bonds are being issued for the purpose of financing all or a portion of (i) the development, acquisition, design, construction, improvement, installation and equipping of the Project, (ii) capitalized interest on the Series 2026C Bonds and (iii) the costs of issuing the Series 2026B Bond and/or the Series 2026C Bonds.

The Series 2026D Bonds are being issued for the purpose of financing all or a portion of (i) the debt service reserve fund for the Series 2026B Bond, (ii) capitalized interest on the Series 2026D Bonds, (iii) the initial deposit to the Toll Collection Operating Reserve Fund and (iv) the costs of issuing the Series 2026B Bond and/or the Series 2026D Bonds.

SOURCES AND USES OF FUNDS

The Project will be paid for with a combination of proceeds of the Series 2026 Bonds, State funding, proceeds of GARVEE bonds previously issued by the Alabama Federal Aid Highway Finance Authority and federal grants.

The expected sources and uses of funds for the plan of financing are as follows (rounded to the nearest whole dollar):

Table 4.
Aggregate Sources and Uses By Series of Offered Series 2026 Bonds*

Sources of Funds	**Series 2026A**	**Series 2026-1[1]**	**Series 2026C**	**Series 2026D**	**Total**
Total Bond Proceeds	622,092,931	2,666,737,772	486,872,793	91,105,000	3,866,808,496
Acquisition Fund Investment Proceeds	9,352,467	226,506,885	7,319,584		243,178,937
Capitalized Interest Fund Investment Proceeds	30,916,098	74,243,351	14,002,856	3,012,478	122,174,782
Series 2026D Investment Proceeds				12,059,533	12,059,533
Total Sources	**662,361,496**	**2,967,488,008**	**508,195,233**	**106,177,010**	**4,244,221,747**

Uses of Funds	**Series 2026A**	**Series 2026-1[1]**	**Series 2026C**	**Series 2026D**	**Total**
Total Project Costs (Offered Series 2026 Bonds)[2]	400,638,020	2,230,026,759	360,479,380		2,991,144,159
Capitalized Interest Fund	208,576,957	729,896,108	142,797,471	30,720,460	1,111,990,996
Debt Service Reserve Fund - Series 2026A	49,771,083				49,771,083
Debt Service Reserve Fund - Series 2026B				70,000,000	70,000,000
Tolling Collection Operating Reserve				5,181,745	5,181,745
Issuance Costs	3,375,435	7,565,142	4,918,382	274,805	16,133,764
Total Uses	**662,361,496**	**2,967,488,008**	**508,195,233**	**106,177,010**	**4,244,221,747**

1) Series 2026-1 principal to be paid with proceeds from TIFIA Loan
2) Represents the portion of approximately $4.150 billion of total Project costs funded from proceeds of the Offered Series 2026 Bonds and related investment earnings. The balance is funded from State funds, previously issued GARVEE bond proceeds and federal funds and grants, as reflected in Table 7.

* Preliminary, subject to change.

Table 5. Sources and Uses by Calendar Year (All Available Funds)[*]

Sources	Prior Costs	CY 2026	CY 2027	CY 2028	CY 2029	CY 2030	CY 2031	CY 2032	Total
Series 2026 Total Debt Proceeds[1]	-	262,868,636	629,878,006	778,531,972	812,132,083	771,230,217	518,050,325	94,117,256	3,866,808,496
Construction Fund Investment Proceeds[2]	-	27,335,813	81,398,061	66,844,082	43,347,266	20,591,931	3,661,785	-	243,178,937
Capitalized Interest Fund Investment Proceeds[3]	-	9,980,425	31,645,090	26,055,071	20,267,980	14,276,870	8,074,548	1,790,624	112,090,608
Series 2026AB DSRF Investment Proceeds[4]	-	1,139,138	3,993,048	4,072,524	4,154,807	4,239,994	3,673,202	870,994	22,143,707
State Funds[5]	246,503,745	12,646,436	127,590,121	-	-	-	-	-	386,740,302
Federal Funds/Grants[6]	312,778,346	115,258,130	251,884,061	81,195,003	11,000,000	-	-	-	772,115,539
Total Sources	**559,282,091**	**429,228,577**	**1,126,388,386**	**956,698,651**	**890,902,136**	**810,339,012**	**533,459,861**	**96,778,874**	**5,403,077,588**

Uses	Prior Costs	CY 2026	CY 2027	CY 2028	CY 2029	CY 2030	CY 2031	CY 2032	Total
Total Project Costs	559,282,091	244,112,858	932,185,455	762,416,243	696,537,445	615,889,134	339,576,775	-	4,150,000,000
Capitalized Interest[7]	-	55,452,763	191,951,872	191,951,872	191,951,872	191,951,872	191,951,872	96,778,874	1,111,990,996
Series 2026A DSRF	-	49,771,083	-	-	-	-	-	-	49,771,083
Series 2026B DSRF[8]	-	59,363,715	2,095,910	2,169,909	2,246,520	2,325,836	1,798,109	-	70,000,000
Toll Collection Operating Reserve	-	4,394,395	155,150	160,627	166,299	172,170	133,105	-	5,181,745
Issuance Costs Paid at Financial Close[9]	-	16,133,764	-	-	-	-	-	-	16,133,764
Total Uses	**559,282,091**	**429,228,577**	**1,126,388,386**	**956,698,651**	**890,902,136**	**810,339,012**	**533,459,861**	**96,778,874**	**5,403,077,588**

1) Includes original issue bond premium and discount.

2) Estimated interest earned on Series 2026A, Series 2026-1, and Series 2026C Project Funds. Assumed interest rate earnings at 3.5% annually.

3) Capitalized interest on the Offered Series 2026 Bonds. Assumed interest rate earnings at 3.5% annually.

4) Interest earnings on Series 2026D proceeds to be deposited in the Series 2026B DSRF. Assumed interest rate earnings at 3.5% annually.

5) $250 million of funding from GARVEE issuance plus $50.3 million of State Match ($23.8 million from bond premium and $26.5 million from State funds). Interest from GARVEE bond proceeds excluded.

6) Federal Funds include approved $125 million INFRA Grant, $43.8 million of PROTECT Formula Program funds, and $550 million Bridge Improvement Program Grant.

7) Interest capitalized on Series 2026A through October 1, 2032; on the Series 2026C & Series 2026D through April 1, 2032; and on the Series 2026-1 through final maturity (October 1, 2032).

8) Initial Series 2026B DSRF deposit funded with Series 2026D proceeds.

9) Includes cost of issuance and underwriters' discount related to the Offered Series 2026 Bonds.

[*] Preliminary, subject to change.

DEBT SERVICE REQUIREMENTS

The following table contains debt service requirements on the Series 2026 Bonds:

THE MOBILE RIVER BRIDGE AND BAYWAY PROJECT

General

Background.

The Project is located on Interstate 10 ("I-10") in Mobile and Baldwin Counties, Alabama. The I-10 corridor is an essential link in the U.S. Interstate Highway network, extending approximately 2,460 miles through eight states and 17 major metropolitan regions. It is the southernmost cross-country corridor from Santa Monica, California, to Jacksonville, Florida, and a vital local and regional hurricane evacuation route. Approximately 66 miles of I-10 crosses southern Alabama and is predominantly two lanes in each direction. I-10 is a vital trucking route and is the primary route of travel between Mobile and Baldwin Counties.

Map 1.
Map of Interstate 10



In Mobile and Baldwin Counties, I-10 crosses the Mobile River via the Wallace Tunnel and then crosses the Mobile Bay via the existing Bayway Bridges (the "Bayway"). The Wallace Tunnel was completed in 1973, and the Bayway was completed in 1978. Within the Project limits, I-10 varies from four lanes in each direction at the Broad Street Interchange to two lanes in each direction through the Wallace Tunnel and across the Bayway Bridges. Traveling west to east, the posted speed limit ranges from 65 MPH on I-10 just west of the Broad Street Interchange to a posted speed limit of 55 MPH in the Wallace Tunnel, and then back to a posted speed of 65 MPH on the Bayway Bridges. The Wallace Tunnel has sharp horizontal curves entering the tunnel for both eastbound and westbound traffic. For this reason, there are advisory speed limit signs for 40 MPH entering the tunnel.

As more fully described herein, the Issuer has entered into the Design-Build Agreement with respect to the Project with the Design-Builder, Kiewit Massman Traylor, a joint venture. The Design-Build Agreement provides that the Design-Builder will design and construct the Project in accordance with the Project contract documents, which include the Design-Build Agreement, the technical provisions provided by the Issuer, and ALDOT's standard specifications.

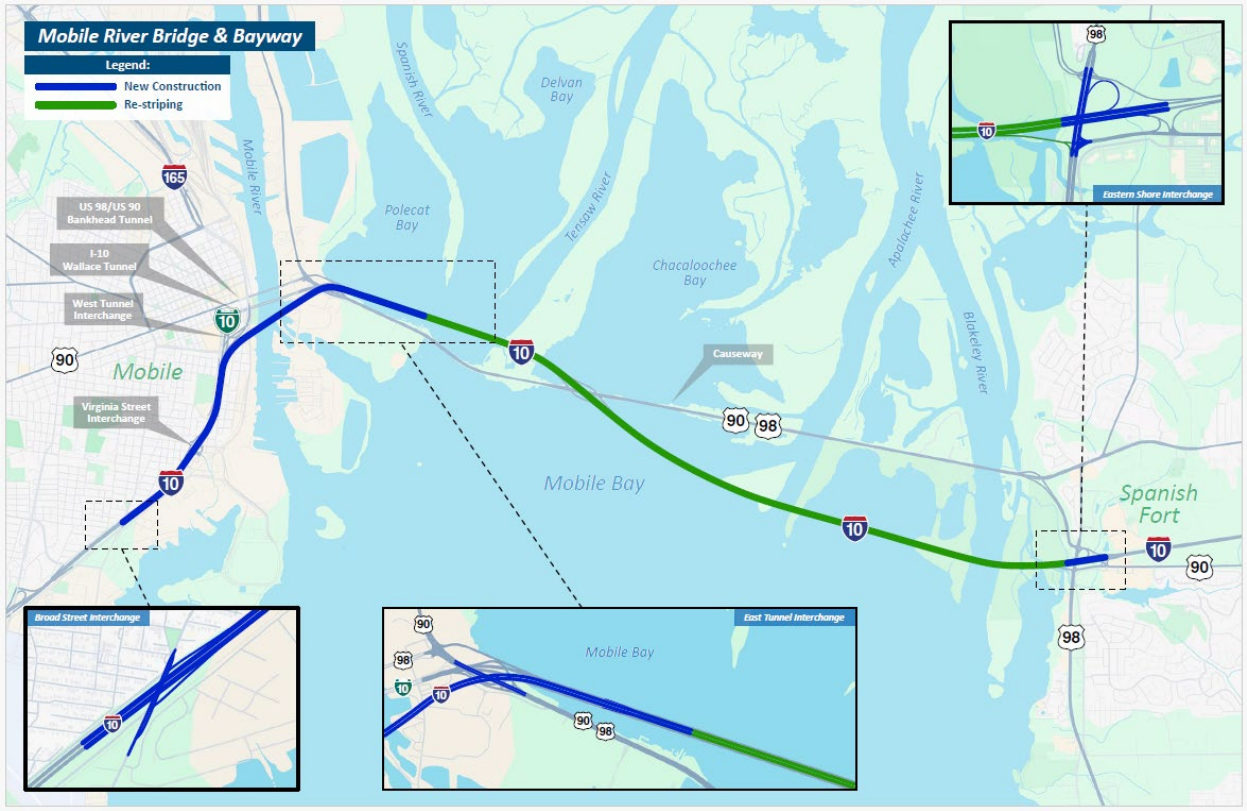
Project Components.

The Project will include a new six-lane cable-stay bridge with 215 feet of air draft clearance over the Mobile River, improvements west of the river to the Broad Street interchange, and a portion of new Bayway that

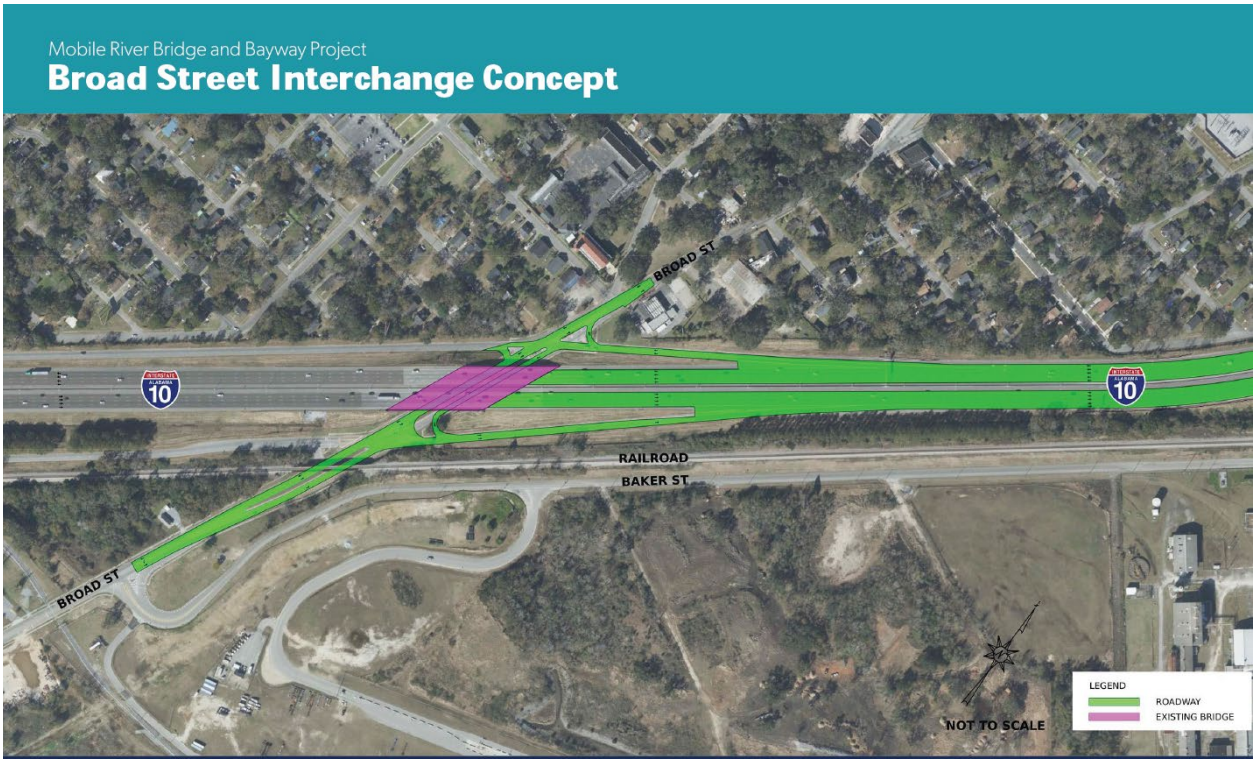
will connect to the existing Bayway Bridges. From this connection point to the Eastern Shore Interchange, the existing Bayway Bridges will be restriped for 3 lanes of traffic.

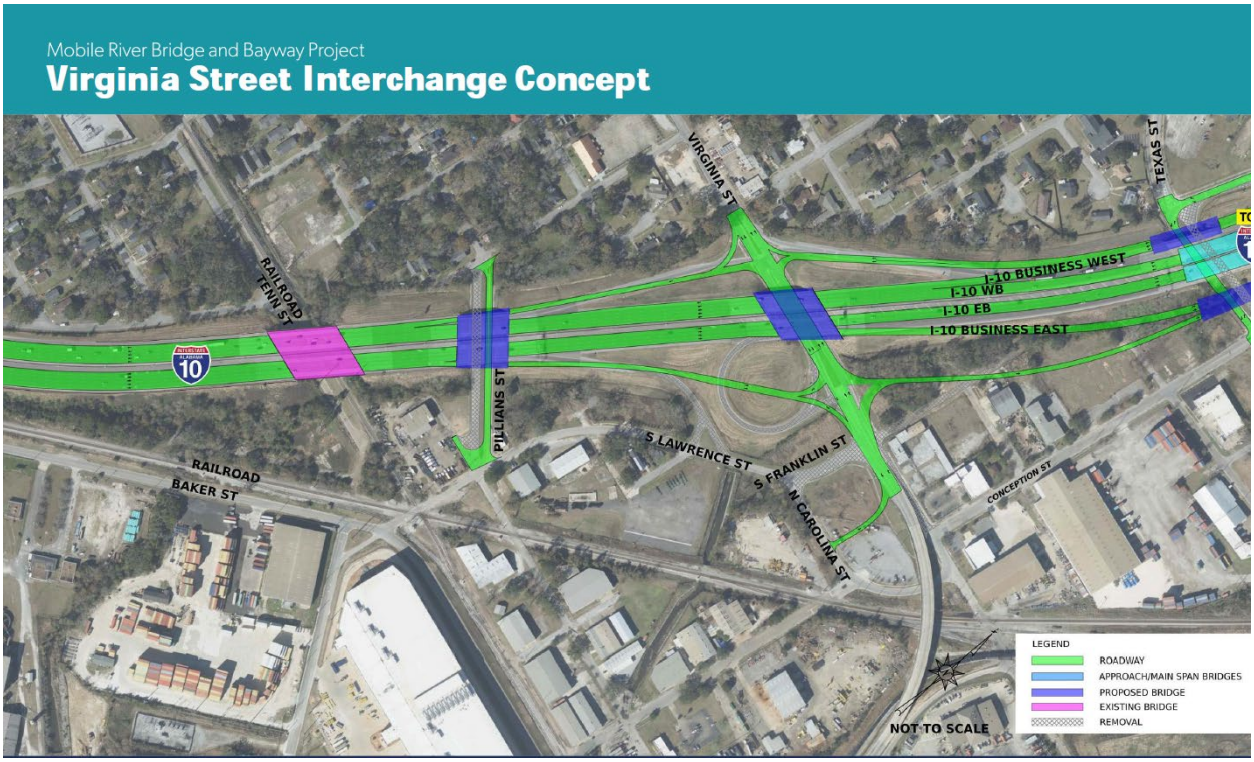
Map 2 below shows the Project limits through Mobile and Baldwin Counties, as well as the interchanges that will be improved as part of the Project.

Map 2.
Project Limits and Interchanges



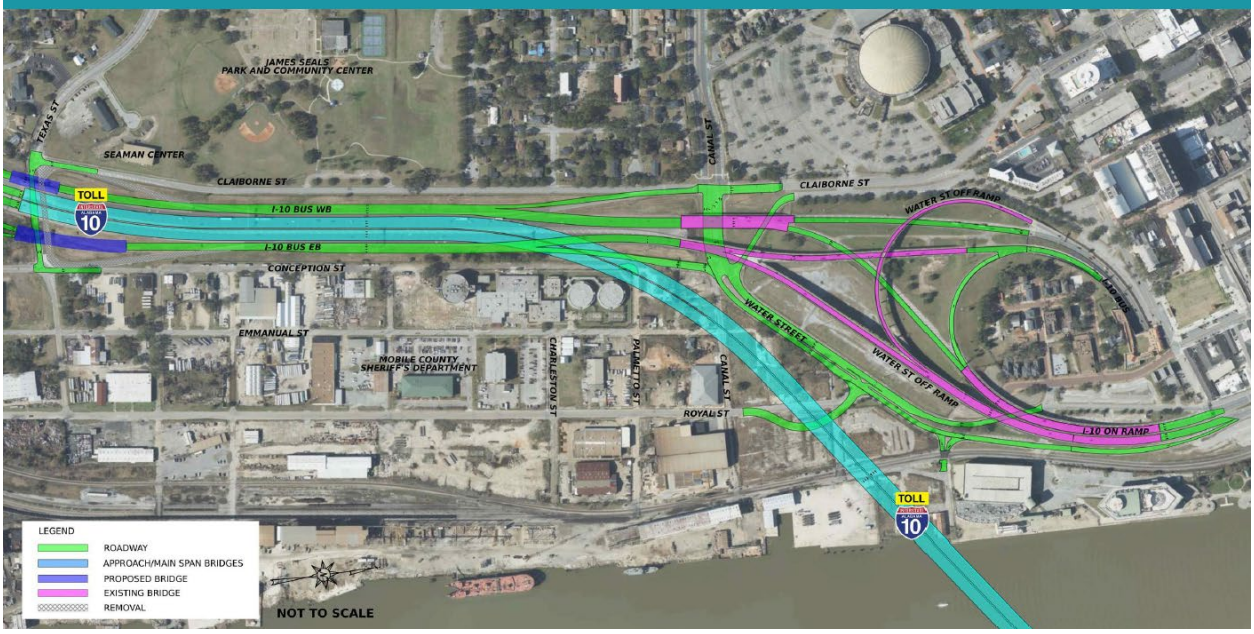
Map 3.
Project Interchange Concepts





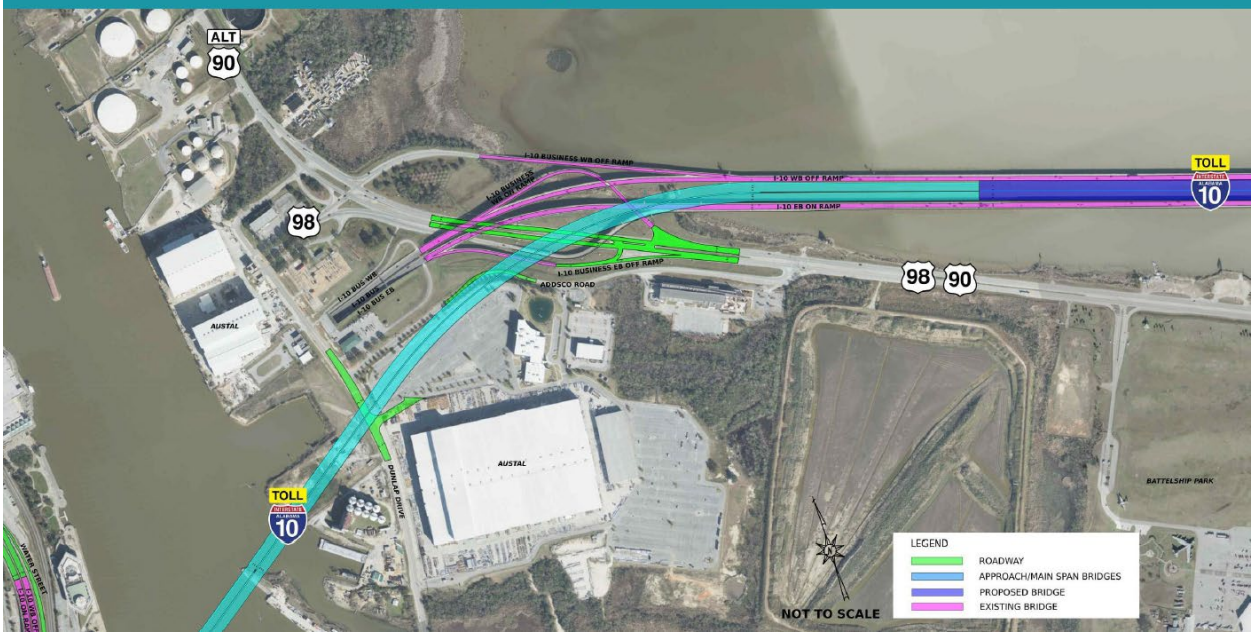
Mobile River Bridge and Bayway Project

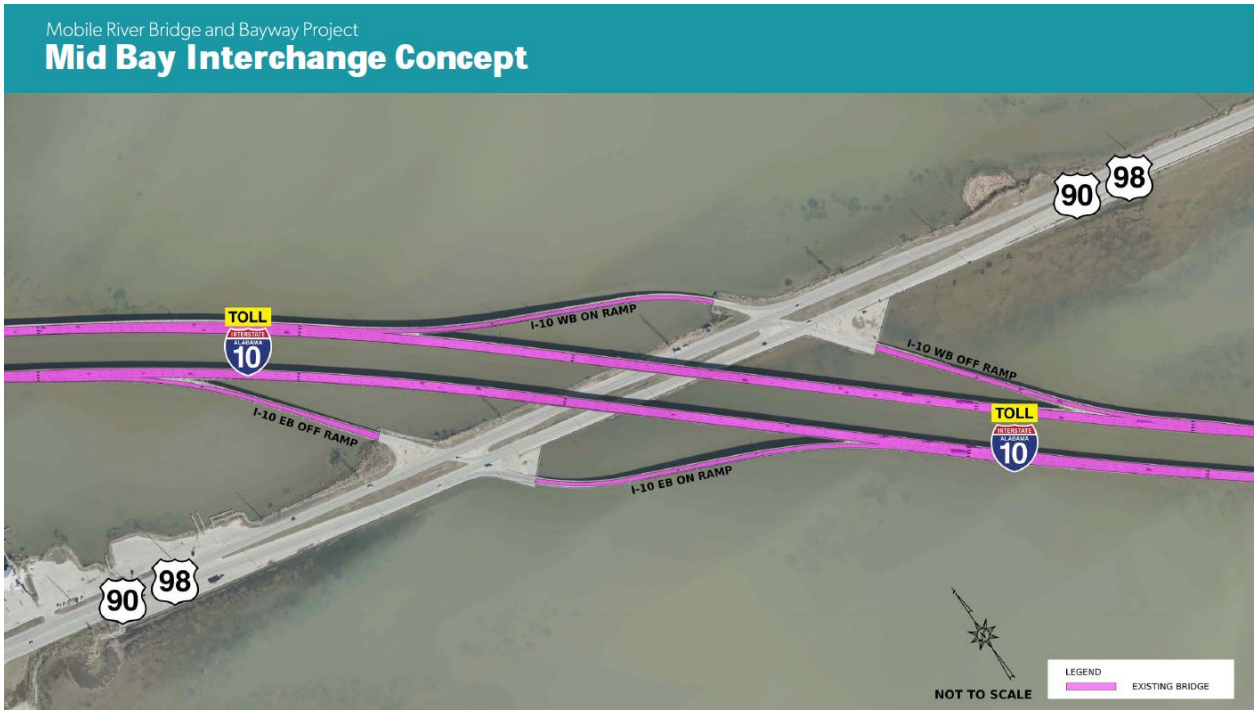
Texas Street & Canal Street Interchange Concept

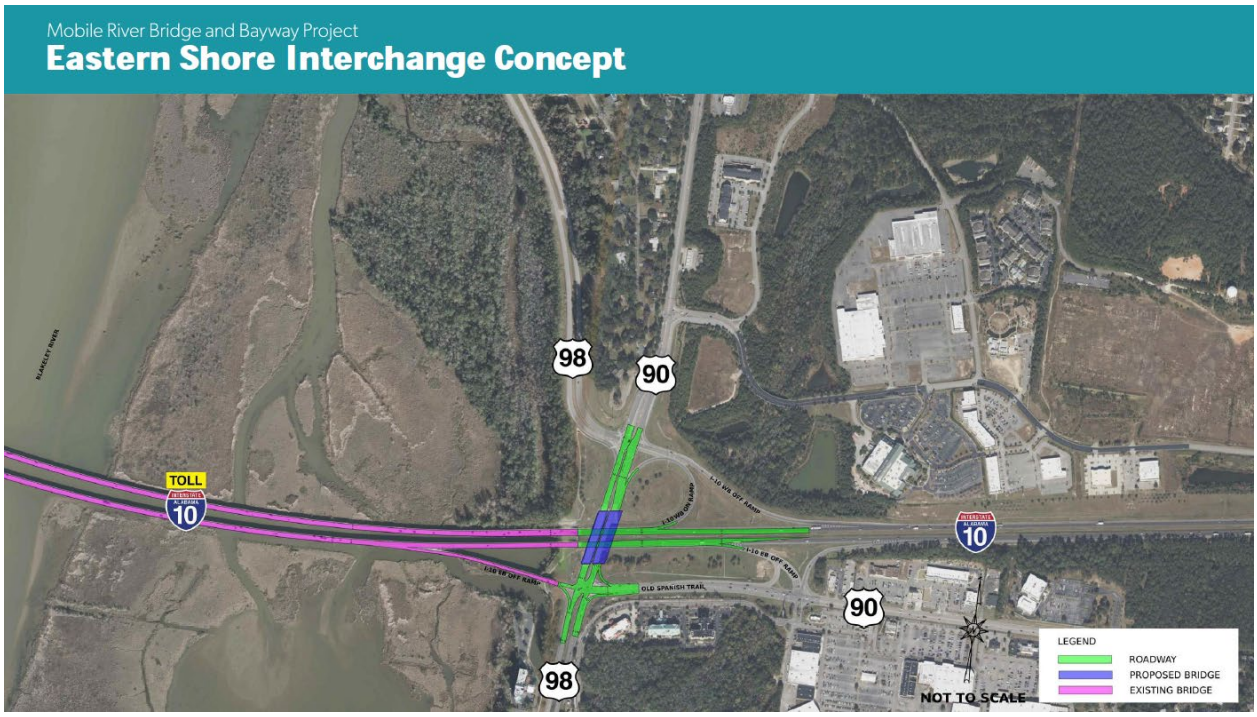


Mobile River Bridge and Bayway Project

East Tunnel Interchange Concept







Project Purpose and Need.

The Project is critical for daily vehicular traffic and imperative for the effective movement of freight. The I-10 corridor is heavily used by tourist traffic visiting Alabama's beaches and attractions as well as attractions in neighboring states. This congested corridor is identified as a critical bottleneck in Alabama's Statewide Freight Plan,

which lists the I-10 Mobile River bridge as a critical freight need within the region. The Mobile Airport Authority is planning a 2027 opening of a new Mobile International Airport located adjacent to the Airbus manufacturing site at Brookley Field near downtown, which is adjacent to the I-10 corridor. Additionally, more than 30 Caribbean cruises depart annually out of Mobile's cruise terminal between the months of October and March, with plans for year-round cruise departures beginning in 2027.

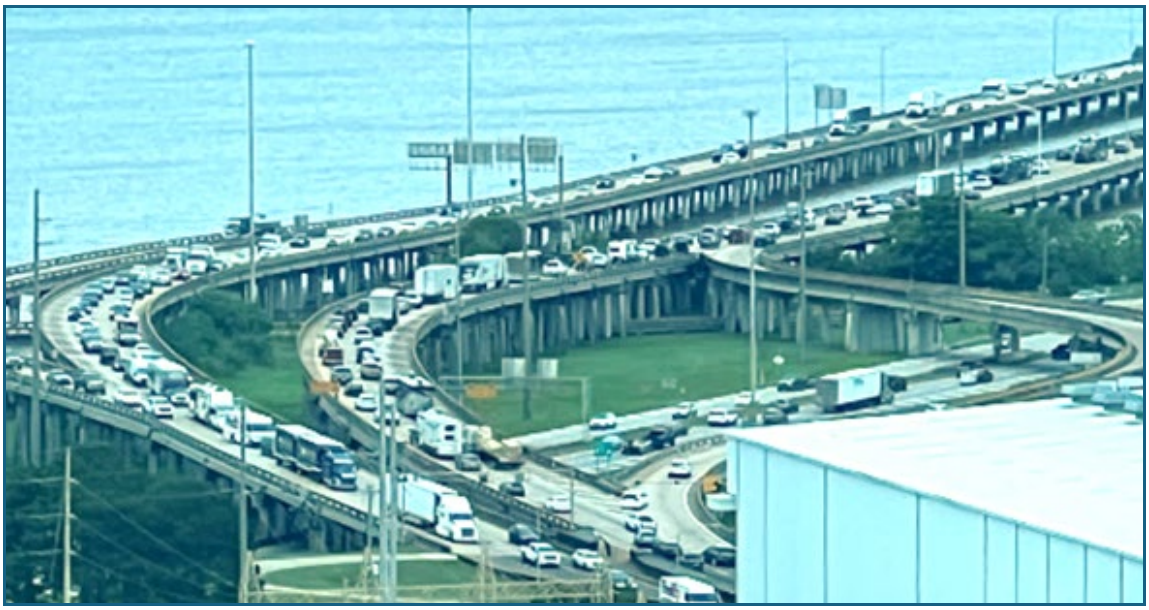
The Project is needed for three primary reasons:

1. To increase capacity to meet existing and projected future traffic volumes;
2. To provide a direct interstate route for trucks transporting hazardous materials across the Mobile River; and
3. To facilitate ongoing growth of the region's maritime industry by minimizing adverse impacts of the Project construction and operation on the maritime industry.

The primary purpose of this Project is to increase the capacity of I-10 to meet existing and projected future traffic volumes and to provide a more direct route for vehicles transporting hazardous materials. Congestion on I-10 between Mobile and Baldwin Counties is on par with the worst congestion levels in the Southeast United States. The I-10 route through Mobile, particularly at the Wallace Tunnel, is widely considered one of the worst bottlenecks in the country.

The existing Wallace Tunnel was designed to carry approximately 35,000 vehicles per day. In 2023, the Wallace Tunnel had an average daily traffic of approximately 63,000 vehicles per day.

Congestion on I-10 at the Wallace Tunnel



By 2049, the Wallace Tunnel is expected to have an average daily traffic of approximately 95,000 vehicles per day, which is nearly three times the volume of traffic it was designed to carry. This means that, on average, the anticipated traffic going through the Wallace Tunnel daily in 2049 would be around fourteen percent higher than what is currently the highest congestion days (typically Fridays during the month of July).

The existing traffic volumes result in ongoing traffic congestion problems. The 2023 Annual Average Weekday Traffic (AAWT) crossing the Mobile River was 106,200 vehicles at the three locations in Mobile (Bankhead Tunnel, Wallace Tunnel, and Africatown Bridge). The level of traffic results in failing Levels of Service (LOS) of E and F with delays during peak traffic periods at locations along the I-10 corridor, including the Wallace Tunnel and Bayway. LOS E represents an unstable congested condition in which operating conditions are extremely poor. LOS F represents a traffic condition that produces a breakdown in traffic flow due to the amount of traffic

exceeding capacity. The projected AAWT crossing the Mobile River in 2045 is 133,000 at the three locations in Mobile, which would create more congestion and much longer delays.

The Project is expected to increase the capacity of I-10 to meet existing and predicted future traffic volumes. The Project is designed to provide a LOS of D or better on I-10 in 2049, with the majority of the route improved to LOS of B or better during peak traffic periods. LOS D represents stable traffic flow through peak periods, and LOS B is high quality, free flowing traffic.

There is also a need to provide a direct interstate route for trucks transporting hazardous materials across the Mobile River. The transport of hazardous materials in the Wallace Tunnel is prohibited because of the potential for accidents in a confined space. Hazardous materials include radioactive, flammable, corrosive, and explosive materials. Currently, trucks carrying prohibited hazardous materials must detour through the Mobile central business district and use the Cochrane-Africatown USA Bridge to cross the Mobile River, taking them through an active downtown area and an environmental justice community. The volume of hazardous material trucks is projected to continue to increase as traffic on I-10 increases.

The third need is to facilitate economic growth of Mobile's maritime industry and to minimize the Project's impacts thereto. There are three main drivers of Mobile's maritime economy: cargo shipped through the Port of Mobile, shipbuilding and shipyard activities, and the cruise industry. As noted in Governor Ivey's Maritime Month Proclamation in 2026, the domestic maritime industry contributes $2.8 billion to Alabama's economy, and Alabama ranks 10th amongst all states for jobs related to the maritime industry with more than 12,860. Given the magnitude of employment and economic value provided by maritime activities in the region, any proposed measures to increase the capacity of I-10 need to minimize adverse impacts to the maritime industry. Through years of investigation and design, ALDOT was able to establish parameters for the Project that are expected to greatly reduce any impact to the maritime industry, including setting the placement of the River Bridge towers and the height of the River Bridge so as to minimally impact existing and planned maritime activity on the Mobile River.

Upon completion, the Project will provide a direct interstate route for hazardous material transport, minimize adverse impacts to the maritime industry, and generate significant travel time savings for private and commercial drivers along the I-10 corridor. These travel time savings are expected to be realized by all vehicles, which will be able to take advantage of higher average speeds and less congestion compared to a "no-build" scenario.

Overall, the Project is designed to accomplish several objectives, including improved mobility within or through the area during peak travel periods, reduction of forecasted congestion on the existing roadway network within the area, and improving linkage in the regional roadway network. It is expected that the Project will benefit local commuters living in Baldwin County as well as motorists making longer trips through the Mobile region to and from points east and west of Mobile, including Alabama's beaches and western Florida beaches.

Project Capital Cost

Table 6.
Project Capital Cost Breakdown (in millions)

Construction	$2,888.6
Design	$311.4
Toll Integration	$45.7
Right-of-Way	$72.9
Utilities	$42.0
ALDOT Team Labor	$35.0
Contingency/Relief Event Allowance	$430.6
Owner Verification	$35.0
Indirect Cost	$102.5
Prior Design	$186.3
Total Cost ($M)	$4,150.0

Note -Totals may not add due to rounding.

The costs of the Project are anticipated to be paid in part from proceeds of the Offered Series 2026 Bonds and the TIFIA Loan. The remaining costs of the Project are expected to be paid from proceeds of a 2025 issuance of GARVEE Bonds by the Alabama Federal Aid Highway Finance Authority, proceeds of federal grants including an INFRA Grant, PROTECT Formula Program Funds and a BIP Grant, and State matching funds. The proceeds of the TIFIA Loan are expected to applied to the payment of the principal of the Series 2026-1 Notes at maturity. The Issuer expects to close on the TIFIA Loan Agreement prior to or simultaneously with the issuance of the Offered Series 2026 Bonds. The status of such funds is as set forth in Table 7 below.

Table 7.
Source and Status of Project Funding (in millions)

Funding Source	$MM	% of Project Cost	Spent on Project	Remaining	Status of Funds
BIP Grant	$550.0	13%	$91.1	$458.9	Grant awarded; $130.8M authorized and obligated to Project.(1)
INFRA Grant	$125.0	3%	$125.0	$0.0	Grant awarded and fully spent
PROTECT & Other Federal Formula Funds	$97.1	2%	$96.7	$0.4	Federal Formula Funds obligated to Project
State Funds and State Match	$112.9	3%	$111.1	$1.7	State Funds Obligated to Project
GARVEE Bonds + GARVEE Premium	$273.9	7%	$135.4	$138.5	Issued by AFAHFA in 2025
Grant, State and GARVEE Subtotal	**$1,158.9**	**28%**	**$559.3**	**$599.6**	**No reliance on toll revenue**
Net Toll Financing (1st / 2nd / 3rd Lien)	$2,991.1	72%			Closing September 17, 2026*
Total Project Cost	**$4,150.0**	**100%**			

(1) Remaining funds are pending authorization by AL Division of FHWA. Authorization of funds by the AL Division of FHWA is routine. When federal funds are added or removed from a specific project, ALDOT submits a form for FHWA's approval. FHWA then updates the project's funding in the Federal Management and Information System (FMIS).

The Issuer expects that sufficient funds will be available to pay the costs of the Project from the sources described above. See "SOURCES AND USES OF FUNDS" herein.

Project Cost Contingencies

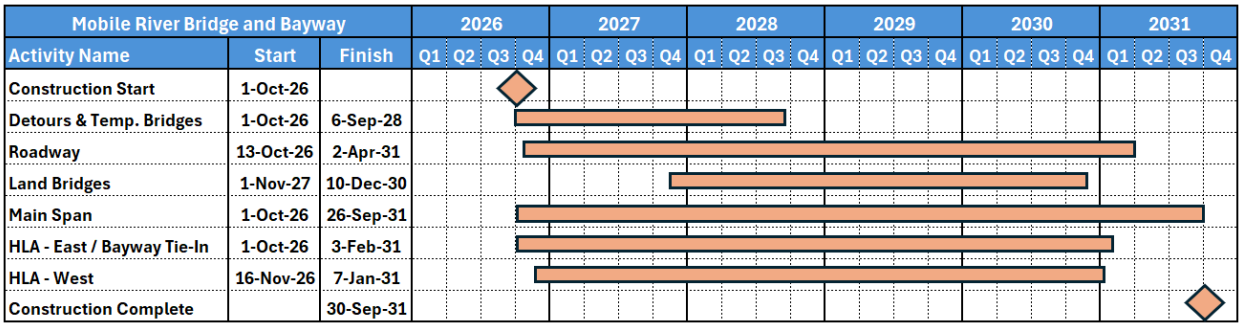
The Issuer has established multiple contingencies for the Project, including $120 million within the schedule of values and approximately $11 million in the Contingency, both of which are included in the Compensation Cap under the DBA. The Design-Builder is permitted to use the contingency in the schedule of values for any overruns it encounters without approval from the Issuer. In order to access the $11 million in the Contingency, the Design-Builder must follow the process set forth in the Design-Build Agreement. See Appendix G – "SUMMARY OF DESIGN-BUILD AGREEMENT".

In addition to the contingencies incorporated into the Compensation Cap under the DBA, approximately $430 million of the proceeds of the Series 2026 Bonds is available for the Issuer to use as a contingency (the "Issuer Contingency") to cover additional costs of the Project, including Relief Events that result in an increase to the Compensation Cap under the Design-Build Agreement, costs of utility relocations not performed by the Design-Builder, force account work, and payment of any incentives other than the Incentive Fee. See "THE MOBILE RIVER BRIDGE AND BAYWAY PROJECT – Description of Design-Build Agreement – *Relief Events*" and

Appendix G – "SUMMARY OF DESIGN-BUILD AGREEMENT" below for further discussion regarding the risks retained by the Issuer pursuant to the Design-Build Agreement.

Project Schedule

The construction schedule for the Project is shown below:



The Design-Builder intends to commence construction of the cable-stayed main span bridge immediately after release for construction (expected on October 1, 2026). At the same time, detours will be implemented and temporary structures required for construction access (trestles etc.) will be constructed. The construction of the main span bridge is estimated to take five years and constitutes the critical path of the construction. Substantial Completion for the project and opening to traffic is currently scheduled for October 1, 2031. Construction of the east and west high level approaches to the main span bridge is estimated to take slightly more than four years. Construction of the bridges for the interchanges is anticipated to take place in the middle years of construction (2028/2029).

There is no designated float for the longest construction path to substantial completion for the Mobile River Bridge Project schedule. However, the schedule assumes a 5-day work week, and weekend work days could be used if needed. For the Bayway Project schedule, there are 148 days of float spread out throughout the project assuming a 5-day work week for the longest construction path to substantial completion. Like the Mobile River Bridge Project, weekend work days are not assumed in the Mobile Bayway Project schedule and can be used if needed.

Right-of-Way

All right of way necessary for the Project has already been acquired in accordance with the provisions of the Uniform Relocation and Real Property Acquisition Act of 1970 ("Uniform Act") as well as all appropriate state and federal guidelines.

Metropolitan Planning Organization Involvement

Two Metropolitan Planning Organizations ("MPOs") are affected by the Project, one on each side of Mobile Bay. The Eastern Shore MPO ("ESMPO") was formed in 2012 to assist with transportation planning in the newly-defined urbanized area in Baldwin County which includes the City of Spanish Fort, the City of Fairhope, the City of Daphne, and the Town of Loxley. The Mobile MPO ("MMPO") is responsible for planning associated with the Urbanized Area of Mobile County, which includes the City of Mobile. In addition to Mobile, the Cities of Bayou La Batre, Chickasaw, Prichard, Saraland, Satsuma, and Semmes, as well as Mobile County, are represented by the MMPO.

The Issuer and ALDOT have coordinated extensively with both MPOs throughout the development of the Project, and both MPOs have demonstrated full support. The Project is currently included in the MMPO's Fiscal Years (FY) 2024-2027 Transportation Improvement Program ("TIP") and the ESMPO's FY 2024-2027 TIP. Upon reinstating the Project to their respective Transportation Improvement Plans in July 2022, coordination has continued with both MPOs with ALDOT providing updates as needed at the MPOs' schedule policy board meetings.

On July 22, 2026, the ESMPO amended its TIP to account for the current cost and scope of the Project, and on August 5, 2026, the Mobile MPO amended its TIP to account for the same.

Description of Design-Builder

The selected contractor for the Project is Kiewit Massman Traylor, a joint venture (the "Design-Builder") made up of Kiewit Infrastructure South Co. (together with its affiliates, "Kiewit"), Massman Construction Co. ("Massman") and Traylor Bros., Inc. ("Traylor"). Each of Kiewit, Massman and Traylor are individually prequalified with ALDOT. Kiewit, Massman and Traylor are experienced contractors in delivering transportation infrastructure projects, including cable-stay bridges, across the country. Kiewit Engineering Group Inc. ("KEGI") is the lead design firm and Volkert, Inc. ("Volkert"), and SYSTRA – International Bridge Technologies, Inc. ("IBT") are also major participants providing design services.

The Design-Builder brings to the Project its experience leveraging collaborative delivery models to mitigate risk and manage cost and schedule. The Design-Builder is made up of firms that have successfully worked together and navigated similar challenges as those on the Project, including complex structural bridges, interchanges, MOT, sensitive coastal environments, and interface with stakeholders and the maritime community.

Kiewit Infrastructure South Co. Kiewit Infrastructure South Co. ("KISC") is an affiliate of Kiewit, which brings refined alternative delivery tools and expertise to enable state departments of transportation to build trust and take collaboration to the next level, providing successful results from early contractor involvement. Kiewit continues to excel in specialized infrastructure work, as well as earn a reputation for delivering safe and quality projects on time and ahead of schedule. Kiewit has built eight cable-stay bridges and more than 130 interchanges across North America.

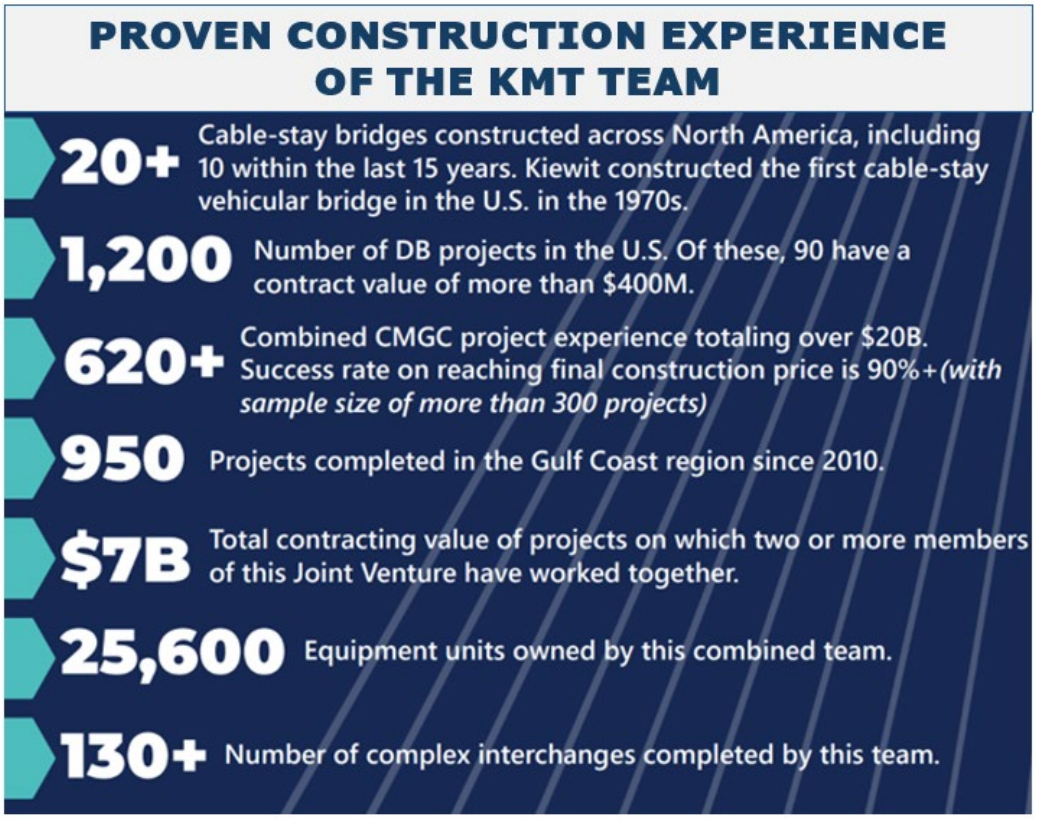
KISC is backed by the financial strength and resources of Kiewit, one of North America's largest and most respected construction and engineering organizations. Founded in 1884, Kiewit is an employee-owned company providing construction and engineering services across the transportation, water, power, industrial, marine, oil, gas and chemical, mining, and building markets throughout the United States, Canada, Mexico, and Guam. In 2025, Kiewit generated $18.2 billion in annual revenue, demonstrating the financial strength to successfully deliver large, complex infrastructure programs.

Kiewit's long-standing relationship with Travelers Casualty and Surety Company of America dates back to 1958. Travelers maintains an A.M. Best rating of A++ (Superior), Financial Size Category XV. Kiewit's current bonding program includes $25.0 billion in total bonding capacity, with $12.2 billion in bonded backlog and $12.8 billion in available bonding capacity, providing ample capacity to support the Project while maintaining its ongoing commitments.

Massman Construction Co. Founded in 1908, Massman is a heavy civil and marine contractor focused on providing turnkey construction solutions to both public and private owners. Massman has deep and comprehensive expertise as a self-performing national contractor in a variety of infrastructure markets including docks and terminals, bridges, locks and dams, difficult foundations, and energy and utilities. Massman has successfully completed more than 1,700 projects and tackled many unique challenges. Massman's expertise in bridges includes six cable-stay bridge projects.

Traylor Bros., Inc. Since its inception in 1946 in Indiana, Traylor has developed into a highly adaptable construction organization with a proven capability to tackle the most difficult bridge, underground, and marine projects. For more than 75 years, Traylor has self-performed highly technical, cutting-edge construction of complex bridges. Traylor has completed more than 135 major bridge projects across the nation, including seven cable-stay bridge projects.

Combined Construction Experience of the Design-Builder Joint Venture



Note: Provided by the Design-Builder.

Kiewit Engineering Group Inc. KEGI, Kiewit's in-house engineering group, was specifically developed to address design and construction integration, with focus on scope and risk certainty, that has long been needed for alternative delivery projects. KEGI's design team facilitates and manages the constructability review process for construction-driven engineering, quality management, and document control, while maximizing efficiency, quality, and innovation to reduce costs and risk for the Issuer. Based on 30 years' experience and more than 1,800 alternative delivery projects, KEGI offers schedule and cost certainty, and has worked alongside the Issuer and the construction team to develop and estimate innovative, constructable design concepts that are efficiently transferred into construction design packages. KEGI has been designing the most challenging transportation infrastructure projects in North America for over a decade and Kiewit is ranked as the #2 Design-Build Firm by Engineering News-Record (ENR). KEGI has experience on 13 design-build transportation projects with a construction value of at least $400 million each within the past 15 years.

Volkert, Inc. Major Participant for design, Volkert, is headquartered in Mobile, with 148 employees located in the Mobile/Baldwin County area. Volkert has a distinguished legacy of designing world-class bridges, complex urban interchanges, and elevated expressways across the region. Volkert designed the Lake Pontchartrain Causeway in New Orleans, LA (the longest bridge continuously over water in the world), the existing I-10 Mobile Bayway, the cable-stay Cochrane-Africatown Bridge, I-165 elevated expressway in north Mobile, and I-59/20 Central Business District Bridge in Birmingham. For over 60 years, Volkert has provided highway and bridge design services to ALDOT in all areas of the State.

SYSTRA – International Bridge Technologies, Inc. Solely dedicated to providing technical bridge engineering services for the Project, IBT has designed distinguishing bridges in North America and throughout the world, with 90% of its work coming from design-build projects. Participation in recent cable-stay bridge projects have included the Lewis and Clark and Abraham Lincoln bridges in Kentucky, Charles W. Cullen Bridge in Delaware, Goethals Bridge Replacement in New York, Port Mann Bridge in British Columbia, and the third Panama Canal Bridge in Panama. IBT's expertise includes both concrete and steel

design and construction and a dedicated production staff of over 100 people. They are further supported by SYSTRA Bridge Design Group, which is #7 on ENR's list of international firms for bridge design.

The following table provides example projects that are of a similar size and complexity to the Project and on which the members of the Design-Builder provided innovative and highly technical design services which kept the projects on time, compliant, and responsive to client preferences.

Sample Projects of the Design-Builder's Design Firms

	A-25 DB | Quebec, Canada | 2011 | $487M	**Port Mann P3** | Coquitlam, Canada | 2021 | $2.6B	**DFW Connector DB** Fort Worth, TX- | 2022 | $1.09B	**Lewis and Clark Bridge P3** | Louisville, KY | 2020 | $763M	**Selmon West Extension DB** | Tampa, FL | 2021 | $234M	**I-59/I-20 DBB** | Birmingham, AL | 2020 | $670M
Engineering Firm(s) Involved	K I	K I	K	I	K I	V
On-time Delivery	✓	✓	✓	✓	✓	✓
Cable-stay Bridge	✓	✓		✓		
Precast | Post-tensioned Concrete	✓	✓	✓	✓	✓	✓
Marine | Coastal Environment		✓		✓	✓	
Complex Urban Interchanges	✓	✓	✓		✓	✓
High Volume Traffic	100,000 ADT	120,000 ADT	200,000 ADT	21,000 ADT	100,000 ADT	186,000 ADT

K Kiewit V VOLKERT I SYSTRA INTERNATIONAL BRIDGE TECHNOLOGIES

Note: Provided by the Design-Builder.

Description of Design-Build Agreement

The Issuer and the Design-Builder have executed the Design-Build Agreement with respect to the Project. The Design-Build Agreement provides that the Design-Builder will design and construct the Project in accordance with the project contract documents that include the DBA, the technical provisions provided by the Issuer, and ALDOT's standard specifications. The design is required to conform to Federal Highway Administration and American Association of State Highway and Transportation Officials ("AASHTO") guidelines.

Certain primary provisions of the DBA are summarized immediately below. For a summary of additional provisions of the DBA, see Appendix G – "SUMMARY OF DESIGN-BUILD AGREEMENT" hereto.

Progressive Design-Build Process.

The Design-Build Agreement is a progressive design-build agreement, whereby the Issuer selected the Design-Builder through a qualifications based process in 2023 for the Mobile River Bridge and in 2025 for the Bayway portion of the Project. When the Design-Builder was selected for each portion of the Project, the Design-Builder and the Issuer entered into Early Design Works Agreements for such portion of the Project. These Early Design Works agreements allowed the Design-Builder to immediately begin designing the Project and performing investigations of the site in order to de-risk the Project while negotiations of the Design-Build Agreement were ongoing. The Issuer and the Design-Builder subsequently entered into the Design-Build Agreement and amendments thereto as set forth below:

Date	DBA Version	Purpose/Major Change
Date of Offered Series 2026 Bonds pricing	Amendment/NTP for Construction	Will set the Compensation Cap, the Substantial Completion Deadline, final Risk Register
August 2026	1st Amendment to 3rd Amended and Restated DBA	Revisions to design and construction scope at the Eastern Shore
May 2026	3rd Amended and Restated DBA	Revised scope of Bayway Project and updated certain terms
October 2025	2nd Amended and Restated DBA	Incorporated Bayway Project into the scope of the DBA and updated terms
March 2025	Amended and Restated DBA	Updated certain terms of the DBA, including to catch up to risks that had been mitigated or better understood through the progressive design-build process
June 2024	DBA	Initial Design-Build Agreement executed between KMT and Authority for the Mobile River Bridge Project

To date, the Issuer has also entered into eleven Work Package Authorizations totaling almost $132 million to allow early Construction Work to begin on the Project. These Work Package Authorizations allow the Design-Builder to de-risk the Project by locking in certain pricing, mobilizing and procuring certain equipment and materials needed to begin construction on the Mobile River Bridge main span, which is the critical path for the construction schedule, as soon as the Design-Builder is released for construction on or about October 1, 2026. The Work Package Authorizations entered into so far are summarized below:

1) Design and construction of a modular office trailer complex. This facility will provide workspace for both the Design-Builder and the Issuer's designees throughout the construction of the Project. The facility will provide direct access to the construction site and will provide parking, electricity, and water to modular working units configured as two 12-plex units, one 9-plex unit, and one 6-plex unit.

2) Design and construction of a batch plant and maintenance facility. The concrete mix design development for all major structures' work is included. Early design and approval of concrete

mixes is necessary in order to meet the schedule for concrete deliveries to the construction site. The Design-Builder intends to utilize a double drum plant to accommodate and maintain schedule.

3) Procurement and delivery of the main span permanent pipe pile bulk commodities and the procurement of the raw materials for the main span cable anchor tubes. Piles for the main span towers will be the first permanent elements constructed on the Project.

4) Procurement and delivery of the sheet piling that will be used to construct cofferdams for the main span pylons, including the estimated cost for the main span foundation sheet pile, east high level approach footings sheet pile and the main span footing pile driving templates.

5) Procurement and delivery of trestle pack material, including the estimated cost for procurement and delivery of the main span and east high level approach trestle packs. The Design-Builder will use the trestle for construction access to build the east high level approach over water.

6) Submission of the mill order for structural steel for the Mobile River Bridge as well as detailing efforts by the fabricator. Early procurement is intended to lock in a price and eliminate escalation costs.

7) Mobilization of marine equipment, equipment procurement and key field personnel for the River Bridge Project.

8) Mobilization of Marine equipment, equipment procurement and key field personnel for the Bayway Project.

9) Relocation of the critical wet utilities at the west approach of the Mobile River Bridge.

10) Procurement of concrete traffic barrier for temporary maintenance of traffic operations.

11) Support necessary to facilitate critical Alabama Power Company (APCO) utility relocations, including traffic control, maintenance of traffic, site restoration, and general oversight.

At the time the Amendment/NTP for Construction is executed (expected on the date of pricing the Offered Series 2026 Bonds), the design of the Mobile River Bridge portion of the Project will be 100% complete and the design of the Bayway portion of the Project will be approximately 60% complete.

Further, the Design-Builder has already completed significant geotechnical investigations, subsurface material testing, and pile load testing, which have provided greater insight into geotechnical material properties and subsurface conditions, eliminating or significantly reducing the need for Relief Events related to unforeseen conditions or actual soil properties that are inconsistent with assumed design parameters, and overall reducing the risk of delay or increase in price on the Project.

At the time the Amendment/NTP for Construction is executed (expected on the date of pricing the Offered Series 2026 Bonds), the design of the Mobile River Bridge portion of the Project will be 100% complete and the design of the Bayway portion of the Project will be approximately 60% complete.

Compensation.

The DBA is a cost-plus incentive fee contract subject to a guaranteed maximum price ("GMP"), whereby the Issuer will pay the Design-Builder for allowable costs incurred on the Project plus general and administrative expenses (as permitted by federal law) and plus a variable fee (the "Incentive Fee") rewarding cost savings and penalizing cost overruns (all within the GMP). The DBA establishes a Target Cost that is below the Cost Ceiling associated with the GMP and an associated Target Fee. If the actual costs to deliver the Project are below the Target Cost, the Design-Builder's Incentive Fee will be higher than the Target Fee (with a maximum Incentive Fee equal to the Maximum Fee if the costs are at or below the Cost Floor). If actual costs to deliver the Project are higher than the Target Cost, the Design-Builder's Incentive Fee will be lower than the Target Fee (with a minimum Incentive Fee equal to the Minimum Fee if the costs are at or above the Cost Ceiling). The following table sets forth the elements of the Compensation Cap and the Incentive Fee for this Project:

Table 8.
Compensation Cap and Incentive Fee

MRB Cost Summary		
A PRECONSTRUCTION	$	49,178,152
B WPA's	$	131,853,545
C2 ESTIMATE SOV (BASELINE)	$	2,246,505,125
D PROVISIONAL SUMS	$	-
E CONTINGENCY	$	11,100,000
F MINIMUM FEE	$	253,052,198
G2 G&A	$	196,902,020
GMP	**$**	**2,888,591,040**
Preconstruction Compensation Cap	**$**	**311,408,959**
Total Compensation Cap	**$**	**3,199,999,999**
COST CEILING	$	2,257,605,125
MIN FEE	$	253,052,198
TARGET COST	$	2,123,955,237
TARGET FEE	$	339,924,625
COST FLOOR	$	2,050,000,000
MAX FEE	$	387,995,529

The Target Cost was set based upon the Design-Builder's good faith estimate of construction costs. The Cost Ceiling represents the number that is the Target Costs plus the contingencies available to the Design-Builder within the GMP, as further detailed in the first paragraph of " – Project Cost Contingencies" above. The Cost Floor was set based upon the reasonably expected lowest possible costs of the Project. The Target Fee was negotiated with the Design-Builder and the Maximum Fee and Minimum Fee are calculated using the incentive fee ratio, which is 65/35.

Not included in or subject to the Compensation Cap above are costs of force account compensation, utility reimbursement compensation (which is for utility relocations performed by the respective utility instead of the Design-Builder), the Incentive Payment, and interest on late payments. The Incentive Payment is available to the Design-Builder for early completion of interim construction milestones related to tolling work completion and is capped at $3,375,000.

The Compensation Cap may only be increased by Supplemental Agreement, including as a result of the occurrence of a Relief Event.

See "THE MOBILE RIVER BRIDGE AND BAYWAY PROJECT – Description of Design-Build Agreement – Incentive Payments" and "- Relief Events" below and Appendix G – "SUMMARY OF DESIGN-BUILD AGREEMENT" attached hereto.

The Issuer anticipates executing a Supplemental Agreement with respect to the DBA immediately after executing the Amendment/NTP for Construction to memorialize an Authority Directed Change (as defined in the Summary of the Design-Build Agreement) whereby the Issuer directed the Design-Builder to increase certain sublimits on its builder's risk insurance to $550 million. Such higher sublimits have become commercially available, and the Issuer determined it was in the best interest of the Project to require such higher sublimits after the Design-Builder submitted a Price Proposal and the Compensation Cap was agreed upon by the parties. The Supplemental Agreement is expected to add approximately $10 million to the GMP, and the Issuer anticipates utilizing the Issuer Contingency to pay for such additional costs.

Payment and Performance Bonds

Pursuant to the DBA, the Design-Builder is required to provide a payment bond and a performance bond, each in an amount equal to 100% of the Contract Price.

The Contract Price is defined as the sum of all (i) GMPs, (ii) fixed prices, or (iii) any other binding price, but not an NTE Amount (but in each case not including preconstruction phase fixed prices with respect to Work performed in the preconstruction phase) agreed to by the Issuer and Design-Builder, as each may be adjusted in accordance with the contract documents, including by supplemental agreement. The Contract Price does not include amounts payable outside of the GMP or other fixed price, including force account compensation (until or unless subsumed into the Contract Price via supplemental agreement), utility pass through compensation for utility relocations performed by utilities (but not by the Design-Builder), any incentive payment earned by the Design-Builder for early completion and any interest accrued due to late payment by the Issuer.

The form of Payment and Performance Bonds is included in Appendix G – "SUMMARY OF DESIGN-BUILD AGREEMENT"

Completion Deadlines

The Design-Build Agreement establishes completion deadlines for (i) Interim Tolling Work, (ii) Final Tolling Work and (iii) Substantial Completion as summarized below:

Table 9.
Completion Deadlines

Completion Deadline	Completion Deadline Date	Work to be Complete
Interim Tolling Work Completion Deadline	120 days prior to Substantial Completion Deadline	All work necessary for roadside toll integrator to install and test tolling equipment has been completed, except traffic is not live under main toll gantry
Final Tolling Work Completion Deadline	60 days prior to Substantial Completion Deadline	Above requirements plus traffic is live at designed speeds under main toll gantry
Substantial Completion Deadline	October 1, 2031	Above requirements plus full Project can be opened to traffic in accordance with its intended use

The Interim Tolling Work Completion Deadline and the Final Tolling Work Completion Deadline have been imposed to allow the roadside toll integrator sufficient time to install and test tolling equipment on the Project so that tolling can commence on or before the Substantial Completion Deadline. The Issuer's contract with the roadside toll integrator will require (i) installation and initial testing and (ii) final testing under live traffic to be performed 120 days and 60 days, respectively.

Liquidated Damages

If the Design-Builder fails to achieve Substantial Completion by the Substantial Completion Deadline, the Issuer will be entitled to assess the Daily Liquidated Damages Amount as delay liquidated damages for each day that Substantial Completion remains to be achieved following the Substantial Completion Deadline.

If the Design-Builder fails to complete (a) the Initial Tolling Work by the Initial Tolling Work Completion Deadline, or (b) the Final Tolling Work by the Final Tolling Work Completion Deadline, the Issuer will be entitled to assess the Interim Daily Liquidated Damages Amount as delay liquidated damages for each day that the relevant Work has not been completed following the Initial Tolling Work Completion Deadline or Final Tolling Work Completion Deadline, as applicable.

If the Issuer would otherwise be entitled to charge multiple liquidated damages for a given day due to failure of the Design-Builder to meet multiple completion deadlines by such date, the Issuer may not stack daily liquidated damages but instead shall charge the largest daily amount then owed by the Design-Builder.

The total amount of delay liquidated damages that the Issuer may charge the Design-Builder is $134,000,000, which was negotiated to approximately cover debt service requirements for one year. See "DEBT SERVICE REQUIREMENTS" herein.

The following table summarizes the liquidated damages provisions of the DBA:

Table 10.
Liquidated Damages

Completion Deadline	Type of Liquidated Damage	Daily Amount
Interim Tolling Work Completion Deadline	Interim Daily Liquidated Damages Amount	$100,000
Final Tolling Work Completion Deadline	Interim Daily Liquidated Damages Amount	$100,000
Substantial Completion Deadline	Daily Liquidated Damages Amount	$367,124
	Maximum aggregate assessed	$134,000,000

Incentive Payments

If the Design-Builder completes the (i) Initial Tolling Work prior to the Initial Tolling Work Completion Deadline and the (ii) Final Tolling Work prior to the Final Tolling Work Completion Deadline, the Design-Builder will be entitled to a daily incentive payment after the Final Tolling Work is complete in an amount equal to $75,000 for (a) each full Calendar Day in between the date the Design-Builder completes the Initial Tolling Work and the Initial Tolling Work Completion Deadline; plus (b) each full Calendar Day in between the date the Design-Builder completes the Final Tolling Work and the Final Tolling Work Completion Deadline. The total incentive payment shall not exceed $3,375,000.

Relief Events

The Design-Build Agreement provides that the Compensation Cap may be increased or a Completion Deadline extended if (i) a Relief Event occurs and (ii) the Design-Builder demonstrates actual additional costs or time to complete the Project resulted from such Relief Event. Relief Events include:

A. An Authority-Directed Change;

B. Unavoidable delays and associated impacts arising from a suspension order;

C. Uncovering, removing, and restoring work that was not required to be observed prior to covering if such work was in conformance with the Contract Documents;

D. The occurrence of a Risk Register Event that is identified as an Authority Risk on the Risk Register;

E. Discovery of (i) a Differing Site Condition, (ii) an Unidentified Utility, or (iii) an Unidentified Preexisting Hazardous Material or other Hazardous Material;

F. Design-Builder encounters a Pre-Existing Structure Condition and additional work not covered by an Authority Directed Change is required;

G. Certain use of the Project ROW by other Authority contractors;

H. Certain events caused by uncooperative utility owners or delays caused by utility owners;

I. Certain events related to Railroad Agreements or, if it impacts the Critical Path, work stoppages caused by a Railroad, excluding normal daily track use;

J. Force Majeure Events;

K. Certain changes in Applicable Law or Applicable Standards;

L. Changes to Governmental Approvals, new Governmental Approvals, or requirements of New Environmental Approvals, each if due to a Governmental Action;

M. Failure by the Authority to obtain or cause ALDOT to obtain NWP 27 Aquatic Habitat Restoration, Enhancement, and Establishment Activities, within a certain timeframe after the Design-Builder supplies the Authority with the information necessary for such permit;

N. The Authority disapproving of a subcontractor already identified by the Design-Builder as such prior to the execution of the Amendment/NTP for Construction;

O. Additional insurance costs in the event certain required insurances are not commercially available;

P. Certain unexpected work that must be performed on the Project due to damage to the Project (except if such damage was caused by the Design-Builder).

An extension of the Substantial Completion Deadline shall only be granted under the following circumstances: (i) a delay occurs in the critical path as a result of a Relief Event and (ii) the delay was not commercially reasonably avoidable by the Design-Builder, including by resequencing, reallocating or redeploying its forces to other portions of the work, and was not caused by the fault or negligence, or act or failure to act of the Design-Builder.

An increase in the Compensation Cap shall only be granted for a Relief Event to the extent the increased cost was not commercially reasonably avoidable by the Design-Builder or caused by the Design-Builder.

See Appendix G – "SUMMARY OF DESIGN-BUILD AGREEMENT" for further description of Relief Events and the Risk Register, the process for obtaining a Supplemental Agreement in connection with a Relief Event, and certain options of the Issuer and Design-Builder to mitigate impacts of Relief Events, such as acceleration and a force account directive.

Warranty

Pursuant to the DBA, the Design-Builder warrants that (i) the Construction Work shall meet all requirements of the Contract Documents, (ii) materials and equipment will be of good quality and new (unless otherwise permitted by the DBA), (iii) the Construction Work will be free of defects in materials and workmanship and will be performed in a good and workmanlike manner in accordance with Good Industry Practice; and (iv)design Work shall be performed in accordance with the Professional Standard of Care.

A Correction Period will begin following Substantial Completion and will run until one year after Final Completion (acceptance for maintenance). During the Correction Period, if the Issuer determines that any of the Work does not meet the standards described above, the Design-Builder must perform Corrective Work; provided, however, that the Issuer may accept Nonconforming Work in its sole discretion and in accordance with the provisions of the DBA with respect to payment therefor. If the Design-Builder performs Corrective Work during the Correction Period, the Correction Period for that particular Corrective Work shall run an additional one year from when the Corrective Work was accepted by the Issuer. The Design-Builder is required to carry limited insurance related to and with respect to Corrective Work.

If the Design-Builder's Corrective Work after Substantial Completion but prior to the end of the Correction Period causes the closure of one or more lanes of travel in either direction to be closed to traffic for more than the number of hours described below in the aggregate in any 30 day period, the Design-Builder shall owe the Issuer a lane closure fee as set forth below:

A. 1 lane Closed to Traffic in one direction for 121 or more hours in a 30-day period: $700 per hour of closure, applied to the 121st hour and beyond during such 30-day period,

B. 2 lanes Closed to Traffic in one direction for 37 or more hours in a 30-day period: $4,200 per hour of closure, applied to the 37th hour and beyond during such 30-day period, and

C. 3 lanes Closed to Traffic in one direction for 1 or more hours in a 30-day period: $6,300 per hour of closure, applied to every hour of closure during such 30-day period,

For any lane closures that also fall in a peak travel season (Any federal holiday and Thursday through Sunday in each of the months from March through August), the Lane Closure Fees above shall be multiplied by 2.

Insurance Coverage – Construction

The Design-Builder is required to provide coverage for the Project that is standard for a Project of this size and scope. Primary insurance coverages the Design-Builder must carry pursuant to the Design-Build Agreement are set forth below:

DBA Insurance Requirements

Builder's Risk Insurance	Builders' Risk/Property Insurance – Correction Period	Professional Liability	Umbrella/ Excess Liability Insurances
$1 billion(1) with sublimits of $550 million for flood, windstorm, hurricane, tornado, earth movement and named storm Delay in start-up/loss of toll revenue, lesser of: • (i) 100% of the projected toll revenues for 12 months of toll operations and • (ii) $120,000,000, with a monthly sublimit of $10,000,000 Soft Cost • $1 million over 6 months for work • $2 million for adjacent structures	$5 million per occurrence for Corrective Work $2 million damage to adjacent structures	• Lead Designer - $40 million Project Specific Professional Liability • DB - $15 million (CPPI)	$50 million

(1) Though the minimum requirement for builder's risk insurance is $1 billion, the Design-Builder is planning to obtain a policy in the amount of $1.25 billion.

EPIC Brokers & Consultants ("EPIC") was retained by ALDOT (and by extension the Issuer) throughout the development of the Project to provide advice on insurance matters. In its role as insurance consultant, EPIC evaluated and developed the DBA insurance requirements in the context of risks inherent to this particular Project, the typical insurances applicable to similar projects and the practical availability of insurance coverage and limits in the global insurance market. The full insurance requirements are included in Appendix G – "SUMMARY OF DESIGN-BUILD AGREEMENT".

Based on the information EPIC has been provided, including the insurance requirements and provisions set forth in the DBA, EPIC has reviewed the adequacy of the insurance required as outlined in the DBA and has found such insurance programs to be adequate, reasonable and customary for a project of this scope and scale.

The DBA requires all insurance policies necessary for the construction phase to be in place prior to commencement of construction (expected October 1, 2026). The TIFIA Loan Agreement further requires the necessary insurance policies to be in place as a condition of closing the TIFIA Loan.

Status of Permitting

NEPA Process and Project Background. The preliminary project planning and development of the Project, including the required environmental reviews, began over 25 years ago. The Project development process was undertaken in accordance with the National Environmental Policy Act (NEPA), Federal Highway Administration (FHWA) regulations, ALDOT requirements, and other applicable federal, state, and local laws. Issues considered during the NEPA process included potential impacts to the social, natural, and human environments. Resource categories evaluated in the NEPA document include water resources (including wetlands and streams), biological resources, noise, air quality, cultural/historic/archaeological resources, federally protected species, hazardous materials sites, and socioeconomic considerations (including environmental justice and maritime/shipping impacts).

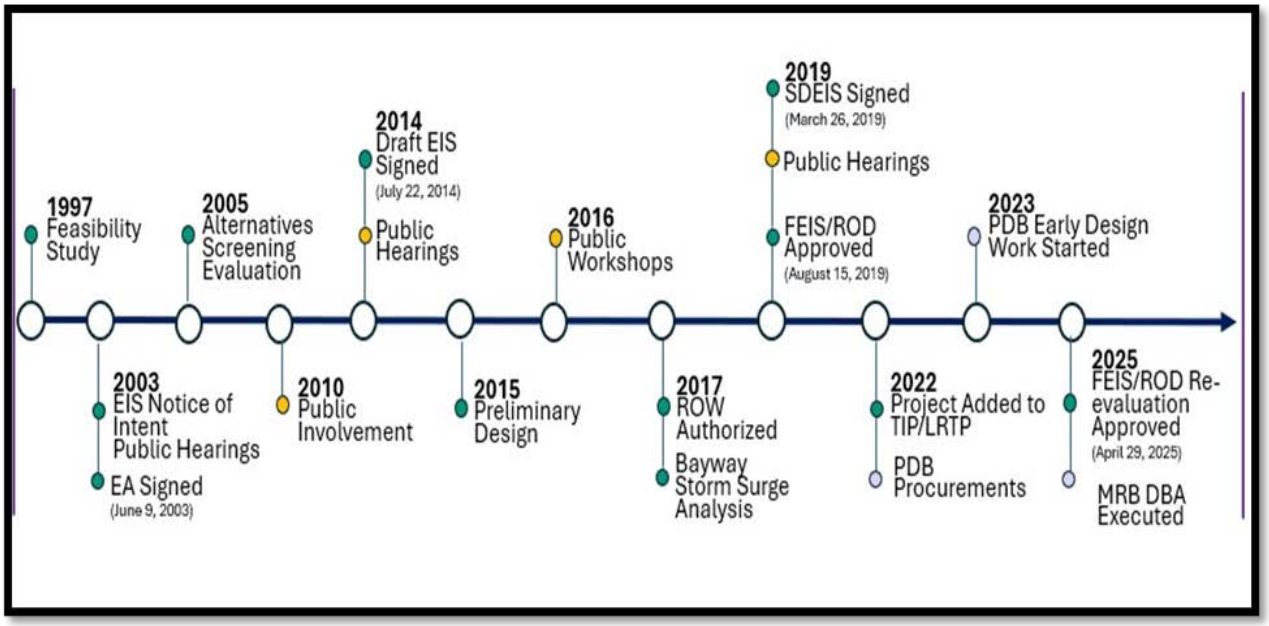
FHWA and ALDOT led the planning process, with the support of various consulting firms. The Alabama Division of FHWA has been heavily involved in this Project since a Feasibility Study was completed in 1997. Representatives from FHWA attended all public meetings and public hearings throughout the life of the Project. The U.S. Army Corps of Engineers, the U.S. Coast Guard, and other entities served as Cooperating Agencies and/or assisted on the NEPA document.

In 1997, a feasibility study examined constructing a bridge over the Mobile River near Mobile's central business district, which would alleviate congestion in the Wallace Tunnel. Three initial Build Alternatives were considered in an Environmental Assessment (EA) that was signed by FHWA in 2003. As a result of concerns related to visual impacts of the bridge on historic properties, FHWA elevated the level of documentation to an EIS. In the years since, several alternatives have been considered.

The Combined Final Environmental Impact Statement/Record of Decision (FEIS/ROD) was signed by FHWA on August 15, 2019. FHWA filed a Notice of Limitation on Claims for Judicial Review for the FEIS/ROD in the Federal Register. No legal challenges were received during the 150-day statute of limitations period. The Reevaluation of the 2019 FEIS/ROD, which was required in order to reflect modifications since 2019, was signed by FHWA on April 29, 2025.

The following table depicts key dates in the NEPA process for the Project:

NEPA Timeline



Other Governmental Approvals. Pursuant to the DBA, the Design-Builder and the Issuer or ALDOT are required to obtain certain permits for the Project. Those permits and the status thereof is as set forth below:

Governmental Approval Required	Agency or Governmental Entity with Jurisdiction	Party Responsible for Obtaining and Maintaining Permit and any Renewals, Replacements and/or Modifications	Status of Governmental Approval
Alabama Joint Permit – NWP 15 (including 401/404/WQC/CZM/408)	US Army Corps of Engineers (USACE)	Issuer	Obtained
I-10 Mobile River Bridge and Bayway Combined Final Environmental Impact Statement (FEIS) and NEPA Record of Decision (ROD) issued by FHWA, including Section 106 Memorandum of Agreement and Draft Mitigation Plan	FHWA	Issuer	Completed
NEPA Reevaluation	FHWA	Issuer	Completed
Section 9 Bridge Permit – River Bridge Project	United States Coast Guard (USCG)	Design-Builder	Obtained
Section 9 Bridge Permit – Bayway Project	USCG	Design-Builder	Obtained
Incidental Take Permit	United States Fish & Wildlife Service	Issuer	Obtained
Federal Aviation Administration (FAA) Forms 7460-1 and 7460-2	Federal Aviation Administration	Design-Builder	Obtained
NWP 6 PCN	USACE	Design-Builder	Obtained
NWP PCN Non-reporting	USACE	Design-Builder	Obtained
NWP 27 Aquatic Habitat Restoration, Enhancement, and Establishment Activities	USACE	Issuer	Anticipated by October 1, 2026
Municipal Separate Storm Sewer System (MS4) Individual Permit, NPDES Number ALS000006, Alabama Department of Transportation	Alabama (AL) Department of Environmental Management (ADEM)	Issuer	Obtained
Section 402 of the Clean Water Act, National Pollutant Discharge Elimination System (NPDES) Construction General Stormwater Permit	ADEM	Design-Builder	Obtained
NPDES General Permit for Discharges from the Application of Pesticides (ALG870000)	ADEM	Issuer	Renews on November 1, 2026
Vessel General Permit	ADEM	Design-Builder	As needed to generate incidental discharge from commercial vessels greater than 79 feet in length
Demolition permit – ADEM Form 496 and Form 497	ADEM	Design-Builder	Anticipated by October 1, 2026

Floodplain (No Rise/LOMR)	ADEM /FEMA	Design-Builder	Obtained
Air Permit (Minor Source)	ADEM	Design-Builder	Anticipated by October 1, 2026
Notification for Aboveground Storage Tanks	ADEM	Design-Builder	As needed
Solid Waste Profile Sheet Form 300	ADEM	Design-Builder	As needed for waste disposal
Disposal Approval Request Form 278	ADEM	Issuer	As needed for waste disposal
Disposal Approval Request Form 278	ADEM	Design-Builder	As needed for waste disposal
SARA Title III Section 302 Notification	AL Emergency Response Commission/Local Emergency Planning Committee	Design-Builder	As needed for facility handling extremely hazardous substances
State Indirect Discharge (SID) Permit	Mobile Area Water & Sewer System/ ADEM	Design-Builder	Anticipated by October 1, 2026
Waiver of Noise Ordinance	City of Mobile	Design-Builder	Anticipated by October 1, 2026
Temporary Diversions or Withdrawals of Water	AL Dept of Economic & Community Affairs	Design-Builder	As needed for temporary or emergency diversions of water (less than 30 days)

All permits necessary to release the Design-Builder for construction on the main span bridge (which is the primary critical path construction scope) have been obtained. Further, ALDOT's technical team and environmental consultant are confident that all necessary permits needed for further scopes to be released for construction will be obtained by the dates required to meet the critical path of the construction schedule.

The only outstanding permit associated with project construction and to be obtained by the Issuer is the NWP 27 Aquatic Habitat Restoration, Enhancement, and Establishment Activities permit with the US Army Corps of Engineers (USACE). ALDOT has a schedule and plan in place to obtain this permit by October 1, 2026, has communicated this plan to USACE, and received assurances from USACE that they will cooperate to the extent possible to meet this date. If this permit is not obtained by November 7, 2026 (when dredging is scheduled to begin), it may impact the Design-Builder's ability to perform marine construction in Mobile Bay and begin water-based construction on the East High-Level Approach and Bayway tie-in portion of the Project. However, construction in the Mobile River on the main span bridge would still be able to proceed. Since construction of the main span bridge represents the critical path for construction, ALDOT does not believe this risk has the potential to affect the overall Project substantial completion date.

The other outstanding permits are the responsibility of the Design-Builder and are incidental permits. Failure to obtain such permits by October 1, 2026, is not necessary to begin construction of the Project and is not expected to have a material impact on the progress of construction of the Project.

Project Management and Compliance

Independent Quality Firm.

Pursuant to the Design-Build Agreement, the Design-Builder is required to retain an Independent Quality Firm ("IQF") to provide certain quality oversight and verification services. The IQF is required to perform frontline sampling, testing and inspection project-wide. For materials testing, the IQF's results may be used for acceptance testing, provided they are confirmed by the Owner Verification testing results. The IQF will also provide Quality Assurance inspections regarding workmanship and other features of the work, which may be used for acceptance of the work subject to the Owner Verification firm's confirmation of compliance with the Design-Builder's ALDOT-approved Construction Quality Management Plan. The DBA requires that all IQF staff and activities shall be completely separate and independent from the Design-Builder's production and Quality Control.

Owner Verification Services.

The Issuer will retain one or more consultants to perform owner verification of the IQF. The Issuer is in the process of negotiating a contract for these services for the River Bridge portion of the Project and is in procurement for the Bayway portion of the Project. The selected firm(s) will provide field inspection, materials testing and verification, and casting yard/fabrication site verification, for the purposes of providing oversight and auditing for work performed by the IQF. The Owner Verification (OV) Team will develop a comprehensive Owner Verification Testing and Inspection Plan (OVTIP), to be submitted to the Issuer and FHWA for concurrence. The OVTIP will include internal procedures to verify that the Design-Builder's and IQF's frontline acceptance activities are performed in accordance with the approved Construction Quality Acceptance Plan (CQAP) and to verify adherence to the Construction Quality Management Plan (CQMP). The OV Team will audit IQF activities to verify whether the IQF is performing its assigned quality administration, inspection, testing, and documentation responsibilities.

Environmental and Permit Monitoring.

Under the DBA, the Design-Builder is required to provide or to procure environmental and permit monitoring services in conjunction with the Project. The Project's Technical Provisions require the Design-Builder to designate Environmental Compliance Inspectors (ECIs) for the Project, who will be dedicated to the Project site full time. The ECIs are required to conduct daily onsite environmental monitoring, prepare documentation, and report, on a daily basis, all violations, compliance, and noncompliance with Environmental Approvals and requirements of the Project's Comprehensive Environmental Protection Plan (CEPP). The ECIs will report any violation or non-compliance and shall include with any such reports the appropriate recommendations for corrective action, including stoppage of work.

The Design-Builder is also required to designate a Natural Resource Biologist to provide expertise in monitoring impacts on wildlife and the natural environment during the course of construction. The Natural Resource Biologist is required to be permitted by the United States Fish and Wildlife Service (USFWS) for threatened and endangered species potentially impacted by the Project. The National Resource Biologist is required to be onsite whenever needed throughout the completion of construction.

The Project's Technical Provisions also require the Design-Builder to designate a Hazardous Materials Manager to provide expertise and monitor the safe handling of hazardous materials that may be discovered or impacted during the course of construction on the Project. The Hazardous Materials Manager is required to maintain records of all incidents involving hazardous materials and to notify ALDOT and appropriate authorities in writing of all such incidents. Experience with developing remedial action plans acceptable to the Alabama Department of Transportation (ADEM) in hazardous material discovery and mediation efforts is a Project requirement for the Hazardous Materials Manager.

In addition to the obligations outlined above, the Project's Technical Provisions require the Design-Builder to submit an Environmental Compliance and Mitigation Plan that documents monitoring, compliance, and mitigation strategies in accordance with applicable governmental regulations and the Project's approved NEPA environmental document. This plan, required to be approved by ALDOT, includes monitoring procedures

associated with cultural resources, hazardous materials, stormwater, water quality, submerged aquatic vegetation, essential fish habitat, protected species, floodplains, noise, and air quality.

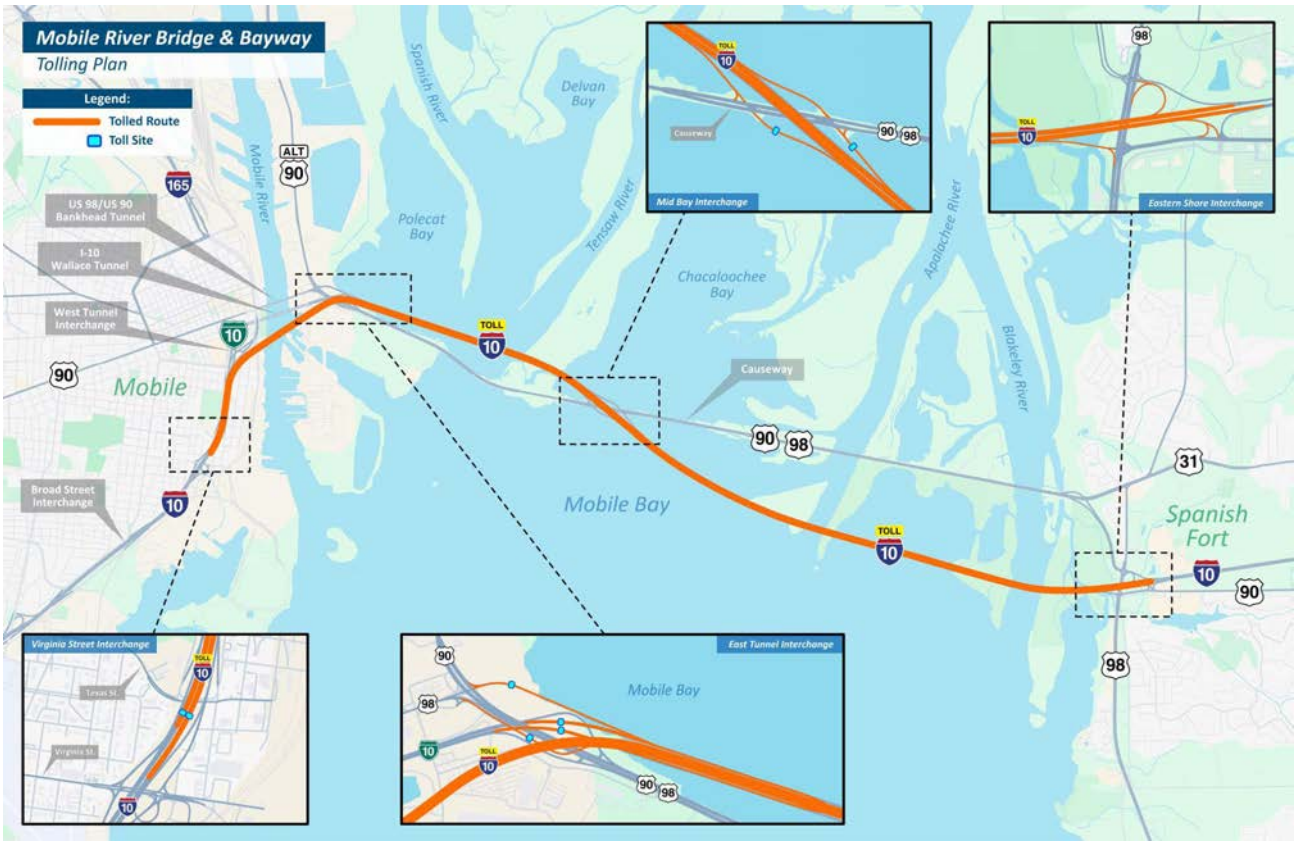
Tolling of the Project

The entirety of the Project will operate as a closed system and charge a single toll for accessing any part of the Project (the same toll will be charged for a user who travels the entire length of the Project as for one who travels just a portion of the Project). The Wallace Tunnel, Bankhead Tunnel, and Africatown Bridge crossings of the Mobile River will remain toll-free, and there will continue to be a toll-free route to cross the Mobile Bay via US 90/98 (the Causeway).

The Project will contain a combination of mainline and ramp toll collection sites, arranged so that the portion of I-10 from east of Virginia Street, across the new Mobile River Bridge and Bayway to the US-90/US-98 interchange in Daphne is tolled. The following toll sites have been identified by the Authority and are shown in the map below.

- Toll sites at Texas Street
  - Mainline I-10 Eastbound
  - Mainline I-10 Westbound
- Toll sites at East Tunnel Interchange
  - Business I-10 Eastbound, just east of the US-98 exit ramp
  - Business I-10 Westbound, just east of the US-98 entrance ramp
  - Entrance ramp from US-98 to Mainline I-10 Eastbound
  - Exit ramp from Mainline I-10 Westbound to US-98
- Toll sites at Midbay Interchange
  - Entrance ramp from US-98 to Mainline I-10 Eastbound
  - Exit ramp from Mainline I-10 Westbound to US-98

Map 4.
Tolling Sites



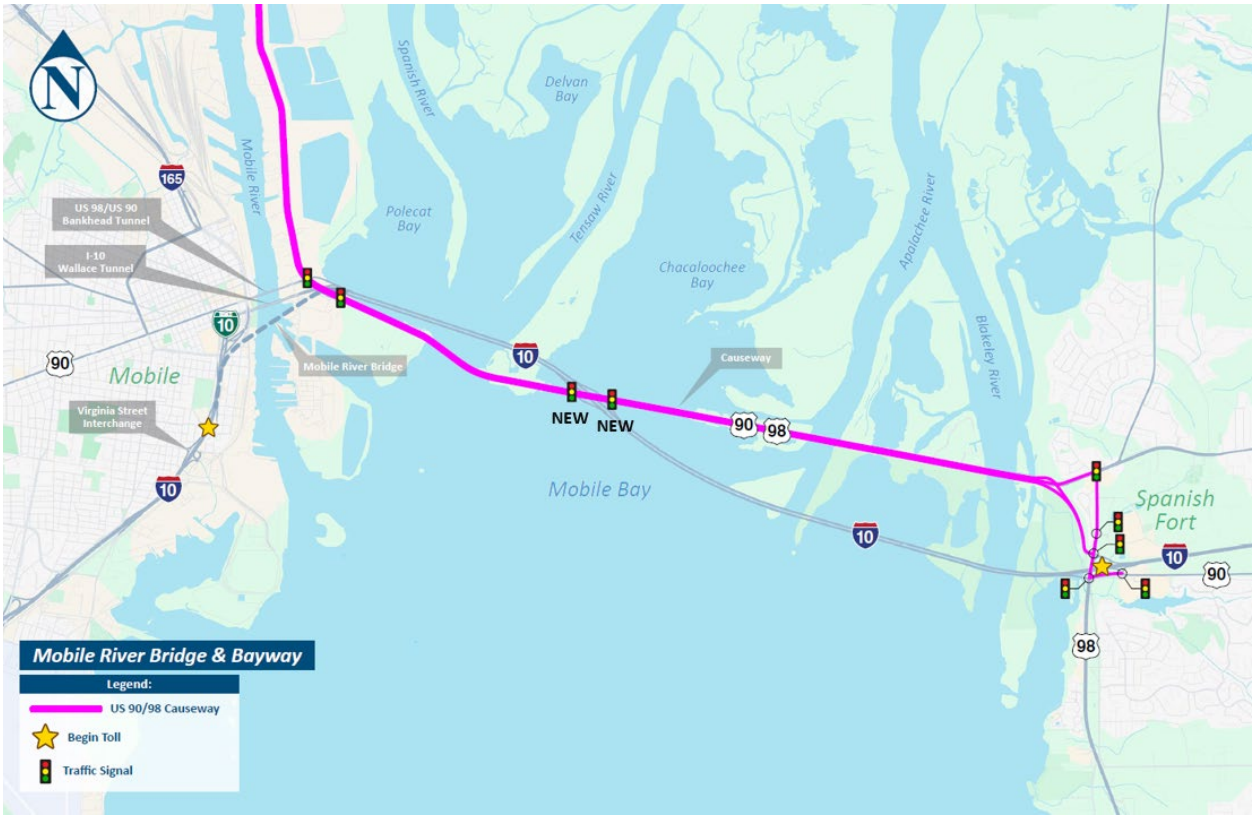
The Issuer will utilize an all-electronic tolling ("AET") system for the Project where vehicles are detected while traveling at highway speeds, without having to stop and pay cash tolls. Eight toll gantries for the Project will be located at or between interchanges to ensure that all users of the Project pay a toll. Customers may elect to pay tolls using an ALGOpass prepaid transponder-based account, which results in rates averaging approximately 50% below interoperable transponder rates and approximately 75% below video rates across the vehicle classes shown in the initial toll schedule, with actual discounts varying by vehicle classification and axle count. For customers using the Project without a transponder, an image of their license plate is captured and they are sent an invoice by U.S. mail. All customers will be able to make their payments by cash, check, credit card, or other approved payment methods. The Issuer will also offer a monthly fixed price pass to users with 2-axle low vehicles (nothing in tow) equipped with an ALGOpass transponder.

The Issuer will manage the revenue collection and tolling systems for the Project with toll industry advisors and vendors. The Issuer with ALDOT is in the process of developing requests for proposals for the procurement of Roadside Toll Collection System (RTCS), Commercial Back Office System (CBOS), Operation Services/Customer Service Center (CSC), and Delinquent Back Office System (DBOS). A summary of the Issuer's detailed toll procurement plan is presented below.

Free Alternate Route

At least one free, alternate route to the Project will remain available to travelers to and through the Mobile region. One such route, the US Highway 90/98 Causeway, is shown in the Map below. See Appendix E- "TRAFFIC AND REVENUE STUDY", for a discussion of diversion of traffic from the Project to other routes.

Map 5.
US-90/98 Causeway in Mobile and Baldwin County



Roadside Toll Collection System (RTCS)

The RTCS is a fully-automated, multi-lane, free-flow system, specifically designed for accurately detecting and classifying vehicles traveling the roadway at high speeds and building fully formed transactions through transponder reads or license plate images. The RTCS will include a multiprotocol solution that allows the Issuer to read transponders issued by the Issuer, as well as transponders issued by interoperable agencies. The RTCS functionality includes multiple levels of optical character recognition and automated license plate recognition, and the vendor will be responsible for performing manual license plate image reviews on a certain percentage of transactions to ensure accurate, complete and timely transactions are transmitted to the Commercial Back Office System (CBOS) for processing. The RTCS includes fully-automated toll zones, a toll facilities host and database, a digital video audit system and interfaces with the CBOS. The RTCS contractor will also be responsible for providing ALGOpass transponders that will be distributed by the Issuer.

Commercial Back Office System (CBOS)

The CBOS receives the roadside toll transactions and posts these transactions to the ALGOpass transponder accounts, routes interoperable transactions to agency partners, and processes license plate based transactions through a post-paid billing process. The CBOS is the interface to payment systems, commercial establishments, department of motor vehicle records, and other sub-systems. The CBOS contractor's responsibilities will include the design, development, installation, and implementation of hardware, software, and customer facing interfaces.

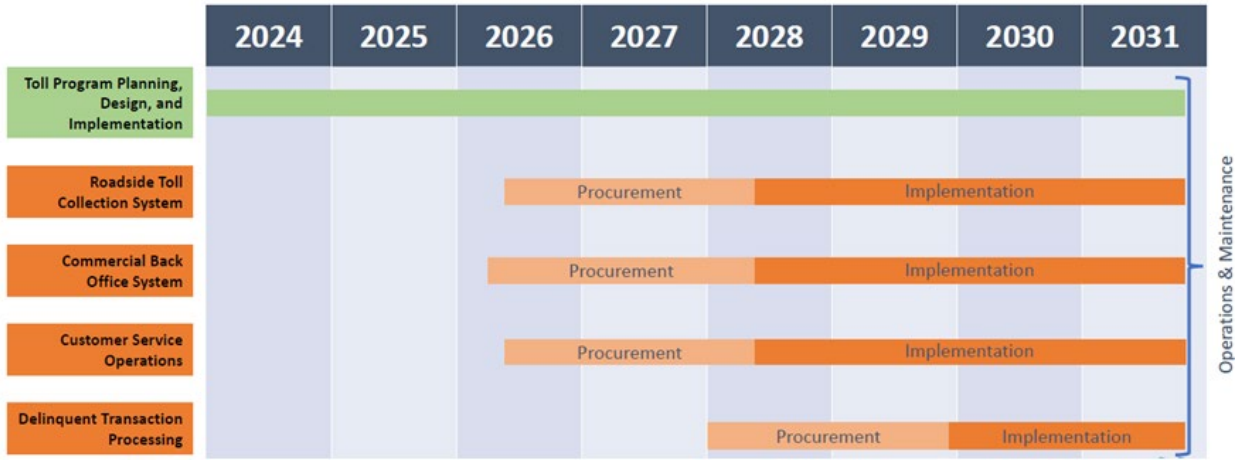
Customer Services Operations (CSC)

The Customer Service Operations contractor will provide for the operations and staffing of the ALGOpass operations center and all ALGOpass walk-in service centers. The contractor will be responsible for the staffing and training of the personnel, including managers, specialists, supervisors, and agents. The Alabama-based operations center will serve as a call center and base of operations for the toll collection program and most of the operations personnel will be based out of this location. The walk-in service centers will serve as locations for customers to purchase an ALGOpass transponder, pay invoices, or conduct other toll collection related business in-person. The contractor will be responsible for assisting ALDOT with the public outreach and marketing of the toll collection program.

Delinquent Back Office System (DBOS)

If a customer fails to pay post-paid transaction invoices that are issued by the CBOS, the unpaid transactions will no longer be pursued by the CBOS and will be sent to the DBOS for processing. One or more DBOS contractors will be selected to receive and process unpaid transactions, manage skip tracing and NIXIE processing activities, interface with the Alabama Department of Revenue for the purposes of applying and removing vehicle registration holds, issue and manage the toll citation process, and provide customer service related to these processes.

Table 11.
Toll Procurement Schedule



Interoperability

The Issuer anticipates becoming a full member of a regional interoperable hub (i.e. Southeast Hub, Central Hub, etc.) and will pursue membership with the E-ZPass Group. Membership with a regional HUB permits all agencies associated with the HUB to accept the ALGOpass transponder as a form of payment and permits the Issuer to accept transponders associated with interoperable accounts as a form of payment on the Project. This agreement will enable the Issuer to do business with millions of drivers who have interoperable pre-paid accounts. The Issuer will ensure that the RTCS will include multi-protocol transponder reading technology and will issue ALGOpass transponders that use a standard interoperable protocol currently being used in the toll industry.

Toll Collection Enforcement- Alabama Toll Legislation

In 2017, the Alabama Legislature passed the Electronic Toll Collection Act, which sets forth the mechanisms pursuant to which the Issuer may utilize electronic tolling and enforce collections of electronic tolls.

If a user of the Project incurs a toll but does not have an ALGOpass, an interoperable transponder or other account that the Issuer can charge for the toll, the Issuer will use the process set forth below to attempt to collect the toll (and any associated fees).

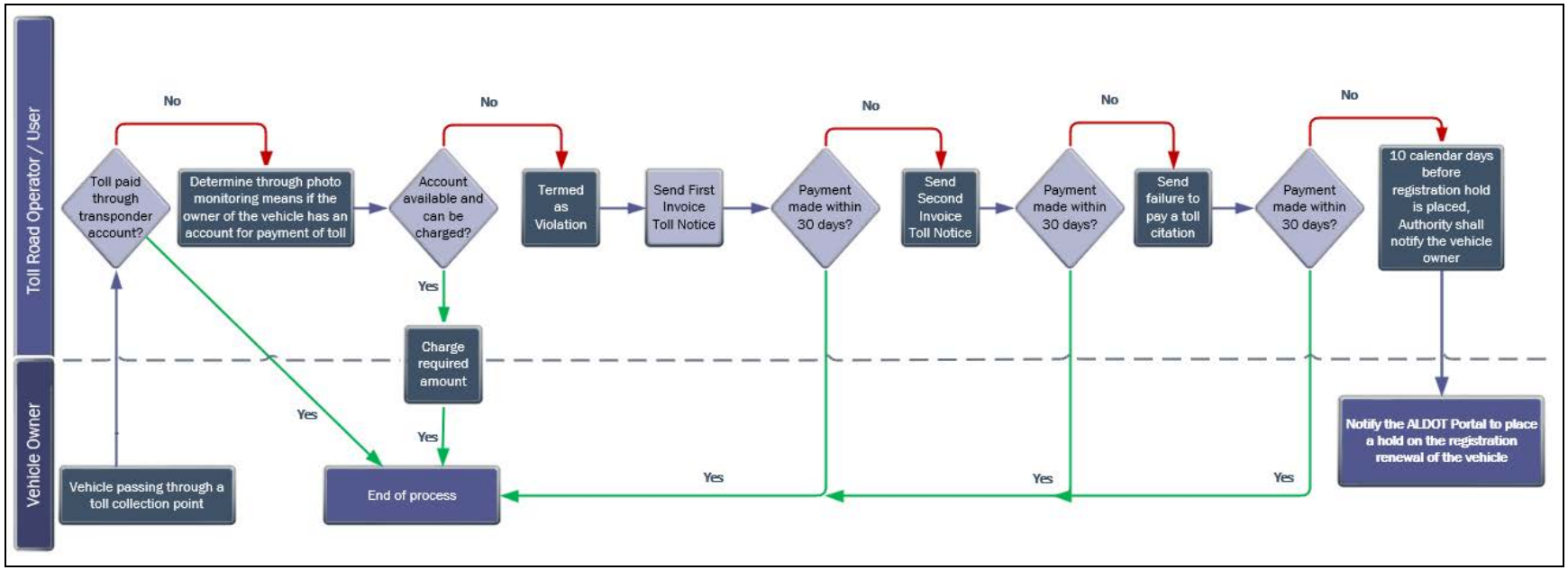
Table 12.
Toll Enforcement Process

Notice/Citation	Send Notice	Method of Sending	Payment Deadline	Maximum Administrative Fee*
1st Notice	Within 60 days from receipt of registration information	Mail or electronic	30 days from date sent	$5
2nd Notice	After 1st Notice Payment Deadline	Mail or electronic	30 days from date sent	$50
Citation	After 2nd Notice Payment Deadline	Certified Mail	30 days from date sent	$100, plus $5 additional fee to be paid to law enforcement

*Administrative fees are cumulative, not additive.

The following table is a summary of the toll collection and enforcement process:

Table 13.
Toll Collection



Failure to pay the citation within the required time period may result in:

(a) The non-renewal of the vehicle registration for the vehicle associated with the citation until the citation and associated fees are resolved.

(b) The Issuer or its agent or representative filing a civil suit in the district court of the county in which the violation occurred to collect the toll and all applicable fees and penalties allowed pursuant to Alabama law.

If the Issuer files a civil suit to collect a toll and all applicable fees and penalties, and a judgment is entered against the user, the court may impose court costs and a civil penalty of up to one hundred dollars ($100) for each violation. If a judgment is not paid within sixty (60) days, a notice is sent to the Alabama Law Enforcement Agency and for suspension of the user's license.

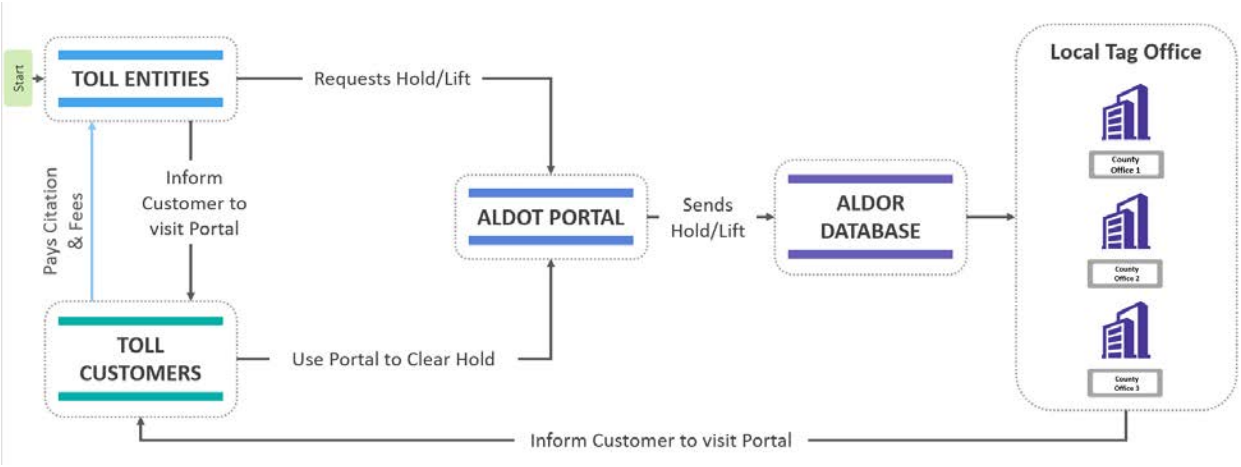
The Issuer, ALDOT and/or the State may enter into reciprocal enforcement agreements with other States to enforce unpaid toll citations on out-of-state users.

Toll Enforcement - Portal

To facilitate registration holds as a means of toll collection enforcement, ALDOT has created a toll enforcement portal (the "Toll Enforcement Portal") for communications between local tag offices, tolling entities (including private toll entities and the Issuer) and customers. Though the Issuer has no preexisting facilities, three private toll facilities are operational in the State. The Toll Enforcement Portal is a one-stop website for a user of Alabama toll roads to determine if it has a registration hold in Alabama and to clear such hold.

The below table summarizes the process for imposing or lifting a registration hold and the function of the Toll Enforcement Portal in that process:

Table 14.
Registration Hold and Toll Enforcement Portal



Note: ALDOR is the Alabama Department of Revenue, which maintains the registration database.

Toll Policy

By a resolution adopted August 27, 2026, the Issuer has established, and ALDOT has agreed to, a Toll Policy setting forth the following:

1) An initial toll rate schedule for 2031 is set forth in the table below:

Table 15.
Initial Toll Rates (2031)

Vehicle Type		Interoperable Transponder Rate (Base)	ALGOpass Transponder Rate (Discount)	Video Rate	ALGOpass Monthly Flat Fee
Height	Axles				
Low (under 7'6")	2	$7.70	$3.00	$15.40	$60.00
	3	$13.30	$6.00	$26.60	
	4	$15.40	$6.00	$30.80	
	5	$21.00	$9.00	$42.00	
	6	$23.10	$9.00	$46.20	
High (7'6" and higher)	2	$20.30	$12.60	$40.60	
	3	$28.35	$16.80	$56.70	
	4	$36.40	$21.00	$72.80	
	5	$44.45	$25.20	$88.90	
	6	$52.50	$29.40	$105.00	
	7	$60.55	$33.60	$121.10	

An ALGOpass monthly flat fee plan, is available for users of 2-axle low vehicles (nothing in tow) equipped with an ALGOpass transponder.

2) The tolls set forth in the schedule shall be automatically adjusted annually on January 1 of each year (the "Annual Increase"), beginning in 2032, by the greater of: (i) for the first ten (10) years, 5.00%, and for each year after that, 2.50% (the "Base Increase Percentage") and (ii) the annual increase to the Consumer Price Index for All Urban Consumers (CPI-U) for the South region for the 12 months ending in June of the prior year (the "CPI Percentage").

   Notwithstanding the above, the ALGOpass monthly flat fee plan will not be subject to automatic increase from 2032 through 2041. In 2042, the ALGOpass monthly flat fee plan will increase to $80.14, and in each year thereafter will be subject to the same Annual Increase as set forth above for toll rates.

3) Adjustments to toll rates to meet the rate covenant such that if the Authority fails to meet the rate covenants set forth in the Bond Documents, the Director of Transportation is authorized and directed to take such actions on behalf of the Issuer as are set forth in such Bond Documents to remedy such failure, including without limitation, hiring an Independent T&R Consultant and adopting the schedule of toll rates recommended by such Independent T&R Consultant.

4) An initial fee schedule in 2031 with respect to toll citations of:

Invoice or Notice	Fee
1st Invoice (1st Notice of Unpaid Toll)	No fee added to the toll transaction
2nd Invoice (2nd Notice of Unpaid Toll)	$25.00 fee added to the unpaid balance from the 1st Invoice
Failure to Pay Citation (3rd Notice of Unpaid Toll)	$25.00 fee added to the unpaid balance from the 2nd Invoice

5) Automatic adjustments to the initial fee schedule such that beginning in 2036, the fees set forth in the fee schedule shall be automatically increased by 10% on January 1 and on every fifth January 1 thereafter. Notwithstanding the preceding sentence, the fees, as adjusted, shall never

exceed the maximum amount permitted by law. The fees, as adjusted, may never exceed the maximum amount permitted by law.

6) The Issuer may adopt fines with respect to tolling of the Project, subject to applicable law.

7) The Issuer may pursue such enforcement mechanisms as are permitted pursuant to applicable law in order to facilitate the collection of tolls from users of the Project, including utilizing registration renewal holds.

8) ALDOT, on behalf of the Issuer, may pursue reciprocal enforcement agreements with other states pursuant to applicable law.

9) Operators or registered owners of a vehicle operated on the Project are exempt from paying the tolls imposed on users of the Project if the vehicle is exempted by federal law or state law, including:

   i. School buses transporting children for a school event.

   ii. An authorized emergency vehicle, as defined in Section 32-1-1.1 of the Code of Alabama (1975), as amended, while actively engaged.

   iii. Any other vehicle as determined by the Issuer or ALDOT.

10) The Issuer authorizes the Director of Transportation or his or her designee to issue a suspension of toll collection when a State of Emergency has been declared by the Governor (i) that incorporates the portion of the state where Project is located and (ii) includes language specific to toll facilities. A "suspension of toll collection" is the temporary elimination of toll collection for the Project for a defined period. Incidents which may justify the suspension of toll collection include, but are not limited to, hurricanes, tornadoes, fires, floods, and other incidents deemed to present a risk to public safety and for which a suspension of toll collection will alleviate an actual or potential threat or risk to the public's safety.

11) The Issuer prohibits toll waivers, except that the Issuer and ALDOT may develop procedures and/or rules that allow for toll waivers if traffic is directed onto the Project by an emergency response entity resulting in a forced use of the Project by a user. A "toll waiver" is a waiver of a toll for a user that is not applicable to all users of the Project, and an "emergency response entity" is ALDOT, the Alabama Law Enforcement Agency (ALEA) or any other emergency responder entity with jurisdiction over the Project or the area immediately abutting the Project.

12) ALDOT, on behalf of the Issuer, shall evaluate and pursue, where mutually acceptable, interagency transponder network memberships with interagency transponder networks, as appropriate.

Interstate System Reconstruction and Rehabilitation Pilot Program (ISRRPP)

In connection with the Project, the Issuer will enter into an agreement with the FHWA and ALDOT with respect to the Interstate System Reconstruction and Rehabilitation Pilot Program (the "ISRRPP"). The ISRRPP allows a state to collect tolls on a facility on the Interstate System in order to reconstruct or rehabilitate an Interstate highway corridor that could not otherwise be adequately maintained or functionally improved without the collection of tolls. After being granted provisional approval to be accepted into the program in summer 2026, the Issuer satisfied the program criteria and has negotiated an Interstate System Reconstruction and Rehabilitation Pilot Program Toll Agreement for the Interstate 10 Corridor (the "ISRRPP Agreement") with FHWA. The execution of the ISRRPP Agreement is a condition precedent to issuing the Series 2026 Bonds.

The ISRRPP Agreement allows the entirety of the Project to be tolled, whereas other existing law regarding tolling of interstates may only allow the newly constructed portion of the Project (i.e., the Mobile River Bridge Project), and not the improved bridges portion of the Project (i.e., the restriped Bayway) to be tolled. The Traffic and Revenue Study assumes the entire Project will be tolled, and the Project Revenues may be significantly reduced

if the entirety of the Project cannot be tolled. See "RISK FACTORS – Termination of Authorization to Toll Project" herein.

Maintenance of the Project

Pursuant to the Lease Agreement, maintenance of the Project (excluding tolling elements) will be performed by ALDOT at its own expense. Maintenance will be performed to standards defined in ALDOT's maintenance rating program guidelines, standard operating procedures for roadway elements and ALDOT performance standards.

The Engineering Report (see Chapter 11) describes in detail the Issuer's plans for maintenance and operations over the life of the facility. ALDOT Southwest Region will have overall responsibility for the routine maintenance of the I-10 Corridor. Anticipated routine maintenance activities are listed and described in Chapter 11 of the Engineering Report.

Roadway/Bridge Operations and Maintenance will be funded directly from ALDOT's regional budget and will not be funded from tolling revenue or bonds. ALDOT has an excellent understanding of maintenance activities anticipated for this Project, since the past maintenance history of the existing Bayway structures is well known and documented, as is that of the nearby Africatown Bridge, which is a cable-stayed bridge similar to the proposed main span bridge of the Project.

The Issuer has taken numerous steps in the Project's Technical Provisions to enhance durability and long-term performance of the structures and roadways on this project, including 100-year service life requirements for bridge elements and extensive use of low-maintenance precast, prestressed concrete elements. These steps will minimize maintenance costs and mitigate future impacts on the traveling public. During the initial years of operation, the Mobile River Bridge and Bayway should require minimal service beyond routine maintenance. Over time as the facility ages, elements of the corridor will require repair or replacement. ALDOT has estimated the anticipated repair and replacement items, as shown in Exhibit 11-2 of the Engineering Report.

ALDOT, on behalf of the Issuer, will use its existing practices for maintenance inspections to monitor corridor conditions. Based on findings from its maintenance inspections, ALDOT will use its existing infrastructure improvement programs to replace or rehabilitate those elements that are determined to need upgrades over time. Toll revenue will not be used to fund renewal and replacement work, except with respect to Toll Collection Renewal and Replacement Expenses.

Toll collections elements of the Project will be maintained, repaired and replaced by ALDOT on behalf of the Issuer, and the costs of such maintenance, repair and replacement will be paid from the Toll Collection O&M Fund, the Toll Collection Operating Reserve Fund and the Toll Collection Renewal and Replacement Fund. If the Issuer is unable to fund the toll collection maintenance, repair and replacement costs from such funds, ALDOT will be required to pay such costs pursuant to the Lease Agreement. See "SECURITY AND SOURCE OF PAYMENT – Lease Agreement" for a discussion regarding the obligations of ALDOT pursuant to the Lease Agreement.

Insurance Coverage – Operation of the Project

Pursuant to the Lease Agreement, ALDOT will covenant to maintain $500 million in coverage against force majeure, casualty, hurricane, or named storm risk, including business interruption coverage, for the Project, if commercially available.

Emergency Relief Program

The federal emergency relief program under 23 USC §§ 120 and 125 (the "ER Program") provides federal funding to repair federal-aid highways and federal lands roads damaged by natural disasters and catastrophic events. Once placed in service, the Issuer expects that funds would be available from the ER Program in the event the Project was damaged by a natural disaster or catastrophic event. In order to be eligible to receive proceeds from the ER Program, the Governor of the State must have declared an emergency and (i) the Secretary of the United States Department of Transportation has concurred or (ii) the President of the United States declares the emergency a major disaster for purposes of 42 USC 5121 et seq. (the Stafford Disaster Relief and Emergency Assistance Act).

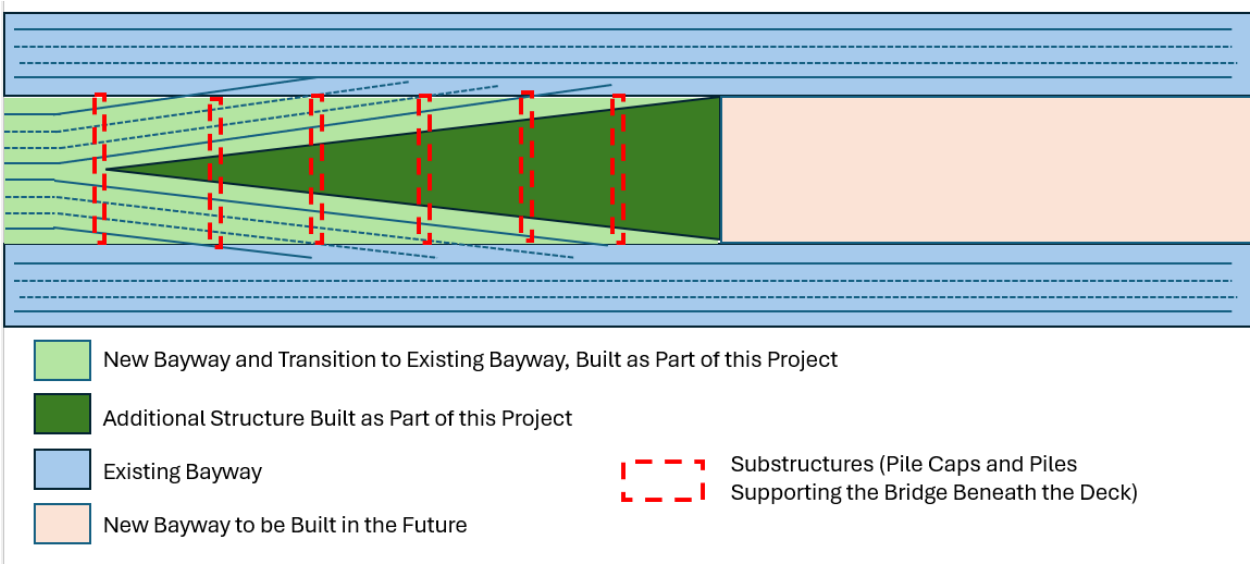
Funding must also have been made available to the ER Program by the United States Congress pursuant to the provisions of the ER Program.

During construction, the Issuer believes the Bayway is eligible for ER funds because it is an existing federal-aid facility, as would other existing facilities within the construction project limits, such as pavement, ROW features, debris removal (if not covered by FEMA), signals, signs, drainage structures, overpasses, bridges, ramps, roadway lighting, etc. The cable-stay bridge and high level approaches would likely not be eligible for ER until placed in service.

Phase II Project

In the future, but not as a part of the Project, the Issuer and ALDOT will collaborate to construct the Phase II Project, which includes (A) the design and construction of (i) the replacement of the existing I-10 Bayway Bridges with a new six-lane bridge constructed above the 100-year storm surge elevation, from the connection point constructed as part of the Project to the Eastern Shore, (ii) the West Tunnel Interchange, and (iii) improvements to the East Tunnel, Midbay and Eastern Shore Interchange ramps and (B) the demolition of the existing Bayway bridges. At such time as the newly constructed Bayway is open to traffic, it will replace the existing Bayway and will be tolled in the same manner as the existing Bayway will be upon toll commencement of the Project.

The connection point with the Project depicted below allows for a future Phase II Project contractor to construct the replacement Bayway Bridges between the existing Bayway Bridges and without appreciable disruption to the existing Bayway and the tolling thereof. After completion of a future replacement Bayway, the existing Bayway Bridges will be demolished.



The Issuer currently expects to begin construction of the replacement Bayway Bridges in 2036, subject to availability of funding and other key gating items. The Issuer expects the Phase II Project will be funded from sources available at that time, which may include federal grants, federal program funds, state and local funding, GARVEE bonds, or, if permitted under the TIFIA Loan Agreement and Indenture, additional revenue bonds, if permitted under the TIFIA Loan Agreement and Indenture. Replacement of the Bayway Bridges will be dependent on availability of such funding and may not commence until a later date, if at all.

The costs of the Phase II Project and any indebtedness issued to finance such costs are not included in the current Project cost, plan of finance, projected cash flows, debt service requirements or coverage calculations. The Traffic and Revue Study does not assume completion of the Phase II Project during the forecast period.

The Issuer has covenanted in the Indenture that it will not demolish or replace, or substitute the Phase II Project for, any portion of the Bridge and Bayway Facilities, unless:

(1) The Issuer shall have delivered to the Trustee an updated study by an Independent T&R Consultant, accompanied by a letter from the Independent T&R Consultant certifying that the assumptions and projections contained in such updated study are reasonable and may be relied upon by the Trustee;

(2) The Issuer shall deliver a report from an Independent consulting engineer indicating that the planned Phase II asset to replace the bayway bridges would result in an improvement or an expansion of the Bridge and Bayway Facilities; and

(3) A Rating Agency that provided the most recent public ratings of the First Lien Bonds and the Second Lien Bonds shall have provided a confirmation or affirmation (or the equivalent) that the contemplated project shall not result in a downgrade of the lower of (A) the then-existing credit ratings of the First Lien Bonds and the Second Lien Bonds, respectively, and (B) the credit ratings of the First Lien Bonds and the Second Lien Bonds, respectively, as of the date of issuance of the relevant Bonds.

The TIFIA Loan Agreement may contain additional requirements with respect to the Phase II Project, including without limitation prior consent of the TIFIA Lender.

TRAFFIC AND REVENUE STUDY

The following is a summary of selected provisions of the traffic and revenue study (the "Traffic and Revenue Study") prepared by CDM Smith, solely in its capacity as the Traffic Consultant, on behalf of the Issuer for the Project, and is not a full statement of the terms of such document. Accordingly, the following summary or excerpt is qualified in its entirety by reference to and is subject to the full text of such report, which is attached hereto as Appendix E. Investors may not rely upon the summaries and should review the full report, which is subject to the limitations or disclaimers in such report. Without limiting the generality of the foregoing, the Traffic and Revenue Study is expressly subject to the qualifications, assumptions made, procedures followed, matters considered and any limitations on the scope of work contained therein. Investors should note that this summary, and the attached report, is provided only as of the date set forth therein and does not contemplate any event, circumstances or changes with respect to the Project or otherwise after such date.

The following summary of the traffic and revenue forecasts related to the Project is based upon projected information and data (financial and otherwise), and other forward-looking information, that may or may not occur or prove to be accurate. Such projected and forward-looking information is based on current expectations and projections about future events which are beyond the control of CDM Smith, the Issuer, ALDOT or any other participant in the Project, and such projections and information can be affected by inaccurate assumptions. While these projections and information were prepared in good faith, no assurance can be given as to the accuracy or adequacy of such projections and information, or the assumptions underlying such projections and information.

Assumptions/Caveats

The list below provides information on major assumptions and caveats regarding the toll transactions and revenue forecasts.

- VOTs vary by time-of-day and by the median household income of the trip's origin and destination TAZs. The average PC VOT (which includes 2-axle trucks) is $12.79 per hour in 2030 dollars and $25.58 per hour in 2065 dollars. Medium truck VOT is $30.67 per hour in 2030 dollars and $61.33 per hour in 2065 dollars. Heavy truck VOT is $44.71 per hour in 2030 dollars and $89.41 per hour in 2065 dollars.

- Annualization factors of 343 for PCs and 320 for trucks (based on review of permanent count stations crossing Mobile River with downward adjustments for holidays and weekends).

- The I-10 MRBB would open to traffic and tolling would begin by October 1, 2031.

- All roadway improvement projects included in the current Mobile MPO and Baldwin County Long Range Transportation Plan (LRTP) will be implemented within their specified timeframe.

- No other competing facilities or additional capacity improvements would be constructed during the 2023-2071 period, other than those listed in the current LRTP.
- Toll rates are set at the amounts shown in the Traffic and Revenue Study.
- Toll rates shown in the Traffic and Revenue Study are introduced at opening (assumed to be October 1, 2031) and are increased annually by 5.0 percent from 2032 through 2041 and then 2.5 percent thereafter, and the ALGOpass monthly flat fee will be introduced with the rates described in this report.
- Toll payment shares will be as described in this report. Loss due to uncollectible video tolling payments is assumed to be 50 percent of the expected gross revenue from video tolls.
- Actual inflation will be consistent with the assumption of 2.4 percent in 2025, 2.2 percent in 2026, 2.1 percent in 2027, and 2.0 percent from 2028 through 2071. VOT parameters have been escalated by this schedule in the travel demand model.
- Toll gantries will be situated at the locations described and the full toll rates will be charged at each gantry.
- Restriping the Bayway to have six 11.5'-wide lanes and 2.5'-wide shoulders will have minimal impacts on free-flow speeds on the Bayway and traffic and revenue on the MRBB.
- Economic growth in the study area will be generally consistent with what was assumed in the SE forecasts as presented in this report.
- The highest annual traffic growth rates for externals are estimated to be 1.0 percent and 2.2 percent in Mobile and Baldwin Counties, respectively, from 2023-2035. These growth rates are then estimated to moderate from 2035-2065, reflecting expected socioeconomic growth. Similarly, the lowest growth is estimated to be 0.1 percent throughout the forecast based on expected economic growth. The greatest levels of growth are estimated to occur on I-65 at the Baldwin/Escambia County line and on I-10 and US 98 at the Baldwin County/Florida line owing to the large historical growth at these locations.
- The I-10 MRBB will be properly signed and promoted to encourage maximum usage.
- Motor fuel will remain in adequate supply and no national or regional emergency shall arise that would abnormally restrict the use of motor vehicles.
- No major construction activities, natural disasters or acts of terrorism will affect access and circulation on the MRBB.
- No force majeure events will occur (e.g., major hurricane destroys infrastructure, pandemic results in greatly reduced travel, etc.).

Study Process

The following is a summary of the study process used in developing the Traffic and Revenue Study:

The Mobile River Bridge and Bayway (MRBB) project investment grade study was performed by CDM Smith under the direction of ALDOT with the goal of providing a long-term traffic and revenue (T&R) forecast to aid in the support of project financing, including financial filings and grant/loan applications. By employing a travel demand model (TDM) this study utilized existing travel patterns and socioeconomic inputs in conjunction with future infrastructure improvements and assumed tolling policy to produce a detailed vision of future travel across the Mobile River and Mobile Bay, as well as the greater Mobile County and Baldwin County region.

The Project is a proposed solution to ease existing congestion along Interstate 10 (I-10) near Mobile's central business district (CBD), as well as crossing the Mobile River and Mobile Bay in southern Alabama. Included in the plans are a new 2.5-mile six-lane bridge traversing the Mobile River and Mobile Bay, 7 miles of roadway across Mobile Bay restriped from four lanes to six lanes, and improvements to existing interchanges along the I-10 corridor. To maintain financial feasibility of capital, operations, and maintenance costs associated with the project, tolling has been proposed for all vehicles using the new facility.

This analysis employs the use of a MRBB Toll Model (MTM) that connects existing travel demand model areas from three existing planning agencies across Southern Alabama. Model calibration and validation were performed for the base year, while five future-year runs were analyzed: 2030, 2035, 2045, 2055, and 2065. Output transactions and revenues were prepared by model year for an average weekday, with annualization factors of 343 for PCs and 320 for trucks applied to the modeled weekday volumes to account for lower transactions on weekends and holidays. Annual T&R streams were developed beginning in 2031 by using interpolation to bridge the gap between model years and extrapolation to extend the forecast to horizon year 2071. Two years of ramp-up were also assumed, as users acclimate and understand the new project and its benefits. This study builds upon and provides notable improvements to previous iterations of the MRBB T&R analysis. Notable assumptions and project features include:

- Base year 2023 travel demand model, incorporating the latest travel characteristics and updated socioeconomic forecasts
- Toll policy and schedule, including axle- and height-based toll classifications as well as payment options
- Regional transportation improvement assumptions, including assuming the existing Mobile River crossings remain toll-free
- Forecast breakdowns based on detailed payment types, including monthly flat fee plan adjustments

Tolling will be initiated upon the completion of the Project in 2031. A trip in either direction across the new Mobile River Bridge and/or the restriped Mobile Bayway is assumed to incur the same toll, which will be collected at either a mainline toll west of the Wallace Tunnel or one of six ramp tolls covering travel to and from the east: two within the Mid-Bay Interchange and four within the western shore interchange.

When completed, the Project is planned to operate as an all-electronic tolling (AET) facility, meaning no staffed or un-staffed toll booths will exist, thereby reducing congestion and dangers related to toll-related queues. Free-flowing open road toll gantries will be used. Vehicles must be equipped with an ALGOpass or other interoperable toll transponder, or the vehicle's registered owner will incur a video toll by mail. Toll classes are broken down into PC low vehicles (shorter than 7'6" over the first two axles) and Trucks/Commercial Vehicles (7'6" and above over the first two axles). Toll rates are assumed to be flat and not vary by time of day, day of week, or month of year and are found in **Table 16**. Based on vehicle classification counts conducted in 2021 and 2024 as part of prior and current MRBB study efforts on the Bayway and US 98, an estimated 76.0 percent of all vehicles will fall into the lowest vehicle type bracket, at $7.70 (2031$) per crossing with an interoperable transponder, $3.00 (2031$) with an ALGOpass transponder, and $15.40 (2031$) for video tolling. It is assumed ALDOT will also offer an ALGOpass monthly flat fee plan, offering unlimited trips at the cost of 20 regular trips at the 2031 opening year rate ($60) for 2-axle low vehicles (nothing in tow) equipped with an ALGOpass transponder.

Table 16.
Toll Classes and Rates (in Opening Year 2031$)

Vehicle Type		Interoperable Transponder Rate (Base)	ALGOpass Transponder Rate (Discount)	Video Rate	ALGOpass Monthly Flat Fee
Height	Axles				
Low (under 7'6")	2	$7.70	$3.00	$15.40	$60.00
	3	$13.30	$6.00	$26.60	
	4	$15.40	$6.00	$30.80	
	5	$21.00	$9.00	$42.00	
	6	$23.10	$9.00	$46.20	
High (7'6" and higher)	2	$20.30	$12.60	$40.60	
	3	$28.35	$16.80	$56.70	
	4	$36.40	$21.00	$72.80	
	5	$44.45	$25.20	$88.90	
	6	$52.50	$29.40	$105.00	
	7	$60.55	$33.60	$121.10	

Source: ALDOT, CDM Smith

Total annual transactions, gross revenue estimates, and adjusted gross revenue estimates from opening year (2031) through the study horizon (2071) **Table 17** below. The adjusted gross revenue estimate is calculated by subtracting estimated uncollectible video toll revenue from estimated gross revenue. Throughout the forecast, 50 percent of video tolling gross revenue is assumed to be uncollectible. However, as the estimated share of video tolling decreases over time, so does the impact of video non-payment.

Operation and maintenance costs for the toll collection system and fines and fee revenue was provided by ALDOT.

Table 17.
Annual Traffic, Gross Revenue, and Adjusted Gross Revenue (Millions)

Year	Total Transactions	Total Gross Revenue	Uncollectible Video Toll Revenue	Adjusted Gross Revenue
2031	5.022	$ 53.938	$ 15.853	**$ 38.085**
2032	20.345	$ 223.781	$ 62.786	**$ 160.995**
2033	21.662	$ 244.344	$ 65.275	**$ 179.069**
2034	22.622	$ 261.494	$ 66.560	**$ 194.934**
2035	22.741	$ 268.572	$ 65.254	**$ 203.318**
2036	22.768	$ 277.282	$ 65.705	**$ 211.577**
2037	22.795	$ 287.363	$ 64.309	**$ 223.054**
2038	22.821	$ 297.533	$ 62.930	**$ 234.603**
2039	22.848	$ 307.725	$ 61.500	**$ 246.225**
2040	22.972	$ 319.017	$ 60.098	**$ 258.919**
2041	23.159	$ 335.455	$ 58.607	**$ 276.848**
2042	23.447	$ 344.666	$ 56.250	**$ 288.416**
2043	23.707	$ 353.301	$ 53.925	**$ 299.376**
2044	23.953	$ 362.297	$ 51.575	**$ 310.722**
2045	24.110	$ 369.071	$ 48.640	**$ 320.431**
2046	24.360	$ 379.114	$ 48.284	**$ 330.830**
2047	24.607	$ 391.102	$ 47.660	**$ 343.442**
2048	24.857	$ 403.635	$ 47.146	**$ 356.489**
2049	25.103	$ 415.755	$ 46.527	**$ 369.228**
2050	25.354	$ 428.300	$ 46.087	**$ 382.213**
2051	25.604	$ 440.732	$ 45.564	**$ 395.168**
2052	25.850	$ 452.945	$ 44.935	**$ 408.010**
2053	26.099	$ 465.460	$ 44.404	**$ 421.056**
2054	26.348	$ 477.599	$ 43.783	**$ 433.816**
2055	26.596	$ 489.966	$ 43.250	**$ 446.716**
2056	26.763	$ 500.998	$ 42.503	**$ 458.495**
2057	26.931	$ 515.948	$ 41.133	**$ 474.815**
2058	27.102	$ 530.819	$ 39.679	**$ 491.140**
2059	27.267	$ 545.306	$ 38.201	**$ 507.105**
2060	27.436	$ 559.860	$ 36.739	**$ 523.121**
2061	27.603	$ 574.270	$ 35.253	**$ 539.017**
2062	27.771	$ 589.070	$ 33.780	**$ 555.290**
2063	27.940	$ 603.589	$ 32.381	**$ 571.208**
2064	28.107	$ 618.217	$ 30.867	**$ 587.350**
2065	28.275	$ 632.774	$ 29.345	**$ 603.429**
2066	28.413	$ 649.634	$ 30.606	**$ 619.028**
2067	28.553	$ 666.506	$ 31.395	**$ 635.111**
2068	28.693	$ 683.838	$ 32.201	**$ 651.637**
2069	28.835	$ 701.770	$ 33.029	**$ 668.741**
2070	28.977	$ 720.304	$ 34.005	**$ 686.299**
2071	29.119	$ 739.079	$ 35.009	**$ 704.070**

Source: CDM Smith

Traffic Consultant

CDM Smith provides integrated transportation solutions to public and private clients worldwide. CDM Smith is a national leader in innovative project delivery and the toll/transportation funding arenas. Since entering the toll industry in the 1950s, CDM Smith has performed tolling services in 46 states for dozens of transportation clients. As the national leader in T&R forecasting CDM Smith has completed T&R studies for more than $150

billion in bond issuances. CDM Smith serves as the Traffic Engineer to more than twenty toll authorities in North America.

ENGINEERING REPORT

Michael Baker International, Inc (the "Consulting Engineer") prepared the I-10 Mobile River Bridge and Bayway Engineering Report dated August 25, 2026, attached as Appendix F hereof (the "Engineering Report"). The Engineering Report documents and describes the location, engineering features, project capital cost estimates, operation and maintenance, and the Progressive Design-Build procurement for the Project.

The liability of the Consulting Engineer for any loss, damage, cost or expense suffered or incurred by all persons or entities and for all claims respecting its work performed in connection with the Project is limited in the aggregate to the amount of fees actually paid to the Consulting Engineer in connection with the Project; except to the extent that such liability result from the willful misconduct, recklessness, fraud or gross negligence of Consulting Engineer.

Overview

The following summarizes the key conclusions of the Engineering Report prepared by the Consulting Engineer.

Project Purpose and Need Conclusions

The Consulting Engineer determined that the Project is needed for three primary reasons: (1) to increase capacity to meet existing and projected future traffic volumes; (2) to provide a direct interstate route for trucks transporting hazardous materials across the Mobile River; and (3) to minimize impacts and facilitate ongoing growth of the region's maritime industry. The existing Wallace Tunnel was designed to carry approximately 35,000 vehicles per day but carried approximately 63,000 vehicles per day in 2023, with projections reaching approximately 95,000 vehicles per day by 2049.

Design and Construction Conclusions

In terms of the design and construction to be completed for the Project, the Consulting Engineer determined that the design criteria are consistent with the current practices and standards of ALDOT and the American Association of State Highway and Transportation Officials (AASHTO). The Project will be delivered under a single Progressive Design-Build contract, with the Design-Builder, supported by the design team led by Kiewit Engineering Group and Volkert Inc. The Consulting Engineer determined that the level of design for both the bridge and Bayway segments is adequate for establishing a final Guaranteed Maximum Price and is in line with industry best practices for Progressive Design-Build project delivery.

Project Cost Conclusions

The Consulting Engineer determined that the estimated construction cost for the Project is approximately $2.889 billion, consisting of approximately $2.247 billion for the Mobile River Bridge Project and $642.07 million for the Bayway Project. Total projected costs, including construction, administrative and other costs, toll integration, and previously expended amounts, are approximately $4.150 billion. The Consulting Engineer states in the Engineering Report that the cost estimating process was thorough, reasonable, and consistent with industry best practices, and that risk evaluation has been reasonable and transparent.

Operations and Maintenance Conclusions

In terms of the operation and maintenance of the Project, the Consulting Engineer notes that tolls will be collected by an all-electronic toll collection system at highway speeds with no stop-and-go toll booths. The toll collection program will be managed through separately procured vendors for the Roadside Toll Collection System, Commercial Back Office System, Customer Service Operations, and Delinquent Back Office System, with oversight and project management by ALDOT personnel and ALDOT consultants. ALDOT has taken numerous steps to

enhance durability and long-term performance of the structures and roadways on the Project, including 100-year service-life requirements for the Bayway, Main Span, and High-Level Approaches

Environmental, Permits and Approvals

The Consulting Engineer determined that the environmental process for the Project has been conducted in accordance with the National Environmental Policy Act (NEPA), Federal Highway Administration regulations, ALDOT requirements, and other applicable federal, state, and local laws. The Combined Final Environmental Impact Statement/Record of Decision was signed by FHWA on August 15, 2019, and a Reevaluation was signed on April 29, 2025. No legal challenges were received during the 150-day statute of limitations period. The Consulting Engineer reports a high degree of confidence that all required USACE permits will be obtained prior to the Notice to Proceed for Construction.

Schedule

The Consulting Engineer states that the Project schedule includes the following major milestones: Notice to Proceed for Construction for the Project on October 1, 2026; Substantial Completion of the Project on October 1, 2031. The Consulting Engineer reviewed the schedules developed to date and determined them to be reasonable and achievable.

For a complete copy of the Engineering Report, see Appendix F — "ENGINEERING REPORT."

Consulting Engineer

Michael Baker International, Inc., has been a global leader in providing engineering, architecture, consulting, and technology services for more than 85 years. The firm's practices encompass all facets of infrastructure, including design and civil engineering for diverse bridge, highway, water, rail and transit, tolling, and aviation projects, as well as planning, architecture, environmental, and construction and program management. The company has more than 6,000 employees across more than 120 office locations. Michael Baker International, Inc., has served transportation agencies across the US as both a designer and trusted manager for major, complex highway and transportation projects.

PROJECTED CASHFLOW AND DEBT SERVICE COVERAGE

The table below has been compiled by the Issuer to show the projections for estimated Toll Revenues, the debt service requirements for the Series 2026A Bonds, the Series 2026B Bond, the Series 2026C Bonds and the Series 2026D Bonds estimated debt service coverage ratios for the First Lien Bonds, the Second Lien Obligations and the Third Lien Bonds, projected Toll Collection Operation and Maintenance Expenses, projected deposits to the TIFIA Debt Service Reserve Fund projected deposits to the Rate Stabilization Fund for each of the Calendar Years ending December 31, 2031 through December 31, 2071.

The Issuer expects to repay the principal of the Series 2026-1 Notes with a draw on the TIFIA Loan and all payments of interest on the Series 2026-1 Notes will be paid from proceeds in the Capitalized Interest Account; therefore, the debt service on the Series 2026-1 Notes is excluded from the projections below.

Table 18.
Projected Revenues, Operations and Maintenance Expenses, Cash Flows and Debt Service Coverage Ratios

		First Lien		Second Lien			Third Lien								
Calendar Year[1]	Project Revenues[2]	Series 2026A Net Debt Service[3]	First Lien Debt Service Coverage	Series 2026B TIFIA Bond Mandatory Debt Service[4]	TIFIA DSRF Deposit / (Release)[5]	Second Lien Debt Service Coverage	Series 2026C Net Debt Service[6]	Series 2026D Net Debt Service[6]	Third Lien Debt Service Coverage	Total Collection Operation and Maintenance Expenses[7]	Mandatory Payment All-In Coverage	Revenues Available for Additional Deposits	Series 2026B TIFIA Bond Scheduled Debt Service[4,8]	Rate Stabilization Fund Deposit[9]	Surplus Fund[10]
2031	41,626,135	-	-	-	10,380,329	4.01x	-	-	-	7,431,765	2.34x	23,814,041	-	23,814,041	-
2032	175,460,891	8,634,741	20.32x	-	19,561,011	6.22x	19,335,666	4,159,741	3.39x	27,146,585	2.23x	96,623,147	20,437,187	76,185,959	-
2033	196,855,938	34,538,963	5.70x	-	16,431,237	3.86x	25,780,888	5,546,322	2.39x	26,297,712	1.81x	88,260,817	88,260,817	-	-
2034	213,173,707	34,538,963	6.17x	-	18,300,452	4.03x	25,780,888	5,546,322	2.53x	26,583,641	1.92x	102,423,442	102,423,442	-	-
2035	221,624,611	34,538,963	6.42x	-	3,433,126	5.84x	25,780,888	5,546,322	3.20x	26,564,343	2.31x	125,760,970	125,760,970	-	-
2036	230,373,042	34,538,963	6.67x	80,380,329	-	2.00x	25,780,888	5,546,322	1.58x	26,742,433	1.33x	57,384,108	57,384,108	-	-
2037	241,517,195	34,538,963	6.99x	99,941,340	-	1.80x	25,780,888	5,546,322	1.46x	26,898,675	1.25x	48,811,008	48,811,008	-	-
2038	252,731,804	34,538,963	7.32x	116,372,578	-	1.67x	25,780,888	5,546,322	1.39x	27,052,014	1.21x	43,441,041	43,441,041	-	-
2039	264,017,892	34,538,963	7.64x	134,673,029	-	1.56x	25,780,888	5,546,322	1.32x	27,202,883	1.16x	36,275,807	36,275,807	-	-
2040	275,975,704	34,538,963	7.99x	136,820,469	(2,736,720)	1.64x	25,780,888	5,546,322	1.38x	27,746,835	1.21x	48,278,948	48,278,948	-	-
2041	292,234,559	34,538,963	8.46x	134,619,588	843,731	1.72x	25,780,888	8,116,322	1.43x	28,314,649	1.26x	60,020,420	39,984,345	-	20,036,075
2042	302,004,968	34,538,963	8.74x	133,775,645	1,922,444	1.77x	25,780,888	9,236,711	1.47x	28,531,672	1.29x	68,218,646	-	-	68,218,646
2043	312,780,710	34,538,963	9.06x	133,722,945	6,280,361	1.79x	25,780,888	10,295,395	1.49x	28,768,922	1.31x	73,393,236	-	-	73,393,236
2044	324,075,063	35,303,963	9.18x	133,670,281	6,130,975	1.85x	25,780,888	11,306,474	1.53x	29,018,067	1.34x	82,864,416	-	-	82,864,416
2045	333,697,511	36,338,800	9.18x	133,617,545	6,252,290	1.89x	25,780,888	12,118,141	1.56x	29,254,735	1.37x	90,335,113	-	-	90,335,113
2046	344,718,188	37,537,600	9.18x	136,213,166	1,212,165	1.97x	25,780,888	12,732,616	1.61x	29,784,055	1.42x	101,457,699	-	-	101,457,699
2047	357,385,609	43,209,900	8.27x	138,135,610	6,170,156	1.91x	25,780,888	13,068,689	1.58x	30,286,194	1.39x	100,734,172	-	-	100,734,172
2048	370,624,675	43,213,188	8.58x	144,415,972	6,275,187	1.91x	25,780,888	13,601,553	1.59x	30,805,309	1.40x	106,532,579	-	-	106,532,579
2049	383,551,346	43,211,538	8.88x	150,546,947	6,133,061	1.92x	25,780,888	14,125,918	1.60x	31,332,489	1.41x	112,420,506	-	-	112,420,506
2050	396,275,080	43,213,900	9.17x	156,799,237	6,204,887	1.92x	25,780,888	14,658,114	1.61x	32,369,439	1.42x	117,248,616	-	-	117,248,616
2051	409,191,192	50,373,700	8.12x	158,011,402	-	1.96x	27,050,888	12,028,249	1.65x	33,423,674	1.46x	128,303,281	-	-	128,303,281
2052	421,929,096	50,377,775	8.38x	164,181,557	7,503,224	1.90x	40,454,213	-	1.61x	33,987,920	1.42x	125,424,407	-	-	125,424,407
2053	435,237,777	50,376,475	8.64x	170,456,745	7,859,637	1.90x	41,850,363	-	1.61x	34,567,599	1.43x	130,126,960	-	-	130,126,960
2054	448,261,777	50,376,638	8.90x	176,589,806	7,686,385	1.91x	43,212,588	-	1.61x	35,156,677	1.43x	135,239,684	-	-	135,239,684
2055	461,425,446	50,374,525	9.16x	182,794,693	7,707,665	1.92x	44,591,688	-	1.62x	35,758,634	1.44x	140,198,241	-	-	140,198,241
2056	473,777,323	58,851,400	8.05x	182,439,584	3,926,998	1.93x	45,175,575	-	1.63x	36,343,978	1.45x	147,039,788	-	-	147,039,788
2057	490,275,098	58,851,975	8.33x	190,297,917	3,913,563	1.94x	46,926,275	-	1.63x	36,951,006	1.46x	153,334,362	-	-	153,334,362
2058	506,640,619	58,854,100	8.61x	198,157,554	-	1.97x	48,670,325	-	1.66x	37,568,407	1.48x	163,390,233	-	-	163,390,233

2059	522,576,223	58,852,275	8.88x	205,843,939	-	1.97x	50,378,925	-	1.66x	38,195,404	1.48x	169,305,681	-	-	169,305,681
2060	537,981,299	58,856,000	9.14x	213,551,604	-	1.97x	52,094,375	-	1.66x	39,436,607	1.48x	174,042,713	-	-	174,042,713
2061	553,376,409	69,523,950	7.96x	217,478,603	-	1.93x	51,706,225	-	1.63x	37,795,861	1.47x	176,871,770	-	-	176,871,770
2062	569,342,502	69,523,225	8.19x	221,392,165	-	1.96x	54,674,525	-	1.65x	38,467,266	1.48x	185,285,321	-	-	185,285,321
2063	585,154,528	69,526,625	8.42x	221,392,165	-	2.01x	58,769,800	-	1.67x	39,151,894	1.50x	196,314,043	-	-	196,314,043
2064	601,187,123	69,525,075	8.65x	221,392,165	-	2.07x	62,929,775	-	1.70x	39,846,092	1.53x	207,494,015	-	-	207,494,015
2065	616,723,211	69,524,500	8.87x	221,392,165	-	2.12x	67,066,350	-	1.72x	40,578,155	1.55x	218,162,041	-	-	218,162,041
2066	631,409,238	-	-	221,392,165	-	2.85x	-	-	-	41,513,838	2.40x	368,503,235	-	-	368,503,235
2067	647,613,811	-	-	221,392,165	-	2.93x	-	-	-	42,450,486	2.45x	383,771,160	-	-	383,771,160
2068	664,261,036	-	-	221,392,165	-	3.00x	-	-	-	43,408,163	2.51x	399,460,708	-	-	399,460,708
2069	681,485,924	-	-	221,392,165	-	3.08x	-	-	-	44,389,249	2.56x	415,704,510	-	-	415,704,510
2070	698,398,034	-	-	221,392,165	-	3.15x	-	-	-	42,561,585	2.65x	434,444,284	-	-	434,444,284
2071[11]	355,922,072	-	-	110,696,083	-	3.22x	-	-	-	24,178,516	2.64x	221,047,473	-	-	221,047,473
Total[12]	16,842,874,365	1,564,360,453		6,126,733,651	151,392,165		1,218,943,528	179,818,498		1,343,863,427		6,257,762,642	611,057,673	100,000,000	5,546,704,969

1) January 1 debt service payments are assumed to be made in the prior Calendar Year reflecting the timing of Debt Service Fund deposits.
2) Includes toll revenues (source: CDM Smith Traffic & Revenue Study August 2026), violation fee revenues (source: ALDOT & Consultant Engineer), and reserve fund interest earnings assuming 3.5% annually. (source: PFM Financial Advisors LLC). See Appendix E - Traffic & Revenue Study for additional details regarding toll revenues.
3) Net of capitalized interest through October 1, 2032.
4) Debt service on Series 2026B TIFIA Bond is calculated at an assumed interest rate of 5.27%.
5) Initial deposit to be made from Series 2026D Bonds; requirement thereafter met from annual deposits from Project Revenues, after payment of First and Second Lien debt service.
6) Net of capitalized interest through April 1, 2032.
7) Includes Tolling O&M (source: ALDOT and Consultant Engineer), Tolling M&R (source: ALDOT and Consultant Engineer), and Administrative Expenses.
8) Scheduled Debt Service under the Series 2026 TIFIA Loan will be paid in an amount equal to Excess Toll Revenues after all payments in the waterfall including First, Second, and Third Lien debt service, as well as all Toll Collection O&M and R&R amounts. Any unpaid Scheduled Debt Service rolls to the next period and will become 100% mandatory beginning at the Level Payment Period. See Appendix D - Summary of TIFIA Loan Agreement for additional details.
9) $100 million to be deposited to Rate Stabilization Fund to meet initial Rate Stabilization Fund Requirement prior to payment of Series 2026B TIFIA Bond Scheduled Debt Service.
10) Distribution of monies into the Surplus Fund is subject to certain Restricted Payment Conditions under the TIFIA Loan Agreement. See Appendix D - Summary of TIFIA Loan Agreement for additional details.
11) Project Revenues through final maturity of Series 2026B TIFIA Bond on July 1, 2071.
12) Totals may not add due to rounding.

The methodology used to calculate the potential fee revenue incorporated various assumptions related to the development of Toll-by-Plate transactions and customer invoice/citation payment compliance. Other assumptions were based on industry standards and guidance from ALDOT, the Consulting Engineer and the Traffic Consultant. To account for the uncertainty in customer payment behavior for the new tolled facility, two distinct scenarios using different assumed customer payment percentages were analyzed to determine a range of potential revenue from fees for the Project. High payment compliance assumes a 50% payment rate on the 1st invoice, 20% on the 2nd invoice, 10% on the Failure to Pay Citation, and 5% post-Failure to Pay Citation. Low payment compliance assumes a 40% payment rate on the 1st invoice, 15% on the 2nd invoice, 5% on the Failure to Pay Citation, and 5% post-Failure to Pay Citation. The low payment compliance scenario was assumed for conservatism for calculation of Project Revenues in this Official Statement."

See also "RISK FACTORS – Forward-Looking Statements."

LITIGATION RELATING TO THE SERIES 2026 BONDS AND THE PROJECT

There is no litigation pending or, to the knowledge of the Issuer or ALDOT, threatened questioning the validity of the Series 2026 Bonds, the proceedings under which they are to be issued, the security for the Series 2026 Bonds provided by the Indenture, the consummation of the transactions contemplated by the Indenture, the Lease Agreement or the TIFIA Loan Agreement, the organization of the Issuer, the election or qualification of the Issuer's or ALDOT's officers or with respect to, or that could have a material adverse effect on, the Project. For certain additional information concerning litigation relating to the State of Alabama, including the Issuer and ALDOT, see Appendix A.

RISK FACTORS

General

An investment in the Offered Series 2026 Bonds involves certain risks, including but not limited to those set forth below. Investors should consider carefully the information set forth in this section along with all of the other information provided in this Official Statement before deciding whether to invest in the Offered Series 2026 Bonds. The sufficiency of revenues to pay debt service on the Series 2026 Bonds may be affected by events and conditions relating to, among other things, population trends, weather conditions and economic developments in Mobile and Baldwin Counties, as well as the State and states nearby the Project, the nature and extent of which are not presently determinable.

Holders of the Offered Series 2026 Bonds should be aware that their rights and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights and the exercise of judicial discretion in appropriate cases.

Each prospective investor should carefully examine his own financial condition in order to make a judgment as to his ability to bear the risk of an investment in the Offered Series 2026 Bonds.

The risk factors discussed herein should be considered in evaluating the Issuer's ability to make payments of the principal of and interest due on the Series 2026 Bonds. This discussion of risk factors is not intended to be exhaustive and should be read in conjunction with all other parts of this Official Statement, including the Appendices hereto.

The nature and degree of the risks described below differ among the Offered Series 2026 Bonds based on their respective lien priorities, expected sources of payment and, with respect to the Third Lien Bonds, the availability of Basic Lease Payments under the Lease Agreement. Prospective investors should evaluate each series separately in light of these distinctions.

The United States Bankruptcy Code

Information describing the applicability of the United States Bankruptcy Code to the Issuer and the Series 2026 Bonds is set forth in this Official Statement under the caption "SECURITY AND SOURCE OF PAYMENT".

Tax-Exempt Status of Offered Series 2026 Bonds

It is expected that the Tax-Exempt Bonds (as defined below in "TAX MATTERS") will qualify as tax-exempt obligations for federal income tax purposes as of the date of issuance. See "TAX MATTERS". It is anticipated that Bond Counsel will render opinions substantially in the form attached hereto as Appendix I, which should be read in its entirety for a complete understanding of the scope of the opinions and the conclusions expressed therein. A legal opinion expresses the professional judgment of the attorney rendering the opinion as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

The tax status of the Tax-Exempt Bonds could be affected by post-issuance events. There are various requirements of the Internal Revenue Code of 1986, as amended, that must be observed or satisfied after the issuance of the Tax-Exempt Bonds in order for the Tax-Exempt Bonds to qualify for, and retain, tax-exempt status. These requirements include appropriate use of the proceeds of the Tax-Exempt Bonds, use of the facilities financed by the Tax-Exempt Bonds, investment of bond proceeds, and the rebate of so-called excess arbitrage earnings. Compliance with these requirements is the responsibility of the Issuer and ALDOT.

The Internal Revenue Service conducts an audit program to examine compliance with the requirements regarding tax-exempt status. Under current IRS procedures, in the initial stages of an audit with respect to the Tax-Exempt Bonds, the Issuer would be treated as the taxpayer, and the owners of the Tax-Exempt Bonds may have limited rights to participate in the audit process. The initiation of an audit with respect to the Tax-Exempt Bonds could adversely affect the market value and liquidity of the Tax-Exempt Bonds, even though no final determination about the tax-exempt status has been made. If an audit results in a final determination that the Tax-Exempt Bonds do not qualify as tax-exempt obligations, such a determination could be retroactive in effect to the date of issuance of the Tax-Exempt Bonds.

In addition to post-issuance compliance, a change in law after the date of issuance of the Tax-Exempt Bonds could affect the tax-exempt status of the Tax-Exempt Bonds or the effect of investing in the Tax-Exempt Bonds. For example, the United States Congress could eliminate or limit the exemption for interest on the Tax-Exempt Bonds, or it could reduce or eliminate the federal income tax, or it could adopt a so-called flat tax. It cannot be predicted whether or in what form any such change in law may be enacted or whether, if enacted, any such change in law would apply to the Tax-Exempt Bonds.

The Indenture does not require the Issuer to redeem the Tax-Exempt Bonds and does not provide for the payment of any additional interest or penalty if a determination is made that the Tax-Exempt Bonds do not comply with the existing requirements of the Internal Revenue Code of 1986, as amended, or if a subsequent change in law adversely affects the tax-exempt status of the Tax-Exempt Bonds or the effect of investing in the Tax-Exempt Bonds.

No Prior Operating History of the Issuer

The Issuer is a public corporation that has not been active prior to the development of the Project, and the Project is the first project the Issuer has undertaken and financed. See "THE ISSUER AND ALDOT - Alabama Toll Road, Bridge and Tunnel Authority". Because the Issuer has no operating history, no history of collecting Toll Revenues, and no track record of managing a toll facility of this scale, there is no historical financial or operating performance upon which prospective purchasers of the Offered Series 2026 Bonds can evaluate the Issuer's ability to construct, operate, maintain and toll the Project as anticipated. The Issuer's ability to perform these functions successfully will depend in significant part on the administration of the Issuer by ALDOT, the performance of third-party consultants and contractors, including Michael Baker International, Inc., the Design-Builder, and the Issuer's toll system vendors.

Costs of the Project

As described in "THE PROJECT - Construction" herein, the undertaking consists of the planning, designing, engineering and construction of the Project (as described in the Engineering Report attached as APPENDIX F). The Issuer has entered into the Design-Build Agreement with the Design-Builder. With respect to the Construction Phase of the Project, Design-Build Agreement is a cost-plus incentive fee contract with a guaranteed maximum price, obligating the Design-Builder to achieve substantial completion of the Project by the deadlines set forth therein.

As with any major construction effort, the Project involves many risks that could result in cost overruns, in delays or in a failure to complete the Project. Certain of the risks to achieving the construction milestones on time and within budget include shortages of materials and labor, work stoppages, labor disputes, bad weather, floods, earthquakes, hurricanes and other casualties, delays in achieving utility relocations, delays in obtaining certain agreements from railroads, unforeseen engineering, environmental or geological problems, changes in law, discovery of unidentified hazardous materials, historical artifacts or unidentified utilities, third-party litigation or protests (including protests or litigation about noise or vibrations or traffic delays resulting from construction), difficulties in obtaining or renewing permits or other federal, state or local government approvals, changes in federal and state or local design or building requirements and permit conditions, and interference with or by military operations, any of which could increase the cost and delay of the Project. In addition, lack of coordination among the Issuer, ALDOT, the Design-Builder, utility owners, railroads or permitting agencies or the failure of any of them to complete their portions of the work or their inspections or approvals on schedule could also result in delays and/or cost overruns or in a failure to complete the Project.

Specifically, while the Design-Build Agreement shifts to the Design-Builders a significant amount of the risk and responsibility for time delays and cost increases associated with design, engineering, utility relocation coordination, railroad coordination and construction, the Design-Build Agreement ultimately allows for increases in price and extensions of time for performance in certain cases, including, but not limited to, those involving Issuer directed changes, preexisting hazardous materials and certain defined force majeure events. See "THE PROJECT – Design-Build Agreement" herein. The Issuer is relying on the Design-Builder to design, engineer, permit, manage and construct the Project in accordance with standards, specifications and an agreed-upon scope of work. There is no assurance that the Design-Builder can design and engineer the Project in a manner such that it reasonably can be constructed for the guaranteed maximum price and by the completion dates set forth in the Design-Build Agreement.

To the extent cost increases result in costs of the Project exceeding funds available to pay such costs, the Issuer will seek funds necessary to complete construction of the Project as described under "SECURITY AND SOURCE OF PAYMENT- Other Covenants of the Issuer and ALDOT – Completion of the Project". Neither ALDOT nor the State have any obligation to make payments to complete the Project.

Completion of the Project

Completion of the construction of the Project within budget and on schedule may be adversely affected by various factors including: (a) estimating errors; (b) design and engineering errors; (c) material and/or labor shortages; (d) unforeseen site conditions; (e) adverse weather conditions and other force majeure events, including, tornados, hurricanes or other natural disasters, epidemics, blockades, rebellions, war, riots, acts of sabotage, terrorism or civil commotion, and spills of hazardous materials, among other events; (f) defaults of the Design-Builder and litigation involving the Design-Build; (g) labor disputes; (h) environmental issues; (i) unavailability of other funding sources; (j) changes in law; and (k) delays in obtaining or renewing required permits and revocation of permits and other approvals. No assurance can be made that the Project will not cost more than the current budget. Certain circumstances may arise during the construction period which could result in the proceeds of the TIFIA Loan not being available to pay the principal of the Series 2026-1 Notes at maturity. See "TIFIA LOAN AGREEMENT - Disbursement Requirements" herein. Additionally, the TIFIA Loan Agreement and the Indenture impose specific requirements with respect to the issuance by the Issuer of any completion debt. See "TIFIA LOAN AGREEMENT – Incurrence of Additional Indebtedness" and "SECURITY AND SOURCE OF PAYMENT – Issuance of Additional Bonds" herein.

As described herein, the Issuer anticipates that funding for the Project will come from proceeds of the Series 2026 Bonds, state funding, proceeds of GARVEE bonds issued by the Alabama Federal Aid Highway Finance Authority

and federal grants. If such sources are insufficient to fund the Project, the Issuer might have to issue additional debt or delay completion of the Project.

Payment and Performance Bonds

A potential purchaser of the Offered Series 2026 Bonds can have no assurance that the Design-Builder or subcontractor, guarantor, surety or other insurer will be willing or capable of meeting its responsibilities in connection with the Project or that the issuer of any performance or payment bond, any guarantee or any other insurance policy will honor or will be able to honor a claim in a timely manner.

Although the Issuer does not expect its payment obligations outstanding at any one time under the Design-Build Agreement to exceed the amount of the payment bonds provided by the Design-Builder, there can be no assurance that the payment and performance bonds provided by the Design-Builder will be sufficient to satisfy the Design-Builder's payment or performance obligations under such Design-Build Agreement. Not all events are covered under such payment and performance bonds. The issuer of each of the Design-Builder's payment and performance bonds does not guarantee payment or performance under all circumstances, and the issuer of such bonds may assert any defenses it may have for payment or performance. Moreover, in the event that a default occurs under the Design-Build Agreement, there is a possibility of litigation between the Issuer and the applicable Design-Builder, or between the Issuer and the providers of the related performance bonds and payment bonds, which could further delay the construction and opening of the Project. In addition, there can be no assurance that the Issuer will recover any amounts under the performance bonds and payment bonds provided by the Design-Builder or any other contractor related to the Project.

Liquidated Damages

The amount of liquidated damages the Design-Builder could be required to pay in connection with the Project is limited by contract and may not be sufficient to cover all of the Issuer's losses in the event of a delay or a failure to complete the required work in accordance with the plans and specifications, and other requirements of the contract documents. There are numerous events that could cause an extension of the schedule and that could result in increased costs for the Project. Liquidated damages, however, are payable by the Design-Builder only under certain circumstances and even if paid, may not be sufficient to cover debt service payments on the Series 2026 Bonds. In addition, collection of liquidated damage amounts may require extensive litigation, and no assurance can be provided that such amounts will in fact be collected. Though the Issuer believes the Design-Builder to be credit worthy, there is no guarantee that the Design-Builder will have liquid assets sufficient to pay the liquidated damages when due.

Pursuant to the Design-Build Agreement, the Design-Builder will be liable for liquidated damages in the amount of $367,124 per day for delays after the Substantial Completion Deadline set forth in the DBA (initially, October 1, 2031, as may be adjusted by Relief Events).

Force Majeure

Construction and operation of the Project is at risk from events of force majeure, such as earthquakes, tornados, hurricanes or other natural disasters, epidemics, blockades, rebellions, war, riots, acts of sabotage, terrorism or civil commotion, and spills of hazardous materials, among other events. ALDOT has covenanted within the Lease Agreement to procure property insurance, including business interruption insurance upon substantial completion of the Project. A significant casualty event could affect the availability of funds to repair the Project or operations may also be stopped or delayed from non-casualty events such as discovery of archaeological artifacts, changes in law, and litigation, among other things.

Limited Insurance Coverage

Although the Design-Builder is required to provide insurance during construction of the Project and ALDOT has covenanted in the Lease Agreement to obtain insurance policies after substantial completion of the Project, such required insurance policies will not cover damage and delay from all events that could interrupt construction or operation. Risks that may not be insurable/insured include the following risks that may delay the Project or interrupt tolling without causing property damage: epidemics, blockades, strikes and riots. Other risks that

may not be insured/insurable include war, nuclear events, criminal or intentional acts of the insured, certain pollution, unforeseeable environmental or geological conditions, discovery of archaeological artifacts, changes in law, bankruptcy and acts of terrorism. Insurance policies may not be maintained or obtainable in amounts that would be sufficient or be paid in sufficient time in all events to pay all of the Issuer's expenses under the Indenture and the supplements thereto, including debt service on the Series 2026 Bonds.

TIFIA Loan Disbursement and Rollover Bond Anticipation Note Risk

Proceeds of the TIFIA Loan constitute a key component of the funding for the Project. Failure to meet certain disbursement conditions set forth in the TIFIA Loan Agreement as well as an event of default under the TIFIA Loan Agreement may result in the suspension or delay in the disbursement of proceeds of the TIFIA Loan Agreement. It is expected that the principal of the Series 2026-1 Notes will be paid at maturity from the proceeds of a disbursement of the TIFIA Loan. The proceeds of the TIFIA Loan are expected to be drawn no later than one year after substantial completion of the Project, which is currently projected to be October 1, 2031. Disbursement of the TIFIA Loan is subject to several conditions precedent as described in more detail under "TIFIA LOAN AGREEMENT - Disbursement Requirements" herein, including substantial completion of the Project and sufficient records of eligible project costs have been submitted and approved by the TIFIA Lender. The TIFIA Lender is not required to make a disbursement during a federal government shutdown.

In the event the conditions to disbursement of the TIFIA Loan cannot be satisfied on or before the maturity date of the Series 2026-1 Notes, the Issuer will be required to use an alternate method of repaying the Series 2026-1 Notes, including the issuance of additional bonds. Pursuant to the TIFIA Loan Agreement, the Issuer may not issue additional bonds in a principal amount greater than that of the Series 2026-1 Notes, thus the Issuer would not be able to issue additional bonds in an amount sufficient to pay the principal of the Series 2026-1 Notes and the capitalized interest for the new bonds (if necessary). The Issuer anticipates it may look to the following sources to fund capitalized interest on such additional bonds: MRB Designated Revenues or additional allocation of PROTECT Formula Program funds.

Market Access Required if TIFIA Loan Proceeds are not Disbursed

In the event the conditions to disbursement of the TIFIA Loan cannot be satisfied on or before the maturity date of the Series 2026-1 Notes, the Issuer will be required to use an alternate method of repaying the Series 2026-1 Notes, which could include issuing additional bonds or issuing rollover bond anticipation notes, among other approached. See "SECURITY AND SOURCE OF PAYMENT - Issuance of Additional Bonds." No assurances can be given that the Issuer will be able to access the capital markets in the event proceeds are not disbursed under the TIFIA Loan.

Change in Law

The Issuer and the Project are subject to various laws and regulations, including, among others, laws governing environmental protection and laws governing tolling, which may change from time to time. The Issuer's business, financial condition and results of operations may be adversely affected by changes in such laws or regulations. Legislation may be introduced that have a potential impact on the Issuer or ALDOT. Although ALDOT and the Issuer actively monitor such bills and proposals and interact with members of the Alabama Legislature and staff members during the legislative sessions, there can be no assurance that there will not be future legislative changes that may have a material effect on the Issuer. To the extent that the Issuer is required to expend additional funds not originally contemplated to comply with any new or amended regulations or laws, such amended or new law or regulation could have a negative impact on the Issuer's cash flow.

Operating Risks

The ability of the Project to generate revenues in amounts sufficient to pay debt service on the Series 2026 Bonds when due is subject to the risks inherent in toll facilities. The ability to repay the Series 2026 Bonds will be dependent on the volume of traffic that utilizes the Project and the ability of the Issuer and its vendor's computer systems to accurately process data. Revenues to be generated through such use will be influenced by numerous factors, including, among others, the ability to manage toll evasion; the ability to control expenses; the availability of adequately-trained personnel; population, employment and income trends within the region; the congestion on

alternative freeways, highways, and streets; time savings experienced by utilizing the Project; the toll rates; the availability and price of fuel; and the construction of new or improved competitive roadways or other transit facilities. The Project's toll collection program will depend on the successful procurement, development, integration, testing and operation of multiple systems and vendor functions, including roadside toll collection, commercial back-office processing, customer service operations and delinquent-account processing.

Delays or deficiencies in the implementation, integration or operation of any material component could delay the commencement of toll collection beyond the Capitalized Interest Period or adversely affect the accuracy, timing or amount of Toll revenues collected on the Project.

Rate Covenant Not a Guarantee

The Issuer's ability to pay the debt service with respect to the Series 2026 Bonds depends on its ability to generate revenues at the levels required by the Indenture, which in turn depends on the use of the Project by a sufficient number of toll-paying vehicles. Although the Issuer has covenanted in the Indenture to establish toll rates at specified levels as more particularly described herein, and expects that sufficient revenues will be generated through the imposition and collection of such tolls, the Issuer's covenant does not constitute a guarantee that sufficient revenues will be available to pay debt service with respect to the Series 2026 Bonds.

Ability to Maintain or Raise Rates

The Issuer may need to raise toll rates in the future above the anticipated scheduled toll rate increases under the projected toll rate schedule to support its debt service requirements. The effect of any future rate increase is unknown. It is possible that a future increase in rates could result in reduced usage of the Project, resulting in decreased revenues.

Maintenance Costs

Successful operation of the Project will require timely and complete maintenance and replacement of components of such facilities. No assurance can be given that sufficient funds will be available to maintain the Project, including its toll facilities, adequately over the long term. Any significant deterioration in the Project, including the toll facilities, may result in increased operating costs and in reduced usage, as well as temporary lane closures, and may adversely affect the amount of funds available to pay debt service on the Series 2026 Bonds. Although (i) the Indenture requires the deposit of budgeted amounts to the Toll Collection O&M Fund, the Toll Operation Reserve Fund, and the Toll Collection Renewal and Replacement Fund, and (ii) the Lease Agreement requires ALDOT to maintain the Project at a serviceable level and make certain payments under the Lease Agreement to support the maintenance and repair and replacement of toll facilities if toll revenues are insufficient to cover such costs, no assurance can be given that sufficient funds will be available to maintain the Project adequately over the long term.

Traffic and Revenue Assumptions

The revenue forecasts in the Traffic and Revenue Study are based upon certain assumptions described above. See "Traffic and Revenue Study" herein and APPENDIX E - Traffic and Revenue Study. In particular, the Traffic and Revenue Study assumes annual toll rate increases of 5.00% from 2032 through 2041 and 2.50% annually thereafter. The Traffic and Revenue Study also assumes that the ALGOpass monthly flat fee will remain at $60 through 2041, increase to $80.14 in 2042, and increase by 2.50% annually thereafter. These projections do not reflect any additional toll rate or monthly flat fee increases that would result if the applicable CPI Percentage exceeds the Base Increase Percentage in any year. Actual toll rate and monthly flat fee adjustments will be made in accordance with the Toll Policy. See "THE MOBILE RIVER BRIDGE AND BAYWAY PROJECT – Tolling of the Project – Toll Policy" herein. The Traffic and Revenue Study is not a guarantee of any future events or trends and the forecasts therein are subject to future economic and social conditions and demographic developments that cannot be predicted with certainty. Further, any of the estimates and assumptions in the Traffic and Revenue Study are inherently subject to significant economic and competitive uncertainties and contingencies, many of which are beyond the control of the Issuer. Changes in social conditions might include, for example, the increased use of telecommuting. Cultural shifts in attitudes towards public transportation, casual and arranged carpools and telecommuting, governmental or employer incentive programs or subsidies and other trends that are hard to predict

could affect the number of commuters willing and able to pay a toll on the Project. Technological advancements might include broadened use of electric or battery-driven cars, which, together with more stringent air quality standards, might radically change the characteristics of vehicles on the road. Increased use of ride-sharing services might decrease traffic congestion and, therefore, the use of the Project as a result of reduced car ownership or surge pricing which could possibly delay or divert peak hour demands. Further development and widespread adoption of autonomous vehicles could also reduce traffic congestion through decreases in accidents due to fewer incidents of human error and better synchronized traffic flow through communication between such vehicles. These are only a few of the potential societal or technological changes which may adversely affect use of the Project.

Because the Project has no history operating as a toll facility, the assumptions underlying the Traffic and Revenue Study have not been tested against actual operating results for the Project.

No representation is made or intended, nor should any representation be inferred, with respect to the likely existence of any particular future set of facts or circumstances, and prospective purchasers of the Series 2026 Bonds are cautioned not to place undue reliance upon the projections in the Traffic and Revenue Study or upon any other projections or requirements for projections. If actual results are less favorable than the results projected or if the assumptions used in preparing such projections prove to be incorrect, the Issuer's ability to make payments pursuant to the Indenture in the amounts and at the times required to pay debt service on the Series 2026 Bonds or other payments required under the Indenture with respect to the Series 2026 Bonds, may be materially and adversely affected.

Other risks that are impossible to predict and thus are not taken into account in the long-term forecasts included in the Traffic and Revenue Study or in the projected financial information, but that could affect the number of toll payers and revenues in the shorter term, include malfunctions of the tolling system, unusual weather, casualty events and other emergencies. Neither the Traffic Consultant nor the Issuer can guarantee that the projected results set forth in the Traffic and Revenue Study will reflect actual results and the differences may be material. Failure to achieve or realize any of the assumptions described above may have a materially adverse effect upon the toll revenues actually realized.

Free Alternate Route

ALDOT will maintain an existing, alternate non-toll route corresponding to the Project undertaken by the Issuer. In addition, the Wallace Tunnel, Bankhead Tunnel and Africatown Bridge crossings of the Mobile River will remain toll-free, and a toll-free route across Mobile Bay via US 90/98 (the Causeway) will continue to be available. Although these alternate routes are generally less direct or more congested than the Project, motorists wishing to avoid tolls may choose to use them instead of the Project. Diversion of traffic to these free alternate routes, whether due to toll rates, driver preference or other factors, could reduce the volume of toll-paying traffic using the Project and could adversely affect Project Revenues and the Issuer's ability to pay debt service on the Series 2026 Bonds.

Motor Fuel Prices and Taxes

Among other assumptions, the revenue forecasts in the Traffic and Revenue Study make certain assumptions about motor fuel supply, prices and taxes. There is no assurance that motor fuel will remain in adequate supply or that motor fuel prices and federal and State motor fuel taxes will not increase by more than the assumed amounts during the forecast period covered by the Traffic and Revenue Study. Increases in the price of motor fuel or other sources of power for operating motor vehicles could negatively impact the use of the Project and its revenues.

Economic, Demographic and Development Trends

The volume of traffic on the Project is dependent upon, among other things, the total employment in the Mobile and Eastern Shore metropolitan areas. The volume of traffic is also dependent upon recreation and leisure travel to or through the Mobile and Eastern Shore metropolitan areas, including Alabama and Florida panhandle beaches, which is affected by economic conditions in those areas from which people travel to or through the Mobile and Eastern Shore areas for leisure and recreation. There can be no assurance that future economic downturns or other adverse developments will not have a negative impact on the projections contained in the Traffic and Revenue Study.

Weather Events

The Mobile Bay is generally susceptible to hurricanes and similar storms in which winds and tidal surges are powerful enough to cause severe destruction and cause temporary or permanent displacement of population. The Mobile County and Baldwin County areas have also been directly affected by weather events in the past. Additionally, the State generally, and the Mobile County and Baldwin County areas specifically, may be at risk from climate change impacts, including extreme weather events associated with climate change such as floods, droughts, tornadoes, hurricanes and wildfires.

Such weather events may have a material adverse effect on the Project and significantly reduce the toll revenues generated by the Project and/or significantly increase the expense of maintaining or restoring the Project. To the extent not fully covered by insurance, such weather events may materially and adversely affect the Issuer's ability to pay debt service on the Series 2026 Bonds.

Additionally, the expense of maintaining or restoring the Project could be adversely affected by the passage of new climate change, environmental, infrastructure and other laws, policies and regulations. Growing concerns about climate change and greenhouse gases may result in the imposition of additional environmental regulations. The Issuer cannot predict when or whether any of these various proposals may be enacted or what their effect will be on the Project.

Limited Availability of MRB Designated Revenues

The MRB Designated Revenues, including gasoline taxes, are levied, and revenues from those taxes are allocated, in accordance with constitutional limitations and legislative act. From time to time the State Legislature has changed the levy of the gasoline taxes and the allocations of the proceeds of those taxes. Prior to the enactment of Act No. 2015-54 (discussed below), the most recent legislative change to the levy of the gasoline taxes was in 1992 and the most recent legislative change to the allocations of the proceeds of those taxes was in 2000. Similarly, the authority for issuance of certain bonds by agencies of the State, including particularly the limit of $25,000,000 on outstanding bonds of the AHFC, is established by the Legislature and accordingly is subject to change.

Act No. 2015-54, enacted in the 2015 Regular Session of the Alabama Legislature, amended State gasoline taxes by reclassifying a $0.02 per gallon inspection fee into a $0.02 per gallon gasoline tax, effective October 1, 2016, which, after certain deductions, became part of the gasoline tax proceeds pledged to support certain debt of the public corporations of the State. A similar reclassification in the future could impact how much of the MRB Designated Revenues are subject to a prior pledge in support of certain debt of the public corporations of the State.

Further, if there are deficits in the Highway Trust Fund, funds may not be available from the federal government to pay certain debt of the public corporations of the State, in which case such debt will be paid from certain MRB Designated Revenues, which are pledged for such purpose. If the MRB Designated Revenues are needed to pay debt service on debt of public corporations of the State, there may not be sufficient MRB Designated Revenues to support the obligations of ALDOT pursuant to the Lease Agreement, including payment of Basic Lease Payments and Additional Lease Payments. See "SECURITY AND SOURCE OF PAYMENT – Description of MRB Designated Revenues".

Dilution of First Lien Security Upon Bankruptcy Related Event

Upon the occurrence of an Event of Default that is a Bankruptcy Related Event under the Indenture, in the event that a TIFIA Loan is outstanding, the Issuer's obligations under the TIFIA Loan will be deemed to be First Lien Bonds, on parity with other First Lien Bonds then Outstanding. A Bankruptcy Related Event is defined in the Indenture and the TIFIA Loan Agreement to include voluntary and involuntary proceedings with respect to the Issuer under any Insolvency Law, application for or consent by the Issuer to the appointment of a receiver for itself and its assets, failure by the Issuer generally to pay its debts with respect to the Project as they become due, and failure by the Issuer to make payments on the bonds securing the TIFIA Loan in accordance with the TIFIA Loan Agreement. In such event, the TIFIA Loan would be secured by and payable from the Trust Estate (except for the Reserve Fund-Series 2026A Subaccount) on a basis equal to that of other Outstanding First Lien Bonds.

Termination of Authorization to Toll Project

The execution of the ISRRPP Agreement is a condition of the issuance of the Series 2026 Bonds. FHWA may terminate the ISRRPP Agreement prior to the expiration of the Program Term if ALDOT and the Issuer fail to comply with the terms and conditions of the ISRRPP Agreement or any other applicable federal or state regulation or as provided by law. If the ISRRPP Agreement is terminated, the Issuer will only be permitted to toll such portion of the Project that meets the requirements of 23 USC 129 or other applicable law at the time of termination. Under 23 USC 129, it is possible that the Issuer would be limited to tolling only that portion of the Project that had been initially constructed as a toll facility (i.e., the Mobile River Bridge) or that portion that was the reconstruction or replacement of a toll-free bridge that was converted to a tolled facility (i.e., the Bayway bridges when replaced in the future as part of Phase II, but NOT as part of the Project described herein). A termination of the ISRRPP Agreement is an event of default under the TIFIA Loan Agreement. See "THE MOBILE RIVER BRIDGE AND BAYWAY PROJECT – Interstate System Reconstruction and Rehabilitation Pilot Program" herein.

Limitation and Enforceability of Remedies

The remedies available to Holders of the Series 2026 Bonds upon an Event of Default under the Indenture are limited to the seeking of specific performance or a writ of mandamus or other suit, action or proceeding compelling and requiring the Issuer and its officers to observe and perform any covenant, condition or obligation prescribed in the Indenture. ACCELERATION IS NOT A REMEDY AVAILABLE TO OWNERS OF THE SERIES 2026 BONDS. See "Trust Indenture – Section 9.2 Remedies" in APPENDIX B – FORM OF INDENTURE AND SUPPLEMENTAL INDENTURES".

The enforceability of the remedies described above against the Issuer may also be limited by the doctrine of sovereign immunity, which may bar or restrict actions against the Issuer or its officers notwithstanding an Event of Default under the Indenture. See "SOVEREIGN IMMUNITY" herein for a more complete discussion of the doctrine of sovereign immunity and its potential effect on the enforceability of the Series 2026 Bonds.

The remedies available under the Indenture are in many respects dependent upon regulatory and judicial actions that are often subject to discretion and delay. Under existing law, such remedies may not be readily available. In addition, enforcement of such remedies (i) may be subject to general principles of equity which may permit the exercise of judicial discretion, (ii) are subject to the exercise in the future by the State and its agencies and political subdivisions of the police power inherent in the sovereignty of the State, (iii) are subject, in part, to the provisions of the United States Bankruptcy Act and other applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect, and (iv) are subject to the exercise by the United States of the powers delegated to it by the federal Constitution. The various legal opinions to be delivered concurrently with the delivery of the Series 2026 Bonds will be qualified to the extent that the enforceability of certain legal rights related to the Series 2026 Bonds is subject to limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally and by equitable remedies and proceedings generally.

Cybersecurity

The Issuer will rely on large and complex technology networks, systems, information and other assets ("Information and Operations Technology"), for efficient operations, provision of services to the public, and collection of tolls and other revenue on the Project. In connection with its delivery of critical services to the public, the Issuer's Information and Operations Technology will collect and store sensitive customer data, including financial information, security information, proprietary business information, information regarding customers, suppliers and business partners, and personally identifiable information of customers and employees (collectively "Personal Information").

The Issuer will implement physical, technical, and administrative safeguards to protect the operations of its Information and Operations Technology and Personal Information, including measures to comply with applicable requirements of federal and State law. Despite implementation of a security program and measures to protect its Information and Operations Technology and Personal Information, the Issuer's Information and Operations Technology may experience cybersecurity risks and threats from time to time, including those that may result in the compromise of Personal Information, theft or manipulation of information, and operational disruptions and outages,

by employees through error or malfeasance, criminal or malicious hackers, terrorists, and hacktivists. Although the Issuer will maintain cybersecurity liability insurance, any cybersecurity incident, intrusion or attack could result in unauthorized access to or acquisition of sensitive information or Personal Information, disruptions to the Issuer's operations, including toll collection and financial reporting or other activities, legal claims or proceedings, including but not limited to laws that protect the privacy of personal information, and regulatory inquiries and penalties.

Subordinate Nature of Second Lien Bonds and Third Lien Bonds

Each of the Second Lien Bonds and Third Lien Bonds are subordinate in security and right of payment to the First Lien Bonds and, with respect to the Third Lien Bonds, are also subordinate to the Second Lien Bonds. The obligation of the Issuer to make payments on each of the Second Lien Bonds and the Third Lien Bonds is expressly subordinated to the payment of the principal of, premium if any, and interest on the First Lien Bonds and, with respect to the Third Lien Bonds, the Second Lien Bonds, pursuant to the terms of the Indenture. In the event of a Bankruptcy Related Event with respect to the Issuer, the TIFIA Loan (and therefore the Series 2026B Bond, but NOT the Series 2026-1 Notes) will not be subordinated, and will be on parity with the First Lien Bonds.

Investment Earnings Risk

The Issuer expects to fund a portion of the financing costs through interest that it expects to earn on Permitted Investments, which is based on an assumed investment rate of 3.50%. The Issuer expects to structure and procure various portfolios of Permitted Investments consisting of U.S. Treasury Obligations (State and Local Government Series Securities and open-market Treasuries) on or shortly after the sale date of the Offered Bonds. Additionally, it is anticipated that a portion of the portfolios will include a money market fund that will serve as a liquidity buffer and sweep vehicle. There is no assurance that the Issuer will be able to procure the Permitted Investments at the assumed investment rate. If actual investment earnings are less than anticipated, it could have an effect on the Issuer's ability to complete the construction of the Project.

SOVEREIGN IMMUNITY

Under the doctrine of sovereign immunity a state of the United States of America cannot be sued by its own citizens. Under the United States Constitution a state cannot be sued by citizens of another state of the United States of America or by citizens or subjects of a foreign state. The doctrine of sovereign immunity applies to the State, and the issuance of indebtedness by the State does not constitute express consent by the State to be sued by the holders of such indebtedness. Section 14 of the Alabama Constitution provides that the State shall never be made a defendant in any court of law or equity. The Supreme Court of Alabama has held that the immunity granted by Section 14 cannot be waived by the Legislature or any State authority. This constitutional prohibition of suits against the State extends to officers of the State acting in their official capacities, subject to certain limited exceptions, such as actions to compel state officials to perform ministerial acts.

The Supreme Court of Alabama held in Wheeler v. George, 39 So. 3d 1061 (Ala. 2009), that the Alabama Incentives Finance Authority, a public corporation of the State (the "AIFA"), is a State agency for purposes of State immunity due to the character of the power delegated to the AIFA, the AIFA's relationship to the State, and the nature of the functions AIFA performs. It is unclear whether or not a court would treat the Issuer as a State agency for purposes of State immunity, but if so there can be no assurance that holders of the Series 2026 Bonds would have any right of action against the Issuer to enforce the obligations of the Issuer under the Series 2026 Bonds in the event the Issuer fails to make timely payment of principal or interest on the Series 2026 Bonds. Certain officers of the Issuer, however, under existing law, are subject to mandamus in the event that they have Project Revenues available for payment of debt service on the Series 2026 Bonds and do not apply such Project Revenues as and to the extent provided in the Indenture.

LEGAL MATTERS

The legality and validity of the Series 2026 Bonds will be approved by Bond Counsel, Maynard Nexsen PC, Birmingham, Alabama. Bond Counsel has been employed primarily for the purpose of preparing certain legal

documents and supporting certificates, reviewing the transcript of proceedings by which the Series 2026 Bonds have been authorized to be issued, and rendering an opinion in conventional form as to the validity and legality of the Series 2026 Bonds and the exemption of interest thereon from federal and State of Alabama income taxes. Bond Counsel also served as Disclosure Counsel and assisted in the preparation of the Official Statement.

It is anticipated that Bond Counsel will render the opinions substantially in the forms attached hereto as Appendix I. In connection with the rendering of such opinions, Bond Counsel is serving as counsel to the Issuer. Certain legal matters will be passed upon for the Issuer by its counsel, Maynard Nexsen PC, Birmingham, Alabama. Certain legal matters will be passed upon for ALDOT by its counsel, Maynard Nexsen PC, Birmingham, Alabama. Certain legal matters will be passed upon for the Underwriters by their counsel, Nixon Peabody LLP, New York, New York.

The various legal opinions to be delivered concurrently with the delivery of the Series 2026 Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

TAX MATTERS

Tax-Exempt Bonds

General. In the opinion of Bond Counsel, under existing law, interest on the "Tax-Exempt Bonds" (that is, all of the Offered Series 2026 Bonds except the Series 2026D Bonds) will be excludable from gross income for federal income tax purposes if each of the Issuer and ALDOT complies with all requirements of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), that must be satisfied subsequent to the issuance of the Tax-Exempt Bonds in order that interest thereon be and remain excludable from gross income. Failure to comply with certain of such requirements could cause the interest on the Tax-Exempt Bonds to be included in gross income, retroactive to the date of issuance of the Tax-Exempt Bonds. Each of the Issuer and ALDOT has covenanted to comply with all such requirements.

Bond Counsel is also of the opinion that, under existing law, interest on the Tax-Exempt Bonds will not be an item of tax preference for purposes of the federal alternative minimum tax. However, interest on the Tax-Exempt Bonds may be taken into account for purposes of the alternative minimum tax imposed on applicable corporations pursuant to Section 55(b)(2) of the Internal Revenue Code, as amended by the Inflation Reduction Act of 2022.

Bond Counsel will express no opinion regarding federal tax consequences arising with regard to the Tax-Exempt Bonds other than the opinions expressed in the two preceding paragraphs. The form of Bond Counsel's opinions are expected to be substantially as set forth in Appendix I to this Official Statement.

Bond Counsel is also of the opinion that, under existing law, interest on the Tax-Exempt Bonds will be exempt from State of Alabama income taxation.

Original Issue Discount. In the opinion of Bond Counsel, under existing law, the original issue discount in the selling price of a Tax-Exempt Bond, to the extent properly allocable to each owner of such Tax-Exempt Bond, is excludable from gross income for federal income tax purposes with respect to such owner. The original issue discount is the excess of the stated redemption price at maturity of such Tax-Exempt Bond over the initial offering price to the public, excluding underwriters and other intermediaries, at which price a substantial amount of the Tax-Exempt Bonds of such maturity were sold.

Under Section 1288 of the Internal Revenue Code of 1986, as amended, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Tax-Exempt Bond during any accrual period generally equals (i) the issue price of such Tax-Exempt Bond plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (ii) the yield to maturity of such Tax-Exempt Bond (determined on the basis of compounding at the close of each accrual period and properly

adjusted for the length of the accrual period), less (iii) any interest payable on such Tax-Exempt Bond during such accrual period. The amount of original issue discount so accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in such Tax-Exempt Bond. Any gain realized by an owner from a sale, exchange, payment or redemption of a Tax-Exempt Bond will be treated as gain from the sale or exchange of such Tax-Exempt Bond.

Premium. An amount equal to the excess of the purchase price of a Tax-Exempt Bond over its stated redemption price at maturity constitutes premium on such Tax-Exempt Bond. A purchaser of a Tax-Exempt Bond must amortize any premium over such Tax-Exempt Bond's term using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the purchaser's basis in such Tax-Exempt Bond is reduced by a corresponding amount, resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Tax-Exempt Bond prior to its maturity. Even though the purchaser's basis is reduced, no federal income tax deduction is allowed. Purchasers of any Tax-Exempt Bond at a premium, whether at the time of initial issuance or subsequent thereto, should consult with their own tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to state and local tax consequences of owning such Tax-Exempt Bond.

Collateral Tax Consequences. Except as expressly stated above, Bond Counsel expresses no opinion regarding any other federal or state tax consequences of acquiring, carrying, owning, or disposing of the Tax-Exempt Bonds. Prospective purchasers of the Tax-Exempt Bonds should consult their tax advisors regarding the applicability of any collateral tax consequences of owning the Tax-Exempt Bonds, which may include original issue discount, original issue premium, purchase at a market discount or at a premium, taxation upon sale, redemption or other disposition, and various withholding requirements.

Taxable Bonds

General. In the opinion of Bond Counsel, under existing law, interest on the "Taxable Bonds" (that is, the Series 2026D Bonds) will not be excludable from gross income for federal income tax purposes. However, Bond Counsel is of the opinion that, under existing law, interest on the Taxable Bonds will be exempt from State of Alabama income taxation.

Collateral Tax Consequences. Except as expressly stated above, Bond Counsel expresses no opinion regarding any other federal or state tax consequences of acquiring, carrying, owning, or disposing of the Taxable Bonds. Prospective purchasers of the Taxable Bonds should consult their tax advisors regarding the applicability of any collateral tax consequences of owning the Taxable Bonds, which may include original issue discount, original issue premium, purchase at a market discount or at a premium, taxation upon sale, redemption or other disposition, and various withholding requirements.

UNDERWRITING

The Offered Series 2026 Bonds are being purchased from the Issuer by Wells Fargo Bank, National Association, on behalf of itself and as representative of BofA Securities, Inc., Raymond James & Associates, Inc., Siebert Williams Shank & Co., LLC, Piper Sandler & Co., PNC Capital Markets LLC and Stifel Nicolaus & Company, Incorporated (collectively, the "Underwriters"). The Underwriters have agreed to purchase the Series 2026A Bonds for an aggregate purchase price of $_____ (which represents the face amount of the Series 2026A Bonds less underwriters' discount of $_____ and original issue discount of $_____). The Underwriters have agreed to purchase the Series 2026-1 Notes for an aggregate purchase price of $_____ (which represents the face amount of the Series 2026-1 Notes less underwriters' discount of $_____ and original issue discount of $_____). The Underwriters have agreed to purchase the Series 2026C Bonds for an aggregate purchase price of $_____ (which represents the face amount of the Series 2026C Bonds less underwriters' discount of $_____ and original issue discount of $_____). The Underwriters have agreed to purchase the Series 2026D Bonds for an aggregate purchase price of $_____ (which represents the face amount of the Series 2026D Bonds less underwriters' discount of $_____ and original issue discount of $_____). The initial public offering price set forth on the

inside cover page may be changed by the Underwriters, and the Underwriters may offer and sell the Offered Series 2026 Bonds to certain dealers (including dealers depositing the Offered Series 2026 Bonds into investment trusts) and others at prices lower than the offering price set forth on the inside cover page. The expenses associated with the issuance of the Offered Series 2026 Bonds are being paid by the Issuer from proceeds of the Offered Series 2026 Bonds. The right of the Underwriters to receive compensation in connection with the Offered Series 2026 Bonds is contingent upon the actual sale and delivery of the Offered Series 2026 Bonds. The Underwriters will purchase all the Offered Series 2026 Bonds if any are purchased.

Certain of the Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Under certain circumstances, certain of the Underwriters and their affiliates may have certain creditor and/or other rights against the Issuer and the State and its affiliates in connection with such activities. In the various course of their various business activities, certain of the Underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Issuer and the State (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Issuer and the State. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

BofA Securities, Inc., one of the Underwriters of the Offered Series 2026 Bonds, has entered into a distribution agreement with its affiliate Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"). As part of this arrangement, BofA Securities, Inc. may distribute securities to MLPF&S, which may in turn distribute such securities to investors through the financial advisor network of MLPF&S. As part of this arrangement, BofA Securities, Inc., may compensate MLPF&S as a dealer for their selling efforts with respect to the Offered Series 2026 Bonds.

Piper Sandler & Co. ("Piper"), one of the Underwriters of the Offered Series 2026 Bonds, has entered into a distribution agreement (the "Piper Distribution Agreement") with Charles Schwab & Co., Inc. ("CS&Co.") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to the Piper Distribution Agreement, CS&Co. will purchase the Offered Series 2026 Bonds from Piper at the original issue price less a negotiated portion of the selling concession applicable to any Offered Series 2026 Bonds that CS&Co. sells.

PNC Capital Markets LLC and PNC Bank, National Association, are both wholly-owned subsidiaries of the PNC Financial Services Group, Inc. PNC Capital Markets LLC is not a bank, and is a distinct legal entity from PNC Bank, National Association. PNC Bank, National Association has other banking and financial relationships with the State and its related authorities. PNC Capital Markets LLC may offer to sell to its affiliate, PNC Wealth Management LLC ("PNCWM"), securities in PNCCM's inventory for resale to PNCWM's customers, including securities such as those to be offered by the Issuer.

Wells Fargo Bank, National Association ("WFBNA"), acting through its Municipal Finance Group, one of the Underwriters of the Offered Series 2026 Bonds, has entered into an agreement (the "WFA Distribution Agreement") with its affiliate, Wells Fargo Clearing Services, LLC (which uses the trade name "Wells Fargo Advisors") ("WFA"), for the distribution of certain municipal securities offerings, including the Offered Series 2026 Bonds. Pursuant to the WFA Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the Offered Series 2026 Bonds with WFA. WFBNA has also entered into an agreement (the "WFSLLC Distribution Agreement") with its affiliate Wells Fargo Securities, LLC ("WFSLLC"), for the distribution of municipal securities offerings, including the Offered Series 2026 Bonds. Pursuant to the WFSLLC Distribution Agreement, WFBNA pays a portion of WFSLLC's expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company. Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association, which conducts its municipal securities sales, trading and underwriting operations through the Wells

Fargo Bank, NA Municipal Finance Group, a separately identifiable department of Wells Fargo Bank, National Association, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

CONTINUING DISCLOSURE

General

The Issuer will execute a Continuing Disclosure Agreement substantially in the form set forth herein as Appendix J-1 (the "Issuer Continuing Disclosure Agreement") pursuant to which the Issuer will covenant for the benefit of the holders of the Offered Series 2026 Bonds to provide the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System ("EMMA") with certain financial information and operating data relating to the Issuer and the Project.

ALDOT will execute a Continuing Disclosure Agreement substantially in the form set forth herein as Appendix J-2 (the "ALDOT Continuing Disclosure Agreement" and, together with the Issuer Continuing Disclosure Agreement, the "Continuing Disclosure Agreements") pursuant to which ALDOT will covenant for the benefit of the holders of the Offered Series 2026 Bonds to provide EMMA with certain financial information and operating data relating to ALDOT and the State of Alabama.

Neither the Issuer nor ALDOT shall ever be subject to money damages for either of their failure to comply with their obligations to provide the required information. The only remedy available to the holders of the Offered Series 2026 Bonds for breach by the Issuer or ALDOT of either of their obligations to provide the required information shall be the remedy of specific performance or mandamus against appropriate officials of the Issuer or ALDOT, as applicable. The failure by the Issuer or ALDOT to provide the required information shall not be an event of default with respect to the Offered Series 2026 Bonds under the Indenture. A failure by the Issuer or ALDOT to comply with their respective obligations to provide the required information must be reported as described above and must be considered by any broker, dealer, or municipal securities dealer before recommending the purchase or sale of the Offered Series 2026 Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Offered Series 2026 Bonds and their market price.

No person other than the Issuer shall have any liability or responsibility for compliance by the Issuer with its obligations to provide information. No person other than ALDOT shall have any liability or responsibility for compliance by ALDOT with its obligations to provide information. The Trustee has not undertaken any responsibility with respect to any required reports, notices or disclosures.

The Issuer and ALDOT each retain the right to modify their respective obligations described above as long as such modification is done in a manner consistent with Rule 15c2-12 of the Securities and Exchange Commission.

The Issuer's Undertaking

The Issuer will covenant under the Issuer Continuing Disclosure Agreement to provide EMMA with certain financial information and operating data described therein regarding the Issuer and the Project, including annual financial statements once available, on the timeline set forth in the Issuer Continuing Disclosure Agreement. Because the Issuer has not been active prior to the development of the Project and is undertaking its first financed project, it has no prior audited financial statements or operating history to file, and its ongoing continuing disclosure filings will consist principally of Project-specific financial and operating data as it becomes available. See "-Compliance with Prior Undertakings" below.

ALDOT's Undertaking

Each year, the State of Alabama prepares an Annual Comprehensive Financial Report (the "ACFR"). The ACFR includes financial information and operating data of the State of Alabama of the type found in Appendix A – Certain Information Regarding the State of Alabama" to this Official Statement. The ACFR includes audited financial statements prepared in accordance with generally accepted accounting principles. ALDOT will covenant under the ALDOT Continuing Disclosure Agreement to provide EMMA with certain financial information

described therein regarding ALDOT, including the ACFR, on the timeline set forth in the ALDOT Continuing Disclosure Agreement.

Compliance with Prior Undertakings

The Issuer has not been subject to prior undertakings under any continuing disclosure agreements.

The State of Alabama and certain of its departments, commissions, and public corporations agreed in prior continuing disclosure agreements to file on EMMA Annual Financial Information (as early as 180 days after the end of the State's fiscal year) in the form of the Annual Comprehensive Financial Report for the State of Alabama. The following table shows (i) when the State's ACFR was released by the auditor, (ii) when the State of Alabama filed its audited ACFR with EMMA, (iii) when the State of Alabama filed its unaudited draft ACFR with EMMA, if applicable.

Fiscal Year Ended September 30	Date Financial Statements Were Released by Auditor	Date Audited Comprehensive Annual Financial Report was Filed with EMMA	Date Unaudited Draft Comprehensive Annual Financial Report was Filed with EMMA
2025	March 27, 2026	March 31, 2026	March 26, 2026
2024	March 27, 2025	March 27, 2025	N/A
2023	March 28, 2024	March 28, 2024	N/A
2022	March 31, 2023	March 31, 2023	March 29, 2023
2021	March 31, 2022	March 31, 2022	March 29, 2022

Implementation of Continuing Disclosure Compliance Procedures

Prior to the issuance of the Offered Series 2026 Bonds, the Issuer and ALDOT will each adopt procedures to ensure the timely filing of information required by Rule 15c2-12 of the Securities and Exchange Commission and the Continuing Disclosure Agreements described in this Official Statement.

LEGAL INVESTMENTS AND SECURITY FOR DEPOSIT

The Enabling Law provides that (i) the Offered Series 2026 Bonds qualify in the State for the investment of fiduciary funds held by any trustee, executor, administrator, guardian or one acting in any other fiduciary capacity except where the document that is the source of authority or the court having jurisdiction over the fiduciary relationship provides otherwise, and (ii) the Offered Series 2026 Bonds may be used by the holders thereof as security for the deposit of any funds of the State or any instrumentality or agency of the State in any instance where security for the deposit may be required by law.

RATINGS

Fitch Ratings, Inc. has assigned a rating of "BBB" (Expected) to the Series 2026A Bonds, "BBB" (Expected) to the Series 2026-1 Notes, "AA-" (Expected) to the Series 2026C Bonds and "AA-"(Expected) to the Series 2026-D Bonds. Moody's Investors Service, Inc., has assigned a rating of "Baa2" to the Series 2026A Bonds, "Baa3" to the Series 2026-1 Notes, "Aa3" to the Series 2026C Bonds and "Aa3" to the Series 2026D Bonds.

Any definitive explanation of the significance of any such ratings may be obtained only from the appropriate rating agency. The Issuer furnished to each rating agency the information contained in this Official Statement and certain other information respecting the Issuer and the Offered Series 2026 Bonds. Generally, rating agencies base their ratings on such materials and information, as well as on their own investigations, studies and assumptions.

The above ratings are not recommendations to buy, sell or hold the Offered Series 2026 Bonds, and any such ratings may be subject to revision or withdrawal at any time by any such rating agency. Any downward

revision or withdrawal of any or all of such ratings may have an adverse effect on the market price of the affected Offered Series 2026 Bonds. Except as may be required in connection with the obligations described under the heading "CONTINUING DISCLOSURE", none of the Issuer, ALDOT or the Underwriters have undertaken any responsibility either to bring to the attention of the holders of the Offered Series 2026 Bonds any proposed revision, suspension or withdrawal of a rating or to oppose any such revision, suspension or withdrawal.

MUNICIPAL ADVISOR

PFM Financial Advisors LLC, Huntsville, Alabama, is serving as Municipal Advisor to the Issuer with respect to the sale of the Offered Series 2026 Bonds. The Municipal Advisor assisted in the preparation of this Official Statement and in other matters relating to the planning, structuring and issuance of the Offered Series 2026 Bonds and provided other advice. The Municipal Advisor will not participate in underwriting any of the Offered Series 2026 Bonds.

CERTAIN RELATIONSHIPS

Maynard Nexsen PC is serving as Bond Counsel, Disclosure Counsel, Issuer's Counsel and Counsel to ALDOT in connection with the issuance of the Series 2026 Bonds. Maynard Nexsen PC also represents or has represented certain of the Underwriters from time to time in connection with matters unrelated to the issuance and sale of the Series 2026 Bonds.

Nixon Peabody LLP is serving as counsel to the Underwriters in connection with the issuance of the Offered Series 2026 Bonds. Nixon Peabody LLP also represents or has represented the Underwriters and certain of their affiliates and the Trustee from time to time in connection with matters unrelated to the issuance and sale of the Series 2026 Bonds.

DISCLAIMERS AND OTHER MISCELLANEOUS MATTERS

This Official Statement is not to be construed as a contract or agreement between the Issuer and the purchasers or holders of any of the Offered Series 2026 Bonds.

All quotations from and summaries and explanations of provisions of laws and documents herein do not purport to be complete, and reference is made to such laws and documents for full and complete statements of their provisions.

References to web site addresses in this Official Statement are for informational purposes only and may be in the form of a hyperlink solely for investors' convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not a part of, this Official Statement.

The order and placement of material in this Official Statement, including its appendices, are not to be deemed a determination of relevance, materiality or importance, and all material in this Official Statement, including its appendices, must be considered in its entirety.

The information in this Official Statement has been obtained from sources which are considered dependable and which are customarily relied upon in the preparation of similar official statements, but such information is not guaranteed as to accuracy or completeness. Where statutes, reports, agreements, or other documents are referred to herein, reference should be made to such statutes, reports, agreements, or other documents for more complete information regarding the rights and obligations of the parties thereto, facts and opinions contained therein, and the subject matter thereof, and all summaries of such statutes, reports, agreements, or other documents are qualified in their entirety by reference to such statutes, reports, agreements, or other documents in their entirety.

References to website 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 Official Statement for purposes of Rule 15c2-12 of the United States Securities and Exchange Commission, as amended (the "Rule") or otherwise.

THIS OFFICIAL STATEMENT INCLUDES THE COVER PAGE, THE INSIDE COVER PAGES, THE SUMMARY STATEMENT, THE APPENDICES, AND THE INFORMATION INCLUDED BY SPECIFIC CROSS-REFERENCE HEREIN AND SHOULD BE READ IN ITS ENTIRETY. INFORMATION CONTAINED ON THE WEBSITES OF THE ISSUER, ALDOT OR THE CONSULTANTS DO NOT CONSTITUTE PART OF THIS OFFICIAL STATEMENT.

The order and placement of material in this Official Statement, including its appendices, are not to be deemed a determination of relevance, materiality, or importance, and all material in this Official Statement, including the appendices, must be considered in its entirety. The contents of this Official Statement are not to be construed as legal, business, or tax advice. Prospective investors should consult their own attorneys and business and tax advisors as to legal, business, and tax advice. In making an investment decision, prospective investors must rely on their own examination of the terms of the offering of the Offered Series 2026 Bonds, including the merits and risks involved. This Official Statement is not to be construed as a contract or agreement between the Issuer and the purchasers or holders of any Offered Series 2026 Bonds.

THE OFFERED SERIES 2026 BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE INDENTURE HAS NOT BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE OFFERED SERIES 2026 BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF SECURITIES LAWS OF THE STATES IN WHICH THE OFFERED SERIES 2026 BONDS HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN OTHER STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Offered Series 2026 Bonds in any jurisdiction in which such offer, solicitation, or sale is not qualified or permitted under applicable law or to any person to whom it is unlawful to make such offer, solicitation, or sale.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

No person, including any broker, dealer or salesman, has been authorized to give any information or to make any representation other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the Issuer.

Any information or expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale hereunder shall under any circumstances create an implication that there has been no change as to the affairs of the Issuer since the date hereof.

In connection with this offering, the Underwriters may over allot or effect transactions which stabilize or maintain the market price of the Offered Series 2026 Bonds offered hereby at a level above that which might otherwise prevail in the open market, and such stabilizing, if commenced, may be discontinued at any time. The prices and other terms of the offering and sale of the Offered Series 2026 Bonds may be changed from time to time by the Underwriters after the Offered Series 2026 Bonds are released for sale, and the Offered Series 2026 Bonds may be offered and sold at prices other than the initial offering prices, including sales to dealers, without prior notice.

The Underwriters have provided the following sentence for inclusion in this Official Statement: The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their

respective responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

This Official Statement is being provided to prospective purchasers either in bound printed format or in electronic format. This Official Statement may be relied upon only if it is in its bound printed format or as printed in its entirety in such electronic format.

Forward-Looking Statements

The statements contained in this Official Statement, and in other information provided by the Issuer or ALDOT, that are not purely historical, are forward-looking statements, which generally can be identified with words or phrases such as "anticipates," believes," "could," "estimates," "expects," "foresees," "may," "plan," "predict," "should," "will" or other words or phrases of similar import. All statements included in this Official Statement and Appendices hereto that any person expects or anticipates will, should or may occur in the future, including, but not limited to, the projections in the Traffic and Revenue Study, attached as EXHIBIT E hereto are forward-looking statements. These statements are based on assumptions and analysis made by the Issuer, ALDOT and CDM Smith , as the Traffic Consultant, as applicable, in light of their experience and perception of historical trends, current conditions and expected future developments as well as other factors they believe are appropriate in the circumstances. However, whether actual results and developments will conform with expectations and predictions is subject to a number of risks and uncertainties and factors beyond the Issuer's control. The risk factors and assumptions described under the caption "RISK FACTORS" and elsewhere in this Official Statement could cause actual results to differ materially from those expressed in any forward-looking statement. All of the forward-looking statements made in this Official Statement and any Appendices are qualified by these cautionary statements. There can be no assurance that the actual results or developments anticipated will be realized or, even if substantially realized, that they will have the expected consequences to or effects on Project Receipts.

The forward-looking statements herein are necessarily based on various assumptions and estimates that are inherently subject to numerous risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate.

THE ISSUER AND ALDOT DISCLAIM ANY OBLIGATION OR UNDERTAKING TO RELEASE PUBLICLY ANY UPDATES OR REVISIONS TO ANY FORWARD-LOOKING STATEMENT CONTAINED HEREIN TO REFLECT ANY CHANGE IN THE EXPECTATIONS WITH REGARD THERETO OR ANY CHANGE IN EVENTS, CONDITIONS, OR CIRCUMSTANCES ON WHICH ANY SUCH STATEMENT IS BASED.

ADDITIONAL INFORMATION

For further information during the initial offering period with respect to the Series 2026 Bonds, contact Director of Finance, State of Alabama, State Capitol Complex, N-200, 600 Dexter Avenue, Montgomery, Alabama 36130 (telephone: (334) 242-7160).

APPENDIX A-1

Certain Information on the State of Alabama

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APPENDIX A

CERTAIN INFORMATION REGARDING
THE STATE OF ALABAMA



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APPENDIX A

CERTAIN INFORMATION REGARDING THE STATE OF ALABAMA

GENERAL INFORMATION

Annual Comprehensive Financial Report

The Annual Comprehensive Financial Report (sometimes referred to herein as the "Annual Report") of the State of Alabama (the "State") for the fiscal year ended September 30, 2025, can be found online at http://www.emma.msrb.org.

Reporting Entity – Annual Report

The Annual Comprehensive Financial Report of the State of Alabama presents financial information on all of State government as a single reporting entity. While State law allows many State organizations to operate largely independent of the daily central control and scrutiny of the Department of Finance, State Auditor and State Treasurer, the Annual Report combines the financial data of all State organizations in order to present a comprehensive picture of State finances. The numerous departments, agencies, elected officials, boards, commissions, authorities, colleges, universities and other organizational units of the State are included in the Annual Report in accordance with standards established by the Governmental Accounting Standards Board. These standards make a distinction between organizations that are considered to be part of the primary government of the State and those that are component units. A component unit is defined as a legally separate corporate entity for which the State is considered to be financially accountable. The criteria used to determine financial accountability include the appointment of a majority of the governing board, the ability of the State to impose its will on the organization and the potential for the organization to be a financial benefit or financial burden to the State.

The State is also considered financially accountable for any organization having an independently appointed board if that organization is fiscally dependent on the State. An organization is fiscally dependent if it is unable to adopt a budget, set rates or charges or issue bonded debt without the approval of the State. Component units can be reported as if they are a part of the primary government ("blended presentation") if they provide services solely to the government or if their debt is repaid solely by the government, but many of the State's component units do not and are therefore presented separately ("discrete presentation") in these financial statements. The largest of the blended component units includes the Public School and College Authority, Department of Mental Health, and the Federal Aid Highway Finance Authority. The major discretely presented component units are the University of Alabama, Auburn University, the University of South Alabama, the Alabama Housing Finance Authority, the Public Education Employees' Health Insurance Board, and the Alabama Community College System. Reference is made herein to the notes to the Annual Comprehensive Financial Report for a more complete description of the State's reporting entities.

Budgetary Controls

Budgetary control is exercised through the Executive Budget Office of the Department of Finance pursuant to the annual appropriation acts of the Alabama Legislature (the "Appropriation Acts"). The Appropriation Acts include legally adopted budgets for the General Fund, the Education Trust Fund, and other budgeted funds. The Appropriation Acts identify the source of funding and the programmatic (functional) areas for which expenditures are authorized. Both the Constitution of Alabama of 2022, as amended (the "State Constitution"), and Alabama statutes require a balanced budget for annual financial operations. In the event revenue collections do not meet budget projections, the Governor is required to prorate appropriations and restrict allotments to prevent an overdraft in any fiscal year for which appropriations are made. Allotments of appropriations are made quarterly based on plans of operations submitted by the departments and agencies. These appropriations and allotments are enforced by automated edits that prevent allotments in excess of appropriations and expenditures in excess of allotments. Encumbrance accounting is utilized as purchase orders are issued to ensure that purchase orders plus expenditures do not exceed allotment balances. The Budget Office further tightens controls at fiscal-year end by verifying that the total of purchase orders plus expenditures plus any obligations (accounts payable) incurred against fiscal year appropriations do not exceed allotments. Moreover, the Budget Office confirms that remaining allotments do not exceed cash in the

State Treasury. For further information on the budgetary process, see "The Budgetary Process and Financial Controls – Financial Controls" below.

Certain Financial Information

The financial information contained in this Official Statement regarding the State is extracted from reports or information prepared by the State Treasurer, the Department of Revenue, the Alabama Department of Transportation, the Retirement System of Alabama, the Alabama State Employees' Insurance Board and the State Department of Finance. The Department of Examiners of Public Accounts, an arm of the Alabama Legislature, examines and audits the books, accounts and records of all State departments and agencies.

The fiscal year of the State extends from October 1 of a given calendar year to September 30 of the ensuing year. All references to State financial information in this Official Statement (unless specifically noted to the contrary) are to fiscal years of the State.

Alabama statutes mandate the use of the cash basis of accounting for budgetary purposes. Under the cash basis, revenues and expenditures are recorded at the time cash is received or disbursed in accordance with the Appropriation Acts. Unless otherwise noted, financial tables in this report are on the cash basis.

Population

According to the 2025 estimate released by the U.S. Census Bureau, the State had a total population of 5,193,088 as of July 2025. The population density of the State in 2020 (the year of the most recent federal Census information available) was approximately 99.2 persons per square mile for each of its 50,647 square miles of land area, as compared to 93.8 persons per square mile for the United States. The following tables demonstrate population trends in the State as compared to the United States for the years indicated.

Table 1.
Population

	Alabama		United States	
Year	Population	Change Over Preceding Period	Population	Change Over Preceding Period
1990	4,040,389	3.8%	248,709,873	9.8%
2000	4,447,100	10.1%	281,421,906	13.2%
2010	4,779,736	7.5%	308,745,538	9.7%
2020	5,024,279	5.1%	331,449,281	7.4%
2021	5,050,380	0.5%	332,048,977	0.2%
2022	5,073,903	0.5%	333,271,411	0.4%
2023	5,108,468	0.7%	334,914,895	0.5%
2024	5,157,699	1.0%	340,110,988	2.5%
2025	5,193,088	0.7%	341,784,857	0.5%

Note: 1990, 2000, 2010 and 2020 are Federal Decennial Census data; 2021 to 2025 are estimates.
Source: US Census Bureau

Table 2.
Urban-Rural Population

	Alabama		United States	
Year	Urban % of Total Population	Rural % of Total Population	Urban % of Total Population	Rural % of Total Population
1970	58.6	41.4	73.6	26.3
1980	60.0	40.0	73.7	26.3
1990	60.3	39.7	75.2	24.8
2000	55.4	44.6	79.0	21.0
2010	59.0	41.0	80.7	19.3
2020	57.7	42.3	80.0	20.0

Source: US Census Bureau

ECONOMY

General

Alabama's economy has continued to strengthen on a growth trajectory that shows no signs of flattening. As of December 2025, the Alabama Department of Workforce reported that the state was supporting more jobs than ever before — with the number of people counted as employed reaching a record 2,317,206. That month, the state's unemployment rate was a mere 2.7%, holding steady from the previous month and lower than the U.S. average of 4.4%. Over the course of a 12-month period, wage and salary employment increased by 9,100 jobs to 2,221,300, with gains in the leisure and hospitality sector (+6,700 positions), the private education and health services sector (+4,900 positions) and the construction sector (+3,400 positions) among others. The Alabama Department of Workforce also reported that private sector average weekly wages continued to rise in December. For example, construction wages rose to a record high of $1,421.56 weekly, a sign of positive economic growth.

Meanwhile, Alabama's Gross Domestic Product (GDP), or total economic output, was $341.1 billion in 2025, according to the Federal Reserve Bank of St. Louis. Researchers at the University of Alabama's Center for Business and Economic Research estimated that the state's GDP would expand by another 1.5% for all of 2026. Retail sales, an important barometer of the state's economy, remained elevated. According to the Federal Reserve Bank of St. Louis series "Monthly State Retail Sales: Total Retail Sales Excluding Nonstore Retailers in Alabama," the year-over year change for not-seasonally adjusted total retail sales in September 2025 was +3.7%.

Looking forward, there are indications that Alabama's economy will continue to gain momentum as state policymakers take steps to spark and sustain economic growth. During 2024, Alabama adopted a new economic development strategic plan called "Catalyst" that is designed to keep the state competitive into the 2030s. Developed with assistance from consultants McKinsey and Company, the next-generation strategic plan identifies eight priority industry sectors that align with Alabama's long-term economic development priorities and goals. Its broad focus expands beyond traditional recruitment tactics to elevate human capital, facilitate entrepreneurship, attract new talent and promote rural development. A key component of the Catalyst plan is quality placemaking, which leverages Alabama's robust outdoor recreation infrastructure to enhance community appeal. In early 2025, Governor Kay Ivey signed into law an initiative called the "Alabama Development Fund" that will provide a sustainable, long-term funding source to enhance the state's economic development efforts. The Alabama Development Fund will fuel critical initiatives such as rural development projects, the expansion of international business development offices, global marketing campaigns, quality-of-place investments and key infrastructure improvements across the state.

Alabama is naturally susceptible to the effects of extreme weather events and natural disasters, including floods, droughts, tornadoes and hurricanes. The occurrence of such events can produce significant ecological, environment and economic impacts. Such impacts can be exacerbated by a longer-term shift in the climate over several decades (commonly referred to as climate change) including increasing global temperatures and rising sea levels. Such

events, as potentially exacerbated by climate change, increase the potential of considerable financial loss to the State, including, without limitation, substantial losses in tax revenues. In addition, many residents, business and government operations could be severely disabled for significant periods of time or displaced, and the State could be required to mitigate those effects at a potentially material cost.

Personal Income

The State's total personal income increased 5.57% from 2023 to 2024. The State's per capita personal income increased 4.57% from 2023 to 2024, compared to a nationwide increase of 3.75% during the same period.

The following table shows total personal income and per capita personal income in the State as compared to the Southeast region and the United States for the years indicated.

Table 3.
Alabama Personal Income and Comparison of
Alabama Per Capita Personal Income to the Southeast and the United States

Year	Alabama Total Personal Income[(1)]	Per Capita Personal Income		
		Alabama	Southeast[(2)]	United States
1980	$31,037	$7,957	$9,425	$10,180
1990	64,240	15,861	18,605	19,621
2000	108,003	24,258	28,985	30,551
2010	162,069	33,848	38,502	40,557
2020	230,732	45,854	54,836	59,123
2021	254,960	50,483	60,219	64,460
2022	262,236	51,683	62,165	66,244
2023	276,926	54,209	65,686	69,810
2024	292,359	56,684	65,081	72,425

Note (1) In millions of dollars.

Note (2) Includes Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Virginia and West Virginia.

Source: U.S. Department of Commerce, Bureau of Economic Analysis; Last updated: March 28, 2025 – new statistic, 2024; revised statistics for 2020-2023.

Employment

Alabama has traditionally been plagued by one of the nation's lowest labor participation rates, but Governor Ivey's administration has pledged to get a higher percentage of the state's residents into jobs. There are signs of progress. In March 2026, the labor force participation rate stood at 57.5%, unchanged from the previous month but down from 57.7% reported a year earlier. In addition, the number of people counted as employed increased by 11,027 to 2,318,507. Moreover, Alabama's civilian labor force also increased to 2,383,981 with around 5,639 more people joining over the course of a year. State leaders expect continued improvement as new measures remove barriers that keep some people from holding down jobs, including affordable childcare and access to reliable transportation.

Meanwhile, developments in many of Alabama's traditional industries are setting the stage for future growth. Alabama's auto sector continues to attract considerable new investment, including over $628 million in growth projects announced during 2025, creating 1,580 anticipated jobs, according to data from the Alabama Department of Commerce. In addition, projects announced in 2025 in Alabama's metals and advanced materials sector involve investments exceeding $3.2 billion and nearly 1,500 jobs, according to Commerce projections. Companies in other core industrial sectors such as forest products, aerospace, distribution/logistics, food production and chemicals have also announced growth projects that will generate significant economic activity.

Economic development activity has remained strong across Alabama in recent years, with new facility and expansion projects involving more than $85.6 billion in new capital investment announced between 2014 and 2025. Projects in 2025 alone involved over $14.6 billion in new investment, with thousands of jobs being created in key industries. Alabama remains a magnet for foreign direct investment (FDI), with 61 FDI projects valued at $3.6 billion and projected to create over 2,200 jobs announced in 2025, according to data from the Alabama Department of Commerce. Between 2014 and 2025, Alabama has benefited from over $33.6 billion in FDI in projects expected to create over 44,000 jobs.

Alabama's manufacturing climate has been thriving, with steady gains in employment, rising productivity and increasing sophistication among manufacturers. In March 2026, a total of 286,400 Alabamians worked in manufacturing, according to the U.S. Bureau of Labor Statistics. Manufacturing remains a core pillar of Alabama's economy, accounting for around 13% of Alabama's total workforce. The state ranks No. 5 among U.S. states for manufacturing employment, according to the National Association of Manufacturers. Alabama's 4,000-plus manufacturers generate output that's equal to 14.9% of the state's annual GDP figure. Those figures are higher than the average for the U.S., with manufacturing accounting for around 10% of the nation's total economic output and 8% of total employment. Overall, manufacturing output in Alabama has risen from less than $28 billion in 2010 to over $50 billion today, according to the latest available data from the National Association of Manufacturers.

Alabama's auto industry remains a dynamic growth engine for the state's economy. The state is home to large assembly plants operated by Mercedes-Benz, Honda, Hyundai and the Mazda-Toyota Manufacturing USA partnership, as well as Toyota's largest North American engine plant. These companies combined have invested around $15 billion in their operations in the state, according to data from the Alabama Department of Commerce. They've also assembled more than 15 million vehicles in Alabama since Mercedes launched production in Alabama in February 1997. Combined production capacity at the state's auto plants now tops 1.3 million vehicles annually, giving the state a Top 5 ranking in the U.S. Direct employment in Alabama's automotive manufacturing sector totaled 52,900 in December 2025, according to the Alabama Department of Workforce. Around 30,000 of these jobs are in Alabama's expanding auto supply chain network, which today counts 150 Tier 1 suppliers and logistics companies.

In addition, the auto industry has played a key role in the growth of Alabama's exports, which totaled $26.9 billion in 2024, just shy of the previous year's record annual total. Alabama's 2024 export total was 30% higher than the figure for 2019, according to data from the Alabama Department of Commerce that indicates strong growth from pre-pandemic levels. Shipments went to 194 countries, led by Canada, Mexico, China and Germany. Motor vehicles have long ranked as Alabama's No. 1 export category, followed by chemicals, aerospace parts, minerals and paper. Exports of Alabama-made automobiles totaled $10.7 billion in 2024, earning Alabama a No. 2 ranking among auto-exporting states.

Meanwhile, Alabama's aerospace industry is attracting new investment and expanding capabilities as companies add hundreds of jobs to produce innovative high-tech products in communities across the state. In the past decade, the aerospace/defense and aviation industries have announced growth projects in Alabama involving over $4.5 billion in new investment and more than 12,000 job commitments, according to data from the Alabama Department of Commerce. The industry's biggest names continue to invest in Alabama, with companies including Boeing, Airbus, Raytheon, United Launch Alliance, Lockheed Martin and Republic Airway's LIFT either launching or completing recent growth projects in Alabama. Employment in Alabama's aerospace manufacturing sector has remained solid in recent years, totaling 14,800 in December 2025, according to the Alabama Department of Workforce.

While often overlooked, Alabama's bioscience industry delivers a major financial impact for the state. Alabama is home to 780 bioscience establishments employing nearly 18,000 people earning average annual salaries exceeding $67,000, according to an analysis conducted by researchers at The University of Alabama on behalf of BioAlabama, an industry trade group. The report emphasized that Alabama possesses key strengths in life sciences segments such as medical research, drug discovery, genomic medicine, and medical devices. The University of Alabama at Birmingham (UAB), in particular, is a research powerhouse, receiving $334.4 million in funding from the National Institutes of Health (NIH) during fiscal year 2024, approximately 88% of Alabama's total of $380 million NIH funding. In addition, UAB recently constructed a $78 million facility, the Altec/Styslinger Genomic Medicine and Data Sciences Building, to advance its leadership in precision medicine, genomic science and biomedical research. Also in Birmingham, Southern Research — a landmark in Alabama's bioscience sector since its founding in 1941 — opened a flagship biotech center in mid-2025 as part of a $108 million project. The State of Alabama contributed

financially to both projects. Alabama is also working to ensure the bioscience industry's workforce needs are fully met. Alabama workforce development agency AIDT teamed with BioAlabama to introduce a comprehensive Bioscience Technician Program, which aims to equip aspiring individuals with the necessary skills and knowledge to pursue fulfilling careers in the biotech industry.

The following table depicts the overall level of employment in the State (not seasonally adjusted) for the following years.

Table 4.
Civilian Labor Force Trends

	Alabama (in thousands)			Unemployment Rates (%)		
Year	Labor Force	Employed	Unemployed	Alabama	East South Central[(1)]	United States
2014	2,165	2,019	146	6.7	6.7	6.2
2015	2,152	2,020	132	6.1	5.8	5.3
2016	2,156	2,029	127	5.9	5.3	4.9
2017	2,203	2,104	100	4.5	4.4	4.4
2018	2,240	2,152	88	3.9	4.0	3.9
2019	2,272	2,199	72	3.2	3.8	3.7
2020	2,263	2,119	145	6.4	7.0	8.1
2021	2,250	2,174	76	3.4	4.3	5.3
2022	2,276	2,219	58	2.5	3.4	3.6
2023	2,308	2,250	58	2.5	3.3	3.6
2024	2,346	2,275	72	3.1	3.7	4.0
2025	2,379	2,309	70	2.9	N/A	4.3

Note (1) Includes Alabama, Kentucky, Mississippi, and Tennessee.

The table below depicts the areas in which the State's nonagricultural labor force is employed.

Table 5.
Annual Average Nonagricultural Employment

(in thousands)

	2021		2022		2023		2024		2025*	
	Employees	% of total	Employees	% of total	Employees	% of total	Employees	% of total	Employees	% of total
Total	2,049.4	--	2,112.5	--	2,164.2	--	2,234.3	--	2,221.3	--
Mining & logging	8.7	0.4	9.2	0.4	9.2	0.4	8.8	0.4	9.3	0.4
Construction	94.4	4.6	99.3	4.7	101.2	4.7	108.7	4.9	112.9	5.1
Manufacturing	264.4	12.9	274.3	13.0	281.8	13.0	290.4	13.0	287.2	12.9
Trade, transportation & utilities	396.2	19.3	405.7	19.2	408.1	18.9	423.3	18.9	416.5	18.8
Information	20.4	1.0	22.8	1.1	23.4	1.1	24.8	1.1	23.1	1.0
Financial Activities	98.5	4.8	102.2	4.8	104.4	4.8	104.1	4.7	100.8	4.5
Professional & business services	252.9	12.3	262.2	12.4	267.2	12.3	268.1	12.0	261.1	11.8
Education & health services	241.8	11.8	248.1	11.7	259.4	12.0	277.0	12.4	274.0	12.3
Leisure & hospitality	188.9	9.2	197.6	9.4	204.5	9.4	209.1	9.4	213.5	9.6
Other services	95.3	4.7	99.8	4.7	103.4	4.8	104.4	4.7	98.2	4.4
Government	387.9	18.9	391.5	18.5	401.7	18.6	415.6	18.6	424.6	19.1

Source: U.S. Department of Labor, Bureau of Labor Statistics.

*Preliminary, as of December 2025.

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The following tables list (i) the largest employers in the State by number of employees and (ii) the largest manufacturing employees in the State by number of employees and product and/or industry.

Table 6.
Alabama's Top Ten Employers 2025

Employer	Employment Range	Rank	% of Total State Employment
Wal Mart Associates Inc.	40,000-49,999	1	2.14%
Army	20,000-29,999	2	1.19
Publix Alabama LLC	10,000-19,999	3	0.71
Huntsville Hospital	10,000-19,999	4	0.71
University Hospital Management LLC	5,000-9,999	5	0.36
University of Alabama – Birmingham	5,000-9,999	6	0.36
US Postal Service	5,000-9,999	7	0.36
Veterans Affairs Administration	5,000-9,999	8	0.36
Dolgencorp LLC	5,000-9,999	9	0.36
Mobile Education Board	5,000-9,999	10	0.36
Totals	110,000-179,990		6.91%

Source: Alabama Department of Workforce, Labor Market Information Division. (2025). Major Employers in Alabama. Montgomery, AL

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Table 7.
Alabama's Manufacturers based on Employment

Employees	Company	Product/Industry
3,000 +	M1 Support Services	Aircraft maintenance
	Honda Alabama Auto Plant	Automobile manufacturing, V-6 engines
	Mercedes-Benz US International Inc.	Automobile manufacturing
	Hyundai Motor Manufacturing Alabama LLC	Automobile manufacturing, automotive engines
	Anniston Army Depot (ANAD)	Combat vehicle & small arms for Department of Defense
	Mazda Toyota Manufacturing	Motor vehicle manufacturing
	Boeing Co. – Huntsville	Missile defense, space exploration, missile systems, systems engineering, integration, design & fabrication
	Austal USA	Shipbuilding
2,500–2,999	Leidos Inc.	Aerospace, defense
	SAIC	Research & development
2,000-2,499	Toyota Alabama	Four-cylinder + HEV engines, 2.4L Turbo + HEV engines, Twin turbo V6 + HEV engines
	Allied Renewable Energy LLC	Petroleum product manufacturing
	Northrop Grumman Corp.	Autonomous systems, cyber, C4ISR, space, strike and logistics
	Airbus	Commercial aircraft
1,500–1,999	Lockheed Martin Corp.	Missiles & space vehicles; commercial physical & biological research
	Adtran Inc.	Telecommunications equipment
	SMP Automotive Systems Alabama	Automotive components
	AM/NS Calvert	Steel
	Wayne Farms	Poultry processing
	Wayne-Sanderson Farms LLC	Poultry
	North American Lighting	Automotive lighting fixtures
	Pilgrim's Pride	Poultry processing
1,000-1,499	Tyson Foods	Poultry processing
	Michelin North America/BF Goodrich	Tire manufacturing (aftermarket)
	Polaris	Off-road vehicles
	American Cast Iron Pipe Co.	Fire hydrants, valves, ductile iron pipe, spiral-welded steel pipe, high-frequency-welded steel pipe
	Wellborn Cabinet	Manufacturer of wooden cabinets and drawers
	GE Appliances	Refrigerators
	Topre America Corp.	Automotive metal stamping
	Constellium	Aluminum & sheetmetal fabricating
	Koch Foods	Poultry Processing
	Blue Origin	Rocket engine manufacturing
	Tiffin Motor Homes Inc.	Motor homes
	Farm Fresh Foods	Food processing
	Maples Industries	Scatter rugs, bath rugs
	New South Express LLC	Automotive supplier
	Southern Energy/Cavalier Homes	Manufactured homes
	Wayne Farms Prepared Foods	Poultry processing
	Phifer Inc.	Fabricated wire products and woven fabrics for screening and related purposes
	Pilgrim's Pride Corp. of Georgia Inc.	Poultry processing
	Collins Aerospace, A United Technologies Co.	Aircraft nacelle manufacturing & MRO
	GKN Westland Aerospace Inc.	Aerospace composites; aircraft assemblies
	Sanmina	Electronics
	Science & Engineering Services	Aviation integration

Shaw Industries Inc.	Carpet fiber
Koch Foods of Gadsden LLC	Poultry processing
MOBIS Alabama LLC	Motor vehicle chassis, plastic parts, distribution
EBSCO Industries Inc.	Diversified business services, manufacturing & real estate conglomerate; publishing
Heil Environmental	Garbage truck bodies
Mar-Jac Poultry	Poultry processing
Pilgrim's Pride Corp.	Poultry processing
Intergraph Corp.	Spatial information management software; computer peripheral equipment
Nifco Korea USA Inc.	Rubber and plastic product manufacturing
Outokumpu Stainless USA LLC	Premium stainless steel processing
Wayne Farms	Poultry processing
Albertville Quality Foods	Food processing

Source: *Business Alabama,* June 2025, https://assets.businessalabama.com/2025/06/Manufacturing-Listing-2025_v2.pdf?_ga=2.57857642.1135096756.1757942987-983812438.1757942987

Real Gross Domestic Product (formerly Real Gross State Product)

Real Gross Domestic Product ("RGDP") is a comprehensive measure of economic performance for the State and is the State's counterpart of the nation's gross domestic product. Alabama's RGDP is defined as the total value of all final goods and services produced in the State in constant dollar terms. Hence, changes in RGDP reflect changes in final output. From 2017 to 2025, the State's RGDP increased 20.3%.

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The following table compares the State's RGDP by industry for the years indicated.

Table 8.
Alabama's Real Gross Domestic Product
(in millions of chained 2017 dollars)*

Industry	2017	2018	2019	2020	2021	2022	2023	2024	2025	% Change 2017-2025
Agriculture, forestry	2,430.4	2,575.9	2,146.1	1,710.0	2,372.1	2,744.3	2,285.0	3,581.5	3,105.4	27.8%
Mining	1,950.0	1,810.7	1,758.4	1,640.0	1,581.5	1,888.2	1,706.3	1,484.3	1,736.2	-11.0%
Utilities	6,156.8	5,993.6	6,172.3	6,336.9	6,135.8	6,289.7	6,689.1	6,590.7	6,582.1	6.9%
Construction	8,824.8	9,193.6	9,821.6	10,002.0	10,396.4	9,800.3	9,550.5	10,276.6	10,989.2	24.5%
Manufacturing	35,501.4	36,772.1	37,393.4	35,716.9	37,610.9	39,007.2	40,383.5	41,881.9	43,506.4	22.5%
Wholesale trade	12,582.8	12,703.4	12,713.8	13,201.0	13,550.9	12,976.3	12,890.1	13,267.0	13,128.1	4.3%
Retail trade	15,286.2	15,753.3	16,325.4	16,690.5	16,333.6	15,411.6	17,091.1	18,509.2	19,206.6	25.6%
Transportation and warehousing	6,050.6	6,327.2	5,994.9	5,879.5	6,542.7	6,328.1	6,273.5	6,202.5	6,356.1	5.0%
Information	4,381.3	4,569.9	5,160.2	5,127.8	5,780.7	6,172.2	6,725.2	6,752.4	7,791.9	77.8%
Finance and insurance	12,207.1	11,961.9	12,028.2	12,100.2	13,430.5	12,244.6	12,691.1	12,871.2	14,251.5	16.7%
Real estate and leasing	24,539.0	24,846.0	25,384.7	25,428.2	27,038.1	28,530.0	29,146.2	29,336.7	32,245.7	31.4%
Professional and business services	20,996.8	22,008.3	22,918.2	22,955.6	25,299.1	27,557.1	28,979.0	29,659.5	30,285.5	44.2%
Educational services and health care	17,452.0	17,861.1	18,654.9	18,008.6	18,754.8	19,365.3	20,324.9	21,157.7	21,864.0	22.3%
Arts, entertainment and recreation	6,935.1	6,953.3	7,052.7	5,920.3	7,178.8	7,536.3	7,722.9	7,798.0	7,586.8	9.4%
Other services	5,571.4	5,787.1	5,664.0	5,352.7	5,435.1	5,772.1	5,468.1	5,311.5	5,209.5	-6.5%
Government	35,749.8	35,722.7	36,156.4	36,188.2	36,475.8	37,680.0	38,627.1	39,339.3	38,357.2	7.3%
Total State Real GDP	**216,615.5**	**220,808.8**	**225,272.8**	**222,288.8**	**233,726.6**	**238,556.5**	**245,354.7**	**252,664.5**	**260,648.0**	**20.3%**

* Columns may not add due to elimination of de minimis categories. The use of chained dollars adjusts for inflation over time, with 2017 as the base year.

Source: U.S. Department of Commerce, Bureau of Economic Analysis; Last updated: April 9, 2026 – new statistics for 2025.

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The following table compares the actual growth of the gross domestic product for the State to the actual growth of the gross domestic product of the United States over the past ten years.

Table 9.
Rates of Change in Real Gross Domestic Product
Alabama and the United States

Year	Alabama Gross Product	Annual Percentage Change	United States Gross Product	Annual Percentage Change
2017	216,615.5	1.8%	19,612,102	2.5%
2018	220,808.8	1.9%	20,193,896	3.0%
2019	225,272.8	2.0%	20,715,671	2.6%
2020	222,288.8	-1.3%	20,267,585	-2.2%
2021	233,726.6	5.1%	21,494,798	6.1%
2022	238,556.5	2.1%	22,034,828	2.5%
2023	245,354.7	2.8%	22,671,096	2.9%
2024	252,664.5	3.0%	23,305,023	2.8%
2025	260,648.0	3.2%	23,850,442	2.3%

*Millions of chained 2017 dollars. The use of chained dollars adjusts for inflation over time, with 2017 as the base year.
Source: U.S. Department of Commerce, Bureau of Economic Analysis; Last updated: April 9, 2026 – new statistics for 2025.

Transportation

Water Transportation. Alabama contains one of the largest networks of inland river systems in the nation, boasting nearly 15,000 miles of inland and intra-coastal waterways, a vital part of the Port of Mobile's transportation network. The waters of four major rivers flow from the northern section of the State down to the Gulf of America, offering barge transportation to industries and businesses that depend on the movement of large, heavy, or bulky cargoes. These barges connect producers and manufacturers, from the interior of the U.S. and as far as Canada, to the port, giving them access to global markets.

The Port of Mobile is the 11th largest port in the nation in total throughput tonnage (U.S Army Corps of Engineers). The Port of Mobile, Alabama's only Seaport and only deep-water port, handles more than 1,400 vessels annually, and, is one of the fastest growing container ports in the nation. In 2025, the Port of Mobile completed the $366 million Mobile Harbor Modernization Project and made the Port of Mobile the deepest container port in the Gulf of America, with a 50-foot ship channel depth capable of handling super-post-Panamax vessels — positioning the port for significantly greater cargo capacity in the years ahead. The Port of Mobile handled the cargo tonnage shown in the following table.

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Table 10.
Port of Mobile Cargo Tonnage, 2013-2023

(thousands of short tons)

Year	Approximate Tonnage
2013	53,993
2014	64,288
2015	58,595
2016	58,024
2017	58,157
2018	58,636
2019	56,894
2020	53,207
2021	50,269
2022	50,520
2023	52,180

Source: U.S. Army *Corps* of Engineers, Navigation Data Center, Waterborne Commerce of the United States.

The facilities of the Alabama State Port Authority (the "Port Authority"), locally known as the Alabama State Docks, were first developed by the State during the 1920s. The Port Authority has generally reinvested its earnings in the development of the facilities, resulting in continued growth in cargo handling capacity, and generating additional net revenues from operations.

Completed in 1985 under the direction of the Tennessee-Tombigbee Waterway Development Authority, the 234-mile Tennessee-Tombigbee Waterway was constructed to connect the Tennessee River with the Tombigbee River and thereby connect the waterways of mid-America with the Gulf of America through the Port of Mobile.

To complement its river system, Alabama built a series of inland docks located throughout the State, some that included grain elevators to provide storage for Alabama agricultural products. The eight inland docks currently owned by the Port Authority are operated under lease arrangements.

In August 2020, the Alabama Highway Finance Corporation (the "Corporation") issued $118,460,000 Special Obligation Revenue Bonds, Series 2020A and, in connection therewith, the Port Authority, in conjunction with the United States Army Corps of Engineers, is making various capital improvements to the Port of Mobile Ship Channel, which includes the widening and deepening of the Ship Channel. The $366 million harbor modernization program, completed in 2025, will enable larger ships to transit the channel, keeping pace with ongoing terminal investments in Alabama's seaport to ensure economies of scale and competitive rates for the seaport's shippers. The harbor improvements will primarily serve coal and containerized shippers and the port will be able to handle the largest container and other ships permitted through the Panama Canal.

In June 2021, the Port of Mobile completed a new state-of-the-art $60 million vehicle roll-on/roll-off (RO/RO) terminal including a vehicle-processing center, supporting the strong and growing automotive industry in the south.

Originally constructed in 2008, the Port's container terminal has undergone a series of phased expansions over the past several years increasing its footprint to 135 acres and an annual throughput capacity of 650,000 TEUs. Its latest expansion project is now under way and will add an additional 32 acres of yard space and increase throughput capacity to 1M TEUs per annum. The container terminal recently received two new Super Post-Panamax STS cranes for a total of six cranes operating on its 2400ft berth.

Opened in 2016, the Port's Intermodal Container Transfer Facility (ICTF) is undergoing a $65M expansion project to double its capacity. With the addition of a terminal interconnector bridge ($32M) connecting the container terminal to the ICTF, The Port of Mobile will have one of the largest on-dock intermodal rail facilities in the country. Additional intermodal rail investment ($86.1M) is being made in Montgomery where the development of an inland port, expected to be operational by 2027, will enhance the Port's connectivity to the central and northern regions of the state.

The Port of Mobile's capabilities and connectivity make it an ideal gateway for all types of cargo, from coal and containers to forest products and steel to automobiles and aggregates. The port is able to handle import and export cargoes of virtually any type and volume. With deep water, modern equipment and multimodal connectivity, the port is one of the most efficient, productive and accessible ports in the nation. The Port of Mobile keeps the supply chain moving by shifting vessels in and out of port as efficiently as possible, providing fast transit times and cost-effective solutions. Unlike other major Gulf Coast ports, the Port of Mobile is three hours from the Gulf of America. This means only three hours from open water to berth and only one bar pilot is required to escort the vessels to berth.

The Port Authority owns and operates a terminal railroad at the port complex that performs all switching activities, ensuring that cargo arrives at its intended destination on time. With direct access to five Class I railroads and four short line railroads including its terminal railroad, the Port of Mobile moves containerized, bulk or breakbulk cargo to any destination. The Port of Mobile has direct and easy access to two Interstate highways covering transport in all directions. The Mobile Aeroplex at Brookley, owned and operated by the Mobile Airport Authority, is less than two miles away from the seaport and its maritime activities. Logistics providers have unique access to a multimodal transportation ecosystem that includes water, air, road, and rail.

Railroads. Five Class I railroads and 20 Class III, or short line, railroads operate more than 3,700 miles of track within Alabama, linking the State to the nation's major markets. The main line railroads include Norfolk Southern Corporation, Burlington Northern/Santa Fe Railway, CSX Transportation, Canadian National Railway Company, and Kansas City Southern. Five Class I railroads and a Class III rail ferry service to Mexico serve the Port of Mobile, four major railroads converge on the manufacturing and distribution center of Birmingham and two lines serve the capital city of Montgomery. The railroad network serves 65 of Alabama's 67 counties.

Airports. Seven major airports provide commercial passenger airline service in Alabama. Air cargo service is provided by five airports, which have designated Foreign Trade Zones.

Highway System (Road and Bridge). Approximately 80,000 miles of all-weather state and local roads are anchored by 23,500 miles of federal highways. Six interstate highways and a network of four-lane divided highways link major Alabama cities to national markets.

Utilities

Electrical generation service in Alabama is provided by Alabama Power Company, the Tennessee Valley Authority, electric cooperatives and municipal electric systems, utilizing primarily coal, natural gas, hydroelectric and nuclear facilities.

Natural gas is supplied from several sources. Although an increasingly significant quantity is supplied from the natural gas and crude oil fields of Alabama, the majority of the statewide gas requirements are provided from out-of-state sources via interstate gas transmission lines. Transmission companies with gas lines into or through Alabama include: Alabama-Tennessee Natural Gas Company, American Midstream (Alabama Intrastate) LLC, American Midstream (Bamagas Intrastate) LLC, American Midstream (Tennessee River) LLC, East Tennessee Natural Gas Company, Florida Gas Transmission Company, Genesis Pipeline Alabama, LLC, Southcross Alabama Pipeline LLC, Southern Gas Transmission Company, Southern Natural Gas Company, Tennessee Gas Transmission Corporation, Texas Eastern Transmission Corporation, Transcontinental Gas Pipe Line Corporation and United Gas Pipe Line Company.

Gas distribution companies or gas districts distribute natural gas. The larger distribution companies include Spire (formerly, Alabama Gas Corporation and the Mobile Gas Service Corporation), Wheeler Basin Natural Gas Company, and Huntsville Utilities.

Education

Alabama provides a mix of public and private educational opportunities. The State Board of Education establishes policies and exercises general control over the public school system. The Board is comprised of elected representatives from eight districts plus the Governor as its president. The Board and the State Department of Education oversee 1,501 public schools in Alabama serving approximately 750,000 PK-12 students. The State has approximately 150 school systems, each with its own local board and superintendent of education.

In 2025 (the most recent year available), Alabama's state average score on the ACT college entrance exam was 18. This compares with the national average score of 19.4. Public school students who took the SAT college entrance exam (approximately 3%) scored above the national average.

Alabama has moved from an assessment system based on multiple standards to a focused and linear system, the primary function of which is ensuring the State produces graduates that are college and career ready. It includes the following: *Dynamic Indicators of Basic Early Literacy Skills* assessment (Grades K-2); the *ACT Aspire* assessment (Grades 3-8 and 10); the *ACT QualityCore* End-of-Course assessments (English 9 or 10 and Algebra I); the *ACT with Writing* (Grade 11); and the *ACT WorkKeys* (Grade 12). The *Alabama Alternate Assessment* is administered to students with significant cognitive disabilities working on the Alabama Extended Standards. *ACCESS for ELLs 2.0* is administered annually to students in Grades K-12 who are identified as English language learners. The *Alternate ACCESS for ELLs* is administered to English language learners with significant cognitive disabilities. Alabama has also purchased a statewide license from Scantron that provides access to Performance Series (online computer adaptive) and Achievement Series (online criterion referenced) tests for every K-12 student in the State.

Historically, all students had to pass the Alabama High School Graduation Exam in order to receive a diploma. Students took a pre-graduation exam in the spring of the tenth grade as a checkpoint leading to the Alabama High School Graduation Exam. A student had four opportunities, if needed, to pass each subject area test before exiting school. The Alabama High School Graduation Exam is now phased out. The last cohort that had the Alabama High School Graduation Exam as a diploma requirement was the group of students that entered the ninth grade for the first time in 2011-2012. In conjunction with the transition from the graduation exams, Alabama moved to the 4-Year Cohort Graduation Rate. The State's Cohort Graduation Rate increased from 72% in 2011 to 92% in 2024.

Increasing the graduation rate and ensuring more graduates are college and career ready are two primary focuses of Plan 2020, Alabama's strategic plan for educational improvement. For that to happen, students must have a plan for high school. Alabama requires that an online four-year plan for all students be completed prior to the spring of their ninth-grade year. The State has purchased a license for Kuder and provided students and educators with access to that platform for this purpose. Though the plan is required by the spring of the ninth-grade year, best practice suggests that they be completed by the end of the eighth-grade year. The Kuder platform includes three career interest assessments, meant to be given in the sixth, seventh, and eighth grades, to assist in the development of the four-year plans.

The following table indicates the estimated level of education in Alabama as compared to the United States as a whole.

Table 11.
Educational Attainment for the Population
25 Years and Older

Level of Education	Alabama	United States
High school graduate or higher	89.6%	89.9%
Bachelor's degree or higher	29.9%	36.8%

Source: US Census Bureau, American Fact Finder: 2024 American Community Survey.

GOVERNMENTAL ORGANIZATION AND SERVICES

Under the State Constitution, the powers of the State government are divided into three distinct branches – the legislative, executive and judicial.

Legislative Branch

The legislative power is vested in the Alabama Legislature, which consists of the Senate and the House of Representatives. The Senate consists of 35 members elected by popular vote from 35 senatorial districts, and the House of Representatives consists of 105 members elected by popular vote from 105 House of Representatives districts. Legislative members are elected for four-year terms by general election and take office on the day after the general election in which they are elected. An organizational session of the Legislature is held in January following the general election and annual sessions commence in March of the first year, in February of the second and third years and in January of the fourth year. Special sessions may be called by the Governor for the limited purpose of enacting legislation on the subjects specified by the Governor in the call of such sessions. The Legislature may, by a vote of two-thirds of each house, also enact legislation at special sessions on matters not included in the Governor's call. A full-time staff, which is augmented by a part-time staff, assists the Legislature.

The legislative branch also includes (i) the Legislative Council, whose purpose is to suggest research studies to the Legislative Reference Service and to recommend legislation to the Legislature; (ii) the Legislative Services Agency, consisting of the Legal Division, Fiscal Division, and Law Revision Division; and (iii) the Examiners of Public Accounts, whose purpose is to examine and audit the books, accounts and records of all State and county offices, officers, bureaus, boards, commissions, corporations, departments and agencies, including all State institutions of higher education.

Executive Branch

The State Constitution provides that the elected officers of the State shall be the Governor, Lieutenant Governor, Attorney General, State Auditor, Secretary of State, State Treasurer and Commissioner of Agriculture and Industries. The individuals now serving as such officers were elected at the general election in November 2022 and will hold office until January 2027.

The supreme executive power of the State is vested in the Governor, who has the constitutional responsibility for ensuring that laws are faithfully executed, providing the Legislature with information on the condition of the government, presenting the budget and recommending to the Legislature such measures as he or she may deem expedient. The Governor is also empowered to convene special sessions of the Legislature and to veto bills, but the Legislature may, in the manner provided by the State Constitution, reconsider and reenact measures vetoed by the Governor. Broad appointive and investigative powers are conferred upon the Governor by State statute.

The Lieutenant Governor serves as president of the Senate and becomes Governor in case of the inability of the Governor to exercise the powers and perform the duties of his or her office.

The Attorney General is the chief law enforcement officer of the State. His duties include providing legal advice and representation for the State and its officers. The Attorney General represents the State before all federal and State courts in all cases in which the State is a party and institutes proceedings to enforce the statutes, rules and regulations of the State.

The State Auditor is responsible for post-auditing the accounts and records of the Department of Finance and the State Treasurer. The State Auditor makes an annual report showing all receipts and disbursements and conducts a continuous monthly audit of the State Treasurer's Office, reconciling all accounts with the State Comptroller's records.

The Secretary of State is responsible for the custody and use of the Great Seal of the State, for certifying and distributing public documents, and for performing other duties as prescribed by law.

The State Treasurer is responsible for the custody of all State funds and other funds deposited with the State and for the payment of debt of the State and its agencies. The office of the State Treasurer is the State's central banking agency.

The Commissioner of Agriculture and Industries is responsible for regulatory control over certain products and industries involving matters of food safety, weights and measures and pesticide application, as well matters involving agriculture, livestock and poultry.

The Department of Finance is a statutory department established in 1939 to manage, control and supervise all matters pertaining to fiscal affairs of the State and its departments, boards, bureaus, commissions, agencies, offices and institutions. The Director of Finance, who is appointed by the Governor, manages the Department of Finance. The Director of Finance acts as chief financial officer of the State and is directly responsible for the following divisions of the Department of Finance: Executive Budget Office, Control and Accounts (Comptroller's Office), Debt Management and Capital Planning, Purchasing, Information Services, Indigent Defense Services, Space Management, State Business Systems, Risk Management, Services, Legal, Personnel, Real Property Management and Accounting & Administration.

The State Department of Revenue was created in 1939 and is responsible for supervising and controlling the valuation, equalization, assessment and collection of certain taxes assigned to it for collection. The Governor appoints the Commissioner of Revenue.

Judicial Branch

The judicial power of the State is vested in a unified judicial system consisting of a Supreme Court, a Court of Criminal Appeals, a Court of Civil Appeals, trial courts of general jurisdiction known as circuit courts, trial courts of limited jurisdiction known as district courts and such municipal courts as are provided for by law. Additional judicial functions are performed by the State's probate courts.

The Supreme Court exercises jurisdiction as the highest court of the State for appeals and consists of nine Justices (the Chief Justice and eight Associate Justices). The Court of Criminal Appeals has exclusive appellate jurisdiction of all appeals in criminal cases. The Court of Civil Appeals hears appeals from certain decisions of civil trial courts. The circuit courts have exclusive jurisdiction in certain civil and criminal cases as provided by law, and by de novo proceedings they exercise appellate jurisdiction of civil, criminal and juvenile cases which have first been tried in district courts.

In addition to the State's system of courts, there is a Judicial Inquiry Commission, which reviews complaints received against judges, conducts field investigations and prosecutes cases before the Court of the Judiciary.

INDEBTEDNESS

Limitations on Debt

Pursuant to Section 213 of the State Constitution, as amended by Amendment 26 thereto (the "Constitutional Budget Amendment"), the State is constitutionally prohibited from incurring debt, and the only method by which general obligation debt of the State can be incurred is by an amendment to the State Constitution. Although conventions proposed by the Legislature and approved by the electorate may be called for the purpose of amending the State Constitution, all amendments have historically been adopted through a procedure which requires them to be proposed by a favorable vote of three-fifths of all the members of each house of the Legislature and thereafter approved by a majority of the voters of the State voting in a statewide election.

The Supreme Court of Alabama has held that the debt prohibition contained in the Constitutional Budget Amendment does not apply to obligations incurred for current operating expenses payable during the current fiscal year, debts incurred by separate public corporations functioning as instrumentalities of the State, or State debt incurred to repel invasion or suppress insurrection. The State may also make temporary loans not exceeding $300,000 to cover deficits in the State Treasury. Limited obligation debt payable solely out of certain taxes and other revenues may be

authorized by the Legislature without an amendment to the State Constitution. The State has followed the practice of financing certain capital improvement programs, principally for highways, education and improvements to the facilities of the Alabama State Port Authority, through the issuance of limited obligation bonds payable solely out of certain taxes and other revenues specifically pledged for their payment and not from the general revenues of the State. Such limited obligation bonds are not general obligations of the State, and the full faith and credit of the State have not been pledged to the payment thereof. See Table 13 ("Limited Obligation Bonds of State Departments and Certain State Authorities Outstanding at the Close of Business on May 1, 2026") herein.

General Obligation Debt

As of August 15, 2026, eight series of general obligation bonds of the State, aggregating $364,895,000, remain outstanding. The full faith and credit of the State are pledged for the payment of each of those issues. The State has historically paid from the General Fund the principal of and interest on those of its general obligation bonds for which no moneys or taxes are specifically appropriated or earmarked, and is authorized to use funds from the Alabama Capital Improvement Trust Fund for the payment of principal and interest on certain general obligation bonds. Currently, the Alabama Capital Improvement Trust Fund is paying a portion of the debt service on the State's General Obligation Bonds 2014-A, General Obligation Bonds, Series 2016-A, General Obligation Refunding Bonds, Series 2016-C, General Obligation Bonds, Series 2018-A, Taxable General Obligation Bonds, Series 2018-B, General Obligation Bond, Series 2022-A, General Obligation Bond, Series 2022-B and General Obligation Bonds, Series 2026A-1.

The following table sets forth the principal amount of general obligation debt of the State outstanding as of the close of business on July 1, 2026.

Table 12.
State of Alabama General Obligation Debt

Issue	Dated	Outstanding Principal Amount
Series 2016-A	3/8/2016	$70,845,000
Series 2016-C	10/6/2016	72,640,000
Series 2018-A	12/13/2018	98,360,000
Series 2018-B	12/13/2018	3,520,000
Series 2022-A	10/21/2022	10,555,000
Series 2022-B	11/9/2022	76,995,000
Series 2026-A1	6/30/2026	31,980,000
Total		$364,895,000

Source: Department of Finance

Limited Obligation Bonds of State Departments and Certain State Authorities

The State has created public corporations and authorities of the State for the purpose of financing certain projects and programs such as public highways, public education facilities, judicial facilities, industrial site preparation grants and surveys, single and multifamily housing and agricultural development loans. The obligations of such public corporations and authorities are not general obligations of the State, but are rather limited obligations of the issuer, payable solely from the revenues pledged for the obligations of each such issuer including, in some cases, earmarked tax revenues and, in other cases, revenues from the projects or programs financed.

The following table shows the principal amount of limited obligation bonds outstanding as of the close of business on August 15, 2026, which are payable from tax revenues or other State funds.

Table 13.
Limited Obligation Bonds of State Departments and
Certain State Authorities Outstanding
at the Close of Business August 15, 2026

Principal Outstanding	Title of Bonds	Final Maturity[(1)]
$140,936,366	Alabama Public School and College Authority Special Obligation Bonds, Capital Improvement Pool Qualified School Construction Bonds, Series 2010 Direct Loan Bonds (sales, use taxes, utility gross receipts and utility service taxes)	2027
1,300,000	Alabama Public School and College Authority Capital Improvement Bonds Series 2013-D Taxable (sales, use taxes, utility gross receipts and utility service taxes)	2026
70,285,000	Alabama Public School and College Authority Capital Improvement Refunding Bonds Series 2014-B (sales, use taxes, utility gross receipts taxes)	2027
13,790,000	Alabama Public School and College Authority Bonds, Series 2015-B Pool Refunding Bonds (sales, use, utility gross receipts and utility service taxes)	2029
10,535,000	Alabama Public School and College Authority Special Obligation Bonds, Series 2015-C Pool Bonds (sales, use taxes, utility gross receipts and utility service taxes)	2030
17,480,000	Alabama Public School and College Authority Special Obligation Bonds, Series 2016-A Pool Bonds (sales, use taxes, utility gross receipts and utility service taxes)	2036
12,840,000	Alabama Public School and College Authority Special Obligation Bonds, Series 2017-A Pool Bonds (sales, use taxes, utility gross receipts and utility service taxes)	2038
19,370,000	Alabama Public School and College Authority Special Obligation Bonds, Series 2019-A Pool Bonds (sales, use taxes, utility gross receipts and utility service taxes)	2039
1,114,520,000	Alabama Public School and College Authority Special Obligation Bonds, Series 2020-A Capital Improvement and Refunding Social Bonds (sales, use taxes, utility gross receipts and utility service taxes)	2041
116,845,000	Alabama Public School and College Authority Special Obligation Bonds, Series 2020-C Capital Improvement Pool Refunding Social Bonds (sales, use taxes, utility gross receipts and utility service taxes)	2035

Principal Outstanding	Title of Bonds	Final Maturity[1]
31,620,000	Alabama Public School and College Authority Special Obligation Bonds, Series 2022-A Capital Improvement Pool Bonds (sales, use taxes, utility gross receipts and utility service taxes)	2042
31,540,000	Alabama Public School and College Authority Special Obligation Bonds, Series 2024-A Capital Improvement Pool Bonds (sales, use taxes, utility gross receipts and utility service taxes)	2044
16,605,000	Alabama Public School and College Authority Special Obligation Bonds, Series 2026-A Capital Improvement Pool Bonds (sales, use taxes, utility gross receipts and utility service taxes)	2046
20,000,000	Alabama Building Renovation Finance Authority, Series 2026A (lease payments from various State agencies to Authority)	2046
30,030,000	Alabama Incentives Financing Authority, Series 2009-B (TVA in-lieu-of-taxes)	2029
9,625,000	Alabama Incentives Financing Authority, Series 2019-A Refunding Bonds (TVA in-lieu-of-taxes)	2029
127,200,000	Alabama Incentives Financing Authority, Series 2019-B Refunding Bonds (TVA in-lieu-of-taxes)	2042
47,445,000	Alabama Public Health Care Authority, Series 2015 (lease payments from Department of Public Health)	2044
13,795,000	Alabama Public Health Care Authority, Series 2016 (lease payments from Department of Public Health)	2035
20,440,000	Alabama Federal Aid Highway Finance Authority, Tax-Exempt Special Obligation Revenue Bonds Series 2021-A (Anticipation of Federal Grant Revenues and Gasoline Tax)	2037
732,360,000	Alabama Federal Aid Highway Finance Authority, Taxable Special Obligation Revenue Bonds Series 2021-B (Anticipation of Federal Grant Revenues and Gasoline Tax)	2037
250,000,000	Alabama Federal Aid Highway Finance Authority, Taxable Special Obligation Revenue Bonds Series 2025-A (Anticipation of Federal Grant Revenues and Gasoline Tax)	2045
340,590,000	Alabama Federal Aid Highway Finance Authority, Taxable Special Obligation Revenue Bonds Series 2025-B (Anticipation of Federal Grant Revenues and Gasoline Tax)	2036
730,000,000	Alabama Highway Authority, Special Obligation Revenue Bonds Series 2025 (Rebuild Alabama Fuel Tax Proceeds)	2045
77,850,000	Alabama Highway Finance Corporation Series 2020-A Limited Obligation Bonds (Rebuild Alabama Act Gasoline/Diesel Tax Proceeds)	2040
5,184,000	Alabama Revolving Loan Fund Authority, Series 2021 (privilege and license tax on providers of cellular radio telecommunications services)	2030
80,925,000	Alabama Economic Settlement Authority Series 2016-A Special Revenue Bonds (BP Settlement)	2033
281,935,000	Alabama Economic Settlement Authority Series 2016-B Taxable Special Revenue Bonds (BP Settlement)	2032

Principal Outstanding	Title of Bonds	Final Maturity[1]
3,930,000	Alabama Transportation Infrastructure Bank (ATIB) Series 2022-A Loan Program with pledged revenues from local entity with state revenues pledged under an ATIB master indenture	2037
57,785,000	Alabama Transportation Infrastructure Bank (ATIB) Series 2022-B Loan Program with pledged revenues from local entity with state revenues pledged under an ATIB master indenture	2042
3,555,000	Alabama Transportation Infrastructure Bank (ATIB) Series 2023-A Loan Program with pledged revenues from local entity with state revenues pledged under an ATIB master indenture	2038
6,230,000	Alabama Transportation Infrastructure Bank (ATIB) Series 2023-B Loan Program with pledged revenues from local entity with state revenues pledged under an ATIB master indenture	2043
985,000	Alabama Transportation Infrastructure Bank (ATIB) Series 2025-A Loan Program with pledged revenues from local entity with state revenues pledged under an ATIB master indenture	2035
438,490,000	Alabama Corrections Institution Finance Authority (ACIFA) Revenue Bonds Series 2022-A (lease payments from Department of Corrections)	2052
$4,876,020,366	**Total Outstanding**	

[1] Final Maturity in the State's Fiscal Year

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Table 14.
Debt Service on All Bonds Outstanding
as of Close of Business August 15, 2026 [(1)]

Fiscal Year Ending September 30	General Obligation Bond Debt Service	Limited Obligation Bond Debt Service	Total Debt Service
2026	$ -	$ 230,188,287	$230,188,287
2027	66,511,993	538,231,176	604,743,170
2028	43,513,138	517,647,072	561,160,209
2029	37,983,288	452,225,290	490,208,577
2030	37,933,738	443,451,961	481,385,699
2031	37,887,375	441,350,340	479,237,715
2032	37,847,600	441,618,178	479,465,778
2033	28,400,000	442,319,548	470,719,548
2034	28,394,175	373,614,912	402,009,087
2035	28,395,525	349,722,967	378,118,492
2036	28,388,750	363,634,868	392,023,618
2037	28,391,875	365,551,677	393,943,552
2038	20,675,250	236,910,121	257,585,371
2039	20,679,875	229,376,594	250,056,469
2040	10,022,875	227,430,915	237,453,790
2041	10,026,125	219,574,811	229,600,936
2042	10,023,500	148,506,459	158,529,959
2043	10,024,250	128,617,494	138,641,744
2044	-	128,097,963	128,097,963
2045	-	120,651,150	120,651,150
2046	-	42,488,250	42,488,250
2047	-	39,625,325	39,625,325
2048	-	16,615,863	16,615,863
2049	-	16,615,450	16,615,450
2050	-	16,614,600	16,614,600
2051	-	16,616,475	16,616,475
2052	-	16,618,975	16,618,975
Total	**$ 485,099,331**	**$ 6,563,916,719**	**$ 7,049,016,049**

(1) This table excludes annual debt service on any outstanding bonds which have been refunded and for which an escrow trust fund has been established. This table also excludes debt service that has already been paid for FY 2026.

Columns may not add due to rounding.

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Table 15.
Debt Ratios

as of the Close of Business August 15, 2026

	Principal Amount	Debt Per Capita [1]	Debt to Assessed Valuation [2]	Debt to Personal Income [3]
General Obligation Bonds	$ 364,895,000	$70.27	0.30%	0.12%
Limited Obligation Bonds	$4,876,020,366	$938.94	4.02%	1.67%
Total	**$5,240,915,366**	**$1,009.21**	**4.32%**	**1.79%**

(1) Based on 2025 population of 5,193,088.

(2) Based on 2025 estimated gross assessed valuation of $121,179,476,469.

(3) Based on 2024 personal income of $292,359,010,116.

Source: Department of Finance, State of Alabama

General Obligation Bonds Authorized and Unissued

Pursuant to Amendment 666 of the State Constitution, the State was initially authorized to sell and issue up to $350 million aggregate principal amount of general obligation bonds in one or more series for various purposes specified therein without any additional legislative or voter approval. Amendment 666 was later amended by Amendment 796, ratified June 5, 2007, which increased the aggregate principal authorization to $750 million. Amendment 880, ratified November 1, 2012, (i) provides that the authority of the State to issue general obligation bonds pursuant to Amendments 666 and 796 is not subject to the aggregate principal amount limitations contained in those amendments; provided that at no time shall the aggregate principal amount of general obligation bonds (including, without limitation, general obligation refunding bonds) issued pursuant to the provisions of those amendments be outstanding in excess of $750 million, and (ii) allows the issuance by the State of general obligation refunding bonds under the authority of Amendment 666, subject to certain minimum savings thresholds and limitations of maximum average maturity. As of May 1, 2026 there was $287,370,000 in aggregate principal amount outstanding under the authority of Amendment 666, as amended.

Pursuant to Amendment No. 887 to the State Constitution ("Amendment 887"), the State may issue up to an additional $50,000,000 of general obligation bonds in order to finance the construction and maintenance of Alabama National Guard armories. The State has issued the maximum amount of general obligation bonds authorized pursuant to Amendment 887.

Pursuant to Amendment No. 978 to the State Constitution ("Amendment 978"), the State may issue up to an additional $85,000,000 of general obligation bonds in order to finance capital projects for the Alabama Department of Conservation and Natural Resources, the Alabama Historical Commission and the Alabama Forestry Commission. The State has issued the maximum amount of general obligation bonds authorized pursuant to Amendment No. 978.

Limited Obligation Bonds Authorized and Unissued

As of August 15, 2026, limited obligation bonds payable from State revenues, which have been authorized but are unissued include: Alabama Public School and College Authority in the principal amount of $102,290,000; Alabama Public Health Finance Authority in the principal amount of $45,000,000; the Alabama Parking Deck Authority in the amount of $13,000,000; State Industrial Development Authority in the principal amount of $100,000,000, of which only $40,000,000 can be outstanding at any one time and an additional principal amount of $1,000,000,000; Farmers Market Authority in the principal amount of $10,000,000; the Alabama Corrections

Institution Finance Authority in the aggregate principal amount of $839,985,000; the Alabama Highway Finance Corporation in the aggregate principal amount of $56,540,000 ($31,540,000 under the Rebuild Alabama Act for certain improvements to the Port of Mobile and $25,000,000 in other issuance authority); the Alabama Mental Health Finance Authority in the aggregate principal amount of $18,250; the Alabama Building Renovation Finance Authority in the principal amount of $30,000,000; the Alabama Highway Authority is unlimited; the Garrett Coliseum Redevelopment Corporation in the principal amount of $100,000,000; the Alabama Public Health Care Authority is unlimited; the Alabama Toll Road, Bridge and Tunnel Authority is unlimited based on the Authority's construction of toll roads and bridges; the Alabama Transportation Infrastructure Bank is unlimited; and the Alabama Federal Aid Highway Finance Authority is based on the amount of federal funds received and gasoline taxes collected. Additionally, the Alabama Public School and College Authority has unlimited authority to issue pool bonds on behalf of local boards of education which are secured by certain utility, sales and use taxes (though typically paid from leveraged funds to be received by such local boards of education from the State of Alabama Public School Fund).

Interest Rate Hedging Agreements

State Policy. The State's Finance Director adopted a policy for the State in June of 2004 to provide criteria for the State in assessing and implementing hedging agreements in conjunction with the State's management of its assets and liabilities. The policy outlines procedures for entering into interest rate swap agreements ("Swaps"), permitted uses, counterparty credit standards, risk management considerations and reporting requirements for Swaps entered into by the State. The policy provides that the State will track and regularly report on the financial implications of its hedging transactions. In addition to or in connection with monitoring and reporting required by rating agencies and Governmental Accounting Standards Board ("GASB") compliance, an annual report will be prepared by the State Finance Director that will include the market-to-market value of Swaps entered into by the State.

Swap Agreements Related to Limited Obligation Bonds. Separate interest rate swap agreements have been entered into by public corporations or authorities created by the State for the purpose of financing certain projects and programs such as public highways, public education facilities, judicial facilities, student loans, industrial site preparation grants and surveys, single and multi-family housing and agricultural development loans, the obligations of which are not general obligations of the State but are limited obligations of the issuer payable solely from the revenues pledged for the obligations of each such issuer.

MAJOR OPERATING FUNDS

The allocation of revenues among the various funds and other financial accounting practices of the State are controlled to a large extent by constitutional and statutory provisions that allocate or earmark revenues. Most major revenue sources of the State are required to be deposited into special funds either by the State Constitution or by continuing appropriations of the Legislature. Appropriations are made out of the separate funds for the purposes for which the revenue sources were allocated.

There are five major operating funds of the State: the General Fund, the Alabama Education Trust Fund (the "Education Trust Fund" or "ETF"), the Public Road and Bridge Fund, the Special Mental Health Trust Fund and the Public Welfare Trust Fund.

Taxes from approximately 36 sources are deposited into the General Fund. These taxes are described below under "Receipts, Disbursements, Taxes and Revenues – State Taxes and Other Major Sources of Revenues and Income." The largest revenue sources allocated to the General Fund are the insurance company premium tax, interest on State deposits, interest on the Alabama Trust Fund, oil and gas lease and production taxes, cigarette taxes, ad valorem taxes and net profits from the operations of the Alabama Alcoholic Beverage Control Board. Nine tax sources are allocated to the Education Trust Fund, the largest of which are the income tax, the sales tax, the utility tax and the use tax. Revenues from income taxes and sales taxes constitute an average of approximately 85% of the Education Trust Funds annual revenues. Nine tax sources are allocated to the Public Road and Bridge Fund, the largest of which are the gasoline and gasoline excise taxes, automobile and truck net license fees and motor fuel taxes. The Special Mental Health Trust Fund is funded by three major tax sources, which are the public utilities tax, contractors' gross receipts taxes, distiller's tax and whiskey tax profits. The major revenue sources for the Public Welfare Trust Fund

are the whiskey tax and net profits from the operation of the Alabama Alcoholic Beverage Control Board, sales taxes, franchise taxes and beer taxes.

The three largest operating funds of the State are the General Fund, the Education Trust Fund and the Public Road and Bridge Fund. Details of these funds are set forth on Tables 16 through 18.

The information contained in this Official Statement as to the various taxes and revenues paid into the above-described funds, and the constitutional or statutory provisions respecting their use, is illustrative only and does not summarize all of the provisions of the State Constitution and statutes respecting allocation of revenues.

Historically there has been no inter-fund borrowing or commingling of funds. The Legislature, however, has the authority to transfer the responsibility of funding various agencies between funds. Transfers of this type have been made infrequently.

The General Fund

The General Fund is one of three primary funds of the State. Revenues credited to the General Fund are used for the ordinary expenses of the executive, legislative and judicial departments of the State, for other functions of the government, for debt service on certain general obligation bond issues and for capital outlay. Revenues for the General Fund are appropriated by the Legislature on an annual basis. Certain appropriations from the General Fund are subject to proration. The State Constitution requires that the State have a balanced budget. (See "The Budgetary Process And Financial Controls - Financial Controls," below).

Table 16.
General Fund
Summary of Receipts and Disbursements

(Cash Basis) (in thousands)

Fiscal year ended September 30	**2025**	**2024**	**2023**	**2022**	**2021**
Receipts					
Investment Income	$ 510,334	$ 557,340	$ 404,602	$ 40,374	$ 19,643
Insurance Premium Tax	689,515	609,316	559,786	527,238	464,503
Excise, Sales & Use Taxes	1,288,807	1,210,453	1,214,609	1,138,787	1,062,062
Corporation Taxes	103,288	103,047	102,891	98,435	98,127
Liquor Taxes, Licenses, & ABC Profits	167,688	171,472	173,592	170,159	156,733
Drivers & Motor Vehicle Licenses	88,851	87,579	85,381	82,760	81,043
Property Taxes	252,736	239,777	214,269	192,180	182,201
Oil & Gas Production Taxes	19,562	24,665	33,067	39,266	21,847
Other Taxes	118,828	116,944	120,734	146,490	149,103
Other Licenses, Permits, Fees	112,993	103,372	98,455	93,773	88,942
Other Revenues	113,538	116,852	113,544	125,791	113,752
Alabama Trust	120,125	125,330	118,660	122,500	123,577
Total Receipts	**$3,586,265**	**$3,466,147**	**$3,239,590**	**$2,777,753**	**$2,561,533**
Disbursements					
Economic Development	$ 33,372	$ 25,968	$ 37,264	$ 24,633	$ 18,156
Educational & Cultural	10,619	11,070	9,415	8,366	7,162
Natural Resources & Recreation	25,466	25,656	14,994	11,450	6,903
Health - Physical & Mental	1,441,355	1,324,707	1,121,022	974,257	966,899
Social Services	207,249	189,617	160,716	139,548	130,253
Protection of Persons and Property	1,208,702	1,119,611	1,137,595	1,051,010	868,514
General Government	459,858	406,842	417,885	373,379	306,792
Debt Service	20,796	60,263	62,511	71,804	46,515
Total Disbursements	**$3,407,417**	**$3,163,734**	**$2,961,402**	**$2,654,447**	**$2,351,194**
Net Increase (Decrease) in Cash Balance	**$178,848**	**$278,188**	**$302,413**	**$278,188**	**$123,306**
Beginning Cash Balance, Oct. 1	1,482,213	1,179,800	901,612	778,306	567,967
Ending Cash Balance, Sept 30	**$1,661,061**	**$1,482,213**	**$1,179,800**	**$901,612**	**$778,306**

Source: State Comptroller's Office

The Education Trust Fund

The Education Trust Fund is the largest operating fund of the State. Revenues credited to the Education Trust Fund are used for the support, maintenance and development of public education and capital improvements relating to educational facilities. Moneys on deposit in the Education Trust Fund are appropriated by the Legislature on an annual basis.

Table 17.
Education Trust Fund
Summary of Receipts and Disbursements (Cash Basis)

For the Last Five Fiscal Years
($ in 000s)

Revenues:	**2025**	**2024**	**2023**	**2022**	**2021**
General Sales Tax	$2,567,356	$2,533,282	$2,590,584	$2,479,701	$2,320,781
General Use Tax	401,251	362,127	350,994	368,551	266,446
Income Tax	7,495,180	7,267,129	7,032,094	7,182,568	5,643,876
Utilities Tax	424,999	425,813	421,951	455,094	379,593
Insurance Companies	-	-	-	-	-
Beer Tax	20,336	21,461	22,597	24,173	23,444
Hydroelectric Companies	486	4	557	576	1,153
Chain Store License	124	100	90	89	87
Transfers and Reversions	-	30,631	207	768	103
Other	9,700	9,341	9,856	8,433	8,330
Total Revenues	**$10,919,462**	**$10,649,888**	**$10,428,930**	**$10,519,953**	**$8,643,813**
Expenditures:					
Agriculture and Industries	771	372	-	-	-
Administrative Office of Courts	642	829	515	1,027	787
Commerce	87,780	91,032	186,516	71,233	67,504
Education (K-12)	6,042,010	5,624,451	5,675,117	4,874,558	4,687,670
Forestry Commission	60	60	60	60	30
Finance	492	942	861	464	474
Public Health	23,355	28,297	23,245	20,296	17,887
Dept of Revenue	1,513	-	-	-	-
Youth Services	-	-	-	-	-
Legislature	2,179	1,841	2,701	2,671	3,064
Archives And History	10,144	9,226	6,774	6,287	5,594
Examiners Of Public Accounts	10,854	11,256	11,406	9,295	9,463
Geological Survey	665	7,748	489	524	518
Alabama School of Healthcare Sciences	15,000	-	-	-	-
Corrections	3,000	-	-	-	-
Public Library Service	14,625	14,496	13,554	12,806	12,717
Veterans Affairs	45,858	35,533	35,186	38,063	45,369
ETF Direct Disbursements	-	-	-	-	-
Debt Service And Reserve	30,107	30,659	31,150	32,148	32,762
Governor's Office of Volunteer Services	341	413	245	238	311
Economic and Community Affairs	165	63	890	1,297	126
Alabama Community College System	642,759	560,677	1,002,192	495,202	430,663
Indian Affairs Commission	-	92	-	-	-
Early Childhood Education	227,599	184,356	182,467	144,559	134,639
Lieutenant Governor	159	136	99	218	89
Supreme Court Law Library	712	512	413	498	143
Rehabilitation Services	52,582	57,106	50,117	49,275	50,594
High School Of Math and Science	13,194	14,158	9,983	8,957	8,693
State Exec Comm Serv Grants Comm	21,795	26,553	34,433	10,033	9,027
Sickle Cell Oversight Commission	1,897	1,794	1,511	1,662	1,445
Alabama Innovation Fund	34,590	68,420	49,394	73,446	3,220
Auburn University - Agricultural Experiment Station	42,971	41,022	38,783	36,416	34,355
Auburn University - Ala Cooperative Extension Service	45,244	43,192	40,850	38,239	36,075
Alabama Institute for the Deaf and Blind - Adult Program	17,194	17,619	16,670	14,745	15,281
Alabama Institute for the Deaf and Blind - Industries	12,232	11,819	12,150	10,234	9,683
Finance - Teacher Unused Sick Leave	1,160	1,831	2,228	1,650	1,935
Talladega College	1,176	1,069	1,069	1,004	947
Tuskegee University	18,767	18,651	13,151	14,327	12,677
Lyman Ward Military Academy	409	389	389	389	367
Endowments	82	82	82	82	82

Expenditures (continued):	**2025**	**2024**	**2023**	**2022**	**2021**
Educational Television Commission	9,680	13,017	11,166	14,584	7,060
Alabama Law Institute	-	-	-	-	-
Council on the Arts	12,387	8,944	7,884	6,422	5,950
Commission on Higher Education	68,880	68,715	72,534	46,902	38,612
Nursing Board	755	628	631	586	616
Physical Fitness Commission	2,600	2,398	2,191	2,061	1,874
State Law Enforcement	-	-	-	-	-
Legislative Services	3,727	3,867	3,231	4,092	4,974
Alabama Commission on the Evaluation of Services	868	651	662	554	526
Department of Corrections – Correctional Capital Improvement	20,155	9,160	-	-	-
Alabama Public Charter School Commission	1,158	324	-	-	-
University of Alabama - Tuscaloosa	248,302	229,906	279,059	194,970	181,308
University of Alabama - Birmingham	397,410	374,267	419,011	332,571	309,114
University of Alabama - Huntsville	72,682	68,328	92,966	76,323	54,389
Alabama A&M University	64,021	66,265	72,193	49,461	43,908
Alabama State University	66,965	68,165	69,271	53,811	49,399
Auburn University - Auburn	293,696	274,921	292,545	206,205	192,057
Auburn University - Montgomery	36,375	36,773	40,748	41,886	26,000
Jacksonville State University	63,116	66,128	69,256	46,786	43,764
University of West Alabama	35,423	39,560	37,573	22,165	20,051
University of Montevallo	34,759	38,094	33,774	26,960	22,863
University of North Alabama	59,224	62,856	62,675	43,110	34,567
University of South Alabama	177,039	173,375	179,887	136,598	112,464
Troy University	88,335	90,061	101,570	63,878	57,907
Alabama Institute for the Deaf and Blind	49,799	47,950	48,827	39,239	38,707
Legislative Council	37,500	25,000	-	-	-
Optometric Scholarships Awards	200	200	200	200	180
Medical Scholarships Awards Board	2,239	2,030	2,306	1,967	1,740
Dental Scholarships Awards Board	871	871	731	731	731
Space & Science Exhibit Commission & Finance Authority	5,000	3,350	7,750	5,839	1,400
Music Hall of Fame	232	173	173	157	146
School of Fine Arts	16,075	11,510	16,303	9,398	8,847
Marine Environmental Sciences Consortium	13,250	10,250	12,501	10,751	7,203
Athens State University	25,514	26,237	26,804	16,670	15,935
University of Alabama Board of Trustees	54,287	66,000	-	-	-
Fire College and Personnel Standards Commission	11,078	7,981	6,287	7,381	5,548
Alabama School of Cyber Technology and Engineering	16,545	11,561	15,883	7,140	5,800
ETF Appropriated Transfers	1,778,781	1,969,056	1,392,263	1,495,168	730,441
Total Expenditures	**$11,195,201**	**$10,788,193**	**$10,825,411**	**$8,937,812**	**$7,669,597**
Cash Balance, October 1	$2,436,814	$2,575,119	$2,971,600	$1,389,459	$415,243
Cash Balance, September 30	2,161,045	2,436,814	2,575,119	2,971,600	1,389,549
Cash Reserve for Obligations	115,134	120,895	56,122	64,182	58,676
Unobligated Cash Balance September 30	**$2,045,911**	**$2,315,919**	**$2,518,997**	**$2,907,418**	**$1,330,783**

Source: State Comptroller's Office

The Public Road and Bridge Fund

The Public Road and Bridge Fund is the general operating fund for the Department of Transportation and receives all State revenues, federal aid reimbursements and miscellaneous receipts for the Department of Transportation. The State Constitution provides that no moneys derived from any fees, excises, or license taxes levied by the State, relating to registration, operation or use of vehicles upon the public highways, except a vehicle use tax imposed in lieu of a sales tax, and no moneys derived from any fee, excises, or license taxes levied by the State relating to fuels used for propelling such vehicles, except pump taxes, shall be expended other than for the cost of administering such laws, statutory refunds and adjustments allowed therein, the cost of construction, reconstruction, maintenance and repair of public highways, rights-of-way, the payment of highway obligations, the cost of traffic regulation, and

the expense of enforcing State traffic and motor vehicle laws. The Department of Transportation has historically operated out of these revenues and, when available, federal moneys. The Department of Transportation has previously received only nominal amounts from the General Fund, and no longer receives any funds from the General Fund.

Table 18.
Public Road and Bridge Fund
Summary of Receipts and Disbursements

Fiscal Years Ended September 30

	2025	2024	2023	2022	2021
Cash on Hand, 10/1*	**$302,338,530**	**$289,498,150**	**$303,190,860**	**$236,195,457**	**$161,244,238**
Receipts:					
Gasoline Excise Tax - $0.05	99,384,312	99,117,180	98,811,368	98,086,355	98,817,044
Gasoline Excise Tax - $0.04	46,557,904	46,432,762	46,289,501	45,949,858	46,292,160
Motor Fuel Tax - $0.06	50,206,575	48,207,459	48,635,103	48,270,165	47,479,486
LP Gas Vehicle Permits	33,892	33,248	39,893	40,532	42,941
Motor Vehicle License Taxes	116,723,666	117,712,415	118,063,778	118,877,066	115,932,374
Gasoline Excise Tax - $.07	79,603,799	79,389,901	79,145,124	78,562,603	79,148,719
Lubricating Oil Tax	497,147	512,093	400,166	514,230	485,863
Oversize Hauling Permits	5,626,084	5,082,320	4,707,090	4,620,200	4,378,710
Motor Fuel Tax - $0.13	114,151,303	109,613,236	110,490,649	109,624,073	107,791,045
Truck Identification Decals	331,584	1,821,977	1,121,583	1,167,865	1,092,948
Petroleum Products Inspection Fees	44,606,109	44,051,697	43,357,689	43,953,652	43,924,151
Outdoor Advertising Permits	66,187	61,030	55,220	65,865	58,493
Motor Carrier Tax	450,091	471,687	477,386	477,071	476,197
Interest Income	--	--	--	--	--
Motor Vehicle Excise Tax	536,824	445,769	309,884	303,149	298,879
Federal Aid	1,124,365,612	1,117,950,976	911,721,590	967,958,530	960,303,732
County Aid & Miscellaneous	74,830,434	34,198,136	33,293,768	49,490,561	27,119,141
Industrial Access	3,629,048	3,253,965	2,258,531	355,447	109,095
Transfer from Bond Accounts	88,093,293	27,197	7,553,814	60,732,303	74,723,309
Total Receipts	**$1,849,693,864**	**$1,708,383,048**	**$1,506,732,137**	**$1,629,049,525**	**$1,608,474,287**
Total Funds Available[(1)]	**2,152,032,394**	**$1,997,881,198**	**$1,809,922,997**	**$1,865,244,982**	**$1,769,718,525**
Disbursements:					
Construction	1,390,964,825	1,227,143,496	1,078,691,581	1,145,525,620	1,085,536,659
Maintenance	189,000,775	190,001,794	204,021,888	164,907,702	222,738,240
Equipment Purchase	12,202,396	12,711,501	13,569,267	10,670,986	16,954,689
Administration	154,579,123	176,363,536	111,412,632	119,701,751	116,881,025
Debt Service	87,000,000	86,405,000	86,020,000	89,115,000	56,038,663
Other Expenditures	3,105,398	2,917,341	26,709,479	32,133,063	35,373,792
Total Disbursements	**$1,836,852,518**	**$1,695,542,668**	**$1,520,424,847**	**$1,562,054,122**	**$1,533,523,068**
Cash on Hand, 9/30*	**$315,179,876**	**$302,338,530**	**$289,498,150**	**$303,190,860**	**$236,195,457**

(1) Includes Cash on Hand, 10/1 plus Total Receipts.
*Beginning and ending balances are on a cash basis and include encumbered funds. Columns may not add due to rounding.
Source: Alabama Department of Transportation.

Unemployment Compensation Trust Fund

The unemployment compensation benefits in the State are paid through unemployment compensation taxes levied against employers and employees. Moneys collected from these taxes are transferred to a trust fund in Washington, D.C., the trustee of which is the Secretary of the Treasury of the United States. The moneys in such special trust fund are transferred back to the State at the State's request to pay unemployment compensation benefits. The moneys received are deposited in the State's Unemployment Compensation Trust Fund and are disbursed therefrom for the payment of benefits.

THE BUDGETARY PROCESS AND FINANCIAL CONTROLS

The Budgetary Process

The Executive Budget Office of the Finance Department is by statute responsible for preparing the initial information concerning the State's budget and its execution, revenue estimates, review of Appropriation Acts and fiscal analysis. The Executive Budget Office also assists the Director of Finance and the Governor in duties relating to the formulation of the budget; correlating and revising the estimates of revenues and requests for appropriations of all budgeted agencies; and investigating, supervising and coordinating the expenditures and other fiscal operations of such agencies. The budget document, as finally developed by the Governor, is published and transmitted to the Legislature on or before the second legislative day of each regular session. Appropriation recommendations are subject to alteration by the Legislature.

General Fund and Education Trust Fund Budgetary Status for Fiscal Years 2024 and 2025

From the information that the Executive Budget Office accumulates on revenues and expenditures, certain schedules are prepared. The following table sets forth beginning and ending balances and activity for the General Fund and the Education Trust Fund.

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Table 19.
Condition of Funds

General Fund and Education Trust Fund

	Actual Fiscal Year 2024		Actual Fiscal Year 2025[(1)]*		Budgeted Fiscal Year 2026[(1)]*		Budgeted Fiscal Year 2027[(1)]*	
	General Fund	**Education Trust Fund**	**General Fund**	**Education Trust Fund**	**General Fund**	**Education Trust Fund**	**General Fund**	**Education Trust Fund**
Beginning Balance	717,456,188	2,518,997,462	759,647,415	2,315,918,528	701,367,454	2,045,911,253	343,638,843	1,135,917,702
Revenues	3,466,147,298	10,660,548,592	3,586,265,403	10,926,214,619	3,596,219,819	11,045,334,241	3,396,118,557	11,304,686,900
Total Funds Available	**4,183,603,486**	**13,179,546,054**	**4,345,912,818**	**13,242,133,147**	**4,297,587,273**	**13,091,245,494**	**3,739,757,400**	**12,440,604,602**
Expenditures	3,423,956,071	9,339,128,705	3,644,545,364	9,859,741,322	3,953,948,430	10,796,613,073	3,739,757,400	10,784,117,317
Ending Balance	**759,647,415**	**3,840,417,349**	**701,367,454**	**3,382,391,825**	**343,638,843**	**2,294,632,421**	**0**	**1,656,487,285**
Transfer to Stabilization Fund	0	111,698,094	0	113,168,532	0	116,374,837	0	119,553,278
Transfer to Advancement & Tech. Fund	0	1,000,000,000	0	873,794,314	0	744,528,487	0	508,182,212
Transfer to Educational Opportunities Reserve Fund	0	412,800,727	0	349,517,726	0	297,811,395	0	203,272,885
Balance Carried Forward	**759,647,415**	**2,315,918,528**	**701,367,454**	**2,045,911,253**	**343,638,843**	**1,135,917,702**	**0**	**825,478,910**

Note (1) - FY 26 Budgeted data is as of April 30, 2026.

Source: Department of Finance, Executive Budget Office, State of Alabama

* Unaudited

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Financial Controls

General. An appropriation for a department, agency or program of the State is initially authorized by one of the appropriation bills enacted by the Legislature. Before any moneys may be disbursed pursuant to an appropriation, the department, board, bureau, commission, agency, office or institution of the State for which the appropriation was made must submit to the Finance Department a requisition for an allotment of the amount estimated to be necessary to carry on its work during the period for which the allotment is to be made. Allotments are made for such length of time as may be determined to be appropriate and convenient by the Department of Finance with the approval of the Governor, but no allotment (except for the acquisition of land, permanent improvements or other capital projects) shall, in any event, be for a period of longer than three months. The Department of Finance must examine each such requisition and, with the approval of the Governor, make such allotment or modification thereof as may be necessary.

The State Comptroller is required to establish all allotments on his books and is prohibited from paying to or for any agency amounts in excess of such allotment. The Department of Finance, with the approval of the Governor, may subsequently modify any allotment either upon the written request of the head of the agency or institution concerned or upon the initiative of the Department of Finance or the Governor. After the Comptroller records an allotment, the moneys represented thereby may be expended or encumbered upon request of the head of the agency or institution for which such moneys are appropriated.

State moneys, which are appropriated and allotted, are subject to disbursement by the State Treasurer. Each disbursement of such moneys for payment of vouchers submitted by an agency or an institution must be made pursuant to a warrant drawn upon the State Treasury by the Comptroller. Each warrant presented to the State Treasurer by the Comptroller must specify the particular fund from which it is payable. The Comptroller is responsible for keeping an account in connection with each appropriation and allotment. No warrant may be issued by the Comptroller or paid by the State Treasurer in excess of the available balance of the applicable account or funds on hand in the State Treasury. The State Treasurer is required to honor all warrants properly drawn by the Comptroller.

It is unlawful for any agency official to expend any appropriation for any purpose other than that for which the money was originally appropriated, budgeted and allotted. If the Governor ascertains that funds are being spent unlawfully, the Governor has the power to suspend all appropriations and allotments to such agency or institution until such amounts diverted or wrongfully expended have been replaced.

Unencumbered balances of appropriations lapse at the end of each fiscal year unless otherwise provided by statute. Appropriations for the purchase of land, the erection of buildings, new construction or Department of Transportation maintenance of roads and bridges on the State highway system continue in force until the attainment of the object or the completion of work for which such appropriations were made is accomplished.

An appropriation may be made payable in full only in the event that the estimated revenues during the fiscal year for which the appropriation is made are sufficient to pay all appropriations for such fiscal year in full. To prevent an overdraft or deficit in any fiscal year, the Governor is required to restrict allotments by prorating, without discrimination, the available revenues in a particular fund among the various departments, boards, bureaus, commissions, agencies, offices and institutions of the State. Such restrictions ensure that each appropriation shall be payable in such proportion as the amount of total revenues estimated by the Department of Finance to be available in the fiscal year for which such appropriation was made bears to the total sum of all appropriations made for such fiscal year.

Under the State Constitution, if, at the end of any fiscal year, the moneys in the State Treasury are not sufficient for the payment of all proper claims presented to the Comptroller, then, as of the end of the fiscal year, the Comptroller is required to issue warrants only for that proportion of each such claim equal to the percentage of the amount of such claim relative to the total of all claims. Alabama courts have interpreted this provision to require the annual financial operations of the State to be on a balanced budget and to prevent any department of the State from creating State debt. Consequently, in the event of a deficit, the available moneys are to be prorated among all claims presented for payment. At the end of the fiscal year all excess unpaid appropriations which exceed the moneys in the State Treasury after proration become null and void.

The Supreme Court of Alabama has held that certain expenses of the State necessary for essential functions of government are not subject to proration. It has been determined by the Supreme Court and subsequent advisory opinions of the Alabama Attorney General that such expenses include fixed salaries, other fixed expenses and payment of debt service on outstanding general obligation bonds of the State. Nonetheless, there can be no assurance that the

Supreme Court of Alabama will not, upon further consideration of the issue, modify its earlier decisions and rule that debt service payments on the bonds of the State may be made subject to proration. Consequently, it is not possible to determine what effect, if any, proration with respect to the State's General Fund may have on the payment of the principal of or interest on bonds of the State. Previous proration (which has occurred from time to time since 1933) has not, however, resulted in any default in the payment of the bonds of the State.

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The following table provides historical data concerning General Fund and Education Trust Fund proration.

Table 20.
History of General Fund
and Education Trust Fund Proration
1963-Present

Fiscal Years	General Fund		Education Trust Fund	
	Percent	Amount	Percent	Amount
1963-1964 to 1977-1978[(1)]	-	$-		$-
1978-1979	-	-	2.9811%	29,670,397
1979-1980	-	-	6.1406%	60,887,044
1980-1981	-	-	3.5681%	39,988,286
1981-1982[(1)]	-	-	-	-
1982-1983	15.0000%	55,292,355	-	-
1983-1984 to 1984-1985[(1)]	-	-	-	-
1985-1986	3.0000%	16,240,969	4.2133%	79,645,728
1986-1987 to 1989-1990[(1)]	-	-	-	-
1990-1991	2.6000%	19,970,302	6.5000%	165,768,993
1991-1992	5.5000%	41,745,530	3.0000%	73,428,415
1992-1993	3.2000%	24,532,925	-	-
1993-1994 to 1999-2000[(1)]	-	-	-	-
2000-2001	-	-	6.2000%	263,826,397
2001-2002[(1)]	-	-	-	-
2002-2003[(2)]	-	-	4.4100%	185,067,841
2003-2004 to 2007-2008[(1)]	-	-	-	-
2008-2009[(3)]	-	-	17.9000%	1,134,872,220
2009-2010[(4)]	20.5164%	153,709,068	9.5000%	542,084,273
2010-2011	15.0000%	250,152,394	3.0000%	164,039,534
2011-2012	10.6200%	186,989,003	-	-
2012-2013 to 2024-2025[(1)]	-	-	-	-

Note (1) No proration in either fund

Note (2) Funds from the ETF Rainy Day Account were used to offset a portion of proration in the ETF during 2002-2003. See "Alabama Trust Fund" under Receipts, Disbursements, Taxes and Revenues in this Appendix A.

Note (3) Funds from the ETF Rainy Day Account and the Proration Prevention Account were used to offset a portion of the 17.90%, resulting in an effective rate of 11%.

Note (4) No funds were available in the ETF Rainy Day Account or the Proration Prevention Account to offset the shortage in the ETF. Funds from the General Fund Rainy Day Account were used to offset a portion of the 20.5164%, resulting in an effective rate of 10%.

Source: Department of Finance, Executive Budget Office, State of Alabama

Rolling Reserve Act. In March 2011, the Legislature passed and the Governor signed into law The Education Trust Fund Rolling Reserve Act (as amended, the "Rolling Reserve Act"). The Rolling Reserve Act is designed to reduce the risk of proration in the State's education budget. Proration in the Education Trust Fund occurs when budgeted education spending must be cut mid-year due to lower-than-expected revenues. The education budget process has historically been based on projecting the annual change in Education Trust Fund revenues. The sources of revenue that fund the Education Trust Fund are highly sensitive to changes in the economy and the range of total revenues varies widely from year to year. As a result, accurately projecting the Education Trust Fund revenues each year in order to prepare a workable education spending budget has been difficult. The inability to make accurate revenue projections has led to increased instances of proration in the education budget.

The Rolling Reserve Act caps the education spending at the lesser of (i) an amount equal to the total recurring revenues deposited into the Education Trust Fund in the last completed fiscal year grossed up by the average growth rate based on the 15 most recently completed fiscal years (excluding the highest and lowest years from the calculation) (the "Fiscal Year Appropriation Cap") and (ii) an amount equal to 106.5% of the base appropriation for the fiscal year ending September 30, 2024 (and declining 0.25% each year until fiscal year 2027 at which point the amount is

105.75% of the base appropriations for the 2027 fiscal year and for each fiscal year thereafter) of the Education Trust Fund appropriations for the then current fiscal year that were enacted in a prior legislative session, excluding reversions reappropriated and any supplemental appropriations (the "Secondary Spending Limit"). If new recurring revenue measures are enacted that will be deposited into the Education Trust Fund, or if existing revenue sources are amended to increase the amount of money deposited into the Education Trust Fund, for the first time during the year for which the Fiscal Year Appropriation Cap is being calculated, then 95 percent of the amount projected in the enacted fiscal note accompanying the legislative act creating the new recurring revenue shall be added or subtracted as a part of the Fiscal Year Appropriation Cap for such fiscal year. If a recurring revenue source to the Education Trust Fund is removed or reduced during the year for which the Fiscal Year Appropriation Cap is being calculated, the negative impact, based on the enacted fiscal note, of the removal or reduction of the recurring revenue shall be included in the calculation of the Fiscal Year Appropriation Cap for such fiscal year. Certain nonrecurring revenues are also added or subtracted as a part of the calculation of the Fiscal Year Appropriation Cap for the fiscal year in which the nonrecurring revenue is deposited into the Education Trust Fund.

Pursuant to the Rolling Reserve Act and Section 260.02 to the State Constitution, the State Finance Director and the Legislative Fiscal Officer are each required to estimate the Fiscal Year Appropriation Cap, the Secondary Spending Limit and the available revenue for the Education Trust Fund at the beginning of each regular session of the Legislature. If the average estimated available revenue is less than the Fiscal Year Appropriation Cap or the Secondary Spending Limit, the Legislature may not appropriate more than lesser of the average estimated available revenue, the Fiscal Year Appropriation Cap or the Secondary Spending Limit. The budget process required by the Rolling Reserve Act was implemented beginning with the 2013 fiscal year budget and has evolved to the current process through subsequent legislation.

Under the Rolling Reserve Act, Education Trust Fund revenues over and above the budgeted amount are to be transferred to the Education Trust Fund Rainy Day Account (the "Rainy Day Account") until the Rainy Day Account has been reimbursed in full for any prior withdrawals. The Rainy Day Account currently gives the State the power to temporarily transfer money from the Alabama Trust Fund to prevent proration of the Education Trust Fund, but the money must be reimbursed within 6 years of its transfer. There is not currently an amount outstanding to be repaid to the Education Trust Fund Rainy Day Account.

Once the Rainy Day Account has been fully repaid, any remaining revenues will either remain in the Education Trust Fund and be treated as nonrecurring revenues or transferred to the following savings accounts established by the Rolling Reserve Act: the Education Trust Fund Budget Stabilization Fund (the "Budget Stabilization Fund"), the Education Trust Fund Advancement and Technology Fund (the "Advancement and Technology Fund") and the Educational Opportunities Reserve Fund (the "Educational Opportunities Reserve Fund"). Money in the Budget Stabilization Fund may be withdrawn only to prevent proration in the Education Trust Fund. If any excess revenues remain in the Education Trust Fund at the end of a fiscal year, and the Rainy Day Account has been repaid in full, an amount up to 1% of the prior year's appropriations shall be transferred to the Budget Stabilization Fund annually until the Budget Stabilization Fund reaches 10% of the prior year's total appropriations from the Education Trust Fund. If any such excess revenues remain after the transfer described in the preceding sentence, 50% of such remaining funds are to be transferred to the Advancement and Technology Fund (not to exceed $1 billion in any fiscal year), 20% of such excess remaining revenues are to be transferred to the Educational Opportunities Reserve Fund and the balance of the remaining excess revenues are to remain in the Education Trust Fund as nonrecurring revenues. The Advancement and Technology Fund was established for repairs and deferred maintenance of public education facilities, capital outlay, instructional support, insuring facilities, certain transportation purposes, school security measures and purchasing education technology and equipment. Moneys in the Advancement and Technology Fund shall not be used for the payment of debt service. The Educational Opportunities Reserve Fund was established to provide moneys for one-time funding for the following purposes: (1) to offset a reduction in revenues to the Education Trust Fund that could negatively impact funding for budgeted obligations from the Education Trust Fund for the current fiscal year as certified by the Director of Finance and the Legislative Fiscal Officer; (2) to provide funding for unanticipated obligations, and to sustain required programmatic increases for existing obligations paid from the Education Trust Fund in the event of a change in economic conditions; (3) to provide funding to maintain prior year appropriation levels if the computation of the Fiscal Year Appropriation Cap or Secondary Spending Limit is less than Education Trust Fund base appropriations for the previous fiscal year, not to exceed the difference between the two figures; and (4) for start-up transitional support for initiatives that provide access to enhanced educational opportunities to all public K-12 or higher education students in the State. Amounts in the Educational Opportunities Reserve Fund shall not be appropriated for any of the following purposes: repairs or

deferred maintenance for facilities, capital outlay, pay raises or bonuses for educational personnel or retirees, or to provide educational support for ongoing expenditures other than as specified in the preceding sentence; provided, funds may be appropriated to maintain Foundation Program State funding in extraordinary situations.

RECEIPTS, DISBURSEMENTS, TAXES AND REVENUES

General

Revenues are collected by nearly every State entity. Table 21 shows the total receipts and disbursements only for those governmental and expendable trust funds operating from the State Treasury. Table 21 does not include the activities of funds operating outside the State Treasury, such as the Alabama State Port Authority, the Alabama Housing Finance Authority, or the various colleges and universities. Table 21 also does not include the activities of any agency funds, proprietary funds or similar pension and nonexpendable trust funds. Agency funds involve moneys held for other funds or individuals and thus do not generate revenues or expenditures for the State. Proprietary funds generally involve functions that are financed by charges to the governmental funds for services such as the motor pool, print shop or self-insurance funds for State property and employee's health insurance. Pension trust funds are financed partly by charges to the governmental funds and partly by investment earnings. The net effect of some proprietary and similar trust funds is included in Table 21. The taxes and licenses collected by the Alcoholic Beverage Control Board ("ABC") are recognized in governmental funds, and the net profits are required by law to be transferred to various governmental funds. Therefore, the net earnings generated by ABC are included in Table 21. Similarly, the Alabama Trust Fund transfers to the General Fund a portion of 5% of the invested assets' average market value from the three previous fiscal years plus 33% of the Oil & Gas payments received for the fiscal year ending one year prior, and this transfer is reflected in Table 21 as an Other Financing Source. Because the State records its revenues on a modified cash basis, the information includes encumbered funds, cash owed to local governments, the federal government and other items which are already obligated. It should also be noted that only a small portion of the receipts shown in Tables 21 and 22 are deposited into the General Fund.

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Table 21.
Schedule of Receipts and Disbursements (Cash Basis)
Governmental Fund Types (State Treasury Funds Only)
(amounts in thousands)

Receipts:	**2025**	**%**	**2024**	**%**	**2023**	**%**	**2022**	**%**	**2021**	**%**
Taxes	16,440,128	42.3%	$15,942,729	40.4%	$15,631,609	45.7%	$15,806,913	39.1%	$13,389,898	36.5%
Licenses, Permits and Fees	1,015,500	2.6%	1,013,399	2.6%	1,016,514	3.0%	1,005,698	2.5%	939,988	2.6%
Fines and Forfeits	221,498	0.6%	248,205	0.6%	270,245	0.8%	222,316	0.6%	251,201	0.7%
Federal Funds	13,665,971	35.1%	14,695,348	37.2%	14,815,340	43.3%	16,378,684	40.6%	13,898,260	37.9%
Investment Income	563,903	1.5%	607,664	1.5%	449,849	1.3%	449,102	1.1%	26,057	0.1%
Other Revenues	1,610,668	4.1%	1,563,048	4.0%	1,308,693	3.8%	1,392,732	3.5%	1,117,795	3.1%
Other Financing Sources	5,377,374	13.8%	5,419,754	13.7%	690,935	2.0%	5,138,458	12.7%	7,075,671	19.3%
Total Receipts	**$38,895,042**	**100.0%**	**$39,490,144**	**100.0%**	**$34,183,185**	**100.0%**	**$40,393,903**	**100.0%**	**$36,698,870**	**100.0%**
Disbursements:										
Economic Development & Regulation	322,115	0.8%	264,935	0.7%	280,307	0.7%	247,781	0.7%	276,830	0.8%
Education and Cultural Resources	14,048,476	35.6%	14,548,342	36.6%	12,799,880	33.8%	11,544,538	32.8%	9,557,938	28.5%
Natural Resources and Recreation	326,233	0.8%	314,460	0.8%	264,026	0.7%	266,388	0.8%	249,648	0.7%
Health - Physical and Mental	12,720,658	32.2%	12,418,873	31.2%	11,834,120	31.2%	10,742,812	30.5%	10,003,789	29.8%
Social Services	4,084,292	10.3%	4,024,634	10.1%	4,708,310	12.4%	4,537,751	12.9%	3,832,396	11.4%
Protection of Person and Property	2,168,357	5.5%	2,043,514	5.1%	2,371,964	6.3%	2,930,782	8.3%	3,003,873	9.0%
Transportation	2,484,084	6.3%	2,365,200	5.9%	2,043,857	5.4%	2,008,659	5.7%	2,162,785	6.5%
General Government	2,548,996	6.5%	2,924,008	7.4%	2,710,166	7.2%	1,953,614	5.6%	1,618,528	4.8%
Capital Outlay	161,888	0.4%	167,456	0.4%	153,520	0.4%	222,338	0.6%	1,835,247	5.5%
Debt Service	626,643	1.6%	727,229	1.8%	758,880	2.0%	760,713	2.2%	1,014,834	3.0%
Total Disbursements	**$39,491,742**	**100.0%**	**$39,798,651**	**100.0%**	**$37,925,030**	**100.0%**	**$35,215,376**	**100.0%**	**$33,555,868**	**100.0%**

Source: State Comptroller's Office.

Table 22.
Summary of Revenues by Principal Sources (Cash Basis)
Governmental Funds in State Treasury
(amounts in thousands)

Taxes:	**2025**	**2024**	**2023**	**2022**	**2021**
General Sales Tax (4% on gross retail sale of merchandise)	$3,147,651	$3,095,787	$3,220,325	$3,219,137	$2,904,879
General Use Tax	1,154,607	1,051,757	985,468	991,973	747,087
Income Tax (2% to 5% personal, 6.5% net corporate income)	7,539,216	7,311,165	7,076,130	7,226,604	5,687,912
Property Tax Relief	84,920	78,161	70,196	63,542	60,764
General Property Tax	574,208	547,997	489,127	450,357	412,709
Gasoline Taxes (.16 per gallon; .03 aviation; .01 jet)	727,001	718,209	691,417	682,236	633,703
Utilities Tax (6% telephone, 4% other)	439,912	440,726	436,864	470,007	394,506
Insurance Premium Tax (1% to 6%)	695,238	614,922	565,444	561,847	470,041
Liquor & Wine Tax (totals 56%, collected by ABC stores)	214,654	216,178	212,697	200,213	191,825
Tobacco & Cigarette Taxes (21.25 mills per cigarette	123,793	131,222	144,783	164,104	170,402
Corporation Taxes (privilege, 25 cents to $1.75 per $1,000 net worth)	136,327	136,022	135,721	130,423	130,121
State Beer Tax (.05 per 12 oz.)	50,840	53,653	56,493	60,433	58,610
Public Utilities (2.2%)	169,351	169,524	171,657	154,522	154,173
Motor Fuel Tax (diesel .17 per gallon)	278,606	270,009	263,151	261,806	239,401
Tennessee Valley Authority (payments in-lieu of all state taxes)	91,569	93,542	96,364	98,216	80,128
Leasing / Renting Tangible Personal Property - (4% most items)	106,650	108,972	101,923	108,313	91,707
Production Privilege Tax (Oil & Gas Severance)	25,461	28,337	44,941	59,135	29,538
Financial Institutions Excise Tax (6.5% of net income)	101,591	94,075	166,693	157,892	184,335
Documentary Filing Taxes (auto title, deed, mortgage, securities, etc.)	99,292	89,439	90,212	122,491	112,457
Coal Severance Tax (0.335 per ton)	4,539	4,143	3,638	3,090	3,372
Forestry Severance Tax	5,708	5,923	5,667	6,998	5,858
Inheritance Tax (amount of federal credit)	-	-	-	-	-
Contractors Gross Receipts Tax (5% or gross receipts)	42,168	38,566	36,985	36,164	33,116
Lodgings Tax (4% or 5% of charge)	121,132	116,105	114,391	113,463	87,406
Hydroelectric Companies (tax on 2/5 mill per KWH, 2.2%/dollar	1,158	9	1,326	1,371	2,745
Lubricating Oil Tax (.06 per gallon)	1,677	1,726	1,353	1,734	1,639
Pari-mutuel Betting (1 or 2% on pari-mutuel pools)	18,215	11,267	8,258	5,221	4,112
Court Cost Taxes	21,509	20,988	20,852	20,559	20,949
Medicaid Taxes	406,276	440,214	370,107	386,320	432,794
Cellular Telephones (6%)	22,474	21,160	21,129	22,673	20,663
Ground Materials Severance Tax	40	-	109	-	100
Vapor Products	3,837	3,565	3,426	4,036	2,807
Miscellaneous Taxes	30,508	29,366	24,761	22,033	20,039
Total Taxes	**$16,440,128**	**$15,942,729**	**$15,631,608**	**$15,806,913**	**$13,389,898**

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Licenses, Permits and Fees					
Conservation Licenses (fishing, hunting, boat registration, etc.)	45,102	41,772	41,249	42,319	38,530
Drivers Licenses & Fees	77,087	71,643	70,132	69,781	65,327
Petroleum Products Inspection Fees	59,304	59,173	58,089	58,652	58,935
Agricultural License, Permits, Fees	17,730	17,912	15,813	17,832	17,044
Wholesale Oil Company License	8,953	8,903	8,869	8,838	8,212
Motor Vehicle Licenses	220,135	208,234	210,031	222,236	204,762
Privilege License	153,347	154,603	142,071	158,188	136,608
Court Fees	81,297	81,381	77,047	74,932	70,559
Alcoholic Beverage Licenses	2,853	2,868	2,799	2,792	2,595
Insurance Corporation Licenses and Fees	1,455	1,494	1,488	1,967	1,398
Miscellaneous License, Permits, Fees	348,237	365,416	388,926	348,161	336,018
Total Licenses, Permits and Fees	**$1,015,500**	**$1,013,399**	**$1,016,514**	**$1,005,698**	**$939,988**
Fines & Forfeitures:					
Court Fines & Forfeits	21,160	21,705	21,841	21,298	21,811
Tobacco Settlement	91,854	96,793	108,540	118,916	115,905
Miscellaneous Fines & Forfeits	108,484	129,707	139,864	82,102	113,485
Total Fines and Forfeitures	**$221,498**	**$248,205**	**$270,245**	**$222,316**	**$251,201**
Federal Funds	**$13,665,971**	**$14,695,348**	**$14,815,341**	**$16,378,684**	**$13,898,260**
Investment Income	**$563,903**	**$607,661**	**$449,849**	**$449,102**	**$26,057**
Other Revenues	**$1,610,668**	**$1,563,048**	**$1,308,693**	**$1,392,732**	**$1,117,795**
Total Revenues	**$33,517,668**	**$34,070,390**	**$33,492,250**	**$35,255,445**	**$29,623,199**

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State Taxes and Other Major Sources of Revenues and Income

The following is a description of the major State taxes and other major sources of revenues and income. Not all of the taxes or revenues are deposited into the General Fund. No assurance can be made that any of these specific sources or revenues or income will be available in the future.

Ad Valorem Taxes. Ad valorem taxes in Alabama are computed by multiplying the tax rate by an assessed value for the taxable property. This assessed value is determined by the tax assessor or revenue commissioner of the county in which such property is located (or by the State Department of Revenue in the case of railroad property and utility property) as a specified percentage (the "Assessment Ratio") of the fair and reasonable market value of such property or, in certain circumstances, its current use value. The assessment of property in Alabama for ad valorem taxes has been significantly affected by several judicial decisions and two amendments to the State Constitution — the first adopted in 1973 and the second adopted in 1978 — which have caused significant differences from year to year in the determination of the assessed value of property. Since revenues from ad valorem taxes approximate only 2% of all taxes raised annually by the State, the changes in the method of determining assessed valuation have not significantly affected the revenues of the State.

Under current law, all property is divided into four classes, and the Assessment Ratio applicable to each class of property for purposes of State taxation is as follows:

Class I	All property owned by utilities	30%
Class II	All property not otherwise classified	20
Class III	All agricultural, forest and single-family, owner-occupied residential property and historic buildings and sites	10
Class IV	Private passenger automobiles and pickup trucks owned and operated by an individual for personal or private use	15

An owner of Class III property may elect to have such property appraised for assessment at its "current use value" rather than its "fair and reasonable market value."

The following table shows the assessed valuation by categories of property taxed for the fiscal years indicated. Valuation of motor vehicles is for the preceding year. Assessed valuation used in computing penalties for late payment of taxes is not included in the values shown for any category of property. The total market value of all assessed property in the State in the Tax Year ended September 30, 2024 was $793,813,100,127.

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Table 23.
Assessed Valuation of Property
Subject to Ad Valorem Taxation by Categories[1]
(in thousands)

Tax Year	Real Property	Personal Property	Public Utilities	Motor Vehicles	Total Assessed Valuation
2014	$48,201,732	$ 9,050,392	$4,690,593	$ 7,247,616	$ 69,190,333
2015	49,428,796	8,822,824	4,790,676	7,591,191	70,633,487
2016	50,965,077	9,791,802	4,903,096	8,074,544	73,734,519
2017	52,734,517	9,922,057	5,081,063	7,819,825	75,557,462
2018	55,208,427	10,162,755	5,096,533	7,119,140	77,586,855
2019	59,026,902	10,704,890	5,187,788	7,597,282	82,516,862
2020	61,856,336	11,163,586	5,304,353	8,018,870	86,343,145
2021	65,352,015	11,945,942	5,550,077	8,964,516	91,812,550
2022	73,198,104	12,878,231	5,833,777	9,563,699	101,473,812
2023	83,044,764	14,208,041	5,981,245	11,810,831	115,044,882
2024	88,297,121	15,160,882	6,262,762	11,458,712	121,179,476

Total Market Value for Tax Year 2024 = $793,813,100,127.

(1) Amounts in this table are compiled from unaudited abstract reports submitted by local revenue offices.

Alabama Trust Fund. The State Lands Division manages oil, gas and mineral interests owned by the State. Alabama authorizes the Commissioner of Conservation and Natural Resources to lease, upon such terms as he or she may approve, certain waters of the State, adjacent land and submerged lands in the Gulf of America, for the exploration, development and production of oil, gas and other minerals. All lands proposed to be leased by the Lands Division must be leased only upon the basis of competitive bids.

Currently, the State owns oil and gas interests on small upland tracts, submerged river bottoms and in an offshore area. The most significant are the natural gas reserves lying within the three-mile offshore area of Mobile and Baldwin Counties. Major discoveries of natural gas in the 1980s led to the development of an array of natural gas reservoirs which occur some 19,000 feet below sea level. Most of these "deep discoveries" were developed by major natural gas producers.

Originally, revenues generated from the lease of any submerged lands in the Gulf of America, less the cost of administration referred to below, were paid by the Commissioner of Conservation and Natural Resources to the State Treasurer to become a part of the General Fund. The Lands Division was entitled to 10% of all revenues, including royalties, as the cost of administration.

Pursuant to an amendment to the State Constitution adopted in 1982, an irrevocable permanent trust fund named the Alabama Heritage Trust Fund (the "Heritage Trust Fund") was created into which there was to be deposited the proceeds received by the State from January 1, 1981, through October 31, 1981, for the rights to explore and drill for oil and gas in any offshore area. A subsequent amendment to the State Constitution adopted in 1985 created a new trust fund known as the Alabama Trust Fund and provided for the dissolution of the Heritage Trust Fund and the transfer of its assets into the Alabama Trust Fund.

In addition to the funds transferred from the Heritage Trust Fund, the initial trust capital of the Alabama Trust Fund consisted of an amount equal to the sum of all proceeds of any oil and gas capital payments paid to the State pursuant to sealed bids received on August 14, 1984, plus certain other revenues payable to the State for the lease of State lands. The Division of Lands was entitled to 4% of the $347,483,000 which was received by the State pursuant to the sealed bids awarded on August 14, 1984. The Alabama Trust Fund is augmented by all proceeds of any oil and

gas capital payments, as defined in the constitutional amendment pursuant to which the Alabama Trust Fund was created (the "Amendment") subsequent to August 14, 1984; provided, however, that the Division of Lands of the Department of Conservation and Natural Resources is entitled to 1% of all proceeds of any oil and gas capital payments, as defined in the Amendment, subsequent to August 14, 1984. "Oil and Gas Capital Payment" is defined in the Amendment as follows: "any payment, including any royalty payment, received after August 1, 1984, by the State or any agency or instrumentality thereof as all or part of the consideration for the sale, leasing or other disposition by the State or any agency or instrumentality thereof of any right to explore and drill for or to produce oil, gas or other hydrocarbon minerals in any area on the water side of the high water mark of Mobile Bay or in any other offshore area and shall include any revenue received by the State from federal oil and gas leases off the coast of Alabama. Any royalty or other payment, with the exception of any taxes heretofore or hereafter levied that is based upon or determined with respect to, the production of oil, gas or other hydrocarbon minerals and that is paid to the State or any agency or instrumentality thereof regardless of the time of such payment shall be considered an oil and gas capital payment." The Amendment provided that the trust capital is to be held in perpetual trust and may not be appropriated by the Legislature or expended or disbursed for any purpose other than to acquire eligible investments in accordance with the provisions of the Amendment. Any trust income derived from the investment of trust capital is to be paid directly into the General Fund and is subject to appropriation and withdrawal by the Legislature. The Amendment required that 10% of trust income be reinvested in the Alabama Trust Fund. However, a subsequent amendment to the State Constitution, pursuant to which the Forever Wild Land Trust was created, redirected the 10% of income from the Alabama Trust Fund to the Forever Wild Land Trust, up to a maximum of $15 million in any one fiscal year. (See "Alabama Trust Fund Distributions" and "Education Trust Fund Rainy Day Account" later in this section for subsequent changes to the Alabama Trust Fund.)

The following table sets forth the fund balance of assets in the Alabama Trust Fund for the fiscal years shown.

Table 24.
Fund Balance of Assets in the Alabama Trust Fund

(in Millions)

Fiscal year ending Sept 30	Fund Balance
2015	$2,627
2016	2,733
2017	3,194
2018	3,283
2019	3,334
2020	3,439
2021	3,922
2022	3,158
2023	3,470
2024	4,003
2025	4,255

Source: State of Alabama;
State Treasurer's Office.

Alabama Trust Fund Distributions. To provide a more steady and reliable revenue stream to the State General Fund, rather than relying on unstable capital gains from the Alabama Trust Fund, the Legislature passed, the Governor signed, and the people approved Constitutional Amendment 856 to the State Constitution. Prior to this change, Amendment 666 to the State Constitution stated that in any year when trust income exceeded $60,000,000, 10% shall be transferred to the Municipal Government Capital Improvement Trust Fund, 10% shall be transferred to the County Government Capital Improvement Trust Fund, up to 10%, but no more than $15,000,000, shall be transferred to the Forever Wild Land Trust, one-fourth of 1% (increasing one-fourth of 1% each fiscal year), but no more than $5,000,000, shall be transferred to the Senior Services Trust Fund, with the remainder to the State General

Fund. Oil and gas royalties were to be distributed as follows: 1% to the Land Division of the Department of Conservation and Natural Resources, of the 99% remainder, 65% to the Alabama Trust Fund, 28% to the Capital Improvement Trust Fund, and 7% to be split 50% to the Municipal Government Capital Improvement Trust Fund and 50% to the County Government Capital Improvement Trust Fund. In addition, the Alabama Trust Fund Board, with a majority of members present making a quorum, and with majority vote of members present, could transfer up to 75% of realized and unrealized capital gains, with 10% each transferred to the Municipal Government Capital Improvement Trust Fund and the County Governmental Capital Improvement Trust Fund and the remainder (80%) to the State General Fund.

Amendment 856 changed the distribution of 33% of the oil and gas capital payments paid into the Alabama Trust Fund for the fiscal year ending one year prior to the beginning of the fiscal year for which the distribution is being made plus 5% of the average market value of the invested assets of the Alabama Trust Fund as of the end of the three fiscal years ending prior to the beginning of the fiscal year for which the distribution being made. Such funds are now distributed as follows: 10% to the County Government Capital Improvement Trust Fund, 10% to the Municipal Government Capital Improvement Trust Fund, 10%, but not more than $15,000,000 in any one year, will go to the Forever Wild Land Trust, 1%, but not more than $5,000,000 in any one year, will go to the Senior Services Trust Fund, with the remainder to the State General Fund. The distributions may be reduced (either a smaller percentage of oil and gas payments, a smaller percentage of average amount of invested assets, or both) due to detrimental financial or market conditions if approved by a two-thirds vote of the entire board membership.

Amendment 856 also allowed for three transfers from the Alabama Trust Fund to the State General Fund for each of the fiscal years 2013 through 2015 in the amount of $145,796,943 annually.

Pursuant to Act No. 2013-6 duly adopted during the 2013 Regular Session of the Alabama Legislature, the Legislature shall provide for the repayment of all funds transferred from the Alabama Trust Fund to the State General Fund pursuant to Amendment 856 not later than September 30, 2026. Such funds were repaid in full by the end of 2023.

Act No. 2016-469 created the Alabama Economic Settlement Authority and allowed the Authority to issue bonds repayable from the State's economic settlement with BP. A portion of the proceeds from any such bonds were required to be used to repay amounts owed by the State to the General Fund Rainy Day Account and to the Alabama Trust Fund. The Act also amended the People's Trust Act to modify the repayment schedule required by that Act. All amounts owed to the Alabama Trust Fund will now be repaid no later than September 30, 2033.

Education Trust Fund Rainy Day Account. Amendment 709 to the State Constitution established an Education Trust Fund Rainy Day Account within the Alabama Trust Fund in 2002. The Amendment authorized a one-time transfer from the Alabama Trust Fund to the Education Trust Fund Rainy Day Account of up to six percent of the Education Trust Fund's appropriation for the fiscal year ended September 30, 2002.

On June 17, 2002, a transfer of approximately $248 million was made from the Alabama Trust Fund to the Education Trust Fund Rainy Day Account. During fiscal year 2003, proration in the Education Trust Fund was declared and $179,993,229 was transferred from the Education Trust Fund Rainy Day Account to the Education Trust Fund to lessen the effects of proration. These funds were fully repaid prior to the end of fiscal year 2007.

Amendment 803 to the State Constitution, ratified in November 2008, repealed Amendment 709 and established an Education Trust Fund Rainy Day Account and a General Fund Rainy Day Account within the Alabama Trust Fund. In any year in which the Governor declares that proration would occur, the Education Trust Fund Rainy Day Account or the General Fund Rainy Day Account shall be credited with funds from the Alabama Trust Fund. However, withdrawals from the Education Trust Fund Rainy Day Account are limited to 6.5 percent of the previous fiscal year's appropriations, less any previous withdrawals not repaid, and the General Fund Rainy Day Account withdrawals are limited to 10 percent of the previous fiscal year's appropriations, less any previous withdrawals not repaid. The Education Trust Fund Rainy Day Account must be repaid within six years and the General Fund Rainy Day Account must be repaid within ten years.

The Education Trust Fund Rainy Day Account was depleted in fiscal year 2009, and as of July 2015, the entire balance had been repaid to the Account. The General Fund Rainy Day Account was depleted in fiscal year 2010. As of December 15, 2016, the entire balance had been repaid to the General Fund Rainy Day Account.

General Fund Budget Reserve Fund. The General Fund Budget Reserve Act, created by Act 2020-115, establishes the General Fund Budget Reserve Fund. Beginning on October 1, 2020, and on October 1 of each fiscal year thereafter, 20% of the ending balance in the General Fund from the previous fiscal year that was unanticipated and unappropriated by the Legislature as a beginning balance in the current fiscal year shall be dedicated to the fund. The Director of Finance shall transfer 20% of this balance by November 15 of each year and shall be made each year when the balance in the General Fund Budget Reserve Fund at the end of a fiscal year is less than $100 million. The bill authorizes withdrawals to be made from the General Fund Budget Reserve Fund in the event of proration in the General Fund. The Governor must certify to the State Comptroller and notify the Legislature that proration would occur in the General Fund. Any amount in excess of the amount necessary to avoid proration shall be repaid within 30 days after the end of the fiscal year in which withdrawals are made. In addition, amounts in the General Fund Budget Reserve Fund may be withdrawn through an independent supplemental appropriation bill enacted with a recorded vote of at least two-thirds of the membership of each legislative chamber to provide funding necessary for any of the following: (1) to offset a reduction in estimated revenues to the General Fund for the current fiscal year; (2) to fund state employee pay raises or bonuses; (3) to provide funding for unanticipated obligations. However, no funds may be appropriated until the balance of the General Fund Budget Reserve Fund at the end of the previous fiscal year equals or exceeds $50 million.

Alcoholic Beverage Control Board Revenue. Licenses and associated filing fees are required of distillers, manufacturers, wholesalers and retailers for the privilege of distributing alcoholic beverages within the State. Annual license fees vary with an original application filing fee of $50. The Alabama Alcoholic Beverage Control Board collects licenses, fees, and liquor, beer, and table wine taxes. Spirituous and vinous liquors are taxed at 56% of cost plus a 35% markup as set by the State, and the taxes, as well as the profits of the Alabama Alcoholic Beverage Control Board, are distributed to the General Fund, the Department of Human Resources, the Special Mental Health Trust Fund, and municipalities and counties in which the sale of alcoholic beverages is permitted by law. The last tax increase was passed in 1988.

Beer Tax and County Licenses. Excise taxes are levied on the sale, storage, or receipt of malt or brewed beverages for the purpose of distribution. The taxes total 5 cents per 12 fluid ounces or fractional part thereof and are collected by the Alabama Alcoholic Beverage Control Board for distribution to the General Fund, the Department of Human Resources, the Alabama Education Trust Fund, and counties in which the sale of alcoholic beverages is permitted by law.

Business Licenses. The State levies, at varying rates, a business privilege license fee on persons, firms, corporations, companies, associations, receivers, or trustees engaged in certain business, vocation, or profession. After distribution to any required regulatory boards and the cost of collection, the receipts are distributed 50% to the General Fund and 50% to the respective counties where such receipts are collected.

Business Privilege Tax. The business privilege tax is levied for the privilege of being organized under the laws of Alabama or doing business in Alabama (if organized under the laws of another state or country). This is an annual tax calculated on taxable Alabama net worth (net worth plus additions, minus exclusions, times the apportionment factor, less deductions). The tax is administered by the State Department of Revenue. A portion of the Business Privilege Tax is distributed to each county and the remainder is distributed to the General Fund.

Cigarette and Tobacco Taxes. A privilege and use tax on tobacco products, including a tax of 33.75 mills per cigarette ($0.675 per pack), is levied on the sale, storage or distribution of cigarettes by wholesalers and retailers, and varying rates on other tobacco products. This reflects an increase of 12.50 mills per cigarette effective October 1, 2015. The revenues from the 12.50 mill increase are required to be deposited in the General Fund for the Medicaid program. The remaining proceeds derived from the tax levied upon cigarettes are divided among the State Public Welfare Trust Fund, State Medicaid programs, the Special Mental Health Trust Fund, the State Park Fund, the State Health Department, the General Fund and the State Treasurer's Office for payment of maturities of principal and interest on: (1) certain bonds issued by the State Industrial Development Authority, and (2) certain bonds issued by the State or the Alabama Mental Health Finance Authority for the acquisition and construction of mental health facilities. The proceeds derived from the tax levied on tobacco products other than cigarettes are deposited into the General Fund.

Corporation Fees. Fees are charged by the Secretary of State and probate judges for filing documents, issuing certificates, and other services on behalf of corporations. Funds collected by the Secretary of State are divided between the Corporations Fund and the General Fund. Collections by counties are deposited in the county treasuries.

Driver's License Fees, Transcripts and Duplicates. County probate judges collect fees for four-year driver's licenses, eight-year non-driver's identification cards for those less than 62 years of age, transcripts, duplicates and learner's permits. Of the $36.25 fee for each driver's license, non-drivers identification card, or learner's permit issued, $1.50 is retained by the county, $20.76 is deposited into the Public Safety Fund for the Alabama Law Enforcement Agency, $0.05 to the Alabama Veterans Living Legacy Trust Fund, and the remainder is deposited into the State General Fund.

Federal Funds. Federal funds provided revenues to the State in prior years as shown in Table 21. Federal funds received in recent fiscal years provided the citizens of the State with aid in the areas of health, welfare, education, highways, employment services, disaster recovery, planning, energy and many routine government operations. No assurance can be made that federal funds will continue to be allocated to the State in the amounts received during prior years.

Financial Institutions Excise Tax. A 6.5% excise tax is levied on the net income of any bank, credit union, banking association, trust company, loan company or association, or person or institution coming into competition with the business of national banks. The funds remaining after deducting administrative costs and 0.5% which is distributed to the General Fund, are deposited 25% into the General Fund, 25% to the respective counties and 50% to the respective cities.

Gasoline Tax. Not including the additional tax imposed by the Rebuild Alabama Act (see "Recently Enacted Legislation – Rebuild Alabama Act Gasoline and Diesel Sales Tax" below), a total of $0.18 per gallon is now charged on the sale, consumption, distribution, storage or withdrawal from storage of gasoline in the State. After the cost of collection is deducted, the proceeds are distributed in three portions: $0.07, $0.05 and $0.06. A minor portion is distributed to State's Water Safety Fund and the Seafood Fund, and the remainder is divided between the Public Road and Bridge Fund and to the counties. The State Department of Revenue also collects an aviation gasoline tax on the sale, consumption, distribution or storage of gasoline for use as a fuel to propel aircraft. The proceeds, after a deduction for the cost of collection, are allocated to the Alabama Department of Transportation and to political subdivisions operating airports.

Hazardous Waste Fees. The State collects a per ton levy on operators of commercial sites for the disposal of hazardous substances for each ton of hazardous waste or hazardous substance received for disposal and disposed of at such sites, with a portion of the amount collected going to the State's General Fund and a portion going to the county in which the site is located.

Hydroelectric Companies Tax. The State levies a privilege tax on the manufacture and sale of hydroelectric power within the State. The tax is assessed at 2/5 of a mill (0.04%) upon each kilowatt-hour of hydroelectric power and is allocated 42% to the Alabama Education Trust Fund and 58% to the Special Mental Health Trust Fund.

Income Tax. The State levies a personal income tax at a maximum of 5% after specified exemptions and deductions (including federal income taxes paid). Corporate income remaining after the subtraction of statutory deductions (including federal income taxes paid) is taxed at the rate of 6.5%. After deducting costs of collections, and current year refunds, the State Department of Revenue allocates a portion of the income tax revenues to the General Fund, the Soldier's Relief Fund, and the Public School Fund for reimbursement for homestead and other ad valorem tax exemptions and any balance remaining is transferred to the State Treasurer for credit to the Education Trust Fund to be used for payment of public school teachers salaries only.

Insurance Company Licenses and Premium Tax. A license tax, at varying rates, is levied for the purposes of providing insurance within the State, and a premium tax is imposed on the amount of premiums written by an insurer. Capped amounts of $30,993,296 and $4,525,338 from Insurance Premium Tax are distributed to the Education Trust Fund and the Special Mental Health Trust Fund, respectively, and the remainder goes to the State General Fund. License renewal fees, Insurance Fraud unit assessments and Title insurance fees are wholly deposited into the Insurance Department Fund. Company fees, producer fees, retaliatory taxes and miscellaneous services collections are split evenly between the Insurance Department Fund and the State General Fund.

Interest on State Deposits. Interest earned by the State Treasurer through the investment of State funds is paid to the State Treasury and, unless otherwise provided for by law, is credited to the General Fund. Because these amounts are not considered to be derived from tax revenues, they are not reflected in Table 21.

Leasing or Renting of Tangible Personal Property. A privilege tax is levied upon persons engaging in leasing or renting tangible personal property. The tax rates are as follows: 4% of gross proceeds from leasing or renting tangible personal property; 1.5% of gross proceeds from renting or leasing automotive vehicles, trucks, semi-trailers or house trailers; and 2% of gross proceeds from renting or leasing linens and garments. All of the proceeds of this tax are distributed to the General Fund.

Lodgings Tax. A privilege tax is levied upon every person or firm that rents or furnishes lodgings or accommodations to transients for a period of less than 180 days for a fee. The tax is levied at the rate of 5% of the charges for accommodation in counties of the geographic region comprising the Alabama mountain lakes area and 4% of the charges for accommodations in all other Alabama counties. One fifth of the 5% tax collected in the Alabama mountain lakes area counties is distributed 50% to the Alabama Mountain Lakes Tourist Association and 50% to the respective 16 counties where the tax is collected for the promotion of tourism and recreation. The balance of the tax collected in the mountain lakes area counties as well as the entire proceeds from the 4% tax levy collected in all other Alabama counties is distributed as follows: 75% to the General Fund and 25% to the Department of Tourism and Travel.

Mortgage Recording Tax. A license tax is collected by the probate judge of each county for filing a mortgage, deed of trust, contract of conditional sale, or similar instrument given to secure payment of any debt incurred in connection with the conveyance or transfer of any real or personal property in the State, or any security agreement or financing statement provided for by the Alabama Uniform Commercial Code. The tax rate is $0.15 for each $100 of indebtedness, or fraction thereof. Out of the total amount collected, 5% is retained by the Judge of Probate to cover costs of collection. Two thirds of the net amount collected is deposited into the General Fund and one third into the county treasury.

Motor Fuels Tax. An excise tax is levied upon the sale, consumption, distribution, storage or withdrawal from storage of any motor fuel (primarily diesel) used in the operation of a motor vehicle upon State highways. Not including the additional tax imposed by the Rebuild Alabama Act (see "Recently Enacted Legislation – Rebuild Alabama Act Gasoline and Diesel Sales Tax" below), the State collects two levies ($0.13 and $0.06) which total $0.19 per gallon. The State Department of Revenue collects this tax and, after the cost of collection is deducted, the $0.13 tax is used for the repayment of Alabama Highway Authority bonds (other than the Series 2025 Bonds being issued pursuant to this Official Statement), if any are outstanding, and the construction and maintenance of roads and bridges. The $0.06 tax is distributed 4.69% equally among the 67 counties for public road and bridge purposes, 0.93% to incorporated municipalities and the balance to the Department of Transportation for highway purposes.

Motor Vehicle Registrations. An annual license tax or registration fee is required for each motor vehicle operated on the public highways of Alabama. Registration fees are collected by the Judge of Probate of each county and are set at $23.00 for each passenger automobile, $15.00 for each motorcycle, $47.50 to $210.00 for each motor bus, $13.00 to $500.00 for motor homes and $13.00 to $890.00 for each commercial car, truck or truck tractor. Fees for buses are based on city population and seating capacity. After the deduction of administrative costs and certain additional amounts collected on cars, trucks and truck tractors, 72% of the proceeds is deposited into the Public Road and Bridge Fund, 21% is distributed to the county or municipality in which the vehicle is located and 7% is distributed by the State Treasurer to the 67 counties on the basis of vehicle registrations. Additional amounts collected on truck and truck tractors are distributed as follows: 64.75% to the Public Road and Bridge Fund and 35.25% among the 67 counties of the State. Also, $10 in additional fees on private passenger automobiles and trucks are deposited into the General Fund for Department of Public Safety purposes. See also "Recently Enacted Legislation – Battery Electric Vehicle License Tax" below.

Oil and Gas Privilege Tax. The State Department of Revenue collects an annual privilege tax on all persons engaged in the business of producing or severing oil or gas from beneath soil or water. Well units are taxed at a percentage of the gross value of the oil or gas at the point of production. The privilege tax rate varies according to type of well (offshore or onshore), permit date, and well classification (discovery, replacement, development, or occluded gas). The amount collected is divided between the General Fund and the counties where the oil and gas is produced (and the municipalities, if applicable).

Oil and Gas Production Tax. An oil and gas production tax is levied on the production of oil or natural gas severed from any well in Alabama. The tax is 2% of gross value at the point of production. The tax on offshore production, produced from depths greater than 8,000 feet below mean sea level is 1.66% of gross proceeds attributed to the offshore production. Revenues are collected by the Department of Revenue and distributed to the General Fund.

Pari-Mutuel Tax. A 1% tax is levied for businesses operating a dog or horse track, based upon the total amount wagered on all pari-mutuel races (both live and simulcast). In pari-mutuel races, individuals who wager on winners divide the total amount wagered in proportion to their individual wagers, after deduction of authorized taxes, fees, and management expenses. Pari-mutuel tax is collected by the Department of Revenue, and once the cost of collection is deducted, all proceeds are deposited into the State General Fund.

Public Utilities Tax. The State levies a 2.2% tax on each dollar of gross receipts for the preceding year on all persons operating a public utility except railroads, express companies, telephone and telegraph companies. After a deduction for costs of collection, the public utilities tax is distributed as follows: 15% to the General Fund and 85% to the Special Mental Health Trust Fund.

Sales and Use Taxes. The sales tax is a tax imposed on the gross proceeds from the sale of tangible personal property within the State. The use tax is an excise tax on the storage, use or other consumption within the State of tangible personal property purchased outside the State.

After the deduction of collection costs for the sales tax, $189,000 is distributed to the 67 counties on the basis of population; $189,000 is distributed to the 67 counties equally; to the extent not replaced from income tax proceeds, the replacement in the public school fund and in the General Fund of amounts lost by exemption of homesteads from ad valorem tax; $1,322,000 is distributed to the Department of Human Resources for general welfare purposes; varying amounts are distributed to the Department of Conservation and Natural Resources and to the General Fund from the increase in tax receipts due to the cap on license holder discounts; a varying amount for the administration of the Food Stamp Program is distributed to the Department of Human Resources; to the credit of the General Fund of 42% of the tax levied on sales of automotive vehicles, truck trailers, semitrailers, house trailers, and mobile home set-up materials and supplies, and 50% of the tax levied on sales of motorboats not collected by the seller; beginning January 1, 2016, for deposit into the State Treasury to the credit of the State General Fund the tax levied on consumable vapor products; and the balance is deposited into the Education Trust Fund.

After deduction of collection costs for the use tax, (i) 42% of the use tax proceeds on automotive vehicles, truck trailers, semi-trailers, house trailers and mobile homes is deposited into the General Fund and 58% is deposited into the Education Trust Fund, (ii) 50% of the tax proceeds on uses of motorboats not collected by the seller is deposited into the General Fund and 50% are deposited into the Education Trust Fund, (iii) 75% of the remote use tax amounts (collected from out-of-state vendors who do not have nexus in the State and from consumers on individual tax returns) is deposited into the General Fund and 25% is deposited into the Education Trust Fund, and (iv) 53% of the remaining use tax proceeds is deposited into the General Fund and 47% are deposited into the Education Trust Fund. Effective January 1, 2016, per Act 2015-535, taxes collected through the sales of consumer vapor products are deposited 100% into the State General Fund. See "RECEIPTS, DISBURSEMENTS, TAXES AND REVENUES - State Taxes and Other Major Sources of Revenues and Income – *Remote Sales/Use Tax*" herein for information regarding the distribution of remote sales/use tax proceeds.

An act passed during the 2006 Regular Session of the Alabama Legislature created a sales tax holiday that exempts from the State sales tax the purchase of selected products (computers, clothes, school supplies, etc.) up to a maximum cost, for the first weekend in August each year.

Tennessee Valley Authority Payments. The Tennessee Valley Authority ("TVA") makes payments in lieu of all taxes to the states where its power properties and operations are located. TVA pays 5% of its gross revenues from the sale of power in the preceding fiscal year to such states on a proportionate basis. The amounts received by the State from TVA's payments in lieu of taxes are distributed as follows: 83% to counties served by TVA and the remainder to the State. The State's share is required to be deposited into a special fund held by the State Treasurer (the "Special Fund") for the Alabama Incentives Financing Authority Bonds. If directed by a resolution of the Board of Directors of the Alabama Incentives Financing Authority, the State Treasurer must transfer from the Special Fund to the General Fund moneys and securities the Board of Directors determines are not needed to meet obligations of the Alabama Incentives Financing Authority.

Utility Gross Receipts Tax and Utility Service Use Tax. The State Department of Revenue collects a privilege tax on every utility furnishing utility services in the State. For every utility furnishing electricity, domestic water or natural gas, the tax rate is 4% on the first $40,000 of monthly sales, 3%, on the next $20,000 of monthly sales and 2% on all monthly sales above $60,000. For every utility furnishing telegraph or telephone services, the rate is 6% on all monthly sales. After a deduction for cost of collection and $14,600,000 for deposit into the Special Mental Health Trust Fund, the proceeds from this tax are deposited into the Education Trust Fund. The Utility Service Use Tax, complementary to the Utility Gross Receipts Tax, is levied on the sales price of utility services stored, used or otherwise consumed in Alabama, regardless of whether the utility is engaged in business in Alabama, at the same rates as the Utility Gross Receipts Tax. After a deduction for cost of collection, the proceeds of this tax are deposited into the Education Trust Fund.

Recently Enacted Legislation

Alabama Accountability Act. The Alabama Accountability Act of 2013 (Act No. 2013-64, 2013-265, 2015-434), among other things, (1) allows for flexibility contracts between the State Board of Education and local public school districts in order to enhance innovation in Alabama public schools, (2) creates income tax credits for families with students in a failing school to attend a nonpublic school or non-failing public school, and (3) creates income tax credits for taxpayers who donate to a nonprofit organization that provides scholarships for students to attend a nonpublic school or non-failing public school.

The income tax credits for families with students in a failing school are refundable tax credits, which means that, if the Alabama income taxes owed by the family are less than the total credit allowed under the act, the family is entitled to a refund or rebate equal to the balance of the unused credit. The act provides that these refunds or rebates are to be paid out of sales tax collections of the Education Trust Fund. In the fiscal year ended September 30, 2025, $246,381.00 was paid from sales tax collections. The act provides for no limit on these tax credits. The income tax credits for taxpayers who donate to nonprofit scholarship organizations are not refundable tax credits; further, the act limits these tax credits to $30,000,000 per year.

Remote Sales/Use Tax. Under Act No. 2012-599 of the Alabama Legislature, if any national agreement for the collection of sales and use taxes from remote sellers establishes a national tax rate or requires the State to establish a single statewide rate on remote sales, the distribution of remote sales and use tax proceeds would be as follows: 50% to the State (with 75% thereof deposited into the State General Fund and 25% thereof deposited into the Education Trust Fund); 25% to the municipality in which the delivery was made, if the delivery is made within a municipality; and the remainder to the county in which the delivery is made.

Act No. 2015-448 of the Alabama Legislature allows all remote sellers who make retail sales into Alabama to enter into voluntary agreements with the State, under which they would agree to collect and pay to the State a flat 8% sellers use tax on all sales made into Alabama. The amounts collected pursuant to these agreements are distributed 50% to the State, 25% among the counties in the State and 25% among the municipalities in the State. The State's share of the amounts collected pursuant to these agreements is deposited 75% to the State General Fund and 25% to the Education Trust Fund.

Effective January 1, 2019, Act 2018-539 of the Alabama Legislature established the distribution of the proceeds from the Simplified Sellers Use Tax Remittance Program's statewide 8% tax. The proceeds of such tax will be distributed as follows: 50% to the State (with 75% thereof deposited into the State General Fund and 25% thereof deposited into the Education Trust Fund); 30% to Alabama municipalities, based on census population percentages; and 20% to Alabama counties, based on census population percentages. Also, effective January 1, 2019, a cap of $8,000 was placed on the discount for timely remittance of the Simplified Sellers Use Tax collections.

Rebuild Alabama Act Gasoline and Diesel Tax. Pursuant to Act No. 2019-2 of the Alabama Legislature, the tax on gasoline and diesel fuel increased by (1) $0.06 on each net gallon of gasoline and diesel fuel on September 1, 2019, (2) an additional $0.02 on each net gallon of gasoline and diesel fuel on October 1, 2020 (i.e., an aggregate increase of $0.08 per net gallon) and (3) an additional $0.02 on each net gallon of gasoline and diesel fuel on October 1, 2021 (i.e., an aggregate increase of $0.10 per net gallon). Beginning October 1, 2023, and on July 1 of every other year thereafter, the tax rate will be adjusted by the percentage change in the yearly average of the National Highway Construction Cost Index (NHCCI) for the most recent period ending December 31, compared to the base year average, which is the average for the 12-month period ending December 31, 2020 and rounded to the nearest whole cent. The

maximum amount or increase or decrease in the tax rate will not exceed $0.01 per net gallon and will take effect every other year. Up to $750,000 per month of the additional gasoline tax and up to $230,000 per month of the additional diesel tax are distributed to pay debt service on bonds issued by Alabama Highway Finance Corporation in a par amount not to exceed $150,000,000. The remaining proceeds from the additional taxes are distributed (1) 66.67% to the Alabama Department of Transportation to be used various transportation infrastructure projects, (2) 25% among the counties of the State to be used various transportation infrastructure projects and (3) 8.33% among the municipalities of the State to be used various transportation infrastructure projects.

Battery Electric Vehicle License Tax. Pursuant to Act No. 2019-2 of the Alabama Legislature, an annual license tax and registration fee of $200 is imposed on each battery electric vehicle operated on the public highways of the State and an annual license tax and registration fee of $100 is imposed on each plug-in hybrid electric vehicle operated on the public highways of the State. Such fees are effective January 1, 2020. Beginning July 1, 2023 and every fourth year thereafter, the additional annual license tax and registration fee will increase by $3. Such fees are subject to reduction in the event certain federal surcharge or registration fees are imposed on such vehicles and such amounts are used solely for highway transportation purposes in the State. The first $150 collected from the annual license tax and registration fee on each battery electric vehicle and the first $75 collected from the annual license tax and registration fee on each plug-in hybrid electric vehicle will be distributed 66.67% to the State, 25% among the counties of the State and 8.33% among the municipalities of the State for public road, highway and bridge projects. The remainder of the annual fees collected will be deposited in the Rebuild Alabama Fund and used by the Alabama Department of Transportation to fund electric vehicle transportation charging infrastructure until the number of registrations of battery electric vehicles and plug-in hybrid electric vehicles reaches 4% of the total annual registration of motor vehicles in the State, at which point the annual fees will be reduced to $150 and $75, respectively.

Sales and Use Tax on Food. Pursuant to Act No. 2023-554, the State sales and use tax rates on food were reduced from 4 percent to 3 percent on September 1, 2023, and were further reduced to 2 percent on September 1, 2025.

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STATE RETIREMENT PROGRAMS

General

The State is one of many participants in three statewide retirement pension benefit programs provided through the Retirement Systems of Alabama ("RSA" or the "Systems") and two healthcare benefit programs. Teachers' Retirement System ("TRS" or the "Teachers' System"), Employees' Retirement System ("ERS" or the "Employees' System"), and Judicial Retirement Fund ("JRF") operate under common management and are collectively referred to as RSA. Each of the three retirement pension programs is a defined benefit program, whereby the investment risk of the program is borne by the employer.

The Systems are funded by (1) employee contributions, (2) appropriations by the Legislature from the Education Trust Fund, the General Fund and other funds from local units who are responsible for employer contributions, and (3) earnings on investments. Active members participate in the Systems as a condition of employment with concurrent contributions made on their behalf by their respective employer.

The TRS, a cost-sharing multiple-employer public employee retirement plan, was established as of September 15, 1939, under the provisions of Act 419 of the Legislature of 1939 for the purpose of providing retirement allowances and other specified benefits for qualified persons employed by State-supported educational institutions. The responsibility for the general administration and operation of the TRS is vested in its Board of Control.

The ERS, an agent multiple-employer public employee retirement plan, was established as of October 1, 1945, under the provisions Act 515 of the Legislature of 1945 for the purpose of providing retirement allowances and other specified benefits for state employees, State Police, and on an elective basis, to all cities, counties, towns, and quasi-public organizations. The responsibility for the general administration and operation of the ERS is vested in its Board of Control.

The JRF, a cost-sharing multiple-employer public employee retirement plan, was established as of September 18, 1973, pursuant to Act 1173 of the Legislature of 1973 (codified at Title 12, Chapter 18 of the Code of Alabama (1975)) for the purpose of providing retirement allowances and other specified benefits for any Justice of the Supreme Court of Alabama, Judge of the Court of Civil Appeals, Judge of the Court of Criminal Appeals, Judge of the Circuit Court, or office holder of any newly created judicial office receiving compensation from the State Treasury. Act 1205 of the Legislature of 1975 (codified at Title 12, Chapter 19, Articles 3 and 4 of the Code of Alabama (1975)) enlarged the scope and coverage of the JRF to include District and Probate Judges. Act 498 of the Legislature of 2015 (codified at Title 12, Chapter 18, Article 7 of the Code of Alabama (1975)) established the Judges' and Clerks' Plan within the JRF for any Judge or Clerk who was first elected or appointed on or after November 8, 2016, and was not a member of the JRF or the Clerks' and Registers' Supernumerary Fund prior to that date. Act 498 of the Legislature of 2015 (codified at Section 12-17-22 of the Code of Alabama (1975)) established the District Attorneys' Plan with the JRF for any District Attorney serving in the capacity of District Attorney on or after November 8, 2016. The responsibility for the general administration and operation of the JRF is vested in the Board of Control of the ERS.

The TRS, ERS, and JRF provide retirement benefits as well as death and disability benefits as established by state law. Changes to benefits, including ad hoc cost of living adjustments, must be established by statute. For employees hired prior to January 1, 2013 (Tier 1), benefits for TRS and ERS members vest after 10 years of creditable service. Tier 1 teachers and state employees who retire after age 60 (52 for State Police) with 10 years of creditable service or with 25 years of service (regardless of age) are entitled to an annual retirement benefit, payable monthly for life. Service retirement benefits are based on a guaranteed minimum or a formula method with the member receiving payment under the method which yields the highest monthly benefit. Under the formula method, Tier 1 members of TRS and ERS (except State Police) are allowed 2.0125 percent of their average final compensation (highest 3 of the last 10 years) for each year of service. State Police are allowed 2.875 percent for each year of State Police service in computing the formula method. Disability retirement benefits are calculated in the same manner.

Act 377 of the Legislature of 2012 established a new tier of benefits (Tier 2) for members hired on or after January 1, 2013. Tier 2 TRS and ERS members are eligible for retirement after age 62 (56 for State Police) with 10 years or more of creditable service and are entitled to an annual retirement benefit, payable monthly for life. Service and disability retirement benefits are based on a formula method, with the member receiving payment under the method that yields the highest monthly benefit. Under the formula method, Tier 2 members of the TRS and ERS

(except State Police) are allowed 1.65% of their average final compensation (highest 5 of the last 10 years) for each year of service. State Police are allowed 2.375% for each year of State Police service in computing the formula method.

At September 30, 2025, the number of participating employers in each system was as follows.

Table 25.
Participating Employers by System
As of September 30, 2025

	TRS	ERS	JRF
Cities	-	311	-
Counties	-	66	67
Other Public Entities	-	513	-
Universities	13	-	-
Postsecondary Institutions	25	-	-
City and County Boards of Education	139	-	-
State Agencies and Other	46	1	1
Total	**223**	**891**	**68**

Source: Retirement Systems of Alabama's Annual Comprehensive Financial Report for the fiscal year ended September 30, 2025.

The following table shows the number of active and retired members in the various state and local participating units of the Systems.

Table 26.
Number of Active and Retired Members
As of September 30, 2025

					ERS		
	TRS	ERS	JRF	Total Members	State Employees	State Police	Local Member
Retirees and beneficiaries receiving benefits	109,148	58,714	460	168,322	25,231	1,006	32,477
Terminated employees entitled to benefits but not yet receiving benefits	33,948	32,782	13	66,743	8,198	62	24,522
Non-vested inactive members who have not contributed for more than 5 years	36,195	26,771	23	62,989	26,771	0	0
Active Members	139,642	88,806	387	228,835	27,762	765	60,279
Post DROP employees in active service	164	107	0	271	76	0	31
Total	**319,097**	**207,180**	**883**	**527,160**	**85,388**	**1,796**	**113,083**

Source: Retirement Systems of Alabama's Annual Comprehensive Financial Report for the fiscal year ended September 30, 2025.

Benefits Provided

The Systems provide retirement, disability, and death benefits. The benefits are available to members at varying times during their creditable service. For Tier 1 members, retirement benefits are available after 25 years of creditable service or after 10 years of creditable service and attainment of age 60. Tier 1 members of the Systems are vested after accumulating ten (10) years of creditable service.

Tier 2 members are also provided retirement, disability and death benefits. For Tier 2 members, retirement benefits are available after ten (10) years of creditable service and attainment of age 62. Tier 2 members of the Systems are vested after accumulating ten (10) years of creditable service.

Members are eligible to participate in one of two health insurance plans. For a discussion of health benefits provided, see "Other Post-Employment Benefits" below.

DROP Program

Operation of the State's Deferred Retirement Option Program ("DROP") commenced in June 2002. DROP was a retirement program designed to keep highly experienced employees from taking early retirement. DROP allowed state and education employees who were eligible for retirement to defer receipt of their retirement allowance and continue employment for a period of not less than 3 years nor more than 5 years. At the end of the period, the member could withdraw from active service and receive his or her normal retirement benefit calculated at the time of enrollment in DROP, plus a lump sum payment comprised of the deferred retirement benefits, employee contributions made while participating in DROP, and interest earned on DROP deposits. DROP participation was available to eligible members who had at least twenty-five years of service (exclusive of sick leave), were at least 55 years of age, and were eligible for service retirement.

In March 2011, the Alabama Legislature voted to repeal DROP and the Governor signed Act No. 2011-27 effecting the repeal. The repeal of DROP was effective March 24, 2011, with no new participants allowed to enter DROP with an effective participation date after June 1, 2011.

PLOP Program

Act 316 of the Legislature of 2019 established the Partial Lump Sum Option Plan (PLOP) in addition to the annual service retirement benefit payable for life for Tier 1 and Tier 2 members of the TRS and ERS. A member can elect to receive a one-time lump sum distribution at the time that they receive their first monthly retirement benefit payment. The member's annual retirement benefit is then actuarially reduced based on the amount of the PLOP distribution which is not to exceed the sum of 24 months of the maximum monthly retirement benefit that the member could receive. Members are eligible to receive a PLOP distribution if they are eligible for a service retirement benefit as defined above from the TRS or ERS on or after October 1, 2019. A TRS or ERS member who receives an annual disability retirement benefit or who has participated in DROP is not eligible to receive a PLOP distribution.

Annual Valuation and Unfunded Accrued Liability

The Code of Alabama (1975) requires an annual actuarial valuation of TRS, ERS, and JRF by a competent actuary. Valuations are released approximately one year after the valuation date. The System actuary is currently Cavanaugh Macdonald Consulting, LLC ("Cavanaugh"). Cavanaugh prepared actuarial valuations as of September 30, 2025, for TRS, ERS, and JRF and provided those results to RSA in Spring 2026.

In connection with the Systems' pension programs, the State is pooled with certain local governments and municipalities, universities, colleges and community colleges, boards and authorities, non-profit agencies, parks, libraries and other affiliated groups. Because the Systems' assets and liabilities are pooled on a program-wide basis, the State is pooled with all Alabama local governments in connection with the Systems.

An employer's unfunded actuarial liability ("UAL") is the excess of the actuarially determined present value of the employer's benefit obligations to employees over the existing actuarially determined assets available to pay those benefits. The actuarial reports for each annual valuation contain information about periodic adjustments to valuation methods used for determining UAL.

The following methods and assumptions adopted by the RSA are the basis for the actuarial valuations of the related pension benefit programs.

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Table 27.
Pension Assumption Method

Actuarial Cost Method:	
TRS	Entry Age Normal
ERS	Entry Age Normal
JRF	Entry Age Normal
UAL Amortization Method:	
TRS	Level Percent Closed
ERS State & Local Employees	Level Percent Closed
ERS State Police	Level Percent Closed
JRF	Level Percent Closed
Amortization Period [(1)]:	
TRS	22.9 years
ERS State Employees	22.9 years
ERS State Police	16.8 years
ERS Local Employees	Within 30 years - varies by employer
JRF	14.7 years
Asset Valuation Method:	Five-Year Market Related Value
Investment Rate of Return[(1)]:	
TRS	7.45%
ERS	7.45%
JRF	7.40%
Payroll Growth Rate [(2)]:	
TRS	3.250% - 5.000%
ERS State & Local Employees	3.250% - 6.000%
ERS State Police	4.000% - 7.750%
JRF	2.750%
Inflation Level:	
TRS and ERS	2.500%
JRF	2.750%
Cost of Living Adjustments:	
TRS and ERS	None
JRF	2.750% per year for certain members hired prior to July 30, 1979, and for spouses benefits subject to increase

Note (1) See actuarial reports for additional information.

Note (2) Includes inflation.

Sources: Actuarial reports for ERS, TRS, and JRF, as of 9/30/2025.

State law provides that the RSA Boards of Control engage an actuary to prepare an annual valuation of the assets and liabilities of each of the various retirement plans. The actuary determines the "unfunded actuarial liability."

On June 25, 2012, GASB approved two new standards with respect to pension accounting and financial reporting standards for state and local governments and pension plans. The new standards are set forth in GASB Statements 67 and 68. The changes impact the accounting treatment of most pension plans in which state and local governments participate. While these new accounting standards change financial statement reporting requirements, they do not impact the funding requirements for members, employers or the State. The impact of the new GASB financial reporting requirements are reflected in the RSA's Comprehensive Annual Financial Report for the fiscal year ended September 30, 2023.

Teachers' Retirement System

Actuarial Valuations. The table below reflects the unfunded actuarial accrued liability, actuarial value of assets and funded ratio of the TRS as of the actuarial valuation dates shown.

Table 28.
Historical Funded Status
Teachers' Retirement System
(includes non-State obligated portion)
(dollar amounts in millions)

Valuation Date (September 30)	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (%) (a/b)
2025	$32,265	$47,194	$14,929	68.4%
2024	30,187	45,696	15,509	66.1%
2023	28,766	44,175	15,409	65.1%
2022	28,518	42,552	14,034	67.0%
2021[(1)]	28,154	40,107	11,953	70.2%
2020	26,684	37,753	11,069	70.7%
2019	25,821	37,215	11,394	69.4%
2018[(1)]	25,006	35,628	10,622	70.2%
2017[(1)]	23,887	34,688	10,801	68.9%
2016[(1)]	22,646	33,144	10,498	68.3%

Note (1) Reflects changes in actuarial assumptions or methods.

Source: Teachers' Retirement System of Alabama – Actuarial Valuation Report prepared as of September 30, 2025.

Cash Flow Analysis. The table below reflects a cash flow analysis for the Teachers' System for the fiscal years shown below.

Table 29.
History of Additions and Deductions
Teachers' Retirement System
(dollar amounts in millions)

	2025	2024	2023	2022	2021	2020	2019
Employee Contributions	643.8	625.3	596.8	563.1	525.7	515.0	522.9
Employer Contributions	1,167.4	1,066.1	1,008.4	932.3	874.4	862.5	869.3
Investment Income	3,187.3	5,712.3	3,335.2	(3,876.9)	5,727.8	1,374.4	614.4
Other Income/Transfers	0.0	0.7	0.5	58.7	0.4	0.6	--
Total Additions	4,998.5	7,404.4	4,940.9	(2,322.7)	7,128.3	2,752.5	2,006.6
Total Deductions [(1)]	2,846.9	2,765.7	2,673.6	2,658.3	2,512.8	2,425.5	2,322.7
Net Increase (Decrease)	2,151.6	4,638.7	2,267.3	(4,981.1)	4,615.5	327.0	(316.1)

Note (1) Includes payments to retirees and beneficiaries, as well as administrative expenses.

Note: Totals may not add due to rounding.

Source: Teachers' Retirement System of Alabama – Actuarial Valuation Report prepared as of September 30, 2025.

Employees' Retirement System

Actuarial Valuations. The table below reflects the unfunded actuarial accrued liability, actuarial value of assets and funded ratio of the ERS as of the actuarial valuation dates shown.

Table 30.
Historical Funded Status
Employees' Retirement System – Total All Groups
(includes non-State obligated portion)
(dollar amounts in millions)

Valuation Date (September 30)	Actuarial Value of Assets[1] (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (%) (a/b)
2025[5]	$16,657	$25,289	$8,632	65.9%
2024	15,461	24,277	8,816	63.7%
2023[4]	14,653	23,111	8,458	63.4%
2022	14,505	22,096	7,591	65.6%
2021[1, 2, 3]	14,291	21,105	6,814	67.7%
2020	13,491	19,786	6,295	68.2%
2019	12,646	18,544	5,898	68.2%
2018[1]	12,241	17,830	5,589	68.7%
2017[1]	11,691	17,251	5,560	67.8%
2016[1]	11,082	16,728	5,646	66.2%

Note (1) Reflects changes in actuarial assumptions and methods.
Note (2) Reflects impact of Act No. 2019-132.
Note (3) Reflects impact of Act 2022-351 and Act 2022-185
Note (4) Reflects impact of Act 2023-73
Note (5) Reflects impact of Act 2026-608

Source: Employees' Retirement System of Alabama – Actuarial Valuation prepared as of September 30, 2025.

Cash Flow Analysis. The table below reflects a cash flow analysis for the Employees' System for the fiscal years shown below.

Table 31.
History of Additions and Deductions
Employees' Retirement System

(dollar amounts in millions)

	2025	2024	2023	2022	2021	2020	2019
Employee Contributions	391.0	362.6	334.5	309.7	286.4	324.3	254.4
Employer Contributions	745.5	669.0	593.2	559.9	516.4	810.8	467.6
Investment Income	1,681.8	2,936.4	1,653.9	(1,945.5)	2,861.0	723.6	320.6
Other Income & Transfers	0.3	0.3	.2	2.8	0.3	0.4	--
Total Additions	2,818.6	3,968.3	2,581.8	(1,073.0)	3,663.9	1,859.1	1,048.6
Total Deductions [1]	1,536.4	1,489.5	1,447.6	1,407.2	1,335.1	1,277.1	1,194.5
Net Increase (Decrease)	1,282.2	2,478.8	(1,134.2)	(2,480.3)	2,328.9	582.0	(151.9)

Note (1) Includes payments to retirees and beneficiaries, as well as administrative expenses
Note: Totals may not add due to rounding
Source: Employees' Retirement System of Alabama – Actuarial Valuation prepared as of September 30, 2025.

Unfunded Accrued Liability – State and Local Obligations. The statute creating the ERS, which allows covered local government employees to elect to participate in the ERS, provides that, notwithstanding anything to the contrary, the ERS shall not be liable for the payment of any pensions or other benefits on account of employees of any local government, whether active or retired, for which reserves have not been previously created from funds contributed by each such local government for the employees of that local government. For that reason, among others, the following table separately reflects the unfunded accrued liability of the ERS, as determined by the actuary, for state employees and State Police and the total unfunded accrued liability for all covered employees, as of the annual valuation dates shown.

Table 32.
Unfunded Accrued Liability – Employees' Retirement System

(dollar amounts in millions)

Valuation Date (September 30)	Unfunded Liability for State Employees and State Police	Unfunded Liability for All Groups
2025	$4,382	$8,632
2024	4,462	8,816
2023	4,285	8,458
2022	3,930	7,591
2021	3,555	6,814
2020	3,371	6,295
2019	3,293	5,898
2018	3,115	5,589
2017	3,095	5,560
2016	3,079	5,646

Source: Employees' Retirement System of Alabama – Actuarial Valuation prepared as of September 30, 2025.

The funded status of the pension programs may change depending on the market performance of the securities that RSA is invested in, future changes in compensation and benefits of covered employees, demographic characteristics of members and methodologies and assumptions used by the actuary in estimating the assets and liabilities of RSA. Additionally, the market value of the investments held by RSA is determined using various sources. For descriptions of the methodologies applied to determine the market value of RSA's investments, refer to the Retirement Systems of Alabama's Annual Comprehensive Financial Report. No assurance can be given that the UAL of the pension programs and the State's contribution rates will not materially increase.

Judicial Retirement Fund

Actuarial Valuations. The table below reflects the unfunded actuarial accrued liability, actuarial value of assets and funded ratio of the JRF as of the actuarial valuation dates shown.

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Table 33.
Historical Funded Status
Judicial Retirement Fund
(includes non-State obligated portion)

(dollar amounts in millions)

Valuation Date (September 30)	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (%) (a/b)
2025	$366	$581	$215	63.0%
2024	347	567	221	61.1%
2023	333	556	223	59.9%
2022	335	545	210	61.5%
2021[(1)]	334	500	163	66.8%
2020	319	482	165	66.1%
2019	311	476	165	65.3%
2018[(1)]	305	458	153	66.7%
2017[(2)]	293	448	155	65.4%
2016[(1)]	280	447	167	62.6%

Note (1) Reflects changes in actuarial assumptions and methods.
Note (2) Reflects changes in benefit structure beginning November 8, 2016.
Source: Alabama Judicial Retirement Fund – Actuarial Valuation prepared as of September 30, 2025.

Special Payments. In addition to these contributions to the Judicial Retirement Fund, there are certain supernumerary and other eligible persons, who are receiving special payments which are, or might be construed to be, pensions. The present total of all such payments is not considered to be material to the State.

Cash Flow Analysis. The table below reflects a cash flow analysis for the Judicial Retirement Fund for the fiscal years shown below.

Table 34.
History of Additions and Deductions
Judicial Retirement Fund
(dollar amounts in millions)

	2025	2024	2023	2022	2021	2020	2019
Employee Contributions	5.2	5.2	5.0	4.7	4.3	4.2	4.1
Employer Contributions	22.5	22.5	21.6	20.6	18.3	18.1	18.0
Investment Income	37.3	69.6	42.8	(51.8)	63.7	23.2	11.0
Other Income & Transfers	--	--	--	--	--	--	--
Total Additions	67.0	97.3	69.4	(26.5)	86.3	45.5	33.1
Total Deductions [(1)]	45.2	43.7	43.4	41.3	39.5	39.4	37.9
Net Increase (Decrease)	21.8	53.6	26.0	(67.8)	46.8	6.1	(4.8)

Note (1) Includes payments to retirees and beneficiaries, as well as administrative expenses
Note: Totals may not add due to rounding
Source: Alabama Judicial Retirement Fund – Actuarial Valuation prepared as of September 30, 2025.

Total Unfunded Liability of System

The following table depicts the unfunded actuarial accrued liability ("UAAL") for both the State-obligated and non-State obligated portions for the Systems.

Table 35.
Pension Unfunded Accrued Liability

As of September 30, 2025

	State	Local	Total
TRS[(1)]	$14,929	0	$14,929
JRF[(2)]	215	0	215
ERS[(3)]:			
Employees	3,998	0	3,998
Local Government	0	4,250	4,250
State Policemen	383	0	383
Total Unfunded Actuarial Accrued Liability	**$19,525**	**$4,250**	**$23,775**

Sources: 2025 Actuarial Valuations.

Employer Contributions

Sufficiency of Contributions. As required by the Code of Alabama (1975), the TRS, ERS, and JRF provide for employer contributions at actuarially determined rates (expressed as percentages of annual covered payroll) that accumulate sufficient assets to pay benefits when due. The employer contributions required to support the benefits of each system are determined following a level funding approach and consist of a normal contribution, an accrued liability contribution, and a portion to finance administrative costs. At the end of each fiscal year, the latest actuary-provided valuations determine employer contribution rates, which are effective for the following year. The employer contributions are made from funds on deposit in the Education Trust Fund, the General Fund, earmarked State funds, and from other funds provided by local units.

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Contribution Rates. The following table shows the State's employer contribution rates expressed as a percentage of the actuarially determined covered payroll for System pension costs.

Table 36.
Employer Retirement Contributions

Fiscal	Teachers [1]		State Employees [1]		State Police [1]		Judicial[2]		
								Group 3	
Years	Tier 1	Tier 2	Tier 1	Tier 2	Tier 1	Tier 2	Groups 1 & 2	Judges & Clerks	District Attys
2028	14.66%	13.70%	17.15%	16.85%	58.82%	56.41%	47.99%	47.99%	19.77%
2027	14.66%	13.70%	17.15%	16.85%	58.82%	56.41%	47.99%	47.99%	19.77%
2026	14.57%	13.61%	17.34%	17.08%	60.35%	57.94%	48.33%	43.76%	19.77%
2025	13.57%	12.60%	16.26%	16.02%	56.68%	48.20%	45.48%	41.05%	19.77%
2024	15.59%	11.57%	16.00%	15.76%	53.38%	44.84%	42.47%	37.72%	19.77%
2023	12.59%	11.44%	14.82%	14.44%	51.67%	42.86%	42.10%	37.34%	19.77%
2022	12.43%	11.32%	14.83%	14.44%	52.22%	42.86%	42.10%	37.47%	19.77%
2021	12.36%	11.22%	14.64%	14.24%	51.75%	42.89%	40.80%	35.61%	19.77%
2020	12.43%	11.34%	15.24%	14.87%	52.29%	45.56%	40.40%	35.05%	19.77%
2019	12.41%	11.35%	14.51%	14.14%	50.08%	43.43%	41.40%	34.32%	19.77%
2018	12.24%	11.01%	13.94%	13.29%	44.44%*	39.29%*	40.09%	34.32%	19.77%
2017	12.01%	10.82%	13.89%	13.25%	57.25%	53.55%	40.65%	34.32%	19.77%
2016	11.94%	10.84%	14.57%	14.09%	42.61%	38.98%	40.98%		
2015	11.71%	11.05%	13.45%	13.31%	38.37%	32.45%	35.24%		
2014	11.71%	11.08%	12.02%	11.96%	35.81%	29.52%	35.24%		
2013	10.08%	9.44%	10.12%	10.04%	31.61%	25.32%	32.06%		
2012	10.00%		9.42%		29.92%		24.35%		
2011	12.51%		11.94%		30.57%		24.20%		
2010	12.51%		11.94%		30.57%		24.20%		
2009	12.07%		11.88%		30.99%		23.23%		
2008	11.75%		10.26%		30.42%		23.23%		
2007	9.36%		7.78%		24.12%		22.50%		
2006	8.17%		6.77%		21.36%		21.93%		
2005	7.03%		5.57%		18.03%		21.93%		
2004	6.56%		4.19%		13.87%		21.93%		
2003	5.02%		3.95%		9.24%		21.19%		
2002	5.96%		3.95%		9.24%		21.19%		
2001	6.38%		4.08%		9.45%		21.19%		
2000	6.38%		4.08%		9.45%		21.19%		

Note (1) Act No. 2012-377 created a Tier 2 defined benefit plan for all TRS and ERS members hired on or after 1/1/13. New members and their employers will pay lower contribution rates. However, new members will not be able to draw a retirement benefit until they reach age 62. State Police, law enforcement, firefighters and correctional officers will be able to draw a benefit at age 56.

Note (2) Act 2015-498 established a new group (Group 3) of members within JRF, which consists of all Justices, Judges and Circuit Clerks first elected or appointed, and District Attorneys serving in the capacity of District Attorney, on or after November 8, 2016, Group 3 members are eligible for retirement at age 62 with 10 or more years of creditable service and are entitled to an annual retirement benefit, payable monthly for life.

Source: Actuarial reports for TRS, ERS, and JRF.

Future Increases in Benefits

There is, of course, no guarantee that future legislation will not provide further increases in benefits without providing for either corresponding increases in member contributions or increases in taxes to fund the increased level of benefits, the net effect of which could be the disbursement of a higher proportion of the State's assets to fund the Systems than that represented by the contributions by the State for the most current fiscal year.

Solvency Tests

Tables 37, 38 and 39 that follow reflect a 10-year history of solvency for each of the Teachers' System, the Employees' System, and the Judicial Retirement Fund.

Table 37.
Teachers' Retirement System of Alabama
Solvency Test
2016-2025

(dollar amounts in thousands)

	Aggregate Accrued Liabilities for						
Valuation Date (September 30)	(1) Active Member Contributions	(2) Retirants and Beneficiaries	(3) Active Members (Employer Financed Portion)	Reported Assets	Portion of Accrued Liabilities Covered by Reported Assets [2] A	B	C
9/30/2025	$7,857,852	$26,396,009	$12,939,921	$32,264,475	100.0%	92.5%	0.0%
9/30/2024	7,573,432	25,298,757	12,823,942	30,186,645	100.0%	89.4%	0.0%
9/30/2023	7,232,215	24,478,101	12,465,011	28,765,970	100.0%	88.0%	0.0%
9/30/2022	6,865,652	23,899,984	11,786,733	28,518,292	100.0%	90.6%	0.0%
9/30/2021[1]	6,589,860	23,111,616	10,405,330	28,154,229	100.0%	93.3%	0.0%
9/30/2020	6,356,922	21,781,149	9,614,729	26,681,239	100.0%	93.3%	0.0%
9/30/2019	6,100,489	21,093,665	10,021,316	25,821,326	100.0%	93.5%	0.0%
9/30/2018[1]	5,788,187	20,511,811	9,328,400	25,006,419	100.0%	93.7%	0.0%
9/30/2017[1]	5,504,125	19,886,016	9,297,737	23,887,077	100.0%	92.4%	0.0%
9/30/2016[1]	5,197,469	19,257,160	8,689,205	22,645,512	100.0%	90.5%	0.0%

Note (1) Reflects changes in actuarial assumptions.

Note (2) Column A represents the percentage of Active Member Contributions, as shown in (1), covered by the Reported Assets. Column B represents the percentage of the amounts owed to Retirants and their Beneficiaries covered by Reported Assets after accounting for the payment of amounts constituting Active Member Contributions, as shown in (1). Column C represents the percentage of amounts owed to Active Members covered by Reported Assets after accounting for the payment of amounts constituting Active Member Contributions, as shown in (1) and amounts owed to Retirants and their Beneficiaries, as shown in (2).

Source: Teachers' Retirement System of Alabama – Actuarial Valuation Report prepared as of September 30, 2025.

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Table 38.
Employees' Retirement System of Alabama
Solvency Test
2016-2025

(dollar amounts in thousands)

Valuation Date (September 30)	Aggregate Accrued Liabilities for (1) Active Member Contributions	(2) Retirants and Beneficiaries	(3) Active Members (Employer Financed Portion)	Reported Assets	Portion of Accrued Liabilities Covered by Reported Assets [2] A	B	C
9/30/2025	$3,974,263	$13,583,204	$7,731,639	$16,656,917	100.0%	93.4%	0.0%
9/30/2024	3,762,056	13,109,667	7,405,243	15,460,671	100.0%	89.2%	0.0%
9/30/2023	3,571,121	12,644,779	6,894,963	14,653,181	100.0%	87.6%	0.0%
9/30/2022	3,406,262	12,265,708	6,423,967	14,504,813	100.0%	90.5%	0.0%
9/30/2021 [1]	3,292,498	11,794,825	6,017,619	14,291,093	100.0%	93.2%	0.0%
9/30/2020	3,207,292	10,984,239	5,594,541	13,491,176	100.0%	93.3%	0.0%
9/30/2019 [1]	3,038,594	10,300,063	5,204,885	12,645,789	100.0%	93.6%	0.0%
9/30/2018 [1]	2,922,432	9,944,503	4,962,800	12,240,597	100.0%	93.7%	0.0%
9/30/2017 [1]	2,817,368	9,567,278	4,866,189	11,690,952	100.0%	92.7%	0.0%
9/30/2016	2,707,129	9,209,857	4,811,023	11,082,280	100.0%	90.9%	0.0%

Note (1) Reflects changes in actuarial assumptions and methods.

Note (2) Column A represents the percentage of Active Member Contributions, as shown in (1), covered by the Reported Assets. Column B represents the percentage of the amounts owed to Retirants and their Beneficiaries covered by Reported Assets after accounting for the payment of amounts constituting Active Member Contributions, as shown in (1). Column C represents the percentage of amounts owed to Active Members covered by Reported Assets after accounting for the payment of amounts constituting Active Member Contributions, as shown in (1), and amounts owed to Retirants and their Beneficiaries, as shown in (2).

Source: Employees' Retirement System of Alabama – Actuarial Valuation prepared as of September 30, 2025.

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Table 39.
Judicial Retirement Fund
Solvency Test
2016-2025

(dollar amounts in thousands)

Valuation Date (September 30)	Aggregate Accrued Liabilities for (1) Active Member Contributions	(2) Retirants and Beneficiaries	(3) Active Members (Employer Financed Portion)	Reported Assets	Portion of Accrued Liabilities Covered by Reported Assets [2] A	B	C
9/30/2025	$53,952	$401,613	$126,110	$366,323	100.0%	77.8%	0.0%
9/30/2024	57,031	367,275	143,016	346,643	100.0%	78.9%	0.0%
9/30/2023	51,331	375,785	129,357	333,185	100.0%	75.0%	0.0%
9/30/2022	51,509	357,653	135,356	334,668	100.0%	79.2%	0.0%
9/30/2021 [1]	47,304	343,885	108,727	333,779	100.0%	83.3%	0.0%
9/30/2020	43,899	338,492	99,472	318,673	100.0%	81.2%	0.0%
9/30/2019	40,993	338,734	96,102	310,689	100.0%	79.6%	0.0%
9/30/2018 [1]	48,609	296,550	112,675	305,397	100.0%	86.6%	0.0%
9/30/2017	44,792	296,231	107,423	293,090	100.0%	83.8%	0.0%
9/30/2016 [1]	45,900	280,836	120,184	279,807	100.0%	83.3%	0.0%

Note (1) Reflects changes in actuarial assumptions and methods.

Note (2) Column A represents the percentage of Active Member Contributions, as shown in (1), covered by the Reported Assets. Column B represents the percentage of the amounts owed to Retirants and their Beneficiaries covered by Reported Assets after accounting for the payment of amounts constituting Active Member Contributions, as shown in (1). Column C represents the percentage of amounts owed to Active Members covered by Reported Assets after accounting for the payment of amounts constituting Active Member Contributions, as shown in (1), and amounts owed to Retirants and their Beneficiaries, as shown in (2).

Source: Alabama Judicial Retirement Fund – Actuarial Valuation prepared as of September 30, 2025.

Other Post-Employment Benefits (OPEB)

The State Employees' Health Insurance Plan ("SEHIP") provides health insurance benefits for active and retired State employees, State Police and local participating entities and is governed by the SEHIP Board of Control (the "SEHIP Board"). The Public Education Employees' Health Insurance Plan ("PEEHIP") provides health insurance benefits for active and retired education employees and is governed by the PEEHIP Board of Control (the "PEEHIP Board"). Employees covered under these two plans who retire from active service and begin receiving monthly benefits from the Employees' System or from the Teachers' System may elect to continue coverage under the group insurance plan by consenting to have deducted from their monthly benefit payment the difference in the total cost of their insurance coverage and the portion authorized to be expended by the SEHIP or the PEEHIP for coverage of such retired employees.

The State established the Alabama Retired State Employees' Health Care Trust and the Alabama Retired Education Employees' Health Care Trust Fund for the purposes of accumulating assets to fund retiree and Other Post-Employment Benefits ("OPEB"). The education employee trust is a multiple employer cost-sharing plan while the State employees' trust is a single employer plan.

The Code of Alabama (1975) authorizes the employer contributions to SEHIP and PEEHIP. The Legislature is not legally required to follow the recommendations of the actuaries or the Governor in determining the State's

contribution to the plans. The Legislature sets the amounts employers pay on behalf of each active member in the annual appropriations bills. A portion of the premium is used to assist in funding retiree and dependents' benefits. The Fiscal year 2025 rates are $977 per active member per month for SEHIP and $800 per active member per month for PEEHIP.

PEEHIP received $15,380,000 and SEHIP received $6,971,447 from the State of Alabama through the Federal Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") in fiscal year 2021.

The following table lists the number of participants by status.

Table 40.
Number of Active and Retired Employees

	PEEHIP[2]	SEHIP[3]
Active Members	138,544	30,117
Retired Members	102,061	21,664
Inactive Members[1]	7,060	1,476
Spouses/Survivors	2,946	1,785
Total	250,511	55,042

(1) Entitled to, but not yet receiving benefits.
(2) As of September 30, 2025.
(3) As of September 30, 2024
Sources: 2025 PEEHIP Actuarial Valuation Report page 1 - https://www.rsa-al.gov/employers/financial-reports/ and the 2024 SEHIP Actuarial Valuation.

The cost of retired teachers' health care benefits is recognized as an expenditure to PEEHIP as claims are incurred. The cost of benefits is paid from the regular appropriations made to individual education entities. As of the latest GASB Statement No. 74, the total members including active and retirees numbered approximately 250,511.

The retired employee allocation is funded through the active employee premium. Of the active employee premium, approximately $186.12 was on behalf of retired members of PEEHIP for fiscal year 2025. Retirees who are eligible for Medicare benefits must pay $25.00 per month for the Hospital/Medical coverage while those who are not eligible for Medicare must pay $190.00 per month for the coverage. Additionally, premiums are paid for dependents. Retirees have the option to use this insurance to purchase two plans of insurance offered by PEEHIP with no out-of-pocket cost. Total premiums paid to PEEHIP by retirees for insurance coverage was $125,778,000 for fiscal year 2025 to cover themselves and their dependents. The State may also make additional contributions. No funds were contributed for the fiscal years 2009 through 2025.

In 2011, the Alabama Legislature signed into law Act No. 2011-704, which establishes changes to the retiree sliding scale premium calculation for PEEHIP members retiring on or after January 1, 2012. The law requires an employee who retires with less than 25 years of service to pay 4% of the employer share for each year under 25 years of service (years of service premium) instead of the 2% under the previous law. The law also requires an employee who retires before becoming eligible for Medicare to pay 1% of the employer share for each year less than age 65 (age premium) and to pay the net difference between the active employee subsidy and the non-Medicare eligible retiree subsidy (subsidy premium). The additional premium amounts for members retiring on or after January 1, 2012, was phased in over a five-year period. For 2012, the subsidy premium amount was $97.65 per month. For 2016, the subsidy premium amount was $147.52 per month. For 2017, the subsidy premium was $157.42 per month. For 2018, the subsidy premium amount was $172.81 per month. Once the retiree becomes eligible for Medicare, the age and subsidy premium will no longer apply. However, the years of service premium will continue to be in effect throughout retirement.

The State provides healthcare benefits for retired State employees through SEHIP. The cost of benefits is recognized as an expense in the month in which it is incurred, including an estimate of claims incurred but not reported.

For retirees who retired prior to October 1, 2005, the State pays 100 percent of the premium for a retiree who is over 65 and eligible for Medicare. The State pays a portion of the premium for a retiree who is under 65. Under the SEHIP statute, the State contribution per month per retiree is funded on a pay-as-you-go basis through the active employee premiums each agency pays for its active employees. For retirees who retired after September 30, 2005 through December 31, 2011, the State went to a sliding scale premium structure based on the years of service. For employees retiring with 25 years of service, the State pays 100% of the State's share premium. For each year of service less than 25, the State share is reduced by 2% and the retiree share is increased accordingly. For each year of service more than 25, the State share is increased by 2% and the retiree share is reduced accordingly.

In 2011, the Alabama Legislature signed into law Act No. 2011-698, which is similar to the PEEHIP law, and states that all SEHIP participants retiring after December 31, 2011 will be subject to a sliding scale premium calculation based on years of creditable coverage in SEHIP. For each year of creditable coverage less than 25, the State share is reduced by 4% and the retiree share is increased accordingly. For each year of creditable coverage more than 25, the State share is still increased 2% and the retiree share is reduced accordingly. The law also states that employees retiring after December 31, 2011, will be subject to a sliding scale premium calculation based on the difference between the age of the employee at retirement and the Medicare entitlement age.

Cavanaugh Macdonald Consulting, LLC provides to the Alabama State Employees' Insurance Board and to the Alabama Public Education Employees' Health Insurance Board reports on the actuarial valuations of the retiree medical plans by fiscal year. The most recently available PEEHIP Actuarial Study and GASB Statement No. 74 are available at www.rsa-al.gov. The most recently available SEHIP Actuarial Study and GASB Statement No. 74 are available at www.alseib.org.

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Actuarial Assumptions. The following methods and assumptions are the basis for the actuarial valuations of the related OPEB programs.

Table 41.
OPEB Assumptions

	PEEHIP	SEHIP
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level percent of pay, closed	Level of percent pay, open
Remaining Amortization Period	16 years	30 years
Asset Valuation Method	Market Value of Assets	
Actuarial Assumptions:		
Investment Rate of Return	5.00%, including inflation	7.25%, including inflation
Medical Cost Trend Rate:		
Medicare Eligible	7.00%	Note (1)
Pre-Medicare	7.00%	6.50%
Ultimate Trend Rate:		
Medicare Eligible	4.50%	4.50% in 2025
Pre-Medicare	4.50%	4.50% in 2029
Inflation Assumption	2.50%	2.50%
Year of Ultimate Trend Rate		
Pre-Medicare	2036	2033
Medicare Eligible	2036	2043
Dental Trend Rate	2.00%	4.50%
Vision Trend Rate	2.00%	4.50%

Note (1) Initial Medicare claims are set based on scheduled increases through plan year 2025 with an assumed 0% increase for the upcoming 2026 – 2028 contract negation period.
Sources: 2025 PEEHIP Actuarial Valuation Report page 9 - https://www.rsa-al.gov/employers/financial-reports/ and SEHIP GASB Statement No. 75 prepared as of September 30, 2023 for financial reporting as of September 30, 2024.

In response to changes in GASB statements 43 and 45 and to recent actuarial valuations, the State pursued options to establish both a statutory trust fund and a constitutional trust fund for each health plan to fund its liabilities. The Director of Finance formed a committee from his senior staff to work with the insurance board staffs and outside legal counsel to draft a plan and legislation that was presented to and approved by the two boards and the Legislature (Act No. 2007-11). The legislation involved both a bridge trust fund and a constitutional trust fund for each health plan. All monies for funding this liability would initially be deposited into a bridge trust fund created by statute and later transferred into an irrevocable and permanent trust fund created by constitutional amendment. Each health board was given power and responsibility for managing its bridge and permanent funds.

Actuarial Valuations. The funded status of each plan (including non-State obligated) as of the latest actuarial valuations (September 30, 2025 for PEEHIP and September 30, 2024 for SEHIP) is as follows.

Table 42.
Schedule of OPEB Funding Progress

(Dollar Amount in Thousands)

Actuarial Valuation Date (September 30)	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)
Public Education Employees' Health Insurance Plan				
2025	$2,625,976	$11,230,425	$8,604,449	23.40%
2024	2,357,479	9,995,709	7,638,231	23.60%
2023	1,877,790	4,829,280	2,951,490	38.90%
2022	1,633,721	4,540,864	2,907,143	36.00%
2021	1,922,098	4,135,731	2,213,633	46.50%
2020	1,601,750	6,016,482	4,414,732	26.60%
2019	1,477,077	5,758,609	4,281,532	25.60%
2018	1,428,803	8,666,972	7,238,169	16.50%
2017	1,348,563	8,481,844	7,133,281	15.90%
2016	1,240,200	7,919,752	6,679,552	15.70%
State Employees' Health Insurance Plan				
2024	$305,733	$1,509,337	$1,203,604	20.30%
2023	243,576	1,125,463	881,887	21.60%
2022	211,805	1,126,744	914,939	18.80%
2021	248,143	1,141,159	893,015	21.74%
2020	205,730	1,601,590	855,860	19.38%
2019	190,855	1,547,639	1,356,784	12.33%
2018	184,178	1,547,765	1,363,587	11.90%
2017	168,278	2,430,351	2,262,073	6.92%
2016[(1)]	150,388	2,346,946	2,196,558	6.41%
2015	149,258	2,948,052	2,798,793	5.06%

Note (1) – Reflects the impact of the Medicare Advantage plan and five year experience study.

Sources - Actuarial Reports for PEEHIP as of September 30, 2025 and SEHIP as of September 30, 2024.

Sections 36-36-1 through 36-36-11 of the Code of Alabama (1975), authorize and direct the SEHIP Board and the PEEHIP Board to create irrevocable trusts for the purpose of holding, investing, and distributing assets to be used for certain post-employment health care benefits. Constitutional Amendment No. 798, which was ratified on June 5, 2007, further protects the trust funds and requires they be used exclusively for the purpose of providing health care benefits to retired State and education employees. The PEEHIP Board made transfers totaling $621 million into the Alabama Retired Education Employees' Health Care Trust Fund. The net assets of the trust fund at September 30, 2025, were $2,626 million. The SEHIP Board has made transfers of $96.75 million into the Alabama Retired State Employees' Health Care Trust Fund as of September 30, 2013. The fair market value of the trust fund at September 30, 2019 was $190.9 million. Because of the establishment of and deposits to the trust funds, the discount rate used

beginning with the September 30, 2006 valuations was increased from 4% to 5%. The discount rate for both trust funds remains at 5%.

Unfunded Accrued Liability. The actuarially-determined total UAAL calculation of each plan (including non-State obligated) as of the latest actuarial valuations (September 30, 2025 for PEEHIP and September 30, 2024 for SEHIP) is as follows.

Table 43.
OPEB Unfunded Actuarial Accrued Liability

As of latest actuarial valuation

	Total
PEEHIP	$8,604,448,718
SEHIP	1,203,604,707
	$9,808,053,425

A portion of such UAAL is attributed to local governments and other participants.

Annual Required Contribution. The State's annual OPEB expense is based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities over thirty years. Significant assumptions used in the actuarial valuation are described above.

The actuarially determined total ARC calculation of each plan (including non-State obligated) as of the latest actuarial valuations (September 30, 2025 for PEEHIP and September 30, 2024 for SEHIP) is as follows.

Table 44.
OPEB Annual Required Contribution

As of latest actuarial valuations (September 30, 2024)

	Total
PEEHIP	$296,142,439[(1)]
SEHIP	77,376,776[(2)]
	$373,519,215

A portion of such required contribution is attributed to local governments and other participants.

Additional Information

Additional information respecting the Retirement Systems of Alabama, including Annual Reports and Annual Comprehensive Financial Reports, may be viewed and downloaded at the Retirement Systems website: http://www.rsa-al.gov.

LITIGATION

No litigation is pending or threatened to restrain or enjoin the authorization, sale or delivery of the Bonds. The Attorney General's Office has reviewed the status of pending lawsuits and reports that, except in the matter listed below, an adverse decision in any one of the pending cases would not expose the State to a loss contingency of $20,000,000 or more:

- *Star Lite Solutions, LLC and its Sole Member, Jeff Stough v. ALDOR*, Alabama Tax Tribunal, S. 25-0669-LP. The Taxpayer operated with others a casino in Knoxville, Alabama named "Palace Bingo" that failed to file sales (amusement) tax returns for the period of October 1, 2019, through June 30, 2023. The Taxpayer asserts that the Sheriff of Greene County is the only authority that can regulate bingo in Greene County and the assessment is therefore without jurisdiction. Because the Taxpayer failed to prove that the bingo being played at Palace Bingo was qualified as legal bingo that was exempt from taxation, the Department calculated the tax on gross wagers. A Final Assessment was entered on September 2, 2025, in the amount of $133,060,792.10. The appeal is currently pending before the Alabama Tax Tribunal.

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APPENDIX A-2

Certain Information on Mobile and Baldwin Counties

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GENERAL ECONOMIC AND DEMOGRAPHIC INFORMATION

General

Baldwin County, Alabama was created and established by the Legislature of the State of Alabama as a political subdivision of the State. The County is located in the extreme southern section of the State of Alabama and has an area of approximately 1,590 square miles. The County is bordered by Mobile Bay and Mobile County to the west, Clarke County and Washington County to the northwest, Monroe County to the northeast, Escambia County and the State of Florida to the east, and the Gulf of America to the south.

Mobile County, Alabama, was officially formed on December 18, 1812, by the governor of the Mississippi Territory. Mobile dates back to 1702 as the earliest successful French royal settlement on the upper Gulf Coast, predating New Orleans. During its history, Mobile has been part of several nations, including France, Britain, Spain, the United States and the Confederate States of America. The County was a part of the Alabama Territory until the State of Alabama was admitted to the Union in 1819.

Mobile County is located in the extreme southwestern portion of the State. It has an area of 1,644 square miles. The City of Mobile is the county seat. The southern boundary and a portion of the eastern boundary of the County is situated on Mobile Bay, which provides access to the Gulf of America.

Population

The following table sets forth the population of the United States, the State of Alabama, Baldwin County, Mobile County, the City of Mobile and the Mobile MSA for the years shown:

Census Year	United States	State of Alabama	Baldwin County	Mobile County	City of Mobile	Mobile MSA*
1980	226,545,805	3,893,888	78,556	364,980	200,452	364,980
1990	248,709,873	4,040,587	98,280	378,643	196,278	378,643
2000	281,421,906	4,447,100	140,415	399,843	198,915	399,843
2010	308,745,538	4,779,736	182,265	412,992	195,111	412,992
2020	331,449,281	5,024,279	231,767	414,809	187,041	430,197
2025+	341,784,857	5,193,088	267,761	411,658	200,824^	411,658

*The Mobile Metropolitan Statistical Area (MSA) is comprised of Mobile County. Washington County was part of the MSA temporarily as reflected in the 2020 census but was removed effective July 2023.
Source: U.S. Census Bureau, Population Division
+Estimate
^Effective July 2023, the City of Mobile annexed areas west of the city increasing its residential population.

Employment

Major Employers in Baldwin County. The following are the major employers in all of Baldwin County:

Industry	Product	Approximate Employment
Baldwin County Board of Education	Education	3,900
Walmart	Retail	1,700
Infirmary Health	Healthcare	1,490
Baldwin Health	Healthcare	1,124
Collins Aerospace	Thrust Reversers, Cawlings, & Nacelle Comps.	1,026
Publix	Retail	830
Columbia Southern University	Education	776
Marriott Grand Hotel	Hotel & Country Club	721
Tanger Outlet Center	Retail-Mall	700
Baldwin County Commission	Government	670
Brett-Robinson	Vacation Rental Management	520
OWA	Entertainment & Retail	488
Novelis*	Rolled Aluminum	400
Ace Hardware Support Center	Hardware Distribution & Support	380
Meyer Vacation Rentals	Vacation Rental Management	375
Riviera Utilities	Utility	283
Vulcan, Inc.	Aluminum & Steel Products	236
Segers Aerospace	Aerospace & Defense MRO	233
Quincy Compressor	Air Compressors	210
ALDI	Grocery Distribution Center & Regional HQ	200
Bon Secour Fisheries	Seafood Processing	150
Ecovery	Metals Processing	136
International Paper	Paper Products	135
Quality Filters	Air Filters	130
Ascend Performance Materials	Fibers & Resins	114
Kaishan Compressor USA	Air Compressors	112
Everwood Preserving, Inc.	Timber	100
TerrePower	Automotive Parts Remanufacturer HQ	100
Dental EZ	Medical Instruments	100

Sources: Baldwin County Economic Development Alliance; Economic Development Partnership of Alabama, Updated May 2026

*Novelis is driven by its purpose of Shaping a Sustainable World Together. A global leader in innovative aluminum manufacturing and the world's largest recycler of aluminum, Novelis is building a low-carbon, fully integrated recycling and rolling plant in Bay Minette, Alabama - the first of its kind in more than 40 years. This facility will help meet the rising demand in North America for sustainable aluminum in beverage packaging and automative manufacturing while strengthening supply chain resilience. This investment reflects Novelis' deep commitment to innovation, decarbonization, and long-term partnerships with customers and communities across the region.

Major Employers in Mobile County. The following tables set forth the major employers in all of Mobile County:

Top Non-Manufacturing Employers in the Mobile Area

Company Name	Product(s)	Approximate Number of Employees
University of South Alabama and Medical Facilities	Education/Medical	9,600+
Mobile County Public Schools	Education	7,200+
Infirmary Health System	Medical	4,700+
City of Mobile	Government	2,000+
AltaPointe	Medical	1,700+
Springhill Medical Center	Medical	1,600+
County of Mobile	Government	1,600+
Walmart Import Distribution Center	Distribution & Logistics	1,185+
G.A. West & Co.	Industrial Construction	1,140+
Trubridge (Formerly CPSI)	Information Technology	1,000+

Source: Mobile Area Chamber of Commerce, Updated May 2025

Top Manufacturing Employers in the Mobile Area

Company Name	Product(s)	Approximate Number of Employees
Austal USA	Shipbuilding for U.S. Defense	3,500+
Airbus U.S. Manufacturing Facility	Aircraft Assembly	2,000+
AM/NS Calvert*	Carbon Steel Manufacturing	1,800+
Outokumpu Stainless	Stainless Steel Manufacturing	1,000+
Evonik Corporation	Specialty Chemical Manufacturing	800+
SSAB Americas	Steel Manufacturing	650+
Kimberly-Clark Corporation	Paper Product Manufacturing	625+
BASF	Specialty Chemical Manufacturing	580+
Lenzing Fibers	Tencel Fibers	495+
Continental Aerospace Technologies	Aircraft Maintenance and Repair, Engine Manufacturing	375+

Source: Mobile Area Chamber of Commerce, Updated May 2025

*ArcelorMittal Calvert, located in Calvert, Alabama, about 35 miles north of Mobile, is recognized as one of the most advanced steel finishing facilities in the world and is highly complementary to ArcelorMittal's existing portfolio of world-class assets. The facility includes a river terminal, hot strip mill, cold rolling mill, three hot dip galvanizing lines, rail yard and supporting infrastructure. The facility serves the automotive, construction, pipe and tube, service center, and appliance/ HVAC industries with an impressive portfolio of steel grades for high-value applications including hot rolled bands, hot rolled pickled and oiled, cold rolled, and advanced coated products. ArcelorMittal Calvert also helps ArcelorMittal to meet increasing OEM demand for advanced high strength steels that are needed to produce lighter weight, more fuel efficient vehicles.

Unemployment Rates. The following table sets forth the rates of unemployment for the United States, the State of Alabama, Baldwin County, Mobile County and the Mobile MSA for the years shown:

Year	United States	State of Alabama	Baldwin County	Mobile County	City of Mobile	Mobile MSA
2021	5.3%	3.4%	2.7%	4.8%	4.9%	4.8%
2022	3.6	2.5	2.2	3.2	3.4	3.2
2023	3.6	2.5	2.2	3.1	3.2	3.1
2024	4.0	3.0	2.7	3.7	3.8	3.7
2025	4.3	2.9	2.5	3.5	3.7	3.5
2026*	4.4	3.7	3.2	4.4	4.6	4.4

*Preliminary estimates. As of July 2026.
Source: U.S. Bureau of Labor Statistics

Labor Force Estimates in Baldwin County. The following table sets forth information respecting the civilian labor force for Baldwin County:

Year	Total Labor Force	Employed Labor Force	Unemployed Labor Force	Unemployment Rate
2021	107,731	104,804	2,927	2.7%
2022	111,028	108,618	2,410	2.2
2023	113,708	111,245	2,463	2.2
2024	117,566	114,409	3,157	2.7
2025	120,262	117,213	3,049	2.5
2026*	120,736	116,931	3,805	3.2

*Preliminary estimates. As of July 2026.
Source: U.S. Bureau of Labor Statistics

Labor Force Estimates in Mobile County. The following table sets forth information respecting the civilian labor force for Mobile County:

Year	Total Labor Force	Employed Labor Force	Unemployed Labor Force	Unemployment Rate
2021	183,460	174,728	8,732	4.8%
2022	183,411	177,472	5,939	3.2
2023	184,217	178,533	5,684	3.1
2024	187,345	180,501	6,844	3.7
2025	186,647	180,061	6,586	3.5
2026*	183,563	175,526	8,037	4.4

*Preliminary estimates. As of July 2026.
Source: U.S. Bureau of Labor Statistics

Labor Force Estimates in the City of Mobile. The following table sets forth information respecting the civilian labor force for the City of Mobile:

Year	Total Labor Force	Employed Labor Force	Unemployed Labor Force	Unemployment Rate
2021	94,397	89,783	4,614	4.9%
2022	93,834	90,682	3,152	3.4
2023	93,812	90,824	2,988	3.2
2024	95,027	91,442	3,585	3.8
2025	94,752	91,220	3,532	3.7
2026*	93,200	88,922	4,278	4.6

*Preliminary estimates. As of July 2026.
Source: U.S. Bureau of Labor Statistics

Labor Force Estimates in the Mobile MSA. The following table sets forth information respecting the civilian labor force for the Mobile MSA:

Year	Total Labor Force	Employed Labor Force	Unemployed Labor Force	Unemployment Rate
2021	183,460	174,728	8,732	4.8%
2022	183,411	177,472	5,939	3.2
2023	184,217	178,533	5,684	3.1
2024	187,345	180,501	6,844	3.7
2025	186,647	180,061	6,586	3.5
2026*	183,563	175,526	8,037	4.4

*Preliminary estimates. As of July 2026.
Source: U.S. Bureau of Labor Statistics

Income

Per Capita Personal Income. The following table sets forth the per capita personal income for the United States, the State of Alabama, Baldwin County and Mobile County for the years shown:

Year	United States	State of Alabama	Baldwin County	Mobile County
2020	$59,151	$45,873	$50,935	$42,588
2021	64,692	50,630	56,504	47,810
2022	66,303	51,690	57,721	48,370
2023	70,013	54,610	61,354	51,482
2024	73,227	57,251	63,905	53,901

Source: U.S. Department of Commerce, Bureau of Economic Analysis

Median Family Income. The following table sets forth the median family income for the United States, the State of Alabama, the Daphne-Fairhope-Foley MSA and the Mobile MSA for the years shown:

Year	United States	State of Alabama	Daphne-Fairhope-Foley MSA	Mobile MSA
2022	$90,000	$73,600	$85,500	$68,000
2023	96,200	79,600	93,000	73,100
2024	97,800	82,500	89,100	78,100
2025	104,200	86,400	93,000	81,500
2026	106,800	89,500	102,400	83,300

Source: U.S. Department of Housing and Urban Development, Office of Policy Development and Research

Poverty

The following table sets forth the number of poor and the poverty rate for the United States, the State of Alabama, Baldwin County, Mobile County, the City of Mobile and the Mobile MSA:

	United States	State of Alabama	Baldwin County	Mobile County	City of Mobile	Mobile MSA
Number of Poor	40,354,267	760,634	27,546	65,133	35,298	65,133
Poverty Rate	12.1%	15.2%	10.6%	16.2%	18.2%	16.2%

Source: U.S. Census Bureau, American Community Survey, 2024 1-Year Estimates Subject Tables

Housing

Median Value. The following table sets forth the median value of owner-occupied housing units for the State of Alabama, Baldwin County, Mobile County, the City of Mobile and the Mobile MSA:

	State of Alabama	Baldwin County	Mobile County	City of Mobile	Mobile MSA
Average Value	$233,300	$338,100	$207,400	$200,000	$207,400

Source: U.S. Census Bureau, American Community Survey, 2024 1-Year Estimates Subject Tables

Composition of Housing Units. The following tables set forth certain information concerning housing in the State of Alabama, Baldwin County, Mobile County, the City of Mobile and the Mobile MSA:

	State of Alabama	Baldwin County	Mobile County	City of Mobile	Mobile MSA
Occupied Housing Units					
Renter	598,257	22,583	45,533	32,418	45,533
Owner	1,461,271	83,376	115,993	49,795	115,993
Total	2,059,528	105,959	161,526	82,213	161,526
Unoccupied Housing Units	322,243	34,088	25,974	14,129	25,974
Total Housing Units	2,381,771	140,047	187,500	96,342	187,500

Source: U.S. Census Bureau, American Community Survey, 2024 1-Year Estimates Subject Tables

	State of Alabama	Baldwin County	Mobile County	City of Mobile	Mobile MSA
Family Households	1,328,397	72,891	101,614	46,539	101,614
Non-Family Households	731,131	33,068	59,912	35,674	59,912
Total Households	2,059,528	105,959	161,526	82,213	161,526
Mobile Home or Trailer	275,265	12,460	13,655	1,648	13,655

Source: U.S. Census Bureau, American Community Survey, 2024 1-Year Estimates Subject Tables

Education in Baldwin County

Primary and Secondary. The Baldwin County Board of Education is the largest employer in the County and has approximately 3,900 employees. There are 44 public schools being operated by the Baldwin County Board of Education with an enrollment of approximately 30,775 students. There are approximately 16 private and parochial schools operating in the County with an enrollment of approximately 3,416 students.

Vocational and Technical. Although Baldwin County does not have a trade school, a vocational curriculum is available to the high school students at the County's two area technology centers. These vocational schools are open to high school students during the day and to adults at night.

Higher Education. Although Baldwin County has one state community college (Coastal Alabama Community College, formerly James H. Faulkner Community College, with campuses in Bay Minette, Fairhope and Gulf Shores), many students are able to stay in the area and receive a higher education. The County Campus of the University of South Alabama is located in Fairhope. Auburn University recently launched a new educational complex in Gulf Shores that serves as both an educational outpost for Auburn and a resource for Gulf Coast residents. The 24,000-square foot Educational Complex offers veterinary care, aviation instruction, research administration and Alabama Extension support for the region. The City of Mobile has become the major center of higher education between New Orleans and Tallahassee with four degree-granting institutions. They are: University of Mobile, Spring Hill College, University of South Alabama and Bishop State Community College. There are other post-secondary schools that are vocational and trade schools.

Education in Mobile County

Primary and Secondary Education. The County is served by the State's largest local education system, which has approximately 7,200 employees. The Mobile County Board of School Commissioners, which administers and supervises public schools in Mobile County excluding the public schools in the municipalities of Chickasaw, Saraland, and Satsuma, is composed of five elected commissioners and directs the work of the unified County school systems. The City of Semmes does not have an independent school system. The Mobile County Public School System operates two elementary schools, one middle school and one high school located within the City. The County has 85 public schools with an enrollment of approximately 47,352 students, and 51 private and parochial schools with an enrollment of approximately 13,760 students.

The Alabama School of Mathematics and Science, located in the City of Mobile, is the state's only fully public and residential high school for sophomores, juniors, and seniors seeking advanced studies in math, science, and the humanities. The Callahan School for the Deaf and Blind and Augusta Evans Special School offer services to special-needs students. In 2021, Barton Academy for Advanced World Studies opened for students in grades 6-9 in downtown Mobile.

Career and Technical Education ("CTE") teaches specific career skills to middle school, high school and college age students. The career clusters include agriculture and natural resources, architecture and construction, arts, audio-video technology, and communication, education and training, business, management, and administration, finance, government and public administration/JROTC. The JROTC STEM Leadership Academy offers programs in health science, hospitality and tourism, human services, information technology, law, public safety, corrections, and security, marketing, manufacturing, science, technology, engineering, and mathematics, transportation, distribution, and logistics.

Vocational training is offered in the County's high schools in agribusiness, business and office education, consume home economics, day trades and distributive education. Distributive education and horticulture are offered jointly through the vocational rehabilitation and special education services.

The Catholic schools in the City and County are operated by the Catholic Department of Education of the Archdiocese of Mobile. There are 6 pre/elementary schools and 1 secondary/high school in the County; approximately 2,650 students are enrolled in these Catholic schools.

Vocational and Technical Education. Bishop State Community College (primarily at its Carver and Southwest campuses), South Alabama Skills Center (a Private Industry Council/Governor's Jobs Partnership Act funded facility), Fortis College and Remington College serve the Mobile area. The Carver campus of Bishop State was designed to train and prepare high school graduates and other persons sixteen years of age and older for employment in vocational, technical and industrial pursuits. The Southwest campus offers training in technical, mechanical, and non-mechanical occupations. Fortis College offers a variety of programs in nursing, dentistry, healthcare/medical, medical technology, skilled trades, commercial driving, cosmetology, and massage therapy. Remington College offers academic programs in healthcare, trades, business and technology, legal and criminal justice, music production and creative arts, culinary, cosmetology, and special education.

Higher Education. The University of South Alabama, chartered in May of 1963 by the Alabama Legislature, is a State-supported coeducational institution of higher learning, located on a 1,200-acre campus in west Mobile. Instruction began with 272 students in a single four-story combination administration, classroom and laboratory building erected by the Mobile County Foundation for Public Higher Education. The University offers programs in arts and sciences, education and professional studies, engineering, nursing, honors, business and management studies, health professions and computing. The University also operates a full range innovative research, education and clinical care hospital at its medical center, which provides internship, residency and research facilities for numerous medical specialties as well as patient-centered care and full-scale surgical and clinical disciplines. The University currently enrolls approximately 14,285 students for day and evening courses (including students in medical schools).

The University of Mobile, founded in 1961 and located on an 800-acre campus ten miles from downtown Mobile, is a private four-year coeducational college of arts and sciences sponsored by the Alabama Baptist State Convention. The first classes began in 1963, and the University was accredited by the Southern Association of Colleges and Schools in 1968. The University offers programs leading to Bachelor of Arts and Bachelor of Science degrees, as well as pre-professional programs in the arts, arts and sciences, health professions, business, Christian studies and education. The current enrollment at the University is approximately 2,092 students.

Faulkner University at Mobile has been helping adult students earn degrees and advance their careers in Mobile for more than 30 years. The University is accredited by the Southern Association of Colleges and Schools to award Associate and Bachelor degrees. The University offers Associate degrees in liberal arts (Associate of Arts and Associate of Science), computer and information science, and legal studies. Bachelor degrees include business administration, psychology (counseling, general/clinical, forensic, health & rehabilitation with pre-occupational therapy, industrial/organizational and sports), criminal justice, human resource management and legal studies. Classes are offered during the day, evenings, weekends and online to accommodate work and family schedules.

Spring Hill College, founded in 1830, is the oldest institution of higher learning in Alabama. The College has been operated by the Society of Jesus (the Jesuit Fathers) since 1847 as a fully accredited senior college of arts and sciences, offering Bachelor of Business, Bachelor of Communication Arts, Bachelor of Humanities, Bachelor of Natural and Social Sciences, Bachelor of Nursing, Bachelor of Theology and Bachelor of Visual and Performing Arts degrees. The curriculum also includes a Master of Education degree. The College has been co-educational since 1952. The College is located near the geographical center of the City of Mobile on a 400-acre campus containing a natural spring-fed lake and 18-hole golf course. The current enrollment at the College is approximately 1,100 students.

Bishop State Community College is accredited by the Southern Association of Colleges and Schools and offers Associate Degrees in Health Sciences, Applied Science and Arts, and Certificates for programs requiring less than two years for completion and for short seminar courses offered as a community service. In addition to technical and vocational training, the two-year courses consist of basic general education courses as well as electives, which

may meet a portion of the requirements for a four-year degree. The current enrollment at the College is approximately 4,445 students.

Other Institutions of higher learning serving the health-related professions in the Mobile area are: Mobile Infirmary, School of X-ray Technology, School of Medical Technology, School of Nursing; Providence Hospital, University of South Alabama, College of Medicine, School of Nursing, College of Allied Health.

Health Services in Baldwin County

Three hospitals are currently operated in Baldwin County, and they include Thomas Hospital, Baldwin Health and North Baldwin Infirmary. These facilities maintain a combined total of approximately 409 hospital beds. The County also operates EastPointe Hospital, an 82-bed psychiatric facility. In addition, there are approximately 1,833 certified nursing home and assisted living beds that are maintained in the County.

Health Care Services in Mobile County

Mobile County and the surrounding area are served by five general hospitals, one specialized long term care hospital and one private specialized psychiatric hospital, as well as three local and state-sponsored mental health facilities. The five general hospitals are as follows: (i) USA Health Children's & Women's Hospital, a 245-bed specialized pediatric, obstetrical and gynecological hospital; (ii) Mobile Infirmary Medical Center, a non-profit 689-bed general hospital; (iii) USA Health Providence Hospital, a 349-bed general hospital facility; (iv) Springhill Medical Center, a privately owned, 270-bed general hospital; and (v) USA Health University Hospital, a 406-bed general hospital facility.

In 2023, USA Health purchased Providence Hospital, providing convenient access to care for residents of west Mobile.

The University of South Alabama began developing a regional cancer research and treatment institute in 2000. In 2005 the University and Infirmary Health Systems, the operator of the Mobile Infirmary Medical Center, announced plans to cooperate in the development and construction of the Institute. In 2006, the institute was formally named the Mitchell Cancer Institute. The $100 million institute opened in 2008. With the Institute including both treatment and research areas, it is estimated to have a $1 billion economic impact on the Mobile Bay region over the next decade. The institute focuses on serving the east-west Interstate 10 corridor. Continuous research and technological advancements keep the institute at the forefront of cancer treatment and outcomes. The USA Health system employs more than 7,200 clinical and nonclinical staff members, including 180 academic physicians who serve dual roles treating patients and teaching the next generation of medical doctors.

J.L. Bedsole/Rotary Rehabilitation Hospital, a 42-bed facility, affiliated with the Infirmary Health network of hospitals, provides rehabilitation for patients affected by stroke, spinal cord injury, head injury, chronic pain, cerebral palsy or other neurological illnesses.

Regional mental health facilities include multiple facilities operated by AltaPointe Health Systems, Inc., a public entity serving Mobile and the surrounding counties. Other mental health related clinics serving Mobile include Lifelines Counseling Services, Mobile Association for Retarded Citizens Inc., The Arc of Mobile County, Inc., and Turning Point Counseling.

Utilities in Baldwin County

Electric power is provided to the residents and businesses of the County by Alabama Power Company, a subsidiary of Southern Company, which is an investor-owned electric utility holding company. Alabama Power Company rates are regulated by the Alabama Public Service Commission. Electric power is also provided by Riviera Utilities and the Baldwin County Electric Membership Cooperative.

Natural gas is provided throughout the County by Northern Baldwin Utilities, Riviera Utilities, Gulf South Pipeline, Mobile Gas Corporation and various municipalities. Approximately 26 public or private water systems are in service in the County. Approximately ten sewage facilities are installed in the County. There is one "Subtitle D" secondary landfill and one transfer station in Baldwin County operated by the County.

Communication in Baldwin County

Telephone, cellular, cable and Internet services are provided throughout the County by multiple service providers. Telegraph service is provided by Western Union. Gulf Coast Media provides four separate community newspapers in the County. Daily newspapers from Summerdale, Mobile, Montgomery and Pensacola, Florida are available. There are twenty-seven regional and local radio stations and seven regional and local television stations.

Oil and Gas in Baldwin County

The discovery of oil and gas in the Mobile Bay area has led to renewed exploration and discovery of three oil fields in the northern part of the County. Fourteen shallow gas fields have been found in the southern part of the County.

Utilities and Media in Mobile County

Electricity is supplied to the residents of the County by Alabama Power Company. Natural gas service is supplied by Spire, Inc. (formerly Mobile Gas). Water and sewer services are supplied by the Mobile Area Water & Sewer System (City of Mobile) and LeMoyne Water System Inc. (North Mobile County). Telecommunication services are provided by AT&T, Xfinity/Comcast Cable, Mediacom, and DISH. The County also has media outlets, including 7 television stations (six network affiliates and one public), 27 radio stations, several weekly newspapers and magazines, and several cable companies, both local and national.

Tourism in Baldwin County

Baldwin County remains a popular tourist destination for visitors from all over the nation and world, year round because of 28 first-class championship golf courses, beautiful beaches, and unlimited recreational opportunities. It is naturally divided into two separate areas and attracts two separate types of tourists. The first area offers 32 miles of beautiful white sand beaches on the Gulf of America at Gulf Shores and Orange Beach. In the summer it attracts vacationing families who enjoy the gulf waters, beaches, fresh water, inshore/offshore fishing, golf and the recently renovated Alabama Gulf Coast Zoo, as well as attractions like Fort Morgan, Gulf State Park and OWA Parks & Resort. More and more people are discovering this area for a cold weather retreat. The other area commonly known as the Eastern Shore (Mobile Bay), which spans 26 miles of bay waterfront, also attracts tourists who are interested in fine living at the Marriott Grand Hotel, coupled with an active artist community and many quaint shops. This area offers a pleasant, easygoing pace, with a beautiful community.

Tourism in the County has steadily increased during each of the past years. Such trend is expected to continue in future years, however the positive financial impact of the tourism industry upon the County can suddenly be disrupted by man-made and natural disasters such hurricanes and severe weather which annually occur in the bordering Gulf of America, health crises such as brought about by COVID-19, and adverse environmental occurrences such as oil spills.

Recreation in the City of Mobile and Mobile County

Recreational assets of the City of Mobile include more than 70 parks and playgrounds offering facilities for picnicking, canoeing, biking, hiking, camping, swimming and other leisure activities. Some of the City's featured parks include Bienville Square and Cathedral Square (a performing arts park), both of which are popular downtown spaces. Spanish Plaza features *Arches of Friendship*, a fountain presented to Mobile by the City of Málaga, Spain. The 720-acre Langan Park offers golf, tennis, outdoor concerts, a children's playground, picnic areas and lakes, and contains the Mobile Museum of Art, Azalea City Golf Course, Mobile Botanical Gardens and Playhouse in the Park. Arlington Park on Mobile Bay includes a pier, a kayak launch point and picnic gazebos. Chickasabogue Park has bike and foot trails, fishing, camping, canoeing and swimming. Medal of Honor Park features a dog park and a pavilion for outdoor concerts. An 83-acre waterfront complex, 5 Rivers Delta Resource Center, provides public access to the Mobile-Tensaw Delta with hundreds of miles of rivers and wetlands and some of the South's best freshwater fishing. The facility offers boat and adventure tours, and contains a small theater, exhibit hall, meeting

facilities, walking trails, and a canoe and kayak landing. Meaher State Park also serves as a gateway to the delta and offers swamp tours to visitors.

The City also has more than 25 golf courses in the metropolitan area. Alabama's Robert Trent Jones Golf Trail has 2 courses in the Mobile area, Magnolia Grove and Lakewood Golf Club. The Copeland-Cox Mobile Tennis Center is the nation's largest public facility, with 50 lighted tennis courts.

Some local attractions include the 100-acre Mobile Botanical Gardens that feature a variety of flora, with 1,000 evergreen and native azaleas and a 30-acre Longleaf Pine Habitat. Bellingrath Gardens and Home is a 65-acre botanical garden and historic 10,500-square-foot mansion that dates to the 1930s. Fort Conde is a reconstruction of the City's original Fort Condé. It serves as the official welcome center and colonial-era living history museum. Other local attractions include the *USS Alabama* and Battleship Park, the Exploreum Science Center, the Mobile Museum of Art, the William and Emily Hearin Mobile Carnival Museum, the National Maritime Museum of the Gulf, and the award-winning History Museum of Mobile. The City has more than 150 historic buildings and historic districts on the National Register of Historic Places.

The Gulf of America is a short drive from the City to Dauphin Island in Mobile County, or to the shoreline of Baldwin County. The City offers sailing, boating and deep sea fishing in the Gulf of America 12 months of the year. In addition, the Alabama Coastal Birding Trail spans two counties and is enhanced by directional and interpretive signage.

Mobile County's residents and visitors can engage in many activities on or in adjacent bodies of water. Mobile Bay, the Gulf of America, and area rivers offer sailing, wind surfing, canoeing, kayaking, fishing, water-skiing, swimming, and scuba diving. The Robert Trent Jones Golf Trail at Magnolia Grove is located west of Mobile. Mobile is also home to the 68 Ventures Bowl, a post-season college match-up between teams from Sun Belt Conference and the MID-American Conference; and the Senior Bowl, an all-star game featuring the nation's top-ranking college seniors.

USS *Alabama* Battleship Park, Aerial ViewIn 1704, Mobilians celebrated North America's first Mardi Gras, which has evolved into a huge modern-day festival and tourist attraction. The William and Emily Hearin Mobile Carnival Museum celebrates that heritage with exhibits of regalia, floats, art, and other artifacts. The Mobile Bay area has many other festivals and tourist attractions including the Azalea Trail, the Blessing of the Fleet in Bayou La Batre, the Alabama Deep Sea Fishing Rodeo, Bellingrath Gardens, Mobile Botanical Gardens, the USS *Alabama* and Battleship Memorial Park, Fort Condé, the Oakleigh Historic Complex, the Richards-DAR House Museum, Mobile's Church Street Graveyard and Magnolia Cemetery, the Mobile Museum of Art, the Gulf Coast Exploreum Science Center, Fort Gaines, and Dauphin Island. The Mobile Medical Museum interprets the medical history of the region. The City is also home to the Historic Avenue Cultural Center. Mobile's tourism industry was supplemented in 2004 by the addition of a Carnival Cruise line sailing out of Mobile. Cruises were suspended in 2011 for financial reasons but resumed in 2016.

Transportation in Baldwin County

Highway. The major highway system in the County is comprised of the following: two interstate highways, I-10 and I-65; three U.S. Highways, U.S. 31, 90 and 98; seven major state highways, Alabama 59, 104, 180, 181, 182, 225 and 287; and the Baldwin Beach Express, a 13.2-mile-long four-lane highway near the beaches of Baldwin County.

Nationwide bus service is available. More than 65 common and specified carriers are authorized to serve the Baldwin and Mobile County areas.

Rail. CSX Transportation connects Bay Minette and Mobile to the west, and Bay Minette and Escambia County to the east.

Water. The Port of Mobile is the largest and best equipped gulf port located close to deep water. The Port's major waterfront facilities are located along the lower five miles of the Mobile River at the head of Mobile Bay just across the Bay from Baldwin County. The harbor is situated about 32 miles north of the Bay entrance from the Gulf of America. The present depth-controlling entrance to the inner harbor is 40 feet. The Port is authorized

for 45 feet south of the I-10 tunnels. The State Docks have been providing all appropriate expansions south of the tunnels to take advantage of this future increased depth.

The Gulf Inter-coastal Waterway traverses South Baldwin County. The channel is 12 feet deep and 125 feet wide. The waterway extends along the lower end of Mobile Bay and Gulf Coast for approximately 1,300 miles.

An extensive system of Alabama inland waterways, with docking facilities, is tributary to the Port of Mobile, permitting barge traffic as far north as Summerdale.

America's newest interstate water transportation system, the Tennessee-Tombigbee Waterway, was opened August, 1985. The waterway provides economical barge service between the heartland of our nation and the Port of Mobile, just across Mobile Bay from Baldwin County.

The Tennessee-Tombigbee Waterway was one of the most ambitious waterway development projects in our nation's history and the most expensive project ever undertaken by the U.S. Army Corps of Engineers.

Stretching some 234 miles, the Tenn-Tom Waterway connects the navigable Tennessee River near the Pickwick Lock and Dam with barge traffic on the Warrior Tombigbee River System near Demopolis, Alabama. The waterway terminates at the deep-water Port of Mobile, Alabama. Thus, the Tenn-Tom serves as a connecting navigational artery between the Ohio, upper Mississippi and Tennessee River systems. The entire system encompasses about 16,000 miles of navigable waterways. This means of commerce substantially shortens the barge route distance between numerous inland points and the Port of Mobile where export and import cargoes can be loaded and unloaded on ocean-going vessels. In all, some 23 states in the central and southern regions of the nation are impacted by the waterway.

The Alabama State Docks, which operates waterfront facilities at the Port of Mobile, will spend over $1 billion in planned improvements to upgrade and expand the available facilities for handling cargo. The current economic impact includes a total economic value to the State of Alabama of $415.8 billion, with 1 in 7 jobs generated statewide by Port activity, $10.1 billion of state and local tax revenue generated, and 234.4 billion tons of cargo moved through the Alabama Port Authority.

Air Service. There are two air carrier facilities available to Baldwin County, one of which is the Mobile Regional Airport, located approximately 30-40 miles from most locations in Baldwin County. Passenger service is provided by major air carriers and commuter services. There are two lighted runways and one helipad. Major repairs, storage and transportation are also available.

The other air carrier facility available to residents of Baldwin County is the Pensacola, Florida International Airport. Pensacola is served by major and commuter airlines. There are two lighted runways. Charter flights, aircraft repair and hangar storage are made available by several independent flying services in Pensacola.

Twenty-nine other municipal or private airfields in the County serve the needs of general aviation interests of the area (six are public and twenty-three are private).

Transportation in Mobile County

Highway System. The City is served by U.S. Highway 98 and State Highways 158 and 217. The County is adequately served by the interstate highway system, with Interstate 10 offering east-west access and Interstate 65, which originates in the City of Mobile, serving northbound traffic. An extension of I-65 (I-165) connects it with I-10 in downtown Mobile. The new I-10 Mobile River Bridge and Bayway construction project will reach full notice to proceed in October 2026 and has an estimated total Project cost of approximately $4.15 billion, with substantial completion scheduled for October 1, 2031 with a targeted completion by 2030-2031. The County is also served by U.S. Highways 43, 45, 90 and 98, and State Highways 158, 163, 188, 193, 213 and 217.

Freight Carriers. There are over 65 motor freight carriers certified to transport interstate shipments to and/or from the Mobile area. The majority of the carriers have a Mobile area terminal, with many carriers offering container services.

Bus. Greyhound, Trailways, Megabus and The Wave Transit System provide bus services to the Mobile area.

Rail Service. The County is served by 5 national Class I major railway lines: Canadian National Railway, Central Gulf Railroad, CSX Transportation, Kansas City Southern Railway, and Norfolk-Southern Railway. The County is also served by 1 Class III railway line, Alabama and Gulf Coast Railway that links the City of Mobile to the Burlington Northern and Santa Fe Railway (BNSF) at Amory, Mississippi. All lines provide daily direct freight and intermodal service to the Southeast and connect with other carriers to the Southwest and Midwest. Terminal switching facilities are available at the Alabama State Port Authority. Piggyback loading systems and containerized service are available.

Air. The County is serviced by 2 municipal airports: Mobile International Airport (a principal component of the Mobile Aeroplex at Brookley) and Mobile Regional Airport.

With 4 million square feet of industrial space on 1,650 acres, the Mobile Aeroplex at Brookley is the largest industrial and transportation complex in the region, with approximately 70 companies employing over 3,600 people in a wide range of industries. The Aeroplex is strategically located in the following zones, which allow for enhanced business operations and attractive tax incentives: foreign trade zone number 82 and the renewal community zone. A major component of the Aeroplex is the Mobile International Airport, a general aviation facility that has 2 paved and lighted runways (9,618 feet and 7,800 feet). Another major component of the Aeroplex is the Airbus U.S. Manufacturing Facility, which has grown from its original $600 million investment into an approximately $1 billion manufacturing campus that produces commercial aircraft for customers in the U.S. and Latin America. The facility assembles aircraft from the A320 Family (A319, A320, and A321) as well as the A220 Family (A220-100 and A220-300). Since commencing aircraft assembly in 2015 and delivering its first completed aircraft (an A321 to JetBlue) in April 2016, the Mobile site has delivered more than 600 aircraft. In July 2025, Airbus delivered its 100th A220 from the Mobile facility to Breeze Airways.

The Airbus facility has expanded significantly since its initial construction. The site has grown from 116 acres to approximately 190 acres, now encompassing 2.5 million square feet of facility space. In October 2017, Airbus partnered with Bombardier Aerospace, taking over a majority share of the Bombardier CSeries airliner program. The CSeries was renamed the Airbus A220 in July 2018, and a dedicated A220 Final Assembly Line opened at the Mobile site in 2020. In October 2025, Airbus inaugurated a second A320 Final Assembly Line, making Mobile the site of three final assembly lines (two for the A320 Family and one for the A220 Family) and the fourth-largest commercial aircraft assembly site in the world. The latest expansion added an additional 350,000 square feet of manufacturing, office, and logistics space, along with more than 1 million square feet of hangars, additional paint shops, a new distribution center, and a new welcome center, effectively doubling the size of the U.S. Manufacturing Facility.

Airbus currently employs more than 2,000 people at the Mobile site, with the 2025 expansion adding approximately 1,000 new jobs to the Gulf Coast region. Airbus also operates an Engineering Center in Mobile, established in 2007, which focuses on aircraft cabin design, aftermarket upgrades, and service engineering, employing more than 250 people. A University of South Alabama study concluded that Airbus's total economic impact throughout the state of Alabama in its first five years of operation was $1.2 billion, supporting more than 15,000 jobs through construction and payroll. Nationally, Airbus supports more than 275,000 American jobs through annual spending of over $15 billion with more than 2,000 suppliers across 40 states. The second A320 assembly line positions Mobile as central to Airbus's global industrial ramp-up strategy, which targets a monthly production rate of 75 A320 Family aircraft globally by 2027.

The Mobile Regional Airport facility, providing terminal, parking areas and 8 gates, was completed in December, 1986. The facility covers an area of 1,717 acres, has 2 paved and lighted runways (8,502 feet and 4,376 feet), and 1 helipad (100 feet). The facility is located at 8400 Airport Blvd in west Mobile. The County is currently served by 3 commercial airlines: American Airlines (American Eagle), Delta Air Lines and United Airlines (United Express), which provide daily departures to 5 of the nation's largest hubs: Atlanta, GA, Charlotte, NC, Dallas/Fort Worth, TX, Houston-Intercontinental, TX and Washington-Dulles.

The Mobile Airport Authority has announced plans to relocate all commercial air passenger service from Mobile Regional Airport to the new Mobile International Airport terminal at the Mobile Aeroplex at Brookley in downtown Mobile. The new terminal, with a budget of $381 million, is expected to achieve substantial completion by September 2026, with the first flight anticipated by November 2026 and full operations commencing by spring 2027. The new terminal will open with 5 gates, with the capacity to expand to 12 gates as demand grows, and will include a 1,250-space parking garage and elevated roadway. Upon opening, Delta, United, and American Airlines will transition their operations from Mobile Regional Airport to the new facility, which will be seamlessly connected to local interstates, railroads, and the Port of Mobile, facilitating economic development in the region. The following table shows the number of enplaned passengers at Mobile Regional Airport:

Year	Enplaned Passengers
2025	335,385
2024	314,406
2023	275,342
2022	262,048
2021	236,007
2020	154,993
2019	328,245
2018	297,544
2017	288,222
2016	288,209
2015	278,053
2014	288,376
2013	287,661
2012	277,432
2011	288,461
2010	277,232
2009	280,491
2008	286,956
2007	303,512
2006	296,264
2005	323,209
2004	308,227
2003	302,035

Source: Federal Aviation Administration.

Water. The Tennessee-Tombigbee Waterway (the "Tenn-Tom") opened for navigation on June 1, 1985. By providing economical barge service between the Tennessee, Mississippi and Ohio River valleys and the Port of Mobile, the Tenn-Tom offers substantial savings to shippers of a variety of commodities. Stretching some 234 miles, the Tenn-Tom Waterway connects the navigable Tennessee River near the Pickwick Lock and Dam with barge traffic on the Warrior-Tombigbee River System near Demopolis, Alabama. The waterway terminates at the deep-water Port of Mobile, Alabama. Thus, the Tenn-Tom serves as a connecting navigational artery between the Ohio, upper Mississippi and Tennessee River systems. The entire system encompasses about 16,000 miles of navigable waterways. This new lane of commerce substantially shortens the barge route distance between numerous inland points and the Port of Mobile where export and import cargoes can be loaded and unloaded on ocean-going vessels. In all, 23 states in the central and southern regions of the nation are impacted by the Waterway.

The Intracoastal Waterway crosses the southern portion of Mobile County from east to west. It is 12 feet deep and accommodates all types of barge traffic. There is a 12-foot channel dredged to the Mobile Aeroplex at Brookley in the southern portion of the City of Mobile. It is authorized to a depth of 27 feet. There is a ship channel cut from the main channel in Mobile Bay 5.3 miles to the shoreline of the County and 2 miles inland into the Theodore Industrial area. The controlling depth is 40 feet. The ship channel terminates in a 42-acre turning basin. A barge canal, 12 feet deep, extends 1.2 miles westward from the turning basin.

Port of Mobile. The Port of Mobile Waterfront facilities are located along the lower five miles of the Mobile River at the head of Mobile Bay. The harbor is situated about thirty miles north of the Bay entrance from the Gulf of America. The present depth-controlling entrance to the inner harbor is 45 feet. The Port is authorized for 55 feet south of the I-10 tunnel. The Port of Mobile offers public, deepwater terminals with direct access to five Class 1 railroads, two interstate systems (I-10 and I-65), a weekly rail ferry service to Coatzacoalcos, Mexico, and 15,000 miles (2,400 km) of inland and Intracoastal waterways serving the Great Lakes, Ohio and Tennessee valleys and the Gulf of America.

The following table sets forth the approximate total of all cargo tonnage for the Port of Mobile for the years indicated:

Year	Approximate Total of All Cargo Tonnage
2003	50,214,435
2004	56,211,796
2005	57,664,833
2006	59,832,197
2007	64,494,312
2008	67,635,501
2009	52,219,034
2010	55,713,273
2011	55,552,383
2012	54,887,669
2013	53,992,615
2014	64,287,565
2015	58,594,752
2016	58,024,317
2017	58,157,248
2018	58,635,622
2019	56,893,814
2020	53,206,561
2021	50,268,633
2022	50,520,298
2023	52,180,346
2024*	44,591,788

*Preliminary; subject to change.
Source: U.S. Army Corps of Engineers, Navigation Data Center, Waterborne Commerce of the United States.

Alabama State Port Authority at the Port of Mobile. The Alabama State Port Authority (the "Port Authority") owns and operates the State of Alabama's only public cargo handling facilities in the Port of Mobile. The Port at Mobile serves containers, breakbulk, dry and liquid bulk and oversized cargo through one of the best transportation grids in the U.S. Southeast. APM Terminals Mobile opened in September 2008 as the Port of Mobile's newest, 300-acre state-of-the-art marine terminal. The Port Authority and APM Terminals, an independent division of AP Moeller-Maersk Group, jointly invested $350 million in two phases at the container terminal, located adjacent to I-10 and minutes from the I-65 exchange via I-10. The terminal is served by 2,000 feet of deepwater berths with 45 feet of water depth, and two post-Panamax and two super post-Panamax ship-to-shore gantry cranes. The Port Authority invested an additional $50 million in an intermodal container transfer facility. This near dock container rail facility opened in 2016 and provides service to Jackson, MS, Memphis, TN northward via the Canadian National. A $50 million, Phase 3 expansion is underway that will add 20 acres of operating yard and extend the dock approximately 400 feet to accommodate simultaneously two post-Panamax vessels. Phase 3, completed in 2020, delivers 650,000 TEU in annual throughput capacity. Additional land and infrastructure can be delivered in phases to bring annual throughput capacity to 1.8 million TEU. The Port Authority's bulk cargo facilities boast the nation's most versatile import/export

coal handling terminal. The Port Authority concluded $110 million expansion program at McDuffie, with an additional $10 million in investments serving the export coal market. The terminals import and export throughput capacity is 30 million tons annually. McDuffie terminal has three ship berths, two ship loaders, three ship unloaders, one rail dump, one tandem, six single stacker/reclaimers, two double stackers, three barge loaders, two barge unloaders, two automatic samplers and other new equipment. The Port Authority is also the largest handler of breakbulk forest products in the nation. The Port Authority's general cargo terminals have over 4.8 million square feet of handling area with modern warehouses and yards to support forest products, iron, steel, aluminum, and other breakbulk commodities. The general cargo areas have added capability to handle blast freezer/cold storage, roll on/roll off and heavy lift/oversized cargoes. The Port Authority expanded its general cargo facilities to include a new $100 million steel terminal capable of handling annually 6.2 million tons of semi-finished slab for ThyssenKrupp's $4.3 billion steel manufacturing complex in North Mobile County. Alabama Steel Terminals is the Port of Mobile's dedicated, state-of-the-art steel coil handling facility that opened in January 2015. The rail, truck, barge and ship served terminal is located on a 40-foot deep channel at the Port Authority's Pier D2 berth. The 178,200 square foot covered bay area is equipped with four 50-ton overhead bridge cranes with an additional 168,000 square feet of open storage yard serving an annual throughput of 650,000 tons of steel coil product. The terminal utilizes integrated technology to provide shippers and customers real time logistics data making it the most technologically advanced steel handling facility in the nation. The Pinto Island Terminal is the Port Authority's newest investment. The $100 million import terminal is capable of handling annually in excess of 5 million tons of semi-finished steel slab. The 20-acre terminal consists of 1,000 feet of deep-water dock dredged to 45 feet, as well as an automated barge loading system positioned between the ship berth and the shoreline. The terminal is equipped with three wide-span gantry cranes. Each crane has an outreach of 150 feet and a back reach of 165 feet. The cranes are able to unload steel from ships to waiting barges or to the terminal storage yard possessing 150,000 metric tons of storage capacity. All three cranes and heavy lift machines utilize electro-permanent magnetic lifting beams to lift steel slabs. In May of 2021, construction began to deepen and widen the Port of Mobile's harbor and channel to 50 feet by the first quarter of 2025. Currently, the Port of Mobile has 18 diversified facilities designed to handle most cargo needs. The current economic impact includes a total economic value to the State of Alabama of $415.8 billion, with 1 in 7 jobs generated statewide by Port activity, $10.1 billion of state and local tax revenue generated, and 234.4 billion tons of cargo moved through the Alabama Port Authority.

Source: Alabama State Port Authority.

The Port Authority's terminals provide shippers with rail connections to five Class I Railroads (CSX Transportation, Canadian National Railway, Central Gulf Railroad, Norfolk-Southern Railway, and Kansas City Southern Railway) and to two Class 3 Railroads (ASPA's Terminal Railway and the CG Railway). ASPA's terminals are adjacent to Interstates 10 and 65/165 providing immediate and un-congested truck access to east/west and north/south markets. The State and the port are also served by the second largest inland waterway network east of the Mississippi, via the Tennessee Tombigbee and the U.S. Intracoastal Waterways. The inland waterway network provides efficient access to U.S. Gulf of America ports and to 15,000 miles of barge lanes serving the Great Lakes, Upper Mississippi, Ohio and Missouri River Systems.

Under Alabama law, the Alabama State Port Authority is structured as a professional managing board. The Governor appoints, subject to Alabama Senate confirmation, eight representatives to serve, in staggered five-year terms, on the Board of Directors. Two members each represent the Northern, Central and Southern regions of the state, while two represent At-Large seats. A ninth seat is ex officio representing the City of Mobile or County of Mobile serving in alternate years. The Port Authority is self-funded through earnings garnered from operations. The Authority does not receive state appropriations. The Director/CEO submits annual reports on the Authority's financial position to the Offices of the Governor, Director of Finance and the State's Examiners of Public Accounts.

APPENDIX B

Form of Indenture and Supplemental Indentures

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TRUST INDENTURE

Dated September 1, 2026

Between

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

and

COMPUTERSHARE TRUST COMPANY, N.A.

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TRUST INDENTURE

THIS TRUST INDENTURE dated September 1, 2026 is entered into by **ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY**, an Alabama public corporation (the "Issuer"), and **COMPUTERSHARE TRUST COMPANY, N.A.**, a national banking association (the "Trustee").

Recitals

A. The Issuer has duly authorized the issuance of (1) its [Amount] aggregate principal amount of First Lien Toll Revenue Bonds, Series 2026A (the "Series 2026A Bonds"), (2) its [Amount] aggregate principal amount of Second Lien Toll Revenue Bond, Series 2026B (the "Series 2026B Bond"), (3) its [Amount] aggregate principal amount of Second Lien Toll Revenue Bond Anticipation Notes, Series 2026-1 (the "Series 2026-1 Notes"), (4) its [Amount] aggregate principal amount of Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026C (the "Series 2026C Bonds"), and (3) its [Amount] aggregate principal amount of Taxable Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026D (the "Series 2026D Bonds", together with the Series 2026A Bonds, the Series 2026B Bond, the Series 2026-1 Notes, and the Series 2026C Bonds, "Series 2026 Bonds") pursuant to this Indenture and pursuant to the TIFIA Loan Agreement (2026), the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, and the Fifth Supplemental Indenture referred to below. The Series 2026 Bonds and any additional bonds issued pursuant to Article 7 of this Indenture are collectively referred to as the "Bonds".

B. Proceeds of the Series 2026 Bonds and certain other funds described more particularly herein will be used to pay the costs of acquiring and constructing the Bridge and Bayway Facilities referred to below. In connection with the issuance of the Series 2026 Bonds, the Issuer and the State of Alabama, acting by and through the Alabama Department of Transportation ("ALDOT"), are entering into an Amended and Restated Lease Agreement dated September 1, 2026 (the "Lease Agreement"), pursuant to which ALDOT will agree (1) to pay rentals at times and in amounts sufficient to pay debt service on the Third Lien Bonds referred to below (but not the First Lien Bonds or the Second Lien Bonds referred to below) and (2) to pay certain other payment obligations under this Indenture and under the Lease Agreement.

C. The Series 2026 Bonds and all other payment obligations under this Indenture shall be limited obligations of the Issuer payable solely out of the Trust Estate, including (1) the Project Revenues referred to below and (2) payments by ALDOT pursuant to the Lease Agreement.

D. As security for the payment of the Bonds and all other obligations under this Indenture, the Issuer shall, pursuant to this Indenture, assign and pledge all the Issuer's rights under the Lease Agreement, as described more particularly herein.

E. In order to facilitate the payment, registration and transfer provisions of this Indenture, the Issuer, the State Treasurer, and the Trustee will enter into a Fiscal Agent Agreement dated September 1, 2026.

F. All things have been done which are necessary to make the Bonds, when executed by the Issuer and authenticated and delivered by the Trustee hereunder, the valid obligations of the Issuer, and to constitute this Indenture a valid trust indenture for the security of the Bonds, in accordance with the terms of the Bonds and this Indenture.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

It is hereby covenanted and declared that all the Bonds are to be authenticated and delivered and the property subject to this Indenture is to be held and applied by the Trustee, subject to the covenants, conditions and trusts hereinafter set forth, and the Issuer does hereby covenant and agree to and with the Trustee, for the equal and proportionate benefit (except as otherwise expressly provided herein) of all Bondholders as follows:

ARTICLE 1

Definitions and Other Provisions of General Application

SECTION 1.1 Definitions

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meaning indicated:

"**Accreted Amount**" shall mean with respect to Capital Appreciation Bonds, the amount set forth in a Supplemental Indenture for such Bonds as the amount representing the initial principal amount, plus the accreted and compounded interest on such Capital Appreciation Bonds; provided, however, (a) the determination of the Accreted Amount of a Bond during the period while interest thereon is compounded may be set forth in the respective Supplemental Indenture and (b) the Accreted Amount of a Bond may never exceed the maturity amount of such Bond.

"**Acquisition Costs**", (1) when used with respect to the Series 2026 Bonds, shall mean costs of acquiring, constructing and installing the Bridge and Bayway Facilities, including (a) all costs related to the acquisition of the Bridge and Bayway Facilities, (b) the cost of labor, materials and supplies furnished or used in the construction, installation, renovation, or rehabilitation of roadways, buildings, and structures, (c) acquisition, transportation and installation costs for personal property and fixtures, (d) fees for architectural, engineering, legal and supervisory services, (e) expenses incurred in the enforcement of any remedy against any contractor, subcontractor, materialman, vendor, supplier or surety, (f) interest accruing on indebtedness incurred by the Issuer or ALDOT (including the Series 2026 Bonds) in connection with the acquisition and construction of, or other work on, the Bridge and Bayway Facilities for the period ending on the date the Bridge and Bayway Facilities are (or were) placed in service, (g) fees for an appraisal of the Bridge and Bayway Facilities, (h) insurance premiums and taxes incurred until the Bridge and Bayway Facilities are (or were) placed in service, (i) any fees and expenses of the Trustee for the period ending on the date the Bridge and Bayway Facilities are placed in service, (j) deposits to the Reserve Fund-Series 2026B Subaccount, and (i) any rebate or yield reduction payments due to the United States Treasury with respect to the Series 2026 Bonds pursuant to Section 148 of the Internal Revenue Code, and (2) when used with respect to a series of Additional Bonds, shall have the meaning ascribed to such term in the related Supplemental Indenture.

"**Acquisition Fund**" shall mean the fund established pursuant to Section 8.16.

"**Additional Bonds**" shall mean Additional First Lien Bonds, Additional Second Lien Bonds, and Additional Third Lien Bonds.

"**Additional First Lien Bonds**" shall mean a series of First Lien Bonds issued pursuant to Article 7 and the related Supplemental Indenture.

"**Additional Lease Payments**" shall have the meaning stated in Article 4 of the Lease Agreement.

"**Additional Second Lien Bonds**" shall mean a series of Second Lien Bonds issued pursuant to Article 7 and the related Supplemental Indenture.

"**Additional Third Lien Bonds**" shall mean a series of Third Lien Bonds issued pursuant to Article 7 and the related Supplemental Indenture.

"**Administrative Expense Fund**" shall mean the fund established pursuant to Section 8.7.

"**Administrative Expenses**" shall mean any expenses incurred in the establishment, administration, and operation of the Issuer (including insurance premiums required to be maintained during the operation of the Bridge and Bayway Facilities), except for expenses payable out of Indenture Funds other than the Administrative Expense Fund.

"**Affiliate**" of any specified person shall mean any other person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified person. For purposes of this definition, "control" when used with respect to any specified person means the power to direct the management and policies of such person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"**ALDOT**" shall mean State of Alabama, acting by and through the Alabama Department of Transportation, until a successor shall have become such pursuant to the applicable provisions of the Lease Agreement, and thereafter "ALDOT" shall mean such successor.

"**ALDOT Equalization Amount**" shall mean an amount equal to all Lease Payments and any other payments made by ALDOT pursuant to the Lease Agreement or in connection with the Bridge and Bayway Facilities, to the extent permitted by applicable law.

"**ALDOT Rebate Fund**" shall mean the fund established pursuant to Section 8.13.

"**ALDOT Rebates**" shall have the meaning stated in Article 4 of the Lease Agreement.

"**A.M. Best**" shall mean A.M. Best Company, Inc.

"**Annual Budget**" shall mean the Issuer's budget for the Bridge and Bayway Facilities for a Bond Year adopted pursuant to Section 10.12.

"**Annual Debt Service**", when used with respect to any Bond Year, shall mean the aggregate amount of principal and interest payable on all Outstanding Bonds during such Bond Year; provided, that for purposes of determining Annual Debt Service:

(1) The principal amount of Bonds required to be redeemed in any Bond Year shall be deemed to be payable in such Bond Year rather than the Bond Year in which such principal matures.

(2) With respect to Bonds for which the Issuer receives a credit under Section 6431 of the Internal Revenue Code (or any successor or comparable provision of law), the amount of interest payable during any period shall be reduced by the amount of any such credit.

(3) The interest payable on any Bonds incurred to finance the acquisition or construction of operating assets shall be excluded from interest payable until such operating assets are placed in service, if and to the extent that funds dedicated to the payment of such interest are in the Capitalized Interest Fund or in another fund or account held by or under the control of a person other than the Issuer.

(4) With respect to Bonds bearing interest at a variable rate, the amount of interest payable during any period for which the actual rate cannot be determined shall (except as otherwise provided below with Put Bonds or Balloon Bonds) be projected using the Index Rate; provided, however, that if a hedge agreement (including an interest rate swap, collar, or other similar agreement) is entered into that in effect provides a synthetic fixed rate for any portion of such Bonds, the Issuer may project the interest payments on the related portion of such Bonds for the term of the hedge agreement by using the synthetic fixed rate payable as a result of the hedge agreement.

(5) Except if such calculation is being performed in the same Bond Year in which Put Bonds are subject to mandatory tender, with respect to Put Bonds, Debt Service payable on such Bonds shall be projected assuming (i) that the principal balance of such Bonds on the next Put Date will be refinanced, (ii) that such principal balance will be payable over a term or amortization schedule set forth in the Supplemental Indenture relating to that Series of Bonds, or if no such schedule exists, 25 years less the number of whole years from the date such Bonds were issued until the next Put Date, (iii) that such principal balance will bear interest at the Index Rate, and (iv) that Debt Service on such Bonds after such Put Date will be payable over a term or amortization schedule set forth in the Supplemental Indenture relating to that Series of Bonds, or if no such schedule exists, in equal annual installments sufficient to pay both principal and interest.

(6) Except if such calculation is being performed in the same Bond Year in which Put Bonds are subject to mandatory tender, with respect to Balloon Bonds, Debt Service payable on such Bonds shall be projected assuming (i) that the principal balance of such Bonds on the date of determination is refinanced on the date of determination over a term or amortization schedule set forth in the Supplemental Indenture relating to that Series of Bonds, or if no such schedule exists, 25 years less the number of whole years from the date such Bonds were issued until the date of determination, (ii) that such principal balance will bear interest at the Index Rate, and (iii) that Debt Service on such Bonds after the date of determination will be payable over a term or amortization schedule set forth in the Supplemental Indenture relating to that Series of Bonds, or if no such schedule exists, in equal annual installments sufficient to pay both principal and interest.

(7) If cash or escrow securities have been irrevocably deposited in escrow or trust in an amount that, together with earnings thereon (but without reinvestment), is sufficient to pay the principal of or interest on Bonds (or any portion thereof) as it comes due, such principal or interest (or portion thereof), as the case may be, shall not be included in the calculation of Annual Debt Service.

(8) With respect to Capital Appreciation Bonds, the principal amount of such Bonds shall be deemed to be equal to the Accreted Amount in such Bond Year rather than the maturity amount of such Bonds, and the interest amount in any Bond Year shall be deemed to be equal to earned interest on such Bonds in such Bond Year.

(9) In connection with the calculation of Annual Debt Service under Section 10.8, but not in connection with the calculation of Annual Debt Service under any other provision of the Bond Documents, if the Trustee receives Discretionary Contributions in such Bond Year, the amount of Debt Service payable during such Bond Year shall be reduced by the amount of any such Discretionary Contributions.

(10) In connection with the calculation of Annual Debt Service under Section 10.8, but not in connection with the calculation of Annual Debt Service under any other provision of

the Bond Documents, the amount of Debt Service payable during any Bond Year shall be reduced by the amount transferred to the Debt Service Fund from the Rate Stabilization Fund, the Distribution Lock-Up Fund, the ALDOT Rebate Fund, the Surplus Fund, the Acquisition Fund, or the Insurance and Condemnation Proceeds Fund in such Bond Year.

(11) In connection with the calculation of Annual Debt Service under Section 10.8, but not in connection with the calculation of Annual Debt Service under any other provision of the Bond Documents, TIFIA Scheduled Debt Service due and payable in any Bond Year shall be excluded.

(12) In connection with the calculation of Annual Debt Service under Section 10.8, but not in connection with the calculation of Annual Debt Service under any other provision of the Bond Documents, the amount of Debt Service payable during any Bond Year shall be reduced by the amount of Basic Lease Payments deposited into the Debt Service Fund in such Bond Year.

(13) In connection with the calculation of Annual Debt Service under Section 10.8, but not in connection with the calculation of Annual Debt Service under any other provision of the Bond Documents, the amount of Debt Service payable during any Bond Year shall be reduced by the amount of payments made by ALDOT to the Trustee, for the account of the Issuer, under Section 6.2 of the Lease Agreement that constitute Toll Collection O&M Payments or Toll Collection Renewal and Replacement Payments.

(14) Debt Service on Subordinated Debt shall be excluded from Annual Debt Service.

"**Authorized Issuer Representative**" shall mean any officer or agent of the Issuer authorized by the governing body of the Issuer to act as "Authorized Issuer Representative" for purposes of the Bond Documents.

"**Authorized ALDOT Representative**" shall mean any officer or agent of ALDOT authorized by the Director of the Alabama Department of Transportation to act as "Authorized ALDOT Representative" for purposes of the Bond Documents.

"**Authorized Denominations**" shall have the meaning stated in the related Supplemental Indenture for the Series 2026A Bonds, the Series 2026B Bond, the Series 2026-1 Notes, the Series 2026C Bonds, the Series 2026D Bonds, and any series of Additional Bonds.

"**Balloon Bonds**" shall mean Bonds 25% or more of the original principal amount of which matures during any 12-month period. For purposes of this definition, the principal amount of Bonds required to be redeemed prior to maturity shall be deemed to be payable on the mandatory redemption date rather than at maturity.

"**Bankruptcy Related Event**" shall have the meaning stated in the TIFIA Loan Agreement (2026).

"**Basic Lease Payments**" shall have the meaning stated in Article 4 of the Lease Agreement.

"**Beneficial Owner**" shall have the meaning stated in the related Supplemental Indenture for the Series 2026A Bonds, the Series 2026B Bond, the Series 2026-1 Notes, the Series 2026C Bonds, the Series 2026D Bonds, and any series of Additional Bonds.

"**Bond**" or "**Bonds**" shall mean the First Lien Bonds, the Second Lien Bonds, and the Third Lien Bonds.

"Bond Compliance Rebate Fund" shall mean the fund established pursuant to Section 8.6.

"**Bond Documents**" shall mean the Bonds, the Indenture, the Fiscal Agent Agreement, the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Lease Agreement, the TIFIA Loan Agreement(s), and any Supplemental Indenture or supplemental lease agreement entered into by the Issuer and/or ALDOT in connection with the issuance of Additional Bonds.

"**Bond Insurance/Credit Facility/Hedging Fund**" shall mean the fund established pursuant to Section 8.5.

"**Bond Insurance Policy**" shall mean a municipal bond insurance policy or similar arrangement permitted by the Enabling Law and obtained or established in connection with the incurrence of any Bonds.

"**Bond Insurer**" shall mean a person providing a Bond Insurance Policy.

"**Bond Payment Date**" shall mean each date (including any date fixed for redemption of Bonds) on which Debt Service is payable on the Bonds.

"**Bond Register**" shall mean the register or registers for the registration and transfer of Bonds maintained by the Issuer pursuant to Section 4.1.

"**Bond Year**" shall mean the period commencing on January 1 of any calendar year and ending on December 31 of such calendar year.

"**Book-Entry Only System**" shall have the meaning stated in the related Supplemental Indenture for, if applicable, the Series 2026A Bonds, the Series 2026B Bond, the Series 2026-1 Notes, the Series 2026C Bonds, the Series 2026D Bonds, and any series of Additional Bonds.

"**Bridge and Bayway Facilities**" or "**Project**" shall mean the bridge and bayway facilities more particularly described in Section 6.6.

"**Business Day**" shall mean any day other than a Saturday, a Sunday or a day on which the Trustee is authorized to be closed under general law or regulation applicable in the place where the Trustee performs its business with respect to the Indenture.

"**Calculation Date**" shall have the meaning stated in the TIFIA Loan Agreement (2026).

"**Callable Bonds**" shall mean Bonds that are subject to optional redemption.

"**Capital Appreciation Bonds**" shall mean Bonds the interest on which is compounded at the rates and on the dates set forth in the Supplemental Indenture relating thereto and is payable upon redemption or on the maturity date of such Bonds; provided, however, that nothing in this Indenture shall prohibit the Issuer from designating in a Supplemental Indenture any such Bonds by a name other than Capital Appreciation Bonds.

"**Capital Improvement Payment**" shall mean the aggregate amount paid by ALDOT pursuant to Section 4.4 of the Lease Agreement.

"**Capitalized Interest Fund**" shall mean the fund established pursuant to Section 8.3.

"**Capitalized Interest Fund-Series 2026A Subaccount**" shall mean the subaccount established pursuant to Section 8.3.

"**Capitalized Interest Fund-Series 2026-1 Subaccount**" shall mean the subaccount established pursuant to Section 8.3.

"**Capitalized Interest Fund-Series 2026C Subaccount**" shall mean the subaccount established pursuant to Section 8.3.

"**Capitalized Interest Fund-Series 2026D Subaccount**" shall mean the subaccount established pursuant to Section 8.3.

"**Capitalized Interest Period**" shall mean the period beginning on the date of issuance of the Series 2026 Bonds and ending on the later of (a) the date that is one (1) year after the Bridge and Bayway Facilities are placed in service and (b) the date that is three (3) years after the date of issuance of the Series 2026 Bonds.

"**Completion Bonds**" shall mean Bonds issued by the Issuer, pursuant to Article 7 hereof, for the purpose of financing the completion of facilities or completion of any future capital additions thereto for which the Issuer has already issued Bonds (the "original Bonds").

"**Continuing Disclosure Agreement**" shall mean any Continuing Disclosure Agreement entered into by the Issuer and ALDOT in connection with the issuance of any series of Bonds.

"**Cost Savings**" shall mean any Bond proceeds (other than Series 2026B Bond proceeds) remaining in the Acquisition Fund following Final Acceptance (as such term is defined in the Design-Build Agreement).

"**Costs of Issuance**" shall mean the expenses incurred in connection with the issuance of the Bonds, including legal, consulting, accounting and underwriting fees and expenses.

"**Costs of Issuance Fund**" shall mean the fund established pursuant to Section 8.15.

"**Credit Facility**" shall mean a line of credit, letter of credit, standby bond purchase agreement or similar liquidity or credit facility permitted by the Enabling Law (but excluding a Bond Insurance Policy or a Qualified Surety Bond) and established or obtained in connection with any Bonds.

"**Credit Provider**" shall mean a bank or insurance company providing a Credit Facility.

"**Current Interest Bonds**" shall mean Bonds the interest on which is payable on the Interest Payment Dates provided therefor in any Supplemental Indenture.

"**Debt**" shall mean (a) all indebtedness, whether or not represented by bonds, notes or other securities, for the repayment of borrowed money and (b) all capitalized leases, installment sale agreements and other similar obligations for the payment of the purchase price of property or assets purchased. For purposes of this Indenture, hedge agreements (including interest rate swaps, collars, or other similar agreements) shall not be considered "Debt". For the avoidance of doubt, "Debt" does not include trade accounts payable arising, and accrued expenses incurred, in the ordinary course of business.

"**Debt Service**" shall mean the principal, premium (if any) and interest payable on the Bonds.

"**Debt Service Fund**" shall mean the fund established pursuant to Section 8.2.

"**Debt Service Fund-Interest Subaccount**" shall mean the subaccount established pursuant to Section 8.2.

"**Debt Service Fund-Principal Subaccount**" shall mean the subaccount established pursuant to Section 8.2.

"**Debt Service Fund-Series 2026A Interest Subaccount**" shall mean the subaccount established pursuant to Section 8.2.

"**Debt Service Fund-Series 2026A Principal Subaccount**" shall mean the subaccount established pursuant to Section 8.2.

"**Debt Service Fund-TIFIA Mandatory Interest Subaccount**" shall mean the subaccount established pursuant to Section 8.2.

"**Debt Service Fund-TIFIA Mandatory Principal Subaccount**" shall mean the subaccount established pursuant to Section 8.2.

"**Debt Service Fund-TIFIA Scheduled Interest Subaccount**" shall mean the subaccount established pursuant to Section 8.2.

"**Debt Service Fund-TIFIA Scheduled Principal Subaccount**" shall mean the subaccount established pursuant to Section 8.2.

"**Debt Service Fund-Series 2026-1 Interest Subaccount**" shall mean the subaccount established pursuant to Section 8.2.

"**Debt Service Fund-Series 2026-1 Principal Subaccount**" shall mean the subaccount established pursuant to Section 8.2.

"**Debt Service Fund-Series 2026C Interest Subaccount**" shall mean the subaccount established pursuant to Section 8.2.

"**Debt Service Fund-Series 2026C Principal Subaccount**" shall mean the subaccount established pursuant to Section 8.2.

"**Debt Service Fund-Series 2026D Interest Subaccount**" shall mean the subaccount established pursuant to Section 8.2.

"**Debt Service Fund-Series 2026D Principal Subaccount**" shall mean the subaccount established pursuant to Section 8.2.

"**Defaulted Interest**" shall have the meaning stated in Section 4.3.

"**Default Rate**" shall mean (a) when used with respect to any payment of Debt Service on any Series 2026B Bond, the default rate specified in the TIFIA Loan Agreement (2026), (b) when used with respect to any payment of Debt Service on any other Bond, the rate specified in such Bond for overdue installments of Debt Service on such Bond, computed as provided in such Bond, and (c) when used with respect to all other payments due under this Indenture, a variable rate equal to the Trustee's prime rate plus 2% (200 basis points), computed on the basis of a 365 or 366-day year, as the case may be, for actual days elapsed.

"**Design-Build Agreement**" shall mean that certain Third Amended and Restated Design-Build Agreement, dated as of May 8, 2026 and effective as of June 26, 2026, by and between the Issuer and Kiewit Massman Traylor, a Joint Venture, as amended and supplemented from time to time in accordance with the terms hereof and thereof, including by that certain Amendment/NTP for Construction dated as of September [●], 2026.

"**Discretionary Contribution**" shall mean a contribution made pursuant to Section 4.5 of the Lease Agreement.

"**Distribution Lock-Up Fund**" shall mean the fund established pursuant to Section 8.12.

"**DTC**" shall have the meaning stated in the related Supplemental Indenture for, if applicable, the Series 2026A Bonds, the Series 2026-1 Notes, the Series 2026C Bonds, the Series 2026D Bonds, and any series of Additional Bonds.

"**Enabling Law**" shall mean, collectively, (1) Section 23-1-40 of the Code of Alabama 1975, (2) Article 5 of Chapter 2 of Title 23 (Section 23-2-140 et seq.) of the Code of Alabama 1975, and (3) Article 6 of Chapter 2 of Title 23 (Section 23-2-165 et seq.) of the Code of Alabama 1975.

"**Event of Loss**" shall have the meaning stated in the TIFIA Loan Agreement (2026).

"**Exempt Vehicle**" shall mean (1) any authorized emergency vehicle under applicable Alabama law; (2) any marked, recognizable military vehicle; (3) any vehicle of ALDOT or Issuer contractors working on the construction, improvement, maintenance, or operation of the Bridge and Bayway Facilities; (4) any recognized public agency bus (including any public school bus); (5) at ALDOT or the Issuer's election, any vehicle registered to ALDOT or the Issuer; and (6) any other class of vehicles for which applicable law provides free, non-toll passage on the Bridge and Bayway Facilities.

"**Favorable Tax Opinion**" shall mean an Opinion of Counsel stating in effect that the proposed action, together with any other changes with respect to the Bonds made or to be made in connection with such action, will not cause interest on the Bonds to become includible in gross income of the Holders for purposes of federal income taxation.

"**Federal Securities**" shall mean noncallable, nonprepayable, direct obligations of, or obligations the full and timely payment of which is guaranteed by, the United States of America, excluding unit investment trusts and mutual funds.

"**Fifth Supplemental Indenture**" shall mean that certain Fifth Supplemental Indenture dated September 1, 2026 by and between the Issuer and Trustee.

"**Financing Participants**" shall mean the Issuer, ALDOT, the State Treasurer, and the Trustee.

"**First Lien Bond**" or "**First Lien Bonds**" shall mean the Series 2026A Bonds and any Additional First Lien Bonds, and, solely upon the occurrence of a Bankruptcy Related Event with respect to the Issuer, the Series 2026B Bond.

"**First Supplemental Indenture**" shall mean that certain First Supplemental Indenture dated September 1, 2026 by and between the Issuer and Trustee.

"**Fiscal Agent Agreement**" shall mean that certain Fiscal Agent Agreement dated September 1, 2026, by and among the Issuer, the State Treasurer and the Trustee.

"**Fiscal Year**" shall mean the fiscal year of the Issuer, as established from time to time by requisite corporate action.

"**Fitch**" shall mean Fitch Ratings, Inc.

"**Fourth Supplemental Indenture**" shall mean that certain Fourth Supplemental Indenture dated September 1, 2026 by and between the Issuer and Trustee.

"**Fully Paid**", when used with respect to Indenture Indebtedness, shall have the meaning stated in Section 14.1.

"**Governmental Authority**" shall have the meaning stated in the TIFIA Loan Agreement (2026).

"Ground Lease" shall have the meaning stated in the recitals to the Lease Agreement.

"**Hedge Agreement**" shall mean any agreement between the Issuer and a Hedge Provider, which provides for an interest rate or commodity swap, cap, floor, collar, forward foreign exchange transaction, currency swap, cross-currency rate swap, currency option, or any combination of, or option with respect to, these or similar transactions, for the purpose of hedging the Issuer's exposure to fluctuations in interest rates, currency valuations or commodity prices, including any ISDA Master Agreement and Schedule.

"**Hedge Provider**" shall mean a person providing a Hedge Agreement.

"**Highest Priority Obligations**" shall mean, as of any date, First Lien Bonds, unless and until there are no First Lien Bonds Outstanding hereunder, in which case it shall mean Second Lien Bonds, unless and until there are no Second Lien Bonds Outstanding hereunder, in which case it shall mean Third Lien Bonds; provided, however, that, for so long as there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), "Highest Priority Obligations" shall in all circumstances also include the Outstanding Bonds under the TIFIA Loan Agreement(s) (including the Series 2026B Bond).

"**Holder**" or "**Bondholder**" when used with respect to any Bond shall mean (1) if the Book-Entry Only System is not in effect with respect to such Bond, the person in whose name such Bond is registered in the Bond Register and (2) if the Book-Entry Only System is in effect with respect to such Bond, the Beneficial Owner of such Bond on the records maintained pursuant to the Book-Entry Only System.

"**Indenture**" shall mean this instrument as originally executed or as it may from time to time be supplemented, modified or amended by one or more indentures or other instruments supplemental hereto (including any Supplemental Indenture) entered into pursuant to the applicable provisions hereof.

"**Indenture Default**" shall have the meaning stated in Article 11. An Indenture Default shall "exist" if an Indenture Default shall have occurred and be continuing.

"**Indenture Funds**" shall mean any fund or account established pursuant to this Indenture.

"**Indenture Indebtedness**" shall mean all indebtedness of the Issuer at the time issued pursuant to this Indenture, including (a) all Debt Service and other amounts due and payable with respect to the Bonds (including, with respect to the Series 2026B Bond, the TIFIA Loan Agreement) and (b) all fees, charges and disbursements of the Trustee for services performed and disbursements made under this Indenture or any other Bond Document.

"**Independent**", when used with respect to any person, shall mean a person who (a) is in fact independent, (b) does not have any direct financial interest or any material indirect financial interest in

any Financing Participant or any Affiliate of a Financing Participant, and (c) is not connected with any Financing Participant or any Affiliate of a Financing Participant as an officer, employee, promoter, underwriter, trustee, partner, director or person performing similar functions.

"**Index Rate**" shall mean the "Bond Buyer Revenue Bond Index" rate for 30-year tax-exempt revenue bonds, as published by *The Bond Buyer* on any date selected by the Issuer that is within 30 days prior to the date of such determination; provided, however, that if *The Bond Buyer* (or a successor publication) ceases to publish such rate, the Index Rate shall be established by an Independent nationally recognized securities dealer or financial advisor selected by the Issuer and acceptable to the Trustee, shall be established on any date selected by the Issuer that is within 30 days prior to the date of such determination, and shall be the rate that would cause 30-year tax-exempt obligations of the Issuer to trade at par, taking into account relevant market conditions and credit rating factors as they exist on the date the Index Rate is so established.

"**Insolvency Laws**" shall mean the United States Bankruptcy Code, 11 U.S.C. § 101 et seq., as from time to time amended and in effect, and any state bankruptcy, insolvency, receivership, conservatorship or similar law now or hereafter in effect.

"**Insurance and Condemnation Proceeds Fund**" shall mean the fund established pursuant to Section 8.17.

"**Insurance Consultant**" shall mean a person qualified to survey risks and recommend insurance coverage for facilities, services, and organizations engaged in operations similar to those of the Issuer and ALDOT and having a favorable reputation for skill and experience in such surveys and recommendations, who shall be appointed by ALDOT and acceptable to the Issuer.

"**Interest Payment Date**", when used with respect to any installment of interest on a Bond, shall mean the date specified herein and in such Bond as the date on which such installment of interest is due and payable.

"**Issuer**" shall mean Alabama Toll Road, Bridge, and Tunnel Authority, an Alabama public corporation, until a successor corporation shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Issuer" shall mean such successor corporation.

"**Lease Agreement**" shall mean that certain Amended and Restated Lease Agreement dated September 1, 2026, between the Issuer and ALDOT.

"**Lease Default**" shall have the meaning stated in Article 8 of the Lease Agreement. A Lease Default shall "exist" if a Lease Default shall have occurred and be continuing.

"**Lease Payments**" shall have the meaning stated in Article 4 of the Lease Agreement.

"**Loss Proceeds**" shall have the meaning stated in the TIFIA Loan Agreement (2026).

"**Maturity**", when used with respect to any Bond, shall mean the date specified herein and in such Bond as the date on which principal of such Bond is due and payable.

"**Monthly Transfer Date**" shall have the meaning stated in Section 8.1(c).

"**Moody's**" shall mean Moody's Investors Service, Inc.

"**MRB Designated Revenues**" shall mean all legally available ALDOT revenues, except for revenues appropriated to ALDOT pursuant to the Rebuild Alabama Act, Alabama Act No. Act 2019-2.

"**Obligor Bonds**" shall mean Bonds registered in the name of (or in the name of a nominee for) the Issuer, ALDOT, or any Affiliate of the Issuer or ALDOT. The Trustee may assume that no Bonds are Obligor Bonds unless it has actual notice to the contrary.

"**Office of the State Treasurer**" shall mean the office of the State Treasurer for hand delivery of notices and other documents, as specified pursuant to Article 16.

"**Office of the Trustee**" shall mean the office of the Trustee for hand delivery of notices and other documents, as specified pursuant to Article 16.

"**Opinion of Counsel**" shall mean an opinion from an attorney or firm of attorneys with experience in the matters to be covered in the opinion. Except as otherwise expressly provided in this Indenture, the attorney or attorneys rendering such opinion may be counsel for one or more of the Financing Participants.

"Original Issuer/ALDOT Lease" shall have the meaning stated in the recitals to the Lease Agreement.

"**Outstanding**" when used with respect to Bonds shall mean, as of the date of determination, all Bonds authenticated and delivered under this Indenture, except:

(a) Bonds cancelled by the Trustee or delivered to the Trustee for cancellation;

(b) Bonds for whose payment or redemption money in the necessary amount has been deposited with the Trustee in trust for the Holders of such Bonds, provided that, if such Bonds are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor satisfactory to the Trustee has been made; and

(c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered under this Indenture;

provided, however, that in determining whether the Holders of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver hereunder, Obligor Bonds shall be disregarded and deemed not to be Outstanding. Obligor Bonds which have been pledged in good faith may be regarded as Outstanding for such purposes if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Bonds and that Bonds registered in the name of such pledgee as beneficial owner would not be considered Obligor Bonds.

"**Permitted Liens**" shall have the meaning stated in Article 2 of the Lease Agreement.

"**Permitted Rate Stabilization Fund Payments**" shall mean deposits to any of the Indenture Funds other than the ALDOT Rebate Fund or the Surplus Fund.

"**Permitted Surplus Fund Payments**" shall mean ALDOT Rebates, deposits to any of the Indenture Funds, and payments for any other legally permissible purpose.

"**Permitted Investments**" shall mean:

(a) Federal Securities.

(b) An interest in any trust or fund that invests solely in Federal Securities or repurchase agreements with respect to Federal Securities.

(c) A certificate of deposit issued by, or other interest-bearing deposit with, any bank organized under the laws of the United States of America or any state thereof (including the Trustee), provided that (1) long-term deposits with such bank are rated by Moody's or S & P in one of the three highest rating categories, or (2) such deposit is collaterally secured by the issuing bank by pledging Federal Securities having a market value (exclusive of accrued interest) not less than the face amount of such certificate less the amount of such deposit insured by the Federal Deposit Insurance Corporation.

(d) A repurchase agreement with respect to Federal Securities, provided that the Federal Securities subject to such repurchase agreement are held by or under the control of the Trustee pursuant to a perfected security interest free and clear of third-party liens.

(e) Any investments permitted by the Enabling Law.

However, for so long as there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), "Permitted Investments" shall have the meaning given to such term in the TIFIA Loan Agreement(s).

"**Phase II Project**" shall mean the design and construction of the replacement of the existing I-10 Bayway Bridges with a new six-lane bridge constructed above the 100-year storm surge elevation, from the connection point constructed as part of the Bridge and Bayway Facilities to the Eastern Shore.

"**Project Revenues**" shall mean (a) Toll Revenues, (b) the proceeds of delay-in-startup insurance, business interruption insurance, or loss-of-advance-profits insurance payable to or received by the Issuer with respect to the Bridge and Bayway Facilities (whether by way of claims, return of premiums, ex gratia settlements or otherwise), (c) liquidated damages or other amounts related to delayed delivery of the Bridge and Bayway Facilities received pursuant to the Design-Build Agreement, and (d) all other receipts, revenues, income, proceeds and money received by the Issuer in respect of the Bridge and Bayway Facilities, including investment earnings on money in the Indenture Funds.

"**Project Right of Way**" or "**Project ROW**" shall have the meaning stated in the recitals to the Lease Agreement.

"**Put Bonds**" shall mean Bonds which, at the option of the holder thereof, are payable or must be purchased by any obligor on such Bonds prior to their stated maturity date.

"**Put Date**", when used with respect to Put Bonds, shall mean a date prior to the maturity of such Put Bonds on which the holder(s) of such Put Bonds may, at the option of such holder(s), either require payment thereof or require purchase of such Bonds by any obligor thereon.

"**Qualified Surety Bond**" shall mean a surety bond which is unconditional and irrevocable and which is issued by an insurance company rated in one of the three highest rating categories (without regard to any refinement or gradation of rating category by numerical modifier or otherwise) by any Rating Agency or A.M. Best.

"**Rate Coverage Test**" shall have the meaning stated in the TIFIA Loan Agreement (2026).

"**Rate Stabilization Fund**" shall mean the fund established pursuant to Section 8.11.

"**Rate Stabilization Fund Minimum Balance Requirement**" shall mean, (a) as of the first Calculation Date, an amount not less than $[23,814,041], (b) as of the second Calculation Date, an amount not less than $[76,796,534], and (c) as of the third Calculation Date and on each date of

determination thereafter, an amount of not less than $100,000,000, which such amount shall be reduced to $20,000,000 if the Issuer is in compliance with all Restricted Payment Conditions as of the most recent testing date therefor; provided, however, that such amount shall not be reduced to $20,000,000 prior to the third Calculation Date.

"**Rating Agency**" shall mean Moody's, S & P, Fitch, and any other nationally recognized securities rating agency.

"**Refunding Bonds**" shall mean any Bonds issued for the purpose of refunding or refinancing Outstanding Bonds.

"**Regularly Scheduled Payments**" shall mean principal and interest payments on any Debt on the maturity or due date or any scheduled mandatory redemption date, but shall not, in any case, include amounts payable as a result of prepayment or other early payment resulting from a default, an early termination event, or any other similar event or contingency.

"**Regular Record Date**" shall have the meaning stated in the related Supplemental Indenture for, if applicable, the Series 2026A Bonds, the Series 2026B Bond, the Series 2026-1 Notes, the Series 2026C Bonds, the Series 2026D Bonds, and any series of Additional Bonds.

"**Required Bond Insurance Payments**" shall mean payments required to be made to a Bond Insurer for amounts paid out under a Bond Insurance Policy.

"**Required Bond Insurance/Credit Facility/Hedging Payments**" shall mean, collectively, the Required Bond Insurance Payments, the Required Credit Facility Payments, and the Required Hedging Payments.

"**Required Credit Facility Payments**" shall mean payments required to be made to a Credit Provider for amounts paid out under a Credit Facility.

"**Required Hedging Payments**" shall mean payments required to be made to a Hedge Provider by the Issuer under a Hedge Agreement.

"**Required Rebate**" shall mean the amount, if any, that is required by the provisions of Section 148(f) of the Internal Revenue Code and any regulations of the Department of the Treasury issued thereunder, or as yield reduction payments under Treasury Regulation Section 1.148-5(c), to be paid by the Issuer to the United States of America in order that the Bonds shall not be treated as "arbitrage bonds" within the meaning of Section 103(b)(2) and Section 148 of the Internal Revenue Code. The Required Rebate shall be contained in the rebate opinions and reports delivered to the Trustee pursuant to the Tax Certificate and Agreement.

"**Reserve Fund**" shall mean the fund established pursuant to Section 8.4.

"**Reserve Fund Requirement**" shall have the meaning stated in the related Supplemental Indenture for any series of Bonds.

"**Reserve Fund-Series 2026A Subaccount**" shall mean the subaccount established pursuant to Section 8.4.

"**Reserve Fund-Series 2026B Subaccount**" shall mean the subaccount established pursuant to Section 8.4.

"**Restricted Payment Conditions**" shall have the meaning stated in the TIFIA Loan Agreement (2026).

"**Revenue Bond Anticipation Notes**" shall mean any revenue bond anticipation notes issued by the Issuer pursuant to Article 7 and the related Supplemental Indenture.

"**Revenue Fund**" shall mean the fund established pursuant to Section 8.1.

"**S & P**" shall mean S&P Global Ratings, a division of Standard & Poor's Financial Services LLC.

"**Second Lien Bond**" or "**Second Lien Bonds**" shall mean the Series 2026B Bond (for so long as no Bankruptcy Related Event with respect to the Issuer has occurred), the Series 2026-1 Notes, and any Additional Second Lien Bonds.

"**Second Supplemental Indenture**" shall mean that certain Second Supplemental Indenture dated September 1, 2026 by and between the Issuer and Trustee.

"**Secured Obligations**" shall have the meaning stated in the TIFIA Loan Agreement (2026).

"**Series 2026A Bond**" or "**Series 2026A Bonds**" shall mean the series of Bonds issued pursuant to Article 6 of this Indenture and the First Supplemental Indenture.

"**Series 2026B Bond**" shall mean the series of Bonds issued pursuant to Article 6 of this Indenture and the Second Supplemental Indenture.

"**Series 2026-1 Note**" or "**Series 2026-1 Notes**" shall mean the series of Bonds issued pursuant to Article 6 of this Indenture and the Fourth Supplemental Indenture.

"**Series 2026C Bond**" or "**Series 2026C Bonds**" shall mean the series of Bonds issued pursuant to Article 6 of this Indenture and the Third Supplemental Indenture.

"**Series 2026D Bond**" or "**Series 2026D Bonds**" shall mean the series of Bonds issued pursuant to Article 6 of this Indenture and the Fifth Supplemental Indenture.

"**Series 2026 Bonds**" shall mean the Series 2026A Bonds, the Series 2026B Bond, the Series 2026-1 Notes, the Series 2026C Bonds, and the Series 2026D Bonds.

"**Special Record Date**" for the payment of any Defaulted Interest on the Bonds shall mean a date fixed by the Trustee pursuant to Section 4.3.

"**State Treasurer**" shall mean the Treasurer of the State of Alabama.

"**Subordinated Debt**" shall mean Debt payment of which is, by the terms of such Debt and any instrument evidencing or securing the same, effectively subordinated in right of payment to the First Lien Bonds, the Second Lien Bonds, and the Third Lien Bonds as follows:

(1) If no Indenture Default exists, Regularly Scheduled Payments of principal and interest on such Subordinated Debt shall be permitted.

(2) If an Indenture Default exists (including a Bankruptcy Related Event with respect to the Issuer), all payments of principal and interest on such Subordinated Debt shall be deferred

until payment in full of all amounts due on the First Lien Bonds, the Second Lien Bonds, and the Third Lien Bonds.

"**Substantial Completion Date**" shall mean the date on which the Bridge and Bayway Facilities are open to tolled vehicular traffic.

"**Supplemental Indenture**" shall mean an instrument supplementing, modifying or amending this Indenture.

"**Surplus Fund**" shall mean the fund established pursuant to Section 8.14.

"**Taxable**" shall mean that, for purposes of federal income taxation, interest on the Bonds is includible in the gross income of any Holder thereof for any reason. Interest on the Bonds shall not be deemed "Taxable" because interest is includible in any calculation of income for purposes of an alternative minimum tax, a foreign branch profits tax or any other type of taxation other than the regular tax imposed on gross income.

"**Tax Certificate and Agreement**" shall mean that certain Tax Certificate and Agreement entered into by the Issuer and ALDOT in connection with the issuance of the Series 2026 Bonds.

"**Third Lien Bond**" or "**Third Lien Bonds**" shall mean the Series 2026C Bonds, the Series 2026D Bonds, and any Additional Third Lien Bonds.

"**Third Supplemental Indenture**" shall mean that certain Third Supplemental Indenture dated September 1, 2026 by and between the Issuer and Trustee.

"**TIFIA Lender**" shall mean United States Department of Transportation, an agency of the United States of America, acting by and through the Executive Director of the Build America Bureau, until a successor shall have become such pursuant to the applicable provisions of the TIFIA Loan Agreement(s), and thereafter "TIFIA Lender" shall mean such successor.

"**TIFIA Loan Agreement (2026)**" shall mean that certain TIFIA Loan Agreement entered into on _____ ___, 2026 by the Issuer and the TIFIA Lender in connection with the issuance of the Series 2026B Bond.

"**TIFIA Loan Agreement(s)**" shall mean the TIFIA Loan Agreement (2026) and any other such loan agreement(s) entered into by the Issuer and the TIFIA Lender in connection with the issuance of Additional Bonds.

"**TIFIA Debt Service Reserve Fund Requirement**" shall have the meaning stated in the TIFIA Loan Agreement (2026).

"**TIFIA Mandatory Debt Service**" shall have the meaning stated in the TIFIA Loan Agreement (2026).

"**TIFIA Scheduled Debt Service**" shall have the meaning stated in the TIFIA Loan Agreement (2026).

"**Toll Collection Facilities**" shall mean that portion of the Bridge and Bayway Facilities identified more particularly in Section 6.6 as toll collection facilities.

"**Toll Collection Operating and Maintenance Expenses**" shall mean the Issuer's current expenses for the operation, maintenance, and repair of the Toll Collection Facilities, as determined in

accordance with generally accepted accounting principles, except as modified by this definition, including the following:

(a) all ordinary and usual expenses of operation, toll collection, maintenance, and repair, which may include expenses not annually recurring;

(b) direct administrative expenses;

(c) salaries, benefits and other compensation;

(d) operating lease payments;

(e) payments to any pension or retirement plan or plans properly chargeable to the Issuer;

(f) insurance premiums and expenses;

(g) engineering and architectural expenses relating to the operation, maintenance, or repair of the Toll Collection Facilities; and

(h) any other similar-type operating expenses relating to the Toll Collection Facilities required to be paid by the Issuer under this Indenture or by law.

"**Toll Collection O&M Fund**" shall mean the fund established pursuant to Section 8.8.

"**Toll Collection O&M Payments**" shall mean the total budgeted Toll Collection Operating and Maintenance Expenses for the current Bond Year, as set forth in the Annual Budget.

"**Toll Collection Operating Reserve Fund**" shall mean the fund established pursuant to Section 8.9.

"**Toll Collection Operating Reserve Requirement**" shall mean twenty-five percent (25%) of the total budgeted Toll Collection Operating and Maintenance Expenses for the current Bond Year, as set forth in the Annual Budget.

"**Toll Collection Renewal and Replacement Fund**" shall mean the fund established pursuant to Section 8.10.

"**Toll Collection Renewal and Replacement Payments**" shall mean the payment of Toll Collection Renewal and Replacement Expenses.

"**Toll Collection Renewal and Replacement Expenses**" shall mean all expenses incurred or to be incurred by the Issuer relating to all reasonably necessary periodic major overhaul and repair (excluding Toll Collection Operating and Maintenance Expenses and any other maintenance or repair of a routine or ordinary-course nature) of the Toll Collection Facilities, including the equipment and systems of the Toll Collection Facilities and any expenditures and liabilities incurred for the acquisition of any assets, improvements or replacements thereof that have a useful life of more than one (1) year and that are capitalized in accordance with generally accepted accounting principles. "Toll Collection Renewal and Replacement Expenses" do not include costs of the Bridge and Bayway Facilities paid or to be paid with the proceeds of Bonds.

"**Toll Collection Renewal and Replacement Requirement**" shall mean, for each Bond Year commencing in the first full Bond Year after the Substantial Completion Date, an amount equal to (a) one

hundred percent (100%) of the total Toll Collection Renewal and Replacement Expenses for the Toll Collection Facilities set forth in the Annual Budget for the current Bond Year plus (b) one-tenth (1/10) of the total budgeted Toll Collection Renewal and Replacement Expenses for the Toll Collection Facilities for each of the next succeeding nine Bond Years as set forth in (i) if the Series 2026B Bond remains Outstanding, the Financial Plan (as defined in the TIFIA Loan Agreement (2026)) and (ii) if the Series 2026B Bond is no longer Outstanding, the Annual Budget adopted by the Issuer for such Bond Year; provided, however, that, for so long as there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), "Toll Collection Renewal and Replacement Requirement" shall have the meaning given to "Toll Collection Renewal and Replacement Fund Requirement" in the TIFIA Loan Agreement(s).

"**Toll Policy**" shall mean the Alabama Toll Road, Bridge, and Tunnel Authority Toll Policy dated _____ ___, 2026.

"**Toll Revenues**" shall mean gross revenues of the Bridge and Bayway Facilities, as determined in accordance with generally accepted accounting principles, including tolls, fees, rentals, penalties, fines, and other charges for the use of, and for services furnished or to be furnished by, the Bridge and Bayway Facilities.

"**T&R Consultant**" shall mean any traffic and revenue consultant or firm of traffic and revenue consultants of favorable reputation for skill and experience in performing the duties for which such consultant is required to be employed pursuant to the provisions of this Indenture.

"**Trust Estate**" shall have the meaning stated in Article 3.

"**Trustee**" shall mean Computershare Trust Company, N.A., a national banking association, until a successor Trustee shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Trustee" shall mean such successor.

"**Wire Transfer**" shall mean a transfer of funds by electronic means between banks that are members of the Federal Reserve system, or such other method of transferring funds for same-day settlement or credit as shall be acceptable to the Trustee.

SECTION 1.2 General Rules of Construction

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(a) Defined terms in the singular shall include the plural as well as the singular, and vice versa.

(b) The definitions in the recitals to this instrument are for convenience only and shall not affect the construction of this instrument.

(c) All accounting terms not otherwise defined herein have the meanings assigned to them, and all computations herein provided for shall be made, in accordance with generally accepted accounting principles. All references herein to "generally accepted accounting principles" refer to such principles as they exist at the date of application thereof.

(d) All references in this instrument to designated "Articles", "Sections" and other subdivisions are to the designated Articles, Sections and subdivisions of this instrument as originally executed.

(e) The terms "herein", "hereof" and "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.

(f) All references in this instrument to a separate instrument are to such separate instrument as the same may be amended or supplemented from time to time pursuant to the applicable provisions thereof and in accordance with the Bond Documents.

(g) The term "person" shall include any individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization and any government or any department, agency or political subdivision thereof.

(h) The term "including" means "including without limitation" and "including, but not limited to".

(i) Whenever in this Indenture a vote or percentage test is applied to the principal amount of Outstanding Bonds, the Accreted Amount as of the applicable date of each Outstanding Capital Appreciation Bond shall be used as its principal amount.

SECTION 1.3 Ownership of Bonds; Effect of Action by Bondholders

(a) The ownership of Bonds shall be proved by the Bond Register.

(b) Any request, demand, authorization, direction, notice, consent, waiver or other action by the Holder of any Bond shall bind every future Holder of the same Bond and the Holder of every Bond issued upon the transfer thereof or in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Issuer in reliance thereon, whether or not notation of such action is made upon such Bond.

SECTION 1.4 Effect of Headings and Table of Contents

The Article and Section headings herein and in the Table of Contents are for convenience only and shall not affect the construction hereof.

SECTION 1.5 Date of Indenture

The date of this Indenture is intended as and for a date for the convenient identification of this Indenture and is not intended to indicate that this Indenture was executed and delivered on said date.

SECTION 1.6 Separability Clause

If any provision in this Indenture or in the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 1.7 Governing Law

This Indenture shall be construed in accordance with and governed by the laws of the State of Alabama.

SECTION 1.8 Counterparts

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed an original, but all such counterparts shall together constitute but one and the same instrument.

SECTION 1.9 Designation of Time for Performance

Except as otherwise expressly provided herein, any reference in this Indenture to the time of day shall mean (a) if the Book-Entry Only System is in effect, the time of day in the city where DTC maintains its place of business for the performance of its obligations under the Book-Entry Only System or (b) if the Book-Entry Only System is no longer in effect, the time of day in the city where the Trustee maintains its place of business for the performance of its obligations under this Indenture.

SECTION 1.10 Inconsistency with TIFIA Loan Agreement(s)

While there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), in the event of any inconsistency between the provisions of the TIFIA Loan Agreement(s) and the provisions hereof, the TIFIA Loan Agreement(s) will prevail.

ARTICLE 2

Source of Payment

SECTION 2.1 Source of Payment of Bonds and Other Obligations

(a) The Bonds and all other payment obligations under this Indenture are limited obligations of the Issuer payable solely out of the Trust Estate, subject to the priority of payment set forth in Section 3.1, including (1) the Project Revenues and (2) payments by ALDOT pursuant to the Lease Agreement; provided, however, (x) the Basic Lease Payments will pay Debt Service only on the Series 2026C Bonds and the Series 2026D Bonds and on any Additional Bonds issued as Third Lien Bonds (and not the First Lien Bonds or the Second Lien Bonds) and (y) the Bonds and all other payment obligations under this Indenture shall never be deemed a general obligation of the Issuer or the State of Alabama secured by the full faith and credit of the Issuer or the State of Alabama.

(b) This Indenture shall not constitute or effect a pledge or assignment of, or any other type of security interest in, the property, taxes or revenues of the Issuer other than the property specifically identified by this Indenture as part of the Trust Estate.

SECTION 2.2 Sponsoring Entity Exempt From Liability

The Bonds and any other payment obligations under this Indenture do not constitute or give rise to an indebtedness or a pecuniary liability of, and do not constitute a charge against the general credit, taxing, or eminent domain powers of, the State of Alabama.

SECTION 2.3 Officers, Directors, etc. Exempt from Individual Liability

No recourse under or upon any covenant or agreement of this Indenture, or of any Bonds, or for any claim based thereon or otherwise in respect thereof, shall be had against any past, present or future incorporator, officer or member of the governing body of the Issuer, or of any successor, either directly or through the Issuer, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly understood that this Indenture and the Bonds issued hereunder are solely corporate obligations, and that no personal liability whatever shall attach to, or is or shall be incurred by, any incorporator, officer or member of the governing body of the Issuer or any successor, or any of them, because of the issuance of the Bonds, or under or by reason of the covenants or agreements contained in this Indenture or in any Bonds or implied therefrom.

ARTICLE 3

Security for Payment

SECTION 3.1 Pledge and Assignment

To secure the payment of Debt Service on the Bonds and all other Indenture Indebtedness and the performance of the covenants herein and in the Bonds contained, and to declare the terms and conditions on which the Bonds are secured, and in consideration of the premises and of the purchase of the Bonds by the Holders thereof, the Issuer hereby pledges and assigns to the Trustee, for the benefit of the Holders, and grants to the Trustee, for the benefit of the Holders, a security interest in, the following property:

(a) **Project Revenues**. All right, title and interest of the Issuer in the Project Revenues.

(b) **Indenture Funds**. Money and investments from time to time on deposit in, or forming a part of, the Indenture Funds, but not including the Administrative Expense Fund or the Bond Compliance Rebate Fund.

(c) **Basic Lease Payments and Lease Agreement**. All Basic Lease Payments by ALDOT and, subject to Section 5.1 of the Lease Agreement, all right, title and interest of the Issuer in and to the Lease Agreement; provided, however, that:

(1) The Issuer shall retain the right to payments under Section 4.3(a)(2) of the Lease Agreement.

(2) The Issuer shall retain the right to receive notices and other communications to be sent to it under the Lease Agreement.

(3) Nothing contained in this Indenture shall impair, diminish or otherwise affect the Issuer's obligations under the Lease Agreement or impose any of such obligations on the Trustee.

(d) **Other Property**. Any and all property of every kind or description which may, from time to time hereafter, by delivery or by writing of any kind, be subjected to the lien of this Indenture as additional security by the Issuer or anyone on its part or with its consent, or which pursuant to any of the provisions hereof may come into the possession or control of the Trustee or a receiver appointed pursuant to this Indenture; and the Trustee is hereby authorized to receive any and all such property as and for additional security for the obligations secured hereby and to hold and apply all such property subject to the terms hereof.

TO HAVE AND TO HOLD all such property, rights and privileges (collectively called the "Trust Estate") unto the Trustee and its successors and assigns;

BUT IN TRUST, NEVERTHELESS, for the equal and proportionate benefit and security of the Holders from time to time of the Bonds (without any priority of any such Bond over any other such Bond).

PROVIDED, HOWEVER, that money and investments in the Indenture Funds may be applied for the purposes and on the terms and conditions set forth in this Indenture.

PROVIDED, HOWEVER, that the Issuer's pledge and assignment to the Trustee, and grant to the Trustee of a security interest in, the Project Revenues in favor of the Second Lien Bonds shall be subordinate to the Issuer's pledge, assignment, and grant of a security interest in the Project Revenues to the First Lien Bonds.

PROVIDED, HOWEVER, that, notwithstanding any other provision to the contrary herein or in any of the Bond Documents, upon the occurrence and during the continuance of any Bankruptcy Related Event of the Issuer, any Second Lien Bonds, if issued and Outstanding, shall, if the owner of such particular Bonds is the TIFIA Lender, at such time, automatically and without action on the part of such owner or any other person immediately become, and be of equal rank and on parity with the First Lien Bonds and shall be entitled to all rights of a Holder of First Lien Bonds; provided, however, the benefit of the Reserve Fund for First Lien Bonds shall be determined pursuant to the terms of the applicable Supplemental Indenture.

PROVIDED, HOWEVER, that the lien priorities described herein (including the adjustment in the priority of the liens securing any Second Lien Bonds held by the TIFIA Lender upon a Bankruptcy Related Event as described above) apply regardless of how any such lien is acquired, and such priorities shall not be altered by any amendment, supplement, modification or refinancing of any Bond Document, or by any subordination, avoidance or invalidation of any lien.

PROVIDED, HOWEVER, that the Issuer's pledge and assignment to the Trustee, and grant to the Trustee of a security interest in, the Project Revenues in favor of the Third Lien Bonds shall be subordinate to the Issuer's pledge, assignment, and grant of a security interest in the Project Revenues to the First Lien Bonds and the Second Lien Bonds.

PROVIDED, HOWEVER, that the Basic Lease Payments will pay Debt Service only on the Series 2026C Bonds and the Series 2026D Bonds and on any Additional Bonds issued as Third Lien Bonds and enhanced with Basic Lease Payments made pursuant to the Lease Agreement (and not the First Lien Bonds or the Second Lien Bonds).

SECTION 3.2 Letters of Credit, Etc. for Specified Bonds

The Issuer may deliver to the Trustee a separate letter of credit, insurance policy, standby purchase agreement, guaranty agreement, or other credit enhancement solely (a) for the benefit of specified Bonds issued under this Indenture, which may be all or any portion of one or more series of Bonds and (b) to the extent permitted pursuant to the TIFIA Loan Agreement(s) for so long as there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s). Any such instrument will not be considered part of the Trust Estate. The terms of the Supplemental Indenture authorizing the issuance of the applicable secured Bonds (1) may grant to the obligor under any such instrument the right to exercise certain rights or powers, or to grant or withhold any consent, on behalf of the Holders of Bonds secured by such instrument and (2) may provide that such obligor shall be subrogated to the rights of the Holders of Bonds secured by such instrument if, and to the extent that, such obligor is not paid or reimbursed for amounts paid to Holders of Bonds secured by such instrument.

ARTICLE 4

Registration, Exchange and General Provisions Regarding the Bonds

SECTION 4.1 Registration, Transfer and Exchange

(a) The Issuer shall cause to be kept at the Office of the Trustee a register (herein sometimes referred to as the "Bond Register") in which, subject to such reasonable regulations as it may prescribe, the Issuer shall provide for the registration of Bonds and registration of transfers of Bonds entitled to be registered or transferred as herein provided. The Trustee is hereby appointed as agent of the Issuer for the purpose of registering Bonds and transfers of Bonds as herein provided.

(b) Upon surrender for transfer of any Bond at the Office of the Trustee, the Issuer shall execute, and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of the same series and Maturity, of any Authorized Denominations and of a like aggregate principal amount.

(c) At the option of the Holder, Bonds may be exchanged for other Bonds of the same series and Maturity, of any Authorized Denominations and of a like aggregate principal amount, upon surrender of the Bonds to be exchanged at the Office of the Trustee. Whenever any Bonds are so surrendered for exchange, the Issuer shall execute, and the Trustee shall authenticate and deliver, the Bonds which the Bondholder making the exchange is entitled to receive.

(d) All Bonds surrendered upon any exchange or transfer provided for in this Indenture shall be promptly cancelled by the Trustee.

(e) All Bonds issued upon any transfer or exchange of Bonds shall be the valid obligations of the Issuer and entitled to the same security and benefits under this Indenture as the Bonds surrendered upon such transfer or exchange.

(f) Every Bond presented or surrendered for transfer or exchange shall contain, or be accompanied by, all necessary endorsements for transfer.

(g) No service charge shall be made for any transfer or exchange of Bonds, but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds. The transferor shall also provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including any cost basis reporting obligations under Section 6045 of the Internal Revenue Code. The Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

(h) The Issuer shall not be required (1) to transfer or exchange any Bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Bonds and ending at the close of business on the day of such mailing, or (2) to transfer or exchange any Bond so selected for redemption in whole or in part.

SECTION 4.2 Mutilated, Destroyed, Lost and Stolen Bonds

(a) If (1) any mutilated Bond is surrendered to the Trustee, or the Issuer and the Trustee receive evidence to their satisfaction of the destruction, loss or theft of any Bond, and (2) other than with respect to any Bonds held by the TIFIA Lender, there is delivered to the Issuer and the Trustee such

security or indemnity as may be required by them to save each of them harmless, then, in the absence of notice to the Issuer or the Trustee that such Bond has been acquired by a bona fide purchaser, the Issuer shall execute and upon its request the Trustee shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding.

(b) Upon the issuance of any new Bond under this Section, other than with respect to any Bonds held by the TIFIA Lender, the Issuer may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses connected therewith.

(c) Every new Bond issued pursuant to this Section in lieu of any destroyed, lost or stolen Bond shall constitute an original additional contractual obligation of the Issuer, whether or not the destroyed, lost or stolen Bond shall be at any time enforceable by anyone, and shall be entitled to all the security and benefits of this Indenture equally and ratably with all other Outstanding Bonds.

(d) The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds.

SECTION 4.3 Payment of Interest on Bonds; Interest Rights Preserved

(a) Interest on any Bond which is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid to the person in whose name that Bond is registered at the close of business on the Regular Record Date for such Interest Payment Date.

(b) Any interest on any Bond which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date (herein called "Defaulted Interest") shall forthwith cease to be payable to the Holder on the relevant Regular Record Date solely by virtue of such Holder having been such Holder; and such Defaulted Interest shall be paid by the Issuer to the persons in whose names such Bonds are registered at the close of business on a special record date (herein called a "Special Record Date") for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Issuer shall notify the Trustee of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be such as will enable the Trustee to comply with the next sentence hereof), and at the same time the Issuer shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest as in this subsection provided and not to be deemed part of the Trust Estate. Thereupon the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Issuer of such Special Record Date and, in the name and at the expense of the Issuer, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Holder of a Bond at his address as it appears in the Bond Register not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the persons in whose names the Bonds are registered on such Special Record Date.

(c) Subject to the foregoing provisions of this Section, each Bond delivered under this Indenture upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond and each such Bond

shall bear interest from such date that neither gain nor loss in interest shall result from such transfer, exchange or substitution.

SECTION 4.4 Persons Deemed Owners

The Issuer and the Trustee may treat the person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of Debt Service on such Bond and for all other purposes whatsoever whether or not such Bond is overdue, and, to the extent permitted by law, neither the Issuer nor the Trustee shall be affected by notice to the contrary.

SECTION 4.5 Trustee as Paying Agent

The Debt Service on the Bonds shall, except as otherwise provided herein, be payable at the Office of the Trustee. The Trustee is hereby appointed agent of the Issuer for the purpose of paying Debt Service on the Bonds.

SECTION 4.6 Payments Due on Non-Business Days

If any payment on the Bonds is due on a day which is not a Business Day, such payment may be made on the first succeeding day which is a Business Day with the same effect as if made on the day such payment was due.

SECTION 4.7 Cancellation

All Bonds surrendered for payment, redemption, transfer or exchange, shall be promptly cancelled by the Trustee. The Trustee may destroy cancelled certificates pursuant to its retention policy then in effect. No Bond shall be authenticated in lieu of or in exchange for any Bond cancelled as provided in this Section, except as expressly provided by this Indenture.

SECTION 4.8 Book-Entry Only Bonds

The provisions of this Indenture authorizing any series of Bonds may provide that such Bonds shall be issued in book-entry only form.

SECTION 4.9 Non-Voting Parties

Notwithstanding any other provision of this Indenture or any other Bond Document, while there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), any obligations owed to the Issuer or ALDOT (including as holder of Obligor Bonds), any Hedge Provider, or any Credit Provider (each, solely in such capacity) shall be disregarded, and shall not be deemed Outstanding, in determining whether the requisite Holders have concurred in any request, demand, direction, consent, waiver, or other action under this Indenture. For the avoidance of doubt, none of the foregoing entities is a Holder.

ARTICLE 5

General Provisions Regarding Redemption of Bonds

SECTION 5.1 Specific Redemption Provisions

The terms of the Supplemental Indenture authorizing any series of Bonds shall specify the specific redemption provisions with respect to such series.

SECTION 5.2 Mandatory Redemption

Bonds shall be redeemed in accordance with the applicable mandatory redemption provisions set forth in the applicable Supplemental Indenture or other applicable Bond Document for a series of Bonds without any direction from or consent by the Issuer. Unless the date fixed for such mandatory redemption is otherwise specified by this Indenture (or in such Supplemental Indenture or other Bond Document), the Trustee shall select the date for mandatory redemption, subject to the provisions of this Indenture with respect to the permitted period for such redemption.

SECTION 5.3 Election to Redeem

The election of the Issuer to exercise any right of optional redemption shall be evidenced by notice to the Trustee from an Authorized Issuer Representative. The notice of election to redeem must be received by the Trustee at least 20 days (and, in the case of any Bonds held by the TIFIA Lender, no longer than 30 days) prior to the date fixed for redemption (unless a shorter notice is acceptable to the Trustee) and shall specify (a) the principal amount of Bonds to be redeemed (if less than all Bonds Outstanding are to be redeemed pursuant to such option) and (b) the redemption date, subject to the provisions of this Indenture with respect to the permitted period for such redemption.

SECTION 5.4 Selection of Bonds to be Redeemed

(a) Except as otherwise provided in the specific redemption provisions for the Bonds, if less than all Bonds Outstanding are to be redeemed, the principal amount of Bonds of each series and Maturity to be redeemed may be specified by the Issuer by notice delivered to the Trustee not less than 20 days before the date fixed for redemption (unless a shorter notice is acceptable to the Trustee), or, in the absence of timely receipt by the Trustee of such notice, shall be determined in accordance with the Book-Entry Only System or, if the Book-Entry Only System is no longer in effect, shall be selected by the Trustee randomly by such method as the Trustee shall deem fair and appropriate; provided, however, that the principal amount of Bonds of each Maturity to be redeemed may not be larger than the principal amount of Bonds of such Maturity then eligible for redemption and may not be smaller than the smallest Authorized Denomination.

(b) Except as otherwise provided in the specific redemption provisions for the Bonds, if less than all Bonds with the same series and Maturity are to be redeemed, the particular Bonds of such series and Maturity to be redeemed shall be selected by the Trustee not less than 20 nor more than 60 days (or, in the case of any Bonds held by the TIFIA Lender, no longer than 30 days) prior to the redemption date from the Outstanding Bonds of such series and Maturity then eligible for redemption in accordance with the Book-Entry Only System or, if the Book-Entry Only System is no longer in effect, by lot or by such other method as the Trustee shall deem fair and appropriate and which may provide for the selection for redemption of portions (in Authorized Denominations) of the principal of Bonds of such Maturity of a denomination larger than the smallest Authorized Denomination.

(c) The Trustee shall promptly notify the Issuer of the Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

(d) For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Bonds shall relate, in the case of any Bond redeemed or to be redeemed only in part, to the portion of the principal of such Bond which has been or is to be redeemed.

SECTION 5.5 Notice of Redemption

(a) Unless waived by the Holders of all Bonds then Outstanding to be redeemed, notice of redemption shall be given by first-class mail, or registered or certified mail, mailed not less than 20 nor more than 60 days (or, in the case of any Bonds held by the TIFIA Lender, no longer than 30 days) prior to the redemption date, to each Holder of Bonds to be redeemed, at his address appearing in the Bond Register.

(b) All notices of redemption shall state:

(1) the redemption date,

(2) the redemption price, if available,

(3) the principal amount of Bonds to be redeemed, and, if less than all Outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,

(4) that on the redemption date the redemption price of each of the Bonds to be redeemed will become due and payable and that the interest thereon shall cease to accrue from and after said date,

(5) the place or places where the Bonds to be redeemed are to be surrendered for payment of the redemption price, and

(6) any conditions to such redemption specified in accordance with the provisions of Section 5.5(e).

(c) Notice of redemption of Bonds to be redeemed at the option of the Issuer shall be given by the Issuer or, at the Issuer's request, by the Trustee in the name and at the expense of the Issuer. Notice of redemption of Bonds in accordance with the mandatory redemption provisions of the Bonds shall be given by the Trustee in the name and at the expense of the Issuer.

(d) The Issuer and the Trustee shall, to the extent practical under the circumstances, comply with the standards set forth in Securities and Exchange Commission's Exchange Act Release No. 23856 dated December 3, 1986, regarding redemption notices, provided that their failure to do so shall not in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed in this Section.

(e) A notice of optional redemption may state that the redemption of Bonds is contingent upon specified conditions such as receipt of a specified source of funds or the occurrence of specified events. If the conditions for such redemption are not met, the Issuer shall not be required to redeem Bonds (or portions thereof) identified in such notice, and any Bonds surrendered on the specified redemption date shall be returned to the Holders of such Bonds.

SECTION 5.6 Deposit of Redemption Price

On the applicable redemption date, an amount of money sufficient to pay the redemption price of all the Bonds which are to be redeemed on that date shall be deposited with the Trustee. Such money shall be held in trust for the benefit of the persons entitled to such redemption price and shall not be deemed to be part of the Trust Estate.

SECTION 5.7 Bonds Payable on Redemption Date

(a) Notice of redemption having been given as aforesaid, the Bonds to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Bonds shall cease to bear interest. Upon surrender of any such Bond for redemption in accordance with said notice such Bond shall be paid by the Issuer at the redemption price. Installments of interest due on or prior to the redemption date shall be payable to the Holders of the Bonds registered as such on the relevant Record Dates according to the terms of such Bonds.

(b) If any Bond called for redemption shall not be paid upon surrender thereof for redemption, the principal (and premium, if any) shall, until paid, bear interest from the redemption date at the Default Rate.

SECTION 5.8 Bonds Redeemed in Part

Unless otherwise provided herein, any Bond which is to be redeemed only in part shall be surrendered at the Office of the Trustee with all necessary endorsements for transfer, and the Issuer shall execute and the Trustee shall authenticate and deliver to the Holder of such Bond, without service charge, a new Bond or Bonds of the same series and Maturity and of any Authorized Denomination or Denominations as requested by such Holder in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond surrendered.

SECTION 5.9 Purchase of Callable Bonds in Lieu of Redemption

The Issuer shall have the option to purchase Callable Bonds in lieu of optional redemption. If a Callable Bond has been called for optional redemption, the Issuer may exercise its right of purchase by delivery to the Trustee on or prior to the Business Day preceding the optional redemption date of written notice from the Issuer specifying that the Callable Bonds shall not be redeemed, but instead shall be purchased pursuant to this Section. Upon delivery of such notice from the Issuer, the Callable Bonds shall not be redeemed, but shall instead be subject to mandatory tender on the date that would have been the optional redemption date at a purchase price equal to the redemption price that would have been payable with respect to such Callable Bonds. The Issuer's option to purchase pursuant to this Section shall be effective whether or not the notice of optional redemption sent to Holders indicates that the Issuer has exercised, or intends to exercise, such option. No further or additional notice to Holders shall be required in connection with the purchase in lieu of redemption. The Callable Bonds purchased pursuant to this Section (i) shall not be cancelled or retired, but shall continue to be Outstanding, (ii) shall be delivered to, or as directed by, the Issuer, and (iii) shall continue to bear interest at the rate provided for in the applicable Supplemental Indenture.

ARTICLE 6

Specific Terms for Series 2026 Bonds

SECTION 6.1 Series 2026A Bonds

On the date hereof, the Issuer is issuing the Series 2026A Bonds pursuant to this Indenture and the First Supplemental Indenture. The First Supplemental Indenture contains the specific terms for the Series 2026A Bonds. The Series 2026A Bonds are being issued as First Lien Bonds.

SECTION 6.2 Series 2026B Bond

On the date hereof, the Issuer is issuing the Series 2026B Bond pursuant to this Indenture, the Second Supplemental Indenture, and the TIFIA Loan Agreement (2026). The Second Supplemental Indenture and the TIFIA Loan Agreement (2026) contain the specific terms for the Series 2026B Bond. The Series 2026B Bond is being issued as Second Lien Bonds; provided, however, that, upon the occurrence of a Bankruptcy Related Event with respect to the Issuer, the Series 2026B Bond shall automatically become First Lien Bonds for all purposes of this Indenture; provided that the benefit of any sub-account created within the Reserve Fund for any specific First Lien Bonds shall be determined pursuant to the terms of the Supplemental Indenture establishing such sub-account.

SECTION 6.3 Series 2026-1 Notes

On the date hereof, the Issuer is issuing the Series 2026-1 Notes pursuant to this Indenture and the Fourth Supplemental Indenture. The Fourth Supplemental Indenture contains the specific terms for the Series 2026-1 Notes. The Series 2026-1 Notes are being issued as Second Lien Bonds.

SECTION 6.4 Series 2026C Bonds

On the date hereof, the Issuer is issuing the Series 2026C Bonds pursuant to this Indenture and the Third Supplemental Indenture. The Third Supplemental Indenture contains the specific terms for the Series 2026C Bonds. The Series 2026C Bonds are being issued as Third Lien Bonds.

SECTION 6.5 Series 2026D Bonds

On the date hereof, the Issuer is issuing the Series 2026D Bonds pursuant to this Indenture and the Fifth Supplemental Indenture. The Fifth Supplemental Indenture contains the specific terms for the Series 2026D Bonds. The Series 2026D Bonds are being issued as Third Lien Bonds.

SECTION 6.6 Description of Bridge and Bayway Facilities

(a) The Bridge and Bayway Facilities include the following components:

(1) **River Bridge Project**. Design and construction of a new six-lane I-10 cable-stayed bridge over the Mobile River, including aesthetic lighting, the bulkhead at the West Pylon, and the fender system at the East Pylon; design and construction of the west high level approach bridge and approximately 3,450 feet of the Bayway approach (east high level approach) bridge; design and construction of the I-10 Virginia Street interchange, the I-10 Broad Street interchange, and the Texas Street interchange; I-10 pavement resurfacing from the bridge over Broad Street to the Tennessee Street bridge and from the bridges over Canal Street to the Wallace Tunnel western portal approaches; design and construction of new I-10 Business from the Tennessee Street bridge to the existing I-10 bridges over Canal Street, including the replacement of the I-10 bridges over Pillans Street, Virginia Street, and Texas Street; reopening of the I-10 Business eastbound loop ramp and restriping of the eastbound I-10 Business bridge at the West Tunnel Interchange; design and construction of pedestrian access at the west pylon of the Mobile River cable-stayed bridge; design and construction of wet utility relocations and oversight of dry utility relocations; and design and construction of toll gantries at the west end of the west high level approach and other infrastructure to support the intelligent transportation system and a roadside tolling system (designed and constructed by others).

(2) **Bayway Project**. Design and construction of approximately 4,500 feet of new Bayway bridge to tie-in to the Bayway approach bridge and the existing Bayway bridges; design

and construction of the restriping of the existing Bayway to three lanes, including drainage, design, and construction of I-10 widening from the east end of the existing Bayway bridges to the eastern end of Project; design and construction of a channelization island at the northern end of the Eastern Shore interchange; design and construction of toll gantries and other infrastructure to support ITS and roadside tolling systems (designed and constructed by others) at the east tunnel interchange ramps and Midbay ramps; oversight of dry utility relocations, including utilities at the US 90/98 roadway and bridge replacement over I-10 at the Eastern Shore interchange (designed and constructed by others); and design and construction of a wetland/submerged aquatic vegetation mitigation site; and final geotechnical subsurface data reports, boring logs, and final load test reports for the extent of the existing Bayway.

(b) The Issuer may cause changes or amendments to be made in the description of the Bridge and Bayway Facilities and may add items to, or delete items from, the list of Bridge and Bayway Facilities contained herein, provided that (1) the Issuer delivers to the Trustee a resolution adopted by the Issuer's governing body specifying such changes, amendments, additions or deletions, (2) while there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), the Issuer obtains, and delivers to the Trustee evidence of, consent from the TIFIA Lender to such changes, amendments, additions or deletions, (3) the Issuer delivers to the Trustee a certificate of an Authorized Issuer Representative to the effect that such action will not change the nature of the Bridge and Bayway Facilities to the extent that they would not qualify for financing under the Enabling Law, and (4) the Issuer delivers to the Trustee a Favorable Tax Opinion.

ARTICLE 7

Additional Bonds and Other Debt

SECTION 7.1 Additional Bonds; Subordinated Debt

(a) The Issuer may at any time and from time to time, if no Indenture Default exists, issue Additional Bonds for any lawful purpose within the limitations of and upon compliance with the provisions of Section 7.2.

(b) The Issuer may at any time and from time to time, if no Indenture Default exists, incur Subordinated Debt for any lawful purpose without compliance with the provisions of Section 7.2; provided, however, that, for so long as there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), the incurrence of such Subordinated Debt shall be subject to the prior written consent of the TIFIA Lender.

SECTION 7.2 Conditions Precedent to Issuance of Additional Bonds

(a) Prior to the issuance of any Additional Bonds, the Issuer shall deliver to the Trustee the Additional Bonds proposed to be issued, duly executed and accompanied by the following:

(1) **Proceedings**. A certified copy of the proceedings taken by the Issuer authorizing such Additional Bonds and the Supplemental Indenture providing therefor, which shall include the following: (A) a representation that no Indenture Default exists, (B) the purpose or purposes for which such Additional Bonds are being issued, and (C) the person or persons to whom such Additional Bonds are to be sold and the purchase price to be paid therefor.

(2) **Supplemental Indenture**. A Supplemental Indenture duly executed on behalf of the Issuer and containing (to the extent applicable) (A) a description of the Additional Bonds proposed to be issued, including the aggregate principal amount, the series designation, the

Maturity or Maturities of principal of such Additional Bonds, the interest rate or rates (or provisions for the determination thereof), the due dates of interest on such Additional Bonds, the redemption provisions with respect to such Additional Bonds, the initial principal amount of such Additional Bonds constituting Capital Appreciation Bonds, the accreted and compounded interest of such Additional Bonds constituting Capital Appreciation Bonds, and the form of such Additional Bonds, (B) a statement of the purpose or purposes for which such Additional Bonds are to be issued, (C) provisions for the establishment of subaccounts in the Debt Service Fund-Interest Subaccount, the Debt Service Fund-Principal Subaccount, the Capitalized Interest Fund, and the Reserve Fund for such Additional Bonds, and (D) any other matters deemed appropriate by the Issuer and not inconsistent with the terms of this Indenture.

(3) **Supplement to Lease Agreement**. To the extent necessary, a supplement to the Lease Agreement duly executed on behalf of the Issuer and ALDOT and containing (to the extent applicable) (A) a description of the facilities to be financed by the issuance of such Additional Bonds, (B) an agreement by ALDOT to make Lease Payments at times and in amounts sufficient to pay Debt Service on the Additional Bonds or other agreed-upon amounts, and (C) any other matters deemed appropriate by the Issuer and ALDOT and not inconsistent with the terms of the Lease Agreement or this Indenture.

(4) **Opinion of Counsel for the Issuer**. An Opinion of Counsel for the Issuer stating in effect (with such qualifications and assumptions as the Trustee may deem appropriate) that (A) such Additional Bonds are valid and binding obligations of the Issuer in accordance with their terms and are entitled to the benefit and security of this Indenture equally and proportionately with all other Bonds Outstanding under the Indenture and (B) the Indenture (as so supplemented) and the Lease Agreement (as so supplemented) have been duly authorized and executed and constitute valid and binding obligations of the Issuer in accordance with their terms.

(5) **Opinion of Counsel for ALDOT**. To the extent there is a supplement to the Lease Agreement, an Opinion of Counsel for ALDOT stating in effect (with such qualifications and assumptions as the Trustee may deem appropriate) that the Lease Agreement (as so supplemented) constitutes a valid and binding obligation of ALDOT in accordance with its terms.

(6) **Certificate with Respect to Bond Documents**. A certificate by an Authorized Issuer Representative stating that all conditions contained in the Bond Documents with respect to the issuance of such Additional Bonds have been satisfied.

(7) **Conditions Under TIFIA Loan Agreement(s)**. While there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), a certificate by an Authorized Issuer Representative stating that all conditions contained in the TIFIA Loan Agreement(s) with respect to the incurrence of Additional Secured Obligations (as defined in the TIFIA Loan Agreement(s)) in connection with the issuance of such Additional Bonds have been satisfied, together with (A) evidence that the TIFIA Lender has consented to such Additional Secured Obligations (as defined in the TIFIA Loan Agreement(s)) if such consent is required under the TIFIA Loan Agreement(s), or (B) if no such consent is required under the TIFIA Loan Agreement(s), copies of any documents required to be delivered under the TIFIA Loan Agreement(s) as a condition to the issuance of such Additional Bond.

(b) Prior to the issuance of any Additional Bonds, other than Additional Bonds constituting Completion Bonds, Refunding Bonds, or Revenue Bond Anticipation Notes, the Issuer shall deliver to the Trustee the Additional Bonds proposed to be issued, duly executed and accompanied by the items listed in Section 7.2(a) and by the following:

(1) **Certificate with Respect to all Additional Bonds**. With respect to all such Additional Bonds, a certificate by an Authorized Issuer Representative stating that, based on a report from a T&R Consultant, the Project Revenues for each Bond Year beginning with the Bond Year in which such Bonds are issued through maturity of all Bonds will be not less than 100% of the sum of (A) the Annual Debt Service payable during each of such Bond Years with respect to the First Lien Bonds Outstanding, the Second Lien Bonds Outstanding, the Third Lien Bonds Outstanding, and the Additional Bonds to be issued, (B) the Required Bond Insurance/Credit Facility/Hedging Payments during each of such Bond Years, (C) the payments required to meet the Reserve Fund Requirement for each of such Bond Years, (D) the payments required to meet the TIFIA Debt Service Reserve Fund Requirement for each of such Bond Years, (E) the payments required to meet the Required Rebate for each of such Bond Years, (F) the Administrative Expenses of the Issuer for each of such Bond Years, (G) the Toll Collection O&M Payments for each of such Bond Years, (H) the payments required to meet the Toll Collection Operating Reserve Requirement for each of such Bond Years, (I) the payments required to meet the Toll Collection Renewal and Replacement Requirement for each of such Bond Years, and (J) the payments required to meet the Rate Stabilization Fund Minimum Balance Requirement for each of such Bond Years.

(2) **Certificate with Respect to First Lien Bonds**. With respect to Additional Bonds to be treated as First Lien Bonds, a certificate by an Authorized Issuer Representative stating that, based on a report of a T&R Consultant, projected Project Revenues for each Bond Year beginning with the Bond Year in which such Bonds are issued through maturity of all First Lien Bonds and Additional First Lien Bonds to be issued, will be not less than 160% of the Annual Debt Service payable during each such Bond Year with respect to the First Lien Bonds Outstanding and the Additional First Lien Bonds to be issued.

(3) **Certificate with Respect to Second Lien Bonds**. With respect to Additional Bonds to be treated as Second Lien Bonds, a certificate by an Authorized Issuer Representative stating that, based on a report of a T&R Consultant, projected Project Revenues for each Bond Year beginning with the Bond Year in which such Bonds are issued through maturity of all Second Lien Bonds and Additional Second Lien Bonds to be issued, will be not less than 140% of the sum of (A) Annual Debt Service payable during each such Bond Year with respect to the First Lien Bonds Outstanding, the Second Lien Bonds Outstanding, and the Additional Second Lien Bonds to be issued, and (B) annual payments required to meet the TIFIA Debt Service Reserve Fund Requirement.

(4) **Certificate with Respect to Third Lien Bonds**. With respect to Additional Bonds to be treated as Third Lien Bonds, a certificate by an Authorized Issuer Representative stating that, based on a report of a T&R Consultant, projected Project Revenues for each Bond Year beginning with the Bond Year in which such Bonds are issued through maturity of all Third Lien Bonds and Additional Third Lien Bonds to be issued, will be not less than 110% of the sum of (A) Annual Debt Service payable during each such Bond Year with respect to the First Lien Bonds Outstanding, the Second Lien Bonds Outstanding, the Third Lien Bonds Outstanding, and the Additional Third Lien Bonds to be issued and (B) annual payments required to meet the TIFIA Debt Service Reserve Fund Requirement.

(c) Prior to the issuance of any Additional Bonds constituting Completion Bonds, Refunding Bonds, or Revenue Bond Anticipation Notes, the Issuer shall deliver to the Trustee the Additional Bonds proposed to be issued, duly executed and accompanied by the items listed in Section 7.2(a) and by the following:

(1) **Certificate with Respect to Completion Bonds**. With respect to Additional Bonds constituting Completion Bonds, a certificate by an Authorized Issuer Representative stating that (A) the scope of the project to be financed with the Completion Bonds remains substantially unchanged, (B) the Completion Bonds do not exceed 10% of the original Bonds, and (C) proceeds from the Completion Bonds, together with other available funds, will be sufficient to achieve substantial completion of the Project.

(2) **Certificate with Respect to Refunding Bonds**. With respect to Additional Bonds constituting Refunding Bonds, (A) an Opinion of Counsel stating that, upon issuance of such proposed Refunding Bonds and application of the proceeds thereof, the Bonds to be refunded thereby will be considered Fully Paid and (B) a certificate by an Authorized Issuer Representative stating that either (i) such refunding does not result in an increase of more than 10% in Annual Debt Service with respect to the Bonds to be refunded or (ii) such refunding is with respect to Revenue Bond Anticipation Notes and is not subject to compliance with the provisions of this Section 7.2, except for Section 7.2(c)(2)(A) and Section 7.2(c)(2)(B)(ii); provided that the Issuer shall comply with the requirements with respect to the issuance of Refunding Bonds set forth in the TIFIA Loan Agreement(s) while there are any Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s).

(3) **Certificate with Respect to Revenue Bond Anticipation Notes**. With respect to Additional Bonds constituting Revenue Bond Anticipation Notes, regardless of whether they are treated as First Lien Bonds, Second Lien Bonds, or Third Lien Bonds, a certificate by an Authorized Issuer Representative stating that,

(A) Debt Service of any such Revenue Bond Anticipation Notes shall be payable from Project Revenues in the manner provided in Article 2, Article 3, and Article 8; from the proceeds of other Revenue Bond Anticipation Notes, First Lien Bonds, Second Lien Bonds, or Third Lien Bonds; or from any other legally available source;

(B) the Issuer is in compliance with Section 7.2(b). In showing compliance with Section 7.2(b) for the applicable lien level, the principal amount of such assumed First Lien Bonds, Second Lien Bonds, or Third Lien Bonds shall be deemed to be equal to the principal amount of such Revenue Bond Anticipation Notes being issued, and the Issuer shall be entitled to assume that such First Lien Bonds, Second Lien Bonds, or Third Lien Bonds will mature at such times and in such principal amounts as if such principal were amortized from the date of issuance thereof over a period of forty (40) years on a level debt service basis and bear such interest rates as it may in its best judgment determine. The T&R Consultant shall be entitled in his or her best judgment to make such other assumptions as may be necessary in respect of matters that cannot be otherwise ascertained at such time in order to determine whether or not the assumed First Lien Bonds, Second Lien Bonds, or Third Lien Bonds could be incurred at such time. Any assumptions made by the T&R Consultant to show compliance with this paragraph shall be binding and conclusive upon the Trustee and any Holders. Notwithstanding anything else herein to the contrary, Revenue Bond Anticipation Notes may be issued, as of the date of issuance of the Series 2026A Bonds, the Series 2026B Bond, the Series 2026C Bonds, and the Series 2026D Bonds without meeting the requirements of this paragraph other than to file evidence that such Revenue Bond Anticipation Notes will be First Lien Bonds, Second Lien Bonds, or Third Lien Bonds, provided that such Revenue Bond Anticipation Notes shall be assumed to amortize over the same period and in the same amounts as the Series 2026B Bond.

(d) Upon receipt of the documents required by the provisions of this Section to be furnished to it, the Trustee shall thereupon execute and deliver the Supplemental Indenture so presented and shall authenticate such Additional Bonds and deliver the same upon written order executed by an Authorized Issuer Representative. Any Additional Bonds issued pursuant to and in compliance with the terms of this Indenture shall be entitled to the benefit and protection of this Indenture equally and proportionately with all other Bonds issued hereunder.

(e) While there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), in the event of any inconsistency between the manner in which calculations with respect to Additional Bonds are made under this Section 7.2 and the manner in which calculations with respect to Additional Bonds are made under the TIFIA Loan Agreement(s), the TIFIA Loan Agreement(s) will prevail, and the Issuer shall be required to make such calculations only in the manner prescribed in the TIFIA Loan Agreement(s) (that is, the Issuer will not be required to make calculations with respect to Additional Bonds two ways).

ARTICLE 8

Indenture Funds

SECTION 8.1 Revenue Fund

(a) There is hereby established with the Trustee, as depository duly appointed by the State Treasurer, a special trust fund which shall be designated the "Revenue Fund". The Trustee shall be the depository, custodian and disbursing agent for the Revenue Fund.

(b) The Issuer shall deposit, or cause to be deposited, all Project Revenues in the Revenue Fund. The Issuer shall take all actions as are necessary or desirable in order to ensure that all Project Revenues are delivered to the Trustee for deposit in the Revenue Fund. Should the Issuer receive any Project Revenues or Basic Lease Payments, the Issuer shall immediately deliver such receipts to the Trustee, together with certifications sufficient to enable the Trustee to deposit the receipts in the proper Indenture Fund or account.

(c) The Trustee shall administer the Revenue Fund as described in this Section 8.1. All Project Revenues and certain of the proceeds from insurance paid to or for the benefit of the Issuer (as described more particularly in Section 8.17) shall be deposited in the Revenue Fund. On the fifteenth (15th) day of each month (each such date, a "Monthly Transfer Date"), the Trustee shall disburse funds as follows from the Revenue Fund in the following order of priority (it being agreed that no amount shall be withdrawn on any date pursuant to any clause below until amounts sufficient as of that date (to the extent applicable) for all the purposes specified under the prior clauses shall have been withdrawn or set aside):

(1) **First**: The Trustee shall deposit in the applicable Debt Service Fund-Interest Subaccount for each series of First Lien Bonds or, following the occurrence of a Bankruptcy Related Event with respect to the Issuer, in the Debt Service Fund-Interest Subaccount for each series of First Lien Bonds and in the Debt Service Fund-TIFIA Mandatory Interest Subaccount and the Debt Service Fund-TIFIA Scheduled Interest Subaccount for each series of Second Lien Bonds held by the TIFIA Lender, an amount equal to (i) 1/6 of the interest payable on such Bonds on the next Interest Payment Date, plus (ii) the amount of any continuing shortfall in transfers under this clause required to have been made on any preceding Monthly Transfer Date and, if the Monthly Transfer Date is the last Monthly Transfer Date prior to an Interest Payment Date, such additional amount as is required to pay the interest due and payable on such Bonds on such Interest Payment Date.

(2) **Second**: The Trustee shall deposit in the Debt Service Fund-Principal Subaccount for each series of First Lien Bonds or, following the occurrence of a Bankruptcy Related Event with respect to the Issuer, in the Debt Service Fund-Principal Subaccount for each series of First Lien Bonds and in the Debt Service Fund-TIFIA Mandatory Principal Subaccount and the Debt Service Fund-TIFIA Scheduled Principal Subaccount for each series of Second Lien Bonds held by the TIFIA Lender, an amount equal to (A) with respect to each series of First Lien Bonds, 1/12 of the principal amount on such Bonds maturing or subject to scheduled mandatory redemption on the next Bond Payment Date, and (B) with respect to each series of Second Lien Bonds held by the TIFIA Lender (following the occurrence of a Bankruptcy Related Event with respect to the Issuer), 1/6 of the principal amount on such Bonds maturing or subject to scheduled mandatory redemption (or otherwise payable) on the next Bond Payment Date, in each case plus any continuing shortfall in transfers under this clause required to have been made on any preceding Monthly Transfer Date and, if the Monthly Transfer Date is the last Monthly Transfer Date prior to a Bond Payment Date, such additional amount as is required to pay the principal then due and payable on such Bonds on such Bond Payment Date.

(3) **Third**: The Trustee shall deposit in the Reserve Fund an amount (if any) as shall be required to make the balance in each subaccount of the Reserve Fund for each series of First Lien Bonds secured thereby or, following the occurrence of a Bankruptcy Related Event with respect to the Issuer, for each series of First Lien Bonds and each series of Second Lien Bonds held by the TIFIA Lender, equal to the Reserve Fund Requirement for such subaccount.

(4) **Fourth**: The Trustee shall deposit (A) with respect to the Second Lien Bonds held by the TIFIA Lender, in the Debt Service Fund-TIFIA Mandatory Interest Subaccount (except that, following the occurrence of a Bankruptcy Related Event with respect to the Issuer, such deposit shall instead be made pursuant to level First), and (B) with respect to each other series of Second Lien Bonds, in the relevant interest subaccount of the Debt Service Fund, in each case an amount equal to (i) 1/6 of the interest payable on such Bonds on the next Interest Payment Date (which, with respect to the Second Lien Bonds held by the TIFIA Lender, shall be the interest portion of TIFIA Mandatory Debt Service), plus (ii) any continuing shortfall in transfers under this clause required to have been made on any preceding Monthly Transfer Date and, if the Monthly Transfer Date is the last Monthly Transfer Date prior to an Interest Payment Date, such additional amount as is required to pay the interest (or, with respect to the Second Lien Bonds held by the TIFIA Lender, the interest portion of TIFIA Mandatory Debt Service) due and payable on such Bonds on such Interest Payment Date.

(5) **Fifth**: The Trustee shall deposit (A) with respect to the Second Lien Bonds held by the TIFIA Lender, in the Debt Service Fund-TIFIA Mandatory Principal Subaccount (except that, following the occurrence of a Bankruptcy Related Event with respect to the Issuer, such deposit shall instead be made pursuant to level Second), an amount equal to 1/6 of the principal portion of TIFIA Mandatory Debt Service due and payable on the next Bond Payment Date, and (B) with respect to each other series of Second Lien Bonds, in the relevant principal subaccount of the Debt Service Fund, an amount equal to 1/12 of the principal amount on such Bonds maturing or subject to scheduled mandatory redemption on the next Bond Payment Date, in each case plus any continuing shortfall in transfers under this clause required to have been made on any preceding Monthly Transfer Date and, if the Monthly Transfer Date is the last Monthly Transfer Date prior to a Bond Payment Date, such additional amount as is required to pay the principal (or, with respect to the Second Lien Bonds held by the TIFIA Lender, the principal portion of TIFIA Mandatory Debt Service) due and payable on such Bonds on such Bond Payment Date.

(6) **Sixth**: The Trustee shall deposit in the Reserve Fund an amount (if any) as shall be required to make the balance in each subaccount of the Reserve Fund for each series of Second Lien Bonds secured thereby (excluding any Second Lien Bonds held by the TIFIA Lender upon the occurrence of a Bankruptcy Related Event with respect to the Issuer) equal to the Reserve Fund Requirement for such subaccount.

(7) **Seventh**: The Trustee shall deposit in the Debt Service Fund-Interest Subaccount for each series of Third Lien Bonds an amount equal to (i) 1/6 of the interest payable on such Bonds on the next Interest Payment Date, plus (ii) any continuing shortfall in transfers under this clause required to have been made on any preceding Monthly Transfer Date and, if the Monthly Transfer Date is the last Monthly Transfer Date prior to an Interest Payment Date, such additional amount as is required to pay the interest due and payable on such Bonds on such Interest Payment Date.

(8) **Eighth**: The Trustee shall deposit in the Debt Service Fund-Principal Subaccount for each series of Third Lien Bonds an amount equal to (i) 1/12 of the principal amount on such Bonds maturing or subject to scheduled mandatory redemption on the next Bond Payment Date, plus (ii) any continuing shortfall in transfers under this clause required to have been made on any preceding Monthly Transfer Date and, if the Monthly Transfer Date is the last Monthly Transfer Date prior to a Bond Payment Date, such additional amount as is required to pay the principal due and payable on such Bonds on such Bond Payment Date.

(9) **Ninth**: The Trustee shall deposit in the Reserve Fund an amount (if any) as shall be required to make the balance in each subaccount of the Reserve Fund for each series of Third Lien Bonds secured thereby (which, for clarity, shall not include the Series 2026C Bonds or the Series 2026D Bonds) equal to the Reserve Fund Requirement for such subaccount.

(10) **Tenth**: The Trustee shall deposit in the Bond Insurance/Credit Facility/Hedging Fund an amount that, together with the balance already on deposit in such fund, will equal 1/12 of the Required Bond Insurance/Credit Facility/Hedging Payments for the current Bond Year, as set forth in the Annual Budget.

(11) **Eleventh**: The Trustee shall deposit in the Bond Compliance Rebate Fund an amount that, together with the balance already on deposit in such fund, will equal 1/12 of the Required Rebate for the current Bond Year, as set forth in the Annual Budget.

(12) **Twelfth**: The Trustee shall deposit in the Administrative Expense Fund an amount that, together with the balance already on deposit in such fund, will equal the sum of (i) advances made by the Trustee pursuant to Section 10.5 of this Indenture and (ii) 1/12 of the Administrative Expenses of the Issuer for the current Bond Year, as set forth in the Annual Budget.

(13) **Thirteenth**: The Trustee shall deposit in the Toll Collection O&M Fund an amount that, together with the balance already on deposit in such fund, will equal 1/12 of the Toll Collection O&M Payments for the current Bond Year, as set forth in the Annual Budget.

(14) **Fourteenth**: The Trustee shall deposit in the Toll Collection Operating Reserve Fund an amount that, together with the balance already on deposit in such fund, will equal the Toll Collection Operating Reserve Requirement as determined by the Issuer and ALDOT.

(15) **Fifteenth**: The Trustee shall deposit in the Toll Collection Renewal and Replacement Fund an amount that, together with the balance already on deposit in such fund, will

equal the Toll Collection Renewal and Replacement Requirement as determined by the Issuer and ALDOT.

(16) **Sixteenth**: Until the amount on deposit in the Rate Stabilization Fund initially reaches $100 million, the Trustee shall deposit the balance (if any) in the Rate Stabilization Fund.

(17) **Seventeenth**: After the amount on deposit in the Rate Stabilization Fund initially reaches $100 million, the Trustee shall deposit in the Debt Service Fund-TIFIA Scheduled Interest Subaccount for each series of Second Lien Bonds held by the TIFIA Lender (except that, following the occurrence of a Bankruptcy Related Event with respect to the Issuer, such deposit shall instead be made pursuant to level First) an amount equal to (i) 1/6 of the interest portion of TIFIA Scheduled Debt Service payable on such Bonds on the next Interest Payment Date, plus (ii) any continuing shortfall in transfers under this clause required to have been made on any preceding Monthly Transfer Date and, if the Monthly Transfer Date is the last Monthly Transfer Date prior to an Interest Payment Date, such additional amount as is required to pay the interest portion of TIFIA Scheduled Debt Service due and payable on such Bonds on such Interest Payment Date.

(18) **Eighteenth**: After the amount on deposit in the Rate Stabilization Fund initially reaches $100 million, the Trustee shall deposit in the Debt Service Fund-TIFIA Scheduled Principal Subaccount for each series of Second Lien Bonds (except that, following the occurrence of a Bankruptcy Related Event with respect to the Issuer, such deposit shall instead be made pursuant to level Second) an amount equal to (i) 1/6 of the principal portion of TIFIA Scheduled Debt Service payable on such Bonds on the next Bond Payment Date, plus (ii) any continuing shortfall in transfers under this clause required to have been made on any preceding Monthly Transfer Date and, if the Monthly Transfer Date is the last Monthly Transfer Date prior to a Bond Payment Date, such additional amount as is required to pay the principal portion of TIFIA Scheduled Debt Service due and payable on such Bonds on such Bond Payment Date.

(19) **Nineteenth**: The Trustee shall deposit in the Rate Stabilization Fund an amount that, together with the balance already on deposit in such fund, will equal the Rate Stabilization Fund Minimum Balance Requirement.

(20) **Twentieth**: While there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), the Trustee shall deposit the balance (if any) in the Distribution Lock-Up Fund.

(21) **Twenty-First**: While there are not Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), the Trustee shall deposit in the ALDOT Rebate Fund an amount that, together with the balance already on deposit in such fund, will equal the ALDOT Equalization Amount as determined by the Issuer and ALDOT.

(22) **Twenty-Second**: While there are not Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), the Trustee shall deposit the balance (if any) in the Surplus Fund.

(d) In the case that, on any Monthly Transfer Date, the aggregate amount available to be transferred from the Revenue Fund to make the required deposits pursuant to clauses First through Tenth is insufficient to make such deposits in full, such amount shall be transferred on a pro rata basis based on the amount of the deficiency in the relevant subaccount or other amount payable pursuant to such clause, as applicable.

(e) The Trustee is entitled to rely conclusively upon any request or direction from the Issuer received in accordance with this Section 8.1, but the Issuer shall provide to the Trustee such officer's certificates, documents, agreements, invoices or other information of any kind or nature as are necessary in order for the Trustee to carry out its responsibilities under this Section. In the event that the Issuer fails to provide such certifications or take such actions, the Trustee is hereby appointed as attorney-in-fact of the Issuer for such purposes and shall be entitled to take such actions and obtain such information for and in the name of the Issuer as is necessary in order to carry out such responsibilities; provided, however, that this appointment shall not impose any obligations upon the Trustee to take any such actions.

(f) The Trustee shall provide to the Issuer and to ALDOT monthly statements, commencing _____ ___, 2026, containing the amount, for the prior month, of the Project Revenues deposited into the Revenue Fund and the other Indenture Funds since the end of the previous month or, in the case of the first statement, since the date of issuance of the Bonds. No monthly statement need be rendered for any fund or account if no activity occurred in such fund or account during such month. The Issuer and ALDOT acknowledge that, to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Issuer or ALDOT the right to receive brokerage confirmations of security transactions as they occur, the Issuer specifically waives receipt of such confirmations to the extent permitted by law. The Issuer may receive brokerage confirmations at no additional cost upon its written request.

(g) Immediately following the monthly disbursement of funds from the Revenue Fund, beginning _____ 20, 20___, the Trustee shall notify the Issuer and ALDOT (1) whether the amount on deposit in the Debt Service Fund-Series 2026C Interest Subaccount, the Debt Service Fund-Series 2026C Principal Subaccount, the Debt Service Fund-Series 2026D Interest Subaccount, and the Debt Service Fund-Series 2026D Principal Subaccount is less than the amount of Debt Service on the Series 2026C Bonds and the Series 2026D Bonds (but not the Series 2026A Bonds, the Series 2026B Bond, or the Series 2026-1 Notes) due on the next Bond Payment Date and (2) whether ALDOT shall be required to make Basic Lease Payments to the Trustee, for the account of the Issuer, on or prior to the next December 5 or June 5, as the case may be, in accordance with Section 4.2 of the Lease Agreement. If ALDOT makes Basic Lease Payments to the Trustee, for the account of the Issuer, and, subsequently, Project Revenues are deposited into the Debt Service Fund-Series 2026C Interest Subaccount, the Debt Service Fund-Series 2026C Principal Subaccount, the Debt Service Fund-Series 2026D Interest Subaccount, and/or the Debt Service Fund-Series 2026D Principal Subaccount so that the amount in such funds is equal to the Debt Service on the Series 2026C Bonds or the Series 2026D Bonds due on such Bond Payment Date, then the Trustee shall refund any such excess Basic Lease Payments to ALDOT within 5 days of the deposit of such funds.

SECTION 8.2 Debt Service Fund

(a) There is hereby established with the Trustee, as depository duly appointed by the State Treasurer, a special trust fund which shall be designated the "Debt Service Fund". The Trustee shall be the depository, custodian and disbursing agent for the Debt Service Fund. There is further hereby established within the Debt Service Fund two subaccounts, one designated the "Debt Service Fund-Interest Subaccount" and the other designated the "Debt Service Fund-Principal Subaccount".

(b) Within the Debt Service Fund-Interest Subaccount there are hereby established a subaccount for the benefit of the Holders of the Series 2026A Bonds which shall be designated the "Debt Service Fund-Series 2026A Interest Subaccount", and within the Debt Service Fund-Principal Subaccount there is hereby established a subaccount for the benefit of the Holders of the Series 2026A Bonds which shall be designated the "Debt Service Fund-Series 2026A Principal Subaccount".

(c) Within the Debt Service Fund-Interest Subaccount there is hereby established two subaccounts for the benefit of the Holders of the Series 2026B Bond which shall be designated the "Debt Service Fund-TIFIA Mandatory Interest Subaccount" and the "Debt Service Fund-TIFIA Scheduled Interest Subaccount", and within the Debt Service Fund-Principal Subaccount there is hereby established two subaccounts for the benefit of the Holders of the Series 2026B Bond which shall be designated the "Debt Service Fund-TIFIA Mandatory Principal Subaccount" and the "Debt Service Fund-TIFIA Scheduled Principal Subaccount".

(d) Within the Debt Service Fund-Interest Subaccount there are hereby established a subaccount for the benefit of the Holders of the Series 2026-1 Notes which shall be designated the "Debt Service Fund-Series 2026-1 Interest Subaccount", and within the Debt Service Fund-Principal Subaccount there is hereby established a subaccount for the benefit of the Holders of the Series 2026-1 Notes which shall be designated the "Debt Service Fund-Series 2026-1 Principal Subaccount".

(e) Within the Debt Service Fund-Interest Subaccount there is hereby established a subaccount for the benefit of the Holders of the Series 2026C Bonds which shall be designated the "Debt Service Fund-Series 2026C Interest Subaccount", and within the Debt Service Fund-Principal Subaccount there is hereby established a subaccount for the benefit of the Holders of the Series 2026C Bonds which shall be designated the "Debt Service Fund-Series 2026C Principal Subaccount".

(f) Within the Debt Service Fund-Interest Subaccount there is hereby established a subaccount for the benefit of the Holders of the Series 2026D Bonds which shall be designated the "Debt Service Fund-Series 2026D Interest Subaccount", and within the Debt Service Fund-Principal Subaccount there is hereby established a subaccount for the benefit of the Holders of the Series 2026D Bonds which shall be designated the "Debt Service Fund-Series 2026D Principal Subaccount".

(g) Deposits to the Debt Service Fund are to be made pursuant to Section 8.1.

(h) On each Bond Payment Date, money in the Debt Service Fund shall be applied by the Trustee to pay Debt Service on the Bonds, provided that funds on deposit in a subaccount of the Debt Service Fund shall be applied to pay Debt Service for the series of Bonds for which such subaccount of the Debt Service Fund was established.

(i) Subject to Article 4 of the Lease Agreement and in certain circumstances described more particularly therein, ALDOT is required to make Basic Lease Payments at times and in amounts sufficient to pay Debt Service on the Series 2026C Bonds and the Series 2026D Bonds and on any Additional Bonds issued as Third Lien Bonds and enhanced with Basic Lease Payments made pursuant to the Lease Agreement (but not the First Lien Bonds or the Second Lien Bonds). Such Basic Lease Payments are to be deposited in the subaccounts of the Debt Service Fund established for the benefit of the Holders of the Series 2026C Bonds, the Series 2026D Bonds, and any such enhanced Third Lien Bonds (and not in the Revenue Fund).

SECTION 8.3 Capitalized Interest Fund

(a) There is hereby established with the Trustee, as depository duly appointed by the State Treasurer, a trust fund which shall be designated the "Capitalized Interest Fund". There is further hereby established within the Capitalized Interest Fund four subaccounts, one designated the "Capitalized Interest Fund-Series 2026A Subaccount", one designated the "Capitalized Interest Fund-Series 2026-1 Subaccount", one designated the "Capitalized Interest Fund-Series 2026C Subaccount", and one designated the "Capitalized Interest Fund-Series 2026D Subaccount". A deposit to the Capitalized Interest Fund is to be made pursuant to the First Supplemental Indenture, the Third Supplemental

Indenture, the Fourth Supplemental Indenture, and the Fifth Supplemental Indenture. There is not to be established within the Capitalized Interest Fund a subaccount with respect to the Series 2026B Bond.

(b) On each Interest Payment Date during the Capitalized Interest Period, the Trustee shall transfer from the Capitalized Interest Fund to the Debt Service Fund an amount sufficient, when added to the amount already on deposit therein, to pay the interest due on the Interest Payment Date, provided that funds on deposit in a subaccount of the Capitalized Interest Fund shall be applied to pay interest for the series of Bonds for which such subaccount of the Capitalized Interest Fund was established.

(c) If the amount on deposit in the Capitalized Interest Fund exceeds the amount required to pay the remainder of the Debt Service due on the Series 2026 Bonds during the Capitalized Interest Period, such excess may be transferred to the series-specific Debt Service Fund-Interest Subaccount upon direction of an Authorized Issuer Representative.

(d) After the Capitalized Interest Period, any balance remaining in the Capitalized Interest Fund shall be deposited in the series-specific Debt Service Fund-Interest Subaccount.

SECTION 8.4 Reserve Fund

(a) There is hereby established with the Trustee, as depository duly appointed by the State Treasurer, a special trust fund which shall be designated the "Reserve Fund". The Trustee shall be the depository, custodian and disbursing agent for the Reserve Fund. Within the Reserve Fund there is hereby established a subaccount for the benefit of the Holders of the Series 2026A Bonds which shall be designated the "Reserve Fund-Series 2026A Subaccount" and a subaccount for the benefit of the Holders of the Series 2026B Bond which shall be designated the "Reserve Fund-Series 2026B Subaccount". An initial deposit to the Reserve Fund-Series 2026A Subaccount is to be made pursuant to the First Supplemental Indenture. No initial deposit to the Reserve Fund-Series 2026B Subaccount is to be made pursuant to the Second Supplemental Indenture; instead, a deposit to the Reserve Fund-Series 2026B Subaccount shall be made in the manner described in Section 8.4(b)(2). Subsequent deposits to the Reserve Fund are to be made pursuant to a Supplemental Indenture and Section 8.1 and, to the extent necessary to maintain the Reserve Fund Requirement in the Reserve Fund, pursuant to Section 8.4(b)(4) and Section 8.4(b)(5), respectively.

(b) Deposits to the Reserve Fund shall be made on the following dates (each such date being referred to as a "funding date"):

(1) On the date of issuance of the Series 2026A Bonds (the Series 2026A Bonds initial funding date), a deposit shall be made to the Reserve Fund-Series 2026A Subaccount in an amount equal to the Reserve Fund Requirement. Such amount shall consist of either (i) cash and/or securities invested as provided in Article 9 of this Indenture; (ii) a Qualified Surety Bond or Bonds; or (iii) a combination of cash and/or securities invested as provided in Article 9 of this Indenture and a Qualified Surety Bond or Bonds; provided that (A) such amounts on deposit in the Reserve Fund shall equal the Reserve Fund Requirement and (B) no such Qualified Surety Bonds shall be issued without the prior written consent of the TIFIA Lender for so long as there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s).

(2) Beginning on the Substantial Completion Date (the Series 2026B Bond initial funding date), a deposit shall be made to the Reserve Fund-Series 2026B Subaccount, from the Acquisition Fund-Taxable Bond Proceeds Subaccount, in an amount equal to the TIFIA Debt Service Reserve Fund Requirement, such deposit to be made in cash with the bond and investment proceeds of the Series 2026D Bonds. Following such initial deposit, the funds on deposit in the Reserve Fund-Series 2026B Subaccount shall consist of cash and/or securities

invested as provided in Article 9 of this Indenture; provided that such amounts on deposit in the Reserve Fund shall at all times equal the Reserve Fund Requirement.

(3) On the date of issuance of any Additional Bonds or such other date as required by the Supplemental Indenture relating to such Additional Bonds (each an Additional Bonds initial funding date), a deposit shall be made to a subaccount within the Reserve Fund established by the Supplemental Indenture executed in connection with the issuance of such Additional Bonds, such additional amount (if any) as shall be required to make the balance in such subaccount within the Reserve Fund equal to the Reserve Fund Requirement. Such amount shall consist of either (i) cash and/or securities invested as provided in Article 9 of this Indenture; (ii) a Qualified Surety Bond or Bonds; or (iii) a combination of cash and/or securities invested as provided in Article 9 of this Indenture and a Qualified Surety Bond or Bonds; provided that (A) such amounts on deposit in the Reserve Fund shall at all times equal the Reserve Fund Requirement and (B) no such Qualified Surety Bonds shall be issued without the prior written consent of the TIFIA Lender for so long as there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s).

(4) On or before the first (1st) day of each month after the initial funding date, pursuant to Section 8.1(c), the Trustee shall deposit in the subaccounts of the Reserve Fund such additional amount (if any) as shall be required to make the balance in such subaccount of the Reserve Fund equal to the Reserve Fund Requirement (as determined in accordance with Section 8.4(d)) for the series of Bonds for which such subaccount of the Reserve Fund was established. Such amount shall consist of either (i) cash and/or securities invested as provided in Article 9 of this Indenture; (ii) a Qualified Surety Bond or Bonds; or (iii) a combination of cash and/or securities invested as provided in Article 9 of this Indenture and a Qualified Surety Bond or Bonds; provided that (A) such amounts on deposit in the Reserve Fund shall at all times equal the Reserve Fund Requirement and (B) no such Qualified Surety Bonds shall be issued without the prior written consent of the TIFIA Lender for so long as there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s).

(5) The Issuer, in its discretion, may, at any time, substitute a Qualified Surety Bond for all or a portion of the moneys and/or securities on deposit in the Reserve Fund; provided, however, that, for so long as there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), the issuance, substitution, or use of any other Qualified Surety Bond to fund any subaccount of the Reserve Fund shall be subject to the prior written consent of the TIFIA Lender.

(c) Withdrawals from the Reserve Fund shall be made as follows (provided that funds on deposit in a subaccount of the Reserve Fund may be transferred to the subaccount of the Debt Service Fund or applied to pay Debt Service only for the series of Bonds for which such subaccount of the Reserve Fund was established):

(1) On each Bond Payment Date money in the Reserve Fund shall be transferred to the Debt Service Fund and applied by the Trustee to pay Debt Service on the Bonds, but only if and to the extent that funds available in the Debt Service Fund are not sufficient for such purpose and payment from the Reserve Fund is necessary to prevent a default in the payment of such Debt Service.

(2) Investment earnings from the Reserve Fund shall be transferred to the Debt Service Fund so long as the balance in each subaccount of the Reserve Fund, after giving effect to such transfer, is not less than the Reserve Fund Requirement for the series of Bonds for which such subaccount of the Reserve Fund was established.

(3) Upon request of the Issuer, the amount by which the balance in any subaccount of the Reserve Fund exceeds the Reserve Fund Requirement on any funding date shall be deposited in the Debt Service Fund and shall be applied to the redemption of as many Bonds as possible on the next date on which the Bonds are subject to redemption and for which the required notice of redemption can be given, and the balance remaining, if any, after such redemption shall be applied to the payment of Debt Service on the Bonds on the next ensuing Bond Payment Date.

(d) The "Reserve Fund Requirement" and the balance in the Reserve Fund shall be determined as follows:

(1) On the Series 2026A Bonds initial funding date, the Series 2026B Bond initial funding date, and on each Additional Bonds initial funding date (if any), the Issuer shall deliver to the Trustee a certificate of an officer of the Issuer stating the Reserve Fund Requirement for each series of Bonds as of such date, based on Bonds Outstanding on such funding date (which amount shall be, with respect to the Series 2026B Bond, the TIFIA Debt Service Reserve Fund Requirement). At the option of the Issuer, a certificate of an officer of the Issuer may be delivered to the Trustee on any other funding date stating the Reserve Fund Requirement as of such date. The Reserve Fund Requirement shall be determined according to the most recent certificate delivered to the Trustee.

(2) The balance in the Reserve Fund on each funding date shall be determined by valuing the Qualified Surety Bond or Bonds (as applicable) on deposit at face value and by valuing Permitted Investments in accordance with Section 9.2.

SECTION 8.5 Bond Insurance/Credit Facility/Hedging Fund

(a) There is hereby established with the Trustee, as depository duly appointed by the State Treasurer, a special trust fund which shall be designated the "Bond Insurance/Credit Facility/Hedging Fund". The Trustee shall be the depository, custodian and disbursing agent for the Bond Insurance/Credit Facility/Hedging Fund. Deposits to the Bond Insurance/Credit Facility/Hedging Fund are to be made pursuant to Section 8.1.

(b) Money in the Bond Insurance/Credit Facility/Hedging Fund shall be paid out by the Trustee from time to time for the purpose of paying the Required Bond Insurance/Credit Facility/Hedging Payments upon delivery to the Trustee of a requisition substantially in the form attached as ***Exhibit 8.5(b)***, executed by an Authorized Issuer Representative.

(c) After an Authorized Issuer Representative certifies to the Trustee that money remaining in the Bond Insurance/Credit Facility/Hedging Fund is not needed to pay the Required Bond Insurance/Credit Facility/Hedging Payments, any balance remaining in the Bond Insurance/Credit Facility/Hedging Fund shall be deposited in the Revenue Fund.

(d) For so long as there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), the incurrence by the Issuer of any Credit Facility, Bond Insurance Policy or Hedge Agreement shall be subject to the prior written consent of the TIFIA Lender.

SECTION 8.6 Bond Compliance Rebate Fund

(a) There is hereby established with the Trustee, as depository duly appointed by the State Treasurer, a special trust fund which shall be designated the "Bond Compliance Rebate Fund". The

Trustee shall be the depository, custodian and disbursing agent for the Bond Compliance Rebate Fund. Deposits to the Bond Compliance Rebate Fund are to be made pursuant to Section 8.1.

(b) Money in the Bond Compliance Rebate Fund shall be paid out by the Trustee from time to time for the purpose of paying the Required Rebate upon delivery to the Trustee of a requisition substantially in the form attached as ***Exhibit 8.6(b)***, executed by an Authorized Issuer Representative.

(c) After an Authorized Issuer Representative certifies to the Trustee that money remaining in the Bond Compliance Rebate Fund is not needed to pay the Required Rebate, any balance remaining in the Bond Compliance Rebate Fund shall be deposited in the Revenue Fund.

SECTION 8.7 Administrative Expense Fund

(a) There is hereby established with the Trustee, as depository duly appointed by the State Treasurer, a special trust fund which shall be designated the "Administrative Expense Fund". The Trustee shall be the depository, custodian and disbursing agent for the Administrative Expense Fund. Deposits to the Administrative Expense Fund are to be made pursuant to Section 8.1.

(b) Money in the Administrative Expense Fund shall be paid out by the Trustee from time to time for the purpose of paying Administrative Expenses upon delivery to the Trustee of a requisition substantially in the form attached as ***Exhibit 8.7(b)***, executed by an Authorized Issuer Representative.

(c) After an Authorized Issuer Representative certifies to the Trustee that money remaining in the Administrative Expense Fund is not needed to pay Administrative Expenses and no fees or expenses remain owed to the Trustee, any balance remaining in the Administrative Expense Fund shall be deposited in the Revenue Fund.

SECTION 8.8 Toll Collection O&M Fund

(a) There is hereby established with the Trustee, as depository duly appointed by the State Treasurer, a special trust fund which shall be designated the "Toll Collection O&M Fund". The Trustee shall be the depository, custodian and disbursing agent for the Toll Collection O&M Fund. Deposits to the Toll Collection O&M Fund are to be made pursuant to Section 8.1.

(b) Money in the Toll Collection O&M Fund shall be paid out by the Trustee from time to time for the purpose of paying the Toll Collection O&M Payments upon delivery to the Trustee of a requisition substantially in the form attached as ***Exhibit 8.8(b)***, executed by an Authorized Issuer Representative and an Authorized ALDOT Representative.

(c) After an Authorized Issuer Representative certifies to the Trustee that money remaining in the Toll Collection O&M Fund is not needed to pay the Toll Collection O&M Payments for the current Bond Year, any balance remaining in the Toll Collection O&M Fund shall be deposited in the Revenue Fund.

SECTION 8.9 Toll Collection Operating Reserve Fund

(a) There is hereby established with the Trustee, as depository duly appointed by the State Treasurer, a special trust fund which shall be designated the "Toll Collection Operating Reserve Fund". The Trustee shall be the depository, custodian and disbursing agent for the Toll Collection Operating Reserve Fund. Deposits to the Toll Collection Operating Reserve Fund are to be made pursuant to Section 8.1.

(b) Money in the Toll Collection Operating Reserve Fund shall be paid out by the Trustee from time to time for the purpose of paying the Toll Collection O&M Payments upon delivery to the Trustee of a requisition substantially in the form attached as ***Exhibit 8.9(b)***, executed by an Authorized Issuer Representative and an Authorized ALDOT Representative, but only if and to the extent that funds available in the Toll Collection O&M Fund are not sufficient for such purpose.

(c) After an Authorized Issuer Representative certifies to the Trustee that money remaining in the Toll Collection Operating Reserve Fund exceeds the Toll Collection Operating Reserve Requirement, any balance remaining in the Toll Collection Operating Reserve Fund shall be deposited in the Revenue Fund.

SECTION 8.10 Toll Collection Renewal and Replacement Fund

(a) There is hereby established with the Trustee, as depository duly appointed by the State Treasurer, a special trust fund which shall be designated the "Toll Collection Renewal and Replacement Fund". The Trustee shall be the depository, custodian and disbursing agent for the Toll Collection Renewal and Replacement Fund. Deposits to the Toll Collection Renewal and Replacement Fund are to be made pursuant to Section 8.1.

(b) Money in the Toll Collection Renewal and Replacement Fund shall be paid out by the Trustee from time to time for the purpose of paying the Toll Collection Renewal and Replacement Payments upon delivery to the Trustee of a requisition substantially in the form attached as ***Exhibit 8.10(b)***, executed by an Authorized Issuer Representative and an Authorized ALDOT Representative.

(c) After an Authorized Issuer Representative certifies to the Trustee that money remaining in the Toll Collection Renewal and Replacement Fund exceeds the Toll Collection Renewal and Replacement Requirement, any balance remaining in the Toll Collection Renewal and Replacement Fund shall be deposited in the Revenue Fund.

SECTION 8.11 Rate Stabilization Fund

(a) There is hereby established with the Trustee, as depository duly appointed by the State Treasurer, a special trust fund which shall be designated the "Rate Stabilization Fund". The Trustee shall be the depository, custodian and disbursing agent for the Rate Stabilization Fund. Deposits to the Rate Stabilization Fund are to be made pursuant to Section 8.1.

(b) Money in the Rate Stabilization Fund shall be paid out by the Trustee from time to time for the purpose of paying the Permitted Rate Stabilization Fund Payments upon delivery to the Trustee of a requisition substantially in the form attached as ***Exhibit 8.11(b)***, executed by an Authorized Issuer Representative and an Authorized ALDOT Representative; provided that amounts on deposit in the Rate Stabilization Fund shall be available to, and prior to any transfer pursuant to this clause (b) shall be applied by the Trustee to, fund any deficiency in any Indenture Fund having a higher level of priority in the application of funds set forth in Section 8.1(c).

(c) After an Authorized Issuer Representative certifies to the Trustee that money remaining in the Rate Stabilization Fund exceeds the Rate Stabilization Fund Minimum Balance Requirement, any balance remaining in the Rate Stabilization Fund shall be deposited in the Revenue Fund.

SECTION 8.12 Distribution Lock-Up Fund(a) There is hereby established with the Trustee, as depository duly appointed by the State Treasurer, a special trust fund which shall be designated the "Distribution Lock-Up Fund". The Trustee shall be the depository, custodian and disbursing agent for the Distribution Lock-Up Fund. Deposits to the Distribution Lock-Up Fund are to be

made pursuant to Section 8.1 while there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s).

(b) On each January 15 and July 15, beginning on the first January 15 or July 15 to occur after the first Calculation Date, any balance remaining in the Distribution Lock-Up Fund shall be deposited in the ALDOT Rebate Fund in an amount that, together with the balance already on deposit in such fund, will equal the ALDOT Equalization Amount (excluding the portion of the ALDOT Equalization Amount attributable to Discretionary Contributions), as determined by the Issuer and ALDOT.

(c) On each January 15 and July 15, beginning on the first January 15 or July 15 to occur after the first Calculation Date, once the Issuer certifies to the Trustee that it is in compliance with all Restricted Payment Conditions as of the most recent Calculation Date, any balance remaining in the Distribution Lock-Up Fund shall be deposited in the ALDOT Rebate Fund in an amount that, together with the balance already on deposit in such fund, will equal the portion of the ALDOT Equalization Amount attributable to Discretionary Contributions, as determined by the Issuer and ALDOT, and, once the balance already on deposit in the ALDOT Rebate Fund exceeds the portion of the ALDOT Equalization Amount attributable to Discretionary Contributions, as determined by the Issuer and ALDOT, the Trustee shall deposit the balance (if any) in the Surplus Fund.

(d) Notwithstanding subsection (b) above, amounts on deposit in the Distribution Lock-up Fund shall be available to, and prior to any transfer pursuant to clause (b) above shall be applied by the Trustee to, fund any deficiency in any Indenture Fund having a higher level of priority in the application of funds set forth in Section 8.1(c).

(e) After an Authorized Issuer Representative certifies to the Trustee that money remaining in the Distribution Lock-Up Fund is not needed to make deposits to the ALDOT Rebate Fund or the Surplus Fund, any balance remaining in the Distribution Lock-Up Fund shall be deposited in the Revenue Fund.

SECTION 8.13 ALDOT Rebate Fund(a) There is hereby established with the Trustee, as depository duly appointed by the State Treasurer, a special trust fund which shall be designated the "ALDOT Rebate Fund". The Trustee shall be the depository, custodian and disbursing agent for the ALDOT Rebate Fund. Deposits to the ALDOT Rebate Fund are to be made pursuant to Section 8.1.

(b) Money in the ALDOT Rebate Fund shall be paid out by the Trustee from time to time for the purpose of paying the ALDOT Rebates upon delivery to the Trustee of a requisition substantially in the form attached as ***Exhibit 8.13(b)***, executed by an Authorized Issuer Representative and an Authorized ALDOT Representative.

(c) After an Authorized Issuer Representative certifies to the Trustee that money remaining in the ALDOT Rebate Fund is not needed to pay the ALDOT Rebates, any balance remaining in the ALDOT Rebate Fund shall be deposited in the Surplus Fund.

SECTION 8.14 Surplus Fund

(a) There is hereby established with the Trustee, as depository duly appointed by the State Treasurer, a special trust fund which shall be designated the "Surplus Fund". The Trustee shall be the depository, custodian and disbursing agent for the Surplus Fund. Deposits to the Surplus Fund are to be made pursuant to Section 8.1.

(b) Money in the Surplus Fund shall be paid out by the Trustee from time to time for the purpose of paying the Permitted Surplus Fund Payments upon delivery to the Trustee of a requisition substantially in the form attached as ***Exhibit 8.14(b)***, executed by an Authorized Issuer Representative and an Authorized ALDOT Representative.

SECTION 8.15 Costs of Issuance Fund

(a) There is hereby established with the Trustee, as depository duly appointed by the State Treasurer, a trust fund which shall be designated the "Costs of Issuance Fund". Deposits to the Costs of Issuance Fund are to be made pursuant to applicable Supplemental Indentures.

(b) Money in the Costs of Issuance Fund shall be paid out by the Trustee from time to time for the purpose of paying Costs of Issuance with respect to the Series 2026 Bonds upon delivery to the Trustee of a requisition substantially in the form attached as ***Exhibit 8.16(b)***, executed by an Authorized Issuer Representative and an Authorized ALDOT Representative.

(c) After an Authorized ALDOT Representative certifies to the Trustee that money remaining in the Costs of Issuance Fund is not needed to pay Costs of Issuance with respect to the Series 2026 Bonds, any balance remaining in the Costs of Issuance Fund shall be deposited in the Acquisition Fund.

SECTION 8.16 Acquisition Fund

(a) There is hereby established with the Trustee, as depository duly appointed by the State Treasurer, a trust fund which shall be designated the "Acquisition Fund". There is further hereby established within the Acquisition Fund two subaccounts, one designated the "Acquisition Fund-Tax-Exempt Bond Proceeds Subaccount" and one designated the "Acquisition Fund-Taxable Bond Proceeds Subaccount". Deposits to the Acquisition Fund are to be made pursuant to applicable Supplemental Indentures.

(b) Money in the Acquisition Fund shall be paid out by the Trustee from time to time for the purpose of paying Acquisition Costs (including reimbursement of the Issuer and ALDOT for any such costs paid by them) upon delivery to the Trustee of a requisition substantially in the form attached as attached as ***Exhibit 8.16(b)***, executed by an Authorized Issuer Representative and an Authorized ALDOT Representative.

(c) After an Authorized ALDOT Representative certifies to the Trustee that remaining proceeds of the Series 2026 Bonds are not needed to pay Acquisition Costs, any Cost Savings, at the direction of an Authorized ALDOT Representative, either (i) shall be deposited in the Debt Service Fund and shall be applied to the redemption of the Series 2026A and Series 2026B Bond on the next date on which such Bonds are subject to redemption and for which the required notice of redemption can be given, in each case on a *pro rata* basis based on the aggregate principal amount of each of the Series 2026A and Series 2026B Bond Outstanding, or (ii) upon delivery to the Trustee of a Favorable Tax Opinion, shall be deposited in any of the other Indenture Funds other than the Surplus Fund or the ALDOT Rebate Fund.

SECTION 8.17 Insurance and Condemnation Proceeds Fund

(a) There is hereby established with the Trustee, as depository duly appointed by the State Treasurer, a special trust fund which shall be designated the "Insurance and Condemnation Proceeds Fund". The Trustee shall be the depository, custodian and disbursing agent for the Insurance and

Condemnation Proceeds Fund. Deposits to the Insurance and Condemnation Proceeds Fund are to be made pursuant to this Section 8.17.

(b) All Loss Proceeds payable to or received by either the Issuer or ALDOT with respect to the Bridge and Bayway Facilities (whether by way of claims, return of premiums, ex gratia settlements or otherwise), including proceeds of fire and other casualty insurance and proceeds of any condemnation awards payable to or received by the Issuer or ALDOT with respect to the Bridge and Bayway Facilities shall be transferred to the Trustee and deposited by the Trustee into the Insurance and Condemnation Proceeds Fund; however, proceeds of any business interruption insurance, delay-in-startup insurance, or loss-of-advance-profits insurance payable to or received by the Issuer with respect to the Bridge and Bayway Facilities (whether by way of claims, return of premiums, ex gratia settlements or otherwise) shall be deposited to the Revenue Fund.

(c) If received prior to the applicable Substantial Completion Date, amounts on deposit in the Insurance and Condemnation Proceeds Fund shall be used to pay Acquisition Costs.

(d) If received after the applicable Substantial Completion Date, amounts on deposit in the Insurance and Condemnation Proceeds Fund may be used by the Issuer to pay the costs of restoration, repair, or rehabilitation of the Bridge and Bayway Facilities or portion thereof to which such insurance or condemnation proceeds relate.

(e) After an Authorized ALDOT Representative certifies to the Trustee that amounts on deposit in the Insurance and Condemnation Proceeds Fund are not needed to pay Acquisition Costs or to pay the costs of restoration, repair, or rehabilitation of the Bridge and Bayway Facilities or portion thereof, any balance remaining in the Insurance and Condemnation Proceeds Fund, at the direction of an Authorized ALDOT Representative, either (i) shall be deposited in the Debt Service Fund and shall be applied to the redemption of the Series 2026A and Series 2026B Bond on the next date on which such Bonds are subject to redemption and for which the required notice of redemption can be given, in each case on a *pro rata* basis based on the aggregate principal amount of each of the Series 2026A and Series 2026B Bond Outstanding, or (ii) upon delivery to the Trustee of a Favorable Tax Opinion, shall be deposited in any of the other Indenture Funds other than the Surplus Fund or the ALDOT Rebate Fund.

SECTION 8.18 Money for Bond Payments to be Held in Trust; Repayment of Unclaimed Money

(a) If money is on deposit in the Debt Service Fund on any Bond Payment Date sufficient to pay Debt Service on the Bonds due and payable on such Date, but the Holder of any Bond that matures on such Date or that is subject to redemption on such Date fails to surrender such Bond to the Trustee for payment of Debt Service due and payable on such Date, the Trustee shall segregate and hold in trust for the benefit of the person entitled thereto money sufficient to pay the Debt Service due and payable on such Bond on such Date. Money so segregated and held in trust shall not be a part of the Trust Estate and shall not be invested, but shall constitute a separate trust fund for the benefit of the persons entitled to such Debt Service.

(b) Any money held in trust by the Trustee for the payment of Debt Service on any Bond pursuant to this Section and remaining unclaimed for 3 years after such Debt Service has become due and payable shall be paid in accordance with applicable Alabama law relating to unclaimed property.

ARTICLE 9

Investment of Indenture Funds

SECTION 9.1 Investment of Indenture Funds

(a) Except as otherwise expressly provided in this Indenture, any money held as part of an Indenture Fund shall be invested or reinvested in Permitted Investments by the Trustee in accordance with the instructions of the Issuer. Any investment made with money on deposit in an Indenture Fund shall be held by or under control of the Indenture Fund custodian and shall be deemed at all times a part of the Indenture Fund where such money was on deposit, and the interest and profits realized from such investment shall be credited to such Indenture Fund and any loss resulting from such investment shall be charged to such Indenture Fund. The Trustee shall be entitled to assume that any investment which, at the time of purchase is a Permitted Investment, remains a Permitted Investment thereafter, absent receipt of written notice or actual knowledge of a responsible officer in the corporate trust department of the Trustee to the contrary. The Trustee shall have no responsibility to monitor the ratings of Permitted Investments after the initial purchase of, or investment in, such Permitted Investments.

(b) Any investment of money in the Indenture Funds may be made by the Trustee through its own bond department, investment department or other commercial banking department providing investment services.

(c) The Trustee shall follow the instructions of the Issuer with respect to investments of the Indenture Funds as provided in this Section, but the Trustee shall not be responsible for (1) determining that any such investment complies with the arbitrage limitations imposed by Section 148 of the Internal Revenue Code, or (2) calculating the amount of, or making payment of, any rebate or yield reduction payments due to the United States under Section 148 of the Internal Revenue Code.

(d) Any cash balances remaining in an Indenture Fund shall be kept continuously secured by holding on deposit as collateral security therefor Federal Securities having a market value at least equal at all times to the amount to be secured thereby, unless such cash is kept on deposit in U.S. dollar denominated deposit accounts and certificates of deposit with banks or savings associations that are qualified public depositories under Chapter 14A of Title 41 of the Code of Alabama 1975.

SECTION 9.2 Valuation of Permitted Investments in Indenture Funds

The balance in any Indenture Fund shall be determined by valuing Permitted Investments on deposit at fair market value as of each March 31 and September 30, as of the date any Permitted Investments are deposited in any Indenture Fund, or, at the option of the Issuer, on any other date, as the case may be.

SECTION 9.3 Application of Funds After Indenture Indebtedness Fully Paid

After all Indenture Indebtedness has been Fully Paid, any money or investments remaining in the Indenture Funds or otherwise constituting part of the Trust Estate shall be distributed to whosoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

ARTICLE 10

Representations and Covenants

SECTION 10.1 General Representations

The Issuer makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) Under the provisions of the Enabling Law and its certificate of incorporation, it has the power to consummate the transactions contemplated by the Bond Documents to which it is a party.

(b) The Bond Documents to which it is a party constitute legal, valid and binding obligations and are enforceable against it in accordance with the terms of such instruments, except as enforcement thereof may be limited by (1) bankruptcy, insolvency, or other similar laws affecting the enforcement of creditors' rights and (2) general principles of equity, including the exercise of judicial discretion in appropriate cases.

SECTION 10.2 No Encumbrance on Trust Estate

The Issuer will not create or permit the creation of any pledge, lien, charge or encumbrance of any kind on the Trust Estate or any part thereof prior to or on a parity of lien with this Indenture.

SECTION 10.3 Payment of Bonds

(a) The Issuer will duly and punctually pay, or cause to be paid, the Debt Service on the Bonds as and when the same shall become due and will duly and punctually deposit, or cause to be deposited, in the Indenture Funds the amounts required to be deposited therein, all in accordance with the terms of the Bonds and this Indenture.

(b) The Issuer will not extend or consent to the extension of the time for payment of Debt Service on the Bonds, unless such extension is consented to by the Holder of the Bond affected.

SECTION 10.4 Inspection of Records

The Issuer will at any and all times, upon the request of the Trustee, afford and procure a reasonable opportunity for the Trustee by its representatives to inspect any books, records, reports and other papers of the Issuer relating to the performance by the Issuer of its covenants in this Indenture, and the Issuer will furnish to the Trustee any and all information as the Trustee may reasonably request with respect to the performance by the Issuer of its covenants in this Indenture.

SECTION 10.5 Advances by Trustee

If the Issuer shall fail to perform any of its covenants in this Indenture, the Trustee may, but shall not be required, at any time and from time to time, to make advances to effect performance of any such covenant on behalf of the Issuer. Any money so advanced by the Trustee, together with interest at the Default Rate, shall be repaid upon demand and such advances shall be secured under this Indenture prior to the Bonds.

SECTION 10.6 Corporate Existence; Merger, Consolidation, Etc.

(a) The Issuer will do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence.

(b) The Issuer may consolidate with or merge into any other corporation or transfer its property substantially as an entirety to another person if:

(1) the corporation formed by such consolidation or into which the Issuer is merged or the person which acquires by conveyance or transfer the Issuer's property substantially as an entirety (the "Successor") shall execute and deliver to the Trustee an instrument in form recordable and acceptable to the Trustee containing an assumption by such Successor of the due and punctual payment of the Debt Service on the Bonds and the performance and observance of every covenant and condition of the Bond Documents to be performed or observed by the Issuer; and

(2) the Issuer shall deliver to the Trustee a Favorable Tax Opinion.

(c) Upon any consolidation or merger or any conveyance or transfer of the Issuer's property substantially as an entirety in accordance with this Section, the Successor shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer under this Indenture with the same effect as if such Successor had been named as the Issuer herein.

(d) While there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), Section 16(j)(ii) of the TIFIA Loan Agreement (2026) shall (1) be incorporated by reference into this Indenture *mutatis mutandis* and the Issuer shall comply therewith, and (2) govern over the terms of subsections (b) and (c) of this Section 10.6.

SECTION 10.7 Completion of Bridge and Bayway Facilities

If the proceeds derived from the sale of the Series 2026 Bonds and the Capital Improvement Payments are insufficient to pay in full all Acquisition Costs and Costs of Issuance, the Issuer shall collaborate and consider the following solutions (in order of priority) in order to complete the acquisition and construction of the Bridge and Bayway Facilities: (a) using best efforts to obtain from the Alabama Legislature an appropriation for such funds; (b) reducing the scope of the Bridge and Bayway Facilities, re-engineering, and/or considering value engineering options; and (c) identifying other funding sources.

SECTION 10.8 Toll Rate Covenant

(a) Beginning with the first full Bond Year after the Substantial Completion Date, the Issuer will maintain the rates of the Toll Revenues, and shall make such lawful increases in such rates, as shall be necessary to produce Toll Revenues during each Bond Year in an amount not less than:

(1) 145% of the Annual Debt Service payable during the then current Bond Year with respect to the First Lien Bonds Outstanding;

(2) 130% of the Annual Debt Service payable during the then current Bond Year with respect to the First Lien Bonds Outstanding, the Second Lien Bonds Outstanding, and payments required to meet the TIFIA Debt Service Reserve Fund Requirement;

(3) 110% of the Annual Debt Service payable during the then current Bond Year with respect to the First Lien Bonds Outstanding, the Second Lien Bonds Outstanding, the Third

Lien Bonds Outstanding, and payments required to meet the TIFIA Debt Service Reserve Fund Requirement; and

(4) 100% of the sum of (A) the Annual Debt Service payable during the then current Bond Year with respect to the First Lien Bonds Outstanding, the Second Lien Bonds Outstanding, and the Third Lien Bonds Outstanding, (B) the Required Bond Insurance/Credit Facility/Hedging Payments for the current Bond Year, (C) the payments required to meet the Reserve Fund Requirement for the current Bond Year, (D) the payments required to meet the TIFIA Debt Service Reserve Fund Requirement for the current Bond Year, (E) the payments required to meet the Required Rebate for the current Bond Year, (F) the Administrative Expenses of the Issuer for the current Bond Year, (G) the Toll Collection O&M Payments for the current Bond Year, (H) the payments required to meet the Toll Collection Operating Reserve Requirement for the current Bond Year, and (I) the payments required to meet the Toll Collection Renewal and Replacement Requirement for the current Bond Year.

(b) On or before May 1 in each year, the Issuer shall complete a review of the financial condition of the Issuer for the purpose of estimating whether the Toll Revenues for such Bond Year, together with other available sources of revenue and available fund balances, will be sufficient to provide the amounts specified by subsection (a) and shall by certificate of an Authorized Issuer Representative make a determination with respect thereto, which shall include a reasonably detailed statement of the actual and estimated Toll Revenues and other pertinent information for the Bond Year upon which such determination was made. A copy of such certificate shall be provided to the Trustee. If the Issuer determines that such amounts may not be sufficient to comply with subsection (a), it will forthwith cause an Independent T&R Consultant to make a study for the purpose of recommending a schedule of tolls, fees, rentals, and other charges for the use of the Bridge and Bayway Facilities, which, in the opinion of the Independent T&R Consultant, will cause amounts to be received in the following Bond Year equal to the amounts necessary to satisfy the requirements of subsection (a) for such following Bond Year. The Issuer will cause additional amounts to be received in such following and each subsequent Bond Year sufficient to restore the amount of any deficiency at the earliest practicable time. If, in any Bond Year, the amounts received shall not be sufficient to comply with subsection (a), the Issuer shall (i) cause the Independent T&R Consultant to make a study for the purpose stated in the immediately preceding sentence unless it has already obtained a revenue study and recommendation in compliance with such sentence, and (ii) as promptly as practicable, establish and place in effect a schedule of tolls, fees, rentals, and other charges recommended by the Independent T&R Consultant.

(c) The Issuer covenants that it will not effect any reduction in any rate of tolls, fees, rentals, and other charges for the use of, and for services furnished or to be furnished by, the Bridge and Bayway Facilities unless it shall first obtain or certify as follows in connection with any action of the Issuer authorizing such reduction:

(1) The Issuer shall have obtained a certificate of an Independent T&R Consultant setting forth estimates of the Toll Revenues pledged to the Bonds for the then-current and each future Bond Year to and including the latest maturity of the Bonds, which may take into consideration, among other things, the additional use of the Bridge and Bayway Facilities projected to result from such reduction in the rate of tolls, fees, rentals, and other charges and estimated costs, deposits, and expenses; and

(2) The certificate of the Independent T&R Consultant described in subsection (c)(1) above shall be accompanied by a certificate of an Authorized Issuer Representative setting forth: (A) the Annual Debt Service requirement; (B) that the Issuer is not in default in the performance of any of the covenants, conditions, agreements or provisions contained in this Indenture, and (C)

that immediately prior to such proposed reduction, the amount on deposit in the Reserve Fund was equal to each applicable Reserve Fund Requirement.

(d) The Issuer covenants that tolls, fees, rentals, and other charges will be classified in a reasonable way to cover all traffic, so that the tolls, fees, rentals, and other charges will be uniform in application to all traffic falling within any reasonable class regardless of the status or character of any person, firm or corporation participating in the traffic, provided however, that classification of tolls, fees, rentals, and other charges based upon frequency, volume, time of such traffic, distance traveled, method of payment, or other method of classification used by comparable tolling authorities shall be deemed to be a reasonable classification for the purposes of this Indenture.

(e) The Issuer may increase toll rates and may increase the number of toll gates at any time and from time to time based upon a study of an Independent T&R Consultant. The Issuer may make any other adjustment or reclassification of toll rates or establish special, introductory, or temporary tolls, fees, rentals, and other charges, provided that such action is recommended by the Independent T&R Consultant and will not cause the Issuer to fail to comply with subsection (a), as evidenced by a certificate of the Independent T&R Consultant.

(f) The failure in any Bond Year to comply with the covenant in subsection (a) shall not constitute an Indenture Default if the Issuer shall comply with subsection (b); provided that if the Independent T&R Consultant shall be of the opinion, as shown by its certificate filed with the Issuer, that a schedule of tolls, fees, rentals, and other charges for the Bridge and Bayway Facilities which would provide funds to meet the requirements specified in subsection (a) is impracticable at that time, and the Issuer therefore cannot comply with subsection (b), then the Issuer shall fix and establish such schedule of tolls, fees, rentals, and other charges as is recommended by the Independent T&R Consultant to comply as nearly as practicable with the covenants in subsection (a), and in such event the failure of the Issuer to comply with subsections (a) and (b) shall not constitute an Indenture Default.

(g) The Issuer covenants that it will charge tolls, fees, rentals, and other charges for the use of, and for services furnished or to be furnished by, the Bridge and Bayway Facilities on all users of the Bridge and Bayway Facilities unless a user operates an Exempt Vehicle.

(h) While there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), in the event of any inconsistency between the manner in which rate-covenant calculations are made under this Section 10.8 and the manner in which rate-covenant calculations are made under the TIFIA Loan Agreement(s), the TIFIA Loan Agreement(s) will prevail, and the Issuer shall be required to make such calculations only in the manner prescribed in the TIFIA Loan Agreement(s) (that is, the Issuer will not be required to make rate-covenant calculations two ways). Specifically, while there are Outstanding Bonds with respect to obligations under the TIFIA Loan Agreement (2026), the Rate Coverage Test, the related definitions (including "Revenues" "Debt Service," "TIFIA Debt Service," "First Lien Debt Service Coverage Ratio", "Second Lien Debt Service Coverage Ratio", "Third Lien Debt Service Coverage Ratio", "Loan Life Coverage Ratio", "Third Lien Historical Cost Coverage Requirement", and "All-in-Cost Coverage Requirement"), and Section 15(l) of the TIFIA Loan Agreement (2026) shall (1) be incorporated by reference into this Indenture *mutatis mutandis* and the Issuer shall comply therewith and (2) govern over the terms of the toll rate covenant set forth in this Section 10.8.

SECTION 10.9 No Sale or Lease of Bridge and Bayway Facilities

The Issuer will not sell or lease the whole or any integral part of the Bridge and Bayway Facilities, except as described in the Lease Agreement, until all Indenture Indebtedness has been Fully Paid.

SECTION 10.10 Maintenance of Bridge and Bayway Facilities; Phase II Project

(a) Once completed, prior to the date all Indenture Indebtedness has been Fully Paid, the Issuer will continuously operate the Bridge and Bayway Facilities (or cause the same to be operated, including by ALDOT), and it will keep the same in serviceable condition, repair and working order, making from time to time all needful repairs and replacements thereto and thereof.

(b) The Issuer shall not demolish or replace, or substitute the Phase II Project for, any portion of the Bridge and Bayway Facilities, unless:

(1) The Issuer shall have delivered to the Trustee an updated study by an Independent T&R Consultant, accompanied by a letter from the Independent T&R Consultant certifying that the assumptions and projections contained in such updated study are reasonable and may be relied upon by the Trustee;

(2) The Issuer shall deliver a report from an Independent consulting engineer indicating that the planned Phase II asset to replace the bayway bridges would result in an improvement or an expansion of the Bridge and Bayway Facilities; and

(3) The Rating Agency that provided the most recent public ratings of the First Lien Bonds and the Second Lien Bonds shall have provided a confirmation or affirmation (or the equivalent) that the contemplated project shall not result in a downgrade of the lower of (A) the then-existing credit ratings of the First Lien Bonds and the Second Lien Bonds, respectively, and (B) the credit ratings of the First Lien Bonds and the Second Lien Bonds, respectively, as of the date of issuance of the relevant Bonds.

SECTION 10.11 Protection of Bridge and Bayway Facilities from Prior Liens

The Issuer will keep the Bridge and Bayway Facilities free from all liens and encumbrances prior to the pledge hereof (other than Permitted Liens), but it may defer payment pending the bona fide contest of any claim unless the Trustee shall be of the opinion that, by such action, any part of the Bridge and Bayway Facilities shall be subject to loss or forfeiture, in which event any such payment then due shall not be deferred.

SECTION 10.12 Inspection of Bridge and Bayway Facilities by Trustee and Bondholders

The Issuer will permit the Trustee and the Holders of any of the Bonds to inspect, at any reasonable time, any and every part of the Bridge and Bayway Facilities and the books and records of the Issuer appertaining thereto and will assist in furnishing facilities for such inspection.

SECTION 10.13 Annual Budget

The Issuer shall adopt an Annual Budget for the Bridge and Bayway Facilities for each Bond Year. To the extent possible, the Issuer shall prepare its Annual Budget so that it will be possible to determine from such Annual Budget (a) the amount of Project Revenues budgeted for deposit into the Revenue Fund during such year and (b) the amounts to be deposited or paid under Article 8. In preparing its Annual Budget, the Issuer shall give due consideration to the provisions of Section 10.8.

SECTION 10.14 Further Assurances

The Issuer will, upon reasonable request, execute and deliver such further instruments and do such further acts as may be necessary or proper to carry out more effectually the purpose of this

Indenture, and in particular (without in any way limiting the generality of the foregoing) to make subject to the pledge herein made the revenues from any property hereafter acquired by it for use as a part of the Bridge and Bayway Facilities, and to transfer to any successor trustee or trustees the assets, powers, instruments and funds held in trust hereunder and to confirm this Indenture with respect to any Bonds issued hereunder. No failure to request such further instruments or further acts shall be deemed a waiver of any right to the execution and delivery of such instruments or the doing of such acts or be deemed to affect the interpretation of any provision of this Indenture.

ARTICLE 11

Defaults and Remedies

SECTION 11.1 Events of Default

Any one or more of the following shall constitute an event of default (an "Indenture Default") under this Indenture (whatever the reason for such event and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(a) failure to pay (1) the interest on any Highest Priority Obligation when such interest becomes due and payable, or (2) the principal of (or premium, if any, on) any Highest Priority Obligation when such principal (or premium, if any) becomes due and payable, whether at its stated Maturity, by call for redemption or otherwise (for clarity, excluding any TIFIA Scheduled Debt Service that is not then currently payable in accordance with TIFIA Loan Agreement(s)); or

(b) default in the performance, or breach, of any covenant or warranty of the Issuer in this Indenture (other than a covenant or warranty a default in the performance or breach of which is elsewhere in this Section specifically dealt with), and continuance of such default or breach for a period of 60 days after notice of such default or breach, stating that such notice is a "notice of default" hereunder, has been given to the Issuer by the Trustee, or to the Issuer and the Trustee by the Holders of at least 10% in principal amount of the Outstanding Bonds, unless, in the case of a default or breach that cannot be cured by the payment of money, the Issuer initiates efforts to correct such default or breach within 60 days from the receipt of such notice and diligently pursues such action until the default or breach is corrected;

(c) a Lease Default shall occur and be continuing;

(d) the occurrence of an event of default, as therein defined, under any other Bond Document and the expiration of the applicable grace period, if any, specified therein; or

(e) a Bankruptcy Related Event by the Issuer.

SECTION 11.2 Remedies

(a) **General**. If an Indenture Default exists, then and in every such case, the Trustee (acting at the direction of a majority in principal amount of the Outstanding Highest Priority Obligations) may exercise all available remedies under the laws of the State of Alabama, whether in law or at equity. Notwithstanding anything to the contrary contained in the Bond Documents, acceleration of the principal of or interest on the Bonds or any other obligations under this Indenture upon the occurrence of an Indenture Default is not a remedy available under this Indenture and in no event shall the Trustee, the

Holders or other parties have the ability, upon the occurrence of an Indenture Default, to declare immediately due and payable the principal of or interest on the Bonds.

(b) **Rights and Remedies Cumulative**. No right or remedy herein conferred upon or reserved to the Trustee or to the Bondholders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

(c) **Remedies Subject to Applicable Law**. All rights, remedies and powers provided by this Article may be exercised only to the extent that the exercise thereof does not violate any applicable provision of law in the premises, and all the provisions of this Article are intended to be subject to all applicable mandatory provisions of law which may be controlling in the premises and to be limited to the extent necessary so that they will not render this Indenture invalid, unenforceable or not entitled to be recorded, registered or filed under the provisions of any applicable law.

SECTION 11.3 Application of Money Collected

Any money collected by the Trustee pursuant to this Article and any other sums then held by the Trustee as part of the Trust Estate, shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal (or premium, if any) or interest, upon presentation of the Bonds and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

(a) **First**: To the payment of all undeducted amounts due the Trustee under Section 12.7;

(b) **Second**: In the manner prescribed by Section 8.1(c); provided, however, with the consent of the Holders of a majority in principal amount of the Highest Priority Obligations Outstanding, prior to application of any money collected by the Trustee pursuant to this Article and any other sums then held by the Trustee as part of the Trust Estate in the manner prescribed by Section 8.1(c), such money and sums may be applied first to the payment of the whole amount then due and unpaid upon the Outstanding Highest Priority Obligations for principal (and premium, if any) and interest, in respect of which or for the benefit of which such money has been collected, with interest (to the extent that such interest has been collected by the Trustee or a sum sufficient therefor has been so collected and payment thereof is legally enforceable at the respective rate or rates prescribed therefor in the Bonds) on overdue principal (and premium, if any) and on overdue installments of interest; and in case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid upon such Bonds, then to the payment of such principal (and premium, if any) and interest, without any preference or priority, ratably according to the aggregate amount so due; provided further, however, that payments with respect to Obligor Bonds shall be made only after all other Bonds have been Fully Paid; and

(c) **Third**: To the payment of the remainder, if any, to whosoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

SECTION 11.4 Trustee May Enforce Claims without Possession of Bonds

All rights of action and claims under this Indenture or the Bonds may be prosecuted and enforced by the Trustee without the possession of any of the Bonds or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as

trustee of an express trust. Any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Holders of the Bonds in respect of which such judgment has been recovered.

SECTION 11.5 Limitation on Suits

No Holder of any Bond shall have any right to institute any proceeding, judicial or otherwise, under or with respect to this Indenture, or for the appointment of a receiver or trustee or for any other remedy hereunder, unless

(a) such Holder has previously given notice to the Trustee of a continuing Indenture Default;

(b) the Holders of not less than a majority in principal amount of the Outstanding Highest Priority Obligations shall have made request to the Trustee to institute proceedings in respect of such Indenture Default in its own name as Trustee hereunder;

(c) such Holder or Holders (other than the TIFIA Lender) have offered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request;

(d) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and

(e) no direction inconsistent with such request has been given to the Trustee during such 60-day period by the Holders of a majority in principal amount of the Outstanding Highest Priority Obligations;

it being understood and intended that no one or more Holders of Bonds shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the lien of this Indenture or the rights of any other Holders of Bonds, or to obtain or to seek to obtain priority or preference over any other Holders or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all Outstanding Highest Priority Obligations.

SECTION 11.6 Unconditional Right of Bondholders to Receive Principal, Premium and Interest

Notwithstanding any other provision in this Indenture, the Holder of any Bond shall have the right which is absolute and unconditional (a) to receive payment of the principal of (and premium, if any) and interest on such Bond (including interest on any overdue amount at the Default Rate) on the Maturity date expressed in such Bond (or, in the case of redemption, on the redemption date) and to institute suit for the enforcement of any such payment, and (b) to institute suit against the Issuer for specific performance of the Issuer's obligations under the applicable Bond Documents, and such rights shall not be impaired without the consent of such Holder.

SECTION 11.7 Restoration of Positions

If the Trustee or any Bondholder has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason or has been determined adversely to the Trustee or to such Bondholder, then and in every such case the Issuer, the Trustee and the Bondholders shall, subject to any determination in such proceeding, be restored to their

former positions hereunder, and thereafter all rights and remedies of the Trustee and the Bondholders shall continue as though no such proceeding had been instituted.

SECTION 11.8 Delay or Omission Not Waiver

No delay or omission of the Trustee or of any Holder of any Bond to exercise any right or remedy accruing upon an Indenture Default shall impair any such right or remedy or constitute a waiver of any such Indenture Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Trustee or to the Bondholders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Bondholders, as the case may be.

SECTION 11.9 Control by Bondholders

The Holders of a majority in principal amount of the Outstanding Highest Priority Obligations shall have the right, during the continuance of an Indenture Default,

(a) to require the Trustee to proceed to enforce this Indenture, either by judicial proceedings for the enforcement of the payment of the Bonds or otherwise, and

(b) to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee hereunder, provided that

(1) such direction shall not be in conflict with any rule of law or this Indenture, and

(2) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction.

SECTION 11.10 Waiver of Past Defaults

(a) Before any judgment or decree for payment of money due has been obtained by the Trustee, the Holders of not less than a majority in principal amount of the Outstanding Highest Priority Obligations may, by notice to the Trustee and the Issuer, on behalf of the Holders of all the Bonds waive any past default hereunder or under any other Bond Document and its consequences, except a default

(1) in the payment of Debt Service on any Bond, or

(2) in respect of a covenant or provision hereof which under Article 13 cannot be modified or amended without the consent of the Holder of each Outstanding Bond affected.

(b) Upon any such waiver, such default shall cease to exist, and any Indenture Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

SECTION 11.11 Suits to Protect the Trust Estate

The Trustee shall have power to institute and to maintain such proceedings as it may deem expedient to prevent any impairment of the Trust Estate by any acts which may be unlawful or in violation of this Indenture and to protect its interests and the interests of the Bondholders in the Trust Estate and in the rents, issues, profits, revenues and other income arising therefrom, including power to institute and maintain proceedings to restrain the enforcement of or compliance with any governmental enactment, rule or order that may be unconstitutional or otherwise invalid, if the enforcement of or

compliance with such enactment, rule or order would impair the security hereunder or be prejudicial to the interests of the Bondholders or the Trustee.

ARTICLE 12

The Trustee

SECTION 12.1 Certain Duties and Responsibilities of Trustee

(a) Except during the continuance of an Indenture Default,

(1) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture.

(b) If an Indenture Default exists, the Trustee shall exercise such of the rights and powers vested in it by this 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.

(c) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that

(1) this subsection shall not be construed to limit the effect of Section 12.1(a);

(2) the Trustee shall not be liable for any error of judgment made in good faith, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts;

(3) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of a majority in principal amount of the Outstanding Highest Priority Obligations relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture;

(4) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers; and

(5) under no circumstances shall the Trustee be liable in its individual capacity for the obligations evidenced by the Bonds.

(d) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section.

SECTION 12.2 Notice of Defaults

(a) If a notice event described in Section 12.2(b) exists, the Trustee shall notify Bondholders of such event within 30 days after the Trustee becomes aware of its existence; provided, however, that the Trustee shall be protected in withholding such notice if (1) the notice event has been cured or waived or otherwise ceases to exist before such notice is given; or (2) the Trustee determines in good faith that the withholding of such notice is in the interest of Bondholders.

(b) For purposes of this Section the following shall constitute "notice events":

(1) the occurrence of an Indenture Default; and

(2) any event which is, or after notice or lapse of time or both would become, an Indenture Default.

SECTION 12.3 Certain Rights of Trustee

Except as otherwise provided in Section 12.1:

(a) the Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, coupon or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) any request or direction of the Issuer mentioned herein shall be sufficiently evidenced by a certificate or order executed by an Authorized Issuer Representative;

(c) whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon a certificate executed by an Authorized Issuer Representative;

(d) the Trustee may consult with counsel and the written advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by the Trustee hereunder in good faith and in reliance thereon;

(e) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Bondholders pursuant to this Indenture, unless such Bondholders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction; provided, however, that the TIFIA Lender shall not be required to offer or provide any such security or indemnity as a condition to the Trustee's compliance with any request or direction of the TIFIA Lender;

(f) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, coupon or other paper or document but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books and records of the Issuer, personally or by agent or attorney; and

(g) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any willful misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

SECTION 12.4 Not Responsible for Recitals

The recitals contained herein and in the Bonds, except the certificate of authentication on the Bonds, shall be taken as the statements of the Issuer, and the Trustee assumes no responsibility for their correctness. The Trustee makes no representations as to the value or condition of the Trust Estate or any part thereof, or as to the title of the Issuer thereto or as to the security afforded thereby or hereby, or as to the validity or sufficiency of this Indenture or of the Bonds.

SECTION 12.5 May Hold Bonds

The Trustee in its individual or any other capacity, may become the owner or pledgee of Bonds and may otherwise deal with the Issuer with the same rights it would have if it were not Trustee.

SECTION 12.6 Money Held in Trust

Money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent expressly provided in this Indenture or required by law. The Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise provided in Article 9.

SECTION 12.7 Compensation and Reimbursement

The Issuer agrees

(a) to pay to the Trustee from time to time reasonable compensation for all services rendered by it hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust); and

(b) except as otherwise expressly provided herein, to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Indenture (including the reasonable compensation and the expenses and disbursements of its agents and counsel), except any such expense, disbursement or advance as may be finally determined by a court of competent jurisdiction to have been directly caused by the Trustee's negligence willful misconduct.

SECTION 12.8 Corporate Trustee Required; Eligibility

There shall at all times be a Trustee hereunder which shall (a) be a commercial bank, national banking association or trust company organized and doing business under the laws of the United States of America or of any state and having capital and surplus of not less than $100,000,000, (b) be authorized under such laws to exercise corporate trust powers, and (c) be subject to supervision or examination by federal or state authority.

SECTION 12.9 Resignation and Removal; Appointment of Successor

(a) No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee under Section 12.10.

(b) The Trustee may resign at any time by giving notice thereof to the Issuer. If an instrument of acceptance by a successor Trustee shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee.

(c) The Trustee may be removed at any time by the Holders of a majority in principal amount of the Outstanding Highest Priority Obligations by notice delivered to the Trustee and the Issuer. If no Indenture Default exists, the Trustee may be removed at any time by the Issuer by notice delivered to the Trustee.

(d) If at any time:

(1) the Trustee shall cease to be eligible under Section 12.8 and shall fail to resign after request therefor by the Issuer or by any Bondholder who has been a bona fide Holder of a Bond for at least 6 months, or

(2) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, (A) the Issuer by a resolution of its governing body may remove the Trustee, or (B) any Bondholder who has been a bona fide Holder of a Bond for at least 6 months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

(e) If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause, a successor Trustee shall be appointed by the Holders of a majority in principal amount of the Outstanding Highest Priority Obligations. In case all or substantially all of the Trust Estate shall be in the possession of a receiver or trustee lawfully appointed, such receiver or trustee may similarly appoint a successor to fill such vacancy until a new Trustee shall be so appointed by such Bondholders. If, within 1 year after such appointment by any such receiver or trustee, a successor Trustee shall be appointed by the Holders of a majority in principal amount of the Outstanding Highest Priority Obligations, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment, become the successor Trustee and supersede the successor Trustee appointed by such receiver or trustee. If no successor Trustee shall have been so appointed by the Issuer or the Bondholders and accepted appointment in the manner hereinafter provided, any Bondholder who has been a bona fide Holder of a Bond for at least 6 months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee.

(f) The Issuer shall give notice of each resignation and each removal of the Trustee and each appointment of a successor Trustee by mailing notice of such event by first-class mail, postage prepaid, to the Holders of Bonds as their names and addresses appear in the Bond Register. Each notice shall include the name of the successor Trustee and the address of the Office of the Trustee.

SECTION 12.10 Acceptance of Appointment by Successor

(a) Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to the Issuer and to the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the estates, properties, rights, powers, trusts and duties of the retiring Trustee; but, on request of the Issuer or the successor Trustee, such retiring

Trustee shall, upon payment of its charges, execute and deliver an instrument conveying and transferring to such successor Trustee upon the trusts herein expressed all the estates, properties, rights, powers and trusts of the retiring Trustee, and shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder, subject nevertheless to its lien, if any, provided for in Section 12.7. Upon request of any such successor Trustee, the Issuer shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such estates, properties, rights, powers and trusts.

(b) No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under this Article, to the extent operative.

SECTION 12.11 Merger, Conversion, Consolidation or Succession to Business

Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation shall be otherwise qualified and eligible under this Article, to the extent operative, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Bonds shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Bonds so authenticated with the same effect as if such successor Trustee had itself authenticated such Bonds.

ARTICLE 13

Amendment of Bond Documents

SECTION 13.1 General Requirements for Amendments

The Trustee may, on behalf of the Bondholders, from time to time enter into, or consent to, an amendment of any Bond Document only as permitted by this Article.

SECTION 13.2 Amendments Without Consent of Bondholders

An amendment of the Bond Documents for any of the following purposes may be made, or consented to, by the Trustee without the consent of the Holders of any Bonds:

(a) to correct or amplify the description of any property at any time subject to the lien of any Bond Document, or better to assure, convey and confirm unto any secured party any property subject or required to be subjected to the lien of any Bond Document, or to subject to the lien of any Bond Document, additional property;

(b) to evidence the succession of another person to any Financing Participant and the assumption by any such successor of the covenants of such Financing Participant (provided that the requirements of the related Bond Document for such succession and assumption are otherwise satisfied);

(c) to add to the covenants of any Financing Participant for the benefit of Bondholders and to make the occurrence, or the occurrence and continuance, of a default in any of such additional covenants an event of default under the specified Bond Documents permitting the enforcement of all or any of the several remedies provided therein; provided, however, that with respect to any such covenant, such amendment may provide for a particular period of grace

after default (which period may be shorter or longer than that allowed in the case of other defaults) or may provide for an immediate enforcement upon such default or may limit the remedies available upon such default;

(d) to surrender any right or power conferred upon any Financing Participant other than rights or powers for the benefit of Bondholders;

(e) to cure any ambiguity or to correct any inconsistency in the Bond Documents, provided such action shall not adversely affect the interests of the Holder of any Bond;

(f) to appoint a separate agent of the Issuer or the Trustee to perform any one or more of the following functions: (1) registration of transfers and exchanges of Bonds, or (2) payment of Debt Service on the Bonds;

(g) to conform the text of any Bond Document to any description or summary of such Bond Document in any official statement or other offering document with respect to the Bonds to the extent that such description or summary was intended to be a verbatim recitation of a provision of a Bond Document;

(h) to provide for the issuance by the Issuer of Additional Bonds in accordance with Article 7 hereof;

(i) to reflect the requirements of any TIFIA Loan Agreement(s) executed in connection with the issuance of Additional Bonds that are obligations under TIFIA Loan Agreement(s); or

(j) to amend any existing provision hereof or to add additional provisions which, in the Opinion of Counsel for the Issuer, are necessary or advisable (1) to qualify, or to preserve the qualification of, the interest on any Bonds for exclusion from gross income for federal income tax purposes; (2) to qualify, or to preserve the qualification of, this Indenture or any Supplemental Indenture under the federal Trust Indenture Act of 1939; or (3) to qualify, or preserve the qualification of, any Bonds for an exemption from registration or other limitations under the laws of any state or territory of the United States of America.

SECTION 13.3 Amendments Requiring Consent of All Affected Bondholders

An amendment of the Bond Documents for any of the following purposes may be entered into, or consented to, by the Trustee only with the consent of the Holder of each Bond affected and, other than with respect to clause (f) below, the consent of the Holders of a majority in principal amount of Highest Priority Obligations Outstanding:

(a) to change the stated Maturity of the principal of, or any installment of interest on, any Bond, or reduce the principal amount thereof or the interest thereon or any premium payable upon the redemption thereof, or change the coin or currency in which, any Bond, or the interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the stated Maturity thereof (or, in the case of redemption, on or after the redemption date); or

(b) to reduce the percentage in principal amount of the Outstanding Bonds, the consent of whose Holders is required for any amendment of the Bond Documents, or the consent of whose Holders is required for any waiver provided for in the Bond Documents; or

(c) to modify or alter the provisions of the proviso to the definition of the term "Outstanding"; or

(d) to modify any of the provisions of this Section or Section 11.10, except to increase any percentage provided thereby or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the Holder of each Bond affected thereby; or

(e) to permit the creation of any lien ranking prior to or on a parity with the lien of this Indenture with respect to any of the Trust Estate or terminate the lien of this Indenture on any property at any time subject hereto or deprive the Holder of any Bond of the security afforded by the lien of this Indenture; or

(f) to eliminate, reduce or delay the obligation of ALDOT to make Basic Lease Payments at times and in amounts sufficient to pay Debt Service on the Series 2026C Bonds, the Series 2026D Bonds, and any Additional Bonds issued as Third Lien Bonds and enhanced with Basic Lease Payments made pursuant to the Lease Agreement; provided, however, that, with respect to any amendment pursuant to this clause (f), only the following Holders shall be considered affected Bondholders: (i) Holders of Third Lien Bonds; and (ii) any Holders that could be materially and adversely affected by the amendment.

SECTION 13.4 Amendments Requiring Majority Consent of the Holders of Highest Priority Obligations

An amendment of the Bond Documents for any purpose not described in Sections 13.2 or 13.3 may be entered into, or consented to, by the Trustee only with the consent of the Holders of a majority in principal amount of Highest Priority Obligations Outstanding.

SECTION 13.5 Trustee Protected by Opinion of Counsel

In executing or consenting to any amendment permitted by this Article, the Trustee shall be entitled to receive, and, subject to Section 12.1, shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such amendment is authorized or permitted by this Indenture.

SECTION 13.6 Amendments Affecting Trustee's Personal Rights

The Trustee may, but shall not be obligated to, enter into any amendment that affects the Trustee's own rights, duties or immunities under the Bond Documents.

SECTION 13.7 Effect on Bondholders

Upon the execution of any amendment under this Article, every Holder of Bonds theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

SECTION 13.8 Reference in Bonds to Amendments

Bonds authenticated and delivered after the execution of any amendment under this Article shall, if required by such amendment or by the Trustee, bear a notation in form approved by the Trustee as to any matter provided for in such amendment. New Bonds so modified as to conform to any such amendment shall, if required by such amendment or by the Trustee, be prepared and executed by the Issuer and authenticated and delivered by the Trustee in exchange for Outstanding Bonds.

SECTION 13.9 Amendments Not to Affect Tax Exemption

No amendment may be made to the Bond Documents unless the Trustee receives a Favorable Tax Opinion.

SECTION 13.10 Rights of Underwriters to Consent to Indenture Amendments

Underwriters of Additional Bonds issued after the issuance of the Series 2026 Bonds may, on behalf of all Holders of such Additional Bonds issued after the issuance of the Series 2026 Bonds (and without notice to or consent of the Holders of such Additional Bonds issued after the issuance of the Series 2026 Bonds), consent to any amendment of this Indenture that affects the relevant series of Additional Bonds, other than an amendment to this Indenture that requires the consent of all Holders of Bonds issued under this Indenture.

ARTICLE 14

Defeasance

SECTION 14.1 Payment of Indenture Indebtedness; Satisfaction and Discharge of Indenture

(a) Whenever all Indenture Indebtedness has been Fully Paid, then (1) this Indenture and the lien, rights and interests created hereby shall cease, determine and become null and void (except as to any surviving rights of transfer or exchange of Bonds herein or therein provided for), and (2) the Trustee shall, upon the request of the Issuer, execute and deliver a termination statement and such instruments of satisfaction and discharge as may be necessary and pay, assign, transfer and deliver to the Issuer or upon the order of the Issuer, all cash and securities then held by it hereunder as a part of the Trust Estate.

(b) A Bond shall be deemed "Fully Paid" if

(1) such Bond has been cancelled by the Trustee or delivered to the Trustee for cancellation, or

(2) such Bond shall have matured or been called for redemption and, on such Maturity date or redemption date, money for the payment of Debt Service on such Bond is held by the Trustee in trust for the benefit of the person entitled thereto, or

(3) such Bond is alleged to have been destroyed, lost or stolen and has been replaced as provided in Section 4.2, or

(4) a trust for the payment of such Bond has been established in accordance with Section 14.2.

However, the Issuer shall not defease any Bonds held by the TIFIA Lender without the prior written consent of the TIFIA Lender.

(c) Indenture Indebtedness other than Debt Service on the Bonds shall be deemed "Fully Paid" whenever the Issuer has paid, or made provisions satisfactory to the Trustee for payment of, all such Indenture Indebtedness.

SECTION 14.2 Trust for Payment of Debt Service

(a) The Issuer may provide for the payment of any Bond (other than any Bond held by the TIFIA Lender) by establishing a trust for such purpose with the Trustee and depositing therein cash and/or Federal Securities which (assuming the due and punctual payment of the principal of and interest on such Federal Securities, but without reinvestment) will provide funds sufficient to pay the Debt Service on such Bond as the same becomes due and payable until the Maturity or redemption of such Bond; provided, however, that:

(1) Such Federal Securities must not be subject to redemption prior to their respective maturities at the option of the issuer of such Securities.

(2) If such Bond is to be redeemed prior to its Maturity, either (A) the Trustee shall receive evidence that notice of such redemption has been given in accordance with the provisions of this Indenture and such Bond or (B) the Issuer shall confer on the Trustee irrevocable authority for the giving of such notice on behalf of the Issuer.

(3) If the interest rate on such Bond is not fixed until the Maturity or redemption date of such Bond, such trust must provide for the payment of interest on such Bond at the maximum rate permitted by this Indenture for any period when interest is not fixed.

(4) Prior to the establishment of such trust the Trustee must receive a Favorable Tax Opinion.

(5) Prior to the establishment of such trust the Trustee must receive verification satisfactory to the Trustee from independent certified public accountants or other verification agents demonstrating that the principal and interest payments on the Federal Securities in such trust, without reinvestment, together with the cash balance in such trust remaining after purchase of such Securities, will be sufficient to make the required payments from such trust.

(b) Any trust established pursuant to this Section may provide for payment of less than all Bonds Outstanding or less than all Bonds of any remaining series or Maturity.

(c) If any trust provides for payment of less than all Bonds of a series and Maturity, the Bonds of such series and Maturity to be paid from the trust shall be selected by the Trustee randomly by such method as shall provide for the selection of portions (in Authorized Denominations) of the principal of Bonds of such series and Maturity of a denomination larger than the smallest Authorized Denomination. Such selection shall be made within 7 days after such trust is established. This selection process shall be in lieu of the selection process otherwise provided with respect to redemption of Bonds. After such selection is made, Bonds that are to be paid from such trust (including Bonds issued in exchange for such Bonds pursuant to the transfer or exchange provisions of this Indenture) shall be identified by a separate CUSIP number or other designation satisfactory to the Trustee. The Trustee shall notify Holders whose Bonds (or portions thereof) have been selected for payment from such trust and shall direct such Bondholders to surrender their Bonds to the Trustee in exchange for Bonds with the appropriate designation. The selection of Bonds for payment from such trust pursuant to this Section shall be conclusive and binding on the Financing Participants.

(d) Cash and/or Federal Securities deposited with the Trustee pursuant to this Section shall not be a part of the Trust Estate but shall constitute a separate, irrevocable trust fund for the benefit of the Holder of the Bond to be paid from such fund.

ARTICLE 15

ALDOT and the Lease Agreement

SECTION 15.1 Right to Exercise Rights and Options With Respect to Terms of the Bonds

The Issuer may exercise all such rights and options with respect to the Bonds without notice to or consent of ALDOT; provided, however, that (a) no Additional Bonds may be issued by the Issuer without the consent of ALDOT, and (b) no reduction in the rates of tolls, fees, rentals, penalties, fines, and other charges for the use of, and for services furnished or to be furnished by, the Bridge and Bayway Facilities that impact Project Revenues shall be made by the Issuer without the consent of ALDOT.

SECTION 15.2 Performance by Issuer Under Lease Agreement

The Issuer will perform and observe all covenants required to be performed and observed by it under the Lease Agreement.

SECTION 15.3 Rights of ALDOT With Respect to Defaults by Issuer

Without relieving the Issuer from the responsibility for performance and observance of the agreements and covenants required to be performed and observed by it hereunder, ALDOT, on behalf of the Issuer, may perform any such covenant or agreement.

SECTION 15.4 Remedies Under Lease Agreement

(a) If a Lease Default shall occur and be continuing, the Trustee (acting at the direction of a majority in principal amount of the Outstanding Highest Priority Obligations) shall have the right, in its own name or on behalf of the Issuer, to declare any default and exercise any remedies under the Lease Agreement.

(b) Any money collected by the Trustee pursuant to the exercise of any remedies under the Lease Agreement shall be applied as provided in Article 11.

SECTION 15.5 Amendment of Bond Documents

No amendment requiring the consent of the Issuer may be made to the Bond Documents without the consent of ALDOT.

SECTION 15.6 Benefits of Indenture for ALDOT

This Indenture shall also be for the benefit of ALDOT to the extent expressly provided herein.

ARTICLE 16

Miscellaneous

SECTION 16.1 Notices

(a) Any request, demand, authorization, direction, notice, consent, waiver or other document provided or permitted by this Indenture to be made upon, given or furnished to, or filed with, any of the Financing Participants must (except as otherwise expressly provided in this Indenture) be in writing and be delivered by one of the following methods: (1) by personal delivery, (2) by first-class, registered or

certified mail, or (3) by facsimile transmission. Any specific reference in this instrument to "written notice" shall not be construed to mean that any other notice may be oral, unless oral notice is specifically permitted by this instrument under the circumstances. If this instrument permits any oral notice to the Trustee, such notice must be delivered or given to a corporate trust officer responsible for the Bonds to be effective. The hand delivery address, mailing address and (if applicable) facsimile transmission number for receipt of notice or other documents by such parties are set forth in ***Exhibit 16.1(a)***. Any of such parties may change the address or number for receiving any such notice or other document by giving notice of the change to the other parties named in this Section.

(b) Any notice or other document shall be deemed delivered when actually received by the party to whom directed at the address or number specified pursuant to this Section, or, if sent by mail, 3 days after such notice or document is deposited in the United States mail, addressed as provided above.

SECTION 16.2 Notices to Bondholders; Waiver

(a) Where this Indenture provides for giving of notice to Bondholders of any event, such notice must (unless otherwise herein expressly provided) be in writing and mailed, first-class postage prepaid, to such Bondholder at the address of such Bondholder as it appears in the Bond Register, not later than the latest date, and not earlier than the earliest date, prescribed for the giving of such notice.

(b) In any case where notice to Bondholders is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Bondholder shall affect the sufficiency of such notice with respect to other Bondholders. Where this Indenture provides for notice in any manner, such notice may be waived in writing by the person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Bondholders shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 16.3 Successors and Assigns

All covenants and agreements in this Indenture by the Issuer shall bind its successors and assigns, whether so expressed or not.

SECTION 16.4 Benefits of Indenture

Nothing in this Indenture or in the Bonds, express or implied, shall give to any person, other than the parties hereto and their successors hereunder, ALDOT, and the Holders of the Outstanding Bonds any benefit or any legal or equitable right, remedy or claim under this Indenture.

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this instrument to be duly executed, and, if applicable, their respective corporate seals to be hereunto affixed and attested.

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

By:_____

Title:_____

[S E A L]

Attest:

By:_____

Title:_____

COMPUTERSHARE TRUST COMPANY, N.A., as Trustee

By:_____

Title:_____

This instrument was prepared by:

Joseph (Jodie) E. Smith
Maynard Nexsen PC
1901 Sixth Avenue North, Suite 1700
Birmingham, Alabama 35203-2618
(205) 254-1000

EXHIBIT 8.5(b)

Bond Insurance/Credit Facility/Hedging Fund Requisition

To: Computershare Trust Company, N.A., as trustee under the Indenture referred to below No. _____

Re: Various Revenue Bonds, issued by Alabama Toll Road, Bridge, and Tunnel Authority pursuant to a Trust Indenture dated September 1, 2026 (the "Indenture")

Capitalized terms not otherwise defined herein shall have the meanings assigned in the Indenture.

Request for Payment by the Issuer

The Issuer hereby requests payment from the Bond Insurance/Credit Facility/Hedging Fund

of $_____

to

Name of payee:_____

Address of payee:_____

_____

Such payment will be made for the following purpose(s):

_____

_____

_____

(Describe purpose in reasonable detail.)

The Issuer hereby certifies that: (a) such payment is for Required Bond Insurance/Credit Facility/Hedging Payments, (b) no Indenture Default exists, and (c) such payment will not cause or result in the violation of any covenant contained in the Tax Certificate and Agreement.

Dated: _____.

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

By:_____
Authorized Issuer Representative

EXHIBIT 8.6(b)

Bond Compliance Rebate Fund Requisition

To: Computershare Trust Company, N.A., as trustee under the Indenture referred to below No. _____

Re: Various Revenue Bonds, issued by Alabama Toll Road, Bridge, and Tunnel Authority pursuant to a Trust Indenture dated September 1, 2026 (the "Indenture")

Capitalized terms not otherwise defined herein shall have the meanings assigned in the Indenture.

Request for Payment by the Issuer

The Issuer hereby requests payment from the Bond Compliance Rebate Fund

of $_____

to

Name of payee:_____

Address of payee:_____

_____

Such payment will be made for the following purpose(s):

_____

_____

_____

(Describe purpose in reasonable detail.)

The Issuer hereby certifies that: (a) such payment is for Required Rebate, (b) no Indenture Default exists, and (c) such payment will not cause or result in the violation of any covenant contained in the Tax Certificate and Agreement.

Dated: _____.

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

By:_____
Authorized Issuer Representative

EXHIBIT 8.7(b)

Administrative Expenses Fund Requisition

To: Computershare Trust Company, N.A., as trustee under the Indenture referred to below No. _____

Re: Various Revenue Bonds, issued by Alabama Toll Road, Bridge, and Tunnel Authority pursuant to a Trust Indenture dated September 1, 2026 (the "Indenture")

Capitalized terms not otherwise defined herein shall have the meanings assigned in the Indenture.

Request for Payment by the Issuer

The Issuer hereby requests payment from the Administrative Expense Fund

of $_____

to

Name of payee:_____

Address of payee:_____

_____

Such payment will be made for the following purpose(s):

_____

_____

_____

(Describe purpose in reasonable detail.)

The Issuer hereby certifies that: (a) such payment is for Administrative Expenses, (b) no Indenture Default exists, and (c) such payment will not cause or result in the violation of any covenant contained in the Tax Certificate and Agreement.

Dated: _____.

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

By:_____
Authorized Issuer Representative

EXHIBIT 8.8(b)

Toll Collection O&M Fund Requisition

To: Computershare Trust Company, N.A., as trustee under the Indenture referred to below No. _____

Re: Various Revenue Bonds, issued by Alabama Toll Road, Bridge, and Tunnel Authority pursuant to a Trust Indenture dated September 1, 2026 (the "Indenture")

Capitalized terms not otherwise defined herein shall have the meanings assigned in the Indenture.

Request for Payment by the Issuer

The Issuer hereby requests payment from the Toll Collection O&M Fund

of $_____

to

Name of payee:_____

Address of payee:_____

_____

Such payment will be made for the following purpose(s):

_____

_____

_____

(Describe purpose in reasonable detail.)

The Issuer hereby certifies that: (a) such payment is for Toll Collection O&M Payments, (b) no Indenture Default exists, and (c) such payment will not cause or result in the violation of any covenant contained in the Tax Certificate and Agreement.

Dated: _____.

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

By:_____
Authorized Issuer Representative

Approval by Alabama Department of Transportation

Alabama Department of Transportation hereby approves the foregoing requisition.

Dated: _____.

ALABAMA DEPARTMENT OF TRANSPORTATION

By:_____
Authorized ALDOT Representative

EXHIBIT 8.9(b)

Toll Collection Operating Reserve Fund Requisition

To: Computershare Trust Company, N.A., as trustee under the Indenture referred to below No. _____

Re: Various Revenue Bonds, issued by Alabama Toll Road, Bridge, and Tunnel Authority pursuant to a Trust Indenture dated September 1, 2026 (the "Indenture")

Capitalized terms not otherwise defined herein shall have the meanings assigned in the Indenture.

Request for Payment by the Issuer

The Issuer hereby requests payment from the Toll Collection Operating Reserve Fund

of $_____

to

Name of payee:_____

Address of payee:_____

_____

Such payment will be made for the following purpose(s):

_____

_____

_____

(Describe purpose in reasonable detail.)

The Issuer hereby certifies that: (a) such payment is for Toll Collection O&M Payments, (b) no Indenture Default exists, and (c) such payment will not cause or result in the violation of any covenant contained in the Tax Certificate and Agreement.

Dated: _____.

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

By:_____
Authorized Issuer Representative

Approval by Alabama Department of Transportation

Alabama Department of Transportation hereby approves the foregoing requisition.

Dated: _____.

ALABAMA DEPARTMENT OF TRANSPORTATION

By:_____
Authorized ALDOT Representative

EXHIBIT 8.10(b)

Toll Collection Renewal and Replacement Fund Requisition

To: Computershare Trust Company, N.A., as trustee under the Indenture referred to below No. _____

Re: Various Revenue Bonds, issued by Alabama Toll Road, Bridge, and Tunnel Authority pursuant to a Trust Indenture dated September 1, 2026 (the "Indenture")

Capitalized terms not otherwise defined herein shall have the meanings assigned in the Indenture.

Request for Payment by the Issuer

The Issuer hereby requests payment from the Toll Collection Renewal and Replacement Fund

of $_____

to

Name of payee:_____

Address of payee:_____

_____

Such payment will be made for the following purpose(s):

_____

_____

_____

(Describe purpose in reasonable detail.)

The Issuer hereby certifies that: (a) such payment is for Toll Collection Renewal and Replacement Payments, (b) no Indenture Default exists, and (c) such payment will not cause or result in the violation of any covenant contained in the Tax Certificate and Agreement.

Dated: _____.

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

By:_____
Authorized Issuer Representative

Approval by Alabama Department of Transportation

Alabama Department of Transportation hereby approves the foregoing requisition.

Dated: _____.

ALABAMA DEPARTMENT OF TRANSPORTATION

By:_____
Authorized ALDOT Representative

EXHIBIT 8.11(b)

Rate Stabilization Fund Requisition

To: Computershare Trust Company, N.A., as trustee under the Indenture referred to below No. _____

Re: Various Revenue Bonds, issued by Alabama Toll Road, Bridge, and Tunnel Authority pursuant to a Trust Indenture dated September 1, 2026 (the "Indenture")

Capitalized terms not otherwise defined herein shall have the meanings assigned in the Indenture.

Request for Payment by the Issuer

The Issuer hereby requests payment from the Rate Stabilization Fund

of $_____

to

Name of payee:_____

Address of payee:_____

_____

Such payment will be made for the following purpose(s):

_____

_____

_____

(Describe purpose in reasonable detail.)

The Issuer hereby certifies that: (a) such payment is for Permitted Rate Stabilization Fund Payments, (b) no Indenture Default exists, and (c) such payment will not cause or result in the violation of any covenant contained in the Tax Certificate and Agreement.

Dated: _____.

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

By:_____
Authorized Issuer Representative

Approval by Alabama Department of Transportation

Alabama Department of Transportation hereby approves the foregoing requisition.

Dated: _____.

ALABAMA DEPARTMENT OF TRANSPORTATION

By:_____
Authorized ALDOT Representative

EXHIBIT 8.13(b)

ALDOT Rebate Fund Requisition

To: Computershare Trust Company, N.A., as trustee under the Indenture referred to below No. _____

Re: Various Revenue Bonds, issued by Alabama Toll Road, Bridge, and Tunnel Authority pursuant to a Trust Indenture dated September 1, 2026 (the "Indenture")

Capitalized terms not otherwise defined herein shall have the meanings assigned in the Indenture.

Request for Payment by the Issuer

The Issuer hereby requests payment from the ALDOT Rebate Fund

of $_____

to

Name of payee:_____

Address of payee:_____

_____

Such payment will be made for the following purpose(s):

_____

_____

_____

(Describe purpose in reasonable detail.)

The Issuer hereby certifies that: (a) such payment is for ALDOT Rebates, (b) no Indenture Default exists, and (c) such payment will not cause or result in the violation of any covenant contained in the Tax Certificate and Agreement.

Dated: _____.

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

By:_____
Authorized Issuer Representative

Approval by Alabama Department of Transportation

Alabama Department of Transportation hereby approves the foregoing requisition.

Dated: _____.

ALABAMA DEPARTMENT OF TRANSPORTATION

By:_____
Authorized ALDOT Representative

EXHIBIT 8.14(b)

Surplus Fund Requisition

To: Computershare Trust Company, N.A., as trustee under the Indenture referred to below No. _____

Re: Various Revenue Bonds, issued by Alabama Toll Road, Bridge, and Tunnel Authority pursuant to a Trust Indenture dated September 1, 2026 (the "Indenture")

Capitalized terms not otherwise defined herein shall have the meanings assigned in the Indenture.

Request for Payment by the Issuer

The Issuer hereby requests payment from the Surplus Fund

of $_____

to

Name of payee:_____

Address of payee:_____

_____

Such payment will be made for the following purpose(s):

_____

_____

_____

(Describe purpose in reasonable detail.)

The Issuer hereby certifies that: (a) such payment is for Permitted Surplus Fund Payments, (b) no Indenture Default exists, (c) no violation of Section 10.8 of the Indenture (Toll Rate Covenant) exists, and (d) such payment will not cause or result in the violation of any covenant contained in the Tax Certificate and Agreement.

Dated: _____.

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

By:_____
Authorized Issuer Representative

Approval by Alabama Department of Transportation

Alabama Department of Transportation hereby approves the foregoing requisition.

Dated: _____.

ALABAMA DEPARTMENT OF TRANSPORTATION

By:_____
Authorized ALDOT Representative

EXHIBIT 8.16(b)

Requisition

To: Computershare Trust Company, N.A., as trustee under the Indenture referred to below No. _____

Re: Various Revenue Bonds, issued by Alabama Toll Road, Bridge, and Tunnel Authority pursuant to a Trust Indenture dated September 1, 2026 (as amended and supplemented, the "Indenture")

Capitalized terms not otherwise defined herein shall have the meanings assigned in the Indenture.

Request for Payment by ALDOT

ALDOT hereby requests payment from

[ ] the Acquisition Fund

[ ] the Costs of Issuance Fund

$_____

to

Name of payee: _____

Address of payee: _____

_____

Such payment will be made for the following purpose(s):

_____

_____

_____

(Describe purpose in reasonable detail.)

ALDOT hereby certifies that: (a) such payment is for (in the case of payments from the Acquisition Fund) Acquisition Costs or (in the case of payments from the Costs of Issuance Fund) Costs of Issuance, (b) no Indenture Default exists, and (c) such payment (in the case of payments from the Acquisition Fund) will not cause or result in the violation of any covenant contained in the Tax Certificate and Agreement.

Dated: _____.

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

By:_____
Authorized Issuer Representative

Approval by Alabama Department of Transportation

Alabama Department of Transportation hereby approves the foregoing requisition.

Dated: _____.

ALABAMA DEPARTMENT OF TRANSPORTATION

By:_____
Authorized ALDOT Representative

EXHIBIT 16.1(a)

Notices

Issuer

By hand:

By mail:

By facsimile: Not applicable

ALDOT

By hand:

By mail:

By facsimile: Not applicable

TIFIA Lender

By hand:

By mail:

By facsimile: Not applicable

State Treasurer

By hand:

By mail:

By facsimile: Not applicable

Trustee

By hand:

Computershare Trust Company, National Association
1505 Energy Park Drive
St. Paul, MN 55108
Attention: _____, Corporate Trust Services

By mail:

Computershare Trust Company, National Association
1505 Energy Park Drive
St. Paul, MN 55108
Attention: _____, Corporate Trust Services

By facsimile: Not applicable

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FIRST SUPPLEMENTAL INDENTURE

Dated September 1, 2026

Between

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

and

COMPUTERSHARE TRUST COMPANY, N.A.

Relating to the issuance of
[Amount]
First Lien Toll Revenue Bonds, Series 2026A
by
Alabama Toll Road, Bridge, and Tunnel Authority

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FIRST SUPPLEMENTAL INDENTURE

THIS FIRST SUPPLEMENTAL INDENTURE dated September 1, 2026 is entered into by **ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY**, an Alabama public corporation (the "Issuer"), and **COMPUTERSHARE TRUST COMPANY, N.A.**, a national banking association (the "Trustee").

Recitals

A. The Issuer has duly authorized the issuance of its [Amount] aggregate principal amount of First Lien Toll Revenue Bonds, Series 2026A (the "Series 2026A Bonds") pursuant to this Supplemental Indenture and the Master Indenture. The Series 2026A Bonds, the Series 2026B Bond (as defined herein), the Series 2026-1 Notes (as defined herein), the Series 2026C Bonds (as defined herein), the Series 2026D Bonds (as defined herein), and any additional bonds issued pursuant to Article 7 of the Master Indenture (as defined herein) are collectively referred to as the "Bonds".

B. The Series 2026A Bonds are being issued for the purpose of financing the acquisition and construction of a portion of the bridge and bayway facilities described more particularly herein (the "Bridge and Bayway Facilities" or the "Project").

C. The Bonds and all other payment obligations under this Supplemental Indenture and the Master Indenture shall be limited obligations of the Issuer payable solely out of the Trust Estate.

D. All things have been done which are necessary to make the Series 2026A Bonds, when executed by the Issuer and authenticated and delivered by the Trustee hereunder, the valid obligations of the Issuer, and to constitute this Supplemental Indenture and the Master Indenture a valid trust indenture for the security of the Series 2026A Bonds, in accordance with the terms of the Series 2026A Bonds and this Supplemental Indenture and the Master Indenture.

NOW, THEREFORE, THIS SUPPLEMENTAL INDENTURE WITNESSETH:

That in order to declare the terms and conditions upon which the Series 2026A Bonds authorized hereby are authenticated, issued, and delivered, and in consideration of the premises and of the purchase and acceptance of the Series 2026A Bonds by the Holders thereof, the Issuer covenants and agrees with the Trustee as follows:

ARTICLE 1

Definitions and Other Provisions of General Application

SECTION 1.1 Definitions

For all purposes of this Supplemental Indenture, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meaning indicated:

"**Authorized Denominations**" shall have the meaning assigned in Section 2.1 of this Supplemental Indenture.

"**Beneficial Owner**" shall have the meaning assigned in Section 2.2 for the Series 2026A Bonds.

"**Bonds**" shall mean the Series 2026A Bonds, the Series 2026B Bond, the Series 2026-1 Notes, the Series 2026C Bonds, the Series 2026D Bonds, and any additional bonds issued pursuant to Article 7 of the Master Indenture.

"**Book-Entry Only System**" shall have the meaning assigned in Section 2.2 for the Series 2026A Bonds.

"**Bridge and Bayway Facilities**" or "**Project**" shall mean the bridge and bayway facilities being financed by the Series 2026A Bonds. The Bridge and Bayway Facilities are more particularly described in Section 6.6 of the Master Indenture.

"**Continuing Disclosure Agreement**" shall mean that certain Continuing Disclosure Agreement entered into by the Issuer and ALDOT in connection with the issuance of the Series 2026A Bonds.

"**DTC**" shall have the meaning assigned in Section 2.2 for the Series 2026A Bonds.

"**Holder**" or "**Bondholder**" when used with respect to any Series 2026A Bond shall mean (1) if the Book-Entry Only System is not in effect, the person in whose name such Bond is registered in the Bond Register and (2) if the Book-Entry Only System is in effect, the Beneficial Owner of such Series 2026A Bond on the records maintained pursuant to the Book-Entry Only System.

"**Indenture**" shall mean the Master Indenture and this Supplemental Indenture as originally executed or as such instruments may from time to time be supplemented, modified or amended by one or more indentures or other instruments supplemental thereto or hereto entered into pursuant to the applicable provisions of the Master Indenture and the applicable provisions of this Supplemental Indenture.

"**Issuer**" shall mean Alabama Toll Road, Bridge, and Tunnel Authority, an Alabama public corporation, until a successor corporation shall have become such pursuant to the applicable provisions of the Indenture, and thereafter "Issuer" shall mean such successor corporation.

"**Master Indenture**" shall mean that certain Trust Indenture dated as of September 1, 2026 between the Issuer and the Trustee, as previously amended and supplemented.

"**Regular Record Date**" shall have the meaning assigned in Section 2.1 of this Supplemental Indenture.

"**Reserve Fund Requirement**" shall mean $_____ for the Series 2026A Bonds; provided, however, that the Issuer may reduce the Reserve Fund Requirement for the Series 2026A Bonds to the maximum amount that, according to an Opinion of Counsel delivered to the Trustee, may be invested without yield restriction under law applicable to tax-exempt obligations.

"**Series 2026A Bonds**" shall mean the series of Bonds issued pursuant to Article 2 of this Supplemental Indenture.

"**Series 2026B Bond**" shall mean the Second Lien Toll Revenue Bond, Series 2026B, which is a series of Bonds being issued by the Issuer on or about the date of issuance of the Series 2026A Bonds.

"**Series 2026-1 Notes**" shall mean the Second Lien Toll Revenue Bond Anticipation Notes, Series 2026-1, which are a series of Bonds being issued by the Issuer on or about the date of issuance of the Series 2026A Bonds.

"**Series 2026C Bonds**" shall mean the Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026C, which are a series of Bonds being issued by the Issuer on or about the date of issuance of the Series 2026A Bonds.

"**Series 2026D Bonds**" shall mean the Taxable Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026D, which are a series of Bonds being issued by the Issuer on or about the date of issuance of the Series 2026A Bonds.

"**Supplemental Indenture**" shall mean this instrument as originally executed or as it may from time to time be supplemented, modified or amended by one or more indentures or other instruments supplemental hereto entered into pursuant to the applicable provisions of the Master Indenture and the applicable provisions of this Supplemental Indenture.

"**Trustee**" shall mean Computershare Trust Company, N.A., a national banking association, until a successor Trustee shall have become such pursuant to the applicable provisions of the Indenture, and thereafter "Trustee" shall mean such successor.

SECTION 1.2 Definitions in Master Indenture to be Applicable

Except as otherwise expressly provided in this Supplemental Indenture, or unless the context otherwise requires, capitalized terms not otherwise defined in this Supplemental Indenture shall have the meaning assigned in the Master Indenture.

SECTION 1.3 General Rules of Construction

For all purposes of this Supplemental Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(a) Defined terms in the singular shall include the plural as well as the singular, and vice versa.

(b) The definitions in the recitals to this instrument are for convenience only and shall not affect the construction of this instrument.

(c) All accounting terms not otherwise defined herein have the meanings assigned to them, and all computations herein provided for shall be made, in accordance with generally accepted accounting principles. All references herein to "generally accepted accounting principles" refer to such principles as they exist at the date of application thereof.

(d) All references in this instrument to designated "Articles", "Sections" and other subdivisions are to the designated Articles, Sections and subdivisions of this instrument as originally executed.

(e) The terms "herein", "hereof" and "hereunder" and other words of similar import refer to this Supplemental Indenture as a whole and not to any particular Article, Section or other subdivision.

(f) All references in this instrument to a separate instrument are to such separate instrument as the same may be amended or supplemented from time to time pursuant to the applicable provisions thereof.

(g) The term "person" shall include any individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization and any government or any agency or political subdivision thereof.

(h) The term "including" means "including without limitation" and "including, but not limited to".

SECTION 1.4 Ownership of Series 2026A Bonds; Effect of Action by Bondholders

(a) The ownership of Series 2026A Bonds shall be proved by the Bond Register.

(b) Any request, demand, authorization, direction, notice, consent, waiver or other action by the Holder of any Series 2026A Bond shall bind every future Holder of the same Series 2026A Bond and the Holder of every Series 2026A Bond issued upon the transfer thereof or in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Issuer in reliance thereon, whether or not notation of such action is made upon such Series 2026A Bond.

SECTION 1.5 Effect of Headings and Table of Contents

The Article and Section headings herein and in the Table of Contents are for convenience only and shall not affect the construction hereof.

SECTION 1.6 Date of Supplemental Indenture

The date of this Supplemental Indenture is intended as and for a date for the convenient identification of this Supplemental Indenture and is not intended to indicate that this Supplemental Indenture was executed and delivered on said date.

SECTION 1.7 Separability Clause

If any provision in this Supplemental Indenture or in the Series 2026A Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 1.8 Governing Law

This Supplemental Indenture shall be construed in accordance with and governed by the laws of the State of Alabama.

SECTION 1.9 Counterparts

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed an original, but all such counterparts shall together constitute but one and the same instrument.

SECTION 1.10 Designation of Time for Performance

Except as otherwise expressly provided herein, any reference in this Supplemental Indenture to the time of day shall mean (a) if the Book-Entry Only System is in effect, the time of day in the city where DTC maintains its place of business for the performance of its obligations under the Book-Entry Only System or (b) if the Book-Entry Only System is no longer in effect, the time of day in the city where the Trustee maintains its place of business for the performance of its obligations under this Supplemental Indenture.

SECTION 1.11 Inconsistency with TIFIA Loan Agreement(s)

While there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), in the event of any inconsistency between the provisions of the TIFIA Loan Agreement(s) and the provisions hereof, the TIFIA Loan Agreement(s) will prevail.

ARTICLE 2

Specific Terms for Series 2026A Bonds

SECTION 2.1 Specific Title and Terms

(a) **Title and Amount**. The Series 2026A Bonds shall be entitled "First Lien Toll Revenue Bonds, Series 2026A". The aggregate principal amount of the Series 2026A Bonds which may be authenticated and delivered and Outstanding is limited to [Amount].

(b) **Authorized Denominations**. The Series 2026A Bonds shall be issued in denominations of $5,000 or any multiple thereof.

(c) **Form and Number**. The Series 2026A Bonds shall be issuable as registered bonds without coupons in Authorized Denominations. The Series 2026A Bonds shall be numbered separately from 1 upward. The Series 2026A Bonds and the certificate of authentication shall be substantially as set forth in ***Exhibit 2.1(c)***, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Supplemental Indenture.

(d) **Maturities and Interest Rates**. The Series 2026A Bonds shall mature on _____ 1 in the years _____ through _____. All Series 2026A Bonds with the same Maturity shall bear interest at the same rate. The principal amount of Series 2026A Bonds maturing on each Maturity date and the applicable rate of interest for the Series 2026A Bonds of each Maturity are as follows:

Year of Maturity	Principal Amount Maturing	Applicable Interest Rate

(e) **Date**. The Series 2026A Bonds shall be dated [Date].

(f) **Interest Payment Dates**. Interest on the Series 2026A Bonds shall be payable on _____ 1 and _____ 1 in each year, beginning _____ 1, _____.

(g) **Regular Record Date**. The interest due on any Interest Payment Date for the Series 2026A Bonds shall be payable to the Holder as of the Regular Record Date for such Interest Payment Date. The Regular Record Date for interest payable on any Interest Payment Date for the Series 2026A Bonds shall be the 15th day (whether or not a Business Day) of the month next preceding such Interest Payment Date.

(h) **Computation of Interest Accrued**. The Series 2026A Bonds shall bear interest from their date, or the most recent date to which interest has been paid or duly provided for, until the principal

thereof shall become due and payable, at the applicable rate per annum set forth in Section 2.1(d). Interest shall be computed on the basis of a 360-day year with 12 months of 30 days each.

(i) **Interest on Overdue Payments**. Interest on overdue principal and premium and (to the extent legally enforceable) on any overdue installment of interest on any Series 2026A Bond shall be payable at the interest rate borne by such Series 2026A Bond.

(j) **Redemption Provisions**. The Series 2026A Bonds shall be subject to redemption prior to Maturity as follows:

(1) **Optional Redemption**. Series 2026A Bonds maturing on _____ or thereafter may be redeemed in whole or in part at the option of the Issuer on or after _____ 1, _____ at the applicable redemption price (expressed as a percentage of principal amount redeemed) set forth in the table below plus accrued interest to the redemption date:

Redemption Date	**Redemption Price**
_____, ____ through _____, ____	___%
_____, ____ through _____, ____	___%
_____, ____ through _____, ____	___%
_____, ____ through _____, ____	___%
_____, ____ and thereafter	100%

(2) **Scheduled Mandatory Redemption of ____ Term Bonds**. The Series 2026A Bonds maturing in ____ ("____ Term Bonds") shall be redeemed, at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest thereon to the redemption date, on _____ in years and principal amounts (after credit as provided below) as follows:

Year	**Amount**

_____

$_____ of the ____ Term Bonds
is scheduled to be retired at Maturity.

Not less than 20 or more than 60 days prior to each such scheduled mandatory redemption date with respect to ____ Term Bonds, the Trustee shall proceed to select for redemption, by lot, ____ Term Bonds or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such ____ Term Bonds or portions thereof for redemption on such scheduled mandatory redemption date. The Issuer may, not less than 20 days prior to any such scheduled mandatory redemption date, direct that any or all of the following amounts be credited against the principal amount of ____ Term Bonds scheduled for redemption on such date: (A) the principal amount of ____ Term Bonds delivered by the Issuer to the Trustee for cancellation and not previously claimed as a credit; (B) the principal amount of ____ Term Bonds previously redeemed (other than ____ Term Bonds redeemed pursuant to this paragraph) and not previously

claimed as a credit; and (C) the principal amount of Term Bonds otherwise deemed "Fully Paid" and not previously claimed as a credit.

SECTION 2.2 Book-Entry Only System; Payment Provisions

(a) The registration and payment of Series 2026A Bonds shall be made pursuant to the Book-Entry Only System (the "Book-Entry Only System") administered by The Depository Trust Company ("DTC") in accordance with the Letter of Representations attached to and incorporated by reference in this Supplemental Indenture as ***Exhibit 2.2(a)*** (the "Letter of Representations") until such System is terminated pursuant to Section 2.2(c).

(b) While Series 2026A Bonds are in the Book-Entry Only System the following provisions shall apply for purposes of this Supplemental Indenture and shall supersede any contrary provisions of this Supplemental Indenture:

(1) Notwithstanding the fact that DTC may hold a single physical certificate for each stated maturity for purposes of the Book-Entry Only System, the term "Series 2026A Bond" shall mean each separate Security (as defined in the Letter of Representations) issued pursuant to the Book-Entry Only System, and the term "Holder" shall mean the person identified on the records of DTC as the owner of the related Security.

(2) The terms and limitations of this Supplemental Indenture with respect to each separate Series 2026A Bond shall be applicable to each separate Security registered under the Book-Entry Only System.

(3) All notices under this Supplemental Indenture to Holders of Series 2026A Bonds from any other Financing Participant shall be delivered by such Financing Participant to DTC for distribution by DTC in accordance with the Letter of Representations. All notices under this Supplemental Indenture to or from a Financing Participant other than a Holder of a Series 2026A Bond shall be delivered directly to the Financing Participant as provided in this Supplemental Indenture and shall not be delivered through DTC or the Book-Entry Only System.

(4) All payments of Debt Service on the Series 2026A Bonds shall be made by the Trustee to DTC and shall be made by DTC to the Participants (as such term is defined in the Letter of Representations) as provided in the Letter of Representations. All such payments shall be valid and effective fully to satisfy and discharge the Issuer's obligations with respect to such payments.

(5) The Beneficial Owners (as such term is defined in the Letter of Representations) of the Series 2026A Bonds, by their acquisition of any beneficial interest in a Series 2026A Bond or Series 2026A Bonds, and the Participants severally agree that the Issuer and the Trustee shall not have any responsibility or obligation to any Participant or any Beneficial Owner with respect to (1) the accuracy of any records maintained by DTC or any Participant; (2) the payment by DTC or any Participant of any amount due to any Beneficial Owner in respect of the principal of, purchase price of, premium (if any) and interest on the Series 2026A Bonds; (3) the delivery or timeliness of delivery by DTC or any Participant of any notice due to any Beneficial Owner which is required or permitted under the terms of this Supplemental Indenture to be given to Beneficial Owners; or (4) any consent given or other action taken by DTC or its nominee, as owner.

(c) If the Issuer and the Trustee concur that it would be in the best interests of the Holders of the Series 2026A Bonds for the Book-Entry Only System to be discontinued (in whole or in part), such

Book-Entry Only System shall be discontinued (in whole or in part) in accordance with the provisions of the Letter of Representations. In addition, the Book-Entry Only System may be discontinued (in whole or in part) at any time by any Financing Participant acting alone in accordance with the Letter of Representations. In connection with any proposed transfer outside the Book-Entry Only System, the Issuer or DTC shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including any cost basis reporting obligations under Section 6045 of the Internal Revenue Code. The Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

(d) If the Book-Entry Only System is discontinued, except as otherwise provided in this Section with respect to Wire Transfer rights, payment of interest on the Series 2026A Bonds which is due on any Interest Payment Date shall be made by check or draft mailed by the Trustee to the persons entitled thereto at their addresses appearing in the Bond Register. Such payments of interest shall be deemed timely made if so mailed on the Interest Payment Date (or, if such Interest Payment Date is not a Business Day, on the Business Day next following such Interest Payment Date). Payment of the principal of (and premium, if any, on) the Series 2026A Bonds and payment of accrued interest on the Series 2026A Bonds due upon redemption on any date other than an Interest Payment Date shall be made only upon surrender thereof at the Office of the Trustee.

(e) Upon the written request of the Holder of Series 2026A Bonds in an aggregate principal amount of not less than $100,000, the Trustee will make payment of the Debt Service due on such Series 2026A Bonds by Wire Transfer, provided that:

(1) such request contains adequate instructions for the method of payment, and

(2) payment of the principal of (and redemption premium, if any, on) such Series 2026A Bonds and payment of the accrued interest on such Series 2026A Bonds due upon redemption on any date other than an Interest Payment Date shall be made only upon surrender of such Series 2026A Bonds to the Trustee.

SECTION 2.3 Execution, Authentication, Delivery and Dating

(a) The Series 2026A Bonds shall be executed on behalf of the Issuer by its Chairman under its corporate seal reproduced thereon and attested by its Secretary. The signature of any of these officers on the Series 2026A Bonds may be manual or, to the extent permitted by law, facsimile. Series 2026A Bonds bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Issuer shall bind the Issuer, notwithstanding that such individuals or any of them shall have ceased to hold such offices prior to the authentication and delivery of such Series 2026A Bonds or shall not have held such offices at the date of such Series 2026A Bonds.

(b) At any time and from time to time after the execution and delivery of this Supplemental Indenture, the Issuer may deliver Series 2026A Bonds executed by the Issuer to the Trustee for authentication and the Trustee shall authenticate and deliver such Series 2026A Bonds as in this Supplemental Indenture provided and not otherwise.

(c) No Series 2026A Bond shall be secured by, or be entitled to any lien, right or benefit under, this Supplemental Indenture or be valid or obligatory for any purpose, unless there appears on such Series 2026A Bond a certificate of authentication substantially in the form provided for herein, executed by the Trustee by manual signature, and such certificate upon any Series 2026A Bond shall be conclusive evidence, and the only evidence, that such Series 2026A Bond has been duly authenticated and delivered hereunder.

SECTION 2.4 Proceeds From Sale of Series 2026A Bonds

The proceeds from the sale of the Series 2026A Bonds to the original purchaser or purchasers thereof shall be applied as follows:

(a) The amount received as accrued interest shall be deposited in the Debt Service Fund-Series 2026A Interest Subaccount.

(b) The amount specified by an Authorized Issuer Representative shall be deposited in the Capitalized Interest Fund-Series 2026A Subaccount.

(c) The amount specified by an Authorized Issuer Representative shall be deposited in the Reserve Fund-Series 2026A Subaccount.

(d) The amount specified by an Authorized Issuer Representative shall be deposited in the Costs of Issuance Fund.

(e) The balance of such proceeds shall be deposited in the Acquisition Fund.

SECTION 2.5 Description of Bridge and Bayway Facilities

The Bridge and Bayway Facilities are described in Section 6.6 of the Master Indenture. The Issuer may cause changes or amendments to be made in the description of the Bridge and Bayway Facilities and may add items to, or delete items from, the list of Bridge and Bayway Facilities contained in Section 6.6 of the Master Indenture only to the extent permitted in the Master Indenture.

SECTION 2.6 Issuance of Series 2026A Bonds as First Lien Bonds

The Series 2026A Bonds are being issued as First Lien Bonds.

ARTICLE 3

Indenture Funds

SECTION 3.1 Debt Service Fund

The Master Indenture establishes a special trust fund which is designated the "Debt Service Fund". A deposit to the Debt Service Fund is to be made pursuant to Section 2.4. The Trustee is the depository, custodian and disbursing agent for the Debt Service Fund.

SECTION 3.2 Capitalized Interest Fund

The Master Indenture establishes a special trust fund which is designated the "Capitalized Interest Fund". A deposit to the Capitalized Interest Fund is to be made pursuant to Section 2.4. The Trustee is the depository, custodian and disbursing agent for the Capitalized Interest Fund.

SECTION 3.3 Reserve Fund

The Master Indenture establishes a special trust fund which is designated the "Reserve Fund". A deposit to the Reserve Fund is to be made pursuant to Section 2.4. The Trustee is the depository, custodian and disbursing agent for the Reserve Fund.

SECTION 3.4 Costs of Issuance Fund

The Master Indenture establishes a special trust fund which is designated the "Costs of Issuance Fund". A deposit to the Costs of Issuance Fund is to be made pursuant to Section 2.4. The Trustee is the depository, custodian and disbursing agent for the Costs of Issuance Fund.

SECTION 3.5 Acquisition Fund

The Master Indenture establishes a special trust fund which is designated the "Acquisition Fund". A deposit to the Acquisition Fund is to be made pursuant to Section 2.4. The Trustee is the depository, custodian and disbursing agent for the Acquisition Fund.

ARTICLE 4

Representations and Covenants

SECTION 4.1 Compliance with Continuing Disclosure Agreement

The Issuer will comply with the covenants and agreements on its part contained in the Continuing Disclosure Agreement.

SECTION 4.2 Compliance with the Tax Certificate and Agreement

The Issuer will comply with the covenants and agreements on its part contained in the Tax Certificate and Agreement.

ARTICLE 5

Miscellaneous

SECTION 5.1 Confirmation of Master Indenture

All the terms, covenants, representations, warranties, and conditions of the Master Indenture are hereby in all things confirmed, and they shall remain in full force and effect.

SECTION 5.2 Separate Agreement

It is the intent of the Issuer and the Trustee that this Supplemental Indenture, while amending and supplementing the Master Indenture, shall also constitute a separate and distinct legal, valid, and binding agreement between the Issuer and the Trustee.

SECTION 5.3 Successors and Assigns

All covenants and agreements in this Supplemental Indenture by the Issuer shall bind its successors and assigns, whether so expressed or not.

SECTION 5.4 Benefits of Supplemental Indenture

Nothing in this Supplemental Indenture or in the Series 2026A Bonds, express or implied, shall give to any person, other than the parties hereto and their successors hereunder and the Holders of the Outstanding Series 2026A Bonds any benefit or any legal or equitable right, remedy or claim under this Supplemental Indenture.

SECTION 5.5 Rights of Underwriters to Consent to Indenture Amendments

Underwriters of any Additional Bonds issued after the issuance of the Series 2026A Bonds may, on behalf of all Holders of any Additional Bonds issued after the issuance of the Series 2026A Bonds (and without notice to or consent of any Additional Bonds issued after the issuance of the Series 2026A Bonds), consent to any amendment of the Indenture other than an amendment to the Indenture that requires the consent of all Holders of Bonds issued under the Indenture.

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this instrument to be duly executed, and, if applicable, their respective corporate seals to be hereunto affixed and attested.

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

By:_____

Title:_____

[S E A L]

Attest:

By:_____

Title:_____

COMPUTERSHARE TRUST COMPANY, N.A., as Trustee

By:_____

Title:_____

This instrument was prepared by:

Joseph (Jodie) E. Smith
Maynard Nexsen PC
1901 Sixth Avenue North, Suite 1700
Birmingham, Alabama 35203-2618
(205) 254-1000

EXHIBIT 2.1(c)

Form of Series 2026A Bonds

NOTICE: Unless this bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Alabama Toll Road, Bridge, and Tunnel Authority or its agent for registration of transfer, exchange, or payment, and any bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

Alabama Toll Road, Bridge, and Tunnel Authority

First Lien Toll Revenue Bonds, Series 2026A

No. _____ **$_____**

Maturity Date: _____ **Interest Rate: _____%** **CUSIP: _____**

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY, an Alabama public corporation (the "Issuer", which term includes any successor corporation under the Indenture hereinafter referred to), for value received, hereby promises to pay to

_____,

or registered assigns, the principal sum of

_____
AND NO/100 DOLLARS
($_____)

on the Maturity Date specified above and to pay interest hereon from the date hereof, or the most recent date to which interest has been paid or duly provided for, until the principal hereof shall become due and payable, at the applicable per annum rate of interest specified above. Interest shall be payable on _____ 1 and _____ 1 in each year, beginning _____ 1, ____, and shall be computed on the basis of a 360-day year with 12 months of 30 days each.

The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture hereinafter referred to, be paid to the person in whose name this bond is registered at the close of business on the Regular Record Date for such interest, which shall be the 15th day (whether or not a Business Day) of the month next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered Holder on such Regular Record Date, and shall be paid to the person in whose name this bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice of such Special Record Date being given to Holders of the Series 2026A Bonds not less than 10 days prior to such Special Record Date.

Interest shall be payable on overdue principal (and premium, if any) on this bond and (to the extent legally enforceable) on any overdue installment of interest on this bond at the rate borne by this bond.

Payment of Debt Service on this bond shall be made by the applicable method specified in the Indenture. All such payments shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

This bond is one of a duly authorized issue of bonds of the Issuer, aggregating [Amount] in principal amount, designated "First Lien Toll Revenue Bonds, Series 2026A" (the "Series 2026A Bonds") and issued under and pursuant to (a) a Trust Indenture dated as of September 1, 2026 (as previously amended and supplemented, the "Master Indenture"), between the Issuer and Computershare Trust Company, N.A., a national banking association (the "Trustee", which term includes any successor trustee under the Indenture), and (b) a First Supplemental Indenture dated September 1, 2026 (the "Supplemental Indenture", together with the Master Indenture, the "Indenture") between the Issuer and the Trustee. Capitalized terms not otherwise defined herein shall have the meaning assigned in the Indenture. The Series 2026A Bonds, the Series 2026B Bond (as defined in the Supplemental Indenture), the Series 2026-1 Notes (as defined in the Supplemental Indenture), the Series 2026C Bonds (as defined in the Supplemental Indenture), the Series 2026D Bonds (as defined in the Supplemental Indenture), and any additional bonds issued pursuant to Article 7 of the Master Indenture are collectively referred to as the "Bonds".

The Bonds and all other payment obligations under the Indenture are limited obligations of the Issuer payable solely out of the Trust Estate.

The Series 2026A Bonds do not constitute or give rise to an Indebtedness or a pecuniary liability of, and do not constitute a charge against the general credit or taxing powers of, ALDOT or the State of Alabama.

Copies of the Bond Documents are on file at the Office of the Trustee, and reference is hereby made to such instruments for a description of the properties pledged and assigned, the nature and extent of the security, the respective rights thereunder of the Holders of the Series 2026A Bonds and the Financing Participants, and the terms upon which the Series 2026A Bonds are, and are to be, authenticated and delivered.

In the manner and with the effect provided in the Indenture, the Series 2026A Bonds will be subject to redemption prior to Maturity as follows:

[Insert redemption provisions
from Section 2.1(j)]

If less than all Series 2026A Bonds Outstanding are to be redeemed pursuant to the applicable optional redemption provisions, the principal amount of Series 2026A Bonds of each Maturity to be redeemed may be specified by the Issuer by written notice to the Trustee, or, in the absence of timely receipt by the Trustee of such notice, shall be selected by the Trustee by lot or by such other method as the Trustee shall deem fair and appropriate; provided, however, that the principal amount of Series 2026A Bonds of each Maturity to be redeemed must be in an Authorized Denomination.

If less than all Series 2026A Bonds with the same Maturity are to be redeemed, the particular Series 2026A Bonds of such Maturity to be redeemed shall be selected by the Trustee by lot or by such other method as the Trustee shall deem fair and appropriate and which may provide for the selection for redemption of portions (in Authorized Denominations) of the principal of Series 2026A Bonds of such Maturity of a denomination larger than the smallest Authorized Denomination.

Upon any partial redemption of any Series 2026A Bond the same shall, except as otherwise permitted by the Indenture, be surrendered in exchange for one or more new Series 2026A Bonds of the

same series and Maturity and in authorized form for the unredeemed portion of principal. Series 2026A Bonds (or portions thereof as aforesaid) for whose redemption and payment provision is made in accordance with the Indenture shall thereupon cease to be entitled to the lien of the Indenture and shall cease to bear interest from and after the date fixed for redemption.

Any redemption shall be made upon at least 20 days' notice in the manner and upon the terms and conditions provided in the Indenture.

If an "Indenture Default", as defined in the Indenture, shall occur, the principal of all Bonds then Outstanding may become or be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits the amendment of the Bond Documents and waivers of past defaults under such instruments and the consequences of such defaults, in certain circumstances without consent of Bondholders and in other circumstances with the consent of all Bondholders or a specified percentage of Bondholders. Any such consent or waiver by the Holder of this bond shall be conclusive and binding upon such Holder and upon all future Holders of this bond and of any bond issued in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this bond.

The Holder of this bond shall have no right to enforce the provisions of the Indenture, or to institute any action to enforce the covenants therein, or to take any action with respect to any default thereunder, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

As provided in the Indenture and subject to certain limitations therein set forth, this bond is transferable on the Bond Register maintained at the Office of the Trustee, upon surrender of this bond for transfer at such office, together with all necessary endorsements for transfer, and thereupon one or more new Series 2026A Bonds of the same series and Maturity, of any Authorized Denominations and for a like aggregate principal amount, will be issued to the designated transferee or transferees.

As provided in the Indenture and subject to certain limitations therein set forth, the Series 2026A Bonds are exchangeable for other Series 2026A Bonds of the same series and Maturity, of any Authorized Denominations and of a like aggregate principal amount, as requested by the Holder surrendering the same.

No service charge shall be made for any transfer or exchange hereinbefore referred to, but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Issuer and the Trustee may treat the person in whose name this bond is registered as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this bond is overdue, and neither the Issuer nor the Trustee shall be affected by notice to the contrary.

No covenant or agreement contained in this bond or the Indenture shall be deemed to be a covenant or agreement of any officer, agent or employee of the Issuer, and neither any member of the governing body of the Issuer nor any officer executing this bond shall be liable personally on this bond or be subject to any personal liability or accountability by reason of the issuance of this bond.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and issuance of

this bond do exist, have happened and have been performed in due time, form and manner as required by law.

Unless the certificate of authentication hereon has been executed by the Trustee by manual signature, this bond shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Issuer has caused this bond to be duly executed under its corporate seal.

Dated: [Date].

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

By:_____
Chairman

[SEAL]

Attest:

_____
Secretary

Certificate of Authentication

This is one of the Series 2026A Bonds referred to in the within-mentioned Indenture.

Date of authentication:_____

COMPUTERSHARE TRUST COMPANY, N.A.,
as Trustee

By:_____
Authorized Signatory

Assignment

For value received, _____ hereby sell(s), assign(s) and transfer(s) unto [Please insert name and taxpayer identification number] _____ this bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney to transfer this bond on the books of the within named Issuer at the office of the within named Trustee, with full power of substitution in the premises.

Dated: _____

_____
NOTE: The name signed to this assignment must correspond with the name of the payee written on the

face of the within bond in all respects, without alteration, enlargement or change whatsoever.

Signature Guaranteed:

_____
(Bank or Trust Company)

By _____
(Authorized Officer)

*Signature(s) must be guaranteed by an eligible guarantor institution which is a member of the recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP), or New York Stock Exchange Medallion Signature Program (MSP).

EXHIBIT 2.2(a)

Letter of Representations

See attached.

SECOND SUPPLEMENTAL INDENTURE

Dated September 1, 2026

Between

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

and

COMPUTERSHARE TRUST COMPANY, N.A.

Relating to the issuance of
[Amount]
Second Lien Toll Revenue Bond, Series 2026B
by
Alabama Toll Road, Bridge, and Tunnel Authority

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SECOND SUPPLEMENTAL INDENTURE

THIS SECOND SUPPLEMENTAL INDENTURE dated September 1, 2026 is entered into by **ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY**, an Alabama public corporation (the "Issuer"), and **COMPUTERSHARE TRUST COMPANY, N.A.**, a national banking association (the "Trustee").

Recitals

A. The Issuer has duly authorized the issuance of its [Amount] aggregate principal amount of Second Lien Toll Revenue Bond, Series 2026B (the "Series 2026B Bond") pursuant to this Supplemental Indenture and the Master Indenture. The Series 2026A Bonds (as defined herein), the Series 2026B Bond, the Series 2026-1 Notes (as defined herein), the Series 2026C Bonds (as defined herein), the Series 2026D Bonds (as defined herein), and any additional bonds issued pursuant to Article 7 of the Master Indenture (as defined herein) are collectively referred to as the "Bonds".

B. The Series 2026B Bond is being issued for the purpose of financing the acquisition and construction of a portion of the bridge and bayway facilities described more particularly herein (the "Bridge and Bayway Facilities" or the "Project").

C. The Bonds and all other payment obligations under this Supplemental Indenture and the Master Indenture shall be limited obligations of the Issuer payable solely out of the Trust Estate.

D. All things have been done which are necessary to make the Series 2026B Bond, when executed by the Issuer and authenticated and delivered by the Trustee hereunder, the valid obligation of the Issuer, and to constitute this Supplemental Indenture and the Master Indenture a valid trust indenture for the security of the Series 2026B Bond, in accordance with the terms of the Series 2026B Bond and this Supplemental Indenture and the Master Indenture.

NOW, THEREFORE, THIS SUPPLEMENTAL INDENTURE WITNESSETH:

That in order to declare the terms and conditions upon which the Series 2026B Bond authorized hereby is authenticated, issued, and delivered, and in consideration of the premises and of the purchase and acceptance of the Series 2026B Bond by the Holders thereof, the Issuer covenants and agrees with the Trustee as follows:

ARTICLE 1

Definitions and Other Provisions of General Application

SECTION 1.1 Definitions

For all purposes of this Supplemental Indenture, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meaning indicated:

"**Bonds**" shall mean the Series 2026B Bonds, the Series 2026B Bond, the Series 2026C Bonds, and any additional bonds issued pursuant to Article 7 of the Master Indenture.

"**Bridge and Bayway Facilities**" or "**Project**" shall mean the bridge and bayway facilities being financed by the Series 2026B Bond. The Bridge and Bayway Facilities are more particularly described in Section 6.6 of the Master Indenture.

"**Holder**" or "**Bondholder**" when used with respect to the Series 2026B Bond shall mean the TIFIA Lender.

"**Indenture**" shall mean the Master Indenture and this Supplemental Indenture as originally executed or as such instruments may from time to time be supplemented, modified or amended by one or more indentures or other instruments supplemental thereto or hereto entered into pursuant to the applicable provisions of the Master Indenture and the applicable provisions of this Supplemental Indenture.

"**Issuer**" shall mean Alabama Toll Road, Bridge, and Tunnel Authority, an Alabama public corporation, until a successor corporation shall have become such pursuant to the applicable provisions of the Indenture, and thereafter "Issuer" shall mean such successor corporation.

"**Master Indenture**" shall mean that certain Trust Indenture dated as of September 1, 2026 between the Issuer and the Trustee, as previously amended and supplemented.

"**Reserve Fund Requirement**" shall mean, for the Series 2026B Bond, an amount equal to the TIFIA Debt Service Reserve Fund Requirement, which shall be funded in the manner and in the timeframe described in Section 8.4(b)(2) of the Master Indenture.

"**Series 2026A Bonds**" shall mean the First Lien Toll Revenue Bonds, Series 2026A, which are a series of Bonds being issued by the Issuer on or about the date of issuance of the Series 2026B Bond.

"**Series 2026B Bond**" shall mean the series of Bonds issued pursuant to Article 2 of this Supplemental Indenture.

"**Series 2026-1 Notes**" shall mean the Second Lien Toll Revenue Bond Anticipation Notes, Series 2026-1, which are a series of Bonds being issued by the Issuer on or about the date of issuance of the Series 2026B Bond.

"**Series 2026C Bonds**" shall mean the Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026C, which are a series of Bonds being issued by the Issuer on or about the date of issuance of the Series 2026B Bond.

"**Series 2026D Bonds**" shall mean the Taxable Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026D, which are a series of Bonds being issued by the Issuer on or about the date of issuance of the Series 2026B Bond.

"**Supplemental Indenture**" shall mean this instrument as originally executed or as it may from time to time be supplemented, modified or amended by one or more indentures or other instruments supplemental hereto entered into pursuant to the applicable provisions of the Master Indenture and the applicable provisions of this Supplemental Indenture.

"**TIFIA Lender**" shall mean United States Department of Transportation, an agency of the United States of America, acting by and through the Executive Director of the Build America Bureau or any assignee or transferee of all or a portion of the Series 2026B Bond in accordance with the TIFIA Loan Agreement (2026).

"**TIFIA Loan Agreement (2026)**" shall mean that certain TIFIA Loan Agreement entered into on [Date] by the Issuer and the TIFIA Lender in connection with the issuance of the Series 2026B Bond.

"**Trustee**" shall mean Computershare Trust Company, N.A., a national banking association, until a successor Trustee shall have become such pursuant to the applicable provisions of the Indenture, and thereafter "Trustee" shall mean such successor.

SECTION 1.2 Definitions in Master Indenture to be Applicable

Except as otherwise expressly provided in this Supplemental Indenture, or unless the context otherwise requires, capitalized terms not otherwise defined in this Supplemental Indenture shall have the meaning assigned in the Master Indenture.

SECTION 1.3 General Rules of Construction

For all purposes of this Supplemental Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(a) Defined terms in the singular shall include the plural as well as the singular, and vice versa.

(b) The definitions in the recitals to this instrument are for convenience only and shall not affect the construction of this instrument.

(c) All accounting terms not otherwise defined herein have the meanings assigned to them, and all computations herein provided for shall be made, in accordance with generally accepted accounting principles. All references herein to "generally accepted accounting principles" refer to such principles as they exist at the date of application thereof.

(d) All references in this instrument to designated "Articles", "Sections" and other subdivisions are to the designated Articles, Sections and subdivisions of this instrument as originally executed.

(e) The terms "herein", "hereof" and "hereunder" and other words of similar import refer to this Supplemental Indenture as a whole and not to any particular Article, Section or other subdivision.

(f) All references in this instrument to a separate instrument are to such separate instrument as the same may be amended or supplemented from time to time pursuant to the applicable provisions thereof.

(g) The term "person" shall include any individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization and any government or any agency or political subdivision thereof.

(h) The term "including" means "including without limitation" and "including, but not limited to".

SECTION 1.4 Ownership of Series 2026B Bond; Effect of Action by Bondholders

(a) The ownership of Series 2026B Bond shall be set forth in and proved by the Bond Register, which shall also set forth the relevant account information and payment details of the TIFIA Lender, such account information and payment details being subject to modification upon written notice by the TIFIA Lender to the Trustee.

(b) Any request, demand, authorization, direction, notice, consent, waiver or other action by the Holder of the Series 2026B Bond shall bind the Holder of every Series 2026B Bond issued upon the transfer thereof or in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Issuer in reliance thereon, whether or not notation of such action is made upon such Series 2026B Bond.

SECTION 1.5 Effect of Headings and Table of Contents

The Article and Section headings herein and in the Table of Contents are for convenience only and shall not affect the construction hereof.

SECTION 1.6 Date of Supplemental Indenture

The date of this Supplemental Indenture is intended as and for a date for the convenient identification of this Supplemental Indenture and is not intended to indicate that this Supplemental Indenture was executed and delivered on said date.

SECTION 1.7 Separability Clause

If any provision in this Supplemental Indenture or in the Series 2026B Bond shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 1.8 Governing Law

This Supplemental Indenture shall be construed in accordance with and governed by the laws of the State of Alabama.

SECTION 1.9 Counterparts

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed an original, but all such counterparts shall together constitute but one and the same instrument.

SECTION 1.10 Designation of Time for Performance

Except as otherwise expressly provided herein, any reference in this Supplemental Indenture to the time of day shall mean the time of day in the city where the Trustee maintains its place of business for the performance of its obligations under this Supplemental Indenture.

SECTION 1.11 Inconsistency with TIFIA Loan Agreement(s)

While there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), in the event of any inconsistency between the provisions of the TIFIA Loan Agreement(s) and the provisions hereof, the TIFIA Loan Agreement(s) will prevail.

ARTICLE 2

Specific Terms for Series 2026B Bond

SECTION 2.1 Specific Title and Terms

(a) **Title and Amount**. The Series 2026B Bond shall be entitled "Second Lien Toll Revenue Bond, Series 2026B". The aggregate principal amount of the Series 2026B Bond which may be authenticated and delivered and Outstanding is limited to [Amount].

(b) **Authorized Denominations, Maturity Dates, Interest Rates, Etc**. The terms of the TIFIA Loan Agreement (2026) with respect to the Maximum Principal Amount, the Outstanding TIFIA Loan Balance, the Final Maturity Date, the TIFIA Interest Rate, the Semi-Annual Payment Dates, the Debt Service Payment Commencement Date, computation of interest accruing on the Outstanding TIFIA Loan Balance, the Default Rate, Mandatory Prepayments and Optional Prepayments are hereby incorporated by reference in this Supplemental Indenture.

(c) **Form of Bond**. The Series 2026B Bond and the certificate of authentication shall be substantially as set forth in ***Exhibit A*** to the TIFIA Loan Agreement (2026), with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Supplemental Indenture.

(d) **Date**. The Series 2026B Bond shall be dated [Date].

SECTION 2.2 Execution, Authentication, Delivery and Dating

(a) The Series 2026B Bond shall be executed on behalf of the Issuer by its Chairman under its corporate seal reproduced thereon and attested by its Secretary. The signature of any of these officers on the Series 2026B Bond may be manual or, to the extent permitted by law, facsimile. A Series 2026B Bond bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Issuer shall bind the Issuer, notwithstanding that such individuals or any of them shall have ceased to hold such offices prior to the authentication and delivery of such Series 2026B Bond or shall not have held such offices at the date of such Series 2026B Bond.

(b) At any time and from time to time after the execution and delivery of this Supplemental Indenture, the Issuer may deliver the Series 2026B Bond executed by the Issuer to the Trustee for authentication and the Trustee shall authenticate and deliver the Series 2026B Bond as in this Supplemental Indenture provided and not otherwise.

(c) The Series 2026B Bond shall not be secured by, or be entitled to any lien, right or benefit under, this Supplemental Indenture or be valid or obligatory for any purpose, unless there appears on the Series 2026B Bond a certificate of authentication substantially in the form provided for herein, executed by the Trustee by manual signature, and such certificate upon the Series 2026B Bond shall be conclusive evidence, and the only evidence, that the Series 2026B Bond has been duly authenticated and delivered hereunder.

SECTION 2.3 No Deposits to Indenture Funds from Proceeds of the Series 2026B Bond

In connection with the sale of the Series 2026B Bond, no deposits from the sale of the Series 2026B Bond shall be made into the Indenture Funds. The proceeds from such sale shall be applied in accordance with the terms of the TIFIA Loan Agreement (2026).

SECTION 2.4 Funding of Reserve Fund-Series 2026B Subaccount

No initial deposit to the Reserve Fund-Series 2026B Subaccount is to be made pursuant to this Supplemental Indenture; instead, a deposit to the Reserve Fund-Series 2026B Subaccount shall be made in the manner described in Section 8.4(b)(2) of the Master Indenture.

SECTION 2.5 Description of Bridge and Bayway Facilities

The Bridge and Bayway Facilities are described in Section 6.6 of the Master Indenture. Such definition should only be amended, supplemented or otherwise modified as and to the extent permitted by Section 6.6 of the Master Indenture (including the prior written consent of the TIFIA Lender).

SECTION 2.6 Issuance of Series 2026B Bond as Second Lien Bond

The Series 2026B Bond is being issued as a Second Lien Bond.

ARTICLE 3

Miscellaneous

SECTION 3.1 Confirmation of Master Indenture

All the terms, covenants, representations, warranties, and conditions of the Master Indenture are hereby in all things confirmed, and they shall remain in full force and effect.

SECTION 3.2 Separate Agreement

It is the intent of the Issuer and the Trustee that this Supplemental Indenture, while amending and supplementing the Master Indenture, shall also constitute a separate and distinct legal, valid, and binding agreement between the Issuer and the Trustee.

SECTION 3.3 Successors and Assigns

All covenants and agreements in this Supplemental Indenture by the Issuer shall bind its successors and assigns, whether so expressed or not.

SECTION 3.4 Benefits of Supplemental Indenture

Nothing in this Supplemental Indenture or in the Series 2026B Bond, express or implied, shall give to any person, other than the parties hereto and their successors hereunder and the Holders of the Outstanding Series 2026B Bond any benefit or any legal or equitable right, remedy or claim under this Supplemental Indenture.

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this instrument to be duly executed, and, if applicable, their respective corporate seals to be hereunto affixed and attested.

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

By:_____

Title:_____

[S E A L]

Attest:

By:_____

Title:_____

COMPUTERSHARE TRUST COMPANY, N.A., as Trustee

By:_____

Title:_____

This instrument was prepared by:

Joseph (Jodie) E. Smith
Maynard Nexsen PC
1901 Sixth Avenue North, Suite 1700
Birmingham, Alabama 35203-2618
(205) 254-1000

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THIRD SUPPLEMENTAL INDENTURE

Dated September 1, 2026

Between

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

and

COMPUTERSHARE TRUST COMPANY, N.A.

Relating to the issuance of
[Amount]
Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026C
by
Alabama Toll Road, Bridge, and Tunnel Authority

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THIRD SUPPLEMENTAL INDENTURE

THIS THIRD SUPPLEMENTAL INDENTURE dated September 1, 2026 is entered into by **ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY**, an Alabama public corporation (the "Issuer"), and **COMPUTERSHARE TRUST COMPANY, N.A.**, a national banking association (the "Trustee").

Recitals

A. The Issuer has duly authorized the issuance of its [Amount] aggregate principal amount of Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026C (the "Series 2026C Bonds") pursuant to this Supplemental Indenture and the Master Indenture. The Series 2026A Bonds (as defined herein), the Series 2026B Bond (as defined herein), the Series 2026-1 Notes (as defined herein), the Series 2026C Bonds, the Series 2026D Bonds (as defined herein), and any additional bonds issued pursuant to Article 7 of the Master Indenture (as defined herein) are collectively referred to as the "Bonds".

B. The Series 2026C Bonds are being issued for the purpose of financing the acquisition and construction of a portion of the bridge and bayway facilities described more particularly herein (the "Bridge and Bayway Facilities" or the "Project").

C. The Bonds and all other payment obligations under this Supplemental Indenture and the Master Indenture shall be limited obligations of the Issuer payable solely out of the Trust Estate.

D. All things have been done which are necessary to make the Series 2026C Bonds, when executed by the Issuer and authenticated and delivered by the Trustee hereunder, the valid obligations of the Issuer, and to constitute this Supplemental Indenture and the Master Indenture a valid trust indenture for the security of the Series 2026C Bonds, in accordance with the terms of the Series 2026C Bonds and this Supplemental Indenture and the Master Indenture.

NOW, THEREFORE, THIS SUPPLEMENTAL INDENTURE WITNESSETH:

That in order to declare the terms and conditions upon which the Series 2026C Bonds authorized hereby are authenticated, issued, and delivered, and in consideration of the premises and of the purchase and acceptance of the Series 2026C Bonds by the Holders thereof, the Issuer covenants and agrees with the Trustee as follows:

ARTICLE 1

Definitions and Other Provisions of General Application

SECTION 1.1 Definitions

For all purposes of this Supplemental Indenture, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meaning indicated:

"**Authorized Denominations**" shall have the meaning assigned in Section 2.1 of this Supplemental Indenture.

"**Beneficial Owner**" shall have the meaning assigned in Section 2.2 for the Series 2026C Bonds.

"**Bonds**" shall mean the Series 2026A Bonds, the Series 2026B Bond, the Series 2026-1 Notes, the Series 2026C Bonds, the Series 2026D Bonds, and any additional bonds issued pursuant to Article 7 of the Master Indenture.

"**Book-Entry Only System**" shall have the meaning assigned in Section 2.2 for the Series 2026C Bonds.

"**Bridge and Bayway Facilities**" or "**Project**" shall mean the bridge and bayway facilities being financed by the Series 2026C Bonds. The Bridge and Bayway Facilities are more particularly described in Section 6.6 of the Master Indenture.

"**Continuing Disclosure Agreement**" shall mean that certain Continuing Disclosure Agreement entered into by the Issuer and ALDOT in connection with the issuance of the Series 2026C Bonds.

"**DTC**" shall have the meaning assigned in Section 2.2 for the Series 2026C Bonds.

"**Holder**" or "**Bondholder**" when used with respect to any Series 2026C Bond shall mean (1) if the Book-Entry Only System is not in effect, the person in whose name such Bond is registered in the Bond Register and (2) if the Book-Entry Only System is in effect, the Beneficial Owner of such Series 2026C Bond on the records maintained pursuant to the Book-Entry Only System.

"**Indenture**" shall mean the Master Indenture and this Supplemental Indenture as originally executed or as such instruments may from time to time be supplemented, modified or amended by one or more indentures or other instruments supplemental thereto or hereto entered into pursuant to the applicable provisions of the Master Indenture and the applicable provisions of this Supplemental Indenture.

"**Issuer**" shall mean Alabama Toll Road, Bridge, and Tunnel Authority, an Alabama public corporation, until a successor corporation shall have become such pursuant to the applicable provisions of the Indenture, and thereafter "Issuer" shall mean such successor corporation.

"**Master Indenture**" shall mean that certain Trust Indenture dated as of September 1, 2026 between the Issuer and the Trustee, as previously amended and supplemented.

"**Regular Record Date**" shall have the meaning assigned in Section 2.1 of this Supplemental Indenture.

"**Series 2026A Bonds**" shall mean the First Lien Toll Revenue Bonds, Series 2026A, which are a series of Bonds being issued by the Issuer on or about the date of issuance of the Series 2026C Bonds.

"**Series 2026B Bond**" shall mean the Second Lien Toll Revenue Bond, Series 2026B, which is a series of Bonds being issued by the Issuer on or about the date of issuance of the Series 2026C Bonds.

"**Series 2026-1 Notes**" shall mean the Second Lien Toll Revenue Bond Anticipation Notes, Series 2026-1, which are a series of Bonds being issued by the Issuer on or about the date of issuance of the Series 2026C Bonds.

"**Series 2026C Bonds**" shall mean the series of Bonds issued pursuant to Article 2 of this Supplemental Indenture.

"**Series 2026D Bonds**" shall mean the Taxable Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026D, which are a series of Bonds being issued by the Issuer on or about the date of issuance of the Series 2026C Bonds.

"**Supplemental Indenture**" shall mean this instrument as originally executed or as it may from time to time be supplemented, modified or amended by one or more indentures or other instruments supplemental hereto entered into pursuant to the applicable provisions of the Master Indenture and the applicable provisions of this Supplemental Indenture.

"**Trustee**" shall mean Computershare Trust Company, N.A., a national banking association, until a successor Trustee shall have become such pursuant to the applicable provisions of the Indenture, and thereafter "Trustee" shall mean such successor.

SECTION 1.2 Definitions in Master Indenture to be Applicable

Except as otherwise expressly provided in this Supplemental Indenture, or unless the context otherwise requires, capitalized terms not otherwise defined in this Supplemental Indenture shall have the meaning assigned in the Master Indenture.

SECTION 1.3 General Rules of Construction

For all purposes of this Supplemental Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(a) Defined terms in the singular shall include the plural as well as the singular, and vice versa.

(b) The definitions in the recitals to this instrument are for convenience only and shall not affect the construction of this instrument.

(c) All accounting terms not otherwise defined herein have the meanings assigned to them, and all computations herein provided for shall be made, in accordance with generally accepted accounting principles. All references herein to "generally accepted accounting principles" refer to such principles as they exist at the date of application thereof.

(d) All references in this instrument to designated "Articles", "Sections" and other subdivisions are to the designated Articles, Sections and subdivisions of this instrument as originally executed.

(e) The terms "herein", "hereof" and "hereunder" and other words of similar import refer to this Supplemental Indenture as a whole and not to any particular Article, Section or other subdivision.

(f) All references in this instrument to a separate instrument are to such separate instrument as the same may be amended or supplemented from time to time pursuant to the applicable provisions thereof.

(g) The term "person" shall include any individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization and any government or any agency or political subdivision thereof.

(h) The term "including" means "including without limitation" and "including, but not limited to".

SECTION 1.4 Ownership of Series 2026C Bonds; Effect of Action by Bondholders

(a) The ownership of Series 2026C Bonds shall be proved by the Bond Register.

(b) Any request, demand, authorization, direction, notice, consent, waiver or other action by the Holder of any Series 2026C Bond shall bind every future Holder of the same Series 2026C Bond and the Holder of every Series 2026C Bond issued upon the transfer thereof or in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Issuer in reliance thereon, whether or not notation of such action is made upon such Series 2026C Bond.

SECTION 1.5 Effect of Headings and Table of Contents

The Article and Section headings herein and in the Table of Contents are for convenience only and shall not affect the construction hereof.

SECTION 1.6 Date of Supplemental Indenture

The date of this Supplemental Indenture is intended as and for a date for the convenient identification of this Supplemental Indenture and is not intended to indicate that this Supplemental Indenture was executed and delivered on said date.

SECTION 1.7 Separability Clause

If any provision in this Supplemental Indenture or in the Series 2026C Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 1.8 Governing Law

This Supplemental Indenture shall be construed in accordance with and governed by the laws of the State of Alabama.

SECTION 1.9 Counterparts

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed an original, but all such counterparts shall together constitute but one and the same instrument.

SECTION 1.10 Designation of Time for Performance

Except as otherwise expressly provided herein, any reference in this Supplemental Indenture to the time of day shall mean (a) if the Book-Entry Only System is in effect, the time of day in the city where DTC maintains its place of business for the performance of its obligations under the Book-Entry Only System or (b) if the Book-Entry Only System is no longer in effect, the time of day in the city where the Trustee maintains its place of business for the performance of its obligations under this Supplemental Indenture.

SECTION 1.11 Inconsistency with TIFIA Loan Agreement(s)

While there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), in the event of any inconsistency between the provisions of the TIFIA Loan Agreement(s) and the provisions hereof, the TIFIA Loan Agreement(s) will prevail.

ARTICLE 2

Specific Terms for Series 2026C Bonds

SECTION 2.1 Specific Title and Terms

(a) **Title and Amount**. The Series 2026C Bonds shall be entitled "Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026C". The aggregate principal amount of the Series 2026C Bonds which may be authenticated and delivered and Outstanding is limited to [Amount].

(b) **Authorized Denominations**. The Series 2026C Bonds shall be issued in denominations of $5,000 or any multiple thereof.

(c) **Form and Number**. The Series 2026C Bonds shall be issuable as registered bonds without coupons in Authorized Denominations. The Series 2026C Bonds shall be numbered separately from 1 upward. The Series 2026C Bonds and the certificate of authentication shall be substantially as set forth in ***Exhibit 2.1(c)***, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Supplemental Indenture.

(d) **Maturities and Interest Rates**. The Series 2026C Bonds shall mature on _____ 1 in the years _____ through _____. All Series 2026C Bonds with the same Maturity shall bear interest at the same rate. The principal amount of Series 2026C Bonds maturing on each Maturity date and the applicable rate of interest for the Series 2026C Bonds of each Maturity are as follows:

Year of Maturity	Principal Amount Maturing	Applicable Interest Rate

(e) **Date**. The Series 2026C Bonds shall be dated [Date].

(f) **Interest Payment Dates**. Interest on the Series 2026C Bonds shall be payable on _____ 1 and _____ 1 in each year, beginning _____ 1, _____.

(g) **Regular Record Date**. The interest due on any Interest Payment Date for the Series 2026C Bonds shall be payable to the Holder as of the Regular Record Date for such Interest Payment Date. The Regular Record Date for interest payable on any Interest Payment Date for the Series 2026C Bonds shall be the 15th day (whether or not a Business Day) of the month next preceding such Interest Payment Date.

(h) **Computation of Interest Accrued**. The Series 2026C Bonds shall bear interest from their date, or the most recent date to which interest has been paid or duly provided for, until the principal thereof shall become due and payable, at the applicable rate per annum set forth in Section 2.1(d). Interest shall be computed on the basis of a 360-day year with 12 months of 30 days each.

(i) **Interest on Overdue Payments**. Interest on overdue principal and premium and (to the extent legally enforceable) on any overdue installment of interest on any Series 2026C Bond shall be payable at the interest rate borne by such Series 2026C Bond.

(j) **Redemption Provisions**. The Series 2026C Bonds shall be subject to redemption prior to Maturity as follows:

(1) **Optional Redemption**. Series 2026C Bonds maturing on _____ or thereafter may be redeemed in whole or in part at the option of the Issuer on or after _____ 1, _____ at the applicable redemption price (expressed as a percentage of principal amount redeemed) set forth in the table below plus accrued interest to the redemption date:

Redemption Date	**Redemption Price**
_____, ____ through _____, ____	___%
_____, ____ through _____, ____	___%
_____, ____ through _____, ____	___%
_____, ____ through _____, ____	___%
_____, ____ and thereafter	100%

(2) **Scheduled Mandatory Redemption of ____ Term Bonds**. The Series 2026C Bonds maturing in ____ ("____ Term Bonds") shall be redeemed, at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest thereon to the redemption date, on _____ in years and principal amounts (after credit as provided below) as follows:

Year	**Amount**

_____

$_____ of the ____ Term Bonds
is scheduled to be retired at Maturity.

Not less than 20 or more than 60 days prior to each such scheduled mandatory redemption date with respect to ____ Term Bonds, the Trustee shall proceed to select for redemption, by lot, ____ Term Bonds or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such ____ Term Bonds or portions thereof for redemption on such scheduled mandatory redemption date. The Issuer may, not less than 20 days prior to any such scheduled mandatory redemption date, direct that any or all of the following amounts be credited against the principal amount of ____ Term Bonds scheduled for redemption on such date: (A) the principal amount of ____ Term Bonds delivered by the Issuer to the Trustee for cancellation and not previously claimed as a credit; (B) the principal amount of ____ Term Bonds previously redeemed (other than ____ Term Bonds redeemed pursuant to this paragraph) and not previously claimed as a credit; and (C) the principal amount of Term Bonds otherwise deemed "Fully Paid" and not previously claimed as a credit.

SECTION 2.2 Book-Entry Only System; Payment Provisions

(a) The registration and payment of Series 2026C Bonds shall be made pursuant to the Book-Entry Only System (the "Book-Entry Only System") administered by The Depository Trust Company ("DTC") in accordance with the Letter of Representations attached to and incorporated by reference in

this Supplemental Indenture as ***Exhibit 2.2(a)*** (the "Letter of Representations") until such System is terminated pursuant to Section 2.2(c).

(b) While Series 2026C Bonds are in the Book-Entry Only System the following provisions shall apply for purposes of this Supplemental Indenture and shall supersede any contrary provisions of this Supplemental Indenture:

(1) Notwithstanding the fact that DTC may hold a single physical certificate for each stated maturity for purposes of the Book-Entry Only System, the term "Series 2026C Bond" shall mean each separate Security (as defined in the Letter of Representations) issued pursuant to the Book-Entry Only System, and the term "Holder" shall mean the person identified on the records of DTC as the owner of the related Security.

(2) The terms and limitations of this Supplemental Indenture with respect to each separate Series 2026C Bond shall be applicable to each separate Security registered under the Book-Entry Only System.

(3) All notices under this Supplemental Indenture to Holders of Series 2026C Bonds from any other Financing Participant shall be delivered by such Financing Participant to DTC for distribution by DTC in accordance with the Letter of Representations. All notices under this Supplemental Indenture to or from a Financing Participant other than a Holder of a Series 2026C Bond shall be delivered directly to the Financing Participant as provided in this Supplemental Indenture and shall not be delivered through DTC or the Book-Entry Only System.

(4) All payments of Debt Service on the Series 2026C Bonds shall be made by the Trustee to DTC and shall be made by DTC to the Participants (as such term is defined in the Letter of Representations) as provided in the Letter of Representations. All such payments shall be valid and effective fully to satisfy and discharge the Issuer's obligations with respect to such payments.

(5) The Beneficial Owners (as such term is defined in the Letter of Representations) of the Series 2026C Bonds, by their acquisition of any beneficial interest in a Series 2026C Bond or Series 2026C Bonds, and the Participants severally agree that the Issuer and the Trustee shall not have any responsibility or obligation to any Participant or any Beneficial Owner with respect to (1) the accuracy of any records maintained by DTC or any Participant; (2) the payment by DTC or any Participant of any amount due to any Beneficial Owner in respect of the principal of, purchase price of, premium (if any) and interest on the Series 2026C Bonds; (3) the delivery or timeliness of delivery by DTC or any Participant of any notice due to any Beneficial Owner which is required or permitted under the terms of this Supplemental Indenture to be given to Beneficial Owners; or (4) any consent given or other action taken by DTC or its nominee, as owner.

(c) If the Issuer and the Trustee concur that it would be in the best interests of the Holders of the Series 2026C Bonds for the Book-Entry Only System to be discontinued (in whole or in part), such Book-Entry Only System shall be discontinued (in whole or in part) in accordance with the provisions of the Letter of Representations. In addition, the Book-Entry Only System may be discontinued (in whole or in part) at any time by any Financing Participant acting alone in accordance with the Letter of Representations. In connection with any proposed transfer outside the Book-Entry Only System, the Issuer or DTC shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including any cost basis reporting obligations under Section 6045 of the Internal Revenue Code. The Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

(d) If the Book-Entry Only System is discontinued, except as otherwise provided in this Section with respect to Wire Transfer rights, payment of interest on the Series 2026C Bonds which is due on any Interest Payment Date shall be made by check or draft mailed by the Trustee to the persons entitled thereto at their addresses appearing in the Bond Register. Such payments of interest shall be deemed timely made if so mailed on the Interest Payment Date (or, if such Interest Payment Date is not a Business Day, on the Business Day next following such Interest Payment Date). Payment of the principal of (and premium, if any, on) the Series 2026C Bonds and payment of accrued interest on the Series 2026C Bonds due upon redemption on any date other than an Interest Payment Date shall be made only upon surrender thereof at the Office of the Trustee.

(e) Upon the written request of the Holder of Series 2026C Bonds in an aggregate principal amount of not less than $100,000, the Trustee will make payment of the Debt Service due on such Series 2026C Bonds by Wire Transfer, provided that:

(1) such request contains adequate instructions for the method of payment, and

(2) payment of the principal of (and redemption premium, if any, on) such Series 2026C Bonds and payment of the accrued interest on such Series 2026C Bonds due upon redemption on any date other than an Interest Payment Date shall be made only upon surrender of such Series 2026C Bonds to the Trustee.

SECTION 2.3 Execution, Authentication, Delivery and Dating

(a) The Series 2026C Bonds shall be executed on behalf of the Issuer by its Chairman under its corporate seal reproduced thereon and attested by its Secretary. The signature of any of these officers on the Series 2026C Bonds may be manual or, to the extent permitted by law, facsimile. Series 2026C Bonds bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Issuer shall bind the Issuer, notwithstanding that such individuals or any of them shall have ceased to hold such offices prior to the authentication and delivery of such Series 2026C Bonds or shall not have held such offices at the date of such Series 2026C Bonds.

(b) At any time and from time to time after the execution and delivery of this Supplemental Indenture, the Issuer may deliver Series 2026C Bonds executed by the Issuer to the Trustee for authentication and the Trustee shall authenticate and deliver such Series 2026C Bonds as in this Supplemental Indenture provided and not otherwise.

(c) No Series 2026C Bond shall be secured by, or be entitled to any lien, right or benefit under, this Supplemental Indenture or be valid or obligatory for any purpose, unless there appears on such Series 2026C Bond a certificate of authentication substantially in the form provided for herein, executed by the Trustee by manual signature, and such certificate upon any Series 2026C Bond shall be conclusive evidence, and the only evidence, that such Series 2026C Bond has been duly authenticated and delivered hereunder.

SECTION 2.4 Proceeds From Sale of Series 2026C Bonds

The proceeds from the sale of the Series 2026C Bonds to the original purchaser or purchasers thereof shall be applied as follows:

(a) The amount received as accrued interest shall be deposited in the Debt Service Fund-Series 2026C Interest Subaccount.

(b) The amount specified by an Authorized Issuer Representative shall be deposited in the Capitalized Interest Fund-Series 2026C Subaccount.

(c) The amount specified by an Authorized Issuer Representative shall be deposited in the Costs of Issuance Fund.

(d) The balance of such proceeds shall be deposited in the Acquisition Fund.

SECTION 2.5 Description of Bridge and Bayway Facilities

The Bridge and Bayway Facilities are described in Section 6.6 of the Master Indenture. The Issuer may cause changes or amendments to be made in the description of the Bridge and Bayway Facilities and may add items to, or delete items from, the list of Bridge and Bayway Facilities contained in Section 6.6 of the Master Indenture only to the extent permitted in the Master Indenture.

SECTION 2.6 Issuance of Series 2026C Bonds as Third Lien Bonds

The Series 2026C Bonds are being issued as Third Lien Bonds.

ARTICLE 3

Indenture Funds

SECTION 3.1 Debt Service Fund

The Master Indenture establishes a special trust fund which is designated the "Debt Service Fund". A deposit to the Debt Service Fund is to be made pursuant to Section 2.4. The Trustee is the depository, custodian and disbursing agent for the Debt Service Fund.

SECTION 3.2 Capitalized Interest Fund

The Master Indenture establishes a special trust fund which is designated the "Capitalized Interest Fund". A deposit to the Capitalized Interest Fund is to be made pursuant to Section 2.4. The Trustee is the depository, custodian and disbursing agent for the Capitalized Interest Fund.

SECTION 3.3 Reserve Fund

The Master Indenture establishes a special trust fund which is designated the "Reserve Fund". The Trustee is the depository, custodian and disbursing agent for the Reserve Fund. No deposit to the Reserve Fund is to be made in connection with the issuance of the Series 2026C Bonds.

SECTION 3.4 Costs of Issuance Fund

The Master Indenture establishes a special trust fund which is designated the "Costs of Issuance Fund". A deposit to the Costs of Issuance Fund is to be made pursuant to Section 2.4. The Trustee is the depository, custodian and disbursing agent for the Costs of Issuance Fund.

SECTION 3.5 Acquisition Fund

The Master Indenture establishes a special trust fund which is designated the "Acquisition Fund". A deposit to the Acquisition Fund is to be made pursuant to Section 2.4. The Trustee is the depository, custodian and disbursing agent for the Acquisition Fund.

ARTICLE 4

Representations and Covenants

SECTION 4.1 Compliance with Continuing Disclosure Agreement

The Issuer will comply with the covenants and agreements on its part contained in the Continuing Disclosure Agreement.

SECTION 4.2 Compliance with the Tax Certificate and Agreement

The Issuer will comply with the covenants and agreements on its part contained in the Tax Certificate and Agreement.

ARTICLE 5

Miscellaneous

SECTION 5.1 Confirmation of Master Indenture

All the terms, covenants, representations, warranties, and conditions of the Master Indenture are hereby in all things confirmed, and they shall remain in full force and effect.

SECTION 5.2 Separate Agreement

It is the intent of the Issuer and the Trustee that this Supplemental Indenture, while amending and supplementing the Master Indenture, shall also constitute a separate and distinct legal, valid, and binding agreement between the Issuer and the Trustee.

SECTION 5.3 Successors and Assigns

All covenants and agreements in this Supplemental Indenture by the Issuer shall bind its successors and assigns, whether so expressed or not.

SECTION 5.4 Benefits of Supplemental Indenture

Nothing in this Supplemental Indenture or in the Series 2026C Bonds, express or implied, shall give to any person, other than the parties hereto and their successors hereunder and the Holders of the Outstanding Series 2026C Bonds any benefit or any legal or equitable right, remedy or claim under this Supplemental Indenture.

SECTION 5.5 Rights of Underwriters to Consent to Indenture Amendments

Underwriters of any Additional Bonds issued after the issuance of the Series 2026C Bonds may, on behalf of all Holders of any Additional Bonds issued after the issuance of the Series 2026C Bonds (and without notice to or consent of any Additional Bonds issued after the issuance of the Series 2026C Bonds), consent to any amendment of the Indenture other than an amendment to the Indenture that requires the consent of all Holders of Bonds issued under the Indenture.

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this instrument to be duly executed, and, if applicable, their respective corporate seals to be hereunto affixed and attested.

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

By:_____

Title:_____

[S E A L]

Attest:

By:_____

Title:_____

COMPUTERSHARE TRUST COMPANY, N.A., as Trustee

By:_____

Title:_____

This instrument was prepared by:

Joseph (Jodie) E. Smith
Maynard Nexsen PC
1901 Sixth Avenue North, Suite 1700
Birmingham, Alabama 35203-2618
(205) 254-1000

EXHIBIT 2.1(c)

Form of Series 2026C Bonds

NOTICE: Unless this bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Alabama Toll Road, Bridge, and Tunnel Authority or its agent for registration of transfer, exchange, or payment, and any bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

Alabama Toll Road, Bridge, and Tunnel Authority

Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026C

No. _____ **$_____**

Maturity Date: _____ **Interest Rate: _____%** **CUSIP: _____**

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY, an Alabama public corporation (the "Issuer", which term includes any successor corporation under the Indenture hereinafter referred to), for value received, hereby promises to pay to

_____,

or registered assigns, the principal sum of

_____
AND NO/100 DOLLARS
($_____)

on the Maturity Date specified above and to pay interest hereon from the date hereof, or the most recent date to which interest has been paid or duly provided for, until the principal hereof shall become due and payable, at the applicable per annum rate of interest specified above. Interest shall be payable on _____ 1 and _____ 1 in each year, beginning _____ 1, ____, and shall be computed on the basis of a 360-day year with 12 months of 30 days each.

The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture hereinafter referred to, be paid to the person in whose name this bond is registered at the close of business on the Regular Record Date for such interest, which shall be the 15th day (whether or not a Business Day) of the month next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered Holder on such Regular Record Date, and shall be paid to the person in whose name this bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice of such Special Record Date being given to Holders of the Series 2026C Bonds not less than 10 days prior to such Special Record Date.

Interest shall be payable on overdue principal (and premium, if any) on this bond and (to the extent legally enforceable) on any overdue installment of interest on this bond at the rate borne by this bond.

Payment of Debt Service on this bond shall be made by the applicable method specified in the Indenture. All such payments shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

This bond is one of a duly authorized issue of bonds of the Issuer, aggregating [Amount] in principal amount, designated "Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026C" (the "Series 2026C Bonds") and issued under and pursuant to (a) a Trust Indenture dated as of September 1, 2026 (as previously amended and supplemented, the "Master Indenture"), between the Issuer and Computershare Trust Company, N.A., a national banking association (the "Trustee", which term includes any successor trustee under the Indenture), and (b) a Third Supplemental Indenture dated September 1, 2026 (the "Supplemental Indenture", together with the Master Indenture, the "Indenture") between the Issuer and the Trustee. Capitalized terms not otherwise defined herein shall have the meaning assigned in the Indenture. The Series 2026A Bonds (as defined in the Supplemental Indenture), the Series 2026B Bond (as defined in the Supplemental Indenture), the Series 2026-1 Notes (as defined in the Supplemental Indenture), the Series 2026C Bonds, the Series 2026D Bonds (as defined in the Supplemental Indenture), and any additional bonds issued pursuant to Article 7 of the Master Indenture are collectively referred to as the "Bonds".

The Bonds and all other payment obligations under the Indenture are limited obligations of the Issuer payable solely out of the Trust Estate.

The Series 2026C Bonds do not constitute or give rise to an Indebtedness or a pecuniary liability of, and do not constitute a charge against the general credit or taxing powers of, ALDOT or the State of Alabama.

Copies of the Bond Documents are on file at the Office of the Trustee, and reference is hereby made to such instruments for a description of the properties pledged and assigned, the nature and extent of the security, the respective rights thereunder of the Holders of the Series 2026C Bonds and the Financing Participants, and the terms upon which the Series 2026C Bonds are, and are to be, authenticated and delivered.

In the manner and with the effect provided in the Indenture, the Series 2026C Bonds will be subject to redemption prior to Maturity as follows:

[Insert redemption provisions
from Section 2.1(j)]

If less than all Series 2026C Bonds Outstanding are to be redeemed pursuant to the applicable optional redemption provisions, the principal amount of Series 2026C Bonds of each Maturity to be redeemed may be specified by the Issuer by written notice to the Trustee, or, in the absence of timely receipt by the Trustee of such notice, shall be selected by the Trustee by lot or by such other method as the Trustee shall deem fair and appropriate; provided, however, that the principal amount of Series 2026C Bonds of each Maturity to be redeemed must be in an Authorized Denomination.

If less than all Series 2026C Bonds with the same Maturity are to be redeemed, the particular Series 2026C Bonds of such Maturity to be redeemed shall be selected by the Trustee by lot or by such other method as the Trustee shall deem fair and appropriate and which may provide for the selection for redemption of portions (in Authorized Denominations) of the principal of Series 2026C Bonds of such Maturity of a denomination larger than the smallest Authorized Denomination.

Upon any partial redemption of any Series 2026C Bond the same shall, except as otherwise permitted by the Indenture, be surrendered in exchange for one or more new Series 2026C Bonds of the

same series and Maturity and in authorized form for the unredeemed portion of principal. Series 2026C Bonds (or portions thereof as aforesaid) for whose redemption and payment provision is made in accordance with the Indenture shall thereupon cease to be entitled to the lien of the Indenture and shall cease to bear interest from and after the date fixed for redemption.

Any redemption shall be made upon at least 20 days' notice in the manner and upon the terms and conditions provided in the Indenture.

If an "Indenture Default", as defined in the Indenture, shall occur, the principal of all Bonds then Outstanding may become or be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits the amendment of the Bond Documents and waivers of past defaults under such instruments and the consequences of such defaults, in certain circumstances without consent of Bondholders and in other circumstances with the consent of all Bondholders or a specified percentage of Bondholders. Any such consent or waiver by the Holder of this bond shall be conclusive and binding upon such Holder and upon all future Holders of this bond and of any bond issued in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this bond.

The Holder of this bond shall have no right to enforce the provisions of the Indenture, or to institute any action to enforce the covenants therein, or to take any action with respect to any default thereunder, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

As provided in the Indenture and subject to certain limitations therein set forth, this bond is transferable on the Bond Register maintained at the Office of the Trustee, upon surrender of this bond for transfer at such office, together with all necessary endorsements for transfer, and thereupon one or more new Series 2026C Bonds of the same series and Maturity, of any Authorized Denominations and for a like aggregate principal amount, will be issued to the designated transferee or transferees.

As provided in the Indenture and subject to certain limitations therein set forth, the Series 2026C Bonds are exchangeable for other Series 2026C Bonds of the same series and Maturity, of any Authorized Denominations and of a like aggregate principal amount, as requested by the Holder surrendering the same.

No service charge shall be made for any transfer or exchange hereinbefore referred to, but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Issuer and the Trustee may treat the person in whose name this bond is registered as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this bond is overdue, and neither the Issuer nor the Trustee shall be affected by notice to the contrary.

No covenant or agreement contained in this bond or the Indenture shall be deemed to be a covenant or agreement of any officer, agent or employee of the Issuer, and neither any member of the governing body of the Issuer nor any officer executing this bond shall be liable personally on this bond or be subject to any personal liability or accountability by reason of the issuance of this bond.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and issuance of

this bond do exist, have happened and have been performed in due time, form and manner as required by law.

Unless the certificate of authentication hereon has been executed by the Trustee by manual signature, this bond shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Issuer has caused this bond to be duly executed under its corporate seal.

Dated: [Date].

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

By:_____
Chairman

[SEAL]

Attest:

_____
Secretary

Certificate of Authentication

This is one of the Series 2026C Bonds referred to in the within-mentioned Indenture.

Date of authentication:_____

COMPUTERSHARE TRUST COMPANY, N.A.,
as Trustee

By:_____
Authorized Signatory

Assignment

For value received, _____ hereby sell(s), assign(s) and transfer(s) unto [Please insert name and taxpayer identification number] _____ this bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney to transfer this bond on the books of the within named Issuer at the office of the within named Trustee, with full power of substitution in the premises.

Dated: _____

_____
NOTE: The name signed to this assignment must correspond with the name of the payee written on the

face of the within bond in all respects, without alteration, enlargement or change whatsoever.

Signature Guaranteed:

_____
(Bank or Trust Company)

By _____
(Authorized Officer)

*Signature(s) must be guaranteed by an eligible guarantor institution which is a member of the recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP), or New York Stock Exchange Medallion Signature Program (MSP).

EXHIBIT 2.2(a)

Letter of Representations

See attached.

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FOURTH SUPPLEMENTAL INDENTURE

Dated September 1, 2026

Between

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

and

COMPUTERSHARE TRUST COMPANY, N.A.

Relating to the issuance of
[Amount]
Second Lien Toll Revenue Bond Anticipation Notes, Series 2026-1
by
Alabama Toll Road, Bridge, and Tunnel Authority

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EXHIBIT 2.1(c) - Form of Series 2026-1 Notes
EXHIBIT 2.2(a) - Letter of Representations

FOURTH SUPPLEMENTAL INDENTURE

THIS FOURTH SUPPLEMENTAL INDENTURE dated September 1, 2026 is entered into by **ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY**, an Alabama public corporation (the "Issuer"), and **COMPUTERSHARE TRUST COMPANY, N.A.**, a national banking association (the "Trustee").

Recitals

A. The Issuer has duly authorized the issuance of its [Amount] aggregate principal amount of Second Lien Toll Revenue Bond Anticipation Notes, Series 2026-1 (the "Series 2026-1 Notes") pursuant to this Supplemental Indenture and the Master Indenture. The Series 2026A Bonds (as defined herein), the Series 2026B Bond (as defined herein), the Series 2026-1 Notes, the Series 2026C Bonds (as defined herein), the Series 2026D Bonds (as defined herein), and any additional bonds issued pursuant to Article 7 of the Master Indenture (as defined herein) are collectively referred to as the "Bonds".

B. The Series 2026-1 Notes are being issued for the purpose of providing interim financing the acquisition and construction of a portion of the bridge and bayway facilities described more particularly herein (the "Bridge and Bayway Facilities" or the "Project").

C. The Issuer expects to pay the principal of the Series 2026-1 Notes from disbursements under the TIFIA Loan Agreement (2026) referred to herein and to pay interest on the Series 2026-1 Notes from proceeds of the Series 2026-1 Notes deposited into the Capitalized Interest Fund-Series 2026-1 Subaccount referred to herein.

D. The Issuer will take all steps necessary to receive disbursements under the TIFIA Loan Agreement (2026) and, if such disbursements cease to be so anticipated or if they are insufficient to pay in full the principal of the Series 2026-1 Notes, use its best efforts to otherwise provide for payment of the Series 2026-1 Notes; provided if alternative financing for payment of principal of the Series 2026-1 Notes is determined by the Issuer to be available and economically preferable to using disbursements under the TIFIA Loan Agreement (2026), such alternative financing may be entered into and so utilized.

E. The Bonds and all other payment obligations under this Supplemental Indenture and the Master Indenture shall be limited obligations of the Issuer payable solely out of the Trust Estate.

F. All things have been done which are necessary to make the Series 2026-1 Notes, when executed by the Issuer and authenticated and delivered by the Trustee hereunder, the valid obligations of the Issuer, and to constitute this Supplemental Indenture and the Master Indenture a valid trust indenture for the security of the Series 2026-1 Notes, in accordance with the terms of the Series 2026-1 Notes and this Supplemental Indenture and the Master Indenture.

NOW, THEREFORE, THIS SUPPLEMENTAL INDENTURE WITNESSETH:

That in order to declare the terms and conditions upon which the Series 2026-1 Notes authorized hereby are authenticated, issued, and delivered, and in consideration of the premises and of the purchase and acceptance of the Series 2026-1 Notes by the Holders thereof, the Issuer covenants and agrees with the Trustee as follows:

ARTICLE 1

Definitions and Other Provisions of General Application

SECTION 1.1 Definitions

For all purposes of this Supplemental Indenture, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meaning indicated:

"**Authorized Denominations**" shall have the meaning assigned in Section 2.1 of this Supplemental Indenture.

"**Beneficial Owner**" shall have the meaning assigned in Section 2.2 for the Series 2026-1 Notes.

"**Bonds**" shall mean the Series 2026A Bonds, the Series 2026B Bond, the Series 2026-1 Notes, the Series 2026C Bonds, the Series 2026D Bonds, and any additional bonds issued pursuant to Article 7 of the Master Indenture.

"**Book-Entry Only System**" shall have the meaning assigned in Section 2.2 for the Series 2026-1 Notes.

"**Bridge and Bayway Facilities**" or "**Project**" shall mean the bridge and bayway facilities being financed by the Series 2026-1 Notes. The Bridge and Bayway Facilities are more particularly described in Section 6.6 of the Master Indenture.

"**Continuing Disclosure Agreement**" shall mean that certain Continuing Disclosure Agreement entered into by the Issuer and ALDOT in connection with the issuance of the Series 2026-1 Notes.

"**DTC**" shall have the meaning assigned in Section 2.2 for the Series 2026-1 Notes.

"**Holder**" or "**Noteholder**" when used with respect to any Series 2026-1 Note shall mean (1) if the Book-Entry Only System is not in effect, the person in whose name such Note is registered in the Bond Register and (2) if the Book-Entry Only System is in effect, the Beneficial Owner of such Series 2026-1 Note on the records maintained pursuant to the Book-Entry Only System.

"**Indenture**" shall mean the Master Indenture and this Supplemental Indenture as originally executed or as such instruments may from time to time be supplemented, modified or amended by one or more indentures or other instruments supplemental thereto or hereto entered into pursuant to the applicable provisions of the Master Indenture and the applicable provisions of this Supplemental Indenture.

"**Issuer**" shall mean Alabama Toll Road, Bridge, and Tunnel Authority, an Alabama public corporation, until a successor corporation shall have become such pursuant to the applicable provisions of the Indenture, and thereafter "Issuer" shall mean such successor corporation.

"**Master Indenture**" shall mean that certain Trust Indenture dated as of September 1, 2026 between the Issuer and the Trustee, as previously amended and supplemented.

"**Regular Record Date**" shall have the meaning assigned in Section 2.1 of this Supplemental Indenture.

"**Series 2026A Bonds**" shall mean the First Lien Toll Revenue Bonds, Series 2026A, which are a series of Bonds being issued by the Issuer on or about the date of issuance of the Series 2026-1 Notes.

"**Series 2026B Bond**" shall mean the Second Lien Toll Revenue Bond, Series 2026B, which is a series of Bonds being issued by the Issuer on or about the date of issuance of the Series 2026-1 Notes.

"**Series 2026-1 Notes**" shall mean the series of Bonds issued pursuant to Article 2 of this Supplemental Indenture.

"**Series 2026C Bonds**" shall mean the Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026C, which are a series of Bonds being issued by the Issuer on or about the date of issuance of the Series 2026-1 Notes.

"**Series 2026D Bonds**" shall mean the Taxable Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026D, which are a series of Bonds being issued by the Issuer on or about the date of issuance of the Series 2026-1 Notes.

"**Supplemental Indenture**" shall mean this instrument as originally executed or as it may from time to time be supplemented, modified or amended by one or more indentures or other instruments supplemental hereto entered into pursuant to the applicable provisions of the Master Indenture and the applicable provisions of this Supplemental Indenture.

"**TIFIA Lender**" shall have the meaning stated in the Master Indenture.

"**TIFIA Loan Agreement (2026)**" shall have the meaning stated in the Master Indenture.

"**TIFIA Loan Agreement(s)**" shall have the meaning stated in the Master Indenture.

"**Trustee**" shall mean Computershare Trust Company, N.A., a national banking association, until a successor Trustee shall have become such pursuant to the applicable provisions of the Indenture, and thereafter "Trustee" shall mean such successor.

SECTION 1.2 Definitions in Master Indenture to be Applicable

Except as otherwise expressly provided in this Supplemental Indenture, or unless the context otherwise requires, capitalized terms not otherwise defined in this Supplemental Indenture shall have the meaning assigned in the Master Indenture.

SECTION 1.3 General Rules of Construction

For all purposes of this Supplemental Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(a) Defined terms in the singular shall include the plural as well as the singular, and vice versa.

(b) The definitions in the recitals to this instrument are for convenience only and shall not affect the construction of this instrument.

(c) All accounting terms not otherwise defined herein have the meanings assigned to them, and all computations herein provided for shall be made, in accordance with generally accepted accounting principles. All references herein to "generally accepted accounting principles" refer to such principles as they exist at the date of application thereof.

(d) All references in this instrument to designated "Articles", "Sections" and other subdivisions are to the designated Articles, Sections and subdivisions of this instrument as originally executed.

(e) The terms "herein", "hereof" and "hereunder" and other words of similar import refer to this Supplemental Indenture as a whole and not to any particular Article, Section or other subdivision.

(f) All references in this instrument to a separate instrument are to such separate instrument as the same may be amended or supplemented from time to time pursuant to the applicable provisions thereof.

(g) The term "person" shall include any individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization and any government or any agency or political subdivision thereof.

(h) The term "including" means "including without limitation" and "including, but not limited to".

SECTION 1.4 Ownership of Series 2026-1 Notes; Effect of Action by Noteholders

(a) The ownership of Series 2026-1 Notes shall be proved by the Bond Register.

(b) Any request, demand, authorization, direction, notice, consent, waiver or other action by the Holder of any Series 2026-1 Note shall bind every future Holder of the same Series 2026-1 Note and the Holder of every Series 2026-1 Note issued upon the transfer thereof or in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Issuer in reliance thereon, whether or not notation of such action is made upon such Series 2026-1 Note.

SECTION 1.5 Effect of Headings and Table of Contents

The Article and Section headings herein and in the Table of Contents are for convenience only and shall not affect the construction hereof.

SECTION 1.6 Date of Supplemental Indenture

The date of this Supplemental Indenture is intended as and for a date for the convenient identification of this Supplemental Indenture and is not intended to indicate that this Supplemental Indenture was executed and delivered on said date.

SECTION 1.7 Separability Clause

If any provision in this Supplemental Indenture or in the Series 2026-1 Notes shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 1.8 Governing Law

This Supplemental Indenture shall be construed in accordance with and governed by the laws of the State of Alabama.

SECTION 1.9 Counterparts

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed an original, but all such counterparts shall together constitute but one and the same instrument.

SECTION 1.10 Designation of Time for Performance

Except as otherwise expressly provided herein, any reference in this Supplemental Indenture to the time of day shall mean (a) if the Book-Entry Only System is in effect, the time of day in the city where DTC maintains its place of business for the performance of its obligations under the Book-Entry Only System or (b) if the Book-Entry Only System is no longer in effect, the time of day in the city where the Trustee maintains its place of business for the performance of its obligations under this Supplemental Indenture.

SECTION 1.11 Inconsistency with TIFIA Loan Agreement(s)

While there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), in the event of any inconsistency between the provisions of the TIFIA Loan Agreement(s) and the provisions hereof, the TIFIA Loan Agreement(s) will prevail.

ARTICLE 2

Specific Terms for Series 2026-1 Notes

SECTION 2.1 Specific Title and Terms

(a) **Title and Amount**. The Series 2026-1 Notes shall be entitled "Second Lien Toll Revenue Bond Anticipation Notes, Series 2026-1". The aggregate principal amount of the Series 2026-1 Notes which may be authenticated and delivered and Outstanding is limited to [Amount].

(b) **Authorized Denominations**. The Series 2026-1 Notes shall be issued in denominations of $5,000 or any multiple thereof.

(c) **Form and Number**. The Series 2026-1 Notes shall be issuable as registered notes without coupons in Authorized Denominations. The Series 2026-1 Notes shall be numbered separately from 1 upward. The Series 2026-1 Notes and the certificate of authentication shall be substantially as set forth in ***Exhibit 2.1(c)***, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Supplemental Indenture.

(d) **Maturities and Interest Rates**. The Series 2026-1 Notes shall mature on _____ 1 in the years _____ through _____. All Series 2026-1 Notes with the same Maturity shall bear interest at the same rate. The principal amount of Series 2026-1 Notes maturing on each Maturity date and the applicable rate of interest for the Series 2026-1 Notes of each Maturity are as follows:

Year of Maturity	**Principal Amount Maturing**	**Applicable Interest Rate**

(e) **Date**. The Series 2026-1 Notes shall be dated [Date].

(f) **Interest Payment Dates**. Interest on the Series 2026-1 Notes shall be payable on _____ 1 and _____ 1 in each year, beginning _____ 1, _____.

(g) **Regular Record Date**. The interest due on any Interest Payment Date for the Series 2026-1 Notes shall be payable to the Holder as of the Regular Record Date for such Interest Payment Date. The Regular Record Date for interest payable on any Interest Payment Date for the Series 2026-1 Notes shall be the 15th day (whether or not a Business Day) of the month next preceding such Interest Payment Date.

(h) **Computation of Interest Accrued**. The Series 2026-1 Notes shall bear interest from their date, or the most recent date to which interest has been paid or duly provided for, until the principal thereof shall become due and payable, at the applicable rate per annum set forth in Section 2.1(d). Interest shall be computed on the basis of a 360-day year with 12 months of 30 days each.

(i) **Interest on Overdue Payments**. Interest on overdue principal and premium and (to the extent legally enforceable) on any overdue installment of interest on any Series 2026-1 Note shall be payable at the interest rate borne by such Series 2026-1 Note.

(j) **Redemption Provisions**. The Series 2026-1 Notes shall be subject to redemption prior to Maturity as follows:

(1) **Optional Redemption**. Series 2026-1 Notes shall not be subject to redemption at the option of the Issuer prior to the date of their Maturity. Series 2026-1 Notes may be redeemed in whole or in part at the option of the Issuer on or after _____ 1, _____ at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest to the redemption date.

(2) **No Scheduled Mandatory Redemption**. Series 2026-1 Notes shall not be subject to scheduled mandatory redemption prior to the date of their Maturity.

SECTION 2.2 Book-Entry Only System; Payment Provisions

(a) The registration and payment of Series 2026-1 Notes shall be made pursuant to the Book-Entry Only System (the "Book-Entry Only System") administered by The Depository Trust Company ("DTC") in accordance with the Letter of Representations attached to and incorporated by reference in this Supplemental Indenture as ***Exhibit 2.2(a)*** (the "Letter of Representations") until such System is terminated pursuant to Section 2.2(c).

(b) While Series 2026-1 Notes are in the Book-Entry Only System the following provisions shall apply for purposes of this Supplemental Indenture and shall supersede any contrary provisions of this Supplemental Indenture:

(1) Notwithstanding the fact that DTC may hold a single physical certificate for each stated maturity for purposes of the Book-Entry Only System, the term "Series 2026-1 Note" shall mean each separate Security (as defined in the Letter of Representations) issued pursuant to the Book-Entry Only System, and the term "Holder" shall mean the person identified on the records of DTC as the owner of the related Security.

(2) The terms and limitations of this Supplemental Indenture with respect to each separate Series 2026-1 Note shall be applicable to each separate Security registered under the Book-Entry Only System.

(3) All notices under this Supplemental Indenture to Holders of Series 2026-1 Notes from any other Financing Participant shall be delivered by such Financing Participant to DTC for distribution by DTC in accordance with the Letter of Representations. All notices under this Supplemental Indenture to or from a Financing Participant other than a Holder of a Series 2026-1 Note shall be delivered directly to the Financing Participant as provided in this Supplemental Indenture and shall not be delivered through DTC or the Book-Entry Only System.

(4) All payments of Debt Service on the Series 2026-1 Notes shall be made by the Trustee to DTC and shall be made by DTC to the Participants (as such term is defined in the Letter of Representations) as provided in the Letter of Representations. All such payments shall be valid and effective fully to satisfy and discharge the Issuer's obligations with respect to such payments.

(5) The Beneficial Owners (as such term is defined in the Letter of Representations) of the Series 2026-1 Notes, by their acquisition of any beneficial interest in a Series 2026-1 Note or Series 2026-1 Notes, and the Participants severally agree that the Issuer and the Trustee shall not have any responsibility or obligation to any Participant or any Beneficial Owner with respect to (1) the accuracy of any records maintained by DTC or any Participant; (2) the payment by DTC or any Participant of any amount due to any Beneficial Owner in respect of the principal of, purchase price of, premium (if any) and interest on the Series 2026-1 Notes; (3) the delivery or timeliness of delivery by DTC or any Participant of any notice due to any Beneficial Owner which is required or permitted under the terms of this Supplemental Indenture to be given to Beneficial Owners; or (4) any consent given or other action taken by DTC or its nominee, as owner.

(c) If the Issuer and the Trustee concur that it would be in the best interests of the Holders of the Series 2026-1 Notes for the Book-Entry Only System to be discontinued (in whole or in part), such Book-Entry Only System shall be discontinued (in whole or in part) in accordance with the provisions of the Letter of Representations. In addition, the Book-Entry Only System may be discontinued (in whole or in part) at any time by any Financing Participant acting alone in accordance with the Letter of Representations. In connection with any proposed transfer outside the Book-Entry Only System, the Issuer or DTC shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including any cost basis reporting obligations under Section 6045 of the Internal Revenue Code. The Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

(d) If the Book-Entry Only System is discontinued, except as otherwise provided in this Section with respect to Wire Transfer rights, payment of interest on the Series 2026-1 Notes which is due on any Interest Payment Date shall be made by check or draft mailed by the Trustee to the persons entitled thereto at their addresses appearing in the Bond Register. Such payments of interest shall be deemed timely made if so mailed on the Interest Payment Date (or, if such Interest Payment Date is not a Business Day, on the Business Day next following such Interest Payment Date). Payment of the principal of (and premium, if any, on) the Series 2026-1 Notes and payment of accrued interest on the Series 2026-1 Notes due upon redemption on any date other than an Interest Payment Date shall be made only upon surrender thereof at the Office of the Trustee.

(e) Upon the written request of the Holder of Series 2026-1 Notes in an aggregate principal amount of not less than $100,000, the Trustee will make payment of the Debt Service due on such Series 2026-1 Notes by Wire Transfer, provided that:

(1) such request contains adequate instructions for the method of payment, and

(2) payment of the principal of (and redemption premium, if any, on) such Series 2026-1 Notes and payment of the accrued interest on such Series 2026-1 Notes due upon

redemption on any date other than an Interest Payment Date shall be made only upon surrender of such Series 2026-1 Notes to the Trustee.

SECTION 2.3 Execution, Authentication, Delivery and Dating

(a) The Series 2026-1 Notes shall be executed on behalf of the Issuer by its Chairman under its corporate seal reproduced thereon and attested by its Secretary. The signature of any of these officers on the Series 2026-1 Notes may be manual or, to the extent permitted by law, facsimile. Series 2026-1 Notes bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Issuer shall bind the Issuer, notwithstanding that such individuals or any of them shall have ceased to hold such offices prior to the authentication and delivery of such Series 2026-1 Notes or shall not have held such offices at the date of such Series 2026-1 Notes.

(b) At any time and from time to time after the execution and delivery of this Supplemental Indenture, the Issuer may deliver Series 2026-1 Notes executed by the Issuer to the Trustee for authentication and the Trustee shall authenticate and deliver such Series 2026-1 Notes as in this Supplemental Indenture provided and not otherwise.

(c) No Series 2026-1 Note shall be secured by, or be entitled to any lien, right or benefit under, this Supplemental Indenture or be valid or obligatory for any purpose, unless there appears on such Series 2026-1 Note a certificate of authentication substantially in the form provided for herein, executed by the Trustee by manual signature, and such certificate upon any Series 2026-1 Note shall be conclusive evidence, and the only evidence, that such Series 2026-1 Note has been duly authenticated and delivered hereunder.

SECTION 2.4 Proceeds From Sale of Series 2026-1 Notes

The proceeds from the sale of the Series 2026-1 Notes to the original purchaser or purchasers thereof shall be applied as follows:

(a) The amount received as accrued interest shall be deposited in the Debt Service Fund-Series 2026-1 Interest Subaccount.

(b) The amount specified by an Authorized Issuer Representative shall be deposited in the Capitalized Interest Fund-Series 2026-1 Subaccount.

(c) The amount specified by an Authorized Issuer Representative shall be deposited in the Costs of Issuance Fund.

(d) The balance of such proceeds shall be deposited in the Acquisition Fund.

SECTION 2.5 Description of Bridge and Bayway Facilities

The Bridge and Bayway Facilities are described in Section 6.6 of the Master Indenture. The Issuer may cause changes or amendments to be made in the description of the Bridge and Bayway Facilities and may add items to, or delete items from, the list of Bridge and Bayway Facilities contained in Section 6.6 of the Master Indenture only to the extent permitted in the Master Indenture.

SECTION 2.6 Issuance of Series 2026-1 Notes as Second Lien Bonds

The Series 2026-1 Notes are being issued as Second Lien Bonds.

ARTICLE 3

Indenture Funds

SECTION 3.1 Debt Service Fund

(a) The Master Indenture establishes a special trust fund which is designated the "Debt Service Fund". A deposit to the Debt Service Fund is to be made pursuant to Section 2.4. The Trustee is the depository, custodian and disbursing agent for the Debt Service Fund.

(b) Within the Debt Service Fund-Interest Subaccount there is hereby established a subaccount for the benefit of the Holders of the Series 2026-1 Notes which shall be designated the "Debt Service Fund-Series 2026-1 Interest Subaccount", and within the Debt Service Fund-Principal Subaccount there is hereby established a subaccount for the benefit of the Holders of the Series 2026-1 Notes which shall be designated the "Debt Service Fund-Series 2026-1 Principal Subaccount".

SECTION 3.2 Capitalized Interest Fund

(a) The Master Indenture establishes a special trust fund which is designated the "Capitalized Interest Fund". A deposit to the Capitalized Interest Fund is to be made pursuant to Section 2.4. The Trustee is the depository, custodian and disbursing agent for the Capitalized Interest Fund.

(b) Within the Capitalized Interest Fund, there is hereby established a subaccount for the benefit of the Holders of the Series 2026-1 Notes which shall be designated the "Capitalized Interest Fund-Series 2026-1 Subaccount".

SECTION 3.3 Reserve Fund

The Master Indenture establishes a special trust fund which is designated the "Reserve Fund". A deposit to the Reserve Fund is to be made pursuant to Section 2.4. The Trustee is the depository, custodian and disbursing agent for the Reserve Fund. No deposit to the Reserve Fund is to be made in connection with the issuance of the Series 2026-1 Notes.

SECTION 3.4 Costs of Issuance Fund

The Master Indenture establishes a special trust fund which is designated the "Costs of Issuance Fund". A deposit to the Costs of Issuance Fund is to be made pursuant to Section 2.4. The Trustee is the depository, custodian and disbursing agent for the Costs of Issuance Fund.

SECTION 3.5 Acquisition Fund

The Master Indenture establishes a special trust fund which is designated the "Acquisition Fund". A deposit to the Acquisition Fund is to be made pursuant to Section 2.4. The Trustee is the depository, custodian and disbursing agent for the Acquisition Fund.

SECTION 3.6 Administration of Revenue Fund with Respect to Series 2026-1 Notes

(a) Section 8.1 of the Master Indenture establishes a special trust fund which is designated the "Revenue Fund". The Trustee is the depository, custodian and disbursing agent for the Revenue Fund.

(b) Notwithstanding anything to the contrary in Section 8.1 of the Master Indenture, beginning upon issuance of the Series 2026-1 Notes, so long as there is no Indenture Default and the Issuer still expects to apply for and receive disbursements under the TIFIA Loan Agreement (2026) sufficient in amount to

pay principal of the Series 2026-1 Notes at their Maturity, the term "Second Lien Bonds" in Section 8.1(c)(2) of the Master Indenture shall not include the Series 2026-1 Notes. No such change in such defined terms applies to any other reference thereto. For the avoidance of doubt, the reason for this Section 3.6 is to avoid Revenue Fund amounts being deposited into the Debt Service Fund-Series 2026-1 Principal Subaccount for principal payments on the Series 2026-1 Notes so long as such payments are expected to be made from disbursements under the TIFIA Loan Agreement (2026) transferred thereto from the Debt Service Fund-Series 2026-1 Principal Subaccount.

ARTICLE 4

Representations and Covenants

SECTION 4.1 Compliance with Continuing Disclosure Agreement

The Issuer will comply with the covenants and agreements on its part contained in the Continuing Disclosure Agreement.

SECTION 4.2 Compliance with the Tax Certificate and Agreement

The Issuer will comply with the covenants and agreements on its part contained in the Tax Certificate and Agreement.

SECTION 4.3 Draws Under TIFIA Loan Agreement (2026), Etc.

(a) The Issuer shall draw upon the loan from the TIFIA Lender under the TIFIA Loan Agreement (2026), deposit the amounts so drawn to the Debt Service Fund-Series 2026-1 Principal Subaccount, and then direct the Trustee to use the amounts in such subaccount to pay principal of the Series 2026-1 Notes at their maturity. At such time, the Trustee shall pay interest on the Series 2026-1 Notes from the Capitalized Interest Fund-Series 2026-1 Subaccount.

(b) The Issuer shall take all steps to satisfy the conditions set forth in the TIFIA Loan Agreement (2026) in order to timely receive the amounts necessary to pay principal of the Series 2026-1 Notes at their Maturity. In the event the amounts received under the TIFIA Loan Agreement (2026) are insufficient to pay principal of the Series 2026-1 Notes in full at their Maturity, the Issuer shall use its best efforts to find an alternative refinancing solution, which could include any or all of using amounts available to the Issuer, issuing rollover bond anticipation notes, or issuing other obligations secured by the Trust Estate.

(c) Notwithstanding the provisions of subsections (a) and (b), if alternative financing for payment of principal of the Series 2026-1 Notes is determined by the Authority to be available and economically preferable to using disbursements under the TIFIA Loan Agreement (2026), such alternative financing may be entered into and so utilized.

ARTICLE 5

Miscellaneous

SECTION 5.1 Confirmation of Master Indenture

All the terms, covenants, representations, warranties, and conditions of the Master Indenture are hereby in all things confirmed, and they shall remain in full force and effect.

SECTION 5.2 Separate Agreement

It is the intent of the Issuer and the Trustee that this Supplemental Indenture, while amending and supplementing the Master Indenture, shall also constitute a separate and distinct legal, valid, and binding agreement between the Issuer and the Trustee.

SECTION 5.3 Successors and Assigns

All covenants and agreements in this Supplemental Indenture by the Issuer shall bind its successors and assigns, whether so expressed or not.

SECTION 5.4 Benefits of Supplemental Indenture

Nothing in this Supplemental Indenture or in the Series 2026-1 Notes, express or implied, shall give to any person, other than the parties hereto and their successors hereunder and the Holders of the Outstanding Series 2026-1 Notes any benefit or any legal or equitable right, remedy or claim under this Supplemental Indenture.

SECTION 5.5 Rights of Underwriters to Consent to Indenture Amendments

Underwriters of any Additional Bonds issued after the issuance of the Series 2026-1 Notes may, on behalf of all Holders of any Additional Bonds issued after the issuance of the Series 2026-1 Notes (and without notice to or consent of any Additional Bonds issued after the issuance of the Series 2026-1 Notes), consent to any amendment of the Indenture other than an amendment to the Indenture that requires the consent of all Holders of Bonds issued under the Indenture.

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this instrument to be duly executed, and, if applicable, their respective corporate seals to be hereunto affixed and attested.

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

By:_____

Title:_____

[S E A L]

Attest:

By:_____

Title:_____

COMPUTERSHARE TRUST COMPANY, N.A., as Trustee

By:_____

Title:_____

This instrument was prepared by:

Joseph (Jodie) E. Smith
Maynard Nexsen PC
1901 Sixth Avenue North, Suite 1700
Birmingham, Alabama 35203-2618
(205) 254-1000

EXHIBIT 2.1(c)

Form of Series 2026-1 Notes

NOTICE: Unless this note is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Alabama Toll Road, Bridge, and Tunnel Authority or its agent for registration of transfer, exchange, or payment, and any note issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

Alabama Toll Road, Bridge, and Tunnel Authority

Second Lien Toll Revenue Bond Anticipation Notes, Series 2026-1

No. _____ **$_____**

Maturity Date: _____ **Interest Rate: _____%** **CUSIP: _____**

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY, an Alabama public corporation (the "Issuer", which term includes any successor corporation under the Indenture hereinafter referred to), for value received, hereby promises to pay to

_____,

or registered assigns, the principal sum of

_____
AND NO/100 DOLLARS
($_____)

on the Maturity Date specified above and to pay interest hereon from the date hereof, or the most recent date to which interest has been paid or duly provided for, until the principal hereof shall become due and payable, at the applicable per annum rate of interest specified above. Interest shall be payable on _____ 1 and _____ 1 in each year, beginning _____ 1, ____, and shall be computed on the basis of a 360-day year with 12 months of 30 days each.

The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture hereinafter referred to, be paid to the person in whose name this note is registered at the close of business on the Regular Record Date for such interest, which shall be the 15th day (whether or not a Business Day) of the month next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered Holder on such Regular Record Date, and shall be paid to the person in whose name this note is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice of such Special Record Date being given to Holders of the Series 2026-1 Notes not less than 10 days prior to such Special Record Date.

Interest shall be payable on overdue principal (and premium, if any) on this note and (to the extent legally enforceable) on any overdue installment of interest on this note at the rate borne by this note.

Payment of Debt Service on this note shall be made by the applicable method specified in the Indenture. All such payments shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

This note is one of a duly authorized issue of notes of the Issuer, aggregating [Amount] in principal amount, designated "Second Lien Toll Revenue Bond Anticipation Notes, Series 2026-1" (the "Series 2026-1 Notes") and issued under and pursuant to (a) a Trust Indenture dated as of September 1, 2026 (as previously amended and supplemented, the "Master Indenture"), between the Issuer and Computershare Trust Company, N.A., a national banking association (the "Trustee", which term includes any successor trustee under the Indenture), and (b) a Fourth Supplemental Indenture dated September 1, 2026 (the "Supplemental Indenture", together with the Master Indenture, the "Indenture") between the Issuer and the Trustee. Capitalized terms not otherwise defined herein shall have the meaning assigned in the Indenture. The Series 2026A Bonds (as defined in the Supplemental Indenture), the Series 2026B Bond (as defined in the Supplemental Indenture), the Series 2026-1 Notes, the Series 2026C Bonds (as defined in the Supplemental Indenture), the Series 2026D Bonds (as defined in the Supplemental Indenture), and any additional bonds issued pursuant to Article 7 of the Master Indenture are collectively referred to as the "Bonds".

As described more particularly in the Supplemental Indenture, the Issuer expects to make all payments of principal of the Series 2026-1 Notes from disbursements under the TIFIA Loan Agreement (2026) and all payments of interest on the Series 2026-1 Notes from the Capitalized Interest Fund-Series 2026-1 Subaccount.

The Bonds and all other payment obligations under the Indenture are limited obligations of the Issuer payable solely out of the Trust Estate.

The Series 2026-1 Notes do not constitute or give rise to an Indebtedness or a pecuniary liability of, and do not constitute a charge against the general credit or taxing powers of, ALDOT or the State of Alabama.

Copies of the Bond Documents are on file at the Office of the Trustee, and reference is hereby made to such instruments for a description of the properties pledged and assigned, the nature and extent of the security, the respective rights thereunder of the Holders of the Series 2026-1 Notes and the Financing Participants, and the terms upon which the Series 2026-1 Notes are, and are to be, authenticated and delivered.

In the manner and with the effect provided in the Indenture, the Series 2026-1 Notes will be subject to redemption prior to Maturity as follows:

[Insert redemption provisions
from Section 2.1(j)]

If less than all Series 2026-1 Notes Outstanding are to be redeemed pursuant to the applicable optional redemption provisions, the principal amount of Series 2026-1 Notes of each Maturity to be redeemed may be specified by the Issuer by written notice to the Trustee, or, in the absence of timely receipt by the Trustee of such notice, shall be selected by the Trustee by lot or by such other method as the Trustee shall deem fair and appropriate; provided, however, that the principal amount of Series 2026-1 Notes of each Maturity to be redeemed must be in an Authorized Denomination.

If less than all Series 2026-1 Notes with the same Maturity are to be redeemed, the particular Series 2026-1 Notes of such Maturity to be redeemed shall be selected by the Trustee by lot or by such other method as the Trustee shall deem fair and appropriate and which may provide for the selection for

redemption of portions (in Authorized Denominations) of the principal of Series 2026-1 Notes of such Maturity of a denomination larger than the smallest Authorized Denomination.

Upon any partial redemption of any Series 2026-1 Note the same shall, except as otherwise permitted by the Indenture, be surrendered in exchange for one or more new Series 2026-1 Notes of the same series and Maturity and in authorized form for the unredeemed portion of principal. Series 2026-1 Notes (or portions thereof as aforesaid) for whose redemption and payment provision is made in accordance with the Indenture shall thereupon cease to be entitled to the lien of the Indenture and shall cease to bear interest from and after the date fixed for redemption.

Any redemption shall be made upon at least 20 days' notice in the manner and upon the terms and conditions provided in the Indenture.

If an "Indenture Default", as defined in the Indenture, shall occur, the principal of all Bonds then Outstanding may become or be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits the amendment of the Bond Documents and waivers of past defaults under such instruments and the consequences of such defaults, in certain circumstances without consent of Noteholders and in other circumstances with the consent of all Noteholders or a specified percentage of Noteholders. Any such consent or waiver by the Holder of this note shall be conclusive and binding upon such Holder and upon all future Holders of this note and of any note issued in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this note.

The Holder of this note shall have no right to enforce the provisions of the Indenture, or to institute any action to enforce the covenants therein, or to take any action with respect to any default thereunder, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

As provided in the Indenture and subject to certain limitations therein set forth, this note is transferable on the Bond Register maintained at the Office of the Trustee, upon surrender of this note for transfer at such office, together with all necessary endorsements for transfer, and thereupon one or more new Series 2026-1 Notes of the same series and Maturity, of any Authorized Denominations and for a like aggregate principal amount, will be issued to the designated transferee or transferees.

As provided in the Indenture and subject to certain limitations therein set forth, the Series 2026-1 Notes are exchangeable for other Series 2026-1 Notes of the same series and Maturity, of any Authorized Denominations and of a like aggregate principal amount, as requested by the Holder surrendering the same.

No service charge shall be made for any transfer or exchange hereinbefore referred to, but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Issuer and the Trustee may treat the person in whose name this note is registered as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this note is overdue, and neither the Issuer nor the Trustee shall be affected by notice to the contrary.

No covenant or agreement contained in this note or the Indenture shall be deemed to be a covenant or agreement of any officer, agent or employee of the Issuer, and neither any member of the governing body of the Issuer nor any officer executing this note shall be liable personally on this note or be subject to any personal liability or accountability by reason of the issuance of this note.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and issuance of this note do exist, have happened and have been performed in due time, form and manner as required by law.

Unless the certificate of authentication hereon has been executed by the Trustee by manual signature, this note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Issuer has caused this note to be duly executed under its corporate seal.

Dated: [Date].

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

By:_____
Chairman

[SEAL]

Attest:

_____
Secretary

Certificate of Authentication

This is one of the Series 2026-1 Notes referred to in the within-mentioned Indenture.

Date of authentication:_____

COMPUTERSHARE TRUST COMPANY, N.A.,
as Trustee

By:_____
Authorized Signatory

Assignment

For value received, _____ hereby sell(s), assign(s) and transfer(s) unto [Please insert name and taxpayer identification number] _____ this note and hereby irrevocably constitute(s) and appoint(s) _____ attorney to transfer this note on the books of the within named Issuer at the office of the within named Trustee, with full power of substitution in the premises.

Dated: _____

_____

NOTE: The name signed to this assignment must correspond with the name of the payee written on the face of the within note in all respects, without alteration, enlargement or change whatsoever.

Signature Guaranteed:

_____
(Bank or Trust Company)

By _____
(Authorized Officer)

*Signature(s) must be guaranteed by an eligible guarantor institution which is a member of the recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP), or New York Stock Exchange Medallion Signature Program (MSP).

EXHIBIT 2.2(a)

Letter of Representations

See attached.

FIFTH SUPPLEMENTAL INDENTURE

Dated September 1, 2026

Between

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

and

COMPUTERSHARE TRUST COMPANY, N.A.

Relating to the issuance of
[Amount]
Taxable Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026D
by
Alabama Toll Road, Bridge, and Tunnel Authority

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FIFTH SUPPLEMENTAL INDENTURE

THIS FIFTH SUPPLEMENTAL INDENTURE dated September 1, 2026 is entered into by **ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY**, an Alabama public corporation (the "Issuer"), and **COMPUTERSHARE TRUST COMPANY, N.A.**, a national banking association (the "Trustee").

Recitals

A. The Issuer has duly authorized the issuance of its [Amount] aggregate principal amount of Taxable Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026D (the "Series 2026D Bonds") pursuant to this Supplemental Indenture and the Master Indenture. The Series 2026A Bonds (as defined herein), the Series 2026B Bond (as defined herein), the Series 2026-1 Notes (as defined herein), the Series 2026C Bonds (as defined herein), the Series 2026D Bonds, and any additional bonds issued pursuant to Article 7 of the Master Indenture (as defined herein) are collectively referred to as the "Bonds".

B. The Series 2026D Bonds are being issued for the purpose of financing the acquisition and construction of a portion of the bridge and bayway facilities described more particularly herein (the "Bridge and Bayway Facilities" or the "Project").

C. The Bonds and all other payment obligations under this Supplemental Indenture and the Master Indenture shall be limited obligations of the Issuer payable solely out of the Trust Estate.

D. All things have been done which are necessary to make the Series 2026D Bonds, when executed by the Issuer and authenticated and delivered by the Trustee hereunder, the valid obligations of the Issuer, and to constitute this Supplemental Indenture and the Master Indenture a valid trust indenture for the security of the Series 2026D Bonds, in accordance with the terms of the Series 2026D Bonds and this Supplemental Indenture and the Master Indenture.

NOW, THEREFORE, THIS SUPPLEMENTAL INDENTURE WITNESSETH:

That in order to declare the terms and conditions upon which the Series 2026D Bonds authorized hereby are authenticated, issued, and delivered, and in consideration of the premises and of the purchase and acceptance of the Series 2026D Bonds by the Holders thereof, the Issuer covenants and agrees with the Trustee as follows:

ARTICLE 1

Definitions and Other Provisions of General Application

SECTION 1.1 Definitions

For all purposes of this Supplemental Indenture, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meaning indicated:

"**Authorized Denominations**" shall have the meaning assigned in Section 2.1 of this Supplemental Indenture.

"**Beneficial Owner**" shall have the meaning assigned in Section 2.2 for the Series 2026D Bonds.

"**Bonds**" shall mean the Series 2026A Bonds, the Series 2026B Bond, the Series 2026-1 Notes, the Series 2026C Bonds, the Series 2026D Bonds, and any additional bonds issued pursuant to Article 7 of the Master Indenture.

"**Book-Entry Only System**" shall have the meaning assigned in Section 2.2 for the Series 2026D Bonds.

"**Bridge and Bayway Facilities**" or "**Project**" shall mean the bridge and bayway facilities being financed by the Series 2026D Bonds. The Bridge and Bayway Facilities are more particularly described in Section 6.6 of the Master Indenture.

"**Continuing Disclosure Agreement**" shall mean that certain Continuing Disclosure Agreement entered into by the Issuer and ALDOT in connection with the issuance of the Series 2026D Bonds.

"**DTC**" shall have the meaning assigned in Section 2.2 for the Series 2026D Bonds.

"**Holder**" or "**Bondholder**" when used with respect to any Series 2026D Bond shall mean (1) if the Book-Entry Only System is not in effect, the person in whose name such Bond is registered in the Bond Register and (2) if the Book-Entry Only System is in effect, the Beneficial Owner of such Series 2026D Bond on the records maintained pursuant to the Book-Entry Only System.

"**Indenture**" shall mean the Master Indenture and this Supplemental Indenture as originally executed or as such instruments may from time to time be supplemented, modified or amended by one or more indentures or other instruments supplemental thereto or hereto entered into pursuant to the applicable provisions of the Master Indenture and the applicable provisions of this Supplemental Indenture.

"**Issuer**" shall mean Alabama Toll Road, Bridge, and Tunnel Authority, an Alabama public corporation, until a successor corporation shall have become such pursuant to the applicable provisions of the Indenture, and thereafter "Issuer" shall mean such successor corporation.

"**Master Indenture**" shall mean that certain Trust Indenture dated as of September 1, 2026 between the Issuer and the Trustee, as previously amended and supplemented.

"**Regular Record Date**" shall have the meaning assigned in Section 2.1 of this Supplemental Indenture.

"**Series 2026A Bonds**" shall mean the First Lien Toll Revenue Bonds, Series 2026A, which are a series of Bonds being issued by the Issuer on or about the date of issuance of the Series 2026D Bonds.

"**Series 2026B Bond**" shall mean the Second Lien Toll Revenue Bond, Series 2026B, which is a series of Bonds being issued by the Issuer on or about the date of issuance of the Series 2026D Bonds.

"**Series 2026-1 Notes**" shall mean the Second Lien Toll Revenue Bond Anticipation Notes, Series 2026-1, which are a series of Bonds being issued by the Issuer on or about the date of issuance of the Series 2026D Bonds.

"**Series 2026C Bonds**" shall mean the Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026C, which are a series of Bonds being issued by the Issuer on or about the date of issuance of the Series 2026D Bonds.

"**Series 2026D Bonds**" shall mean the series of Bonds issued pursuant to Article 2 of this Supplemental Indenture.

"**Supplemental Indenture**" shall mean this instrument as originally executed or as it may from time to time be supplemented, modified or amended by one or more indentures or other instruments supplemental hereto entered into pursuant to the applicable provisions of the Master Indenture and the applicable provisions of this Supplemental Indenture.

"**Trustee**" shall mean Computershare Trust Company, N.A., a national banking association, until a successor Trustee shall have become such pursuant to the applicable provisions of the Indenture, and thereafter "Trustee" shall mean such successor.

SECTION 1.2 Definitions in Master Indenture to be Applicable

Except as otherwise expressly provided in this Supplemental Indenture, or unless the context otherwise requires, capitalized terms not otherwise defined in this Supplemental Indenture shall have the meaning assigned in the Master Indenture.

SECTION 1.3 General Rules of Construction

For all purposes of this Supplemental Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(a) Defined terms in the singular shall include the plural as well as the singular, and vice versa.

(b) The definitions in the recitals to this instrument are for convenience only and shall not affect the construction of this instrument.

(c) All accounting terms not otherwise defined herein have the meanings assigned to them, and all computations herein provided for shall be made, in accordance with generally accepted accounting principles. All references herein to "generally accepted accounting principles" refer to such principles as they exist at the date of application thereof.

(d) All references in this instrument to designated "Articles", "Sections" and other subdivisions are to the designated Articles, Sections and subdivisions of this instrument as originally executed.

(e) The terms "herein", "hereof" and "hereunder" and other words of similar import refer to this Supplemental Indenture as a whole and not to any particular Article, Section or other subdivision.

(f) All references in this instrument to a separate instrument are to such separate instrument as the same may be amended or supplemented from time to time pursuant to the applicable provisions thereof.

(g) The term "person" shall include any individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization and any government or any agency or political subdivision thereof.

(h) The term "including" means "including without limitation" and "including, but not limited to".

SECTION 1.4 Ownership of Series 2026D Bonds; Effect of Action by Bondholders

(a) The ownership of Series 2026D Bonds shall be proved by the Bond Register.

(b) Any request, demand, authorization, direction, notice, consent, waiver or other action by the Holder of any Series 2026D Bond shall bind every future Holder of the same Series 2026D Bond and the Holder of every Series 2026D Bond issued upon the transfer thereof or in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Issuer in reliance thereon, whether or not notation of such action is made upon such Series 2026D Bond.

SECTION 1.5 Effect of Headings and Table of Contents

The Article and Section headings herein and in the Table of Contents are for convenience only and shall not affect the construction hereof.

SECTION 1.6 Date of Supplemental Indenture

The date of this Supplemental Indenture is intended as and for a date for the convenient identification of this Supplemental Indenture and is not intended to indicate that this Supplemental Indenture was executed and delivered on said date.

SECTION 1.7 Separability Clause

If any provision in this Supplemental Indenture or in the Series 2026D Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 1.8 Governing Law

This Supplemental Indenture shall be construed in accordance with and governed by the laws of the State of Alabama.

SECTION 1.9 Counterparts

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed an original, but all such counterparts shall together constitute but one and the same instrument.

SECTION 1.10 Designation of Time for Performance

Except as otherwise expressly provided herein, any reference in this Supplemental Indenture to the time of day shall mean (a) if the Book-Entry Only System is in effect, the time of day in the city where DTC maintains its place of business for the performance of its obligations under the Book-Entry Only System or (b) if the Book-Entry Only System is no longer in effect, the time of day in the city where the Trustee maintains its place of business for the performance of its obligations under this Supplemental Indenture.

SECTION 1.11 Inconsistency with TIFIA Loan Agreement(s)

While there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), in the event of any inconsistency between the provisions of the TIFIA Loan Agreement(s) and the provisions hereof, the TIFIA Loan Agreement(s) will prevail.

ARTICLE 2

Specific Terms for Series 2026D Bonds

SECTION 2.1 Specific Title and Terms

(a) **Title and Amount**. The Series 2026D Bonds shall be entitled "Taxable Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026D". The aggregate principal amount of the Series 2026D Bonds which may be authenticated and delivered and Outstanding is limited to [Amount].

(b) **Authorized Denominations**. The Series 2026D Bonds shall be issued in denominations of $5,000 or any multiple thereof.

(c) **Form and Number**. The Series 2026D Bonds shall be issuable as registered bonds without coupons in Authorized Denominations. The Series 2026D Bonds shall be numbered separately from 1 upward. The Series 2026D Bonds and the certificate of authentication shall be substantially as set forth in ***Exhibit 2.1(c)***, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Supplemental Indenture.

(d) **Maturities and Interest Rates**. The Series 2026D Bonds shall mature on _____ 1 in the years _____ through _____. All Series 2026D Bonds with the same Maturity shall bear interest at the same rate. The principal amount of Series 2026D Bonds maturing on each Maturity date and the applicable rate of interest for the Series 2026D Bonds of each Maturity are as follows:

Year of Maturity	Principal Amount Maturing	Applicable Interest Rate

(e) **Date**. The Series 2026D Bonds shall be dated [Date].

(f) **Interest Payment Dates**. Interest on the Series 2026D Bonds shall be payable on _____ 1 and _____ 1 in each year, beginning _____ 1, _____.

(g) **Regular Record Date**. The interest due on any Interest Payment Date for the Series 2026D Bonds shall be payable to the Holder as of the Regular Record Date for such Interest Payment Date. The Regular Record Date for interest payable on any Interest Payment Date for the Series 2026D Bonds shall be the 15th day (whether or not a Business Day) of the month next preceding such Interest Payment Date.

(h) **Computation of Interest Accrued**. The Series 2026D Bonds shall bear interest from their date, or the most recent date to which interest has been paid or duly provided for, until the principal thereof shall become due and payable, at the applicable rate per annum set forth in Section 2.1(d). Interest shall be computed on the basis of a 360-day year with 12 months of 30 days each.

(i) **Interest on Overdue Payments**. Interest on overdue principal and premium and (to the extent legally enforceable) on any overdue installment of interest on any Series 2026D Bond shall be payable at the interest rate borne by such Series 2026D Bond.

(j) **Redemption Provisions**. The Series 2026D Bonds shall be subject to redemption prior to Maturity as follows:

(1) **Make-Whole Optional Redemption**. The Series 2026D Bonds maturing on _____ ___, ____ or before, or any smaller principal amount of such Series 2026D Bonds that is a multiple of the smallest authorized denomination, will be subject to make-whole optional redemption as a whole or in part at any time, in any order of maturities, at the option of the Issuer, at the Make-Whole Redemption Price. The Issuer may elect to legally defease all or a portion of the Series 2026D Bonds. Such legal defeasance of the Series 2026D Bonds does not constitute a make-whole optional redemption. The provisions set forth above relating to make-whole optional redemption apply only in the event the Issuer elects to redeem the Series 2026D Bonds on any date prior to _____ ___, ____, but not if the Issuer elects only to legally defease all or any portion of the Series 2026D Bonds prior to _____ ___, ____.

"Make-Whole Redemption Price" shall mean the price equal to the greater of: (a) the issue price (but not less than 100%) of the principal amount of the Series 2026D Bonds to be redeemed; or (b) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of such Series 2026D Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Series 2026D Bonds are to be redeemed, discounted to the date on which such Series 2026D Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate plus ___ basis points; plus, in each case, accrued interest to the redemption date.

"Treasury Rate" shall mean, with respect to any redemption date for a particular Series 2026D Bond, the yield to maturity as of such redemption or tender date of United States Treasury securities with a constant maturity (as compiled and published in the Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two (2) Business Days, but not more than sixty (60) 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 Series 2026D Bond to be redeemed.

(2) **Par Optional Redemption**. Series 2026D Bonds maturing on _____ or thereafter may be redeemed in whole or in part at the option of the Issuer on or after _____ 1, _____ at the applicable redemption price (expressed as a percentage of principal amount redeemed) set forth in the table below plus accrued interest to the redemption date:

Redemption Date	**Redemption Price**
_____, ____ through _____, ____	___%
_____, ____ through _____, ____	___%
_____, ____ through _____, ____	___%
_____, ____ through _____, ____	___%
_____, ____ and thereafter	100%

SECTION 2.2 Book-Entry Only System; Payment Provisions

(a) The registration and payment of Series 2026D Bonds shall be made pursuant to the Book-Entry Only System (the "Book-Entry Only System") administered by The Depository Trust Company ("DTC") in accordance with the Letter of Representations attached to and incorporated by reference in

this Supplemental Indenture as ***Exhibit 2.2(a)*** (the "Letter of Representations") until such System is terminated pursuant to Section 2.2(c).

(b) While Series 2026D Bonds are in the Book-Entry Only System the following provisions shall apply for purposes of this Supplemental Indenture and shall supersede any contrary provisions of this Supplemental Indenture:

(1) Notwithstanding the fact that DTC may hold a single physical certificate for each stated maturity for purposes of the Book-Entry Only System, the term "Series 2026D Bond" shall mean each separate Security (as defined in the Letter of Representations) issued pursuant to the Book-Entry Only System, and the term "Holder" shall mean the person identified on the records of DTC as the owner of the related Security.

(2) The terms and limitations of this Supplemental Indenture with respect to each separate Series 2026D Bond shall be applicable to each separate Security registered under the Book-Entry Only System.

(3) All notices under this Supplemental Indenture to Holders of Series 2026D Bonds from any other Financing Participant shall be delivered by such Financing Participant to DTC for distribution by DTC in accordance with the Letter of Representations. All notices under this Supplemental Indenture to or from a Financing Participant other than a Holder of a Series 2026D Bond shall be delivered directly to the Financing Participant as provided in this Supplemental Indenture and shall not be delivered through DTC or the Book-Entry Only System.

(4) All payments of Debt Service on the Series 2026D Bonds shall be made by the Trustee to DTC and shall be made by DTC to the Participants (as such term is defined in the Letter of Representations) as provided in the Letter of Representations. All such payments shall be valid and effective fully to satisfy and discharge the Issuer's obligations with respect to such payments.

(5) The Beneficial Owners (as such term is defined in the Letter of Representations) of the Series 2026D Bonds, by their acquisition of any beneficial interest in a Series 2026D Bond or Series 2026D Bonds, and the Participants severally agree that the Issuer and the Trustee shall not have any responsibility or obligation to any Participant or any Beneficial Owner with respect to (1) the accuracy of any records maintained by DTC or any Participant; (2) the payment by DTC or any Participant of any amount due to any Beneficial Owner in respect of the principal of, purchase price of, premium (if any) and interest on the Series 2026D Bonds; (3) the delivery or timeliness of delivery by DTC or any Participant of any notice due to any Beneficial Owner which is required or permitted under the terms of this Supplemental Indenture to be given to Beneficial Owners; or (4) any consent given or other action taken by DTC or its nominee, as owner.

(c) If the Issuer and the Trustee concur that it would be in the best interests of the Holders of the Series 2026D Bonds for the Book-Entry Only System to be discontinued (in whole or in part), such Book-Entry Only System shall be discontinued (in whole or in part) in accordance with the provisions of the Letter of Representations. In addition, the Book-Entry Only System may be discontinued (in whole or in part) at any time by any Financing Participant acting alone in accordance with the Letter of Representations. In connection with any proposed transfer outside the Book-Entry Only System, the Issuer or DTC shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including any cost basis reporting obligations under Section 6045 of the Internal Revenue Code. The Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

(d) If the Book-Entry Only System is discontinued, except as otherwise provided in this Section with respect to Wire Transfer rights, payment of interest on the Series 2026D Bonds which is due on any Interest Payment Date shall be made by check or draft mailed by the Trustee to the persons entitled thereto at their addresses appearing in the Bond Register. Such payments of interest shall be deemed timely made if so mailed on the Interest Payment Date (or, if such Interest Payment Date is not a Business Day, on the Business Day next following such Interest Payment Date). Payment of the principal of (and premium, if any, on) the Series 2026D Bonds and payment of accrued interest on the Series 2026D Bonds due upon redemption on any date other than an Interest Payment Date shall be made only upon surrender thereof at the Office of the Trustee.

(e) Upon the written request of the Holder of Series 2026D Bonds in an aggregate principal amount of not less than $100,000, the Trustee will make payment of the Debt Service due on such Series 2026D Bonds by Wire Transfer, provided that:

(1) such request contains adequate instructions for the method of payment, and

(2) payment of the principal of (and redemption premium, if any, on) such Series 2026D Bonds and payment of the accrued interest on such Series 2026D Bonds due upon redemption on any date other than an Interest Payment Date shall be made only upon surrender of such Series 2026D Bonds to the Trustee.

SECTION 2.3 Execution, Authentication, Delivery and Dating

(a) The Series 2026D Bonds shall be executed on behalf of the Issuer by its Chairman under its corporate seal reproduced thereon and attested by its Secretary. The signature of any of these officers on the Series 2026D Bonds may be manual or, to the extent permitted by law, facsimile. Series 2026D Bonds bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Issuer shall bind the Issuer, notwithstanding that such individuals or any of them shall have ceased to hold such offices prior to the authentication and delivery of such Series 2026D Bonds or shall not have held such offices at the date of such Series 2026D Bonds.

(b) At any time and from time to time after the execution and delivery of this Supplemental Indenture, the Issuer may deliver Series 2026D Bonds executed by the Issuer to the Trustee for authentication and the Trustee shall authenticate and deliver such Series 2026D Bonds as in this Supplemental Indenture provided and not otherwise.

(c) No Series 2026D Bond shall be secured by, or be entitled to any lien, right or benefit under, this Supplemental Indenture or be valid or obligatory for any purpose, unless there appears on such Series 2026D Bond a certificate of authentication substantially in the form provided for herein, executed by the Trustee by manual signature, and such certificate upon any Series 2026D Bond shall be conclusive evidence, and the only evidence, that such Series 2026D Bond has been duly authenticated and delivered hereunder.

SECTION 2.4 Proceeds From Sale of Series 2026D Bonds

The proceeds from the sale of the Series 2026D Bonds to the original purchaser or purchasers thereof shall be applied as follows:

(a) The amount received as accrued interest shall be deposited in the Debt Service Fund-Series 2026D Interest Subaccount.

(b) The amount specified by an Authorized Issuer Representative shall be deposited in the Capitalized Interest Fund-Series 2026D Subaccount.

(c) The amount specified by an Authorized Issuer Representative shall be deposited in the Costs of Issuance Fund.

(d) The balance of such proceeds shall be deposited in the Acquisition Fund.

SECTION 2.5 Description of Bridge and Bayway Facilities

The Bridge and Bayway Facilities are described in Section 6.6 of the Master Indenture. The Issuer may cause changes or amendments to be made in the description of the Bridge and Bayway Facilities and may add items to, or delete items from, the list of Bridge and Bayway Facilities contained in Section 6.6 of the Master Indenture only to the extent permitted in the Master Indenture.

SECTION 2.6 Issuance of Series 2026D Bonds as Third Lien Bonds

The Series 2026D Bonds are being issued as Third Lien Bonds.

ARTICLE 3

Indenture Funds

SECTION 3.1 Debt Service Fund

The Master Indenture establishes a special trust fund which is designated the "Debt Service Fund". A deposit to the Debt Service Fund is to be made pursuant to Section 2.4. The Trustee is the depository, custodian and disbursing agent for the Debt Service Fund.

SECTION 3.2 Capitalized Interest Fund

The Master Indenture establishes a special trust fund which is designated the "Capitalized Interest Fund". A deposit to the Capitalized Interest Fund is to be made pursuant to Section 2.4. The Trustee is the depository, custodian and disbursing agent for the Capitalized Interest Fund.

SECTION 3.3 Reserve Fund

The Master Indenture establishes a special trust fund which is designated the "Reserve Fund". The Trustee is the depository, custodian and disbursing agent for the Reserve Fund. No deposit to the Reserve Fund is to be made in connection with the issuance of the Series 2026D Bonds.

SECTION 3.4 Costs of Issuance Fund

The Master Indenture establishes a special trust fund which is designated the "Costs of Issuance Fund". A deposit to the Costs of Issuance Fund is to be made pursuant to Section 2.4. The Trustee is the depository, custodian and disbursing agent for the Costs of Issuance Fund.

SECTION 3.5 Acquisition Fund

The Master Indenture establishes a special trust fund which is designated the "Acquisition Fund". A deposit to the Acquisition Fund is to be made pursuant to Section 2.4. The Trustee is the depository, custodian and disbursing agent for the Acquisition Fund.

ARTICLE 4

Representations and Covenants

SECTION 4.1 Compliance with Continuing Disclosure Agreement

The Issuer will comply with the covenants and agreements on its part contained in the Continuing Disclosure Agreement.

ARTICLE 5

Miscellaneous

SECTION 5.1 Confirmation of Master Indenture

All the terms, covenants, representations, warranties, and conditions of the Master Indenture are hereby in all things confirmed, and they shall remain in full force and effect.

SECTION 5.2 Separate Agreement

It is the intent of the Issuer and the Trustee that this Supplemental Indenture, while amending and supplementing the Master Indenture, shall also constitute a separate and distinct legal, valid, and binding agreement between the Issuer and the Trustee.

SECTION 5.3 Successors and Assigns

All covenants and agreements in this Supplemental Indenture by the Issuer shall bind its successors and assigns, whether so expressed or not.

SECTION 5.4 Benefits of Supplemental Indenture

Nothing in this Supplemental Indenture or in the Series 2026D Bonds, express or implied, shall give to any person, other than the parties hereto and their successors hereunder and the Holders of the Outstanding Series 2026D Bonds any benefit or any legal or equitable right, remedy or claim under this Supplemental Indenture.

SECTION 5.5 Rights of Underwriters to Consent to Indenture Amendments

Underwriters of any Additional Bonds issued after the issuance of the Series 2026D Bonds may, on behalf of all Holders of any Additional Bonds issued after the issuance of the Series 2026D Bonds (and without notice to or consent of any Additional Bonds issued after the issuance of the Series 2026D Bonds), consent to any amendment of the Indenture other than an amendment to the Indenture that requires the consent of all Holders of Bonds issued under the Indenture.

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this instrument to be duly executed, and, if applicable, their respective corporate seals to be hereunto affixed and attested.

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

By:_____

Title:_____

[S E A L]

Attest:

By:_____

Title:_____

COMPUTERSHARE TRUST COMPANY, N.A., as Trustee

By:_____

Title:_____

This instrument was prepared by:

Joseph (Jodie) E. Smith
Maynard Nexsen PC
1901 Sixth Avenue North, Suite 1700
Birmingham, Alabama 35203-2618
(205) 254-1000

EXHIBIT 2.1(c)

Form of Series 2026D Bonds

NOTICE: Unless this bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Alabama Toll Road, Bridge, and Tunnel Authority or its agent for registration of transfer, exchange, or payment, and any bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

Alabama Toll Road, Bridge, and Tunnel Authority

Taxable Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026D

No. _____ **$_____**

Maturity Date: _____ **Interest Rate: _____%** **CUSIP: _____**

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY, an Alabama public corporation (the "Issuer", which term includes any successor corporation under the Indenture hereinafter referred to), for value received, hereby promises to pay to

_____,

or registered assigns, the principal sum of

_____
AND NO/100 DOLLARS
($_____)

on the Maturity Date specified above and to pay interest hereon from the date hereof, or the most recent date to which interest has been paid or duly provided for, until the principal hereof shall become due and payable, at the applicable per annum rate of interest specified above. Interest shall be payable on _____ 1 and _____ 1 in each year, beginning _____ 1, ____, and shall be computed on the basis of a 360-day year with 12 months of 30 days each.

The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture hereinafter referred to, be paid to the person in whose name this bond is registered at the close of business on the Regular Record Date for such interest, which shall be the 15th day (whether or not a Business Day) of the month next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered Holder on such Regular Record Date, and shall be paid to the person in whose name this bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice of such Special Record Date being given to Holders of the Series 2026D Bonds not less than 10 days prior to such Special Record Date.

Interest shall be payable on overdue principal (and premium, if any) on this bond and (to the extent legally enforceable) on any overdue installment of interest on this bond at the rate borne by this bond.

Payment of Debt Service on this bond shall be made by the applicable method specified in the Indenture. All such payments shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

This bond is one of a duly authorized issue of bonds of the Issuer, aggregating [Amount] in principal amount, designated "Taxable Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026D" (the "Series 2026D Bonds") and issued under and pursuant to (a) a Trust Indenture dated as of September 1, 2026 (as previously amended and supplemented, the "Master Indenture"), between the Issuer and Computershare Trust Company, N.A., a national banking association (the "Trustee", which term includes any successor trustee under the Indenture), and (b) a Fifth Supplemental Indenture dated September 1, 2026 (the "Supplemental Indenture", together with the Master Indenture, the "Indenture") between the Issuer and the Trustee. Capitalized terms not otherwise defined herein shall have the meaning assigned in the Indenture. The Series 2026A Bonds (as defined in the Supplemental Indenture), the Series 2026B Bond (as defined in the Supplemental Indenture), the Series 2026-1 Notes (as defined in the Supplemental Indenture), the Series 2026C Bonds (as defined in the Supplemental Indenture), the Series 2026D Bonds, and any additional bonds issued pursuant to Article 7 of the Master Indenture are collectively referred to as the "Bonds".

The Bonds and all other payment obligations under the Indenture are limited obligations of the Issuer payable solely out of the Trust Estate.

The Series 2026D Bonds do not constitute or give rise to an Indebtedness or a pecuniary liability of, and do not constitute a charge against the general credit or taxing powers of, ALDOT or the State of Alabama.

Copies of the Bond Documents are on file at the Office of the Trustee, and reference is hereby made to such instruments for a description of the properties pledged and assigned, the nature and extent of the security, the respective rights thereunder of the Holders of the Series 2026D Bonds and the Financing Participants, and the terms upon which the Series 2026D Bonds are, and are to be, authenticated and delivered.

In the manner and with the effect provided in the Indenture, the Series 2026D Bonds will be subject to redemption prior to Maturity as follows:

[Insert redemption provisions
from Section 2.1(j)]

If less than all Series 2026D Bonds Outstanding are to be redeemed pursuant to the applicable optional redemption provisions, the principal amount of Series 2026D Bonds of each Maturity to be redeemed may be specified by the Issuer by written notice to the Trustee, or, in the absence of timely receipt by the Trustee of such notice, shall be selected by the Trustee by lot or by such other method as the Trustee shall deem fair and appropriate; provided, however, that the principal amount of Series 2026D Bonds of each Maturity to be redeemed must be in an Authorized Denomination.

If less than all Series 2026D Bonds with the same Maturity are to be redeemed, the particular Series 2026D Bonds of such Maturity to be redeemed shall be selected by the Trustee by lot or by such other method as the Trustee shall deem fair and appropriate and which may provide for the selection for redemption of portions (in Authorized Denominations) of the principal of Series 2026D Bonds of such Maturity of a denomination larger than the smallest Authorized Denomination.

Upon any partial redemption of any Series 2026D Bond the same shall, except as otherwise permitted by the Indenture, be surrendered in exchange for one or more new Series 2026D Bonds of the

same series and Maturity and in authorized form for the unredeemed portion of principal. Series 2026D Bonds (or portions thereof as aforesaid) for whose redemption and payment provision is made in accordance with the Indenture shall thereupon cease to be entitled to the lien of the Indenture and shall cease to bear interest from and after the date fixed for redemption.

Any redemption shall be made upon at least 20 days' notice in the manner and upon the terms and conditions provided in the Indenture.

If an "Indenture Default", as defined in the Indenture, shall occur, the principal of all Bonds then Outstanding may become or be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits the amendment of the Bond Documents and waivers of past defaults under such instruments and the consequences of such defaults, in certain circumstances without consent of Bondholders and in other circumstances with the consent of all Bondholders or a specified percentage of Bondholders. Any such consent or waiver by the Holder of this bond shall be conclusive and binding upon such Holder and upon all future Holders of this bond and of any bond issued in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this bond.

The Holder of this bond shall have no right to enforce the provisions of the Indenture, or to institute any action to enforce the covenants therein, or to take any action with respect to any default thereunder, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

As provided in the Indenture and subject to certain limitations therein set forth, this bond is transferable on the Bond Register maintained at the Office of the Trustee, upon surrender of this bond for transfer at such office, together with all necessary endorsements for transfer, and thereupon one or more new Series 2026D Bonds of the same series and Maturity, of any Authorized Denominations and for a like aggregate principal amount, will be issued to the designated transferee or transferees.

As provided in the Indenture and subject to certain limitations therein set forth, the Series 2026D Bonds are exchangeable for other Series 2026D Bonds of the same series and Maturity, of any Authorized Denominations and of a like aggregate principal amount, as requested by the Holder surrendering the same.

No service charge shall be made for any transfer or exchange hereinbefore referred to, but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Issuer and the Trustee may treat the person in whose name this bond is registered as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this bond is overdue, and neither the Issuer nor the Trustee shall be affected by notice to the contrary.

No covenant or agreement contained in this bond or the Indenture shall be deemed to be a covenant or agreement of any officer, agent or employee of the Issuer, and neither any member of the governing body of the Issuer nor any officer executing this bond shall be liable personally on this bond or be subject to any personal liability or accountability by reason of the issuance of this bond.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and issuance of

this bond do exist, have happened and have been performed in due time, form and manner as required by law.

Unless the certificate of authentication hereon has been executed by the Trustee by manual signature, this bond shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Issuer has caused this bond to be duly executed under its corporate seal.

Dated: [Date].

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

By:_____
Chairman

[SEAL]

Attest:

_____
Secretary

Certificate of Authentication

This is one of the Series 2026D Bonds referred to in the within-mentioned Indenture.

Date of authentication:_____

COMPUTERSHARE TRUST COMPANY, N.A.,
as Trustee

By:_____
Authorized Signatory

Assignment

For value received, _____ hereby sell(s), assign(s) and transfer(s) unto [Please insert name and taxpayer identification number] _____ this bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney to transfer this bond on the books of the within named Issuer at the office of the within named Trustee, with full power of substitution in the premises.

Dated: _____

_____
NOTE: The name signed to this assignment must correspond with the name of the payee written on the

face of the within bond in all respects, without alteration, enlargement or change whatsoever.

Signature Guaranteed:

_____
(Bank or Trust Company)

By _____
(Authorized Officer)

*Signature(s) must be guaranteed by an eligible guarantor institution which is a member of the recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP), or New York Stock Exchange Medallion Signature Program (MSP).

EXHIBIT 2.2(a)

Letter of Representations

See attached.

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APPENDIX C

Form of Lease Agreement

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AMENDED AND RESTATED LEASE AGREEMENT

Dated September 1, 2026

Between

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

and

ALABAMA DEPARTMENT OF TRANSPORTATION

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AMENDED AND RESTATED LEASE AGREEMENT

THIS AMENDED AND RESTATED LEASE AGREEMENT dated September 1, 2026 (this "Lease Agreement" or the "Lease") is entered into by **ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY**, an Alabama public corporation (the "Issuer"), and the **STATE OF ALABAMA, ACTING BY AND THROUGH THE ALABAMA DEPARTMENT OF TRANSPORTATION** ("ALDOT").

Recitals

A. The Issuer and ALDOT previously have entered into that certain Ground Lease, effective June 26, 2024 (the "Ground Lease"), pursuant to which the Issuer has leased from ALDOT certain right of way for Interstate 10, as described more particularly therein ("Project Right of Way" or "Project ROW").

B. The Issuer and ALDOT also previously have entered into that certain Lease Agreement, effective June 26, 2024 (the "Original Issuer/ALDOT Lease"), pursuant to which ALDOT has leased from the Issuer the Issuer's interest in the Project ROW in order to facilitate ALDOT acting on the Issuer's behalf for the administration and management of the planning, construction, operation, and maintenance of the Bridge and Bayway Facilities.

C. The Issuer and ALDOT are entering into this Lease Agreement in connection with the issuance by the Issuer of (1) its [Amount] aggregate principal amount of First Lien Toll Revenue Bonds, Series 2026A (the "Series 2026A Bonds") pursuant to a Trust Indenture dated September 1, 2026 (the "Master Indenture") between the Issuer and Computershare Trust Company, N.A., a national banking association (the "Trustee"), and a First Supplemental Indenture dated September 1, 2026 (the "First Supplemental Indenture") between the Issuer and the Trustee, (2) its [Amount] aggregate principal amount of Second Lien Toll Revenue Bond, Series 2026B (the "Series 2026B Bond") pursuant to the Master Indenture and a Second Supplemental Indenture dated September 1, 2026 (the "Second Supplemental Indenture") between the Issuer and the Trustee, (3) its [Amount] aggregate principal amount of Second Lien Toll Revenue Bond Anticipation Notes, Series 2026-1 (the "Series 2026-1 Notes") pursuant to the Master Indenture and a Fourth Supplemental Indenture dated September 1, 2026 (the "Fourth Supplemental Indenture") between the Issuer and the Trustee, (4) its [Amount] aggregate principal amount of Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026C (the "Series 2026C Bonds") pursuant to the Master Indenture and a Third Supplemental Indenture dated September 1, 2026 (the "Third Supplemental Indenture") between the Issuer and the Trustee, and (5) its [Amount] aggregate principal amount of Taxable Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026D (the "Series 2026D Bonds", together with the Series 2026A Bonds, the Series 2026B Bond, the Series 2026-1 Notes, and the Series 2026C Bonds, the "Series 2026 Bonds") pursuant to the Master Indenture and a Fifth Supplemental Indenture dated September 1, 2026 (the "Fifth Supplemental Indenture", together with the Master Indenture, the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, and the Fourth Supplemental Indenture, the "Indenture") between the Issuer and the Trustee.

D. The purpose of this Lease Agreement and of related financing documents is described in the recitals to the Master Indenture, the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, and the Fifth Supplemental Indenture.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto covenant, agree and bind themselves as follows:

ARTICLE 1

Definitions and Other Provisions of General Application

SECTION 1.1 Definitions

For all purposes of this Lease Agreement, except as otherwise expressly provided or unless the context otherwise requires, capitalized terms not otherwise defined herein shall have the meaning assigned in the Indenture.

SECTION 1.2 General Rules of Construction

For all purposes of this Lease Agreement, except as otherwise expressly provided or unless the context otherwise requires:

(a) Defined terms in the singular shall include the plural as well as the singular, and vice versa.

(b) The definitions in the recitals to this instrument are for convenience only and shall not affect the construction of this instrument.

(c) All accounting terms not otherwise defined herein have the meanings assigned to them, and all computations herein provided for shall be made, in accordance with generally accepted accounting principles. All references herein to "generally accepted accounting principles" refer to such principles as they exist at the date of application thereof.

(d) All references in this instrument to designated "Articles", "Sections" and other subdivisions are to the designated Articles, Sections and subdivisions of this instrument as originally executed.

(e) The terms "herein", "hereof" and "hereunder" and other words of similar import refer to this Lease Agreement as a whole and not to any particular Article, Section or other subdivision.

(f) All references in this instrument to a separate instrument are to such separate instrument as the same may be amended or supplemented from time to time pursuant to the applicable provisions thereof.

(g) The term "person" shall include any individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization and any government or any department, agency or political subdivision thereof.

(h) The term "including" means "including without limitation" and "including, but not limited to".

SECTION 1.3 Effect of Headings and Table of Contents

The Article and Section headings herein and in the Table of Contents are for convenience only and shall not affect the construction hereof.

SECTION 1.4 Date of Lease Agreement

The date of this Lease Agreement is intended as and for a date for the convenient identification of this Lease Agreement and is not intended to indicate that this Lease Agreement was executed and delivered on said date.

SECTION 1.5 Separability Clause

If any provision in this Lease Agreement shall be held invalid, illegal or unenforceable, by any court of competent jurisdiction, the validity of such provision shall be deemed and construed to be severable from the remaining provisions of this Lease Agreement, with the intended result that the validity, legality and enforceability of the remaining provisions of this Lease Agreement shall not in any way be affected or impaired thereby.

SECTION 1.6 Governing Law

This Lease Agreement shall be construed in accordance with and governed by the laws of the State of Alabama.

SECTION 1.7 Counterparts

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed an original, but all such counterparts shall together constitute but one and the same instrument.

SECTION 1.8 Amendment and Restatement of Prior Lease Agreement

This Lease Agreement amends and restates the Original Issuer/ALDOT Lease. This Lease Agreement is not a new obligation and shall not constitute a novation of the Original Issuer/ALDOT Lease, which is being herewith modified to incorporate therein the terms hereof but which otherwise shall remain in full force and effect and unchanged.

SECTION 1.9 Entire Agreement

This Lease Agreement contains the entire agreement among the parties with respect to the subject matter hereof and supersedes all prior oral or written agreements, including commitments or understandings with respect to such matters.

SECTION 1.10 Inconsistency with TIFIA Loan Agreement(s)

While there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), in the event of any inconsistency between the provisions of the TIFIA Loan Agreement(s) and the provisions hereof, the TIFIA Loan Agreement(s) will prevail.

ARTICLE 2

Demising Clause

For and in consideration of the performance and observance by ALDOT of the agreements and covenants of this Lease Agreement to be performed and observed by ALDOT, the Issuer does hereby lease and demise to ALDOT, and ALDOT does hereby lease, take and hire from the Issuer the following property constituting the Bridge and Bayway Facilities subject to this Lease Agreement:

I.

Real Property

The real property and interests therein described in ***Exhibit A*** attached hereto (including all right, title, and interest of the Issuer in and to the Ground Lease), together with all easements, permits, licenses, rights-of-way, contracts, leases, tenements, hereditaments, appurtenances, rights, privileges and immunities pertaining or applicable to said real property and interests therein.

II.

Roadways, Buildings, Structures, and Other Improvements

All roadways, buildings, structures, and other improvements now or hereafter located on such real property, including the roadways, buildings, structures, and other improvements to be constructed, altered or improved as part of the Bridge and Bayway Facilities financed by the Series 2026 Bonds or by Capital Improvement Payments.

III.

Personal Property and Fixtures

The following personal property and fixtures: (i) all personal property and fixtures to be acquired and installed on such real property as part of the Bridge and Bayway Facilities financed in whole or in part by the Series 2026 Bonds or by Capital Improvement Payments, including the personal property and fixtures described in ***Exhibit A*** to this Lease Agreement, (ii) all personal property and fixtures acquired by (or in the name of) the Issuer and installed on such real property as a substitute or replacement for personal property or fixtures transferred or otherwise disposed of pursuant to the terms of this Lease Agreement, and (iii) all personal property and fixtures acquired by (or in the name of) the Issuer and installed on such real property with the proceeds of any insurance or condemnation award pursuant to the terms of this Lease Agreement.

SUBJECT, HOWEVER, to those liens that are permitted under the terms of (a) the TIFIA Loan Agreement(s) while there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s) and (b) the Indenture; the Ground Lease; this Lease Agreement; the TIFIA Loan Agreement(s); that certain Lease Agreement dated April 23, 2024, between ALDOT and the City of Mobile, with respect to the use of a mooring bollard and associated access thereto, as amended and supplemented from time to time; that certain Agreement dated September 6, 1977, between ALDOT and the City of Mobile, with respect the joint use of certain parts of the right of way near Mobile Government Plaza, as amended and supplemented from time to time; and that certain Lease Agreement dated March 1, 2026, between ALDOT and Austal USA, with respect to certain parking, ingress and egress rights on a portion of the right of way, as amended and supplemented from time to time ("Permitted Liens").

ARTICLE 3

Acquisition of the Bridge and Bayway Facilities

SECTION 3.1 Agreement to Acquire

(a) The real property that constitutes part of the Bridge and Bayway Facilities and that has been acquired by the Issuer pursuant to the Ground Lease is described in ***Exhibit A*** to this Lease Agreement.

(b) Pursuant to the instructions of ALDOT, the Issuer shall use proceeds of the Series 2026 Bonds and Capital Improvement Payments to construct roadways, buildings, structures, and other improvements on such real property that comprise the Bridge and Bayway Facilities, as further described in ***Exhibit A*** to this Lease Agreement.

(c) ALDOT shall be responsible for (i) the administration and management of the planning, design, construction, and operation of the Bridge and Bayway Facilities, (ii) the preparation of contracts and purchase orders for the Bridge and Bayway Facilities, and (iii) the supervision of the work on the Bridge and Bayway Facilities. The acquisition and construction of the Bridge and Bayway Facilities shall be in accordance with all applicable zoning, planning and building restrictions, if any, and, in accordance with the Design-Build Agreement, standards of the American Association of State Highway and Transportation Officials (AASHTO), and ALDOT shall obtain all governmental permits, licenses, certificates, authorizations and approvals necessary therefor and for the operation of the Bridge and Bayway Facilities, unless the Issuer has contracted for another party to obtain such governmental permits, licenses, certificates, authorizations and approvals.

(d) Subject to the other provisions set forth in this Lease Agreement, the Issuer shall, at the request of ALDOT, enter into, assume or accept, as the case may be, the assignment of such contracts and purchase orders for the Bridge and Bayway Facilities as ALDOT shall request in writing. The obligations of the Issuer under all such contracts and purchase orders (whether entered into directly by the Issuer or by ALDOT as agent of the Issuer) shall be limited as provided in Section 10.1 hereof, and the Issuer's limited liability thereunder shall be plainly and conspicuously stated thereon.

(e) The Issuer has appointed ALDOT as its agent for the planning, acquisition, design, construction, and operation of the Bridge and Bayway Facilities and does hereby confirm such appointment. In addition, the Issuer and ALDOT acknowledge and agree that Section 23-2-144(b) of the Code of Alabama (1975) designates ALDOT as "primarily responsible for administration and management of the planning, construction, and operation" of the Bridge and Bayway Facilities and grants to ALDOT rights, powers, duties, and responsibilities as set forth in Section 23-2-144(b) of the Code of Alabama (1975). At the request of ALDOT, the Issuer shall execute such instruments, directions, certifications, notices, and other documents as shall be necessary or appropriate to confirm ALDOT's status as agent of the Issuer with respect to the acquisition, construction, and operation of the Bridge and Bayway Facilities.

(f) The Issuer will use best efforts to cooperate with ALDOT in the acquisition and construction of the Bridge and Bayway Facilities in order that the Bridge and Bayway Facilities may be completed and placed in service as soon as practicable and in accordance with the requirements of the Bond Documents.

(g) ALDOT may cause changes or amendments to be made in the plans and specifications for the Bridge and Bayway Facilities, provided (1) such changes or amendments will not change the

nature of the Bridge and Bayway Facilities to the extent that they would not qualify for financing under the Enabling Law, (2) such changes or amendments will not cause interest on the Bonds to become Taxable, (3) such changes or amendments are made in accordance with the requirements of the Bond Documents and (4) the cost of such amendments, including indirect costs due to schedule impacts, shall be borne by ALDOT.

SECTION 3.2 No Warranty

ALDOT recognizes that since the plans, specifications and directions for acquiring and constructing the Bridge and Bayway Facilities have been, or will be, furnished by it, the Issuer makes no warranty, either express or implied, with respect to the Bridge and Bayway Facilities and does not offer any assurances that the Bridge and Bayway Facilities will be suitable for ALDOT's purposes or needs or that the proceeds derived from the sale of the Series 2026 Bonds will be sufficient to pay in full all Acquisition Costs and Costs of Issuance.

SECTION 3.3 Remedies Against Contractors, etc.

If any vendor, contractor or subcontractor shall default under any contract or purchase order in connection with the acquisition, construction or operation of the Bridge and Bayway Facilities, the Issuer and ALDOT shall cooperate in good faith with each other in the pursuit of any remedies against any such vendor, contractor or subcontractor that may be available under the circumstances, and ALDOT shall have the right to pursue such remedies as the Issuer's agent.

SECTION 3.4 Completion of the Bridge and Bayway Facilities

(a) The substantial completion of the Bridge and Bayway Facilities shall be evidenced, for purposes of this Lease Agreement and the Indenture, by a certificate signed by an Authorized Issuer Representative stating that

(1) the acquisition and construction of the Bridge and Bayway Facilities have been substantially completed in accordance with the plans and specifications therefor (including any changes or amendments to such plans and specifications pursuant to Section 3.1), and

(2) the Bridge and Bayway Facilities are available for commencement of toll operations

(b) After the delivery of the aforesaid certificate to the Trustee, any money then remaining in the Acquisition Fund shall be applied as provided in the Indenture.

ARTICLE 4

Lease Term, Lease Payments, and Other Payments

SECTION 4.1 Lease Term

The term of this Lease Agreement shall begin on the date of the delivery of this Lease Agreement and shall continue until midnight of September 30, 2111.

SECTION 4.2 Basic Lease Payments

(a) Prior to 12:00 noon on each December 5 and June 5, beginning _____ 5, 20___, ALDOT shall make payments ("Basic Lease Payments") to the Trustee, for the account of the Issuer, in an amount equal to the Debt Service on the Series 2026C Bonds, the Series 2026D Bonds, and any Additional Bonds issued as Third Lien Bonds that by their terms are enhanced with Basic Lease Payments made pursuant to this Lease Agreement (but not the Series 2026A Bonds, the Series 2026B Bond, or the Series 2026-1 Notes) due on such Bond Payment Date.

(b) ALDOT shall receive a credit against the Basic Lease Payments as follows:

(1) Investment income remaining in the Debt Service Fund-Series 2026C Interest Subaccount, the Debt Service Fund-Series 2026C Principal Subaccount, the Debt Service Fund-Series 2026D Interest Subaccount, and the Debt Service Fund-Series 2026D Principal Subaccount shall be credited against Basic Lease Payments as directed by ALDOT.

(2) Any other money held by the Trustee and available under the terms of the Indenture and this Lease Agreement for the payment of Debt Service on the Series 2026C Bonds and the Series 2026D Bonds and any Additional Bonds issued as Third Lien Bonds (including money held by the Trustee in the Capitalized Interest Fund-Series 2026C Subaccount, the Capitalized Interest Fund-Series 2026D Subaccount, the Debt Service Fund-Series 2026C Interest Subaccount, the Debt Service Fund-Series 2026D Interest Subaccount, the Debt Service Fund-Series 2026C Principal Subaccount, the Debt Service Fund-Series 2026D Principal Subaccount, the Rate Stabilization Fund, the ALDOT Rebate Fund, and the Surplus Fund, but excluding the Reserve Fund-Series 2026C Subaccount and the Reserve Fund-Series 2026D Subaccount) shall be credited against Basic Lease Payments as directed by ALDOT. Such directions must be consistent with any mandatory provision of the Indenture and this Lease Agreement with respect to the required use of such money.

(c) All Basic Lease Payments shall be made in funds immediately available at the Office of the Trustee on the due date of such Payments.

(d) ALDOT acknowledges that Basic Lease Payments required by this Section have been calculated to provide amounts which will be sufficient to pay Debt Service on the Series 2026C Bonds and the Series 2026D Bonds and any Additional Bonds issued as Third Lien Bonds as the same mature and come due. If on any Bond Payment Date the amount on deposit in the Debt Service Fund is not sufficient to pay Debt Service on the Series 2026C Bonds and the Series 2026D Bonds due and payable on such Date, ALDOT shall immediately deposit the amount of such deficiency in the Debt Service Fund.

(e) As described more particularly in Section 8.1(f) of the Master Indenture, under certain circumstances, the Trustee is required to refund Basic Lease Payments to ALDOT.

SECTION 4.3 Additional Lease Payments

(a) ALDOT shall make additional payments ("Additional Lease Payments") as follows:

(1) Within 60 days after receipt by ALDOT of an invoice therefor, ALDOT shall pay to the Trustee (1) the acceptance fee of the Trustee, (2) the normal fees, charges and expenses of the Trustee, and (3) any amount to which the Trustee may be entitled under Section 12.7 of the Master Indenture.

(2) Within 60 days after receipt by ALDOT of an invoice therefor, ALDOT shall pay to the Issuer the reasonable expenses of the Issuer (1) incurred at the request of ALDOT, (2) incurred in the performance of the Issuer's duties under any of the Bond Documents, (3) incurred in connection with any litigation which may at any time be instituted involving the Bridge and Bayway Facilities or the Bond Documents, or (4) incurred in the pursuit of any remedies under the Bond Documents.

(b) ALDOT shall receive a credit against the Additional Lease Payments as follows:

(1) Investment income remaining in the Administrative Expense Fund shall be credited against Additional Lease Payments as directed by ALDOT.

(2) Any other money held by the Trustee in the Administrative Expense Fund shall be credited against Additional Lease Payments as directed by ALDOT. Such directions must be consistent with any mandatory provision of the Indenture and this Lease Agreement with respect to the required use of such money.

SECTION 4.4 Capital Improvement Payments

(a) In connection with issuance of the Series 2026 Bonds and on subsequent dates, ALDOT shall make, or cause to be made, lease payments to the Issuer, representing a portion of the costs of the Bridge and Bayway Facilities (the "Capital Improvement Payment").

(b) ALDOT either (i) shall make Capital Improvement Payments to the Issuer so that the Issuer can make payments to vendors for Acquisition Costs or (ii) shall make Capital Improvement Payments directly to vendors for Acquisition Costs.

(c) Any portion of the Capital Improvement Payment that is not needed to complete the Bridge and Bayway Facilities shall be refunded to ALDOT pursuant to the Indenture.

SECTION 4.5 Discretionary Contributions

(a) In connection with issuance of the Series 2026 Bonds and on subsequent dates, ALDOT, in its sole and absolute discretion, may make, or cause to be made, contributions (the "Discretionary Contributions", and together with the Basic Lease Payments, the Additional Lease Payments, the Capital Improvement Payments, and all other payments by ALDOT pursuant to this Lease Agreement, the "Lease Payments") to the Trustee, for the account of the Issuer.

(b) At the election of ALDOT, Discretionary Contributions shall be deposited by the Trustee into any Indenture Fund.

(c) All Discretionary Contributions shall be made in funds immediately available at the Office of the Trustee on the contribution date of such Discretionary Contributions.

SECTION 4.6 Source of Payment

All Lease Payments and other payment obligations of ALDOT under this Lease Agreement are limited obligations of ALDOT payable solely out of the MRB Designated Revenues or, in the case of Capital Improvement Payments or Discretionary Contributions, out of bond proceeds, grants, and other monies available to ALDOT for the Bridge and Bayway Facilities.

SECTION 4.7 ALDOT Rebate Payments

On each January 30 and July 30, beginning on the first January 30 or July 30 to occur after the first Calculation Date, upon direction from an Authorized Issuer Representative and an Authorized ALDOT Representative, the Issuer shall remit, or cause to be remitted, to ALDOT all Project Revenues deposited into the ALDOT Rebate Fund or the Surplus Fund (which deposits shall be in accordance with the terms of the Bond Documents) (the "ALDOT Rebates") until the ALDOT Rebates equal the ALDOT Equalization Amount. The ALDOT Equalization Amount shall be determined by the Issuer and ALDOT on each January 15 and July 15 and shall be provided to the other Financing Participants and to the TIFIA Lender on each such date. The ALDOT Equalization Amount determined by the Issuer and ALDOT shall be conclusive and binding on the Financing Participants and the TIFIA Lender.

SECTION 4.8 Overdue Payments

Any overdue Basic Lease Payment shall bear interest from the related Bond Payment Date until paid at the Default Rate for overdue Debt Service payments (or such other rate as mutually determined and agreed to between the Issuer and ALDOT). Any overdue Additional Lease Payment or Capital Improvement Payment shall bear interest from the date due until paid at the Default Rate for such Additional Lease Payments or Capital Improvement Payments that are due on a specific date as set forth in the Indenture, if any.

SECTION 4.9 Unconditional Obligation of ALDOT

ALDOT's obligation to make the payments required by this Lease Agreement and to perform and observe the other agreements and covenants on its part herein contained shall be absolute and unconditional, irrespective of any rights of set-off, recoupment or counterclaim it might otherwise have against the Issuer or any other person or entity, except for reductions to such amounts as permitted in this Lease Agreement. ALDOT will not suspend or discontinue any such Lease Payment or fail to perform and observe any of its other agreements and covenants contained herein or terminate this Lease Agreement for any cause whatsoever, including, without limiting the generality of the foregoing, (a) failure to complete the Bridge and Bayway Facilities, (b) any acts or circumstances that may constitute an eviction or constructive eviction, (c) failure of consideration or commercial frustration of purpose, (d) the lack of validity or enforceability of any provision of this Lease Agreement or any other Bond Document, (e) any damage to or destruction of the Bridge and Bayway Facilities or any part thereof, (f) the taking by eminent domain of title to, or the use of, all or any part of the Bridge and Bayway Facilities, (g) any change in the laws or regulations of the United States of America, the State of Alabama or any other governmental authority, (h) failure of any contractor to perform its obligations under any agreements entered into with respect to the acquisition or construction of the Bridge and Bayway Facilities, (i) any change in the time, manner or place of payment of, or in any other term of, all or any of the Bond Documents, or any other amendment or waiver of or any consent to departure from any of the terms of any Bond Document, (j) any change, restructuring or termination of the corporate structure or existence of the Issuer, or (k) any other setoff, defense or counterclaim whatsoever (in any case, whether based on contract, tort or any other theory) with respect to obligation of ALDOT hereunder which might constitute a legal or equitable defense available to, or discharge of, ALDOT with respect thereto.

SECTION 4.10Not a Debt of the State

Under no circumstances shall the commitments under this Lease Agreement constitute a debt of the State of Alabama as prohibited by Section 213 of the Constitution of Alabama 2022.

ARTICLE 5

Concerning the Series 2026 Bonds, the Indenture and the Trustee

SECTION 5.1 Assignment of Lease Agreement and Lease Payments by Issuer

(a) Simultaneously with the delivery of this Lease Agreement, the Issuer shall, pursuant to the Indenture, assign and pledge to the Trustee, for the benefit of the Holders, all right, title and interest of the Issuer in and to the Lease Payments and the Lease Agreement; provided, however, that (1) the Issuer shall retain the right to payments under Section 4.3(a)(2) of this Lease Agreement; (2) the Issuer shall retain the right to receive notices and other communications to be sent to it under the Lease Agreement; and (3) nothing contained in this Lease Agreement shall impair, diminish or otherwise affect the Issuer's obligations under this Lease Agreement or impose any of such obligations on the Trustee. ALDOT hereby consents to such assignment and pledge.

(b) Until all Indenture Indebtedness has been Fully Paid, if an Indenture Default (including a Lease Default) shall occur and be continuing, the Trustee (acting at the direction of a majority in principal amount of the Outstanding Highest Priority Obligations) may exercise all rights and remedies herein accorded to the Issuer, and any references herein to the Issuer shall be deemed, with the necessary changes in detail, to include the Trustee; provided, however, that the Issuer shall retain the rights to reimbursement of expenses granted to it by this Lease Agreement.

SECTION 5.2 Redemption of Series 2026 Bonds

The Issuer may cause the Trustee to redeem any or all of the Series 2026 Bonds in accordance with the redemption provisions of the Series 2026 Bonds without any direction from or consent by ALDOT.

SECTION 5.3 Amendment and Supplement of Bond Documents

The Issuer will not cause or permit the amendment of, or supplement to, the Bond Documents without the prior written consent of ALDOT.

SECTION 5.4 The Indenture Funds

(a) The Issuer shall cause any money held as part of an Indenture Fund to be invested or reinvested by the Trustee in accordance with the terms of the Indenture and the other Bond Documents, and, to the extent required by applicable law, the Trustee shall consult the State Treasurer with respect to such investment or reinvestment prior to effectuation thereof.

(b) The Issuer shall be solely responsible for (1) determining that any such investment of Indenture Funds under the Indenture complies with the arbitrage limitations imposed by Section 148 of the Internal Revenue Code, and (2) calculating the amount of, and making payment of, any rebate due to the United States under Section 148(f) of the Internal Revenue Code.

(c) As security for the performance by ALDOT of the covenants hereunder, ALDOT hereby assigns and pledges to the Issuer, and grants to the Issuer a security interest in, all right, title and interest of ALDOT in the ALDOT Rebates and other amounts (whether on deposit in an Indenture Fund or otherwise) that are available to it for reimbursement for payments made by it hereunder, subject to the provisions of this Lease Agreement and the Indenture permitting the application thereof for the purposes

and on the terms and conditions set forth herein and in the Indenture. ALDOT acknowledges that the rights of the Issuer created by this Section shall be assigned by the Issuer to the Trustee pursuant to the Indenture.

SECTION 5.5 Effect of Full Payment of Indenture Indebtedness

(a) After the Indenture Indebtedness is Fully Paid, all references in this Lease Agreement to the Series 2026 Bonds, the Indenture and the Trustee shall be ineffective and neither the Trustee nor the Holders of the Series 2026 Bonds shall thereafter have any rights hereunder, except those rights that shall have theretofore vested.

(b) After all Indenture Indebtedness is Fully Paid, any money or investments remaining in the Indenture Funds shall be delivered as provided in the Indenture.

(c) If all Indenture Indebtedness is Fully Paid prior to the expiration of the term of this Lease Agreement, ALDOT shall be entitled to the use and occupancy of the Bridge and Bayway Facilities until the expiration of the term of this Lease Agreement without the payment of any further Basic Lease Payments, but otherwise subject to all the terms and conditions hereof, except that ALDOT shall no longer be required to perform and observe the agreements and covenants of this Lease Agreement that are for the sole benefit of the Trustee or the Holders of the Series 2026 Bonds.

ARTICLE 6

The Bridge and Bayway Facilities

SECTION 6.1 Possession and Use of Bridge and Bayway Facilities

So long as no Lease Default exists, ALDOT shall be permitted to possess, use, manage, operate and enjoy the Bridge and Bayway Facilities without hindrance on the part of the Issuer, subject, however, to all the terms and conditions of this Lease Agreement.

SECTION 6.2 Maintenance and Other Operating Expenses; Prioritization of Payments

(a) Upon completion of the Bridge and Bayway Facilities in accordance with the Design-Build Agreement, ALDOT will, at its own expense, (i) operate (or cause to be operated) the Bridge and Bayway Facilities and maintain (or cause to be maintained) the Bridge and Bayway Facilities in serviceable condition, repair and working order, (ii) make (or cause to be made) all necessary repairs, renewals, replacements and improvements to the Bridge and Bayway Facilities, and (iii) pay all gas, electric, water, sewer and other charges for the operation, use and upkeep of the Bridge and Bayway Facilities, and (iv) pay all operation and maintenance and renewal and replacement expenses (including Toll Collection Operating and Maintenance Expenses and Toll Collection Renewal and Replacement Expenses) in connection with the Bridge and Bayway Facilities.

(b) To the extent any payments by ALDOT pursuant to Section 6.2(a) constitute Toll Collection O&M Payments or Toll Collection Renewal and Replacement Payments, ALDOT shall make such payments to the Trustee, for the account of the Issuer, and the Trustee shall deposit such payments in the Toll Collection O&M Fund or the Toll Collection Renewal and Replacement Fund, as the case may be. If ALDOT makes payments to the Trustee pursuant to this Section 6.2(b), it shall be entitled to be reimbursed for such expenses out of the Toll Collection O&M Fund, the Toll Collection Operating Reserve Fund, and the Toll Collection Renewal and Replacement Fund.

(c) To the extent any payments by ALDOT pursuant to Section 4.2(a) and Section 6.2(b) are to be made to the Trustee on the same day, ALDOT and the Issuer shall cause the Trustee to apply such payments as follows:

(1) **First**: The Trustee shall deposit on a pro rata basis, (a) in the Debt Service Fund-Interest Subaccount for the Series 2026C Bonds an amount that, together with the balance already on deposit in such subaccount for such series of Bonds, will equal the sum of (i) the interest payable on such Bonds on the next Interest Payment Date and (ii) any accrued, but unpaid, interest on such Bonds and (b) in the Debt Service Fund-Interest Subaccount for the Series 2026D Bonds an amount that, together with the balance already on deposit in such subaccount for such series of Bonds, will equal the sum of (i) the interest payable on such Bonds on the next Interest Payment Date and (ii) any accrued, but unpaid, interest on such Bonds.

(2) **Second**: The Trustee shall deposit on a pro rata basis (a) in the Debt Service Fund-Principal Subaccount for the Series 2026C Bonds an amount that, together with the balance already on deposit in such subaccount for such series of Bonds, will equal the principal amount on such Bonds maturing or subject to scheduled mandatory redemption on the next Bond Payment Date and (b) in the Debt Service Fund-Principal Subaccount for the Series 2026D Bonds an amount that, together with the balance already on deposit in such subaccount for such series of Bonds, will equal the principal amount on such Bonds maturing or subject to scheduled mandatory redemption on the next Bond Payment Date.

(3) **Third**: The Trustee shall deposit in the Toll Collection O&M Fund an amount that will equal the Toll Collection O&M Payments ALDOT is obligated to pay under Section 6.2(b).

(4) **Fourth**: The Trustee shall deposit in the Toll Collection Renewal and Replacement Fund an amount that will equal the Toll Collection Renewal and Replacement Payments ALDOT is obligated to pay under Section 6.2(b).

SECTION 6.3 Taxes, Assessments, Etc.

ALDOT will pay all taxes, assessments and other governmental charges lawfully levied or assessed or imposed upon the Bridge and Bayway Facilities or any part thereof or upon any income therefrom, and also all taxes, assessments and other governmental charges lawfully levied, assessed or imposed upon the lien or interest of the Trustee or of the Bondholders in the Trust Estate; provided, however, that ALDOT shall not be required to pay and discharge any such tax, assessment or governmental charge to the extent that the amount, applicability or validity thereof shall currently be contested in good faith by appropriate proceedings.

SECTION 6.4 Improvements, Alterations, Etc.

As long as such action will not cause or result in a breach or violation of any representations, warranties, or covenants contained in any of the Bond Documents, ALDOT may, at its own expense, make additions, improvements or alterations to the roadways, buildings, structures, and other improvements constituting a part of the Bridge and Bayway Facilities. At the written request of ALDOT, the Issuer will enter into a contract for such additions, improvements, or alterations, subject, however, to the requirements of Section 10.1.

SECTION 6.5 Utility and Other Accommodations

The Issuer and ALDOT will work in good faith to grant utility and other similar easements, licenses, permits, and accommodations over, across or under the real property constituting part of the Bridge and Bayway Facilities that are necessary or convenient for the acquisition or construction of the Bridge and Bayway Facilities.

SECTION 6.6 Transfer or Encumbrance Created by Issuer

Without the prior written consent of ALDOT, the Issuer (a) will not sell, transfer or convey the Bridge and Bayway Facilities or any part thereof, except as provided in this Lease Agreement, and (b) will not create or permit any mortgage, lien, charge or encumbrance on the Bridge and Bayway Facilities or any part thereof.

SECTION 6.7 Assignment, etc. of Leasehold Interest

ALDOT may not assign its rights or delegate its obligations under this Lease Agreement or mortgage its leasehold interest in the Bridge and Bayway Facilities, or sublease the Bridge and Bayway Facilities or any part thereof, without the prior written consent of the Issuer. Notwithstanding the foregoing, ALDOT may grant third parties, including utility providers and municipalities, access to the Bridge and Bayway Facilities or any part thereof as may be necessary during the normal course of business in connection with the construction or operation of the Bridge and Bayway Facilities.

SECTION 6.8 ALDOT's Personal Property and Fixtures

ALDOT may, at its own expense, install at the Bridge and Bayway Facilities any personal property or fixtures which, in ALDOT's judgment, are necessary or desirable for the conduct of the business carried on by ALDOT at the Bridge and Bayway Facilities. Any such personal property or fixtures which are installed at ALDOT's expense and which do not constitute a part of the personal property and fixtures subject to this Lease Agreement shall be and remain the property of ALDOT and may be removed by ALDOT at any time; provided, that any damage to the Bridge and Bayway Facilities occasioned by such removal shall be repaired by ALDOT at its own expense.

SECTION 6.9 Insurance

(a) The Issuer shall not be required to maintain any insurance with respect to damage or destruction of the Bridge and Bayway Facilities.

(b) ALDOT shall maintain insurance (including self-insurance or self-insurance pools or trusts, if deemed, based on the advice of an Independent Insurance Consultant, prudent under the circumstances by ALDOT) covering such risks and in such amounts as, in its judgment but in all cases to be compliant with the requirements of all Bond Documents, is adequate to protect it and the Bridge and Bayway Facilities; provided, however, that the insurance required to be obtained by the contractor under the Design-Build Agreement is so obtained, such insurance shall be sufficient to satisfy this requirement prior to completion of the Bridge and Bayway Facilities in accordance with the Design-Build Agreement. Subject to the terms of the Design-Build Agreement, such insurance shall insure the Issuer as well as ALDOT.

(c) The insurance required to be maintained pursuant hereto shall be subject to a quinquennial review by an Independent Insurance Consultant, and ALDOT shall take into account any advice of the Independent Insurance Consultant to the extent feasible.

SECTION 6.10 Events of Loss; Loss Proceeds

(a) If an Event of Loss shall occur with respect to the Bridge and Bayway Facilities or any part thereof, each of the Issuer and ALDOT shall (i) diligently pursue all of its rights to compensation against all relevant insurers, reinsurers and Governmental Authorities, as applicable, in respect of such event and (ii) pay or apply all Loss Proceeds stemming from such event in accordance with Section 10(b) of the TIFIA Loan Agreement(s) and Section 8.17 of the Master Indenture.

(b) Each of the Issuer and ALDOT shall apply all Loss Proceeds as provided in the Indenture or the TIFIA Loan Agreement(s), as the case may be. Each of the Issuer and ALDOT shall cause the relevant insurers, reinsurers and Governmental Authorities, as applicable, to pay all Loss Proceeds directly to the Trustee as loss payee and, if paid to the Issuer or ALDOT, shall be received in trust and for the benefit of the Trustee segregated from other funds of the Issuer or ALDOT, as the case may be, and shall be paid over to the Trustee in the same form as received (with any necessary endorsement).

(c) At the request of ALDOT, the Issuer will enter into contracts or purchase orders for the repair or replacement of the Bridge and Bayway Facilities. Any property acquired by the Issuer in connection with such repair or replacement shall become a part of the Bridge and Bayway Facilities subject to this Lease Agreement.

(d) The Issuer shall cooperate in good faith with ALDOT in the conduct of any condemnation proceeding with respect to the Bridge and Bayway Facilities and will, to the extent it may lawfully do so, permit ALDOT to appear in such proceeding in the name and on behalf of the Issuer. The Issuer will not settle, or consent to the settlement of, any condemnation proceeding without the prior written consent of ALDOT.

SECTION 6.11 Acknowledgments and Covenants with Respect to Ground Lease

(a) The parties acknowledge that the Issuer's interest in the Bridge and Bayway Facilities exists pursuant to the Ground Lease and that the demise of the Bridge and Bayway Facilities to ALDOT pursuant to this Lease Agreement constitutes a sublease of said real property and interests, which sublease is specifically acknowledged by the terms of the Ground Lease. The parties further acknowledge that the Bridge and Bayway Facilities have been constructed on the real estate described in the Ground Lease.

(b) During the term of this Lease Agreement, each of the Issuer and ALDOT covenants and agrees that it will, subject to the provisions of Section 10.1 of this Lease Agreement, duly and properly comply with the covenants and obligations imposed on it by the Ground Lease and will undertake no action that will, either with the passage of time or the giving of notice or otherwise, constitute an event of default thereunder. All actions under or with respect to the Ground Lease by the Issuer shall be taken by the Issuer only with the consent of ALDOT, and the Issuer will further take all such other affirmative actions with respect to the Ground Lease as are reasonably requested by ALDOT from time to time.

ARTICLE 7

Representations and Covenants

SECTION 7.1 General Representations

(a) ALDOT makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(i) It is a department of the State of Alabama.

(ii) It has the power to consummate the transactions contemplated by the Bond Documents to which it is a party.

(iii) By proper action it has duly authorized the execution and delivery of the Bond Documents to which it is a party and the consummation of the transactions contemplated therein, and it has duly executed and delivered such documents.

(iv) It has obtained all consents, approvals, authorizations and orders of governmental authorities that are required to be obtained by it as a condition to the execution and delivery of the Bond Documents to which it is a party.

(v) The execution and delivery by it of the Bond Documents to which it is a party and the consummation by it of the transactions contemplated therein will not (1) conflict with, be in violation of, or constitute (upon notice or lapse of time or both) a default under any agreement, instrument, order or judgment to which it is a party or is subject, or (2) result in or require the creation or imposition of any lien of any nature upon or with respect to any of its properties now owned or hereafter acquired, except as contemplated by the Bond Documents.

(vi) The Bond Documents to which it is a party constitute legal, valid and binding obligations and are enforceable against it in accordance with the terms of such instruments, except as enforcement thereof may be limited by (1) bankruptcy, insolvency, or other similar laws affecting the enforcement of creditors' rights, (2) applicable principles of sovereign immunity, and (3) general principles of equity, including the exercise of judicial discretion in appropriate cases.

(b) The Issuer makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(i) It is an entity that is authorized to collect tolls and revenues on State toll roads, bridges, and tunnels and is established in the Enabling Law.

(ii) It has the power to consummate the transactions contemplated by the Bond Documents to which it is a party.

(iii) By proper action it has duly authorized the execution and delivery of the Bond Documents to which it is a party and the consummation of the transactions contemplated therein, and it has duly executed and delivered such documents.

(iv) It has obtained all consents, approvals, authorizations and orders of governmental authorities that are required to be obtained by it as a condition to the execution and delivery of the Bond Documents to which it is a party.

(v) The execution and delivery by it of the Bond Documents to which it is a party and the consummation by it of the transactions contemplated therein will not (1) conflict with, be in violation of, or constitute (upon notice or lapse of time or both) a default under any agreement, instrument, order or judgment to which it is a party or is subject, or (2) result in or require the creation or imposition of any lien of any nature upon or with respect to any of its properties now owned or hereafter acquired, except as contemplated by the Bond Documents.

(vi) The Bond Documents to which it is a party constitute legal, valid and binding obligations and are enforceable against it in accordance with the terms of such instruments, except as enforcement thereof may be limited by (1) bankruptcy, insolvency, or other similar laws affecting the enforcement of creditors' rights, (2) applicable principles of sovereign immunity, and (3) general principles of equity, including the exercise of judicial discretion in appropriate cases.

SECTION 7.2 Eligibility of Bridge and Bayway Facilities for Financing

(a) The Issuer represents and warrants that the Bridge and Bayway Facilities are eligible for acquisition and construction by the Issuer and financing by the Issuer under the Enabling Law.

(b) So long as this Lease Agreement is in effect, neither the Issuer nor ALDOT will make any use of the Bridge and Bayway Facilities that is prohibited by the terms of the Enabling Law.

SECTION 7.3 Existence, Etc.

Each of the Issuer and ALDOT will do or cause to be done all things necessary to preserve and keep in full force and effect its existence, rights and franchises.

SECTION 7.4 Inspection of Records

ALDOT will at any and all times during normal business hours with reasonable advance notice, upon the reasonable written request of the Issuer or the Trustee and subject to applicable law, permit the Issuer or the Trustee by their representatives to inspect the Bridge and Bayway Facilities and any books, records, reports and other papers of ALDOT relating to the Bridge and Bayway Facilities; provided, however, that any such inspection shall be at the Issuer's or Trustee's sole expense unless there has occurred and is continuing a Lease Default.

SECTION 7.5 Advances by Issuer or Trustee

If ALDOT shall fail to perform any of its covenants in this Lease Agreement and such failure continues for 60 days after notice thereof has been delivered to ALDOT, the Issuer or the Trustee may, at any time and from time to time, after written notice to ALDOT, make advances to effect performance of any such covenant on behalf of ALDOT. Any money so advanced by the Issuer or the Trustee, together with interest at the Default Rate, shall be repaid upon demand.

SECTION 7.6 Compliance with Tax Certificate and Agreement

The Issuer and ALDOT will comply with the covenants and agreements on their part contained in the Tax Certificate and Agreement.

SECTION 7.7 Compliance with Continuing Disclosure Agreement

The Issuer and ALDOT will comply with their respective covenants and agreements contained in the Continuing Disclosure Agreement.

ARTICLE 8

Lease Default; Remedies

SECTION 8.1 Events of Default

Any one or more of the following shall constitute an event of default (a "Lease Default") under this Lease Agreement (whatever the reason for such event and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(a) default in the payment of any Basic Lease Payment when such Basic Lease Payment becomes due and payable, unless such payment is made on or prior to the related Bond Payment Date; or

(b) default in the payment of any Capital Improvement Payment when such Capital Improvement Payment becomes due and payable and such default continues for 60 days after notice thereof has been delivered to ALDOT; or

(c) a Bankruptcy Related Event by ALDOT or the State of Alabama; or

(d) default in the performance, or breach, of ALDOT's covenants under Section 6.6, Section 6.7, or Section 9.3; or

(e) default in the performance, or breach, of ALDOT's covenants under Section 6.2, Section 6.9, or Section 6.10, and the continuance of such default or breach for a period of 30 days after there has been given, by registered or certified mail, to ALDOT by the Issuer or by the Trustee a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "notice of default" hereunder; provided, however, that if such failure is capable of cure but cannot reasonably be cured within such 30-day cure period, then no Lease Default shall be deemed to have occurred or be continuing under this Section 8.1(d), and such 30-day cure period shall be extended by up to 60 additional days, if and so long as within such 30-day cure period ALDOT shall commence actions reasonably designed to cure such failure and shall diligently pursue such actions until such failure is cured; or

(f) default in the performance, or breach, of any covenant or warranty of ALDOT in this Lease Agreement (other than a covenant or warranty, a default in the performance or breach of which is elsewhere in this Section specifically dealt with), and the continuance of such default or breach for a period of 60 days after there has been given, by registered or certified mail, to ALDOT by the Issuer or by the Trustee a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "notice of default" hereunder; provided, however, that if such failure is capable of cure but cannot reasonably be cured within such 60-day cure period, then no Lease Default shall be deemed to have occurred or be continuing under this Section 8.1(d), and such 60-day cure period shall be extended by up to 180 additional days, if and so long as within such 60-day cure period ALDOT shall commence actions reasonably designed to cure such failure and shall diligently pursue such actions until such failure is cured; or

(g) the occurrence of an event of default, as therein defined, under the Indenture, and the expiration of the applicable grace period, if any, specified therein.

The Continuing Disclosure Agreement contains the exclusive remedies for breach by ALDOT of the covenants on its part contained in such agreement, and no such breach shall constitute a Lease Default or an event of default under any other Bond Document.

SECTION 8.2 Remedies on Default

If a Lease Default occurs and is continuing, the Issuer or the Trustee (acting at the direction of a majority in principal amount of the Outstanding Highest Priority Obligations), as applicable, may exercise any of the following remedies:

(a) reenter the Bridge and Bayway Facilities, without terminating this Lease Agreement, and, upon 60 days' prior written notice to ALDOT, relet the Bridge and Bayway Facilities or any part thereof for the account of ALDOT, for such term (including a term extending beyond the term of this Lease Agreement) and at such rentals and upon such other terms and conditions, including the right to make alterations to the Bridge and Bayway Facilities or any part thereof, as the Issuer may deem advisable, and such reentry and reletting of the Bridge and Bayway Facilities shall not be construed as an election to terminate this Lease Agreement nor relieve ALDOT of its obligations to make payments required by this Lease Agreement and to perform and observe any of its other agreements and covenants under this Lease Agreement, all of which shall survive such reentry and reletting, and ALDOT shall continue to make all payments required by this Lease Agreement until the end of the term of this Lease Agreement, less the net proceeds, if any, of any reletting of the Bridge and Bayway Facilities after deducting all of the Issuer's expenses in connection with such reletting, including all repossession costs and allowable expenses of preparation for reletting;

(b) terminate this Lease Agreement, exclude ALDOT from possession of the Bridge and Bayway Facilities and, if the Issuer elects so to do, lease the same for the account of the Issuer, holding ALDOT liable for all payments due under this Lease Agreement up to the date of such termination; and

(c) take whatever legal or other proceedings may appear necessary or desirable to collect the payments under this Lease Agreement then due, whether by declaration or otherwise, or to enforce any obligation or covenant or agreement of ALDOT under this Lease Agreement or by law; provided, however, with respect to the payment of money, the Issuer's sole remedy is the filing of a claim with the Board of Adjustment for the State of Alabama.

SECTION 8.3 No Remedy Exclusive

No remedy herein conferred upon or reserved to the Issuer or the Trustee is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission 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 thereof but any such right or power may be exercised from time to time and as often as may be deemed expedient.

SECTION 8.4 No Additional Waiver Implied by One Waiver

In the event any agreement contained in this Lease Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

SECTION 8.5 Remedies Subject to Applicable Law

All rights, remedies and powers provided by this Article may be exercised only to the extent the exercise thereof does not violate any applicable provision of law in the premises, and all the provisions of this Article are intended to be subject to all applicable mandatory provisions of law which may be controlling in the premises and to be limited to the extent necessary so that they will not render this Lease Agreement invalid or unenforceable.

ARTICLE 9

Options

SECTION 9.1 Option to Terminate

If no Lease Default exists, ALDOT shall have the option to cancel or terminate this Lease Agreement at any time after the Indenture Indebtedness has been Fully Paid, by giving the Issuer notice in writing of such termination. Such termination shall become effective 10 days after such notice is given.

SECTION 9.2 Option to Purchase Bridge and Bayway Facilities

(a) If no Lease Default exists, ALDOT shall have the option to purchase the Bridge and Bayway Facilities for a purchase price of $1.00 after the Indenture Indebtedness has been Fully Paid. Such option may be exercised by ALDOT prior to the termination of this Lease Agreement upon written notice to the Issuer. Such option shall be deemed automatically exercised on the date of termination of this Lease Agreement unless ALDOT notifies the Issuer in writing that it does not intend to exercise such option. The closing for such purchase shall take place on (a) a Business Day designated by ALDOT that is not less than 30 days nor more than 60 days from the date of such notice, or the date of termination of this Lease Agreement, as the case may be, or (b) such other date as shall be mutually acceptable to the Issuer and ALDOT.

(b) Upon the exercise by ALDOT of its option to purchase contained in Section 9.2(a) of this Lease Agreement, the Issuer will transfer and convey all of the Bridge and Bayway Facilities to ALDOT, including assigning to ALDOT all of the Issuer's right, title, and interest in and to the Ground Lease, and will further execute and deliver to ALDOT all other documents, writings, and instruments as shall be necessary or appropriate to vest all right, title, and interest in and to the Ground Lease and the Bridge and Bayway Facilities in ALDOT.

SECTION 9.3 No Disposition of Portions of Bridge and Bayway Facilities While Series 2026 Bonds are Outstanding

ALDOT shall not have the right to sell or otherwise dispose of any portion of the Bridge and Bayway Facilities while any Series 2026 Bonds are Outstanding, except for:

(a) sales or other dispositions in the ordinary course of business or contemplated by or permitted under the Design-Build Agreement for the Bridge and Bayway Facilities;

(b) sales or other dispositions of surplus, damaged, obsolete, worn out or defective equipment or other property of ALDOT or the Issuer in the ordinary course of business;

(c) sales or other dispositions of equipment or other property of ALDOT or the Issuer in the ordinary course of business that is promptly exchanged for or replaced by other

equipment or property of at least comparable value and utility and useful life as determined in accordance with good operating practice; except to the extent that the failure to replace such equipment or assets, as applicable, would not have a material adverse effect on the Bondholders;

(d) sales or other dispositions of other equipment or property not required for the construction or operation of the Bridge and Bayway Facilities in the ordinary course of business; and

(e) sales, transfers or other dispositions that would constitute Permitted Liens.

Notwithstanding the foregoing, while there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), any sale or other disposition described in this Section 9.3 shall be permitted only to the extent it could not reasonably be expected to result in a Material Adverse Effect (as defined in the TIFIA Loan Agreement(s)).

SECTION 9.4 Conveyance on Exercise of Option to Purchase

Upon the exercise of any option to purchase granted herein, the Issuer will deliver to ALDOT documents conveying to ALDOT the property with respect to which such option was exercised, as such property then exists, subject to the following: (a) all easements or other rights, if any, required to be reserved by the Issuer under the terms and provisions of the option being exercised by ALDOT; (b) those liens and encumbrances, if any, to which title to said property was subject when conveyed to the Issuer; (c) those liens and encumbrances created by ALDOT or to the creation or suffering of which ALDOT consented; and (d) those liens and encumbrances resulting from the failure of ALDOT to perform or observe any of the agreements or covenants on its part contained in this Lease Agreement.

ARTICLE 10

Miscellaneous

SECTION 10.1 Issuer's Liabilities Limited

(a) The covenants and agreements contained in this Lease Agreement and in any contract, purchase order or other agreement entered into pursuant to this Lease Agreement shall never constitute or give rise to a personal or pecuniary liability or charge against the general credit of the Issuer, and in the event of a breach of any such covenant or agreement, no personal or pecuniary liability or charge payable directly or indirectly from the general assets or revenues of the Issuer shall arise therefrom. Nothing contained in this Section, however, shall relieve the Issuer from the observance and performance of the covenants and agreements on its part contained herein.

(b) No recourse under or upon any covenant or agreement of this Lease Agreement or of any contract or other agreement entered into pursuant to this Lease Agreement shall be had against any past, present or future incorporator, officer or member of the governing body of either party, or of any successor corporation, either directly or through the applicable party, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise. The parties' representatives are acting solely as agents and representatives of the Issuer or ALDOT when carrying out the provisions or exercising the power or authority granted to them. It is expressly understood that this Lease Agreement is solely a corporate obligation, and that no personal liability whatever shall attach to, or is or shall be incurred by, any incorporator, officer or member of the governing body of the Issuer or ALDOT or any successor corporation, or any of them, under or by reason of the covenants or agreements contained in this Lease Agreement.

(c) The liability of the Issuer for the payment of any money due under any contract or purchase order entered into by it, or for any other costs incurred in connection with the acquisition, construction or improvement of, or other work on, the Bridge and Bayway Facilities shall be limited solely to (1) the available proceeds of the Issuer's revenue bonds, if and when issued for the Bridge and Bayway Facilities, (2) any money made available to the Issuer for such purpose by ALDOT, (3) the available funds in the Indenture Funds, and (4) any revenues or other receipts derived by the Issuer from the Bridge and Bayway Facilities (including all Project Revenues). The limited liability of the Issuer shall be plainly and conspicuously stated on each such contract or purchase order.

SECTION 10.2 Corporate Existence of Issuer

Subject to the terms of the TIFIA Loan Agreement(s) while there are Outstanding Bonds with respect to obligations under TIFIA Loan Agreement(s), the Issuer shall not consolidate with or merge into any other corporation or transfer its property substantially as an entirety, except as provided in Section 10.6 of the Master Indenture.

SECTION 10.3 Notices

(a) Any request, demand, authorization, direction, notice, consent, or other document provided or permitted by this Lease Agreement to be made upon, given or furnished to, or filed with, the Issuer, ALDOT, or the Trustee must (except as otherwise expressly provided in this Lease Agreement) be in writing and be delivered by one of the following methods: (1) by personal delivery at the hand delivery address specified pursuant to Section 16.1 of the Master Indenture, (2) by first-class, registered or certified mail, postage prepaid, addressed as specified pursuant to Section 16.1 of the Master Indenture, or (3) if facsimile transmission facilities for such party are identified in Section 16.1 of the Master Indenture or pursuant to a separate notice from such party, sent by facsimile transmission to the number specified in Section 16.1 of the Master Indenture or in such notice. Any of such parties may change the address for receiving any such notice or other document by giving notice of the change to the other parties named in this Section.

(b) Any such notice or other document shall be deemed delivered when actually received by the party to whom directed (or, if such party is not an individual, to an officer, partner or other legal representative of the party) at the address or number specified pursuant to this Section, or, if sent by mail, 3 days after such notice or document is deposited in the United States mail, addressed as provided above.

SECTION 10.4 Successors and Assigns

All covenants and agreements in this Lease Agreement by the Issuer or ALDOT shall bind their respective successors and assigns, whether so expressed or not.

SECTION 10.5 Benefits of Lease Agreement

Nothing in this Lease Agreement, express or implied, shall give to any person, other than the parties hereto and their successors hereunder, the Trustee, and the Holders of the Series 2026 Bonds (for clarity, including the TIFIA Lender), any benefit or any legal or equitable right, remedy or claim under this Lease Agreement.

IN WITNESS WHEREOF, the Issuer and ALDOT have caused this instrument to be duly executed and their respective corporate seals to be hereunto affixed and attested.

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

Bill Poole
Secretary of the Authority

ALABAMA DEPARTMENT OF TRANSPORTATION

John R. Cooper
Director

STATE OF ALABAMA

Attest:

Wes Allen
Secretary of State

Kay Ivey
Governor of Alabama

This instrument was prepared by:
Joseph (Jodie) E. Smith
Maynard Nexsen PC
1901 Sixth Avenue North, Suite 1700
Birmingham, Alabama 35203-2618

STATE OF ALABAMA

_____ COUNTY

I, _____, a Notary Public in and for said County in said State, hereby certify that _____, whose name as _____ of Alabama Toll Road, Bridge, and Tunnel Authority, an Alabama _____, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand this the _____ day of _____, ____.

_____
Notary Public

[NOTARIAL SEAL]

My commission expires:_____

STATE OF ALABAMA

_____ COUNTY

I, _____, a Notary Public in and for said County in said State, hereby certify that _____, whose name as _____ of State of Alabama, acting by and through the Alabama Department of Transportation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said department.

Given under my hand this the _____ day of _____, ____.

_____
Notary Public

[NOTARIAL SEAL]

My commission expires:_____

EXHIBIT A

Description of Bridge and Bayway Facilities

The Bridge and Bayway Facilities subject to this Lease Agreement include the following components:

1. **Real Property**. The real property located in Mobile and Baldwin Counties, Alabama and described in Schedule 1. All of this real property is part of the Bridge and Bayway Facilities.

2. **River Bridge Project**. Design and construction of the River Bridge Project more particularly described in Section 6.6 of the Master Indenture.

3. **Bayway Project**. Design and construction of the Bayway Project more particularly described in Section 6.6 of the Master Indenture.

Schedule 1

Real Property Consisting Part of the Bridge and Bayway Facilities

Beginning at Right of Way (ROW) Monument at the intersection of the north ROW line of Interstate 10 (I-10) and the east ROW line of S. Broad Street (FKA Washington Ave);

thence run Southeasterly along the north ROW line of I-10 a distance of 100 feet to a point on the north ROW line of I-10;

thence Northeasterly along the north ROW line of I-10 a distance of 630 feet to a point on the north ROW line of I-10;

thence Northeasterly along the north ROW line of I-10 a distance of 630 feet to a point on the north ROW line of I-10;

thence Northeasterly along the north ROW line of I-10 a distance of 574 feet to centerline of Pettus Street (50’ ROW);

thence Northeasterly along the north ROW line of I-10 a distance of 342 feet to a ROW Monument on the north ROW line of I-10 intersecting with the south ROW line of Baltimore Street;

thence Southeasterly a distance of 35 feet to a point of denied access of I-10 along the Baltimore Street and Tennessee Street frontage road;

thence Northeasterly along the denied access of I-10 along the Baltimore Street to Tennessee Street frontage road a distance of 1,215 feet to a point;

thence westerly a distance of 57 feet to the intersection of the north ROW line of I-10 and the south ROW line of Tennessee Street;

thence Northeasterly a distance of 117 feet to a point on the north ROW line of I-10 intersecting with the north ROW line of Canadian National Railroad;

thence Northeasterly along the north ROW line of I-10 a distance of 553 feet to a point on the north ROW line of I-10 (FKA the east ROW line of S. Warren Street);

thence Northerly along the north ROW line of I-10 a distance of 156 feet to a point on the north ROW line of I-10 (AKA the north ROW line of S. Carolina Street);

thence Southeasterly along the north ROW line of I-10 a distance of 98 feet to a point on the north ROW line of I-10;

thence Northeasterly along the north ROW line of I-10 a distance of 382 feet to a point on the north ROW line of I-10;

thence Northeasterly along the north ROW line of I-10 a distance of 115 feet to a point on the north ROW line of I-10 intersecting with the north ROW line of N. Carolina Street;

thence Northerly along the north ROW line of I-10 a distance of 275 feet to a point on the north ROW line of I-10;

thence Northwesterly along the north ROW line of I-10 a distance of 295 feet to a point on the north ROW line of I-10 intersecting with the east ROW line of S. Warren Street;

thence Northerly a distance of 94 feet to a point on the north ROW line of I-10 (AKA the north ROW line of Virginia Street);

thence Easterly along the north ROW line of I-10 a distance of 254 feet to a point on the north ROW line of I-10;

thence Northeasterly along the north ROW line of I-10 a distance of 28 feet to a point on the north ROW line of I-10;

thence Northeasterly along the north ROW line of I-10 a distance of 74 feet to a point on the north ROW line of I-10;

thence Northeasterly along the north ROW line of I-10 a distance of 45 feet to a point on north ROW line of I-10;

thence Northeasterly along the north ROW line of I-10 a distance of 307 feet to a point on the north ROW line of I-10 intersecting with the south ROW line of Maryland Street;

thence Southeasterly along the denied access of I-10 a distance of 35 feet to a point on the denied access of I-10;

thence Northeasterly along the denied access of I-10 a distance of 66 feet to a point on the north ROW line of I-10 intersecting with the east ROW line of S. Lawrence Street;

thence Northeasterly along the north ROW line of I-10 a distance of 396 feet to a point on the north ROW line of I-10;

thence Northeasterly along the north ROW line of I-10 a distance of 328 feet to a point on the north ROW line of I-10;

thence Northeasterly along the north ROW line of I-10 a distance of 118 feet to a point on the north ROW line of I-10;

thence Northerly a distance of 195 feet to a ROW Monument on the north ROW line of I-10 (AKA the west ROW line of S. Claiborne Street) (FKA the Maryland-Franklin Frontage Road);

thence Northerly and Northeasterly along the north ROW line of I-10 a distance of 2,820 to a ROW Monument at the intersection of the north ROW line of I-10 and the south ROW line of Palmetto Street;

thence Westerly along the north ROW line of I-10 a distance of 10 feet to a point on the north ROW line of I-10;

thence Northerly along the north ROW line of I-10 a distance of 297 feet to a point of denied access of I-10;

thence northerly and westerly along the denied access of I-10 a distance of 163 feet to a point of denied access of I-10 along Canal Street;

thence northerly a distance of 146 feet to a point on the north ROW line of I-10 (AKA the north ROW Line of Canal Street);

thence Easterly on the north ROW line of I-10 a distance of 49 feet to a ROW Monument on the north ROW line of I-10;

thence Easterly along the north ROW line of I-10 a distance of 96 feet to a point on the north ROW line of I-10;

thence Northeasterly along the north ROW line of I-10 a distance of 28 feet to a point on the north ROW line of I-10 (AKA S. Claiborne Street);

thence Northerly along the north ROW line of I-10 a distance of 230 feet to a ROW Monument on the north ROW line of I-10;

thence Northerly along the north ROW line of I-10 a distance of 406 feet to a ROW Monument on the north ROW line of I-10;

thence Northerly along the north ROW line of I-10 a distance of 153 feet to a point on the north ROW line of I-10;

thence Northeasterly along the north ROW line of I-10 a distance of 65 feet to a point on the north ROW line of I-10;

thence Northerly and Northeasterly along the north ROW line of I-10 a distance of 497 feet to a point on the north ROW line of I-10;

thence Northeasterly along the north ROW line of I-10 a distance of 115 feet to a point on the north ROW line of I-10 (AKA the east ROW line of S. Jackson Street);

thence Southeasterly along the north ROW line of I-10 a distance of 116 feet to a ROW Monument on the north ROW line of I-10;

thence Northeasterly along the north ROW line of I-10 a distance of 278 feet to a point on the north ROW line of I-10 (AKA the west ROW line of S. Joachim Street);

thence Northwesterly along the north ROW line of I-10 a distance of 78 feet to a point on the north ROW line of I-10;

thence Northeasterly along the north ROW line of I-10 a distance of 41 feet to a point on the north ROW line of I-10 intersecting with the east ROW line of Joachim Street;

thence Easterly along the north ROW line of I-10 a distance of 83 feet to a point on the north ROW line of I-10;

thence Northeasterly along the north ROW line of I-10 a distance of 143 feet to a point on the north ROW line of I-10 intersecting with the west ROW line of Conception Street;

thence Easterly along the north ROW line of I-10 a distance of 50 feet to a point on the north ROW line of I-10 intersecting with the east ROW line of Conception Street;

thence Northerly along the north ROW line I-10 a distance of 106 feet to a point on the north ROW line of I-10 intersecting with the south ROW line of Church Street (said line is also the north ROW line for the George Wallace Tunnel (GWT) west approach);

thence Northeasterly along the north ROW line of I-10 (GWT) west approach a distance of 523 feet to a point perpendicular to the north ROW line of I-10 (GWT) west approach;

thence Southeasterly a distance of 173 feet to a point on the south ROW line of I-10 (GWT) west approach;

thence Westerly along the south ROW line of I-10 (GWT) west approach a distance of 40 feet to a point on the south ROW line of I-10 (GWT) west approach;

thence Northwesterly along the south ROW line of I-10 (GWT) west approach a distance of 15 feet to a point on the south ROW line of I-10 (GWT) west approach;

thence Westerly along the south ROW line of I-10 (GWT) west approach a distance of 32 feet to a point on the south ROW line of I-10 (GWT) west approach;

thence Southwesterly along the south ROW line of I-10 (GWT) west approach a distance of 42 feet to a point on the south ROW line of I-10 (GWT) west approach;

thence Southwesterly along the south ROW line of I-10 (GWT) west approach a distance of 314 feet to a point on the south ROW line of I-10 (GWT) west approach;

thence Southwesterly along the south ROW line of I-10 (GWT) west approach a distance of 184 feet to a point on the south ROW line of I-10 (GWT) west approach intersecting with the south ROW line of Monroe Street;

thence Southerly along the south ROW line of I-10 (GWT) west approach a distance of 115 feet to a point on the west ROW line of I-10 Water Street Ramp (WSR);

thence Southeasterly along the west ROW line of I-10 (WSR) a distance of 181 feet to a point on the west ROW line of I-10 (WSR) intersecting with the west ROW line of St. Emanuel Street;

thence Southeasterly along the west ROW line of I-10 (WSR) a distance of 161 feet to a point on the west ROW line of I-10 (WSR);

thence Northeasterly along the west ROW line of I-10 (WSR) a distance of 196 feet to a point on the west ROW line of I-10 (WSR);

thence Easterly along the west ROW line of I-10 (WSR) a distance of 111 feet to a point on the west ROW line of I-10 (WSR) intersecting with the east ROW line of S. Royal Street;

thence Northeasterly along the west ROW line of I-10 (WSR) a distance of 226 feet to a point on the west ROW line of I-10 (WSR);

thence Northeasterly along the west ROW line of I-10 (WSR) a distance of 46 feet to a point on the west ROW line of I-10 (WSR);

thence Northeasterly along the west ROW line of I-10 (WSR) a distance of 230 feet to a point on the west ROW line of I-10 (WSR);

thence Northerly along the west ROW line of I-10 (WSR) a distance of 50 feet to a point on the west ROW line of I-10 (WSR);

thence Northerly along the west ROW line of I-10 (WSR) a distance of 401 feet to a point on the west ROW line of I-10 (WSR) intersecting with the south ROW line of Church Street;

thence Northerly along the west ROW line of I-10 (WSR) a distance of 66 feet to a point on the west ROW line of I-10 (WSR) intersecting with the north ROW line of Church Street and the west ROW line of Water Street;

thence Northwesterly along the west ROW line of I-10 (WSR) a distance of 336 feet to a point on the west ROW line of I-10 (WSR) intersecting with the south ROW line of Government Street (AKA US Highway 98);

thence Northeasterly along the south ROW line of Government Street a distance of 165 feet to a point on the east ROW line of I-10 (WSR);

thence Southeasterly along the east ROW line of Water Street a distance of 320 feet to a point on the east ROW line of I-10 (WSR);

thence Southeasterly along the east ROW line of I-10 (WSR) a distance of 70 feet to a point on the east ROW line of I-10 (WSR);

thence Southerly along the east ROW line of I-10 (WSR) a distance of 89 feet to a point on the east ROW line of I-10 (WSR);

thence Southerly along the east ROW line of I-10 (WSR) a distance of 244 feet to a point on the east ROW line of I-10 (WSR);

thence Southerly along the east ROW line of I-10 (WSR) a distance of 240 feet to a point on the west ROW line of CSX Railroad;

thence Southerly along the west ROW line of CSX Railroad a distance of 230 feet to a point on the west ROW line of CSX Railroad;

thence Southwesterly along the west ROW line of CSX Railroad a distance of 494 feet to a point on the north ROW line of Eslava Street;

thence Easterly along the north ROW line of Eslava Street a distance of 444 feet to a point on the north ROW Line of I-10 for Mobile River Bridge (MRB);

thence Northeasterly along the north ROW line of I-10 (MRB) a distance of 42 feet to the bulkhead line on the west side of the Mobile River along the City of Mobile's Cruise Terminal;

thence Northerly along the said bulkhead line a distance of 53 feet to a point on the north ROW Line of I-10 (MRB);

thence Northeasterly along the north ROW line of I-10 (MRB) a distance of 868 feet to a point on the north ROW line of I-10 (MRB);

thence Northeasterly along the north ROW line of I-10 (MRB) a distance of 671 feet to a point on the north ROW line of I-10 (MRB);

thence Northeasterly along the north ROW line of I-10 (MRB) a distance of 838 feet to a point on the west ROW line of Dunlap Drive;

thence Northwesterly along the west ROW line of Dunlap Drive a distance of 330 feet to a point on the West ROW line of Dunlap Drive intersection with the south ROW line of I-10 (GWT);

thence Northeasterly along the south ROW line of I-10 (GWT) a distance of 100 feet to a point on the east ROW line of Dunlap Drive;

thence Southeasterly along the east ROW line of Dunlap Drive a distance of 188 feet to a point on the north ROW line of Austal Way (AKA Addsco Road);

thence Northeasterly along the north ROW line of Austal Way a distance of 551 feet to a point on the north ROW line of I-10 (MRB);

thence Northeasterly along the north ROW line of I-10 (MRB) a distance of 496 feet to a point on the south ROW line of I-10 (GWT);

thence Northwesterly along the south ROW line of I-10 (GWT) a distance of 256 feet to a point on the south ROW line of I-10 (GWT);

thence Southwesterly along the south ROW line of I-10 (GWT) a distance of 412 feet to a point on the south ROW line of I-10 (GWT);

thence Southwesterly along the south ROW line of I-10 (GWT) a distance of 410 feet to a point on the east ROW line of Dunlap Drive;

thence Northwesterly along the east ROW line of Dunlap Drive a distance of 200 feet to a point on the north ROW line of I-10 (GWT);

thence Northeasterly along the north ROW line of I-10 (GWT) a distance of 252 feet to a point on the north ROW line of I-10 (GWT);

thence Northeasterly along the north ROW line of I-10 (GWT) a distance of 250 feet to a ROW Monument on the north ROW line of I-10 (GWT);

thence Northwesterly along the north ROW line of I-10 (GWT) a distance of 121 feet to a ROW Monument on the north ROW line of I-10 (GWT);

thence Northeasterly along the north ROW line of I-10 (GWT) a distance of 176 feet to a ROW Monument on the north ROW line of I-10 (GWT) intersecting with the south ROW line of US Highway 90/98;

thence Northwesterly along the south ROW line of US Highway 90/98 a distance of 645 feet to a point on the north ROW line of Dunlap Drive;

thence Northeasterly a distance of 230 feet to a point on the north ROW line of US Highway 90/98;

thence Southeasterly along the north ROW line of US Highway 90 and 98 a distance of 282 feet to a ROW Monument on the north ROW line of I-10;

thence Northeasterly along the north ROW line of I-10 a distance of 357 feet to a point on the north ROW line of I-10;

thence Southeasterly along the north ROW line of I-10 a distance of 2,155 feet to a point on the north ROW line of I-10;

thence Southeasterly along the north ROW line of I-10 a distance of 7,196 feet to a point on the north ROW line of I-10;

thence Southeasterly along the north ROW line of I-10 a distance of 3845 feet to a point on the north ROW line of I-10;

thence Southeasterly along the north ROW line of I-10 a distance of 357 feet to a point on the north ROW line of I-10;

thence Southeasterly along the north ROW line of I-10 a distance of 366 feet to a point on the north ROW line of I-10;

thence Southeasterly along the north ROW line of I-10 a distance of 571 feet to a point on the north ROW line of I-10;

thence Southeasterly along the north ROW line of I-10 a distance of 526 feet to a point on the north ROW line of US Highway 90 and 98;

thence Southeasterly along the north ROW line of US Highway 90/98 a distance of 475 feet to a point on the north ROW line of US Highway 90/98;

thence Southwesterly a distance of 300 feet to a point on the south ROW line of US Highway 90/98 intersecting with the north ROW line of I-10;

thence Southwesterly along the north ROW line of I-10 a distance of 102 feet to a point on the north ROW line of I-10;

thence Southeasterly along the north ROW line of I-10 a distance of 462 feet to a point on the north ROW line of I-10;

thence Southeasterly along the north ROW line of I-10 a distance of 400 feet to a point on the north ROW line of I-10;

thence Southeasterly along the north ROW line of I-10 a distance of 9,159 feet to a point on the north ROW line of I-10;

thence Southeasterly along the north ROW line of I-10 a distance of 8,940 feet to a point on the north ROW line of I-10;

thence Easterly along the north ROW line of I-10 a distance of 4,804 feet to a point on the north ROW line of I-10;

thence Easterly along the north ROW line of I-10 a distance of 307 feet to a ROW Monument on the north ROW line of I-10;

thence Northeasterly along the north ROW line of I-10 a distance of 142 feet to a ROW Monument on the west ROW line of US Highway 98;

thence Northerly along the west ROW line of US Highway 98 a distance of 366 feet to a ROW Monument on the west ROW line of US Highway 98;

thence Westerly along the west ROW line of US Highway 98 a distance of 30 feet to a ROW Monument on the west ROW line of US Highway 98;

thence Northerly along the west ROW line of US Highway 98 a distance of 52 feet to a point on the west ROW line of US Highway 98;

thence Northwesterly along the west ROW line of US Highway 98 a distance of 284 feet to a point on the west ROW line of US Highway 98;

thence Easterly a distance of 378 feet to a point on the east ROW line of US Highway 98;

thence Southeasterly along the east ROW line of US Highway 98 a distance of 80 feet to a point on the east ROW line of US Highway 98;

thence Southeasterly along the east ROW line of US Highway 98 a distance of 73 feet to a point on the east ROW line of US Highway 98;

thence Northeasterly along the east ROW line of US Highway 98 a distance of 65 feet to a point on the west ROW line of US Highway 90;

thence Northeasterly along the west ROW line of US Highway 90 a distance of 56 feet to a point on the west ROW line of US Highway 90;

thence Northeasterly along the west ROW line of US Highway 90 a distance of 412 feet to a point on the west ROW line of US Highway 90;

thence Northerly along the west ROW line of US Highway 90 a distance of 538 to a point on the west ROW line of US Highway 90;

thence Easterly a distance of 116 feet to a point on the east ROW line of US Highway 90;

thence Southeasterly along the east ROW line of US Highway 90 a distance of 160 feet to a point on the east ROW line of US Highway 90;

thence Southerly along the east ROW line of US Highway 90 a distance of 818 feet to a ROW Monument on the north ROW line of I-10;

thence Southeasterly along the north ROW line of I-10 a distance of 153 feet to a ROW Monument on the north ROW line of I-10;

thence Southeasterly along the north ROW line of I-10 a distance of 283 feet to a point on the north ROW line of I-10;

thence Southeasterly along the north ROW line of I-10 a distance of 628 feet to a point on the north ROW line of I-10;

thence Northeasterly along the north ROW line of I-10 a distance of 634 feet to a point on the north ROW line of I-10;

thence Northeasterly along the north ROW line of I-10 a distance of 400 feet to a point on the north ROW line of I-10;

thence Northeasterly along the north ROW line of I-10 a distance of 1,394 feet to a point on the north ROW line of I-10;

thence Northeasterly along the north ROW line of I-10 a distance of 1,022 feet to a point on the north ROW line of I-10;

thence Southerly a distance of 527 feet to a point on the south ROW line of I-10;

thence Southwesterly along the south ROW line of I-10 a distance of 1,731 feet to a point on the south ROW line of I-10;

thence Northwesterly along the south ROW line of I-10 a distance of 180 feet to a point on the south ROW line of I-10;

thence Southwesterly along the south ROW line of I-10 a distance of 1,304 feet to a ROW Monument on the south ROW line of I-10;

thence Southerly along the south ROW line of I-10 a distance of 249 feet to a ROW Monument on the north ROW line of US Highway 90;

thence Southerly a distance of 90 feet to a point on the south ROW line of US Highway 90;

thence Southerly along the south ROW line of US Highway 90 a distance of 51 feet to a point on the south ROW line of US Highway 90;

thence Westerly along the south ROW line of US Highway 90 a distance of 405 feet to a point of denied access north of N. Main Street;

thence meandering the denied access along the northern and western limits of N. Main Street a distance of 1,698 feet to the north bank of D'Olive Creek;

thence Westerly a distance of 255 feet to a point on the west ROW line of US Highway 98;

thence Northerly along the west ROW line of US Highway 98 a distance of 161 feet to a point on the west ROW line of US Highway 98;

thence Westerly along the west ROW line of US Highway 98 a distance of 30 feet to a point on the west ROW line of US Highway 98;

thence Northerly along the west ROW line of US Highway 98 a distance of 140 feet to a point on the south ROW line of I-10;

thence Northwesterly along the south ROW line of I-10 a distance of 146 feet to a point on the south ROW line of I-10;

thence Northwesterly along the south ROW line of I-10 a distance of 1,007 feet to a point on the south ROW line of I-10;

thence Westerly along the south ROW line of I-10 a distance of 404 feet to a point on the south ROW line of I-10;

thence Westerly and Northwesterly along the south ROW line of I-10 a distance of 3,750 feet to a point on the south ROW line of I-10;

thence Northwesterly along the south ROW line of I-10 a distance of 8,940 feet to a point on the south ROW line of I-10;

thence Northwesterly along the south ROW line of I-10 a distance of 10,053 feet to a point on the south ROW line of I-10;

thence Northwesterly along the south ROW line of I-10 a distance of 274 feet to a point on the south ROW line of I-10;

thence Northwesterly along the south ROW line of I-10 a distance of 461 feet to a point on the south ROW line of I-10;

thence Northwesterly along the south ROW line of I-10 a distance of 632 feet to a point on the south ROW line of I-10;

thence Northwesterly along the south ROW line of I-10 a distance of 525 feet to a point on the south ROW line of US Highway 90/98;

thence Northwesterly along the south ROW line of US Highway 90/98 a distance of 480 feet to a point on the south ROW line of US Highway 90/98;

thence Northeasterly a distance of 300 feet to a point on the north ROW line of US Highway 90/98 intersecting with the south ROW line of I-10;

thence Northeasterly along the south ROW line of I-10 a distance of 141 feet to a point on the south ROW line of I-10;

thence Northwesterly along the south ROW line of I-10 a distance of 299 feet to a point on the south ROW line of I-10;

thence Northwesterly along the south ROW line of I-10 a distance of 399 feet to a point on the south ROW line of I-10;

thence Northwesterly along the south ROW line of I-10 a distance of 3,026 feet to a point on the south ROW line of I-10;

thence Northwesterly along the south ROW line of I-10 a distance of 7,040 feet to a point on the south ROW line of I-10;

thence Southwesterly along the south ROW line of I-10 a distance of 83 feet to a point on the north ROW line of US Highway 90/98;

thence Southeasterly along the north ROW line of US Highway 90/98 a distance of 1,039 feet to a point on the north ROW line of US Highway 90/98;

thence Southwesterly a distance of 300 feet to a point on the south ROW line of US Highway 90/98;

thence Northwesterly along the south ROW line of US Highway 90/98 a distance of 1,721 feet to a point on the south ROW line of US Highway 90/98;

thence Northwesterly along the south ROW line of US Highway 90/98 a distance of 289 feet to a point on the south ROW line of US Highway 90/98;

thence Northeasterly along the south ROW line of US Highway 90/98 a distance of 49 feet to a ROW Monument on the south ROW line of US Highway 90/98;

thence Northwesterly along the south ROW line of US Highway 90/98 a distance of 279 feet to a ROW Monument on the south ROW line of US Highway 90/98;

thence Northwesterly along the south ROW line of US Highway 90/98 a distance of 145 feet to a point on the south ROW line of US Highway 90/98;

thence Southwesterly a distance of 117 feet to a point on the south ROW line of I-10 (MRB) intersecting with the south ROW line of Austal Way (AKA Addsco Road);

thence Southwesterly along the south ROW line of I-10 (MRB) a distance of 1,018 feet to a point on the south ROW line of I-10 (MRB);

thence Southwesterly along the south ROW line of I-10 (MRB) a distance of 31 feet to a point on the south ROW line of I-10 (MRB);

thence Westerly along the south ROW line of I-10 (MRB) a distance of 59 feet to a point on the south ROW line of I-10 (MRB);

thence Southwesterly along the south ROW line of I-10 (MRB) a distance of 124 feet to a point on the east ROW line of Dunlap Drive;

thence Southerly along the east ROW line of Dunlap Drive a distance of 244 feet to a point on the east ROW line of Dunlap Drive;

thence Southwesterly a distance of 107 feet to a point on the south ROW line of I-10 (MRB) intersecting with the west ROW line of Dunlap Drive;

thence Southwesterly along the south ROW line of I-10 (MRB) a distance of 416 feet to a point on the south ROW line of I-10 (MRB);

thence Southwesterly along the south ROW line of I-10 (MRB) a distance of 876 feet to a point on the south ROW line of I-10 (MRB);

thence Southwesterly along the south ROW line of I-10 (MRB) a distance of 1,109 feet to the bulkhead line on the west side of the Mobile River;

thence Southerly along the said bulkhead line a distance of 55 feet to a point on the said bulkhead line;

thence Westerly a distance of 68 feet to a point on the south ROW line of I-10 (MRB);

thence Southwesterly along the south ROW line of I-10 (MRB) a distance of 317 feet to a point on the east ROW line of Old Water Street;

thence Southerly along the east ROW line of Old Water Street a distance of 51 feet to a point on the east ROW line of Old Water Street;

thence Westerly a distance of 80 feet to a point on the south ROW line of I-10 (MRB) (AKA west ROW line of Old Water Street);

thence Southerly along the south ROW line of I-10 (MRB) a distance of 397 feet to a point on the south ROW line of I-10 (MRB) (AKA north ROW line of Canal Street);

thence Westerly along the south ROW line of I-10 (MRB) a distance of 579 feet to a point on the south ROW line of I-10 (MRB) (AKA north ROW line of Canal Street);

thence Southwesterly a distance of 77 feet to a point on the south ROW line of I-10 (MRB) intersecting with the south ROW line of Canal Street;

thence Southwesterly along the south ROW line of I-10 (MRB) a distance of 135 feet to a point on the south ROW line of I-10 (MRB) intersecting with the east ROW line of St. Emanuel Street;

thence Southwesterly a distance of 84 feet to a point on the south ROW line of I-10 (MRB) intersecting with the west ROW line of St. Emanuel Street;

thence Southwesterly along the south ROW line of I-10 (MRB) a distance of 237 feet to a point on the south ROW line of I-10 (MRB) intersecting with the north ROW line of Palmetto Street;

thence Southwesterly a distance of 56 feet to a point on the south ROW line of Palmetto Street;

thence Northwesterly along the south ROW line of Palmetto Street a distance of 46 feet to a point on south ROW line of I-10 (MRB);

thence Southwesterly along the south ROW line of I-10 (MRB) a distance of 165 feet to a point on the east ROW line of S. Conception Street;

thence Southwesterly a distance of 193 feet to a point of denied access for I-10 (MRB) and the west ROW line of S. Conception Street;

thence Southerly along the said denied access for I-10 (MRB) a distance of 2,441 feet to a point on the north ROW line of Texas Street;

thence Southerly a distance of 101 feet to a point on the south ROW line of I-10 (MRB) (AKA west ROW line of S. Conception Street);

thence Southerly along the south ROW line of I-10 (MRB) a distance of 313 feet to a point on the north ROW line of New Jersey Street;

thence Southerly a distance of 41 feet to a point on the south ROW line of I-10 (MRB) intersecting with the south ROW line of New Jersey Street;

thence Southwesterly along the south ROW line of I-10 (MRB) a distance of 330 feet to a point on the south ROW line of I-10 (MRB);

thence Southwesterly along the south ROW line of I-10 (MRB) a distance of 58 feet to a point on the south ROW line of I-10 (MRB);

thence Southerly along the south ROW line of I-10 (MRB) a distance of 57 feet to a point on the south ROW line of I-10 (MRB);

thence Southwesterly along the south ROW line of I-10 (MRB) a distance of 164 feet to a point on the south ROW line of I-10 (MRB);

thence Southeasterly along the south ROW line of I-10 (MRB) a distance of 203 feet to a point on the south ROW line of I-10 (MRB);

thence Southeasterly along the south ROW line of I-10 (MRB) a distance of 215 feet to a point on the west ROW line of S. Conception Street;

thence Southeasterly a distance of 60 feet to a point on the east ROW line of S. Conception Street;

thence Southerly along the east ROW line of S. Conception Street a distance of 53 feet to a point on the north ROW line of Virginia Street;

thence Southeasterly along the north ROW line of Virginia Street a distance of 200 feet to a point on the north ROW line of Virginia Street;

thence Southwesterly a distance of 50 feet to a point on the south ROW line of Virginia Street;

thence Northwesterly along the south ROW line of Virginia Street a distance of 75 feet to a point on the south ROW line of N. Carolina Street;

thence Southerly and Southwesterly along the south ROW line of N. Carolina Street a distance of 300 feet to a point on the east ROW line of S. Conception Street;

thence Southwesterly along the south ROW line of N. Carolina Street a distance of 118 feet to a point on the west ROW line flare of S. Conception Street intersecting with the south ROW line of N. Carolina Street;

thence Northeasterly a distance of 65 feet to a point on the north ROW line of N. Carolina Street intersection with the south ROW line of I-10 (MRB);

thence Northeasterly along the north ROW line of N. Carolina Street a distance of 239 feet to a point on the south ROW line of Main Line Street;

thence Northwesterly along the south ROW line of Main Line Street a distance of 58 feet to a point on the south ROW line of Main Line Street;

thence Northwesterly along the south ROW line of Main Line Street a distance of 151 feet to a point on the south ROW line of I-10 (MRB);

thence Southerly along the south ROW line of I-10 (MRB) a distance of 188 feet to a point on the north ROW line of N. Carolina Street;

thence Southwesterly a distance of 65 feet to a point on the south ROW line of N. Carolina Street intersecting with the west ROW line flare of S. Conception Street;

thence Northwesterly along the south ROW line of N. Carolina Street a distance of 222 feet to a point on the south ROW line of I-10 (MRB);

thence Southwesterly along the south ROW line of I-10 (MRB) a distance of 97 feet to a point on the east ROW line of S. Franklin Street;

thence Southwesterly a distance of 89 feet to a point on the south ROW line of I-10 (MRB) intersecting with the west ROW line of S. Franklin Street;

thence Southwesterly along the south ROW line of I-10 (MRB) a distance of 122 feet to a point on the south ROW line of I-10 (MRB);

thence Northwesterly along the south ROW line of I-10 (MRB) a distance of 102 feet to a point on the east ROW line of S. Lawrence\S. Franklin Street Connector;

thence Southwesterly along the east ROW line of S. Lawrence\S. Franklin Street Connector a distance of 148 feet to a ROW Monument on the west ROW line of S. Hamilton Street;

thence Northerly a distance of 66 feet to a point on the south ROW line of I-10;

thence Northwesterly along the south ROW line of I-10 a distance of 37 feet to a point on the south ROW line of I-10;

thence Northwesterly along the south ROW line of I-10 a distance of 50 feet to a point on the south ROW line of I-10 (MRB);

thence Southwesterly along the south ROW line of I-10 (MRB) a distance of 270 feet to a point on the south ROW line of I-10 (MRB) intersecting with the east ROW line of S. Lawrence Street;

thence Southwesterly a distance of 110 feet to a point on the south ROW line of I-10 (MRB) intersecting with the west ROW line of S. Lawrence Street;

thence Southwesterly along the south ROW line of I-10 (MRB) a distance of 250 feet to a point on the north ROW line of S. Carolina Street;

thence Southwesterly a distance of 95 feet to a point on the south ROW line of S. Carolina Street;

thence Northwesterly along the south ROW line of S. Carolina Street a distance of 58 feet to a point on the south ROW line of I-10;

thence Southwesterly along the south ROW line of I-10 a distance of 104 feet to a point on the north ROW line of Pillans Street;

thence Southwesterly along the south ROW line of I-10 a distance of 127 feet to a point on the west ROW line of Cedar Street;

thence Southwesterly along the south ROW line of I-10 a distance of 150 feet to a point on the north ROW line of Canadian National Railroad;

thence Southeasterly a distance of 106 feet to a point on the south ROW line of I-10 intersecting with the south ROW line of Tennessee Street;

thence Southwesterly along the south ROW line of I-10 a distance of 411 feet to a point on the south ROW line of Kentucky Street;

thence Southwesterly along the south ROW line of I-10 a distance of 3470 feet to a point on the east ROW line of S. Broad Street (FKA Washington Ave);

thence Southwesterly along the east ROW line of S. Broad Street a distance of 675 feet to a ROW Monument on the east ROW line of S. Broad Street;

thence Southwesterly along the east ROW line of S. Broad Street a distance of 244 feet to a ROW Monument on the east ROW line of S. Broad Street;

thence Northwesterly a distance of 91 feet to a point on the west ROW line of S. Broad Street;

thence Northeasterly along the west ROW line of S. Broad Street a distance of 680 feet to a point on the south ROW line of I-10;

thence Northeasterly along the west ROW line of S. Broad Street a distance of 803 feet to a point on the north ROW line of Bay Avenue;

thence Northeasterly along the west ROW line of S. Broad Street a distance of 271 feet to a point on the south ROW line of Garrity Street;

thence Northeasterly a distance of 93 feet to the point and place of Beginning, containing 715.97 acres, more or less.

Less and Except:

That segment of railroad ROW bounded by the north ROW line of Eslava Street, bounded by west ROW line of Old Water Street and extending south 613 feet to approximately 58 feet past the south ROW line of Madison Street, as depicted on sketch 9 of 26, containing 0.71 acres, more or less.

The above-described property is situated in Mobile County and Baldwin County, Alabama and is shown on the right of way maps of record in the Alabama Department of Transportation under Project Numbers DPI-0030(003), FI-346(1), I-10-1(5), I-10-1(19), I-10-1(20), S-635(1), S-635(2), ST-049-I10-006, ST-049-I10-009, STPAA-465(8) & U-10-1(36), as an aid to persons and entities interested therein.

AND ALSO:

Construction Easement as shown on Plat 10 of 26:

BEGINNING at a point on the grantor's west property line point also on the north ROW line of I-10 (MRB) (said line offset 147.50’ LT and parallel to project centerline);

thence N 19°40'41" W along the grantor's west property line a distance of 40.09 feet to a point on the grantor's west property line;

thence N 06°42'35" E along the grantor's west property line a distance of 74.78 feet to a point on the grantor's west property line;

thence N 10°48'50" W along the grantor's west property line a distance of 20.00 feet to a point on the construction easement line;

thence N 63°34'27" E along the construction easement line a distance of 713.30 feet to a point on the north ROW line of I-10 (MRB) (said line offset 147.50' LT and parallel to centerline of project);

thence S 54°31'35" W along the north ROW line of I-10 a distance of 773.90 feet to the point and place of BEGINNING, containing 1.00 acre, more or less.

The above-described property is situated in Mobile County, Alabama, and is shown on the Quitclaim Deed from the State of Alabama, Alabama Department of Transportation to AUSTAL, USA, LLC dated March 12, 2024, and recorded as Instrument No. 2024014707 in the records of the Judge of Probate of Mobile County, Alabama, as an aid to persons and entities interested therein.

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APPENDIX D

Summary of TIFIA Loan Agreement

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SUMMARY OF TIFIA LOAN AGREEMENT

PARTIES

Issuer: Alabama Toll Road, Bridge and Tunnel Authority

TIFIA Lender: United States Department of Transportation, an agency of the United States of America, acting by and through the Executive Director of the Build America Bureau

PRINCIPAL AMOUNT

The maximum principal amount of the TIFIA Loan (not including capitalized interest) may not exceed $2,522,502,000,* (ii) 49% of estimated Eligible Project Costs and the amount disbursed of such maximum principal amount cannot exceed, when combined with all other federal assistance (including grants) 80% of the total eligible costs of the Project.

The Outstanding TIFIA Loan Balance will be (i) increased each time loan proceeds are disbursed by the amount of such disbursement of loan proceeds, (ii) increased on each occasion on which interest on the TIFIA Loan is capitalized by the amount of interest so capitalized, (iii) increased on each occasion on which the interest portion of any TIFIA Scheduled Debt Service is not paid by the Issuer on the applicable Semi-Annual Payment Date due to the unavailability of funds in the TIFIA Scheduled Interest Sub-Account, by the amount of such unpaid interest, which shall be capitalized, and (iv) decreased upon each payment or prepayment of the Outstanding TIFIA Loan Balance, by the amount of principal so paid.

The TIFIA Lender may modify the Loan Amortization Schedule from time to time to reflect (i) any change to the Outstanding TIFIA Loan Balance, (ii) any change to the date and amount of any principal or interest due and payable or to become due and payable by the Issuer under the TIFIA Loan Agreement (including as a result of (x) any deferral of payment of TIFIA Scheduled Debt Service, (y) any mandatory or optional prepayment of the TIFIA Loan, or (z) the occurrence of the Debt Service Payment Commencement Date before or after the date set forth in the original Loan Amortization Schedule as a result of the Substantial Completion Date occurring earlier or later than the Projected Substantial Completion Date, and (iii) such other information as the TIFIA Lender may determine is necessary for administering the TIFIA Loan Agreement.

INTEREST RATE

The interest rate with respect to the Outstanding TIFIA Loan Balance (the "**TIFIA Interest Rate**") will be a fixed rate equal to the U.S. Treasury security rate with a maturity matching the weighted average life of the TIFIA Loan or a comparable term. The interest rate on the TIFIA Loan will be set on the effective date of the TIFIA Loan Agreement. As of August 19, 2026, the interest rate on the TIFIA Loan would have been 5.27%, which equals the U.S. Treasury security rate on that date for a security with a weighted average life of 32.5 years.

Interest will be computed on the Outstanding TIFIA Loan Balance (as well as on any past due interest) from time to time on the basis of a 365-day or 366-day year, as appropriate, for the actual number of days elapsed;

In the event of a Payment Default, the Issuer shall pay interest on the Outstanding TIFIA Loan Balance and on any interest accrued thereon but unpaid at the Default Rate.

Upon the occurrence of any other Event of Default, the Issuer shall pay interest on the Outstanding TIFIA Loan Balance and on any interest accrued thereon but unpaid at the Default Rate.

TERM

The term of the TIFIA Loan shall be from the Effective Date (expected to be September 16, 2026) to the earlier of (a) the Semi-Annual Payment Date occurring on or immediately prior to the fortieth (40^{th}) anniversary of the Substantial

* Preliminary, subject to change.

Completion Date and (b) July 1, 2072,* or to such earlier date as all amounts due or to become due to the TIFIA Lender have been irrevocably paid in full in cash.

PAYMENTS

Payment Dates. Principal of and interest on the TIFIA Loan will be paid on each Semi-Annual Payment Date, beginning on the Debt Service Payment Commencement Date.

Capitalized Interest Period. No payment of the principal of or interest on the TIFIA Loan is required to be made during the Capitalized Interest Period. On each January 1 and July 1 occurring during the Capitalized Interest Period (and on the Semi-Annual Payment Date immediately following the end of the Capitalized Interest Period), interest accrued on the TIFIA Loan in the six (6) month period ending immediately prior to such date shall be capitalized and added to the Outstanding TIFIA Loan Balance.

Payment of TIFIA Mandatory Debt Service. On each Semi-Annual Payment Date occurring on or after the Debt Service Payment Commencement Date, the Issuer shall pay TIFIA Mandatory Debt Service..

Payment of TIFIA Scheduled Debt Service. On each Semi-Annual Payment Date occurring on or after the Debt Service Payment Commencement Date and prior to the Level Payment Commencement Date, the Issuer shall pay TIFIA Scheduled Debt Service; provided that the Issuer's obligation to pay TIFIA Scheduled Debt Service on any Semi-Annual Payment Date shall be applicable only if and to the extent that funds shall be available therefor in the TIFIA Scheduled Debt Service Payment Sub-Accounts on such date. To the extent that the aggregate amount of TIFIA Scheduled Debt Service actually paid during any Payment Period in accordance with the provisions of the TIFIA Loan Agreement shall be less than the aggregate amount of the TIFIA Scheduled Debt Service for such period determined as provided above as a result of insufficient funds available therefor in the TIFIA Scheduled Debt Service Payment Sub-Accounts on such date, then (i) the unpaid portion of such TIFIA Scheduled Debt Service constituting interest shall be capitalized and (ii) such unpaid TIFIA Scheduled Debt Service shall be due and payable on the next Semi-Annual Payment Date.

Mandatory Prepayments. The Issuer shall prepay the TIFIA Loan in whole or in part, without penalty or premium:

(i) upon the failure by the Issuer to satisfy the Rate Coverage Test for five (5) consecutive Calculation Dates and until the Issuer shall be in compliance with the Rate Coverage Test, then a prepayment shall be made from the Distribution Lock-Up Fund in accordance with Section 8.12 of the Indenture on a *pro rata* basis with the First Lien Obligations and any other Second Lien Obligations, in an amount equal to lesser of (A) the amount necessary to regain compliance with the Rate Coverage Test and (B) the amount then on deposit in the Distribution Lock-Up Fund.

(ii) following the determination for the application of Net Loss Proceeds as set forth in Section 8.17 of the Indenture, in the amount of any Net Loss Proceeds available to make such prepayment; and

(iii) upon any voluntary prepayment of any First Lien Obligations or any other Second Lien Obligations, on a *pro rata* basis with such voluntary prepayment; provided that no required prepayment of the TIFIA Loan shall be required in connection with (A) a voluntary prepayment of Secured Obligations from amounts withdrawn from Distribution Lock-Up Fund following satisfaction of the Restricted Payment Conditions, (B) repayment of any Project BANs with the proceeds of Secured Obligations or (C) repayment of any Secured Obligations with the proceeds of Refunding Bonds.

Optional Prepayments. The Issuer may prepay the TIFIA Loan at any time without penalty or premium, in whole or in part (and, if in part, the amounts thereof to be prepaid shall be determined by the Issuer.

DISBURSEMENTS OF TIFIA LOAN PROCEEDS

* Preliminary, subject to change.

General. TIFIA Loan proceeds shall be disbursed solely in respect of Eligible Project Costs paid or incurred by or on behalf of the Issuer in connection with the Project and may be used to pay, redeem or defease Project BANs (including the Series 2026-1 Notes) to the extent the proceeds thereof have been previously applied to the payment of Eligible Project Costs.

Any costs incurred in connection with the Project prior to receipt of all necessary authorizations from the USDOT in respect of such costs (which may include approvals of prior-incurred costs) are incurred solely at the Issuer's risk and expense, will not constitute Eligible Project Costs, and no TIFIA Loan proceeds will be disbursed in respect thereof, unless and until such authorizations have been received.

No disbursements of TIFIA Loan proceeds shall be made on or after the date that is one (1) year after the Substantial Completion Date.

The Issuer shall, in connection with its initial draw on the TIFIA Loan, draw down TIFIA Loan proceeds in an amount at least sufficient (together with the cash on deposit in any dedicated account described in clause (b) of the definition of Additional Secured Obligations, if applicable) to pay or redeem all outstanding Project BANs (including the Series 2026-1 Notes) and shall immediately use such proceeds to pay or redeem such outstanding Project BANs (including the Series 2026-1 Notes).

Conditions Precedent to All Disbursements. The TIFIA Lender is not required to make any disbursement of loan proceeds to the Issuer until each of the following conditions precedent has been satisfied (or waived in writing by the TIFIA Lender):

(i) The Substantial Completion Date has occurred.

(ii) The Issuer has delivered to the TIFIA Lender certified, complete and fully executed copies of any Indenture Document entered into after the Effective Date.

(iii) The Issuer has provided certified copies of all (A) Principal Project Contracts and all Additional Project Contracts requested by the TIFIA Lender and (B) Tolling-Related Agreements and Interoperability Agreements.

(iv) The Issuer has demonstrated to the TIFIA Lender's satisfaction that all Governmental Approvals necessary as of the time of the applicable disbursement for the development, construction, operation and maintenance of the Project have been issued and are in full force and effect.

(v) Each of the insurance policies obtained by the Issuer, ALDOT and by any applicable Principal Project Party in satisfaction of the conditions in the TIFIA Loan Agreement are in full force and effect, and no notice of termination thereof has been issued by the applicable insurance provider.

(vi) At the time of, and immediately after giving effect to, the applicable disbursement, (1) no Default or Event of Default under the TIFIA Loan Agreement and no event of default of the Issuer or any counterparty (including ALDOT) under any other Related Document (other than an event of default of a Principal Project Party) has occurred and is continuing, (2) to the Issuer's knowledge, no event of default (howsoever described or designated) of any Principal Project Party under any Principal Project Contract has occurred and is continuing, and (3) no event or condition that with the giving of notice, the passage of time, or both, would constitute an event of default (howsoever described or designated) of the Issuer under any other Related Document has occurred and is continuing.

(vii) The representations and warranties of the Issuer set forth in the TIFIA Loan Agreement and in each other Related Document to which it is a party are true, correct, and complete.

(viii) No Material Adverse Effect, or any event or condition that could reasonably be expected to result in a Material Adverse Effect, shall have occurred and be continuing.

(ix) The Issuer has delivered to the TIFIA Lender a Requisition that complies with the provisions of the TIFIA Loan Agreement, and such Requisition has not been expressly denied by the TIFIA Lender.

(x) The Issuer has paid in full all invoices received from the TIFIA Lender (or by advisors to the TIFIA Lender that have direct billing arrangements with the Issuer) as of the date of disbursement of the TIFIA Loan, for the reasonable fees and expenses of the TIFIA Lender's counsel and advisors and any auditors or other consultants employed by the TIFIA Lender for the purposes hereof.

(xi) The Issuer has provided to the TIFIA Lender certified, complete and fully executed copies of each performance security instrument delivered to or by the Issuer pursuant to any Principal Project Contract (other than the Design-Build Agreement) as of the date of disbursement of the TIFIA Loan, each of which performance security instruments are (A) in compliance with the requirements for such performance security pursuant to the applicable Principal Project Contract, and (B) in full force and effect.

(xii) The Issuer has provided the TIFIA Lender with evidence satisfactory to the TIFIA Lender that, as of the date of disbursement of the TIFIA Loan, the total federal assistance provided to the Project, including the maximum principal amount of the TIFIA Loan (excluding any interest that is capitalized in accordance with the terms hereof), does not exceed eighty percent (80%) of Total Project Costs.

No Disbursement During Government Shutdown. **Notwithstanding anything to the contrary set forth in the TIFIA Loan Agreement, in no event shall the TIFIA Lender have any obligation to make any disbursement of proceeds of the TIFIA Loan to the Issuer if the TIFIA Lender's ability to make such disbursement is impaired as a result of a partial or total shutdown of the operations of any federal department or agency (including the USDOT or any of its agencies), or any contractor of any such department or agency, due to a lapse in appropriations by Congress.**

Withholding of Disbursement. The TIFIA Lender is entitled to withhold approval (in whole or in part) of any pending or subsequent requests for the disbursement of TIFIA Loan proceeds if:

1) an Event of Default or Default under the TIFIA Loan Agreement shall have occurred and be continuing; or

2) the Issuer:

(i) knowingly takes any action, or omits to take any action, amounting to fraud or violation of any applicable federal or local criminal law, in connection with the transactions contemplated hereby; or

(ii) fails to construct the Project in a manner consistent with the Governmental Approvals with respect to the Project, or in accordance with the highest standards of the Issuer's industry, where such failure prevents or materially impairs the Project from fulfilling its intended purpose, or prevents or materially impairs the ability of the TIFIA Lender to monitor compliance by the Issuer with applicable federal or local law pertaining to the Project or with the terms and conditions of the TIFIA Loan Agreement; or

(iii) fails to observe or comply with any applicable federal or local law, or any term or condition of the TIFIA Loan Agreement; or

(iv) fails to satisfy any condition to disbursement in the TIFIA Loan Agreement; or

(v) fails to deliver documentation satisfactory to the TIFIA Lender evidencing Eligible Project Costs claimed for disbursement at the times and in the manner specified by the TIFIA Loan Agreement; provided that in such case the TIFIA Lender may, in its sole discretion, partially approve a disbursement request in respect of any amounts for which adequate documentation evidencing Eligible Project Costs has been provided and may, in its sole discretion, disburse in respect of such properly documented amounts.

Reimbursement Procedures. Each disbursement of the TIFIA Loan will be made pursuant to a requisition and certification in the form set forth in the TIFIA Loan Agreement, along with all documentation and other information required by the TIFIA Loan Agreement, submitted by the Issuer to the TIFIA Lender.

The Issuer must deliver copies of each Requisition to the TIFIA Lender, the Servicer (if any) and the FHWA Division Office on or before the fifteenth (15th) day of the month preceding each month for which a disbursement is requested. If the TIFIA Lender does not expressly deny a Requisition, disbursements of funds shall be made on the first (1st) day of the month for which a disbursement has been requested, or on the next succeeding Business Day if such first (1st) day is not a Business Day.

The Issuer shall not submit a Requisition that seeks reimbursement of any Eligible Project Costs for which the related Eligible Project Costs Documentation and certificate were not delivered to the TIFIA Lender, the FHWA Division Office, and the Servicer (if any) at least one (1) month prior to the date such Requisition is submitted.

Eligible Project Costs Documentation. Following the issuance of Project BANs (including the Series 2026-1 Notes), the Issuer must deliver concurrently to the TIFIA Lender, the FHWA Division Office, and the Servicer (if any) copies of all invoices and other records evidencing Eligible Project Costs (the "Eligible Project Costs Documentation"), irrespective of whether such costs were paid with the proceeds of the Project BANs; provided that the Issuer must deliver all Eligible Project Costs Documentation associated with any Eligible Project Costs included in a Requisition by the applicable following date: (i) with respect to Eligible Project Costs incurred by or on behalf of the Issuer prior to, and up to one (1) month after, the Effective Date, by the last Business Day of the second (2nd) month immediately following the Effective Date and (ii) with respect to Eligible Project Costs incurred by or on behalf of the Issuer after the one-month period referred to in clause (i) above, by the last Business Day of each month immediately following the month during which such Eligible Project Costs were incurred.

Each time the Issuer delivers Eligible Project Costs Documentation to the TIFIA Lender, the FHWA Division Office, and the Servicer (if any), the Issuer shall also deliver to such entities a certificate, duly executed by the Issuer's Authorized Representative, certifying as to the following:

(i) the amount of Eligible Project Costs financed from the proceeds of the Project BANs, for the period of time for which such Eligible Project Costs Documentation is being provided;

(ii) that such proceeds of the Project BANs, were expended solely in connection with the payment or reimbursement of Eligible Project Costs;

(iii) the amount of Eligible Project Costs paid by or on behalf of the Issuer from sources other than the Project BANs, and identifying such sources; and

(iv) that there does not currently exist any Default or Event of Default or, if there does currently exist a Default or an Event of Default, the certificate shall specify all the actions that the Issuer is taking to remedy such Default or Event of Default.

The Eligible Project Costs Documentation must be satisfactory to the TIFIA Lender. The Eligible Project Costs Documentation must provide sufficient detail to enable the TIFIA Lender to verify that such costs are Eligible Project Costs paid by or on behalf of the Issuer. The Eligible Project Costs Documentation and the certificate must provide sufficient detail to enable the TIFIA Lender to verify that proceeds of the Project BANs were expended for Eligible Project Costs and to audit Eligible Project Costs paid from sources other than the Project BANs. The certificate and the Eligible Project Costs Documentation are intended to document Eligible Project Costs in connection with the reimbursement of such Eligible Project Costs or for the purpose of paying or redeeming, in whole or part, only those Project BANs in respect of which the proceeds were used to pay such documented Eligible Project Costs. The TIFIA Lender will review each such certificate for compliance with TIFIA disbursement requirements and within 14 Business Days following the receipt of the Eligible Project Costs Documentation and the accompanying certificate, will deliver a notice to the Issuer confirming the Eligible Project Costs set forth in the certificate that have been approved, or notifying the Issuer as to which Eligible Project Costs have not been approved, and confirming the cumulative amount of Eligible Project Costs approved as of the notice date. Such approved amounts of Eligible Project Costs may then be disbursed at such time as the Issuer submits a Requisition in respect of such approved amounts.

SECURITY

The TIFIA Loan will be secured by a pledge of the Trust Estate subordinate, during any period when a Bankruptcy Related Event with respect to the Issuer has not occurred, only (except as otherwise required by law) to the First Lien Obligations.

Upon the occurrence of a Bankruptcy Related Event with respect to the Issuer, (i) the TIFIA Loan shall be secured by a first priority security interest in the Trust Estate on a parity with the First Lien Obligations, (ii) all TIFIA Debt Service shall (x) be TIFIA Mandatory Debt Service and (y) be paid on a parity basis with the Debt Service in respect of the First Lien Obligations, (iii) the TIFIA Mandatory Interest Sub-Account and the TIFIA Mandatory Principal Sub-Account shall be funded and secured on a parity with the Debt Service Fund-Series 2026A Interest Subaccount and the Debt Service Fund-Series 2026A Principal Subaccount, respectively, all other accounts or subaccounts that are funded and secured on a *pari passu* basis therewith, and (iv) the TIFIA Debt Service Reserve Fund shall be funded and secured on a parity basis with the First Lien Debt Service Reserve Fund.

CONDITIONS PRECEDENT TO EFFECTIVENESS OF TIFIA LOAN AGREEMENT.

The TIFIA Loan Agreement will not be effective until each of the following conditions precedent shall have been satisfied or waived in writing by the TIFIA Lender:

(i) Delivery of all Financing Documents

(ii) Opinions of Issuer's Counsel and Counsel to ALDOT

(iii) Certification regarding debarment, suspension and other responsibility matters – primary covered transactions

(iv) Provided to the TIFIA Lender satisfactory evidence that the Project has been included in (A) the metropolitan transportation improvement program adopted by the Mobile Metropolitan Planning Organization and the Eastern Shore Metropolitan Planning Organization, (B) the State transportation plan, and (C) the State transportation improvement program approved by the USDOT; and the financial plan for each such program or plan shall reflect the costs of, and the sources of funding for, the Project.

(v) Evidence of the assignment by at least two (2) Rating Agencies of an Investment Grade Rating to each of the Initial Secured Obligations and no such rating has been reduced, withdrawn or suspended as of the Effective Date.

(vi) An officer's certificate of the Issuer, including incumbency.

(vii) Demonstration to the TIFIA Lender's satisfaction that as of the Effective Date the aggregate of all committed sources of funds shown in the Base Case Financial Model and in the Project Budget to pay Total Project Costs have been fully and completely committed and allocated to the Issuer by the providers thereof and that such funds shall be sufficient to pay all Total Project Costs necessary to achieve Substantial Completion, including the receipt of an officer's certificate of the Consulting Engineer that (A) the Issuer's estimated costs for Principal Project Contracts, Tolling-Related Agreements and Interoperability Agreements not yet executed as of the Effective Date, as reflected in the Project Budget, are reasonable, (B) based on (x) the projections set forth in the Base Case Financial Model and (y) the Consulting Engineer's estimate of Total Project Costs (including Project costs under Principal Project Contracts, Tolling-Related Agreements and Interoperability Agreements that will be executed after the Effective Date), such committed sources of funds shown in the Base Case Financial Model and in the Project Budget are sufficient to achieve Substantial Completion on or prior to the Long Stop Date.

(viii) An original fully executed counterpart (or a certified copy) of the Traffic and Revenue Study in form and substance acceptable to the TIFIA Lender, accompanied by a letter from the Traffic Consultant, dated on or about the TIFIA Loan Effective Date, certifying that the assumptions and projections contained in the Traffic and Revenue Study are reasonable and may be relied upon by the TIFIA Lender.

(ix) Certified, complete, and fully executed copies of (A) each Principal Project Contract, together with any amendments, waivers or modifications thereto, in each case that has been entered into on or prior to the Effective Date and (B) the ISRRPP Agreement, and each such agreement shall be in full force and effect and in form and substance satisfactory to the TIFIA Lender.

(x) (A) The Issuer has obtained all Governmental Approvals necessary for commencement of construction of the Project, (B) each such Governmental Approval is in full force and effect (and is not subject to any notice of violation, breach or revocation), (C) the Issuer has satisfied all applicable requirements of such Governmental Approvals required as of the Effective Date or otherwise for the commencement of construction of the Project; and (D) the Issuer has satisfied all applicable requirements under the Design-Build Agreement for the commencement of construction of the Project.

(xi) A certified Base Case Financial Model which shall (A) demonstrate that projected Revenues are sufficient to meet the Loan Amortization Schedule, (B) demonstrate a First Lien Debt Service Coverage Ratio for each Calculation Date through the Final Maturity Date that is not less than 5.99:1.00,[*] (C) demonstrate a Second Lien Debt Service Coverage Ratio for each Calculation Date through the Final Maturity Date that is not less than 1.21:1.00,* (D) demonstrate satisfaction of the All-in-Cost Coverage Requirement for each Calculation Date through the Final Maturity Date, (E) demonstrate a Loan Life Coverage Ratio for each Calculation Date through the Final Maturity Date that is not less than 1.62:1.00,* (F) not reflect the commencement of amortization of the principal amount of any First Lien Obligations, Second Lien Obligations (other than the TIFIA Loan and the Project BANs) or Third Lien Obligations before the Debt Service Payment Commencement Date, and (G) otherwise be in form and substance acceptable to the TIFIA Lender.

(xii) The Issuer (A) is authorized, pursuant to the Enabling Law to pledge, assign, and grant the Liens on the Trust Estate purported to be pledged, assigned, and granted pursuant to the Indenture Documents, without the need for notice to any Person, physical delivery, recordation, filing or further act, (B) has recorded or filed, or caused to be recorded or filed, for record in such manner and in such places as are required all documents and instruments, and taken or caused to be taken all other actions, as are necessary or desirable to establish and enforce the Trustee's Lien on the Trust Estate (for the benefit of the Secured Parties) to the extent contemplated by the Indenture Documents, and (C) has paid, or caused to be paid, all taxes and filing fees that are due and payable in connection with the execution, delivery or recordation of any Indenture Documents or any instruments, certificates or financing statements in connection with the foregoing.

(xiii) Pay in full all invoices delivered by the TIFIA Lender or its advisors to the Issuer as of the Effective Date for the fees and expenses of the TIFIA Lender's counsel and advisors and any auditors or other consultants employed by the TIFIA Lender for the purposes hereof.

(xiv) (A) Compliance with NEPA, and (B) compliance with all applicable requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. § 4601 *et seq.)* and Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*).

(xv) The TIFIA Lender has delivered its initial TIFIA Lender's Authorized Representative certificate.

(xvi) (A) A Federal Employer Identification Number, (B) a Unique Entity Identifier number and (C) registered with, and obtained confirmation as of the Effective Date of active registration status with no active exclusions listed in such registration from, the federal System for Award Management (www.SAM.gov).

(xvii) Delivered to the TIFIA Lender (A) certificates of insurance evidencing (1) that the Issuer, ALDOT and each applicable Principal Project Party has obtained insurance with respect to the Project and the Issuer, as applicable, that meets the requirements of the TIFIA Loan Agreement and (2) that each liability

[*] Preliminary, subject to change.

policy (other than workers' compensation insurance) reflects the Trustee as an additional insured and (B) at the TIFIA Lender's request, copies of any such insurance policies.

(xviii) Evidence that the Issuer is duly organized and validly existing under the laws of its jurisdiction of formation, with full power, authority and legal right to own its properties and carry on its business and governmental functions as now conducted, including the following documents, each certified by the Issuer's Authorized Representative: (A) a copy of the Issuer's certificate of existence from the Secretary of State of the State and (B) a copy of all resolutions authorizing the Issuer to execute and deliver, and to perform its respective obligations under, the Related Documents to which it is a party, and such resolutions have not been subsequently modified, rescinded or amended, are in full force and effect in the form adopted, and are the only resolutions adopted by the Issuer relating to the matters described therein.

(xix) Records of the Eligible Project Costs incurred prior to the Effective Date.

(xx) Certified, complete and fully executed copies of each performance security instrument delivered to or by the Issuer pursuant to any Principal Project Contract (other than the Design-Build Agreement) as of the Effective Date.

(xxi) The representations and warranties of the Issuer set forth in the TIFIA Loan Agreement and in each other Related Document shall be true and correct, as of the Effective Date or other applicable date.

(xxii) As of the Effective Date (A) the maximum principal amount of the TIFIA Loan (excluding any interest that is capitalized in accordance with the terms hereof), together with the amount of any other credit assistance provided to the Issuer under the TIFIA enabling law, does not exceed forty-nine percent (49%) of reasonably anticipated Eligible Project Costs and (B) the total federal assistance provided to the Project, including the maximum principal amount of the TIFIA Loan (excluding any interest that is capitalized in accordance with the terms hereof), does not exceed eighty percent (80%) of Total Project Costs.

(xxiii) A certificate from the Trustee.

(xxiv) An original fully executed counterpart (or a certified copy) of the Consulting Engineer's report (the "Consulting Engineer's Report"), accompanied by a certification and consent from the Consulting Engineer, dated on or about the TIFIA Loan Effective Date, certifying that the items contained in the report remain true and may be relied upon by the TIFIA Lender.

(xxv) A certificate regarding the prohibition on the use of appropriated funds for lobbying.

(xxvi) Such other agreements, documents, instruments, opinions and other items required by the TIFIA Lender.

Further, the effectiveness of the TIFIA Loan Agreement is conditioned on the closing of the Offered Series 2026 Bonds on or about the day next succeeding the Effective Date of the TIFIA Loan Agreement. Pursuant to the terms of the TIFIA Loan Agreement, the conditions to the closing of the Offered Series 2026 Bonds are:

(i) The issuance of each of the Initial Secured Obligations.

(ii) The Issuer has delivered to the TIFIA Lender certified, complete and fully executed copies of the Initial Secured Obligations (other than the Series 2026B Bond), together with any amendments, waivers or modifications to any other Indenture Documents that was entered into on or prior to the Effective Date.

(iii) The representations and warranties of the Issuer set forth in the TIFIA Loan Agreement and in each other Related Document to which it is a party are true, correct and complete as of the Bond Closing Date.

(iv) The Issuer shall have paid in full all invoices received from the TIFIA Lender (or by advisors to the TIFIA Lender that have direct billing arrangements with the Issuer) as of the Bond Closing Date.

(v) None of the ratings shall have been reduced, withdrawn or suspended as of the Bond Closing Date.

(vi) The Issuer must also provide certain of the Closing Documents for the Offered 2026 Bonds.

AFFIRMATIVE COVENANTS

In the TIFIA Loan Agreement, the Issuer covenants and agrees as follows until the TIFIA Discharge Date, unless the TIFIA Lender waives compliance in writing:

1) The Issuer shall, at any and all times, so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable in connection with assuring, conveying, granting, assigning, securing and confirming the Liens in and to the Trust Estate (whether now existing or hereafter arising) granted to the Trustee for the benefit of the Secured Parties, pursuant to the Indenture Documents, or intended so to be granted pursuant to the Indenture Documents, or which the Issuer may become bound to grant, and the Issuer shall at all times maintain the Trust Estate free and clear of any pledge, Lien, charge or encumbrance thereon or with respect thereto that has priority over, or equal rank with, the Liens created by the Indenture Documents, other than as permitted by the TIFIA Loan Agreement, and all organizational, regulatory or other necessary action on the part of the Issuer to that end shall be duly and validly taken at all times. The Issuer shall at all times, to the extent permitted by law, defend, preserve and protect the Liens on the Trust Estate granted pursuant to the Indenture Documents and all the rights of the Trustee for the benefit of the TIFIA Lender under the Indenture Documents against all claims and demands of all Persons whomsoever, subject to Permitted Liens.

2) The Issuer shall furnish to the TIFIA Lender a copy of any draft documents and final offering documents (including any Indenture Documents) and cash flow projections prepared in connection with the incurrence of any Permitted Debt or other indebtedness subject to approval by the TIFIA Lender, in each case at least thirty (30) days prior to the incurrence of any such Permitted Debt or such other indebtedness, as well as copies of any continuing disclosure documents, prepared by or on behalf of the Issuer in connection with the incurrence of such Permitted Debt or such other indebtedness, in each case promptly following the preparation or filing thereof.

3) Except as otherwise agreed by the TIFIA Lender in writing, the Issuer will provide to the TIFIA Lender (A) copies of any draft documents relating to the incurrence of Permitted Debt not subject to approval by the TIFIA Lender at least thirty (30) days prior to the effective date thereof and (B) copies of fully executed or final versions of such documentation within five (5) Business Days following execution or completion thereof.

4) If the Issuer enters into a Principal Project Contract after the Effective Date, the Issuer shall provide to the TIFIA Lender an executed version of such Principal Project Contract, together with any related performance security instruments, contracts, side letters or other understandings, promptly following the full execution thereof. The Issuer shall provide written notice to the TIFIA Lender of the Issuer's intent to enter into an Additional Project Contract. If such Additional Project Contract is subject to approval by the TIFIA Lender, the Issuer shall provide drafts of any such Additional Project Contracts at least thirty (30) days prior to the proposed effective date thereof, together with any related contracts, side letters or other understandings. If the TIFIA Lender requests a copy of any Additional Project Contract that is not subject to approval by the TIFIA Lender, the Issuer shall provide a copy of the final or near final draft of such Additional Project Contract, together with any related contracts, side letters or other understandings, prior to the execution thereof and, if requested by the TIFIA Lender, shall provide to the TIFIA Lender an executed version of such Additional Project Contract, together with any related performance security instruments, contracts, side letters or other understandings, promptly following the full execution thereof.

5) The Issuer shall provide to the TIFIA Lender, except as otherwise agreed by the TIFIA Lender in writing, copies of (A) any proposed amendments, modifications, or replacements of, supplements to or waivers of, any Principal Project Contract, the Toll Policy or other Related Document at least thirty (30) days prior to the effective date thereof and (B) complete, correct and fully executed copies of any amendment, modification or replacement of, supplement to or waivers of, any Principal Project Contract, the Toll Policy or other Related Document within five (5) Business Days following execution thereof.

6) The Issuer shall use the proceeds of the TIFIA Loan for purposes permitted by applicable law and as otherwise permitted under the TIFIA Loan Agreement and the other Related Documents.

7) The Issuer shall diligently prosecute the work relating to the Project and complete the Project in accordance with the Construction Schedule, and in accordance with the highest standards of the Issuer's industry.

8) The Issuer shall ensure that the Design-Build Agreement requires the Design-Build Contractor to comply with all applicable laws and legal or contractual requirements with respect to any Design-Build Performance Security Instrument delivered by the Design-Build Contractor to the Issuer, and shall enforce such requirements and ensure that each Design-Build Performance Security Instrument provided pursuant to the Design-Build Agreement meets the requirements therefor set forth therein. To the extent that any other Principal Project Party delivers performance security to the Issuer pursuant to the terms of the applicable Principal Project Contract, the Issuer shall ensure that such Principal Project Contract requires such Principal Project Party to comply with all applicable laws and legal or contractual requirements with respect to such performance security, and shall enforce such requirements and ensure that each performance security instrument meets the requirements of the applicable Principal Project Contract.

9) The Issuer shall comply with 2 CFR Part 180, including Subpart C, in particular §§ 180.300 and 180.320, and with 2 CFR § 1200.332.

10) The Issuer shall, or shall cause ALDOT to, (i) operate and maintain the Project (A) in a reasonable and prudent manner, (B) in serviceable repair, working order and condition, (C) substantially in accordance with ALDOT's regulations, standards and guidelines and those of FHWA Division Office and (D) in accordance with the requirements of all applicable laws and each applicable Related Document. The Issuer shall at all times do or cause to be done all things necessary to obtain, preserve, renew, extend, and keep in full force and effect all Governmental Approvals and other rights, licenses, franchises, and authorizations necessary for the operation and maintenance of the Project or material to the conduct of its business.

11) The Issuer shall at all times maintain (or cause to be maintained) insurance for the construction of the Project, with responsible insurers, as required by the Principal Project Contracts and as is customarily maintained in the United States of America with respect to works and properties of like character, against accident to, loss of or damage to such works or properties, which shall include liability coverage and pollution and other environmental liability and remediation related coverage. The Issuer shall cause each Principal Project Party to obtain and maintain casualty and liability insurance in accordance with the requirements of the applicable Principal Project Contract.

12) The Issuer shall (or, in the case of property and casualty insurance, shall cause ALDOT to) at all times maintain with responsible insurers or through a program of self-insurance all such insurance on the Project as is customarily maintained with respect to works and properties of like character against accident to, loss of, or damage to such works or properties. To the extent the Issuer (or ALDOT, as applicable) elects to self-insure, the Issuer shall deliver to the TIFIA Lender annually a written opinion of an accredited actuary that confirms that the Issuer's or ALDOT's, as applicable, self-insurance program is actuarially sound.

13) The Issuer shall prepay the TIFIA Loan in whole or in part, without penalty or premium, from any Net Loss Proceeds available for prepayment of the TIFIA Loan.

14) The Issuer shall (by self-insuring or maintaining with responsible insurers or by a combination thereof) provide for workers' compensation insurance for Issuer's workers, if any, and insurance against public liability and property damage to the Project to the extent reasonably necessary to protect the Issuer and the TIFIA Lender.

15) The Issuer shall cause all liability insurance policies that it or ALDOT maintains (and, during the Construction Period, that are maintained by the Design-Build Contractor and any other Principal Project Party), other than workers' compensation insurance, to reflect the Trustee as an additional insured to the extent of its insurable interest.

16) Upon the request of the TIFIA Lender, the Issuer shall deliver to the TIFIA Lender all (A) insurance brokers' letters, (B) certificates of insurance, in each case promptly after Issuer's receipt thereof and in any event no later than when required to be delivered pursuant to the Indenture Documents and (C) any other certifications or opinions provided to the Issuer or ALDOT with respect to the Issuer's or ALDOT's program of insurance or self-insurance. Promptly upon request by the TIFIA Lender, the Issuer shall deliver to the TIFIA Lender copies of any underlying insurance policies obtained by or on behalf of the Issuer or ALDOT in respect of the Project. All such policies shall be available at all reasonable times for inspection by the TIFIA Lender, its agents and representatives.

17) The Issuer shall, within five (5) Business Days after the Issuer learns of the occurrence, give the TIFIA Lender notice of any of the following events or receipt of any of the following notices, as applicable, setting forth details of such event:

(A) Substantial Completion: the occurrence of Substantial Completion, such notice to be provided;

(B) Defaults; Events of Default: the occurrence of any Default or Event of Default;

(C) Litigation: (1) the filing of any litigation, suit or action, or the commencement of any proceeding against the Issuer or ALDOT before any arbitrator, Governmental Authority, alternative dispute resolution body, or other neutral third-party, or the receipt by the Issuer in writing of any threat of litigation, suit, action, or proceeding, or of any written claim against the Issuer that, in each case, could reasonably be expected to have a Material Adverse Effect, and any material changes in the status of such litigation, suit, action or claim and (2) any judgments against the Issuer with award amounts in excess of $1,000,000, either individually or in the aggregate;

(D) Delayed Governmental Approvals: any failure to receive or delay in receiving any Governmental Approval or making any required filing, notice, recordation or other demonstration to or with a Governmental Authority, in each case to the extent such failure or delay will or could reasonably be expected to result in a delay to any major milestone date (including the Projected Substantial Completion Date) set forth in the Construction Schedule, together with a written explanation of the reasons for such failure or delay and the Issuer's plans to remedy or mitigate the effects of such failure or delay;

(E) Environmental Notices: any notice of material violation under any Environmental Law related to the Project or any material changes to the NEPA Determination;

(F) Insurance Claim: any insurance claims made by the Issuer, ALDOT or the Design-Build Contractor or any other Principal Project Party in respect of the Project in excess of an amount to be set by the TIFIA Lender either individually or in the aggregate;

(G) Tolling-Related Agreements and Interoperability Agreements: the entry into, and any amendment, supplement, modification, termination or replacement of, any Tolling-Related Agreement or Interoperability Agreement, together with a fully executed copy of each such agreement and any such amendment, supplement or modification (and, in the case of Tolling-Related Agreements, any related performance security instruments);

(H) Principal Project Contracts and ALDOT Documents: (1) any material breach or default or event of default on the part of the Issuer or any other party under any Principal Project Contract or ALDOT Document; (2) any written notice from the Issuer, or from any Principal Project Party or ALDOT received by the Issuer, of its intention to terminate any Principal Project Contract or

ALDOT Document, and any termination of the foregoing; or (3) any written proposal by the Issuer to suspend or abandon the Project.

(I) Uncontrollable Force: the occurrence of any Uncontrollable Force that could reasonably be expected to result in a Material Adverse Effect;

(J) Project Changes: any (1) change to the Total Project Costs forecasts in excess of five percent (5%) of forecasted Total Project Costs, and (2) material change to the Construction Schedule;

(K) Ratings Changes: any change in the rating assigned to any Secured Obligations by any Rating Agency that has provided a rating on such indebtedness, the Issuer, or the Project Revenues (or the other elements of the Trust Estate);

(L) 2 CFR Notices: (1) that any of the information set forth in the certificate provided with respect to 2 CFR at execution of the TIFIA Loan Agreement was incorrect at the time the certificate was delivered or there has been a change in status of the Issuer or any of its principals with respect to the criteria set forth in 2 CFR § 180.335; (2) any other notification required pursuant to 2 CFR § 180.350; and (3) any violation of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the TIFIA Loan as described in 2 CFR § 200.113, and the Issuer shall require its subcontractors to provide it notice of any such violation;

(M) Material Events: the filing of (together with a copy of) any notice to the Municipal Securities Rulemaking Board of any of the events described in clause (b)(5)(i)(C) of Rule 15c2-12 of the U.S. Securities and Exchange Commission (or any similar rule);

(N) Design-Build Agreement – Relief Events: With respect to any Relief Event resulting (or contemplated to result) in an extension of the Substantial Completion Date beyond the Substantial Completion Deadline or any increase in the Compensation Cap (each such term as defined in the Design-Build Agreement): (1) Any Relief Event Notice, Request for Determination of Relief Event, and Request for Supplemental Agreement (including related to Force Majeure Events, change in law, Governmental Approval failures and Authority-Directed Changes) (each such term as defined in the Design-Build Agreement), and any response by the Issuer in respect of such notices, including any Request for Determination of Relief Event; and (2) any Supplemental Agreement (as defined in the Design-Build Agreement) entered into between the Issuer and the Design-Build Contractor for the purpose of documenting any payment or other relief to be provided by the Issuer, as applicable, in respect of any such Relief Event;

(O) Design-Build Agreement – Supplemental Agreements: Notice of execution of any Supplemental Agreement that results in a material change to Price, Compensation Cap, Incentive Fee, Target Cost/Cost Ceiling/Cost Floor, the Project Schedule or scope of Work (each such term as defined in the Design-Build Agreement);

(P) Design-Build Agreement – Defects: (1) Any claim for or notice of any defect in the Work or (2) notice during the Correction Period that Work fails to meet the warranty standards (or any Warranty of Corrected Work) (each such term as defined in the Design-Build Agreement);

(Q) Design-Build Agreement – NTE Amount: Notice that an NTE Amount has been exceeded and any notice by the Design-Build Contractor of cessation of Work or termination based on excess NTE (each such term as defined in the Design-Build Agreement);

(R) Principal Project Contracts – Claims: any claims made by the Issuer or the relevant Principal Project Party under any Principal Project Contract in excess of $1,000,000 either individually or in the aggregate;

(S) Principal Project Contracts – Construction Progress; Planned Dates; Liquidated Damages: (1) Delivery of any construction progress report provided under the Design-Build Agreement, together with a copy thereof; (2) the achievement of any Completion Milestone (as defined in the Design-Build Agreement); (3) the failure to achieve any Completion Milestone by the related Completion Deadline set forth in the Design-Build Agreement; (4) the failure to achieve any completion milestone by the related completion deadline set forth in any other Principal Project Contract; or (5) the imposition of liquidated damages on account of any failure described in clauses (3) or (4) above;

(T) Principal Project Contracts – Performance Security Instruments: (1) Any failure of the Design-Build Contractor to deliver or maintain any Design-Build Performance Security Instruments in accordance with the Design-Build Agreement; or (2) any failure of any other Principal Project Party to deliver or maintain any performance security instrument required under any Principal Project Contract;

(U) Principal Project Contracts – Other Notices: (1) Notice of Suspension for Convenience, Suspension for Cause, or Deemed Suspension due to nonpayment (including the Design-Build Contractor's nonpayment notice) (each such term as defined in the Design-Build Agreement); or (2) any similar notices of suspension or deemed suspension delivered under any other Principal Project Contract;

(V) Lease Agreement: (1) copies of any documents relating to the appropriations, authorization and allotment and the budget for the Lease Payments or other payments by ALDOT under the Lease Agreement, including (A) the State's budget evidencing that the relevant Lease Payments are included therein and (B) ALDOT's block appropriations; (2) a failure or delay in the appropriation, authorization or allotment of the funds necessary for ALDOT to make payments under the Lease Agreement; or (3) any Lease Default; and

(W) ISRRPP Agreement: (1) any breach or default on the part of the Issuer under the ISRRPP Agreement; (2) any written notice from FHWA of its intention to terminate the ISRRPP Agreement; or (3) any amendment, supplement, modification or termination of the ISRRPP Agreement, together with a fully executed copy of any such amendment, supplement or modification.

(X) Other Adverse Events: the occurrence of any other event or condition, including any notice of breach from a contract counterparty, that could reasonably be expected to result in a Material Adverse Effect.

The Issuer shall provide the TIFIA Lender with any further information reasonably requested by the TIFIA Lender from time to time concerning the matters described in this section.

18) Within thirty (30) calendar days after the Issuer learns of the occurrence of an event for which it is required to provide notice to TIFIA (other than certain notices that do not require further action), the Issuer shall provide a statement to the TIFIA Lender setting forth the actions the Issuer (or ALDOT, as applicable) proposes to take with respect thereto.

19) The Issuer shall maintain its existence as a public corporation under the laws of the State.

20) The Issuer shall provide to the TIFIA Lender a public rating on each of the Secured Obligations by a Rating Agency, together with the rating report or letter delivered by such Rating Agency in connection with each such rating.

21) With respect to Indenture Funds and Permitted Investments,

(i) On or prior to the Bond Closing Date, the Issuer shall fund the First Lien Debt Service Reserve Fund in an amount equal to the First Lien Debt Service Reserve Fund Requirement with respect to the Series 2026A Bonds and shall provide the TIFIA Lender notice of such funding promptly after completion.

On or prior to the issuance date for any other First Lien Obligations, the Issuer shall fund the First Lien Debt Service Reserve Fund in an amount equal to the relevant First Lien Debt Service Reserve Fund Requirement and shall provide the TIFIA Lender notice of such funding promptly after completion. The funding of the First Lien Debt Service Reserve Fund shall be composed of cash, unless otherwise approved by the TIFIA Lender.

(ii) On or prior to the issuance date for any Second Lien Obligations (other than the Series 2026B Bond), the Issuer shall fund the Second Lien Debt Service Reserve Fund in an amount equal to the Second Lien Debt Service Reserve Fund Requirement and shall provide the TIFIA Lender notice of such funding promptly after completion. The funding of the Second Lien Debt Service Reserve Fund shall be composed of cash, unless otherwise approved by the TIFIA Lender.

(iii) On or prior to the Bond Closing Date, the Issuer shall fund the TIFIA Debt Service Reserve Fund in an amount equal to the TIFIA Debt Service Reserve Fund Requirement from funds derived from a source other than the Federal Government and shall provide the TIFIA Lender notice of such funding promptly after completion. The funding of the TIFIA Debt Service Reserve Fund shall be composed of cash from the proceeds of the Series 2026D Bonds.

(iv) On or prior to the Substantial Completion Date, the Issuer shall fund the Toll Collection Operating Reserve Fund in an amount equal to the Toll Collection Operating Reserve Fund Requirement and shall provide the TIFIA Lender notice of such funding promptly after completion. The funding of the Toll Collection Operating Reserve Fund shall be composed of cash.

(v) On or prior to the Substantial Completion Date, the Issuer shall fund the Toll Collection Renewal and Replacement Fund in an amount equal to the Toll Collection Renewal and Replacement Fund Requirement and shall provide the TIFIA Lender notice of such funding promptly after completion. The funding of the Toll Collection Renewal and Replacement Fund shall be composed of cash.

(vi) The Issuer shall maintain each Reserve Account in an amount equal to the applicable Reserve Account Requirement, in each case in accordance with the provisions of the TIFIA Loan Agreement and the applicable Indenture Documents.

(vii) Amounts in the First Lien Debt Service Reserve Fund shall be made available to ensure the timely payment of Debt Service on the First Lien Obligations secured thereby, amounts in the Second Lien Debt Service Reserve Fund shall be made available to ensure the timely payment of Debt Service on the Second Lien Obligations secured thereby, and amounts in the TIFIA Debt Service Reserve Fund shall be made available to ensure the timely payment of TIFIA Debt Service on the TIFIA Loan.

(viii) To the extent not provided in this Section, the Issuer shall cause the other Indenture Funds to be funded in such amounts and under such conditions as are required by the TIFIA Loan Agreement and the Indenture.

(ix) Proceeds of the TIFIA Loan and amounts on deposit in the following funds shall be held uninvested or invested in Permitted Investments: Revenue Fund, the Debt Service Fund-Series 2026A Interest Subaccount, the Debt Service Fund-Series 2026A Principal Subaccount, the TIFIA Scheduled Interest Sub-Account, the TIFIA Scheduled Principal Sub-Account, the First Lien Debt Service Reserve Fund, the Second Lien Debt Service Reserve Fund, and the TIFIA Debt Service Reserve Fund. Permitted Investments must mature or be redeemable at the election of the relevant Holder as follows: (A) with respect to Permitted Investments maintained in the TIFIA Debt Service Reserve Fund, not later than the next Semi-Annual Payment Date, (B) with respect to Permitted Investments maintained in the TIFIA Mandatory Interest Sub-Account or the TIFIA Scheduled Interest Sub-Account, as applicable, or the Debt Service Fund-Series 2026A Interest Subaccount, not later than the next date (which shall be a Semi-Annual Payment Date with respect to TIFIA Debt Service) on which interest is due and payable with respect to any such Secured Obligations, (C) with respect to Permitted Investments maintained in the TIFIA Mandatory Principal Sub-Account or the TIFIA Scheduled Principal Sub-Account, as applicable, or the Debt Service Fund-Series 2026A Principal Subaccount, the next date on which principal is due and payable with respect to any such Secured Obligations, and (D) with

respect to any other Indenture Funds, on or prior to the date on which the funds invested in such Permitted Investments are reasonably expected to be needed for any payment from the applicable Indenture Fund.

22) The Issuer shall comply with the following Rate Coverage Test:

(i) The Issuer shall, subject to the remainder of this Section and the Toll Policy, fix, charge and collect rates and charges for use of the Project such that the Revenues are sufficient to comply with the Rate Coverage Test set forth below. The Rate Coverage Test requires, as of each Calculation Date, that the Revenues (x) were sufficient for the most recent Calculation Period to produce or otherwise satisfy (as applicable) each of the following ratios or requirements, and (y) are projected to be sufficient to produce or otherwise satisfy (as applicable) each of the following ratios or requirements, (1) in the case of clauses (A) through (D) below (and clause (E) following a Lease Default as described in the TIFIA Loan Agreement), for each Calculation Date through the Final Maturity Date, and (2) in the case of clause (E) (in the absence of a Lease Default as described in the TIFIA Loan Agreement), for each of the four (4) immediately succeeding Calculation Dates):

(A) a First Lien Debt Service Coverage Ratio at least equal to 1.45:1.00;

(B) a Second Lien Debt Service Coverage Ratio at least equal to 1.30:1.00;

(C) (1) the Third Lien Historical Cost Coverage Requirement and (2) a Third Lien Projected Debt Service Coverage Ratio at least equal to 1.10:1.00;

(D) a Loan Life Coverage Ratio at least equal to 1.30:1.00; and

(E) the All-in-Cost Coverage Requirement;

(clauses (A) through (E) above are collectively referred to herein as the "**Rate Coverage Test**").

(ii) No later than five (5) Business Days after each Calculation Date, the Issuer shall furnish to the TIFIA Lender a certificate certifying as to compliance with, and demonstrating satisfaction of, the Rate Coverage Test (such certificate containing the applicable historical calculations and forecasts, the "**Rate Coverage Report**"). Each Rate Coverage Report shall include the Issuer's calculation of each such coverage ratio in reasonable detail; provided that all such coverage ratios shall be calculated in accordance with the Rate Coverage Test requirements, including those set forth in the TIFIA Loan Agreement's Revenue Calculation Methodology and Debt Service Calculation Methodology.

(iii) If any Rate Coverage Report furnished by the Issuer pursuant to the TIFIA Loan Agreement demonstrates that the Issuer failed to satisfy the Rate Coverage Test as of the most recent Calculation Date, the Issuer shall (x) within thirty (30) days after request by the TIFIA Lender, engage the Traffic Consultant to review and analyze the operations of the Project and recommend actions regarding revising the rates or changing the methods of operations, or any other actions to increase Revenues so as to satisfy the Rate Coverage Test, (y) cause the Traffic Consultant to issue its report, including any such recommended actions, no later than ninety (90) days following such engagement, and (z) no later than one hundred twenty (120) days following such engagement, either (A) implement the Traffic Consultant's recommendation or (B) undertake an alternative course of action after demonstrating to the TIFIA Lender's satisfaction the manifest errors contained in the Traffic Consultant's recommended actions, or to the extent agreed upon by the TIFIA Lender, undertake an alternative course of action that will ensure the Issuer's ability to meet its payment obligations under the TIFIA Loan Agreement.

23) The Issuer shall pay its material obligations promptly and in accordance with their terms and pay and discharge promptly all taxes, assessments and governmental charges or levies imposed upon it or upon the Trust Estate or any portion thereof, including the Project Revenues, or the Issuer's other income or profits or in respect of its property, before the same shall become delinquent or in default, as well as all lawful and material claims for labor, materials and supplies or other claims which, if unpaid, might give rise to a Lien upon such properties or any part thereof or on the Trust Estate or any portion thereof, including the Project Revenues; provided that

such payment and discharge shall not be required with respect to any such tax, assessment, charge, levy, claim or Lien so long as the validity or amount thereof shall be contested by the Issuer in good faith by appropriate proceedings and so long as the Issuer shall have set aside adequate reserves with respect thereto in accordance with and to the extent required by GAAP, applied on a consistent basis.

24) The Issuer shall (i) maintain its active registration status with the federal System for Award Management (www.SAM.gov) (or any successor system or registry) and (ii) annually, on or before December 1, provide to the TIFIA Lender evidence of such active registration status with no active exclusions listed in such registration, in each case until the earlier of the first anniversary of the Substantial Completion Date and the date on which the TIFIA Loan has been disbursed in full.

25) With respect to Events of Loss:

(i) If an Event of Loss shall occur with respect to the Project or any part thereof, the Issuer shall (A) diligently pursue all of its rights to compensation against all relevant insurers, reinsurers and Governmental Authorities, as applicable, in respect of such event and (B) pay or apply all Loss Proceeds stemming from such event in accordance with the other provisions of the TIFIA Loan Agreement, including with respect to mandatory prepayments.

(ii) The Issuer shall apply all Loss Proceeds as provided in Section 8.17 of the Indenture. The Issuer shall cause the relevant insurers, reinsurers and Governmental Authorities, as applicable, to pay all Loss Proceeds directly to the Trustee as loss payee and, if paid to the Issuer, such Loss Proceeds shall be received in trust and for the benefit of the Trustee segregated from other funds of the Issuer, and shall be paid over to the Trustee in the same form as received (with any necessary endorsement).

26) Reserved.

27) If the anti-money laundering compliance program provisions of the Patriot Act become applicable to the Issuer, then the Issuer will provide written notice to the TIFIA Lender of the same and the Issuer will promptly establish an anti-money laundering compliance program that complies with all requirements of the Patriot Act.

28) The Issuer shall follow the requirements of 46 CFR Part 381 and provide certifications regarding transportation of equipment, materials or commodities transported by ocean vessel with respect to the Project.

29) The Issuer shall comply with all applicable certification, declaration and/or disclosure requirements under 49 CFR Part 20 with respect to lobbying.

30) To the extent applicable, the Issuer shall comply, and shall require each subrecipient to comply, with the reporting requirements with respect to executive compensation required by 2 CFR Part 170.

31) The Issuer will comply with Build America, Buy America requirements applicable to the Project.

32) If the Issuer shall, directly or indirectly, enter into, consent to, or otherwise grant any contractual obligation to the Holders that provides such Holders with the right to cause the acceleration of the relevant Secured Obligations, then such acceleration rights shall automatically be deemed to be incorporated into the TIFIA Loan Agreement and the TIFIA Lender shall have the benefit of such acceleration rights. The Issuer shall promptly, upon entering into or otherwise consenting to a contractual obligation containing any acceleration rights, notify the TIFIA Lender of such contractual obligation and enter into an amendment to the TIFIA Loan Agreement to incorporate such acceleration rights herein; provided that the TIFIA Lender shall have the benefit of such acceleration rights even if the Issuer fails to provide such notice or enter into an amendment hereto to incorporate such acceleration rights into the TIFIA Loan Agreement.

33) The Issuer shall comply with the ISRRPP Agreement in all respects.

NEGATIVE COVENANTS

The Issuer covenants and agrees as follows, unless the TIFIA Lender waives compliance in writing:

1) Indebtedness:

(i) Except for Permitted Debt, the Issuer shall not, without the prior written consent of the TIFIA Lender, issue or incur indebtedness of any kind (including any Bond Insurance Policy (as defined in the Indenture), any surety bond, including any Qualified Surety Bond (as defined in the Indenture) or any Credit Facility) that is secured (in whole or in part) by the Trust Estate or that is otherwise payable (in whole or in part) from Project Revenues; provided that the Issuer shall not issue or incur (A) any indebtedness unless it complies with the requirements of this Section and the Indenture Documents or (B) any indebtedness payable from, secured or supported by any portion of the Trust Estate or payable from Project Revenues, including Permitted Debt, without the prior written consent of the TIFIA Lender, following the occurrence, and during the continuation, of an Event of Default.

(ii) The Issuer shall not issue any First Lien Obligations, Second Lien Obligations (other than the TIFIA Loan or the Project BANs) or Third Lien Obligations that requires the amortization of principal thereof before the Debt Service Payment Commencement Date.

(iii) Prior to the incurrence of Permitted Debt described in clauses (b), (c), or (e) of the definition thereof, the Issuer shall provide to the TIFIA Lender a certificate signed by the Issuer's Authorized Representative, demonstrating to the TIFIA Lender's satisfaction that such proposed indebtedness is authorized pursuant to this Section and satisfies the applicable requirements under (x) the definitions of "Permitted Debt" and "Additional Secured Obligations," as applicable and (y) under the Indenture Documents.

(iv) To the extent any Permitted Debt consists of Put Bonds, the Issuer must maintain a Credit Facility that will pay any amounts payable by the Issuer in respect of such Put Bonds.

(v) To the extent any Permitted Debt consists of Variable Interest Rate Obligations, in connection with, and as a condition to, the issuance or incurrence of such Permitted Debt, the Issuer shall have entered into an interest rate hedging agreement in form and substance acceptable to the TIFIA Lender.

2) The Issuer shall not, and shall not permit any Person to, without the prior written consent of the TIFIA Lender, (i) extinguish, impair, or transfer the Liens on the Trust Estate granted pursuant to the Indenture, (ii) terminate, assign, amend, modify, replace, or supplement, request or countersign any consent under, or waive or permit a waiver of any provision of, any ALDOT Document or the TIFIA Supplemental Indenture, (iii) assign, terminate or replace any TIFIA Loan Document or any Principal Project Contract (subject to the replacement rights associated with a cross default of Project Principal Contracts or the occurrence of a Bankruptcy Related Event), (iv) amend, modify (including pursuant to any change order), supplement, request or countersign any consent under, or waive or permit a waiver of any provision of, any Related Document (other than the ALDOT Documents, the TIFIA Supplemental Indenture or a Principal Project Contract) in a manner that could adversely affect the TIFIA Lender (in the TIFIA Lender's determination) in connection with the TIFIA Loan, or (v) amend, supplement or modify, grant any consent under, or waive or permit a waiver of performance by any Principal Project Party of its respective covenants under, any Principal Project Contract, except for any amendment, supplement, modification or waiver that individually or in the aggregate could not reasonably be expected to have a Material Adverse Effect.

3) Except for Permitted Liens, the Issuer shall not create, incur, assume or permit to exist any Lien on the Project, the Project Revenues or the other elements of the Trust Estate or the Issuer's respective rights therein. The Issuer shall not collaterally assign any of its rights under or pursuant to any Principal Project Contract and shall not permit a Lien to encumber the Issuer's rights or privileges under any Principal Project Contract, unless pursuant to the Indenture Documents in favor of the Trustee on behalf of the Secured Parties.

4) The Issuer shall not make, nor permit to be made, any Restricted Payments unless (x) such payment is made on or within thirty (30) days following a Calculation Date and (y) on the date of such payment (or the relevant

Calculation Date in the case of clause (vi) below), all of the following conditions have been satisfied (the "Restricted Payment Conditions"):

(i) the Substantial Completion Date has occurred;

(ii) no Default or Event of Default under the TIFIA Loan Agreement and no event of default (howsoever described or designated) under any other Related Document shall have occurred and be continuing, or, in each case, would occur as a direct result of the applicable transfer;

(iii) the Debt Service Payment Commencement Date has occurred;

(iv) the Issuer has paid in full (1) all TIFIA Debt Service due and payable as of such date, including all previously due but unpaid TIFIA Scheduled Debt Service, and (2) all Debt Service in respect of the other Secured Obligations due and payable as of such date;

(v) each Reserve Account is fully funded at its applicable requirement;

(vi) (1) the First Lien Debt Service Coverage Ratio as of such Calculation Date is, and was for each of the two Calculation Dates prior to such Calculation Date, equal to at least 1.45:1.00, (2) the Second Lien Debt Service Coverage Ratio as of such Calculation Date is, and was for each of the two Calculation Dates prior to such Calculation Date, equal to at least 1.30:1.00, (3) the Third Lien Cost Coverage Requirement was satisfied as of such Calculation Date and as of the two Calculation Dates prior to such Calculation Date; (4) the All-in-Cost Coverage Requirement was satisfied as of such Calculation Date and as of each of the two Calculation Dates prior to such Calculation Date, and (5) the Loan Life Coverage Ratio as of such Calculation Date is, and was for each of the two Calculation Dates prior to such Calculation Date, equal to at least 1.30:1.00;

(vii) (1) the First Lien Debt Service Coverage Ratio projected for each Calculation Date immediately succeeding such date through the Final Maturity Date is equal to at least 1.45:1.00, (2) the Second Lien Debt Service Coverage Ratio projected for each Calculation Date immediately succeeding such date through the Final Maturity Date is equal to at least 1.30:1.00, (3) the Third Lien Projected Debt Service Coverage Ratio for each Calculation Date immediately succeeding such date through the Final Maturity Date is equal to at least 1.10:1.00, (4) the All-in-Cost Coverage Requirement is projected to be satisfied for each of the four (4) Calculation Dates immediately succeeding such date (or, following a Lease Default as described herein), for each Calculation Date through the Final Maturity Date), and (5) the Loan Life Coverage Ratio projected for each Calculation Date immediately succeeding such date through the Final Maturity Date is equal to at least 1.30:1.00;

(viii) the Issuer is not insolvent and would not be rendered insolvent by the making of such proposed Restricted Payment; and

(ix) the Issuer shall have delivered to the TIFIA Lender a certificate of the Issuer's Authorized Representative (including calculations in reasonable detail of the applicable coverage ratios, and demonstrating satisfaction with the same) certifying that the above conditions have been satisfied.

5) The Issuer shall not, without the prior written consent of the TIFIA Lender, enter into any Additional Project Contract (or series of related contracts) that commits the Issuer to spend, or is reasonably expected to involve expenditures by the Issuer of, amounts that either: (i) exceed an amount to be determined by the TIFIA Lender in any Issuer Fiscal Year; or (ii) alone or when aggregated with the other Total Project Costs or Operations and Maintenance Expenses, as applicable, in the same line item of the applicable budget set forth in the Financial Plan most recently submitted to the TIFIA Lender, would cause aggregate Total Project Costs or Operations and Maintenance Expenses, as applicable, for such line item in any Issuer Fiscal Year to exceed by more than five percent (5%) the amounts for such line item for any Issuer Fiscal Year reflected in the budget in the Financial Plan most recently submitted to the TIFIA Lender.

6) The Issuer shall not sell, lease, assign or otherwise dispose of its rights in and to the Project, a substantial portion of the assets included in the Project, or its rights and obligations under any Related Document, in each

case unless such sale, lease or assignment (i) could not reasonably be expected to result in a Material Adverse Effect, and (ii) is made by the Issuer in the ordinary course of business.

7) The Issuer shall not, without the prior written consent of the TIFIA Lender, demolish or replace, or substitute the Phase 2 Project for, the existing I-10 Bayway resulting from the construction of the Bayway portion of the Project.

8) The Issuer shall not, at any time, without the prior written consent of the TIFIA Lender, adopt any fiscal year other than the Issuer Fiscal Year, except with thirty (30) days' prior written notice to the TIFIA Lender.

9) The Issuer shall not (i) sell or transfer any property or assets constituting part of the Project to, or purchase or acquire any property or assets of, any other Governmental Authority (except as expressly contemplated by the ALDOT Documents), or (ii) otherwise engage in any other transactions in connection with the Project with, any other Governmental Authority (including any other Governmental Authority of or in the State) the terms and provisions of which are materially adverse to the Project or the Issuer or that could reasonably be expected to result in a Material Adverse Effect.

10) The Issuer shall not pay any portion of TIFIA Debt Service or any other amount to the TIFIA Lender or the Federal Government pursuant to the TIFIA Loan Documents with funds received directly or indirectly from the Federal Government; provided that the Issuer may prepay the TIFIA Loan in whole or in part with the proceeds of a validly issued federal credit instrument pursuant to, and in accordance with, the prepayment provisions of the TIFIA Loan Agreement.

11) The Issuer shall not, and shall not agree to:

(i) acquire by purchase or otherwise the business, property or fixed assets of, or equity interests or other evidence of beneficial ownership interests in, any Person (other than purchases or other acquisitions of inventory or materials or spare parts or Renewal and Replacement Expenses, each in the ordinary course of business in compliance with the Annual Budget) to the extent such acquisition or purchase could reasonably be expected to have a Material Adverse Effect;

(ii) reorganize, consolidate with, or merge into another Person unless (A) such merger or consolidation is with or into another entity established and Controlled by ALDOT, and, in each case would not reasonably be expected to adversely affect or impair to any extent or in any manner (1) the Trust Estate or any portion thereof, including the Project Revenues, or (2) the availability of the Project Revenues for the payment and security of the obligations of the Issuer under the TIFIA Loan Agreement and the other TIFIA Loan Documents; and (B) the Issuer provides to the TIFIA Lender, no later than sixty (60) days prior to the date of reorganization, consolidation or merger, prior written notice of such reorganization, consolidation or merger and the agreements and documents authorizing the reorganization, consolidation or merger, satisfactory in form and substance to the TIFIA Lender. The documents authorizing any reorganization, consolidation or merger shall contain a provision, satisfactory in form and substance to the TIFIA Lender, that, following such reorganization, consolidation or merger, the successor will assume, by operation of law or otherwise, the due and punctual performance and observance of all of the representations, warranties, covenants, agreements and conditions of the TIFIA Loan Agreement and the other Related Documents to which the Issuer is a party. In addition, the Issuer shall provide all information concerning such reorganization, consolidation or merger as shall have been reasonably requested by the TIFIA Lender;

(iii) sell, lease, or assign its rights in and to the Project or in and to a material portion of the assets constituting the Project, to the extent such sale, lease or assignment could reasonably be expected to have a Material Adverse Effect; or

(iv) otherwise engage in a transaction with any other Person to the extent such transaction could reasonably be expected to have a Material Adverse Effect.

12) The Issuer shall not defease the Series 2026B Bond pursuant to the Indenture without the prior written consent of the TIFIA Lender.

13) The Issuer shall not

(i) violate (1) any applicable Anti-Money Laundering Laws, (2) any applicable Sanctions, (3) any applicable Anti-Corruption Laws or (4) any applicable anti-drug trafficking or anti-terrorism laws, civil or criminal;

(ii) use the proceeds of the TIFIA Loan for purposes other than those permitted by applicable law and as otherwise permitted under the TIFIA Loan Agreement and the other Related Documents; or

(iii) make a payment, directly or indirectly, to any Principal Project Party that (1) to the Issuer's knowledge, has violated any of the OFAC compliance requirements under the TIFIA Loan Agreement or (2) is a Sanctioned Person.

The Issuer shall ensure that each of its directors, officers, employees, and agents shall not, directly or indirectly, use the proceeds of the TIFIA Loan or lend to, make any payment to, contribute or otherwise make available any funds to any affiliate, joint venture partner or other Person (A) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any applicable Anti-Corruption Laws, (B) in any manner that would result in the violation of any applicable Anti-Money Laundering Laws, (C) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, or (D) in any other manner that would result in the violation of any Sanctions by any Person (including the Executive Director, the TIFIA Lender or any Principal Project Party).

14) The Issuer shall not enter into any Hedging Transaction without the prior written approval of the TIFIA Lender.

15) The Issuer (i) shall comply with the Toll Policy in all respects and (ii) without the prior written consent of the TIFIA Lender, shall not amend, modify or supplement, or permit any amendment, modification, or supplement of, the Toll Policy in any manner that (A) reduces the toll rates, or limits or postpones the increase of, or could reasonably be expected to result in a reduction, limit or postponement of the increase of, the toll rates for the Project or (B) could reasonably be expected to result in a Material Adverse Effect.

EVENTS OF DEFAULT

The occurrence of any of the following constitute an "Event of Default" under the TIFIA Loan Agreement:

(i) Payment Default. The Issuer fails to pay any of the principal amount of or interest on the TIFIA Loan (including any mandatory prepayment), when and as the payment thereof shall be required under the TIFIA Loan Agreement or the Series 2026B Bond or on the Final Maturity Date (each a "Payment Default"); provided that failure to pay the TIFIA Scheduled Debt Service shall not be a Payment Default if the amounts on deposit in the TIFIA Scheduled Debt Service Payment Sub-Accounts were insufficient therefor.

(ii) Covenant Default. The Issuer fails to observe or perform any covenant, agreement or obligation of the Issuer under the TIFIA Loan Agreement (including any payment of fees or other amounts other than principal and interest), the Series 2026B Bond or any other TIFIA Loan Document (other than in the case of any Payment Default, any Development Default or any default from cessation of operations), and such failure shall not be cured within thirty (30) days after the earliest to occur of (A) receipt by the Issuer from the TIFIA Lender of written notice thereof, (B) the Issuer's knowledge of such failure or (C) with respect to any non-payment of fees or amounts other than principal and interest, the date on which any such fees or amounts became due and payable; provided that if such failure is capable of cure but cannot reasonably be cured within such thirty (30) day cure period, then no Event of Default shall be deemed to have occurred or be continuing, and such thirty (30) day cure period shall be extended by up to one hundred fifty (150) additional days, if and so long as (x) within such thirty (30) day cure period the Issuer commences actions reasonably designed to cure such failure and diligently pursues such actions until such failure is cured, and (y) such failure is cured within one hundred eighty (180) days of the date specified in either (A) or (B) above, as applicable; provided, further, that no extension of the thirty (30) day cure period shall be permitted for any failure to pay any fee or other amount (excluding principal and interest) payable under the TIFIA Loan Agreement.

(iii) Lease Default.

(A) ALDOT (1) fails to make any Lease Payment when and as due under the Lease Agreement, or (2) fails to perform or observe any of its obligations under any of Sections 6.6 (Transfer or Encumbrance Created by Issuer), 6.7 (Assignment, etc. of Leasehold Interest) or 9.3 (No Disposition of Portions of Bridge and Bayway Facilities While Series 2026 Bonds are Outstanding) of the Lease Agreement, in each case without regard to any notice, grace or cure period set forth in the Lease Agreement;

(B) ALDOT (or the Issuer, as applicable) shall fail to perform or observe any of its obligations under any of Sections 6.2 (Maintenance and Other Operating Expenses; Prioritization of Payments), 6.9 (Insurance) or 6.10 (Events of Loss; Loss Proceeds) of the Lease Agreement, and such failure shall not be cured within thirty (30) days after the occurrence thereof; provided that such thirty (30) day cure period shall be extended by up to sixty (60) additional days if and so long as ALDOT (or the Issuer, as applicable) diligently pursues actions reasonably designed to cure such failure during such period; or

(C) Any other Lease Default shall occur and be continuing in accordance with the terms of the Lease Agreement (including any applicable cure period set forth therein).

(iv) Development Default. A Development Default shall occur.

(v) Misrepresentation Default. Any of the representations, warranties or certifications of the Issuer made in or delivered pursuant to the TIFIA Loan Documents (or in any certificates delivered by the Issuer in connection with the TIFIA Loan Documents) shall prove to have been false or misleading in any material respect when made or deemed made (or any representation and warranty that is subject to a materiality qualifier shall prove to have been false or misleading in any respect); provided that no Event of Default shall be deemed to have occurred if and so long as:

(A) such misrepresentation is not intentional;

(B) such misrepresentation is not a misrepresentation in respect of debarment, compliance with federal requirements, OFAC and anti-corruption laws, the Patriot Act, or the transportation improvement program;

(C) in the reasonable determination of the TIFIA Lender, such misrepresentation has not had, and would not reasonably be expected to result in, a Material Adverse Effect;

(D) in the reasonable determination of the TIFIA Lender, the underlying issue giving rise to the misrepresentation is capable of being cured;

(E) the underlying issue giving rise to the misrepresentation is cured by the Issuer within thirty (30) days from the date on which the Issuer first became aware (or reasonably should have become aware) of such misrepresentation; and

(F) the Issuer diligently pursues such cure during such thirty (30) day period.

(vi) Acceleration of Secured Obligations. (A) Any acceleration of the maturity of any Secured Obligations (other than the TIFIA Loan) or (B) any Secured Obligations (other than the TIFIA Loan) are not be paid in full upon the maturity thereof.

(vii) Cross Default to Financing Documents. Any of the representations, warranties or certifications of the Issuer made in or delivered pursuant to any Indenture Document (other than a TIFIA Loan Document), or made in or delivered pursuant to the documents (the "Other Loan Document**s**") under which any other indebtedness of the Issuer in an aggregate amount equal to or greater than $1,000,000 ("Other Material Indebtedness") is created or incurred, are false or misleading in any material respect (each an "Other

Indebtedness Misrepresentation Default"), or any default occurs in respect of the performance of any covenant, agreement or obligation of the Issuer under any Indenture Document (other than a TIFIA Loan Document) or Other Loan Document, and, in either case, such default is continuing after the giving of any applicable notice and the expiration of any applicable grace period specified in any such Indenture Document or Other Loan Document (as the case may be) with respect to such default (each an "Other Indebtedness Covenant Default"), if the effect of such Other Indebtedness Misrepresentation Default or Other Indebtedness Covenant Default is to permit the exercise of remedies by the Trustee with respect to the First Lien Obligations or other Second Lien Obligations or permit the acceleration of such Other Material Indebtedness (as the case may be), and, in the case of any such Other Indebtedness Misrepresentation Default or Other Indebtedness Covenant Default, the Issuer has failed to cure such Other Indebtedness Misrepresentation Default or Other Indebtedness Covenant Default or to obtain an effective written waiver thereof in accordance with the terms of such Indenture Documents or Other Loan Documents.

(viii) Cross Default to Principal Project Contracts. (A) The Issuer or any Principal Project Party defaults in the timely performance of any covenant, agreement or obligation under any Principal Project Contract (unless in any case such default could not reasonably be expected to have a Material Adverse Effect) or any Principal Project Contract shall be terminated prior to its scheduled expiration, and the Issuer or such Principal Project Party has failed to cure such default or to obtain an effective written waiver thereof prior to the expiration of the applicable grace period specified in any such Principal Project Contract, or to obtain an effective revocation of such termination (as the case may be) or (B) any Principal Project Contract ceases to be in full force and effect for any reason (other than as a result of the termination thereof in accordance with its terms) or becomes void, voidable, illegal or unenforceable, or the Issuer or any Principal Project Party contests in any manner the validity or enforceability of any Principal Project Contract or any material provision thereof, or denies it has any further liability under any Principal Project Contract, or purports to revoke, terminate or rescind any Principal Project Contract or any material provision thereof; provided that no Event of Default will be deemed to have occurred or be continuing if, in the case any Principal Project Contract is terminated or otherwise ceases to be in full force and effect prior to its scheduled expiration, (x) the Issuer replaces such Principal Project Contract with a replacement agreement (1) entered into with another counterparty that (I) in the TIFIA Lender's reasonable determination, is of similar or greater creditworthiness (including credit support), technical capability, and relevant experience as the counterparty being replaced was at the time the applicable Principal Project Contract was originally executed (or otherwise reasonably acceptable to the TIFIA Lender), (II) is not, at the time of such replacement, suspended or debarred or subject to a proceeding to suspend or debar from bidding, proposing or contracting with any federal or state department or agency, and (III) is not, at the time of such replacement, in violation of OFAC or anti-corruption laws, and is in compliance with all applicable laws, including environmental laws, (2) on substantially the same terms and conditions as the Principal Project Contract being replaced (or otherwise reasonably acceptable to the TIFIA Lender) and (3) effective as of the date of termination of the Principal Project Contract being replaced, and (y) each performance security instrument required under the replacement agreement is in full force and effect at the time of such replacement and is on substantially the same terms and conditions as the comparable performance security instrument required under the Principal Project Contract being replaced (or otherwise reasonably acceptable to the TIFIA Lender).

(ix) Judgments. One or more judgments (A) for the payment of money in an aggregate amount in excess of $1,000,000 (inflated annually by CPI) that are payable from the Trust Estate or any portion thereof, including the Project Revenues, and are not otherwise fully covered by insurance (for which the insurer has acknowledged and not disputed coverage) or (B) that would reasonably be expected to result in a Material Adverse Effect, in either case, is rendered against the Issuer or ALDOT, and the same remains undischarged for a period of thirty (30) consecutive days during which time period execution is not effectively stayed, or any action is legally taken by a judgment creditor to attach or levy upon any assets of the Issuer or ALDOT, as applicable, to enforce any such judgment.

(x) Failure to Maintain Existence. The Issuer fails to maintain its existence as a public corporation of the State or ALDOT fails to continue to be an agency of the State, unless at or prior to the time the Issuer or ALDOT ceases to exist in such form a successor public agency or governing body has been created by the State pursuant to a valid and unchallenged State law and has succeeded to the assets of the Issuer or ALDOT and has assumed all of the obligations of the Issuer or ALDOT under the Related Documents to which

it is a party or a signatory, including the payment of all Secured Obligations and, in the case of ALDOT, obligations under the ALDOT Documents.

(xi) Occurrence of a Bankruptcy Related Event. (A) A Bankruptcy Related Event shall occur with respect to the Issuer (or, to the extent permitted by applicable State law, ALDOT or the State of Alabama) or (B) a Bankruptcy Related Event shall occur with respect to any Principal Project Party; provided that no Event of Default shall be deemed to have occurred or be continuing if (x) the Issuer replaces such Principal Project Contract as soon as practicable and in no event later than one hundred twenty (120) days after the occurrence of such Bankruptcy Related Event with a replacement agreement (1) entered into with another counterparty that (I) in the TIFIA Lender's reasonable determination, is of similar or greater creditworthiness (including credit support), technical capability, and relevant experience as the counterparty being replaced was at the time the applicable Principal Project Contract was originally executed (or otherwise reasonably acceptable to the TIFIA Lender), (II) is not, at the time of such replacement, suspended or debarred or subject to a proceeding to suspend or debar from bidding, proposing or contracting with any federal or state department or agency, and (III) is not, at the time of such replacement, in violation of OFAC or anti-corruption laws, and is in compliance with all applicable laws, including environmental laws and (2) on substantially the same terms and conditions as the Principal Project Contract being replaced (or otherwise reasonably acceptable to the TIFIA Lender), and (y) each performance security instrument required under the replacement agreement is in full force and effect at the time of such replacement and is on substantially the same terms and conditions as the comparable performance security instrument required under the Principal Project Contract being replaced (or otherwise reasonably acceptable to the TIFIA Lender).

(xii) Project Abandonment. The Issuer abandons the Project.

(xiii) Invalidity of Certain Documents; Impairment of Trust Estate. (A) Any TIFIA Loan Document or ALDOT Document terminates or otherwise ceases to be in full force and effect or becomes void, voidable, illegal or unenforceable, or the Issuer or ALDOT contests in any manner the validity or enforceability of any TIFIA Loan Document or ALDOT Document to which it is a party or denies it has any further liability under any TIFIA Loan Document or ALDOT Document to which it is a party, or purports to revoke, terminate or rescind any TIFIA Loan Document or ALDOT Document to which it is a party; or (B) any Indenture Document ceases (other than as expressly permitted thereunder) to be effective to grant a valid and binding security interest on any material portion of the Trust Estate, including the Project Revenues, other than as a result of actions or a failure to act by, and within the control of, the Trustee, and with the priority purported to be created thereby.

(xiv) Cessation of Operations. Operation of all or a material portion of the Project ceases for a continuous period of not less than one hundred eighty (180) days unless such cessation of operations shall occur by reason of an Uncontrollable Force that is not due to the fault of the Issuer (and which the Issuer could not reasonably have avoided or mitigated) and the Issuer shall either be self-insured in an amount sufficient to cover, or shall have in force an insurance policy or policies under which the Issuer is entitled to recover amounts sufficient to pay (and may use such amounts to pay) all Debt Service, TIFIA Debt Service and costs and expenses of the Issuer during such cessation of operations.

(xv) Reserve Account Requirement. Failure to fund any Reserve Account to its initial required Reserve Account Requirement in accordance with the TIFIA Loan Documents and the Indenture.

(xvi) Rate Covenant. The Issuer fails to take the actions required after the failure to meet the rate covenant within the times prescribed by such rate covenant.

(xvii) Enabling Law. The Enabling Law is repealed, amended, supplemented or otherwise modified in such a manner that could reasonably be expected to result in a Material Adverse Effect.

(xviii) ISRRPP Agreement. (A) The Issuer fails to comply with any of its obligations under the ISRRPP Agreement or (B) the ISRRPP Agreement (1) is terminated or (2) is amended, supplemented or otherwise modified in such a manner that could adversely affect the TIFIA Lender (in the TIFIA Lender's

determination) in connection with the TIFIA Loan or could reasonably be expected to result in a Material Adverse Effect.

REMEDIES

Upon the occurrence of a Development Default, the TIFIA Lender may (i) suspend the disbursement of TIFIA Loan proceeds, (ii) terminate all of its obligations under the TIFIA Loan Agreement with respect to the disbursement of any undisbursed amounts of the TIFIA Loan, and (iii) demand that the Issuer immediately repay any unexpended TIFIA Loan proceeds previously disbursed to the Issuer.

Upon the occurrence of any Bankruptcy Related Event with respect to the Issuer, all obligations of the TIFIA Lender with respect to the disbursement of any undisbursed amounts of the TIFIA Loan shall automatically be deemed terminated, and, if the TIFIA Lender has a right to accelerate the TIFIA Loan, the Outstanding TIFIA Loan Balance, together with all interest accrued thereon and all fees, costs, expenses, indemnities and other amounts payable under the TIFIA Loan Agreement, the Series 2026B Bond or the other TIFIA Loan Documents with respect to the TIFIA Loan, will automatically become immediately due and payable, without presentment, demand, notice, declaration, protest or other requirements of any kind.

Upon the occurrence of a Lease Default, the definition of "All-in-Cost Coverage Requirement" will be deemed amended as follows: (i) Lease Payments shall be excluded from all forward-looking projections as to the Issuer's satisfaction of the All-in-Cost Coverage Requirement and (ii) the required deposits at levels Thirteenth and Fifteenth of the Flow of Funds shall include all Operations and Maintenance Expenses and Renewal and Replacement Expenses with respect to the Project (including all such Operations and Maintenance Expenses and Renewal and Replacement Expenses which are the responsibility of ALDOT under the Lease Agreement), rather than only Toll Collection Operating and Maintenance Expenses and Toll Collection Renewal and Replacement Expenses.

Upon the occurrence of any other Event of Default, the TIFIA Lender, by written notice to the Issuer, may (i) suspend or terminate all of its obligations with respect to the disbursement of any undisbursed amounts of the TIFIA Loan, (ii) demand that the Issuer repay any unexpended TIFIA Loan proceeds disbursed to the Issuer, and (iii) if the TIFIA Lender has a right to accelerate the TIFIA Loan, declare the unpaid principal amount of the Series 2026B Bond to be immediately due and payable, together with the interest accrued thereon and all fees, costs, expenses, indemnities and other amounts payable under the TIFIA Loan Agreement, the Series 2026B Bond or the other TIFIA Loan Documents.

Whenever any Event of Default has occurred and is continuing, the TIFIA Lender may institute any actions or proceedings at law or in equity for the collection of any sums due and unpaid under the TIFIA Loan Agreement or under the Series 2026B Bond or the other TIFIA Loan Documents, and may prosecute any such judgment or final decree against the Issuer and collect in the manner provided by law out of the property of the Issuer the moneys adjudged or decreed to be payable, and the TIFIA Lender will have all of the rights and remedies of a creditor, including all rights and remedies of a secured creditor under the Uniform Commercial Code, and may take such other actions at law or in equity as may appear necessary or desirable to collect all amounts due and unpaid under the TIFIA Loan Agreement, the Series 2026B Bond or under the other TIFIA Loan Documents with respect to the TIFIA Loan, or to enforce performance and observance of any obligation, agreement or covenant of the Issuer under the TIFIA Loan Agreement, the Series 2026B Bond, or the other TIFIA Loan Documents.

Whenever any Event of Default has occurred and is continuing, the TIFIA Lender may suspend or debar the Issuer, if the applicable Event of Default relates to the Issuer, or ALDOT, if the applicable Event of Default relates to ALDOT, from further participation in any Federal Government program administered by the TIFIA Lender and to notify other government departments and agencies of such default.

REVENUE CALCULATION METHODOLOGY AND DEBT SERVICE CALCULATION METHODOLOGY

Part I: Revenue Calculation Methodology

1. Restricted Payment Conditions

For any period, for purposes of determining the satisfaction of Restricted Payment Conditions, "Revenues" shall not include amounts available in any Reserve Account.

2. All Ratio Tests

(a) All or any extraordinary, non-recurring amounts or one-time receipts (other than as expressly provided in clause (b) of the definition of "Revenues") shall be excluded from the calculation of "Revenues".

(b) For purposes of any historical coverage ratio test, "Revenues" shall include all amounts described in the definition thereof.

(c) For purposes of any projected coverage ratio test, (i) Revenues shall include only the amounts described in clauses (a) and (c) of the definition of Revenues and (ii) projected investment earnings will be limited to lower of (A) the weighted average rate of interest earned with respect to amounts on deposit in the relevant Indenture Fund during the six (6) month period ending on the date of determination and (B) the assumed rate for the applicable period set forth in the most recent Revised Financial Model delivered by the Issuer pursuant to the TIFIA Loan Agreement;

3. Rate Coverage Test

As of any Calculation Date prior to the Debt Service Payment Commencement Date, amounts on deposit in the Rate Stabilization Fund or the Surplus Fund may be applied to increase the amount of Revenues for purposes of calculating any historical or projected coverage ratio under the Rate Coverage Test; provided that any amount so credited with respect to any such Calculation Date cannot be included in any coverage ratio for any subsequent Calculation Date (whether before or after the Debt Service Payment Commencement Date).

Part II: Debt Service Calculation Methodology

For purposes of calculating the amount of Debt Service for all ratio tests:

(a) Debt Service for which amounts on deposit with the Trustee specifically to pay such bonds, including defeasance obligations in the form of non-callable Permitted Investments, are irrevocably held in an escrow account, may be excluded from the denominator.

(b) All amounts deposited into or withdrawn from any Reserve Account shall be excluded from the calculation.

REPORTING, AUDITS, INSPECTIONS

The Issuer is required to provide the TIFIA Lender with extensive financial reporting, including annual budgets, financial plans and statements, revenue and cost projections and comprehensive financial models. The Issuer is also required to provide frequent updates with respect to construction progress. The TIFIA Lender also has rights to inspect the records of the Issuer for up to five years after the TIFIA Loan has been paid in full.

PROJECT OVERSIGHT

The TIFIA Lender shall have the right in its sole discretion to monitor (or direct its agents to monitor) the development, including environmental compliance, design, right-of-way acquisition, and construction of the Project. The Issuer agrees to cooperate in good faith with the TIFIA Lender and the FHWA Division Office in the conduct of such monitoring by promptly providing the TIFIA Lender and the FHWA Division Office with such reports, documentation or other information as shall be requested by the TIFIA Lender, FHWA Division Office, or its agents, including any consulting engineer reports, documentation or information.

Prior to the Substantial Completion Date, the Issuer is required to provide the TIFIA Lender with extensive construction progress reports.

After the Substantial Completion Date, the Issuer is required to deliver to the TIFIA Lender a quarterly traffic and operating report prepared by the Traffic Consultant showing (A) the operating data for the Project for the previous financial quarter, including the total Project Revenues received and total Operations and Maintenance Expenses and Renewal and Replacement Expenses incurred, (B) the variances for such period between the Project Revenues actually received and the budgeted Project Revenues as shown in the Financial Plan most recently received by the TIFIA Lender, together with a brief narrative explanation of the reasons for any such variance of ten percent (10%) or more, (C) the variances for such period between the actual Operations and Maintenance Expenses and Renewal and Replacement Expenses incurred and the budgeted Operations and Maintenance Expenses and Renewal and Replacement Expenses as shown in the Annual Budget, together with a brief narrative explanation of the reasons for any such variance of ten percent (10%) or more, and (D) the amount and description (including the relevant payor, i.e. the Issuer or ALDOT) of (1) Toll Collection Operating and Maintenance Expenses and other Operations and Maintenance Expenses, (2) Toll Collection Renewal and Replacement Expenses and other Renewal and Replacement Expenses, in each case for the relevant financial quarter.

CONSULTING ENGINEER AND TRAFFIC CONSULTANT

The Issuer is required to retain the Consulting Engineer and the Traffic Consultant for so long as required by the TIFIA Lender at the cost of the Issuer.

FEES AND EXPENSES

Beginning in federal fiscal year 2027, on or before November 15 of such federal fiscal year, the Issuer will pay an annual loan servicing fee to the TIFIA Lender. The loan servicing fee will be calculated by applying the percentage CPI change to the prior year's loan servicing fee and rounding to the nearest $500. The TIFIA Lender will calculate the percentage change in the CPI, before seasonal adjustment, from August of the previous year to August of the current year and will then adjust the previous year's base amount in proportion to the CPI percentage change. For the calculation of the federal fiscal year 2027 annual servicing fee, the CPI change will be applied to a 2026 base amount of $17,293.13. The CPI adjustment in any year will be applied to the base amount and not the rounded fee amount.

The Issuer is also responsible for paying any and all fees, costs, charges, and expenses incurred by the TIFIA Lender (including the reasonable fees, costs, and expenses of its legal counsel, financial advisors, auditors, and any technical or other consultants and advisors, such reasonableness determined in accordance with Part 31 of the Federal Acquisition Regulation) in connection with the negotiation, preparation, execution, delivery, administration, and performance of the TIFIA Loan Agreement.

SALE OF TIFIA LOAN; SERVICING

The TIFIA Lender may not sell the TIFIA Loan at any time prior to the Substantial Completion Date. At any time after Substantial Completion, the TIFIA Lender may sell the TIFIA Loan to another entity or reoffer the TIFIA Loan into the capital markets. In making such sale or reoffering the TIFIA Lender shall not change the terms and conditions of the TIFIA Loan without the prior written consent of the Issuer.

The TIFIA Lender may from time to time designate another entity or entities to perform, or assist the TIFIA Lender in performing, the duties of the Servicer or specified duties of the TIFIA Lender under the TIFIA Loan Agreement and the Series 2026B Bond.

DEFINITIONS

"**Additional Project Contracts**" means any contract, agreement, letter of intent, understanding or instrument (other than a Principal Project Contract, a Tolling-Related Agreement or an Interoperability Agreement) entered into by (or on behalf of) the Issuer after the Effective Date, providing for the design, construction, testing, start-up, safety, financial services, operation or maintenance of the Project, or otherwise relating to the Project, including any master contract providing goods or services for multiple projects or assets including the Project.

"**Additional Secured Obligations**" means First Lien Obligations, Second Lien Obligations or Third Lien Obligations (other than the Initial Secured Obligations) that (x) are permitted under the negative covenant requirements

of the TIFIA Loan Agreement and under the Indenture, (y) are issued or incurred after the Effective Date, and (z) satisfy the requirements set forth in paragraphs (a) and (b) of this definition, as applicable, and those set forth in the last paragraph of this definition.

(a) Such Additional Secured Obligations may be issued or incurred as Refunding Bonds so long as (i) the net proceeds thereof (after deducting any amounts required to be deposited to satisfy the applicable Reserve Account Requirement for the Debt Service Reserve Fund applicable to such Additional Secured Obligations and costs of issuance (or original issue discount) not to exceed five percent (5%) of the principal amount of such Additional Secured Obligations) must not exceed the principal amount of the Secured Obligations being refinanced, (ii) Debt Service in respect of such Additional Secured Obligations, in each year of the remaining term of the TIFIA Loan, must be projected to be less than the aggregate Debt Service in respect of the refunded Secured Obligations projected for each such year in the Base Case Financial Model or, if applicable, the Revised Financial Model, (iii) the maturity date for such Additional Secured Obligations shall be no later than the maturity date of the refunded Bonds and (iv) if such Additional Secured Obligations are First Lien Obligations, the proceeds thereof shall solely be used to refinance other First Lien Obligations and if such Additional Secured Obligations are Second Lien Obligations, the proceeds thereof shall solely be used to refinance other Second Lien Obligations;

(b) In the event that the Substantial Completion Date has not occurred, or is not expected to occur, on or before the maturity date of the then-outstanding Project BANs, such Additional Secured Obligations may be issued as new Project BANs to refinance the then-outstanding Project BANs one or more times; provided that: (i) such Additional Secured Obligations are First Lien Obligations or Second Lien Obligations; (ii) the aggregate principal amount of such Additional Secured Obligations does not exceed the aggregate principal amount of the Project BANs; (iii) as conditions to the issuance of such Additional Secured Obligations, (A) all interest (including capitalized interest), issuance costs and any other amounts owed in respect of such Additional Secured Obligations (other than the principal amount thereof to be repaid with the proceeds of the initial disbursement of the TIFIA Loan) are (1) arranged from sources other than the proceeds of the TIFIA Loan, any other Secured Obligations or any other amount identified in the Financial Plan and (2) deposited with the Trustee at the time of the issuance of such Additional Secured Obligations in a dedicated account and applied solely to pay such amounts.

(c) Such Additional Secured Obligations may be issued or incurred for any purpose other than as described in clause (a) or (b) above, including for purposes of funding an expansion or other enhancement of the Project, including costs related to the Phase 2 Project; provided that (i) such purpose does not include the funding of Renewal and Replacement Expenses and (ii) the prior written consent of the TIFIA Lender (in its sole discretion) has been obtained.

For each of clauses (a), (b) and (c) above, (A) no Event of Default and no event of default under any Indenture Document has occurred and is continuing, (B) each Reserve Account is fully funded at its applicable requirement, and (C) repayment of the principal amount of such Additional Secured Obligations does not commence before the Debt Service Payment Commencement Date (other than, in the case of clause (b) above, repayment of the Project BANs from the proceeds of the initial disbursement of the TIFIA Loan). Solely with respect to clauses (a) and (c) above, (A) such Additional Secured Obligations shall have received an Investment Grade Rating, and (B) the Rating Agency that provided the most recent public ratings of the Secured Obligations in accordance with in accordance with the annual rating covenant shall have provided a confirmation or affirmation (or the equivalent) that the incurrence of such Additional Secured Obligations shall not result in a downgrade of the lower of (1) the then-existing credit ratings of the First Lien Obligations, the Second Lien Obligations, and the Third Lien Obligations, respectively, and (2) the credit ratings of the First Lien Obligations, the Second Lien Obligations, and the Third Lien Obligations, respectively, as of the Effective Date or the closing date of the relevant Secured Obligations (to the extent the relevant Secured Obligations are issued on a day other than the Effective Date). Solely with respect to clause (a), the Issuer shall have delivered to the TIFIA Lender an original fully executed counterpart (or a certified copy) of an updated Traffic and Revenue Study in form and substance acceptable to the TIFIA Lender, accompanied by a letter from the Traffic Consultant certifying that the assumptions and projections contained in such updated Traffic and Revenue Study are reasonable and may be relied upon by the TIFIA Lender.

"**ALDOT Documents**" means the Ground Lease and the Lease Agreement.

"**All-in-Cost Coverage Requirement**" means, subject to the provisions with respect to Events of Default and remedies, as of any Calculation Date, the sum of amounts (a) on deposit (or projected to be on deposit) in the Revenue Fund or (b) otherwise available (or projected to be available) to the Issuer through (i) Lease Payments (including Discretionary Contributions (as defined in the Lease Agreement)), (ii) the Rate Stabilization Fund and (iii) the Surplus Fund, was (in the case of an historical calculation) or are projected to be (in the case of a projected calculation) sufficient to make in full the deposits required to be made in levels *First* through *Nineteenth* of the Flow of Funds for such Calculation Period (and in the case of an historical calculation, such amounts were actually applied to such deposits).

"**Annual Budget**" means a budget for Operations and Maintenance Expenses and Renewal and Replacement Expenses for the current Issuer Fiscal Year, including (1) line item projections of all Toll Collection Operating and Maintenance Expenses and other Operations and Maintenance Expenses and (2) line item projections of all Toll Collection Renewal and Replacement Expenses and other Renewal and Replacement Expenses.

"**Anti-Corruption Laws**" means all U.S. and other applicable laws, rules and regulations, as amended from time to time, concerning or related to bribery or corruption.

"**Anti-Money Laundering Laws**" means all U.S. and other applicable laws, rules and regulations, as amended from time to time, concerning or related to anti-money laundering, including those contained in the Bank Secrecy Act and the Patriot Act.

"**Bank Lending Margin**" means in respect of any Variable Interest Rate Obligations, the "Applicable Margin" or comparable interest rate margin as defined in the financing documents related to such Variable Interest Rate Obligations.

"**Bank Secrecy Act**" means the Bank Secrecy Act of 1970 (Titles I and II of Pub. L. No. 91-508, codified at 12 U.S.C. §§ 1829b and 1951-1960 and 31 U.S.C. §§ 312, 5311-5313, and 5316-5322), as amended from time to time, and any successor statute of similar import, and the regulations promulgated thereunder.

"**Bankruptcy Proceeding**" means (a) any voluntary or involuntary case or proceeding under any Insolvency Law with respect to the Issuer or with respect to its assets, (b) any other voluntary or involuntary insolvency, reorganization or bankruptcy case or proceeding, or any receivership, liquidation, reorganization or other similar case or proceeding with respect to the Issuer or with respect to its assets, (c) any liquidation, dissolution, or winding up of the Issuer or (d) any assignment for the benefit of creditors or any other marshalling of assets or liabilities of the Issuer.

"**Bankruptcy Related Event**" means, with respect to any Person,

(a) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of such Person or any of its debts, or of a substantial part of the assets thereof, under any Insolvency Law, or (ii) the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official for such Person or for a substantial part of the assets thereof and, in any case referred to in the foregoing subclauses (i) and (ii), such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered;

(b) such Person shall (i) apply for or consent to the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official therefor or for a substantial part of the assets thereof, (ii) generally not be paying its debts as they become due unless such debts are the subject of a bona fide dispute, or become unable to pay its debts generally as they become due, (iii) solely with respect to the Issuer, fail to make two (2) consecutive payments of TIFIA Mandatory Debt Service in accordance with the provisions of the TIFIA Loan Agreement with respect to payment of principal and interest, (iv) make a general assignment for the benefit of creditors, (v) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition with respect to it described in clause (a) of this definition, (vi) commence a voluntary proceeding under any Insolvency Law, or file a voluntary petition seeking liquidation, reorganization, an arrangement with creditors or an order for relief under any Insolvency Law, (vii) file an answer admitting the material allegations of a petition filed against it in any proceeding referred to in the foregoing subclauses (i), (ii), (iv), (v), or (vi) of this clause (b), or (viii) take any action for the purpose of effecting any of the foregoing, including seeking approval or legislative enactment by any Governmental Authority to authorize commencement of a voluntary proceeding under any Insolvency Law;

(c) solely with respect to the Issuer, (i) the Trustee shall commence a process pursuant to which all or a substantial part of the Trust Estate may be sold or otherwise disposed of in a public or private sale or disposition pursuant to a foreclosure of the Liens thereon securing any Secured Obligations, or (ii) the Trustee shall commence a process pursuant to which all or a substantial part of the Trust Estate may be sold or otherwise disposed of pursuant to a sale or disposition of such Trust Estate in lieu of foreclosure; or

(d) solely with respect to the Issuer, the Trustee shall transfer, pursuant to directions issued by the Holders, funds on deposit in any of the Indenture Funds upon the occurrence and during the continuation of an Event of Default under the Bond Documents for application to the prepayment or repayment of any principal amount of any Secured Obligations other than in accordance with the provisions of the Indenture.

"**Base Case Financial Model**" means a financial model prepared by the Issuer that includes (a) for each six (6) month period corresponding to a Payment Period through the Final Maturity Date, a forecast of Revenues, expenditures, funding obligations reflected in Section 8.1(c) of the Indenture, (b) for each six (6) month period corresponding to a Payment Period through the Final Maturity Date, a forecast of Debt Service on all Secured Obligations, and (c) the Project Budget, which model, in each case in clauses (a), (b), and (c) above, shall be based upon assumptions and methodology provided by the Issuer and acceptable to the TIFIA Lender as of the Effective Date, and which model shall be provided to the TIFIA Lender as a fully functional Microsoft Excel-based financial model or such other format requested by the TIFIA Lender.

"**Bond Closing Date**" means the date on which each of the conditions precedent set forth in the TIFIA Loan Agreement with respect to closing the Offered Series 2026 Bonds has been satisfied (or waived in writing by the TIFIA Lender).

"**Bond Purchase Agreement**" means the Bond Purchase Agreement, dated as of the date of the sale of the Offered 2026 Bonds, between the Issuer and the underwriters of the Offered Series 2026 Bonds.

"**Issuer Fiscal Year**" means (a) as of the Effective Date, a fiscal year of the Issuer commencing on October 1 of any calendar year and ending on September 30 of the immediately succeeding calendar year or (b) such other fiscal year as the Issuer may hereafter adopt after giving notice to the TIFIA Lender as required in the TIFIA Loan Agreement.

"**Issuer's Authorized Representative**" means any Person who shall be designated as such pursuant to the TIFIA Loan Agreement.

"**Business Day**" means any day other than a Saturday, a Sunday or a day on which offices of the Federal Government or the State are authorized to be closed or on which commercial banks are authorized or required by law, regulation or executive order to be closed in New York, New York, Mobile and Baldwin Counties, Alabama, or in the city where the principal or designated office of the Trustee is located.

"**Calculation Date**" means each January 1 and July 1 occurring after the Substantial Completion Date.

"**Calculation Period**" means each twelve (12) month period ending on a Calculation Date.

"**Capitalized Interest Period**" means the period from (and including) the Effective Date to (but excluding) the first day of the initial Payment Period.

"**Construction Period**" means the period from the Effective Date through the Substantial Completion Date.

"**Construction Schedule**" means (a) the initial schedule or schedules on which the construction timetables for the Project are set forth, and (b) any updates thereto included in the Financial Plan most recently submitted to the TIFIA Lender.

"**Consulting Engineer**" means Michael Baker International, Inc., or any replacement engineering firm selected by the Issuer and not objected to by the TIFIA Lender within fifteen (15) Business Days after receiving written notice from the Issuer of the name of the proposed replacement engineering firm and supporting information regarding the qualifications of the proposed replacement engineering firm.

"**Consulting Engineer's Report**" means the report delivered by the Consulting Engineer with respect to the Project.

"**Control**" means, when used with respect to any particular Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or partnership or other ownership interests, by contract or otherwise, and the terms "**Controlling**" and "**Controlled by**" have meanings correlative to the foregoing.

"**Cost Savings**" means any Bond proceeds (other than TIFIA Loan proceeds) remaining in the Acquisition Fund following Final Acceptance (as such term is defined in the Design-Build Agreement).

"**CPI**" means the Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average for All Items, 1982-84=100 (not seasonally adjusted), or its successor, published by the Bureau of Labor Statistics, with, unless otherwise specified herein, January 2026 as the base period.

"**Debt Service**" means, with respect to First Lien Obligations, Second Lien Obligations (other than the TIFIA Loan) or Third Lien Obligations, for any period, subject to the Debt Service Calculation Methodology set forth in Revenue Calculation Methodology and Debt Service Calculation Methodology above, an amount equal to the sum of all interest and principal of such First Lien Obligations, Second Lien Obligations or Third Lien Obligations accruing and payable in respect of such period. In determining the principal and interest amounts of such Secured Obligations due in such period (unless a subsection below of this definition applies for purposes of determining such amounts), payment shall be assumed to be made in accordance with any debt service schedule established for such Secured Obligations, including any scheduled redemption on the basis of an Accreted Amount, and for such purpose the redemption payment shall be deemed a principal payment.

In calculating Debt Service for any future period (except as otherwise specifically provided herein):

(a) any Permitted Debt bearing interest at a Variable Interest Rate shall be deemed to bear interest at the Bank Lending Margin *plus* the fixed rate on the applicable hedging agreement (which shall reflect any premium or margin payable thereon);

(b) any Put Bonds outstanding during such period that by their terms are required to be paid by the Issuer upon tender by the Holder thereof shall be assumed to mature on the earliest to occur of (i) the stated maturity date thereof, (ii) the earliest date as of which the Holder of such Put Bonds may tender such Put Bonds to the Issuer, as provided in the Indenture or the applicable Supplemental Indenture, and (iii) if the Credit Facility securing such Put Bonds expires within six (6) months or less of the date of calculation and has not been renewed or replaced, the expiration date of such Credit Facility;

(c) the principal amount of any Put Bonds outstanding during such period that have been tendered by the Holders thereof for payment by the Issuer and that are required to be paid by the Issuer but that have not yet been purchased in lieu of such payment by the Issuer shall be deemed to mature on the date such payment is required to be made pursuant to such tender;

(d) the principal amount of any Balloon Bonds outstanding during such period shall be assumed to be payable in full on their respective due dates;

(e) any Project BANs outstanding during such period shall be assumed to mature on the stated maturity date thereof, except that any portion of Project BANs that will be repaid from the proceeds of the initial disbursement of the TIFIA Loan shall be assumed to be payable in accordance with the schedule set forth in the Loan Amortization Schedule;

(f) the principal and/or interest portion (whether by redemption or otherwise) of Capital Appreciation Bonds shall be the Accreted Amount due and payable in respect of such period;

(g) (i) amounts paid in respect of reimbursement obligations incurred under any Credit Facility that are payable from Project Revenues or otherwise from the Trust Estate shall be included in the calculation of Debt Service

with respect to the Secured Obligations that are supported by such Credit Facility (but without duplication of the Debt Service otherwise payable in respect of such Secured Obligations) for the period during which such reimbursement obligations were incurred and (ii) the amount of any anticipated draws on any Credit Facility that are payable from Project Revenues or otherwise from the Trust Estate shall be included in the calculation of projected Debt Service with respect to the Secured Obligations that are supported by such Credit Facility (but without duplication of the Debt Service otherwise payable in respect of such Secured Obligations) for each period during which such reimbursement obligations are anticipated to be incurred; and

(h) (i) available but unfunded lines of credit and letters of credit will be treated as fully drawn and required to be paid in full with Debt Service as of their actual due dates (e.g., maturity date) or, to the extent applicable, as of the earliest date on which those payments may become due in accordance with the terms of the relevant credit instrument and (ii) commercial paper will be treated the same as such unfunded lines of credit (with no assumed roll over of principal payments).

"**Debt Service Payment Commencement Date**" means the earlier of (a) January 1, 2033* or (b) the first (1st) Semi-Annual Payment Date following the Substantial Completion Date.

"**Default**" means any event or condition that, with the giving of notice, the passage of time, or both, would constitute an Event of Default.

"**Default Rate**" means an interest rate equal to the sum of (a) the TIFIA Interest Rate plus (b) two percent (2.00%).

"**Design-Build Contractor**" means Kiewit Massman Traylor, a joint venture among Kiewit Infrastructure South Co., Massman Construction Co. and Traylor Bros, Inc, as members.

"**Design-Build Performance Security Instruments**" means, individually and in the aggregate, as applicable:

(a) any one or more payment bonds delivered by the Design-Build Contractor to the Issuer pursuant to the Design-Build Agreement;

(b) any one or more performance bonds delivered by the Design-Build Contractor to the Issuer pursuant to the Design-Build Agreement; and

(c) any other performance security instrument required to be delivered by or on behalf of the Design-Build Contractor to, or for the benefit of, the Issuer from time to time pursuant to or in connection with the Design-Build Agreement.

"**Development Default**" means (a) the Issuer fails to diligently prosecute the work related to the Project, or (b) the Issuer fails to complete the Project by the Long Stop Date.

"**Effective Date**" means the date of the TIFIA Loan Agreement.

"**Eligible Project Costs**" means amounts in the Project Budget, substantially all of which are paid by or for the account of the Issuer in connection with the Project, all of which shall arise from the following:

(a) development phase activities, including planning, feasibility analysis, revenue forecasting, environmental review, permitting, preliminary engineering and design work and other preconstruction activities;

(b) construction, reconstruction, rehabilitation, replacement and acquisition of real property (including land related to the Project and improvements to land), environmental mitigation, construction contingencies and acquisition of equipment; or

* Preliminary, subject to change.

(c) capitalized interest necessary to meet market requirements, reasonably required reserve funds, capital issuance expenses and other carrying costs during construction;

provided that, notwithstanding clauses (a) through (c) above, "Eligible Project Costs" shall not include any costs related to the Phase 2 Project.

"**Enabling Law**" has the meaning provided in the Indenture.

"**ERISA**" means the Employee Retirement Income Security Act of 1974, Pub. L. 93-406 (29 U.S.C. § 1001 et seq.), as amended, from time to time, and any successor statute of similar import, and the regulations thereunder.

"**ERISA Affiliate**" means any trade or business (whether or not incorporated) that, together with the Issuer, is treated as a single employer under Section 414(b) or (c) of the Tax Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Tax Code, is treated as a single employer under Section 414 of the Tax Code.

"**Event of Default**" has the meaning provided in Events of Default above.

"**Event of Loss**" means any event or series of events that causes any portion of the Project to be damaged, destroyed or rendered unfit for normal use for any reason whatsoever, including through a failure of title, or any loss of such property, or a condemnation.

"**Federal Fiscal Year**" or "**FFY**" means the fiscal year of the Federal Government, which is the twelve (12) month period that ends on September 30 of the specified calendar year and begins on October 1 of the preceding calendar year.

"**Federal Government**" means the Federal Government of the United States of America and its departments and agencies.

"**FHWA**" means the Federal Highway Administration, an agency of the USDOT.

"**FHWA Division Office**" means the Alabama Division Office of the FHWA.

"**Final Maturity Date**" means the earlier of (a) the Semi-Annual Payment Date occurring on or immediately prior to the fortieth (40^{th}) anniversary of the Substantial Completion Date and (b) July 1, 2072.*

"**First Lien Debt Service Coverage Ratio**" means as of any Calculation Date, the ratio of Revenues for the Calculation Period ending on such Calculation Date to Debt Service in respect of all First Lien Obligations for such Calculation Period; provided that, for purposes of such calculation for any future period, projected Revenues shall be calculated using the then current Revised Financial Model.

"**First Lien Debt Service Reserve Fund Requirement**" means (a) with respect to the Series 2026A Bonds, the lowest of (i) ten percent (10%) of the issuance amount of the Series 2026A Bonds, (ii) the highest aggregate amount of the aggregate annual Debt Service for any succeeding twelve (12) month-period commencing on any payment date for the Series 2026A Bonds, or (iii) one hundred twenty-five percent (125%) of the average annual Debt Service with respect to the Series 2026A Bonds through the final redemption date thereof and (b) with respect to any other First Lien Obligations, the amount, if any, required to be placed or maintained in the First Lien Debt Service Reserve Fund as may be required by the Supplemental Indenture with respect to such First Lien Obligations.

"**Flow of Funds**" means the monthly flow of funds for amounts in the Revenue Fund set forth in Section 8.1(c) of the Indenture.

* Preliminary, subject to change.

"**Governmental Approvals**" means all authorizations, consents, approvals, waivers, exceptions, variances, filings, permits, orders, licenses, exemptions and declarations of or with any Governmental Authority.

"**Governmental Authority**" means any federal, state, provincial, county, city, town, village, municipal or other government or governmental department, commission, council, court, board, bureau, agency, authority or instrumentality (whether executive, legislative, judicial, administrative or regulatory), of or within the United States of America or its territories or possessions, including the State and its counties and municipalities, and their respective courts, agencies, instrumentalities and regulatory bodies, or any entity that acts "on behalf of" any of the foregoing, whether as an agency or authority of such body.

"**Government Obligations**" means (a) direct obligations of, or obligations on which the timely payment of principal and interest are fully and unconditionally guaranteed by, the Federal Government, (b) bonds, debentures or notes issued by any of the following federal agencies: Banks for Cooperatives, Federal Intermediate Credit Banks, Federal Home Loan Banks, Export-Import Bank of the United States, Government National Mortgage Association or Federal Land Banks, (c) obligations issued or guaranteed by a Person Controlled or supervised by and acting as an instrumentality of the Federal Government pursuant to authority granted by the Congress, and (d) evidences of ownership of proportionate interests in future interest or principal payments on obligations specified in clauses (a), (b) and (c) of this definition held by a bank or trust company as custodian and which underlying obligations are not available to satisfy any claim of the custodian or any Person claiming through the custodian or to whom the custodian may be obligated, in each case.

"**Hedging Transaction**" means any agreement, arrangement or transaction with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions.

"**Indenture Documents**" means the Indenture, each Supplemental Indenture, the ALDOT Documents, each Bond, each Credit Facility (if any) and each other agreement, instrument and document executed and delivered pursuant to or in connection with any of the foregoing.

"**Indenture Funds**" means any funds or accounts established pursuant to the Indenture, including the Revenue Fund, the Debt Service Fund, Debt Service Fund-Interest Subaccount, Debt Service Fund-Principal Subaccount, the Debt Service Fund-Series 2026A Interest Subaccount, the Debt Service Fund-Series 2026A Principal Subaccount, the TIFIA Mandatory Debt Service Payment Sub-Accounts, the TIFIA Scheduled Debt Service Payment Sub-Accounts, the Debt Service Fund-Series 2026C Interest Subaccount, the Debt Service Fund-Series 2026C Principal Subaccount, the Capitalized Interest Fund, the Capitalized Interest Fund-Series 2026A Subaccount, the Capitalized Interest Fund-Series 2026C Subaccount, the Reserve Fund, the First Lien Debt Service Reserve Fund, the Second Lien Debt Service Reserve Fund, the TIFIA Debt Service Reserve Fund, the Bond Insurance/Credit Facility/Hedging Fund, the Bond Compliance Rebate Fund, the Administrative Expense Fund, the Toll Collection O&M Fund, the Toll Collection Operating Reserve Fund, the Toll Collection Renewal and Replacement Fund, the Rate Stabilization Fund, the ALDOT Rebate Fund, the Surplus Fund, the Costs of Issuance Fund, the Acquisition Fund, the Distribution Lock-Up Fund, the Insurance and Condemnation Proceeds Fund and, in each case, the accounts and subaccounts therein.

"**Initial Secured Obligations**" means (a) the Series 2026B Bond, (b) the Series 2026A Bonds, (c) the Series 2026C Bonds, (d) the Series 2026D Bonds, and (e) the Series 2026-1 Notes.

"**Insolvency Laws**" means the United States Bankruptcy Code, 11 U.S.C. § 101 *et seq*., as from time to time amended and in effect, and any state bankruptcy, insolvency, receivership, conservatorship or similar law now or hereafter in effect.

"**Interoperability Agreement**" means, any (a) interoperability agreement entered into by (or on behalf of) the Issuer in connection with the tolling of the Project, including any such agreements with the Central U.S. Interoperability Hub and the Florida Department of Transportation's Southeast Toll Interoperability Hub and (b) reciprocity agreement with a state or sub-state entity.

"**Investment Grade Rating**" means a public rating no lower than 'BBB-', 'Baa3' or the equivalent public rating from a Rating Agency.

"**ISRRPP Agreement**" means each agreement entered into between the Issuer (or ALDOT) and FHWA in respect of tolling authority for the Project under the Interstate System Reconstruction and Rehabilitation Pilot Program as required pursuant to § 1216(b)(5) of the Transportation Equity Act for the 21st Century (Pub. L. 105-178, 112 Stat. 107, 212 (1998)), as amended.

"**Lease Default**" has the meaning provided in the Lease Agreement.

"**Level Payment Commencement Date**" means the nineteenth (19th) Semi-Annual Payment Date immediately prior to the Final Maturity Date.

"**Level Payment Period**" means the period commencing on the Level Payment Commencement Date and ending on the Final Maturity Date (or on such earlier date as all amounts due or to become due to the TIFIA Lender have been irrevocably paid in full in cash).

"**Lien**" means any mortgage, pledge, hypothecation, assignment, mandatory deposit arrangement, encumbrance, attachment, lien (statutory or other), charge or other security interest, or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever, including any sale-leaseback arrangement, any conditional sale or other title retention agreement, any financing lease having substantially the same effect as any of the foregoing, and the filing of any financing statement or similar instrument under the UCC or any other applicable law.

"**Loan Life Coverage Ratio**" means, as of each applicable Calculation Date, the ratio of (a) the present value of all projected Revenues for each Calculation Date from and including such Calculation Date to the Final Maturity Date, in each case discounted at the Weighted Average Interest Cost, using the most recent Revised Financial Model (or the Base Case Financial Model if no Revised Financial Model has been submitted to the TIFIA Lender), adjusted to take into account actual results and updated Revenue projections calculated based on the most recent updated Traffic and Revenue Study provided by the Traffic Consultant; to (b) the aggregate outstanding principal amount of all First Lien Obligations, all Second Lien Obligations (including the Outstanding TIFIA Loan Balance) and all Third Lien Obligations on such Calculation Date.

"**Long Stop Date**" means October 31, 2032.

"**Loss Proceeds**" means any proceeds of insurance resulting from any Event of Loss.

"**Material Adverse Effect**" means a material adverse effect on (a) the Project or the Project Revenues, (b) the business, operations, properties, condition (financial or otherwise) or prospects of the Issuer or ALDOT, (c) the legality, validity or enforceability of any material provision of any Related Document, (d) the ability of the Issuer, ALDOT or any other Principal Project Party to enter into, perform or comply with any of its material obligations under any Related Document to which it is a party, (e) the validity, enforceability or priority of the Liens provided pursuant to the Indenture Documents on the Trust Estate in favor of the Secured Parties or (f) the TIFIA Lender's rights or remedies available under any TIFIA Loan Document.

"**NEPA**" means the National Environmental Policy Act of 1969, Pub. L. 91-190 (42 U.S.C. § 4321 et seq.), and any successor statute of similar import, and regulations thereunder, in each case as in effect from time to time.

"**NEPA Determination**" means the Finding of No Significant Impact for the Project issued by the FHWA Division Office on August 15, 2019 and the reevaluation thereof issued by the FHWA Division Office dated April 29, 2025, in each case in accordance with NEPA.

"**Net Loss Proceeds**" means remaining Loss Proceeds after excluding any proceeds of business interruption insurance, delay-in-start-up insurance, proceeds covering liability of the Issuer to third parties and Loss Proceeds used by the Issuer to pay Total Project Costs or repair or restore the Project in accordance with Section 8.17 of the Indenture.

"**OFAC**" means the Office of Foreign Assets Control of the United States Department of the Treasury.

"**Operations and Maintenance Expenses**" means all actual maintenance and operation costs (excluding Renewal and Replacement Expenses) incurred and paid (or, if applicable, forecasted to be incurred and paid) in connection with the operation and maintenance of the Project in any particular time period to which said term is applicable, including payments for taxes (excluding income taxes), insurance, consumables, advertising, marketing, payments under real property agreements pursuant to which the Issuer has rights in the Project, payments pursuant to any agreements for the management, operation or maintenance of the Project, reasonable legal fees and expenses paid by the Issuer in connection with the management, maintenance or operation of the Project, fees paid in connection with obtaining, transferring, maintaining or amending any Governmental Approvals, environmental mitigation costs, reasonable general and administrative expenses and all other Toll Collection Operating and Maintenance Expenses, but exclusive in all cases of noncash charges, including depreciation or obsolescence charges or reserves therefor, amortization of intangibles or other bookkeeping entries of a similar nature.

"**Outstanding TIFIA Loan Balance**" means the aggregate principal amount drawn by the Issuer and then outstanding (including capitalized interest) with respect to the TIFIA Loan.

"**Patriot Act**" means the USA PATRIOT Act, also known as the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. L. 107-56, as amended from time to time, and any successor statute of similar import, and the regulations promulgated thereunder.

"**Payment Period**" means any period of six (6) months from (and including) a Semi-Annual Payment Date to (but excluding) the immediately succeeding Semi-Annual Payment Date, commencing with the six (6) month period ending on the date immediately prior to the Debt Service Payment Commencement Date.

"**Permitted Debt**" means:

(a) the Initial Secured Obligations;

(b) any Additional Secured Obligations;

(c) any Credit Facility supporting Put Bonds;

(d) trade accounts payable (other than for borrowed money) so long as such trade accounts payable are payable not later than ninety (90) days after the respective goods are delivered or the respective services are rendered; and

(e) purchase money obligations or capitalized leases incurred to finance discrete items of equipment not comprising an integral part of the Project that qualify as Operations and Maintenance Expenses, which obligations and leases do not require payments by the Issuer in any Issuer Fiscal Year in excess of $1,000,000 in the aggregate.

"**Permitted Investments**" means:

(a) Government Obligations;

(b) certificates of deposit where the certificates are collaterally secured by securities of the type described in clause (a) of this definition and held by a third party as escrow agent or custodian, of a market value not less than the amount of the certificates of deposit so secured, including interest, but this collateral is not required to the extent the certificates of deposit are insured by the Federal Government;

(c) repurchase agreements with counterparties that have an Acceptable Credit Rating, when collateralized by securities of the type described in clause (a) of this definition and held by a third party as escrow agent or custodian, of a market value not less than the amount of the repurchase agreement so collateralized, including interest;

(d) investment agreements or guaranteed investment contracts rated, or with any financial institution whose senior long-term debt obligations are rated, or guaranteed by a financial institution whose senior long-term debt

obligations are rated in one of the two (2) highest Rating Categories for comparable types of obligations by any Rating Agency; and

(e) money market funds that invest solely in obligations of the United States of America, its agencies and instrumentalities, and having a rating by a Rating Agency equal to the then applicable rating of the United States of America by such Rating Agency.

"**Permitted Liens**" means:

(a) Liens imposed pursuant to the Indenture Documents;

(b) Liens imposed by law for taxes that are not yet due or are being contested in compliance with the negative covenant restricting the incurrence of material obligations and liens;

(c) carriers', warehousemen's, mechanics', materialmen's, repairmen's and other like Liens imposed by law, arising in the ordinary course of business and securing obligations that are not overdue by more than thirty (30) days or are being contested in compliance with the negative covenant restricting the incurrence of material obligations and liens;

(d) pledges and deposits made in the ordinary course of business in compliance with workers' compensation, unemployment insurance, and other social security laws or regulations;

(e) deposits to secure the performance of bids, trade contracts, leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in each case in the ordinary course of business;

(f) judgment Liens in respect of judgments that do not constitute an Event of Default;

(g) easements, zoning restrictions, rights-of-way and similar encumbrances on real property imposed by law or arising in the ordinary course of business that, in any case, do not secure any monetary obligations and do not materially detract from the value of the affected property or interfere with the ordinary conduct of business of the Issuer; and

(h) purchase money security interests in equipment hereafter acquired by the Issuer; provided that (i) such security interests secure indebtedness for borrowed money otherwise permitted under the TIFIA Loan Agreement, (ii) such security interests are incurred, and the indebtedness secured thereby is created, within ninety (90) days after such acquisition, (iii) the indebtedness secured thereby does not exceed the fair market value of such equipment at the time of such acquisition, and (iv) such security interests do not apply to any other property or assets (other than accessions to such equipment) of the Issuer.

"**Phase 2 Project**" means (A) the design and construction of (i) the replacement of the existing I-10 Bayway Bridges with a new six-lane bridge constructed above the 100-year storm surge elevation, from the connection point constructed as part of the Project to the Eastern Shore, (ii) the West Tunnel Interchange, (iii) improvements to the East Tunnel, Midbay and Eastern Shore Interchange ramps and (B) the demolition of the existing Bayway bridges.

"**Post-Petition Interest**" means interest, fees, expenses and other charges that, pursuant to the Indenture Documents or the TIFIA Loan Documents, as applicable, continue to accrue (or would, absent the commencement of a Bankruptcy Proceeding, accrue) after the commencement of any Bankruptcy Proceeding, in each case whether or not allowed or allowable as a claim in any Bankruptcy Proceeding.

"**Principal Project Contracts**" means (a) the Design-Build Agreement and (b) the Design-Build Performance Security Instruments.

"**Principal Project Party**" means any Person (other than the Issuer or any provider of a Design-Build Performance Security Instrument) party to a Principal Project Contract.

"**Project BANs**" means (a) the Series 2026-1 Notes and (b) any additional bond anticipation notes issued as Additional Secured Obligations pursuant to clause (b) of the definition thereof, in each case which (i) have a maximum aggregate outstanding principal amount that, together with any interest accrued or to be accrued thereon or discount applied at the issuance thereof, does not exceed the maximum principal amount of the TIFIA Loan (excluding interest that is capitalized in accordance with the terms hereof), (ii) will be repaid in full from the proceeds of the initial disbursement of the TIFIA Loan (together with the cash on deposit in any dedicated account described in clause (b) of the definition of Additional Secured Obligations, if applicable) and (iii) are applied to the payment of Eligible Project Costs.

"**Project Budget**" means the budget for the Project in the aggregate amount to be provided to the TIFIA Lender showing a summary of Total Project Costs with a breakdown of all Eligible Project Costs and the estimated sources and uses of funds for the Project, as amended from time to time.

"**Project Revenues**" has the meaning provided in the Indenture.

"**Projected Substantial Completion Date**" means (a) October 1, 2031 or (b) a later date specified in the most recent Financial Plan submitted to the TIFIA Lender.

"**Put Bonds**" has the meaning provided in the Indenture.

"**Qualified Issuer**" means: (a) with respect to any Credit Facility issued by a bank or trust company, any bank or trust company authorized to engage in the banking business that is organized under or licensed as a branch or agency under the laws of the United States of America or any state thereof that has an Acceptable Credit Rating; and (b) with respect to any Credit Facility issued by an insurance company or other financial institution, any insurance company or other financial institution that is authorized and qualified to do business by the state insurance commissioner of its jurisdiction of organization and of the State and that has an Acceptable Credit Rating.

"**Rating Agency**" means a rating agency registered with the Securities and Exchange Commission as a nationally recognized statistical rating organization (as defined in 15 U.S.C. §78c(a)(62)).

"**Rating Category**" means one of the generic rating categories of a Rating Agency without regard to any refinement or gradation of such rating by a numerical modifier or otherwise.

"**Related Documents**" means the TIFIA Loan Documents, the Indenture Documents and the Principal Project Contracts.

"**Relief Event**" has the meaning provided in the Design-Build Agreement.

"**Renewal and Replacement Expenses**" means all expenses, on a cash basis, incurred or to be incurred by the Issuer relating to all reasonably necessary periodic major overhaul and repair of the Project (excluding Operations and Maintenance Expenses and any other maintenance or repair of a routine or ordinary course nature, but including all Toll Collection Renewal and Replacement Expenses) of the Project, including the equipment and systems of the Project and any expenditures and liabilities incurred for the acquisition of any assets, improvements or replacements thereof that have a useful life of more than one (1) year and that are capitalized in accordance with GAAP. "Renewal and Replacement Expenses" do not include Total Project Costs.

"**Reserve Account Requirement**" means each of the First Lien Debt Service Reserve Fund Requirement, the Second Lien Debt Service Reserve Fund Requirement, the TIFIA Debt Service Reserve Fund Requirement, the Toll Collection Operating Reserve Fund Requirement and the Toll Collection Renewal and Replacement Fund Requirement.

"**Reserve Accounts**" means, collectively, the Reserve Fund, the Debt Service Reserve Fund, the First Lien Debt Service Reserve Fund, the Second Lien Debt Service Reserve Fund, TIFIA Debt Service Reserve Fund, the Toll Collection Renewal and Replacement Fund and the Toll Collection Operating Reserve Fund.

"**Restricted Payment**" means the transfer of (a) any Cost Savings, except to the extent such amount is deposited into any Indenture Fund other than the Surplus Fund or the ALDOT Rebate Fund, and (b) any funds from the

Revenue Fund or the Distribution Lock-Up Fund to the Surplus Fund or ALDOT Rebate Fund, other than transfers of amounts into the ALDOT Rebate Fund that are applied to reimburse ALDOT for Basic Lease Payments, Additional Lease Payments, payments of Toll Collection Operating and Maintenance Expenses or payments of Toll Collection Renewal and Replacement Expenses (in each case, as such terms are defined in the Indenture)

"**Revenue Calculation Methodology**" means the methodology set forth in Revenue Calculation Methodology and Debt Service Calculation Methodology above.

"**Revenues**" means, for any Calculation Period, subject to the Revenue Calculation Methodology, the following:

(a) all Toll Revenues received by the Issuer during such Calculation Period;

(b) all proceeds of (i) delay-in-start-up insurance, (ii) business interruption insurance and (iii) delay liquidated damages received by the Issuer under any Principal Project Contract, in each case that are applied during such Calculation Period to the payment of the Revenue losses related to the relevant insurance claim or delay; and

(c) the investment income realized during such Calculation Period from cash on deposit in any Indenture Fund, to the extent that such investment income is transferred into the Revenue Fund in accordance with the terms of the Indenture.

"**Revised Financial Model**" means an updated version of the Base Case Financial Model, in form and substance satisfactory to the TIFIA Lender, taking into account changes in projected Revenues, expenditures or other modeling assumptions since the delivery of the Base Case Financial Model (or, as applicable, the most recently submitted Revised Financial Model) and including a change log describing such changes.

"**Sanctioned Country**" means, at any time, a country or territory which is itself the subject or target of any Sanctions.

"**Sanctioned Person**" means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by OFAC or the U.S. Department of State, (b) any Person operating, organized or resident in a Sanctioned Country, or (c) any Person owned or Controlled by any such Person or Persons.

"**Sanctions**" means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the Federal Government, including those administered by OFAC or the U.S. Department of State.

"**Second Lien Debt Service Coverage Ratio**" means as of any Calculation Date, the ratio of Revenues for the Calculation Period ending on such Calculation Date to the aggregate Debt Service and TIFIA Debt Service in respect of all First Lien Obligations and Second Lien Obligations for such Calculation Period; provided that (a) for purposes of such calculation during any future period, projected Revenues shall be calculated using the then current Revised Financial Model and (b) for purposes of any Calculation Period, (i) for the Rate Coverage Test only, TIFIA Scheduled Debt Service will be excluded from the calculation of TIFIA Debt Service and (ii) any deposits from the Revenue Fund into the First Lien Debt Service Reserve Fund shall be subtracted from Revenues.

"**Second Lien Debt Service Reserve Fund**" means any subaccount of the Reserve Fund established pursuant to the Supplemental Indenture entered into in connection with the issuance of a series of Second Lien Bonds and supporting the payment of Debt Service with respect to such Second Lien Bonds.

"**Second Lien Debt Service Reserve Fund Requirement**" means the amount required to be placed or maintained in the Second Lien Debt Service Reserve Fund as may be required by the Supplemental Indenture with respect to the relevant Second Lien Obligations.

"**Secured Obligations**" means the First Lien Obligations, the Second Lien Obligations and the Third Lien Obligations.

"**Secured Parties**" means the Trustee, the TIFIA Lender, and any other Holders.

"**Semi-Annual Payment Date**" means each January 1 and July 1.

"**Servicer**" means such entity or entities as the TIFIA Lender shall designate from time-to-time to perform, or assist the TIFIA Lender in performing, certain duties under the TIFIA Loan Agreement.

"**Substantial Completion**" means the opening of the Project to tolled vehicular traffic.

"**Substantial Completion Date**" means the date on which Substantial Completion occurs.

"**Surety Bond**" means the [*insert description of bond*] provided by [*insert name of Qualified Issuer*] on the Bond Closing Date in lieu of cash funding the First Lien Debt Service Reserve Fund Requirement.

"**Tax Code**" means the Internal Revenue Code of 1986, as amended from time to time, and any successor statute of similar import, and the regulations promulgated thereunder.

"**Third Lien Cost Coverage Requirement**" means, as of any Calculation Date, the sum of (a) amounts that were on deposit (or projected to be on deposit) in the Revenue Fund during the Calculation Period ending on such Calculation Date, and (b) amounts otherwise available (or projected to be available) to the Issuer during the Calculation Period ending on such Calculation Date (including through (i) Lease Payments (including Discretionary Contributions), (ii) the Rate Stabilization Fund and (iii) the Surplus Fund), was (in the case of an historical calculation) or are projected to be (in the case of a projected calculation) sufficient to make in full the deposits required to be made at levels Eighth and Ninth of the Flow of Funds for such Calculation Period (and, in the case of an historical calculation, such amounts were actually applied to such deposits and related Debt Service payments).

"**Third Lien Projected Debt Service Coverage Ratio**" means as of any future Calculation Date, the ratio of projected Revenues for the Calculation Period ending on such Calculation Date to the aggregate Debt Service and TIFIA Debt Service, as applicable, in respect of all First Lien Obligations, Second Lien Obligations and Third Lien Obligations for such Calculation Period; provided that (a) such projected Revenues shall be calculated using the then current Revised Financial Model, (b) with respect to the Rate Coverage Test only, TIFIA Scheduled Debt Service will be excluded from the calculation of TIFIA Debt Service and (c) any deposits from the Revenue Fund into the First Lien Debt Service Reserve Fund, the Second Lien Debt Service Reserve Fund or the TIFIA Debt Service Reserve Fund shall be subtracted from Revenues.

"**TIFIA Debt Service**" means, with respect to any Semi-Annual Payment Date occurring on or after the Debt Service Payment Commencement Date, the sum of (a) the TIFIA Mandatory Debt Service and (b) the TIFIA Scheduled Debt Service, in each case, due and payable on such Semi-Annual Payment Date, whether or not any of such amounts were actually paid on such Semi-Annual Payment Date and whether or not, in the case of TIFIA Scheduled Debt Service, such amount was actually required to be paid on such Semi-Annual Payment Date; provided that amounts paid or to be paid as a mandatory prepayment of the TIFIA Loan shall not be considered to be the payment of TIFIA Debt Service. For clarity, the definition of "Debt Service" shall not apply with respect to interest or principal payable with respect to the TIFIA Loan.

"**TIFIA Debt Service Accounts**" means the TIFIA Mandatory Debt Service Payment Sub-Accounts and the TIFIA Scheduled Debt Service Payment Sub-Accounts.

"**TIFIA Debt Service Reserve Fund**" means the "Reserve Fund-Series 2026B Subaccount" established pursuant to Section 8.4(a) of the Indenture.

"**TIFIA Debt Service Reserve Fund Requirement**" means, (a) from the date of the initial funding of the TIFIA Debt Service Reserve Fund to the date of any withdrawal that causes the balance on deposit in the TIFIA Debt Service Reserve Fund to be lower than the amount described in clause (a)(ii) hereof (the date of such withdrawal, the "**TIFIA DSRF Reset Trigger**"), the greater of (i) $70 million* and (ii) the lowest of (A) ten percent (10%) of the issuance amount of the TIFIA Loan, (B) the Maximum Debt Service Requirement for the Series 2026B Bond, or (C)

* Preliminary, subject to change.

one hundred twenty-five percent (125%) of the average annual TIFIA Debt Service through the Final Maturity Date; and (b) following any TIFIA DSRF Reset Trigger, the amount described in clause (a)(ii) above.

"**TIFIA Discharge Date**" means the occurrence of the irrevocable payment in full in cash of the principal of and interest (including Post-Petition Interest), and premium, if any, on all indebtedness, and all fees and any other amounts outstanding with respect to all indebtedness, owing to the TIFIA Lender under the TIFIA Loan Documents.

"**TIFIA Loan Documents**" means the TIFIA Loan Agreement, the Series 2026B Bond, the Indenture and the TIFIA Supplemental Indenture.

"**TIFIA Mandatory Debt Service**" means (a) with respect to any Semi-Annual Payment Date occurring on or after the Debt Service Payment Commencement Date and prior to the Level Payment Commencement Date, the principal portion of the Outstanding TIFIA Loan Balance and any interest payable thereon (including Post-Petition Interest), in each case, (i) designated as "TIFIA Mandatory Debt Service" and (ii) due and payable on such Semi-Annual Payment Date, which shall be unconditionally required to be paid on such Semi-Annual Payment Date, and (b) with respect to any Semi-Annual Payment Date occurring on or after the Level Payment Commencement Date, the entire amount of each Fixed Level Payment.

"**TIFIA Mandatory Debt Service Payment Sub-Accounts**" means the TIFIA Mandatory Interest Sub-Account and the TIFIA Mandatory Principal Sub-Account, respectively.

"**TIFIA Mandatory Interest Sub-Account**" means the "Debt Service Fund-TIFIA Mandatory Interest Subaccount" established pursuant to Section 8.2(c) of the Indenture.

"**TIFIA Mandatory Principal Sub-Account**" means the "Debt Service Fund-TIFIA Mandatory Principal Subaccount" established pursuant to Section 8.2(c) of the Indenture.

"**TIFIA Scheduled Debt Service**" means, with respect to any Semi-Annual Payment Date occurring on or after the Debt Service Payment Commencement Date and prior to the Level Payment Commencement Date, the principal portion of the Outstanding TIFIA Loan Balance and any interest payable thereon (including Post-Petition Interest), in each case, (a) designated as "TIFIA Scheduled Debt Service" and (b) scheduled to be paid on such Semi-Annual Payment Date, but which shall be required to be paid on such Semi-Annual Payment Date only if and to the extent that funds shall be available therefor.

"**TIFIA Scheduled Debt Service Payment Sub-Accounts**" means the TIFIA Scheduled Interest Sub-Account and the TIFIA Scheduled Principal Sub-Account, respectively.

"**TIFIA Scheduled Interest Sub-Account**" means the "Debt Service Fund-TIFIA Scheduled Interest Subaccount" established pursuant to Section 8.2(c) of the Indenture.

"**TIFIA Scheduled Principal Sub-Account**" means the "Debt Service Fund-TIFIA Scheduled Principal Subaccount" established pursuant to Section 8.2(c) of the Indenture.

"**TIFIA Supplemental Indenture**" means the Second Supplemental Indenture, dated as of September 1, 2026, between the Issuer and the Trustee.

"**Toll Collection Operating and Maintenance Expenses**" has the meaning provided in the Indenture.

"**Toll Collection Operating Reserve Fund Requirement**" means twenty-five percent (25%) of the total budgeted Toll Collection Operating and Maintenance Expenses for the current Issuer Fiscal Year, as set forth in the Annual Budget.

"**Toll Collection Renewal and Replacement Fund Requirement**" means on or after the Substantial Completion Date, for any Issuer Fiscal Year, the aggregate of (A) one hundred percent (100%) of budgeted Toll Collection Renewal and Replacement Expenses for such Issuer Fiscal Year in the then current Annual Budget, (B) ninety percent (90%) of expected Toll Collection Renewal and Replacement Expenses for the next succeeding Issuer

Fiscal Year (i.e., year 2), (C) eighty percent (80%) of expected Toll Collection Renewal and Replacement Expenses for the next succeeding Issuer Fiscal Year (i.e., year 3), (D) seventy percent (70%) of expected Toll Collection Renewal and Replacement Expenses for the next succeeding Issuer Fiscal Year (i.e., year 4), (E) sixty percent (60%) of expected Toll Collection Renewal and Replacement Expenses for the next succeeding Issuer Fiscal Year (i.e., year 5), (F) fifty percent (50%) of expected Toll Collection Renewal and Replacement Expenses for the next succeeding Issuer Fiscal Year (i.e., year 6), (G) forty percent (40%) of expected Toll Collection Renewal and Replacement Expenses for the next succeeding Issuer Fiscal Year (i.e., year 7), (H) thirty percent (30%) of expected Toll Collection Renewal and Replacement Expenses for the next succeeding Issuer Fiscal Year (i.e., year 8), (I) twenty percent (20%) of expected Toll Collection Renewal and Replacement Expenses for the next succeeding Issuer Fiscal Year (i.e., year 9), and (J) ten percent (10%) of expected Toll Collection Renewal and Replacement Expenses for the next succeeding Issuer Fiscal Year (i.e., year 10), in the case of each of clauses (B)-(J) above, as projected in the then current Revised Financial Model; provided that, notwithstanding anything to the contrary set forth herein or in any other Related Document, on any date described in clause (a) or (b) above, the amount of cash on deposit in the Toll Collection Renewal and Replacement Fund shall be equal to at least one hundred percent (100%) of expected Toll Collection Renewal and Replacement Expenses for the then current Issuer Fiscal Year.

"**Tolling-Related Agreement**" means any roadside tolling system installation and collection contract, commercial back office system contract, customer service center operations contract, delinquent back office system contract, or any contract with a similar purpose to any of the foregoing, in each case entered into by (or on behalf of) the Issuer in connection with the tolling of the Project.

"**Total Project Costs**" means (a) the costs paid or incurred or to be paid or incurred by the Issuer in connection with or incidental to the acquisition, design, construction and equipping of the Project, including legal, administrative, engineering, planning, design, insurance, and costs of issuance; (b) amounts, if any, required by the Indenture Documents or the TIFIA Loan Documents to be paid into any fund or account upon the incurrence of the TIFIA Loan or any other Secured Obligations; (c) payments when due (whether at the maturity of principal, the due date of interest, or upon optional or mandatory prepayment) during the Construction Period in respect of any indebtedness of the Issuer (other than the TIFIA Loan), including any Credit Facility maintained by the Issuer, in each case, in connection with the Project; and (d) costs of equipment and supplies and initial working capital and reserves required by the Issuer for the commencement of operation of the Project, including general administrative expenses and overhead of the Issuer.

"**Traffic and Revenue Study**" means the Traffic and Revenue Study, prepared by the Traffic Consultant, and any amendments, supplements or updates thereto in accordance with the terms hereof.

"**Traffic Consultant**" means, initially, CDM Smith, Inc., and any replacement traffic consultant firm selected by the Issuer and not objected to by the TIFIA Lender within fifteen (15) Business Days after receiving notice from the Issuer of the name of the proposed traffic consultant, together with supporting information regarding the qualifications of the proposed traffic consultant.

"**True Interest Cost**" means the rate necessary to discount the cumulative amounts payable on the respective Semi-Annual Payment Dates in respect of Debt Service to the original purchase price of the First Lien Obligations, Second Lien Obligations (other than the TIFIA Loan) or the Third Lien Obligations, taking into account discounts, premiums and transaction costs, on the basis of semi-annual compounding of interest.

"**Uncontrollable Force**" means any cause beyond the control of the Issuer, including: (a) a hurricane, tornado, flood or similar occurrence, landslide, earthquake, fire or other casualty, strike or labor disturbance, freight embargo, act of a public enemy, explosion, war, blockade, terrorist act, insurrection, riot, general arrest or restraint of government and people, civil disturbance or similar occurrence, sabotage, or act of God (provided that the Issuer shall not be required to settle any strike or labor disturbance in which it may be involved) or (b) the order or judgment of any federal, state or local court, administrative agency or governmental officer or body, if it is not also the result of willful or negligent action or a lack of reasonable diligence of the Issuer and the Issuer does not control the administrative agency or governmental officer or body; provided that the diligent contest in good faith of any such order or judgment shall not constitute or be construed as a willful or negligent action or a lack of reasonable diligence of the Issuer.

"**Uniform Commercial Code**" or "**UCC**" means the Uniform Commercial Code, as in effect from time to time in the State.

"**USDOT**" means the United States Department of Transportation.

"**Variable Interest Rate**" means a variable interest rate to be borne by any Permitted Debt. The method of computing such variable interest rate shall be specified in the Supplemental Indenture or Credit Facility pursuant to which such Permitted Debt is incurred. Such Supplemental Indenture or Credit Facility shall also specify either (a) the particular period or periods of time for which each value of such variable interest rate shall remain in effect, or (b) the time or times upon which any change in such variable interest rate shall become effective.

"**Variable Interest Rate Obligations**" means any First Lien Obligations, Second Lien Obligations or Third Lien Obligations under the Indenture that accrue interest at a Variable Interest Rate.

"**Weighted Average Interest Cost**" means, for each Semi-Annual Payment Date, a rate calculated as follows: the sum of (a) the applicable True Interest Cost(s) for the First Lien Obligations multiplied by the ratio of (i) the First Lien Obligations principal amount then outstanding to (ii) the aggregate principal amount of each of the First Lien Obligations, the Second Lien Obligations and the Third Lien Obligations as of such Semi-Annual Payment Date; (b) the applicable True Interest Cost(s) for the Second Lien Obligations (other than the TIFIA Loan) multiplied by the ratio of (i) the Second Lien Obligations (other than the TIFIA Loan) principal amount then outstanding to (ii) the aggregate principal amount of each of the First Lien Obligations, the Second Lien Obligations (including the TIFIA Loan) and the Third Lien Obligations as of such Semi-Annual Payment Date; (c) the applicable True Interest Cost(s) for the Third Lien Obligations multiplied by the ratio of (i) the Third Lien Obligations principal amount then outstanding to (ii) the aggregate principal amount of each of the First Lien Obligations, the Second Lien Obligations and the Third Lien Obligations as of such Semi-Annual Payment Date; and (d) the interest rate on the TIFIA Loan multiplied by the ratio of (i) the current Outstanding TIFIA Loan Balance to (ii) the aggregate principal amount of each of the First Lien Obligations, the Second Lien Obligations (including the TIFIA Loan) and the Third Lien Obligations as of such Semi-Annual Payment Date.

APPENDIX E

Traffic and Revenue Study dated August 2026

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Prepared for
Alabama
Department of Transportation

Alabama DOT

I-10 Mobile River Bridge and Bayway Traffic and Revenue Study

August 2026

CDM Smith

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Appendices

Appendix A: Socioeconomic Forecast
Appendix B: Truck Stated Preference Survey

Acronyms

AAA	American Automobile Association
AET	all-electronic tolling
ALDOT	Alabama Department of Transportation
AWDT	average weekday daily traffic
BCHD	Baldwin County Highway Department
BEA	Bureau of Economic Analysis
BLS	Bureau of Labor Statistics
CAAGR	compound average annual growth rate
CAFE	corporate average fuel economy
CBD	central business district
CBER	University of Alabama's Center for Business and Economic Research
CBSA	Core Based Statistical Area (US Census)
CPI	Consumer Price Index
CTPP	Census Transportation Planning Products
CV	commercial vehicle(s)
CVD	connected vehicle data
DEIS	Draft Environmental Impact Statement
EA	Environmental Assessment
E-E	external to external TAZ O-D, or through (thru)
E-I	external to internal TAZ O-D, or inbound (IB)
EIS	Environmental Impact Statement
EMP	employment
ESMPO	Eastern Shore Metropolitan Planning Organization
ETC	electronic toll collection (pay by plate)
FEIS	Final Environmental Impact Statement
FHWA	Federal Highway Administration
FKA	Fishkind & Associates (acquired by PFM Group Consulting LLC)
GIS	geographic information systems
GPS	global positioning system
HBO	home-based other
HBW	home-based work
HH	households
HT	heavy truck
HTLCV	heavy truck/large commercial vehicles
I-E	internal to external TAZ O-D, or outbound (OB)
IG	investment grade
I-I	internal to internal TAZ O-D, or intraregional
LBS	location-based services
LRTP	Long Range Transportation Plan
MATS	Mobile Area Transportation Study
MCVMT	medium commercial vehicles/medium truck
MNL	multinomial logit model
MPH	miles per hour
MPO	metropolitan planning organization
MRBB	Mobile River Bridge and Bayway
MT	medium truck
MTM	MRBB Toll Model
NCHRP	National Cooperative Highway Research Program

NHB	non-home based
O&M	operating and maintenance costs
O-D	origin-destination
ODME	origin-destination matrix estimation
P-A	productions and attractions
PC	passenger car(s)
PFM	PFM Group Consulting LLC
POP	population
QFRM	Quick Response Freight Methods
R&R	repair and replacement
RSG	Resource Service Systems Group
SE	socioeconomic
SL	screenline(s)
SP	stated preference
STPP	Statistical Transportation Planning Policy
T&R	traffic and revenue
TAZ	traffic analysis zones
TDM	travel demand model
TIFIA	Transportation Infrastructure Finance and Innovation Act
TLFD	trip length frequency distribution
TOD	time of day
VOT	value of time
CTPP	Census Transportation Planning Products
VDF	volume delay function
VTTS	value of travel time savings
W&P	Woods & Poole Economics, Inc.
WFH	work from home (telecommuting)

Executive Summary

Study Objectives

The Mobile River Bridge and Bayway (MRBB) project investment grade study was performed by CDM Smith under the direction of the Alabama Department of Transportation (ALDOT) with the goal of providing a long-term traffic and revenue (T&R) forecast to aid in the support of project financing, including financial filings and grant/loan applications. By employing a travel demand model (TDM) this study utilized existing travel patterns and socioeconomic inputs in conjunction with future infrastructure improvements and assumed tolling policy to produce a detailed vision of future travel across the Mobile River and Mobile Bay, as well as the greater Mobile County and Baldwin County region.

Project Background

The MRBB project is a proposed solution to ease existing congestion along Interstate 10 (I-10) near Mobile's central business district (CBD), as well as crossing the Mobile River and Mobile Bay in southern Alabama. Included in the plans are a new 2.5-mile six-lane bridge traversing the Mobile River and Mobile Bay, 7 miles of roadway across Mobile Bay restriped from four lanes to six lanes, and improvements to existing interchanges along the I-10 corridor. To maintain financial feasibility of capital, operations, and maintenance costs associated with the project, tolling has been proposed for all vehicles using the new facility.

Forecast Approach & Key Features

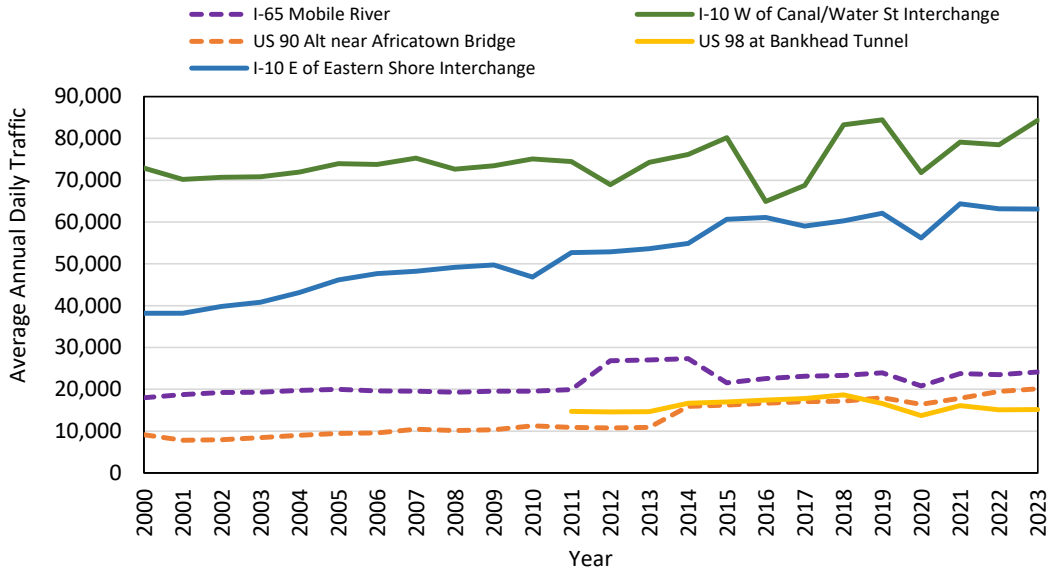
This analysis employs the use of a MRBB Toll Model (MTM) that connects existing travel demand model areas from three existing planning agencies across Southern Alabama. Model calibration and validation were performed for the base year, while five future-year runs were analyzed: 2030, 2035, 2045, 2055, and 2065. Output transactions and revenues were prepared by model year for an average weekday, with annualization factors of 343 for PCs and 320 for trucks applied to the modeled weekday volumes to account for lower transactions on weekends and holidays. Annual T&R streams were developed beginning in 2031 by using interpolation to bridge the gap between model years and extrapolation to extend the forecast to horizon year 2071. Two years of ramp-up were also assumed, as users acclimate and understand the new project and its benefits. This study builds upon and provides notable improvements to previous iterations of the MRBB T&R analysis. Notable assumptions and project features include:

- Base year 2023 travel demand model, incorporating the latest travel characteristics and updated socioeconomic forecasts
- Toll policy and schedule, including axle- and height-based toll classifications as well as payment options
- Regional transportation improvement assumptions, including assuming the existing Mobile River crossings remain toll-free
- Forecast breakdowns based on detailed payment types, including monthly flat fee plan adjustments

Existing Conditions

I-10 is a major national transportation corridor spanning from Santa Monica, California to Jacksonville, Florida. Within the state of Alabama, I-10 runs for approximately 66 miles from the Mississippi border to the Florida border, crossing the Mobile River through the four-lane George Wallace Tunnel and over Mobile Bay as the four-lane Bayway viaduct, carrying approximately 65,000 and 71,000 vehicles on average every weekday in 2023, respectively. US Route 90 (US 90) and US Route 98 (US 98) serve as the interstate's primary alternate east-west routes, also traversing Mobile and Baldwin Counties from the Mississippi border to the Florida border. US 90/US 98 crosses the Mobile River via the two-lane Bankhead Tunnel, which carried approximately 16,300 average weekday vehicles in 2023. Interstate 65 (I-65) begins at I-10 west of Mobile and crosses the Mobile River to the north of Mobile as the four-lane General WK Wilson Jr. Bridge (approx. 25,300 vehicles per weekday in 2023) and continues to run northeast into Escambia County towards Montgomery. Interstate 165 (I-165) provides an additional connection from I-65 north of Mobile to I-10 in downtown. Alt-90 provides the final regional Mobile River crossing at the four-lane Africatown Bridge (approx. 24,300 vehicles per weekday in 2023), which connects I-165 on the west side of the Mobile River, and then runs parallel to the river along its east side, connecting to US 90/US 98 and I-10 just west of the Bayway. Historical average annual daily traffic volumes on all key Mobile River crossings are provided in **Figure ES-1**. Daily traffic on I-10 east and west of the project location has seen recovery since the 2020 downturn and continues to carry the vast majority of trips across Mobile River and Mobile Bay.[1]

Figure ES-1: Historical Mobile River Crossing Traffic Growth



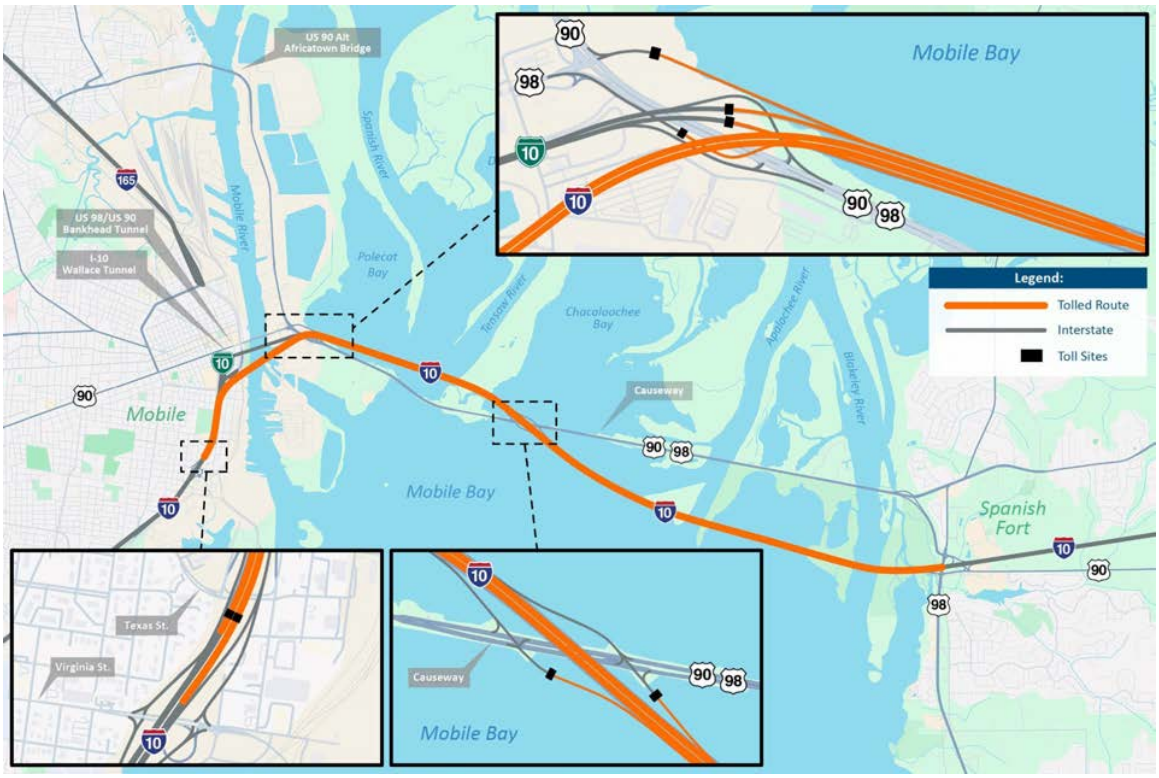
Source: ALDOT, CDM Smith

[1] Wallace Tunnel and Bankhead Tunnel counters were replaced and recalibrated in 2021-2022 resulting in changes in volumes. Alternative locations for I-10 traffic have been provided for consistency.

Planned Tolling Operations

The assumed tolled and toll-free movements across the Mobile River and Mobile Bay upon completion of the MRBB project in 2031 are shown in **Figure ES-2**. A trip in either direction across the new Mobile River Bridge and/or the restriped Mobile Bayway is assumed to incur the same toll, which will be collected at either a mainline toll west of the Wallace Tunnel or one of six ramp tolls covering travel to and from the east: two within the Mid-Bay Interchange and four within the western shore interchange.

Figure ES-2: Tolled and Toll-Free Roadways with Assumed Tolling Locations



Source: ALDOT, CDM Smith

When completed, the MRBB is planned to operate as an all-electronic tolling (AET) facility, meaning no staffed or un-staffed toll booths will exist, thereby reducing congestion and dangers related to toll-related queues. Free-flowing open road toll gantries will be used. Vehicles must be equipped with an ALGOpass or other interoperable toll transponder, or the vehicle's registered owner will incur a video toll by mail. Toll classes are broken down into PC low vehicles (shorter than 7'6" over the first two axles) and Trucks/Commercial Vehicles (7'6" and above over the first two axles). Toll rates are assumed to be flat and not vary by time of day, day of week, or month of year and are found in **Table ES-1**. Based on vehicle classification counts conducted in 2021 and 2024 as part of prior and current MRBB study efforts on the Bayway and US 98, an estimated 76.0 percent of all vehicles will fall into the lowest vehicle type bracket, at $7.70 (2031$) per crossing with an interoperable transponder, $3.00 (2031$) with an ALGOpass transponder, and $15.40 (2031$) for video tolling. It is assumed ALDOT will also offer an ALGOpass monthly flat fee plan, offering unlimited trips at the cost of 20 regular trips at the 2031 opening year rate ($60) for 2-axle low vehicles (nothing in tow) equipped with an ALGOpass transponder.

Table ES-1: Toll Classes and Rates (in Opening Year 2031$)

Vehicle Type Height	Axles	Interoperable Transponder Rate (Base)	ALGOpass Transponder Rate (Discount)	Video Rate	ALGOpass Monthly Flat Fee
Low (under 7'6")	2	$7.70	$3.00	$15.40	$60.00
	3	$13.30	$6.00	$26.60	
	4	$15.40	$6.00	$30.80	
	5	$21.00	$9.00	$42.00	
	6	$23.10	$9.00	$46.20	
High (7'6" and higher)	2	$20.30	$12.60	$40.60	
	3	$28.35	$16.80	$56.70	
	4	$36.40	$21.00	$72.80	
	5	$44.45	$25.20	$88.90	
	6	$52.50	$29.40	$105.00	
	7	$60.55	$33.60	$121.10	

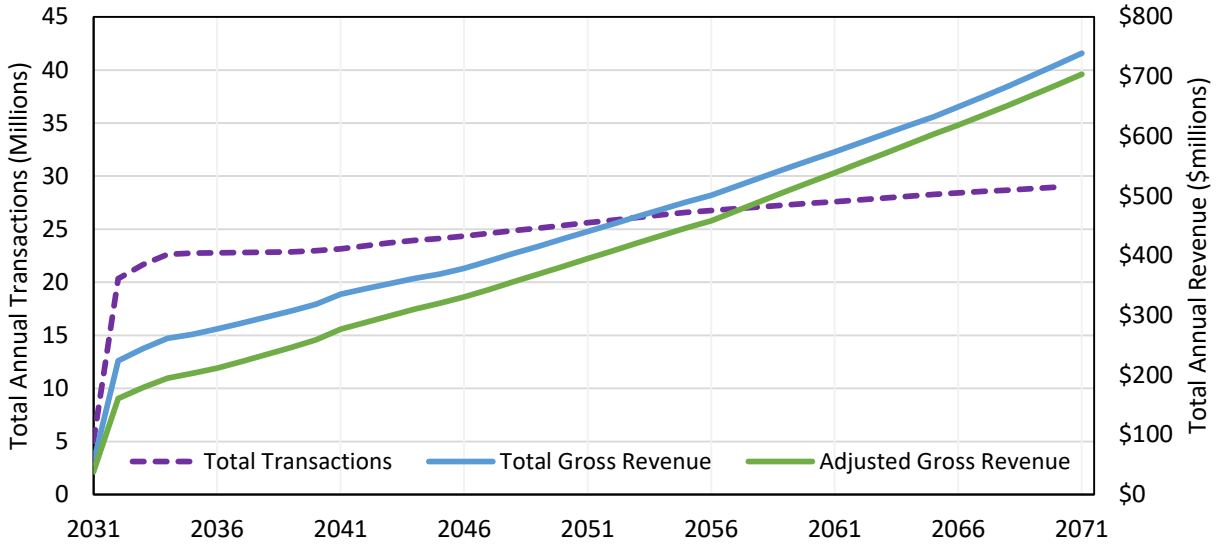
Source: ALDOT, CDM Smith

Study Findings

Total annual transactions, gross revenue estimates, and adjusted gross revenue estimates from opening year (2031) through the study horizon (2071) are provided in **Figure ES-3** and **Table ES-2** below. The adjusted gross revenue estimate is calculated by subtracting estimated uncollectible video toll revenue from estimated gross revenue. Throughout the forecast, 50 percent of video tolling gross revenue is assumed to be uncollectible. However, as the estimated share of video tolling decreases over time, so does the impact of video non-payment.

Operation and maintenance costs for the toll collection system and fines and fee revenue will be provided by ALDOT.

Figure ES-3: Annual Transactions and Gross/Adjusted Gross Revenue Estimates (Millions)



Source: CDM Smith

Table ES-2: Annual Traffic, Gross Revenue, and Adjusted Gross Revenue (Millions)

Year	Total Transactions	Total Gross Revenue	Uncollectible Video Toll Revenue	Adjusted Gross Revenue
2031	5.022	$ 53.938	$ 15.853	**$ 38.085**
2032	20.345	$ 223.781	$ 62.786	**$ 160.995**
2033	21.662	$ 244.344	$ 65.275	**$ 179.069**
2034	22.622	$ 261.494	$ 66.560	**$ 194.934**
2035	22.741	$ 268.572	$ 65.254	**$ 203.318**
2036	22.768	$ 277.282	$ 65.705	**$ 211.577**
2037	22.795	$ 287.363	$ 64.309	**$ 223.054**
2038	22.821	$ 297.533	$ 62.930	**$ 234.603**
2039	22.848	$ 307.725	$ 61.500	**$ 246.225**
2040	22.972	$ 319.017	$ 60.098	**$ 258.919**
2041	23.159	$ 335.455	$ 58.607	**$ 276.848**
2042	23.447	$ 344.666	$ 56.250	**$ 288.416**
2043	23.707	$ 353.301	$ 53.925	**$ 299.376**
2044	23.953	$ 362.297	$ 51.575	**$ 310.722**
2045	24.110	$ 369.071	$ 48.640	**$ 320.431**
2046	24.360	$ 379.114	$ 48.284	**$ 330.830**
2047	24.607	$ 391.102	$ 47.660	**$ 343.442**
2048	24.857	$ 403.635	$ 47.146	**$ 356.489**
2049	25.103	$ 415.755	$ 46.527	**$ 369.228**
2050	25.354	$ 428.300	$ 46.087	**$ 382.213**
2051	25.604	$ 440.732	$ 45.564	**$ 395.168**
2052	25.850	$ 452.945	$ 44.935	**$ 408.010**
2053	26.099	$ 465.460	$ 44.404	**$ 421.056**
2054	26.348	$ 477.599	$ 43.783	**$ 433.816**
2055	26.596	$ 489.966	$ 43.250	**$ 446.716**
2056	26.763	$ 500.998	$ 42.503	**$ 458.495**
2057	26.931	$ 515.948	$ 41.133	**$ 474.815**
2058	27.102	$ 530.819	$ 39.679	**$ 491.140**
2059	27.267	$ 545.306	$ 38.201	**$ 507.105**
2060	27.436	$ 559.860	$ 36.739	**$ 523.121**
2061	27.603	$ 574.270	$ 35.253	**$ 539.017**
2062	27.771	$ 589.070	$ 33.780	**$ 555.290**
2063	27.940	$ 603.589	$ 32.381	**$ 571.208**
2064	28.107	$ 618.217	$ 30.867	**$ 587.350**
2065	28.275	$ 632.774	$ 29.345	**$ 603.429**
2066	28.413	$ 649.634	$ 30.606	**$ 619.028**
2067	28.553	$ 666.506	$ 31.395	**$ 635.111**
2068	28.693	$ 683.838	$ 32.201	**$ 651.637**
2069	28.835	$ 701.770	$ 33.029	**$ 668.741**
2070	28.977	$ 720.304	$ 34.005	**$ 686.299**
2071	29.119	$ 739.079	$ 35.009	**$ 704.070**

Source: CDM Smith

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Chapter 1: Introduction

The Alabama Department of Transportation (ALDOT) contracted the CDM Smith team to study tolling scenarios for the Interstate 10 (I-10) Mobile River Bridge and Bayway (MRBB) Project and develop an investment-grade traffic and revenue (T&R) forecast. MRBB would increase I-10's capacity by constructing a new six-lane bridge over the Mobile River and restriping the existing east and west bridges across Mobile Bay from a total of four lanes (two in each direction) to a total of six lanes (three in each direction). MRBB is designed to supply a more direct route for hazardous materials, as the Wallace Tunnel is restricted, and to minimize maritime industry impacts. The existing Mobile River crossings would remain unimproved and untolled.

In addition to CDM Smith Inc., the study team included PFM Group Consulting LLC (PFM), who provided independent socioeconomic forecasts; and Florida Transportation Engineering, Inc. (FTE), who conducted study-specific classification traffic counts. Additional data were provided by StreetLight, who provided detailed origin-destination travel patterns and frequency analysis, as well as INRIX, who provided existing condition travel speeds. As part of a prior study effort, Resource Systems Group, Inc. (RSG) analyzed and updated the passenger car value of time (VOT) and conducted a trucking stated preference (SP) survey. The results of these analyses were included in this study effort as well.

1.1 Objectives

CDM Smith analyzed the MRBB as an investment grade (IG) T&R study to support project financing, including financial filings and grant/loan applications. A travel demand model (TDM) was developed and implemented to estimate future T&R, reflecting new network components, toll policy, traffic data, socioeconomic parameters, travel patterns, and other modeling characteristics. The primary study focus is travel across the Mobile River and Bay.

The analysis process followed several subprocesses, which are outlined and sequenced as presented in the respective chapters:

- Chapter 2: Existing conditions – traffic counts, travel patterns, travel speeds, origins-destinations (O-D), use frequencies, etc.
- Chapter 3: Socioeconomics – population, households, employment, income, etc.
- Chapter 4: VOT – summary of prior stated preference (SP) surveys
- Chapter 5: TDM development/calibration and application
- Chapter 6: Traffic forecast development – tolling assumptions and forecast approach
- Chapter 7: T&R forecast – transactions, expected gross revenue, adjusted gross revenue

Transactions are derived from TDM outputs, which reflect several input variables and assumptions, such as roadway network and configuration, travel patterns, regional socioeconomic growth, and toll rate and payment options policy. Expected gross revenue is derived from transaction estimates and toll schedule assumptions. Comprehensive T&R analysis results are the annualized adjusted toll revenue estimates between 2031 (projected opening year) and 2071, derived from gross toll revenue estimates less estimated assumed uncollectible

video toll revenue. Operation and maintenance costs for the toll collection system and fines and fee revenue will be provided by ALDOT at a later date.

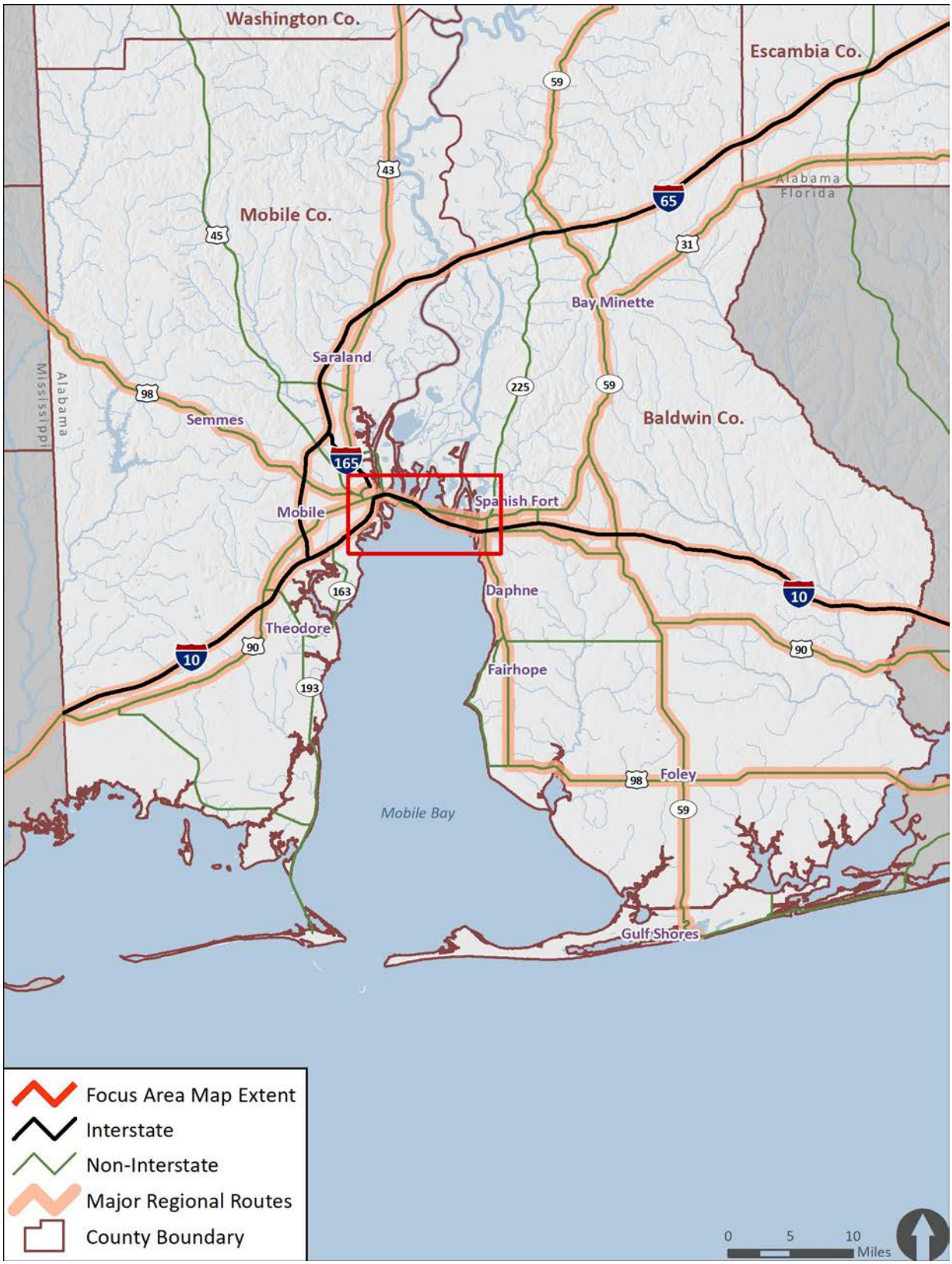
1.2 Study Corridor and Area

In southern Alabama, I-10 connects Mobile County in the west and Baldwin County in the east across the Mobile River and Mobile Bay, as seen in **Figure 1**. The focus area map in **Figure 2** shows I-10 currently crosses under the Mobile River through the Wallace Tunnel and over Mobile Bay via a pair of 7.5-mile concrete viaduct bridges known as the "Bayway." The other nearby crossings of the Mobile River are the Bankhead Tunnel (US 90/98) and the Africatown Bridge (US 90 Alt), while the US 90/98 Causeway is the only other alternate crossing of Mobile Bay. The next nearest crossing is Interstate 65 (I-65), which crosses both the Mobile and Tensaw Rivers about 15 miles north of downtown Mobile. The Wallace Tunnel was designed for 35,000 vehicles per day, but the 2023 average weekday daily traffic (AWDT) volume of 65,00 vehicles far exceeded this capacity. Traffic volumes are projected to continue growing and reach 77,600 AWDT by 2045 without the MRBB. The Wallace Tunnel experiences periodic congestion in both directions most days. The Bankhead Tunnel has one lane in each direction with minimal shoulders and limited horizontal and vertical clearance, restricting larger vehicle use, and had a 2023 AWDT of 16,300 vehicles. The Africatown Bridge has two lanes in each direction with standard shoulders and standard clearances and had an AWDT of 24,300 vehicles in 2023.

As seen in Figure 1, there are seven major routes in the two-county study area:

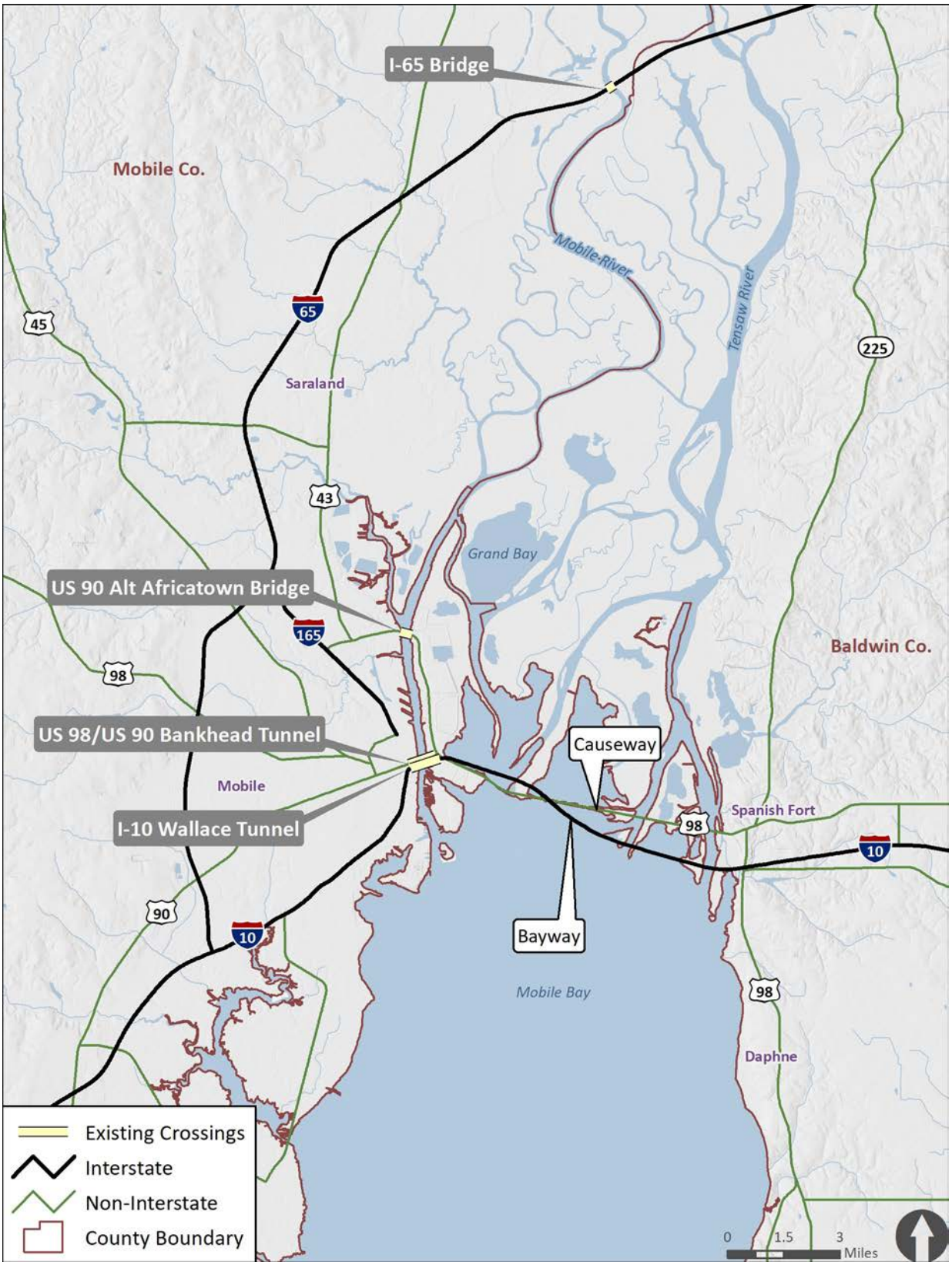
- I-10 is a 2,460-mile transcontinental east-west highway from Santa Monica, California, to Jacksonville, Florida. The 66-mile stretch traversing Alabama has two lanes in each direction, except between I-65 and the Wallace Tunnel, where the highway widens to three to four lanes in each direction. The Wallace Tunnel opened in 1973 and the Bayway in 1978; prior to 1978, interstate traffic used the US 98 Causeway. I-10 serves both longer-distance interstate trips and regional travel.
- US 98 is a 961-mile east-west highway running from Natchez, Mississippi to Palm Beach, Florida. It is a two-lane highway, except for a 40-mile stretch in and around Mobile where it has four lanes. US 98 approaches Mobile from the west as Moffet Road/Spring Hill Avenue and crosses under the Mobile River via the Bankhead Tunnel, which opened in 1941 and operated as a tolled facility until tolls were removed in 1973 when the Wallace Tunnel opened. In Baldwin County, US 98 turns south and runs for 17 miles through Daphne and Fairhope before turning east and running 28 miles to the Florida border. US 98 serves shorter-distance trips within Mobile and Baldwin Counties.
- US 90 is a 1,633-mile east-west two-lane highway from Van Horn, Texas to Jacksonville Beach, Florida. It parallels I-10 from the Mississippi state line to the Bankhead Tunnel as Government Boulevard/Street. East of the tunnel, it runs concurrently with US 98 along the Causeway. On the eastern shore, it continues 19 miles as a four-lane arterial roughly parallel and south of I-10 to south of Loxley, Alabama, then another 14 miles as a two-lane arterial to the Florida state line. It serves shorter trips and provides intra-regional access.

Figure 1: Area Map and Major Regional Routes



Source: CDM Smith

Figure 2: Focus Area Existing Major Mobile River/Bay Crossings



Source: CDM Smith

- I-65 is an 887-mile transnational route that has its southern terminus at I-10 in Mobile and runs north through Montgomery, Birmingham, and Huntsville, with a northern terminus at I-90 in Gary, Indiana. It is a significant regional and national truck route and an important intra-urban artery in Mobile. I-65 crosses the Mobile River and Tensaw River but is significantly further north of the other river/bay crossings. I-65 crossing the River/Bay serves trips between Mobile and points west along I-10 and sparsely populated northern Baldwin County and points north, including Montgomery, Alabama, and Atlanta, Georgia.
- US 43 is a 410-mile-long roadway from Prichard, Alabama to Columbia, Tennessee that connects industrial facilities along the Mobile River in northern Mobile County with interstates in central Mobile. It connects with the Africatown Bridge, providing access to facilities on Pinto Island (e.g., Austal and Arc oil terminals) and I-10. US 43 also interchanges with I-65 (north toward Montgomery or south toward I-10) and Interstate 165 (I-165) (via New Bay Bridge Road/Africatown Boulevard, with accessibility to the Port of Mobile, Mobile central business district, and Mobile Container Terminal).
- US 31 begins as a four-lane road at the eastern end of the US 98 causeway and extends four miles through Spanish Fort before narrowing to two lanes and turning north. It widens again to four lanes for six miles as it meets and runs concurrently with SR 59 approaching Bay Minette. In Bay Minette it turns east, leaves SR 59, and narrows to two lanes for the remainder of its length in Baldwin County, ultimately paralleling I-65 to Indiana and continuing north through Michigan. US 31 serves local and regional trips.
- SR 59 is a 77-mile north-south route traversing Baldwin County from Gulf Shores across US 98 and I-10, north to Bay Minette (where it is co-designated as US 31) and crossing I-65 into northern Baldwin County. North of I-65, SR 59 is two lanes; south of I-65, it is mostly a four-lane divided highway with traffic signals and turn lanes at intersections. At its southernmost, SR 59 is surrounded with retail development with many signalized intersections, and functions as a suburban arterial.

1.3 Background

The MRBB project has been in development for more than 25 years. Per the 2019 Final Environmental Impact Statement (FEIS)[2] completed for the project: "a 1997 feasibility study determined that constructing a Central Business District (CBD)/Mobile River bridge would alleviate Wallace Tunnel congestion but divert existing congestion to the I-10 Bayway, requiring increased Bayway capacity from four to eight lanes. Three initial alternatives were considered, and an Environmental Assessment (EA) was signed in 2003; Federal Highway Administration (FHWA) thereafter elevated documentation needs to an EIS. A 2014 Draft Environmental Impact Statement (DEIS) evaluated four alternatives and by 2019, additional engineering and environmental studies were conducted, with alternatives revisions. A Supplemental DEIS was prepared and signed in 2019."

CDM Smith participated in several T&R iterations, including a preliminary 2015 study, a comprehensive 2017 study, and a series of owner's representative studies during procurement as

[2] I-10 Mobile River Bridge and Bayway Combined FEIS/ROD, FHWA-AL-EIS-19-01-F

a public-private partnership option, including rating agency presentations and Transportation Infrastructure Finance and Innovation Act (TIFIA) loan support. A full list of these studies and projects is below:

- Mobile River Bridge Preliminary T&R Study, September 2015
- Design traffic for IMR, 2016 and 2017
- Mobile River Bridge & Bayway Comprehensive T&R Study, September 2017
- Industry forum, August 2017
- Fitch ratings, December 2018
- Build America Bureau interactions, 2018
- Team and concessionaires interactions, 2018
- P3 termination, August 28, 2019
- Further sketch-level scenarios, 2020 and 2021
- 2021-2024 IG T&R model development, planning scenarios, and indicative rating forecast

Since the 2017 comprehensive study, some project characteristics and study approach changes have occurred, and some study methods have been improved to address comments by consumers of the prior study.

- Study similarities:
  - TDM/MRBB Toll Model (MTM) coverage and overall approach
  - I-10 improvements, including:
    - *west of the Wallace Tunnel*
    - *new I-10 Mobile River Bridge*
- Study differences:
  - The I-10 Bayway will be restriped to accommodate six lanes (three in each direction)
  - State-based project procurement and funding (state-owned/operated)
  - No improvements to the US 90/98 Causeway or existing Mobile River crossings
  - New assumed toll schedule and related policy
  - Wallace Tunnel will remain toll-free
- Study updates/improvements:
  - Built a new but similar two-county MTM based on the most recent underlying Metropolitan Planning Organization (MPO) models
  - Advanced the base year to 2023 with calibration and validation
  - Incorporated recent traffic data
  - Incorporated revised socioeconomic forecast
  - Developed a new integrated truck model
  - Extended forecasts to year 2071
  - Expanded SP survey for shippers/carriers
  - Updated travel patterns survey/O-D and frequency of use data
  - Developed axle- and height-based toll classifications
  - Incorporated all-electronic tolling (AET) payment type and corresponding toll rates:
    - *Interoperable transponders*
    - *ALGOpass transponders (issued by the state of Alabama)*

- *Video tolling*
- *Monthly flat fee plan for prepaid ALGOpass passenger cars (nothing in tow)*

1.4 Methodology Overview

The investment grade T&R estimates are dependent upon travel demand modeling, with most analyses focused on inputs, developing/refining functions, and processing results to annual streams. A project specific MTM was developed. **Figure 3** outlines MTM inputs and processes.

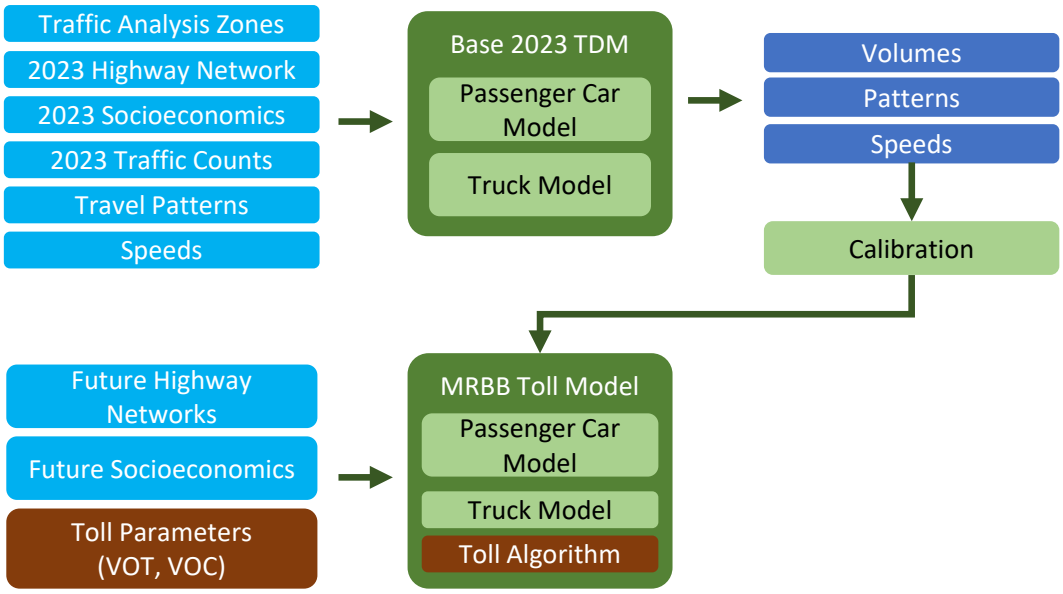
Figure 4 outlines the development of the T&R forecast. Detailed model methodology and T&R forecast development are provided in Chapter 5 and Chapter 6 respectively, and detailed traffic and revenue estimates are presented in Chapter 7.

- Inputs to this study include:
  - Roadway networks and Traffic Analysis Zones (via respective MPO models)
  - Traffic data (counts, classes, trip lengths, speeds, travel patterns, frequency, etc.)
  - Socioeconomic data (baseline and forecast population, households, employment)
  - Stated preference-derived values of time
  - Estimated vehicle operating costs
  - Proposed toll classes, toll rates, and monthly flat fee plan
  - Assumed payment shares (interoperable transponder, ALGOpass transponder, video)
  - Expected uncollectible video toll revenue

- Processes included:
  - 2023 TDM
    - *Refined Model Network*
    - *Trip Generation (from Mobile MPO TDM)*
    - *Trip Distribution*
    - *Truck Model*
    - *Trip Assignment*
  - Calibration/validation
  - Future year MTM models
  - Toll scenarios/algorithm
  - Toll rates assumptions and development
  - Monthly flat fee plan adjustments
  - Annualization, interpolation, and ramp-up adjustments

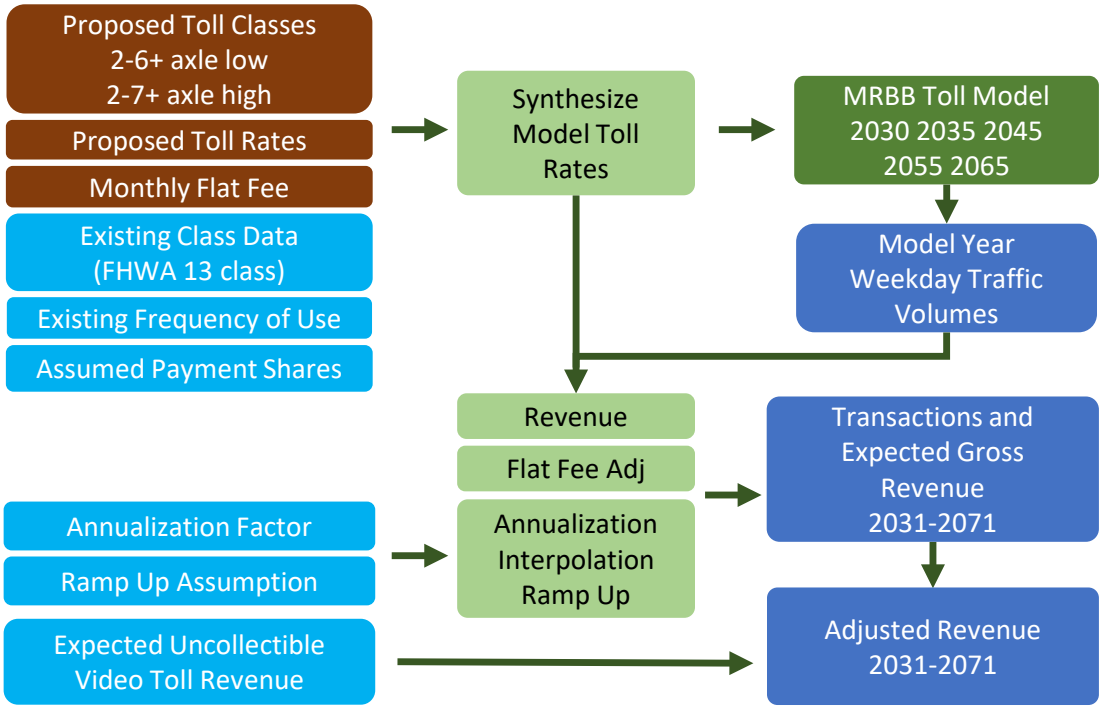
- Results are provided and summarized by:
  - Model year traffic forecasts 2030, 2035, 2045, 2055, and 2065
  - Annual transactions interpolation and extrapolation
  - Expected gross revenue
  - Adjusted gross revenue after subtracting uncollectible video toll revenue

Figure 3: MRBB Toll Model (MTM) Overview



Source: CDM Smith

Figure 4: Traffic and Revenue Methodology Overview



Source: CDM Smith

Chapter 2: Existing Conditions

Future T&R estimates are derived from the MTM. Underlying the MTM are data describing baseline (existing) conditions, such as traffic volumes, segment speeds, travel patterns, and frequency of use. The MTM's focus is travel crossing the Mobile River and/or Mobile Bay.

2.1 Traffic Volumes

Traffic volumes represent the number of vehicles passing a specific roadway location at a specific time. Volumes are typically measured over a specified time and date range, like vehicles per day, represented by average weekday daily traffic (AWDT). Volumes can reflect either historical averages or future forecasts. Volumes utilized as model inputs were compiled and calculated along various dimensions.

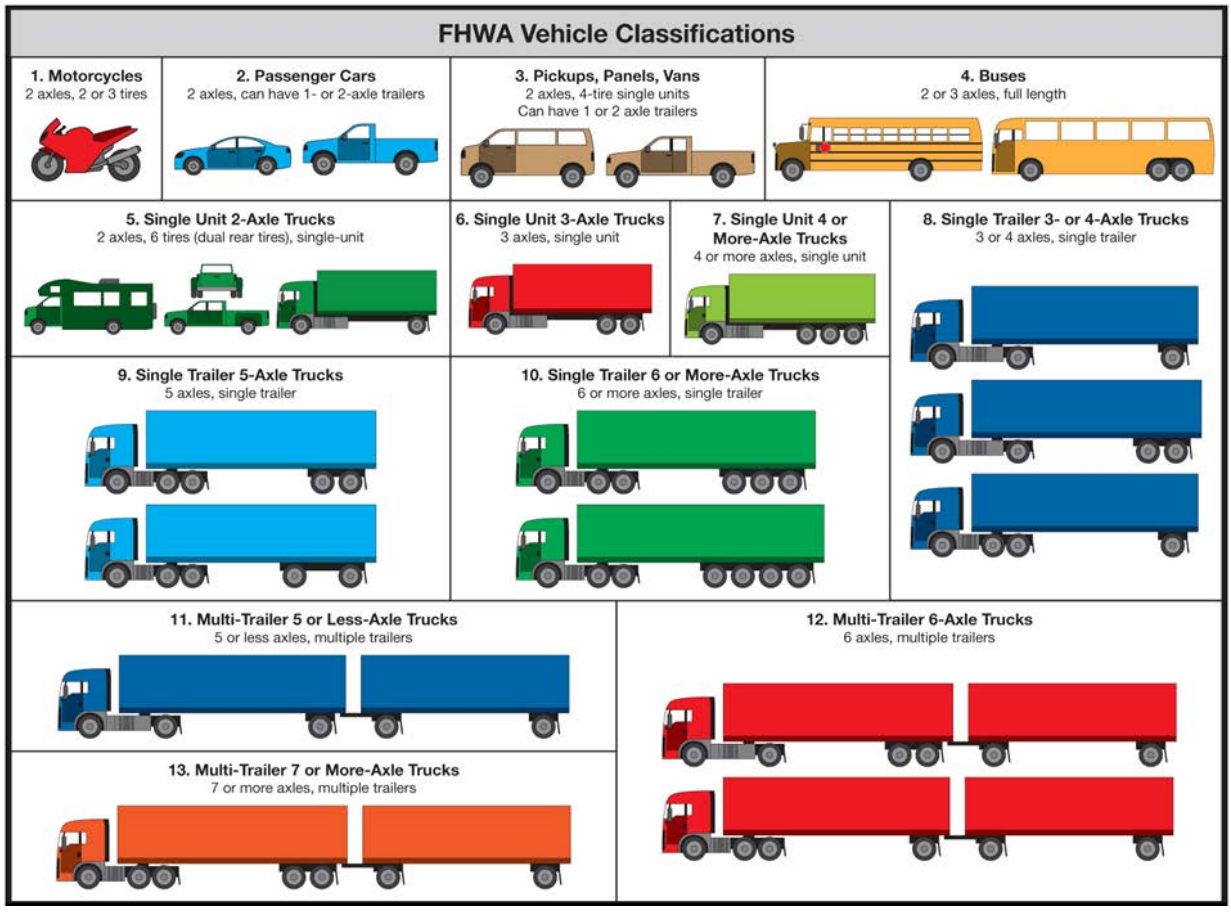
- Location: volumes are counted at spot locations (e.g., eastbound Wallace Tunnel). These can be aggregated for defined geographic areas (i.e., city, county, etc.) or across screenlines demarking similar movements north/south, east/west, inbound/outbound, or crossing natural barriers (rivers, mountain ranges).

- Temporal: two temporal components frame traffic volume data: the count frequency duration (e.g., per hour, day, week, month, year) and longitudinal comparability (e.g., January 2022 versus January 2021). Hourly or daily count frequencies are the most common, which have been standardized into four time periods within the MTM:
  - AM Peak: 06:00-09:00 (3 hours)
  - Midday: 09:00-15:00 (6 hours)
  - PM Peak: 15:00-18:00 (3 hours)
  - Overnight: 18:00-06:00 (12 hours)

- Classification: FHWA classifies 13 vehicle categories, while ALDOT has 11 classifications for toll rate scheduling purposes. The MTM consolidates and simplifies these vehicle types into three classifications: passenger cars (PCs), medium trucks (MTs), and heavy trucks (HTs).
  - **Figure 5** summarizes the FHWA vehicle classification system
  - **Table 1** illustrates the concordance between the FHWA, toll classes, and MTM classes, along with the observed distribution of total vehicles across those categories.

The traffic counts presented in this section represent volumes factored by time period to 2023 for use in the MTM at the AWDT level. Additionally, historical comparisons have been provided to better understand recent changes in traffic volumes.

Figure 5: FHWA Vehicle Classification



Source: FHWA, TXDOT

Table 1: Vehicle Classification Concordance

				FHWA												
Codes				1	2	3	4	5	6	7	8	9	10	11	12	13
		Axles		MCs	PCs	Pickups PC+Trlr	Buses	2x	3x	4+x	4x Single	5x Single	6+x Single	5x Multi	6x Multi	7+x Multi
			Totals	0.5%	60.9%	24.3%	1.1%	4.4%	0.4%	0.1%	2.1%	5.8%	0.1%	0.1%	0.1%	0.0%
ALDOT	PCs (<76") 2L	2x	76.0%	0.5%	60.9%	14.6%	-	-	-	-	-	-	-	-	-	-
	PCs (<76") 3L	3x	2.4%	-	-	2.4%	-	-	-	-	-	-	-	-	-	-
	PCs (<76") 4L	4x	6.1%	-	-	6.1%	-	-	-	-	-	-	-	-	-	-
	PCs (<76") 5L	5x	1.0%	-	-	1.0%	-	-	-	-	-	-	-	-	-	-
	PCs (<76") 6L	6+x	0.2%	-	-	0.2%	-	-	-	-	-	-	-	-	-	-
	CVs (>=76") 2H	2x	5.3%	-	-	-	1.0%	4.4%	-	-	-	-	-	-	-	-
	CVs (>=76") 3H	3x	1.5%	-	-	-	0.1%	-	0.4%	-	1.0%	-	-	-	-	-
	CVs (>=76") 4H	4x	1.2%	-	-	-	-	-	-	0.1%	1.0%	-	-	-	-	-
	CVs (>=76") 5H	5x	5.9%	-	-	-	-	-	-	-	-	5.8%	-	0.1%	-	-
	CVs (>=76") 6H	6x	0.3%	-	-	-	-	-	-	-	-	-	0.1%	-	0.1%	-
	CVs (>=76") 7H	7+x	0.0%	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
				91.2%					2.6%			6.2%				
				Passenger Cars (PCs)					Medium Trucks (MTs)			Heavy Trucks (MTs)				
				MTM												

Weekday FHWA counts were conducted in September 2021 and November 2024. Additional breakouts within FHWA classes to corresponding ALDOT toll classes derived from prior count and classification efforts.

Source: ALDOT, CDM Smith

2.1.1 Traffic Counts/Screenlines

Traffic counts from 2017 through 2023 were compiled at 144 locations in Mobile County and 84 in Baldwin County, including a total of 20 external stations across the two counties. These include historical data (2010-2023 AWDT) at the Wallace Tunnel (I-10), the Bankhead Tunnel (US 90), the Africatown Bridge (Business 90), and selected locations along I-10, I-65, and US 98.

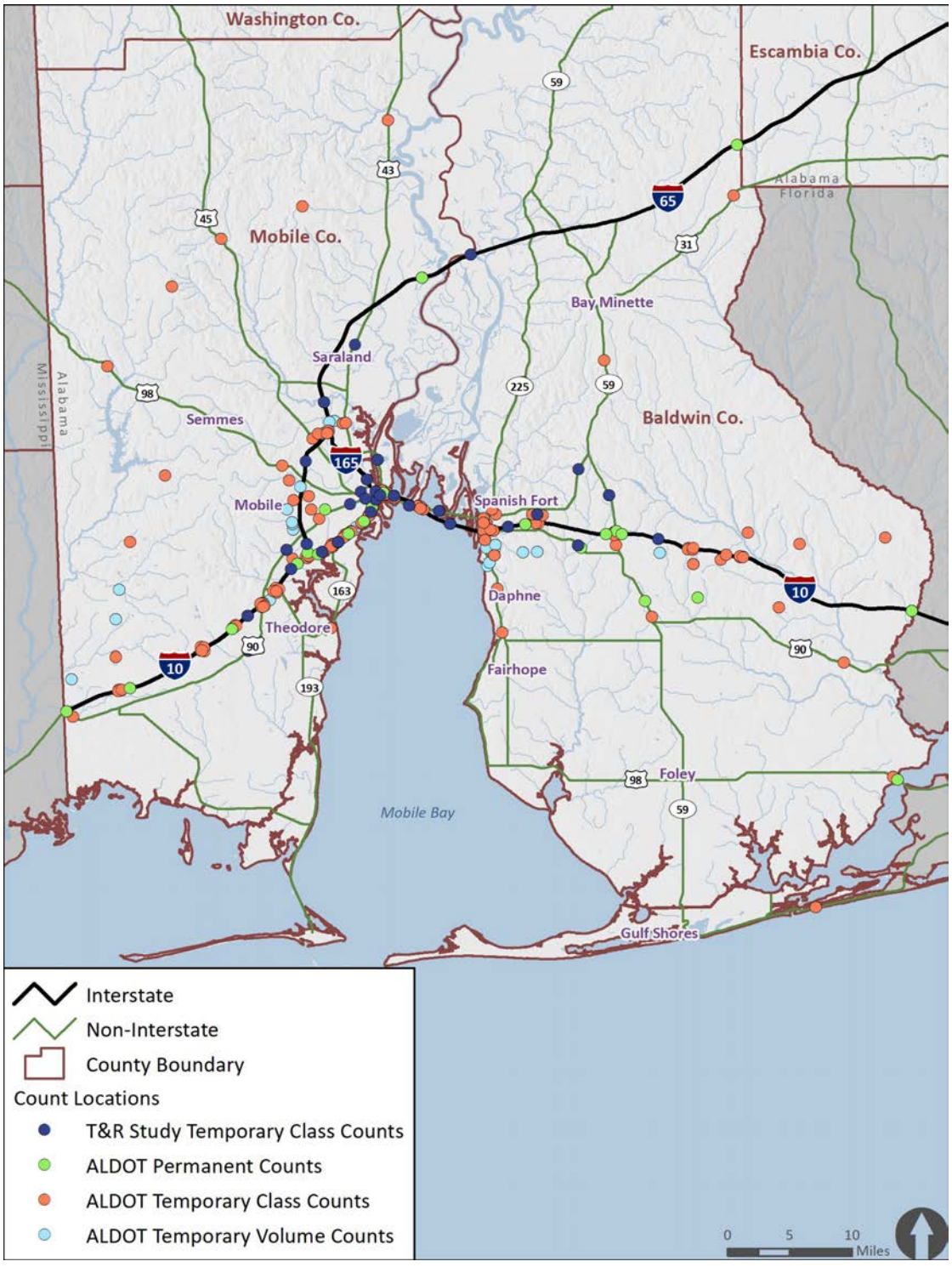
The majority of counts were provided by ALDOT from permanent and temporary stations in Mobile and Baldwin counties. To supplement count locations and vehicle class data from ALDOT, independent two-day and four-day classification counts were conducted in September 2021 at 35 locations (8 seven-day class counts and 27 two-day class counts) and in early November 2024 at 6 locations (6 two-day class counts). Supplemental counts were conducted using a combination of industry-standard pneumatic tube counts and video recording with post processing. Standard quality control processes included verification of equipment accuracy at the time of installation, checking equipment during counts, and verification of equipment accuracy at the time of retrieval.

Counts were used to develop a balanced traffic profile of I-10 and US 98 crossing the Mobile River and Mobile Bay, to develop seven model screenlines, and to identify volumes at the major roadways entering and leaving Baldwin and Mobile Counties (external points). Count stations are depicted in **Figure 6**, while the seven screenlines and 20 external count locations are shown in **Figure 7**. Screenlines 1 and 5 represent east-west movements on either side of Mobile River and Bay, while Screenlines 2, 3 and 4 represent different points across Mobile River and Bay. Given the potential movements in Baldwin County to and from the beach, Screenlines 6 and 7 capture north-south movements.

One of the key count stations used to inform the study is located in the Wallace Tunnel on I-10. As part of the repaving project that began in September 2021, ALDOT replaced the continuous count equipment located in the tunnel. When the new continuous count station started reporting results, the traffic volumes were lower than those reported by the old equipment. The monthly average weekday traffic volumes in 2022 were, on average, about 7,000 vehicles fewer than the last corresponding month before the prior count equipment was removed (which covers the period from October 2020 to September 2021). After examining traffic volumes at surrounding stations and having Florida Transportation Engineering, Inc. (FTE) perform a count on I-10, the study team validated that the new counts provide a better representation of actual traffic volumes at the I-10 Wallace Tunnel.

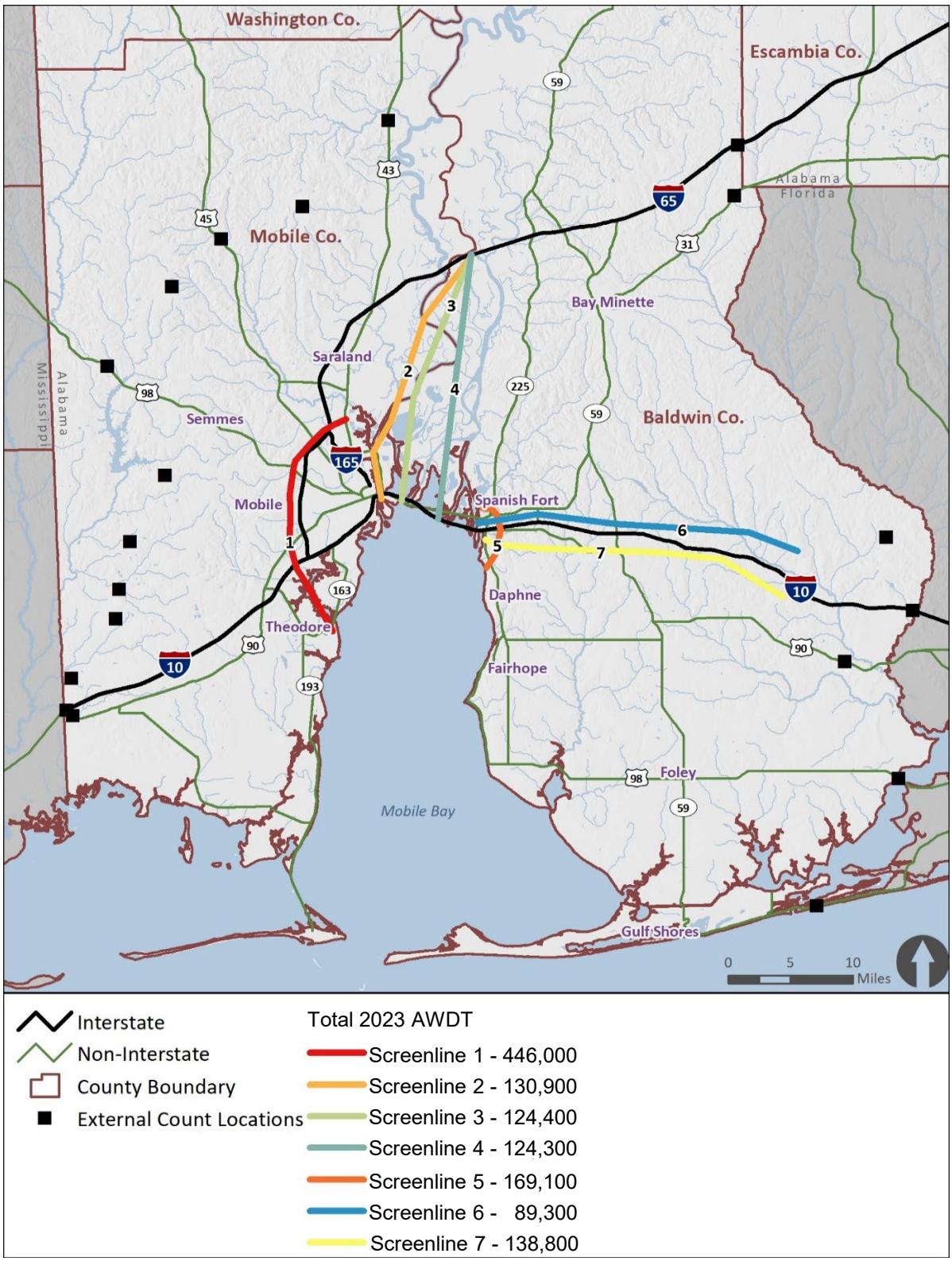
The MTM base year is 2023, based on AWDT by time of day. Raw traffic volumes were factored to 2023 AWDT levels by applying seasonal adjustment factors to account for monthly variations and annual growth factors to account for changes over time (e.g., year-to-year growth). Both factors were based on permanent count station data and relevant annual traffic volumes from ALDOT. Counts were disaggregated into three vehicle classes during four periods, based on available hourly data and classification shares. The final factored count data were provided for model screenlines in **Table 2** and external stations in **Table 3.** Estimated 2023 AWDT volumes are shown in **Figure 8**, which visualizes key 2023 AWDT data for external stations.

Figure 6: Count Stations



Source: ALDOT, CDM Smith

Figure 7: Screenlines



Note: External count locations shown represent the actual location of the count and not the representative location utilized in the MTM.

Source: ALDOT, CDM Smith.

Table 2: 2023 AWDT at Screenlines

Screenline/Road(s)	AAWT	% SL	AM	PM	% MT	% HT
1 Arc West of I-65						
I-10 W of I-65	101,700	22.8%	18,400	23,900	3.6%	6.8%
US 90 West of Azalea Rd.	25,400	5.7%	4,200	6,700	0.3%	0.3%
Airport Blvd. East of Azalea Rd.	42,000	9.4%	6,200	9,600	0.3%	0.1%
US 98 East of Wolf Ridge Rd.	38,500	8.6%	6,400	8,600	1.6%	5.0%
US 45 North of I-65	26,800	6.0%	4,900	6,200	0.6%	0.6%
I-65 North of I-165	69,600	15.6%	13,300	16,600	1.8%	11.2%
All Other Roads	142,000	31.8%	25,700	36,200	0.7%	0.6%
Screenline 1 Total	446,000	100.0%	79,100	107,800	1.6%	4.0%
2 Mobile River						
I-65 West of Mobile River	25,300	19.3%	4,000	5,400	10.9%	16.6%
US Alt 90 Africatown Bridge	24,300	18.6%	4,700	6,300	4.8%	8.3%
US 98 Bankhead Tunnel	16,300	12.5%	3,100	4,400	0.0%	0.0%
I-10 Wallace Tunnel	65,000	49.7%	11,900	14,000	2.6%	6.1%
Screenline 2 Total	130,900	100.0%	23,700	30,100	4.3%	7.8%
3 Mobile Bay West						
I-65 West of Mobile River	25,300	20.3%	4,000	5,400	10.9%	16.6%
US 98 Causeway West	29,400	23.6%	6,200	8,800	1.1%	3.2%
I-10 Bayway West	69,700	56.0%	13,700	14,600	2.4%	6.4%
Screenline 3 Total	124,400	100.0%	23,900	28,800	3.9%	7.7%
4 Mobile Bay East						
I-65 West of Mobile River	25,300	20.4%	4,000	5,400	10.9%	16.6%
US 98 Causeway East	26,900	21.6%	6,700	7,200	0.6%	0.6%
I-10 Bayway East	72,100	58.0%	13,700	14,600	2.7%	7.1%
Screenline 4 Total	124,300	100.0%	24,400	27,200	3.9%	7.6%
5 Arc East of Bay						
I-10 East of Exit 35	64,200	37.9%	11,300	13,700	3.2%	7.9%
US 90 East of I-10 Exit 35	18,800	11.1%	2,900	5,100	0.6%	0.3%
US 98 North of Whispering Pines Rd.	41,600	24.6%	7,700	10,100	0.3%	0.5%
All Other Roads	44,600	26.4%	8,200	12,100	0.3%	0.5%
Screenline 5 Total	169,200	100.0%	30,100	41,000	1.4%	3.3%
6 North of I-10						
US 98 Conn. North of I-10	12,400	13.9%	3,100	4,200	0.4%	0.3%
AL 181 South of US 31	26,600	29.8%	4,900	6,600	0.7%	0.6%
AL 59 North of I-10	21,800	24.4%	4,100	4,700	3.6%	3.0%
All Other Roads	28,500	31.9%	4,600	7,300	0.5%	0.6%
Screenline 6 Total	89,300	100.0%	16,700	22,800	1.3%	1.1%
7 South of I-10						
US 98 North of Van Buren St.	40,300	29.0%	8,000	10,100	0.3%	0.5%
SR 181 South of US 90	28,100	20.2%	6,000	6,800	2.9%	0.5%
SR 59 South of I-10	22,300	16.1%	4,800	5,300	1.0%	2.7%
CR 83/Baldwin Beach Express	14,800	10.7%	3,200	3,600	1.1%	2.8%
All Other Roads	33,300	24.0%	5,200	8,300	0.9%	0.9%
Screenline 7 Total	138,800	100.0%	27,200	34,100	1.2%	1.2%

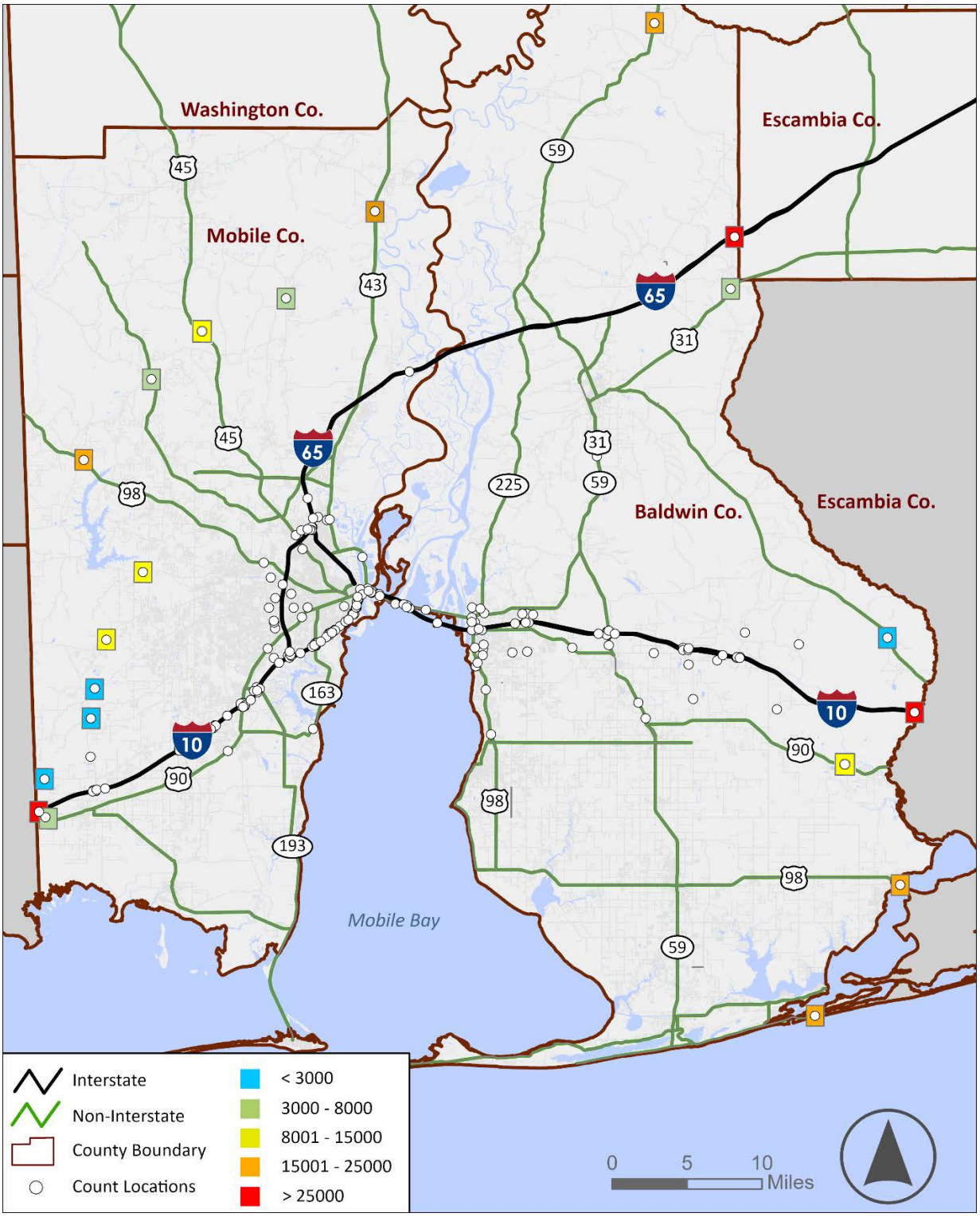
Source: ALDOT, CDM Smith

Table 3: 2023 AWDT at Externals

County/Road(s)	AWDT	% EXTL	AM	PM	% MT	% HT
Mobile County						
US 90 East of MS	5,600	4.0%	800	1,600	0.4%	1.8%
I-10 East of MS	48,800	34.8%	6,600	10,100	3.1%	16.8%
Airport Blvd East of Newman Rd	10,100	7.2%	2,000	2,600	0.6%	0.3%
CR 70 West of CR 25 Snow Rd	9,100	6.5%	2,000	2,500	0.4%	0.2%
US 98 East of CR 63	18,700	13.3%	2,700	4,000	0.6%	10.5%
US 45 North of Chunchula	10,300	7.4%	1,700	2,200	0.9%	5.3%
US 43 South of Mt. Vernon (Movico)	21,100	15.1%	3,600	5,100	1.1%	5.8%
Other Roads	16,400	11.7%	2,900	4,200	1.5%	1.3%
Mobile County Total	140,100	100.0%	22,300	32,300	1.7%	8.8%
Baldwin County						
I-65 at Baldwin / Escambia	26,300	23.4%	3,500	5,200	10.4%	16.0%
US 31 southwest of Escambia	7,200	6.4%	1,300	1,800	0.6%	2.0%
I-10 at Baldwin / FL	35,000	31.2%	5,300	7,200	4.1%	16.6%
US 90 West of Baldwin / FL	8,600	7.7%	1,600	2,100	1.1%	1.8%
US 98 at Baldwin / FL	15,100	13.4%	2,400	3,600	0.7%	1.2%
AL 182 West of Baldwin / FL	17,800	15.9%	1,800	3,900	1.1%	0.8%
Other Roads	2,300	2.0%	400	600	1.8%	14.5%
Baldwin County Total	112,300	100.0%	16,300	24,400	4.2%	9.8%

Source: ALDOT, CDM Smith

Figure 8: 2023 AWDT at Externals



Note: External count locations shown represent the actual location of the count and not the representative location utilized in the MTM.

Source: ALDOT, CDM Smith.

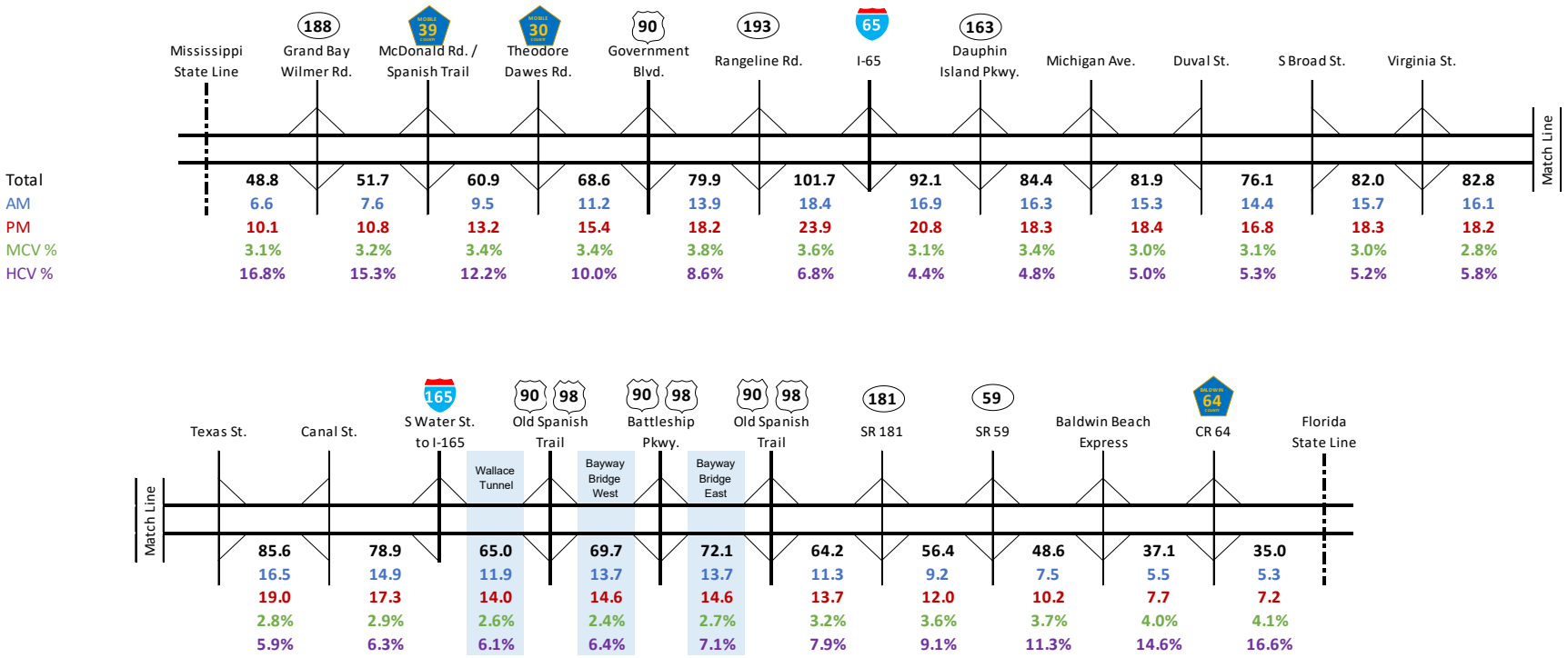
Table 2 tabulates 2023 screenline AWDT for the total day and peak periods, as well as vehicle class shares for medium trucks (MT) and heavy trucks (HT). For the three Mobile River and Bay crossing screenlines (screenlines 2 through 4), I-10 AWDT volumes increase traveling from west to east, ranging from 65,000 at the Wallace Tunnel (50 percent of Mobile River crossings) to 72,100 at the east end of the Bayway (58 percent of eastern Mobile Bay crossings). By contrast, AWDT volumes on US 98 decrease traveling from west to east, ranging from 40,600 for the combined traffic volume at the US 98 Bankhead Tunnel and US 90 Africatown Bridge (31 percent of Mobile River crossings) to 26,900 at the east end of the Bayway (22 percent of eastern Mobile Bay crossings). Besides local traffic using US 98/90 to access points east of the Mobile River, including the Austal Shipyard and Port of Mobile facilities, the difference between I-10 and US 98 AWDT volumes indicates motorists are switching between these roadways at the intermediate interchange points. Moreover, these patterns are generally reflected in the AM and PM peak period volumes, which each representing roughly 20 percent of AWDT. Trucks comprise about 9 percent of I-10 traffic crossing the Mobile River and about 7 percent of the combined I-10 and US 98 crossing Mobile Bay. Heavy trucks comprise about 71 percent of total truck traffic using the Wallace Tunnel and the combination of I-10 and US 98 crossing Mobile Bay.

Table 3 presents the same information for external count stations. I-10 represents about 33 percent of total entering and exiting traffic in both counties. In Baldwin County, about a quarter of vehicles entering and exiting the area use I-65, indicating the level of regional through traffic. The importance of interstates for commercial vehicles is evident, given combined truck shares are about 20 percent of I-10 traffic at both the Mississippi and Florida state lines and 26 percent of traffic on I-65 at the Escambia County line. Despite higher truck percentages on the interstates' external points (as compared to the Mobile River and Bay crossings), AWDT of 6,000 to 7,000 trucks on interstate crossings of Mobile River and Bay is generally similar to AWDT at interstate external stations, with the exception of AWDT of nearly 10,000 trucks on I-10 at the Mississippi border. This indicates that while the number of trucks traveling on I-10 is relatively consistent, passenger car traffic is greatest on I-10 closer to the Mobile CBD, leading to most of the differences in truck shares over the corridor.

During the MTM calibration effort, 2023 AWDT volumes were utilized to develop a balanced profile for I-10 mainline and ramp segments and a general profile of traffic volumes at key segments on US 98 across Mobile Bay. Respective profiles for these roadways are depicted in **Figure 9** and **Figure 10**, including AWDT, peak period volumes (AM and PM), and truck (MT and HT) percentages. 2023 AWDT is greater for traffic crossing I-10 to and from Mississippi (48,800) than to and from Florida (35,000). The greatest I-10 volumes occur west of I-65, where AWDT volumes of 101,700 were observed in 2023, 56 percent higher than the 2023 AWDT volume of 65,000 at the Wallace Tunnel.

On US 98, the 2023 AWDT volume is 16,300 at the Bankhead Tunnel, increasing to 29,400 and then 26,900 west and east of the Mid-Bay interchange, respectively. US 98 AWDT volumes reach their highest level of 40,300 vehicles south of the I-10 Daphne interchange. AM and PM periods follow similar patterns, with a higher PM peak. Trucks comprise a larger proportion of all traffic at the western end, near the Port and Austal Shipyard.

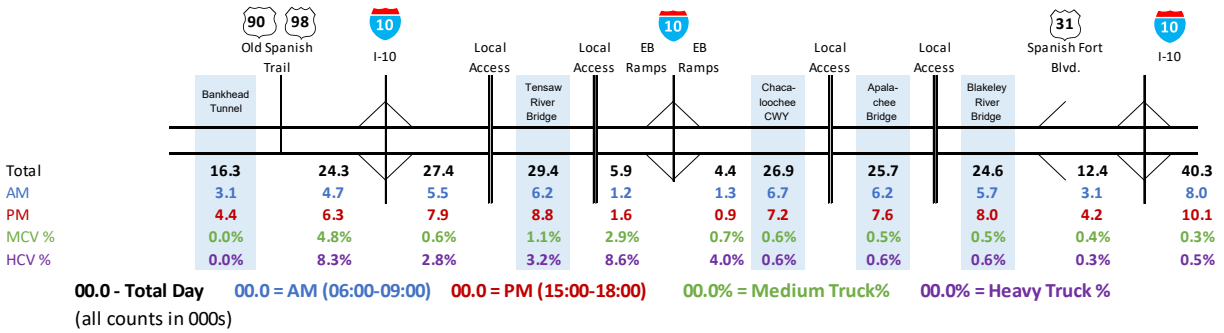
Figure 9: 2023 AWDT I-10 Balanced Profile



00.0 - Total Day 00.0 = AM (06:00-09:00) 00.0 = PM (15:00-18:00) 00.0% = Medium Truck% 00.0% = Heavy Truck
(all counts in 000s)

Source: ALDOT, CDM Smith

Figure 10: 2019 AWDT US 98 Profile



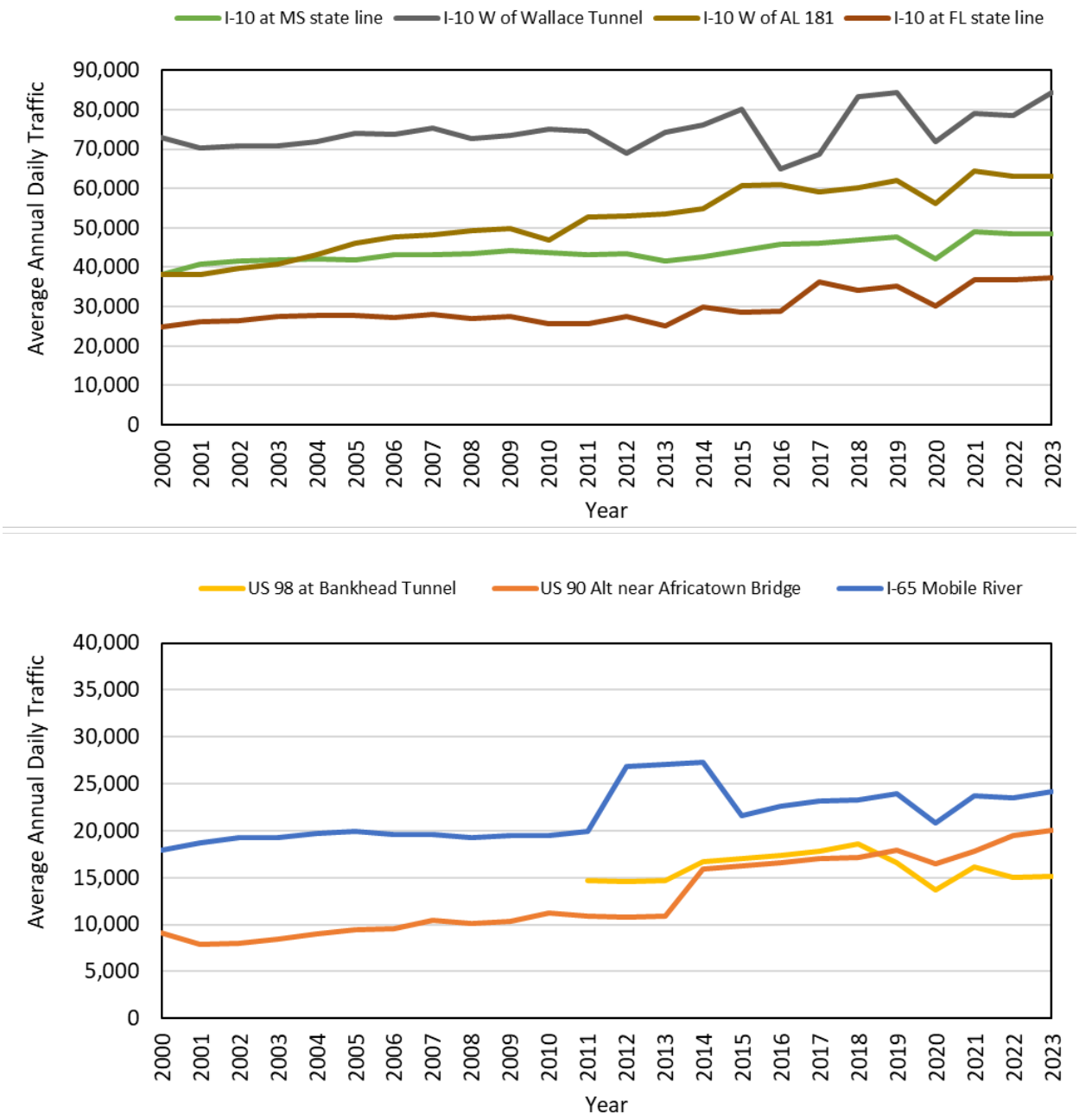
Source: ALDOT, CDM Smith

2.1.2 Historical Growth

Figure 11 summarizes historical AWDT from 2000 to 2023 at key points on I-10, I-65, and other river and bay crossings. Since 2000, these locations have experienced a relatively steady growth of just over 1.3 percent annually. There does not appear to be any major changes in short-term or long-term growth from the Great Recession (2008-2010). Effects of the COVID 19 pandemic are visible, with recovery occurring between 2021 and 2022. As discussed previously, the Wallace Tunnel count station was replaced in 2021, with the new station reporting lower traffic volumes beginning in January 2022. As a result, although traffic volumes at other locations had generally recovered to pre-COVID levels by 2021, this location has not yet reached the volumes recorded by the prior count equipment in 2019.

I-10 traffic has grown more since 2012 than in the prior decade in Baldwin County. Bankhead Tunnel traffic has been mostly flat in the last decade, along with a drop during the COVID 19 pandemic. Traffic on US 90 Alt near the Africatown Bridge and I-65 at Mobile River have been steadily growing over the last several years.

Figure 11: Historical Growth



Note: Data for Bankhead Tunnel is only available from 2011 forward.
Source: ALDOT, CDM Smith

2.1.3 Hourly and Seasonal Distributions

Figure 12 presents hourly volumes at the Bankhead and Wallace Tunnels during the month of June in 2019, 2021, and 2023. Both AM and PM peaks are clearly visible on US 98 in all years, with most traffic headed westbound (into Mobile) during the AM and eastbound (from Mobile) during the PM and higher total volumes in the PM than the AM.

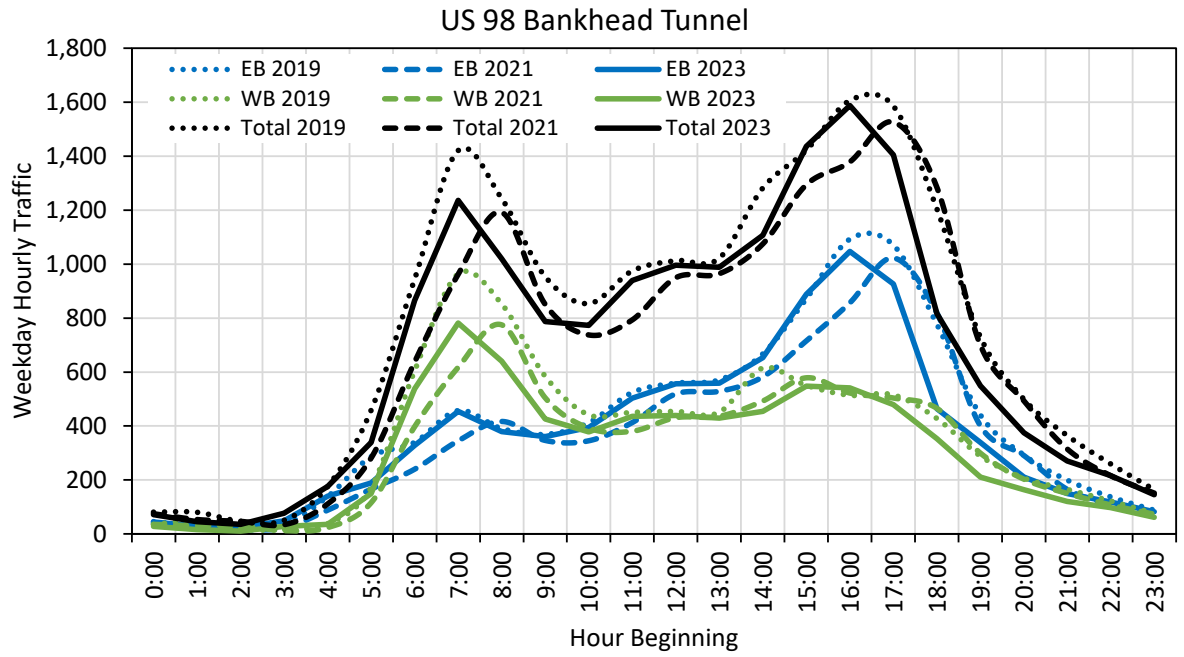
As discussed earlier, 2023 counts are lower than both 2019 and 2021 due to replacement of continuous count equipment in the Wallace Tunnel. However, the general traffic patterns are consistent throughout the entire day. On I-10, volumes are more consistent throughout the day. AM volumes peak between 7:00AM and 8:00AM in the westbound direction and decline by about 30 percent during the midday period. Both eastbound and westbound volumes rise during the PM period, peaking between 4:00 PM and 5:00 PM, but not to the same extent as AM westbound traffic. Due to PM traffic congestion, it appears that some of PM eastbound traffic is using US 98 to avoid I-10, thereby reducing PM traffic on I-10.

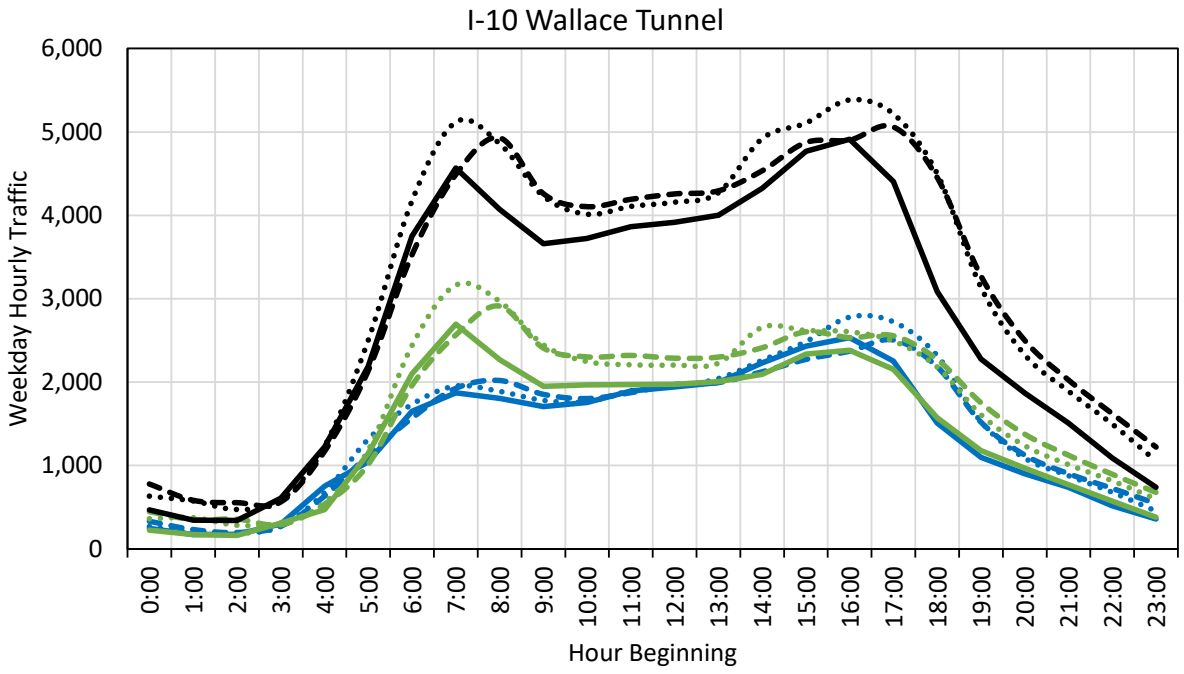
Comparing hourly traffic patterns before (2019) and after (2021) the COVID-19 Pandemic, the peak hours for both travel directions at both locations shifted about an hour later, possibly as a result of flex-time policies implemented during COVID-19. Peaks were also lower in 2021 than in 2019, with bidirectional peak hour travel volumes five percent below 2019 levels on US 98 and six percent below 2019 levels on I-10, suggesting a reduction in commuter traffic from employees working from home and other employment shifts resulting from the pandemic. By 2023, these patterns had reverted back to 2019 levels, with peak hours shifting back an hour and bidirectional peak hour travel volumes on US 98 nearly returned to 2019 levels. Bidirectional peak hour travel volumes on I-10 in 2023 vary from 2019 or 2021 volumes due to the replacement of continuous count equipment in late 2021, as previously noted.

Figure 13 graphs monthly AWDT at the Bankhead Tunnel and Wallace Tunnel while **Figure 14** shows similar data for I-10 west of the Canal Street/Water Street interchange and east of the Eastern Shore interchange. The previously discussed replacement of count equipment in the Wallace Tunnel can be seen in Figure 13, where traffic volumes in September 2021 were approximately 70,000 daily vehicles. There is then no data for a few months while the Tunnel was repaved, before resuming in January 2022 at approximately 60,000 daily vehicles.

2019 values indicate typical pre-COVID-19 mild seasonal patterns, with greater summer volumes and lower winter volumes. Peak season generally spans from March through August, with the Gulf shore attracting visitors during spring break and the summer months. Monthly volumes in 2020 indicate the impacts of the COVID-19 Pandemic, which reached their greatest extent in April 2020. After the recovery in 2020-2021, monthly traffic volumes in the tunnels and I-10 west of Canal Street/Water Street have stabilized below pre-pandemic levels, likely due to counter replacements, and have been similar to 2019 levels on I-10 east of the Eastern Shore interchange

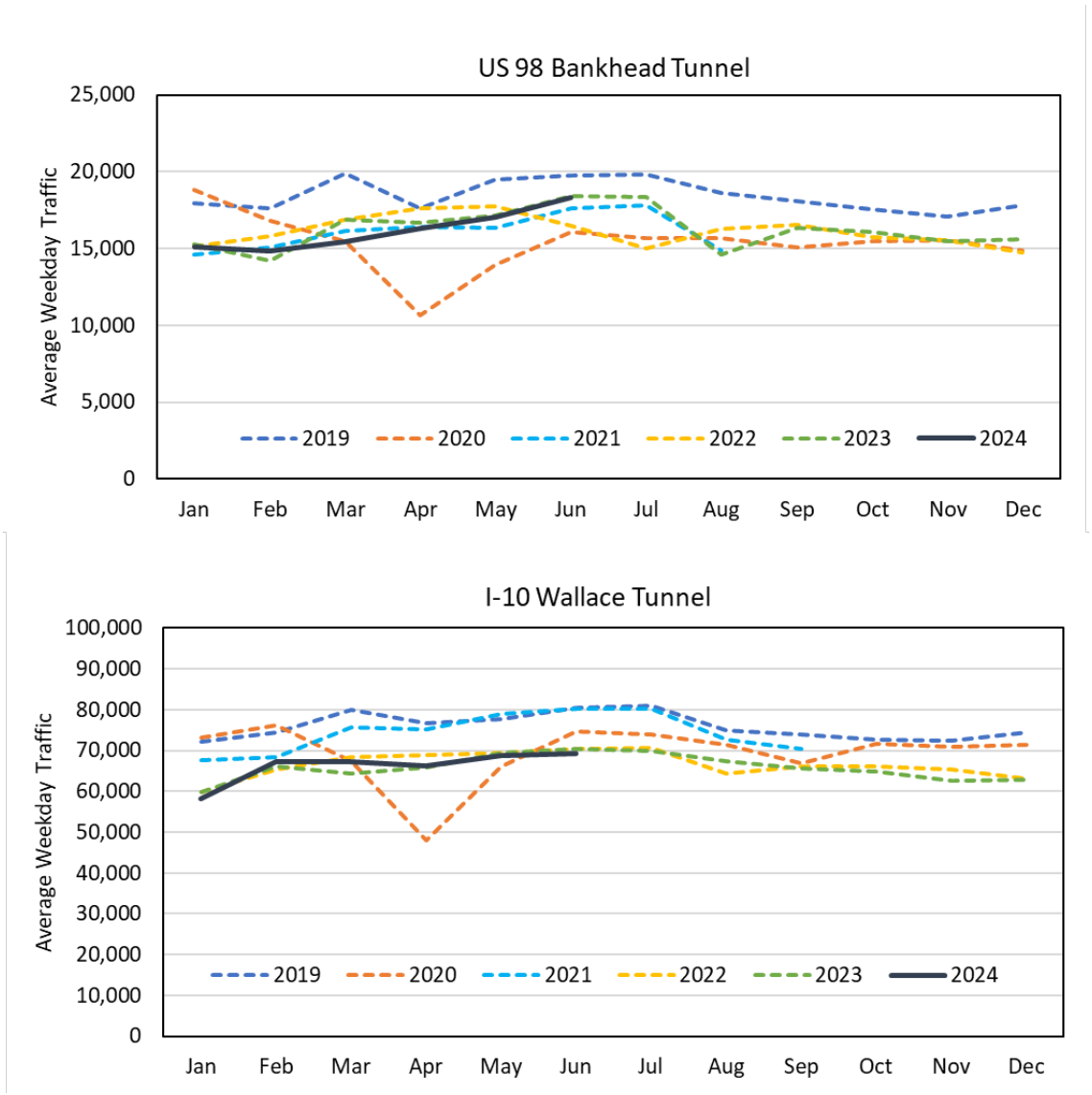
Figure 12: June Hourly Distribution





Source: ALDOT, CDM Smith

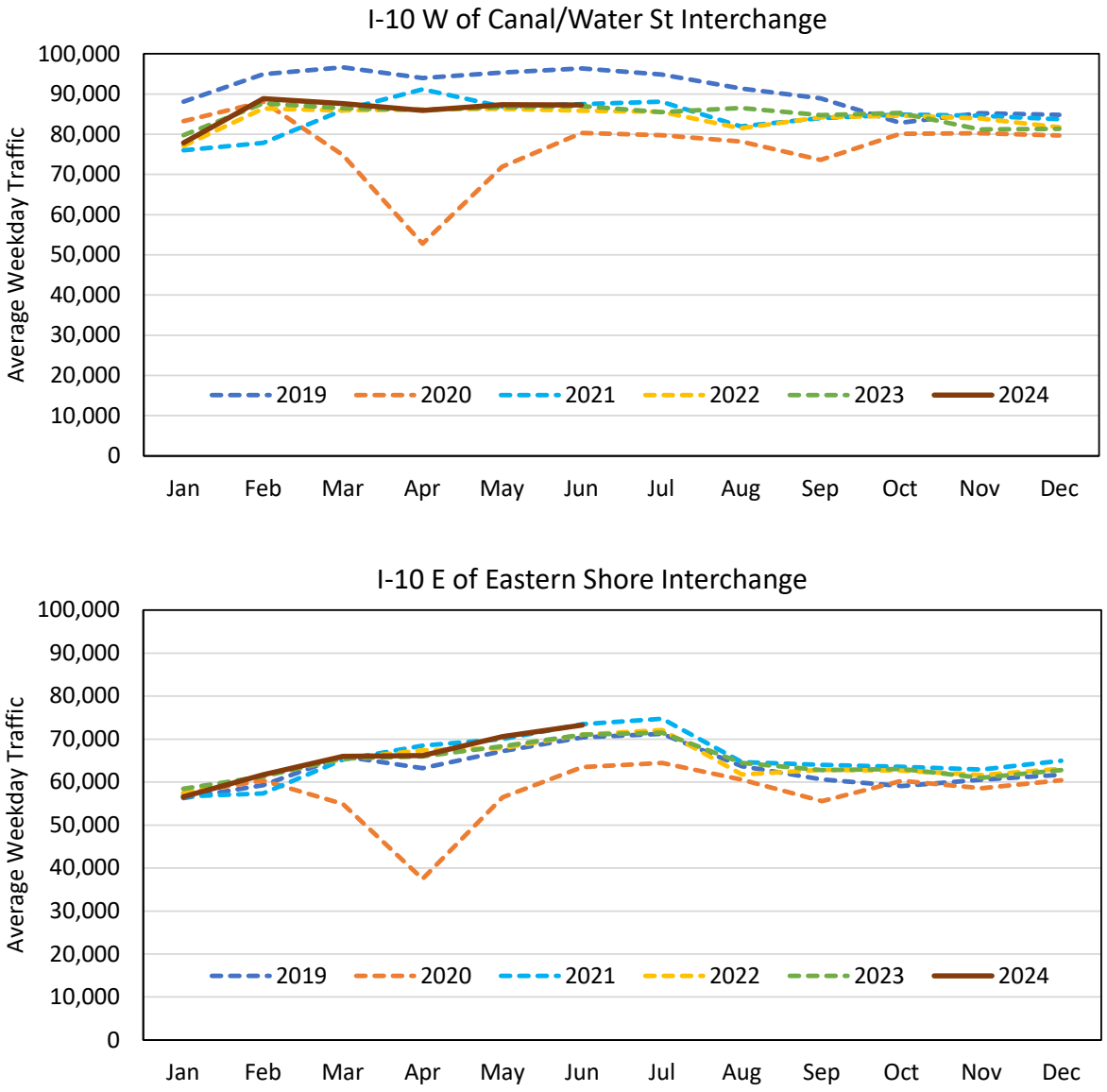
Figure 13: Monthly/Seasonal AWDT Distribution Tunnels



Note: As part of the repaving project that began in September 2021, ALDOT replaced the continuous count equipment located in the I-10 Wallace Tunnel. When the new continuous count station started reporting results in January 2022, the traffic volumes were lower than those reported by the old equipment. After examining traffic volumes at surrounding stations and performing supplementary traffic counts, the study team validated that the new counts provide a better representation of actual traffic volumes at the I-10 Wallace Tunnel.

Source: ALDOT, CDM Smith

Figure 14 Monthly/Seasonal AWDT Distribution I-10 Sections



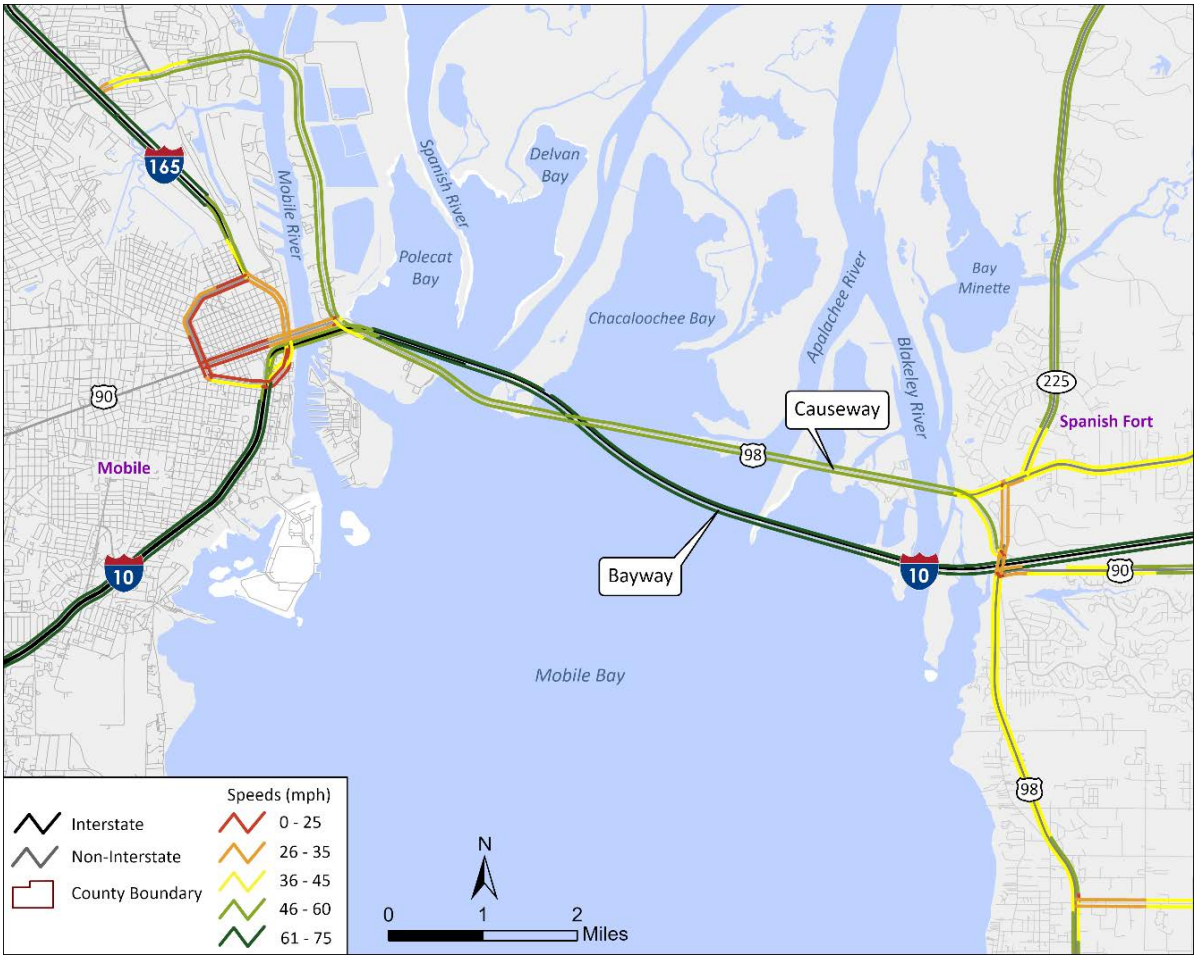
Source: ALDOT, CDM Smith

2.2 Travel Speeds

MTM calibration incorporated a review of 2023 speed data, collected from INRIX, which provides historical data collected from anonymized Bluetooth devices and connected vehicles. Speed data focused on I-10, US 98/90, and I-65. **Figure 15** presents free-flow speeds on the Mobile Bay crossings (based on late night uncongested speeds). Observed free flow speeds on I-10 and US 98 were 65 MPH and 55 MPH, respectively, consistent with posted speed limits. Posted/free flow speeds were 55 MPH at the Wallace Tunnel (I-10) and 35 MPH at the Bankhead Tunnel (US 98), reflecting the additional caution needed to traverse these facilities. **Figure 16** presents the observed speeds in 2023 for the average three-hour PM Peak. Eastbound I-10 speeds drop below 60 MPH crossing Mobile Bay and drop below 45 MPH through the Wallace Tunnel. Additional

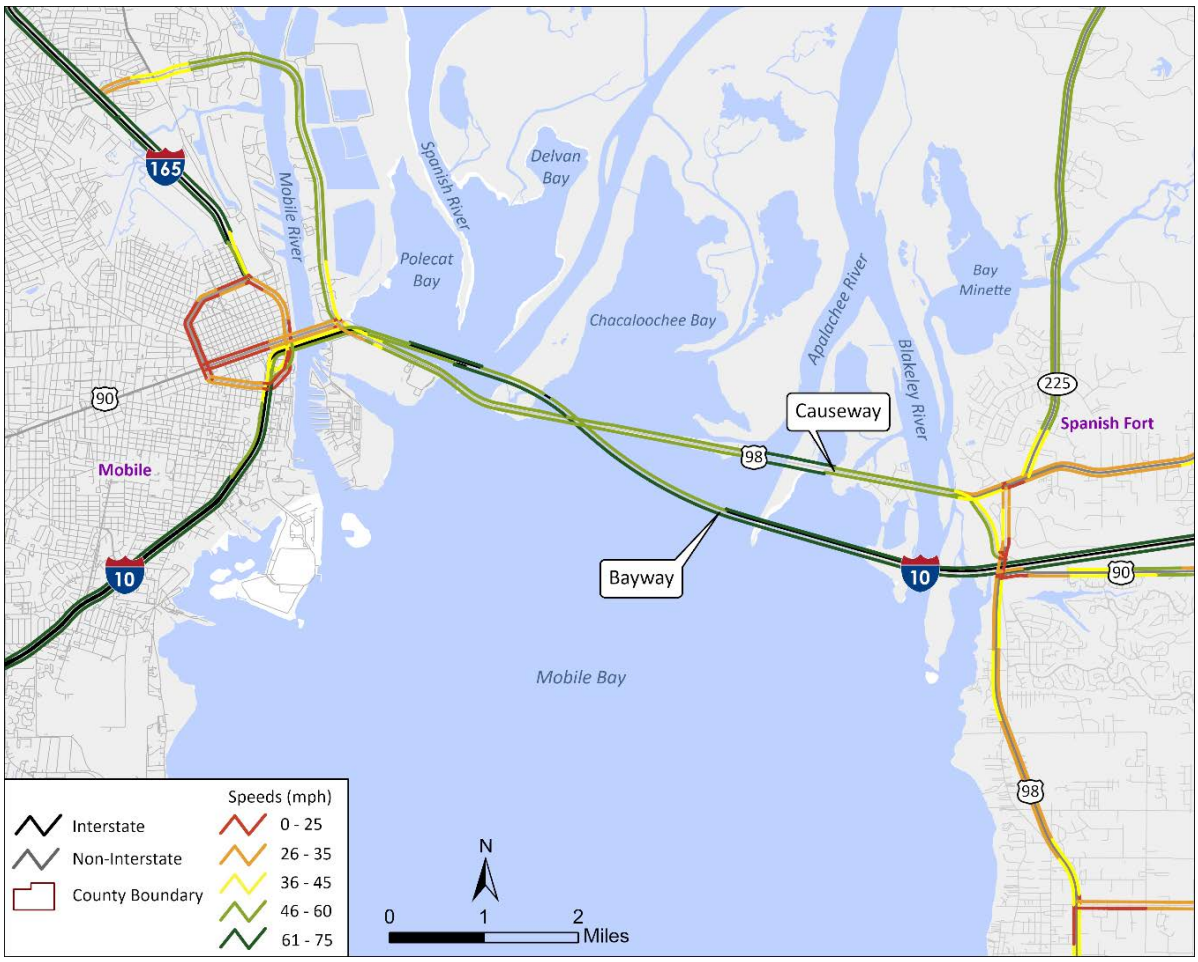
congestion was also observed on US 98 at the various I-10 interchanges, particularly in Baldwin County. **Figure 17** provides MTM estimated 2023 speeds, indicating that actual speeds in congested periods are well replicated by the MTM.

Figure 15: INRIX Night Speeds (Uncongested)



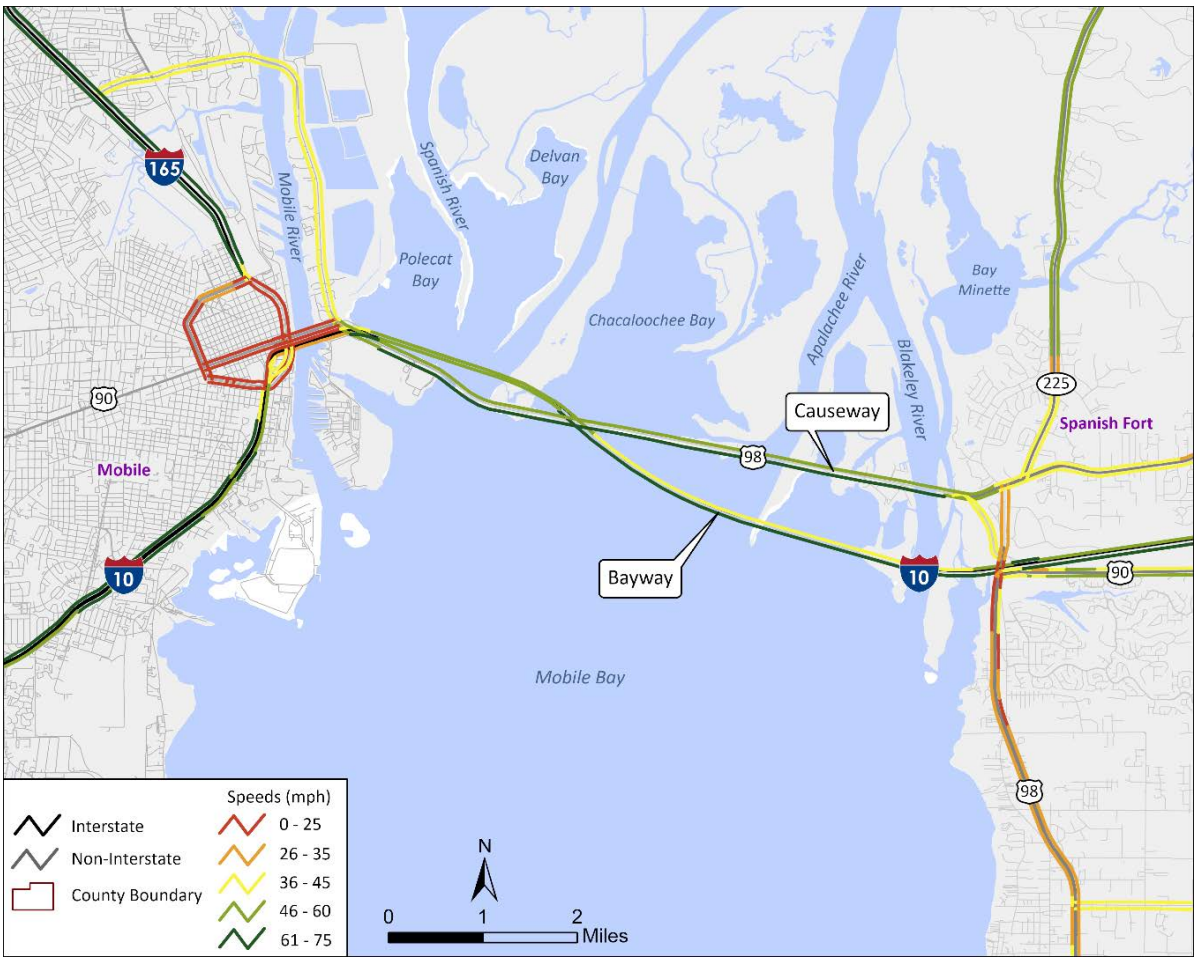
Source: INRIX, CDM Smith

Figure 16: INRIX PM Speeds (Congested)



Source: INRIX, CDM Smith

Figure 17: MRBB Toll Model PM Speeds (Congested)

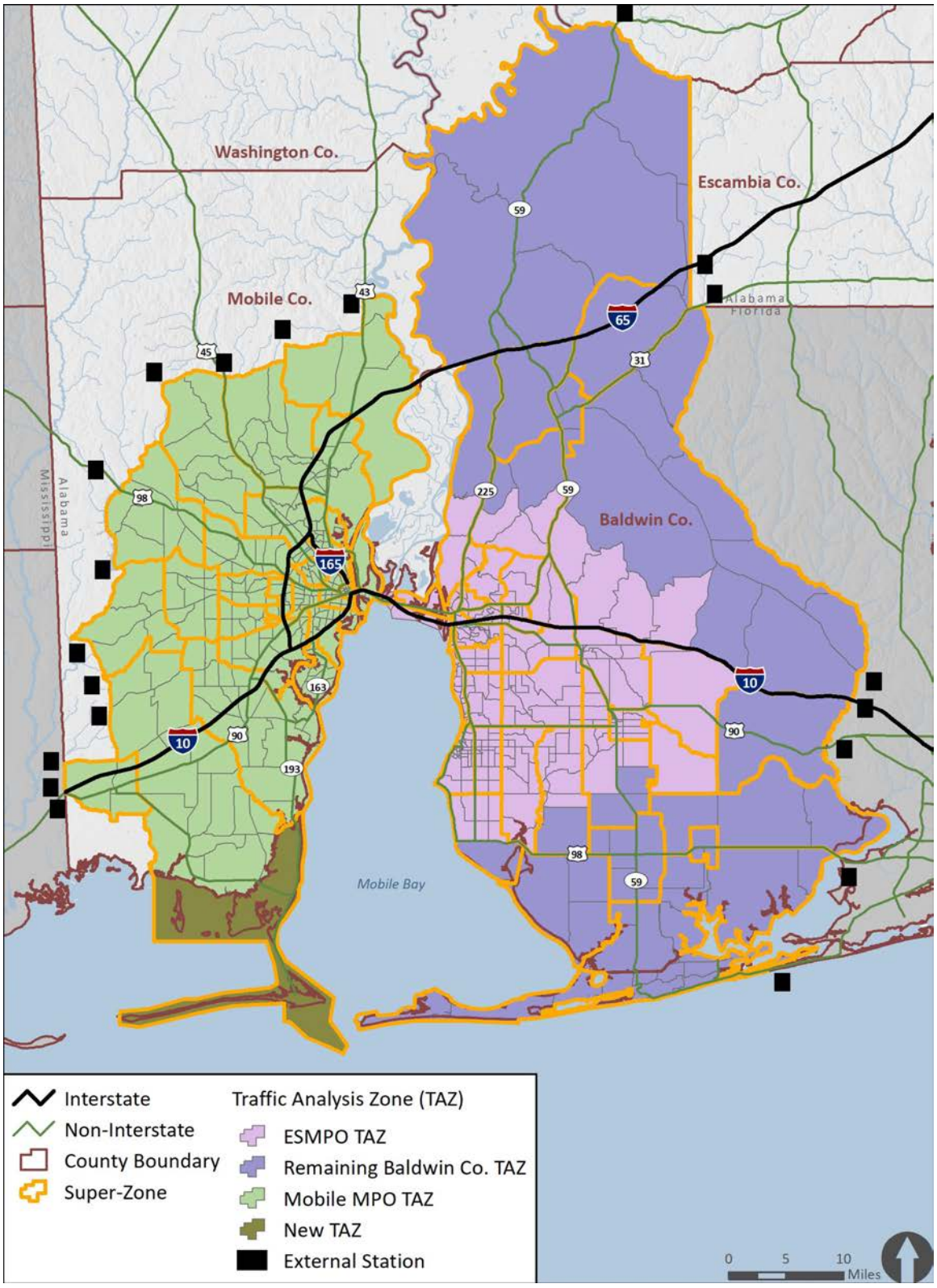


Source: CDM Smith

2.3 Origin-Destination

O-D data are an important input to the travel demand modeling process as this trip characteristic heavily impacts route choice, an integral piece to a T&R study. The three regional travel demand models on which the MTM is based each contain O-Ds, however they are independent from one another and thus regionally incomplete, as indicated in **Figure 18**. The Mobile MPO Model only contains O-Ds in the region's west (to/from the Bayway and Causeway) and the Baldwin County Highway Department (BCHD) and Eastern Shore MPO (ESMPO) Models contain only O-Ds in the east. These regional datasets were conjoined and supplemented with data identifying O-Ds between traffic analysis zones (TAZs) in the respective models. To supplement the respective regional models with two-county O-Ds (identifying intra-regional patterns, not just intra-county), StreetLight data were obtained between superzones (TAZ clusters). These superzones are indicated by the orange polygons in **Figure 18**. Data were obtained for one calendar year (June 1, 2022 through May 31, 2023) and were provided separately by weekday/weekend, time-of-day (four time periods), and passenger cars (collected via connected vehicle data [CVD]) and trucks (collected via global positioning systems [GPS]).

Figure 18: StreetLight Superzones



Note: For modeling purposes, external points are based on MTM locations.

Source: StreetLight, CDM Smith

StreetLight data is compiled using pings from personal vehicles embedded with CVD location technology and truck/logistics systems GPS data. CVD trips do not need mode classification because the data all comes from personal vehicles. For trucks, StreetLight creates trips by processing location data points from commercial vehicles. StreetLight then anonymizes and processes the data into origin-destination matrices. Two StreetLight data sets were obtained for this study effort:

- Select Link Analyses: provides origin and destination zones (planning areas) for vehicles passing a specific roadway segment. For each link, traffic proportions originating from each origin and destination are summarized. StreetLight data provided select link matrices for five roadway segments, including the Mobile River and east bay crossings.
- External Trip Movements: for each external station, StreetLight provided trip patterns between external station pairs and between external and internal locations. Such data were used to calibrate the gravity model for MTM.

Figure 19 maps the most common desire lines for vehicles traveling between superzones, which indicate the connection between O-D points for motorists. Although shown as straight lines between centroids and/or external stations, motorists, of course, use the roadway network to travel between origins and destinations. While most desire lines are shown in green to provide context for the total scale of movements within the region, the top ten county crossing desire lines by volume have been indicated using a yellow-to-red color scale.

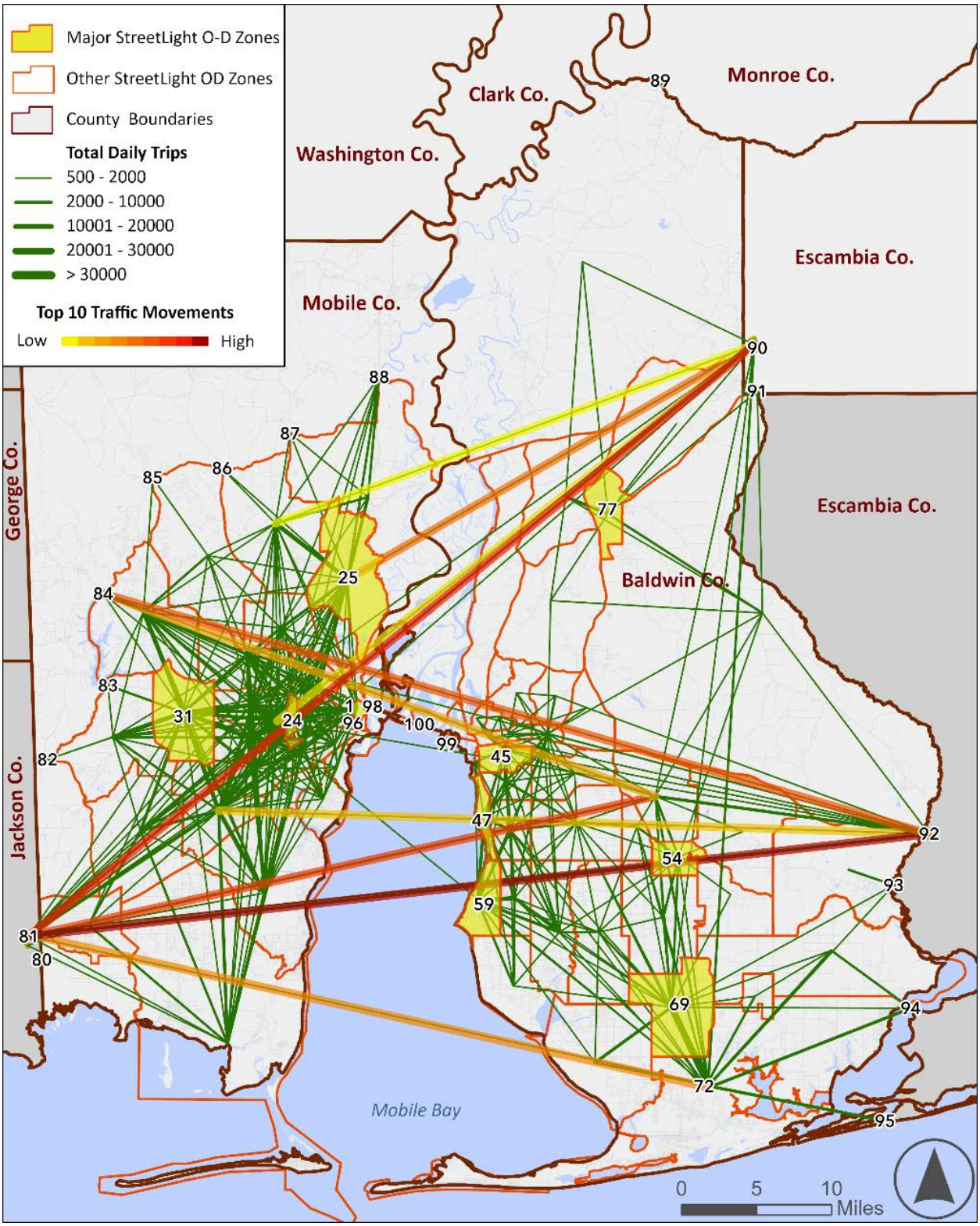
As shown, the primary movements are to/from superzone 1 and surrounding zones, representing downtown Mobile. Most such movements originate from within Mobile County. However, some trips originate from across Mobile Bay, including superzone 45 (Daphne), external 90 (I-65), and external 92 (I-10/Florida). Other major O-D points in Mobile County include superzones 24 (Dauphin Acres), 25 (Prichard/Chickasaw), and 31 (Mobile Regional Airport). In Baldwin County, there are significant volumes to/from the beach (Zones 69, 72, and 95). Lastly, major movements were observed between external zones to and from external 81 (I-10 Mississippi), external 90 (I-65), and external 92 (I-10 Florida) as well as movement between external 84 (US 98 at the MS border) and external 92.

Table 4 tabulates movements broken out between those crossing Mobile River and Bay versus those that do not cross. **Figure 20** presents specifically trips in **Table 4** crossing the River/Bay.

Most trips in the study area (86 percent) are intra-county, meaning that they remain within their respective counties. However, 6.5 percent of regional trips cross the Mobile River, which is roughly 122,700 trips per day.[3] Trips crossing the River/Bay use I-10, US 98, or I-65. Of the trips crossing the River/Bay, 57 percent start and end within the study area, 31 percent either begin or end outside of the study area, and 12 percent are through trips that begin and end outside of the study area.

[3] These values are for a full year covering June 2022 through May 2023. Differences exist versus screenlines totals discussed earlier due to differences in data collection and processing for permanent traffic counters and mobile and GPS device-based data factoring.

Figure 19: Desire Lines



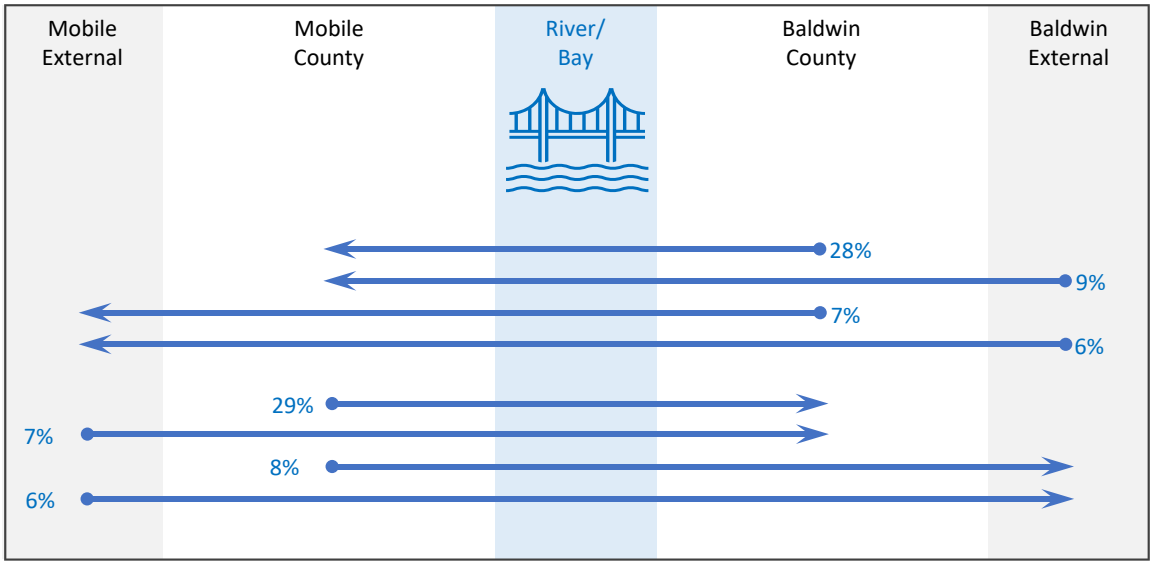
Source: StreetLight, CDM Smith

Table 4: Study Area Trips by Origin-Destination

Type of Trip	Trips	% of Total
Crossing the Mobile River/Bay		
Within Study Area	70,100	3.7%
Into and Out of Study Area	38,200	2.0%
Through Study Area	14,400	0.8%
Crossing Subtotal	122,700	6.5%
Not Crossing the Mobile River/Bay		
Within Study Area	1,639,900	86.3%
Into and Out of Study Area	136,900	7.2%
Through Study Area	1,400	0.1%
Not Crossing Subtotal	1,778,200	93.5%
Total		
Within Study Area	1,710,000	90.0%
Into and Out of Study Area	175,100	9.2%
Through Study Area	15,800	0.8%
Total	1,900,900	100.0%

Source: StreetLight, CDM Smith

Figure 20: East Bay Crossing Trip Proportions by Origin-Destination



Source: StreetLight, CDM Smith

Looking closely at trips specifically using I-10 and US 98 to cross the eastern side of Mobile Bay, **Table 5** shows the distribution by each crossing and total. About 13 percent of trips using the I-10 Bayway are trips through the study area. Another 32 percent have either their origin or destination within the study area, and the remaining 56 percent have both ends within the study area. For the US 98 Causeway, through trips are less than 1 percent, trips with either their origin or destination within the study area are 9 percent, and 91 percent are internal trips. This information shows the current importance of I-10 as a through route as well as key access to and from the study area, while US 98 currently serves mostly local trips.

Table 5: East Bay Crossing Trip Shares

Trip Type	I-10 Bayway		US 98 Causeway		Total Bayway + Causeway	
	Trips	%	Trips	%	Trips	%
Through Trips	8,200	12.7%	100	0.6%	8,300	10.1%
Trips with one end within study area	20,500	31.7%	1,500	8.4%	22,000	26.7%
Trips with both ends within study area	35,900	55.6%	16,200	91.0%	52,100	63.2%
Total Trips	64,600	100.0%	17,800	100.0%	82,400	100.0%

Source: StreetLight, CDM Smith

2.4 Trip Frequency

Prior MRBB project development indicated a need to understand roadway trip frequency distributions for estimating possible monthly flat fee plan impacts. A StreetLight specialty analysis, using anonymized mobile device location and trip building, was utilized. This analysis included over 537,000 devices observed making over 1.8 million trips on the three existing southern Mobile River crossings and eastern Bayway and Causeway. The information obtained from StreetLight was based on the following factors:

- Timespan:
  - March 2019 to February 2020 (12-months prior to the COVID-19 pandemic onset)
  - January to September 2021 (selected to review patterns after COVID-19 pandemic impacts subsided but within the timeframe needed to develop the MTM)
- Residency: Alabama residents versus other states
- Device Activity: >20 days/month and >= 3 trips/day

For completeness, similar data for 2016-2017 (used in a prior study) were included in the analysis. However, these older data had a much lower sampling rate of approximately 101,000 devices and 291,000 trips.

Per **Table 6**, most users for the combined Bayway and Causeway traffic make 19 or fewer trips during an average month. Frequent users (20 trips or more a month) increased since earlier data were collected, which might be attributable to the larger sample size of the newer data. There is little frequency difference before and after the effects of the COVID-19 Pandemic. Alabama residents make more frequent trips and are, therefore, more likely to participate in any monthly flat fee plan offered.

Table 6: Use Frequency by Time and Residence

Monthly Frequency	Total Trips			Alabama Resident		Out of State	
	Oct '16 - Sep '17	Mar '19 - Feb '20	Jan '21 - Sep '21	Mar '19 - Feb '20	Jan '21 - Sep '21	Mar '19 - Feb '20	Jan '21 - Sep '21
1-19	78.5%	72.5%	74.5%	61.9%	60.7%	95.7%	96.3%
20-39	14.2%	21.6%	19.7%	29.8%	30.1%	3.7%	3.3%
40+	7.3%	5.9%	5.8%	8.3%	9.2%	0.6%	0.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: StreetLight, CDM Smith

Table 7 further breaks out the 2019-2020 frequency analysis into additional frequency bins. Most trips (60.9 percent) are by those who make ten or fewer monthly trips. This breakout is used later in processing the impacts of a proposed monthly flat fee payment plan. (**Chapter 6**).

Table 7: Use Frequency

Trip Frequency* Trips/Bin	% of Total Devices	Trips
1-5	89.1%	48.2%
6-10	5.4%	12.7%
11-15	1.8%	7.1%
16-20	1.0%	5.6%
21-25	0.7%	5.3%
26-30	0.7%	5.7%
31-35	0.5%	5.6%
36-40	0.4%	4.6%
41-45	0.2%	3.1%
46-50	0.1%	1.4%
51-60	0.0%	0.7%
61-70	0.0%	0.1%
>70	0.0%	0.0%
Total	100.0%	100.0%

* Mar 2019-Feb 2020

Source: StreetLight, CDM Smith

Table 8 indicates the total number of devices and trips included in the StreetLight datasets pre- and post-COVID-19. Alabama residents make about 5.6 monthly trips, while non-residents make 1.6. Pre- (first column) and post-COVID-19 (second column) differences were insignificant. Consequently, the combined total is used in T&R forecasting. These data, when combined with the model area trip proportions noted above, were used to estimate transactions per toll transponder for those vehicles estimated to use one.

Table 8: Trips per Device

	Mar 19 - Feb 20	Jan 21 - Sep 21	Total
Devices			
Resident	723,700	823,400	1,547,200
Non-Resident	1,165,200	1,984,300	3,149,500
Trips			
Resident	3,959,000	4,623,900	8,582,900
Non-Resident	1,853,600	3,243,700	5,097,300
Trips/Device			
Resident	5.47	5.62	5.55
Non-Resident	1.59	1.63	1.62

Source: StreetLight, CDM Smith

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Chapter 3: Socioeconomics

Socioeconomic (SE) measures such as population, households, and employment are important toll modeling inputs. In 2022, PFM Group Consulting LLC (PFM)[4] developed independent socioeconomic forecasts for Mobile and Baldwin Counties, used in the "trip generation" MTM step. CDM Smith determined PFM's forecasts appropriate for investment grade T&R study use. For this study, CDM Smith used PFM's 2019 base year estimates and socioeconomic forecasts by Woods & Poole Economics, Inc. (W&P) in 2024 to re-estimate future growth. Estimates were developed at the TAZ level for base year 2023 and future years 2025, 2035, 2045, 2055, and 2065 for the following measures:

- Population
- Households, by income (less than $25k, between $25k and $50k, and greater than $50k, and median)
- Employment by category (commercial/retail, services, other)
- School enrollment (PreK-12)
- College/university enrollment
- Dormitory unit occupants

3.1 Methodology

CDM Smith used PFM's 2019 base year estimates for each of the study area TAZs. PFM's full socioeconomic report can be found in **Appendix A**, detailing methodologies and comparing results to respective MPO data. SE data were compiled and processed from various sources:

- DataStory, leveraging ESRI-based Census block-group data
- The University of Alabama's Center for Business and Economic Research (CBER)
- Mobile MPO
- Woods & Poole Economics, Inc., 2021
- United States Census Bureau
- United States Fish and Wildlife National Wetlands Inventory

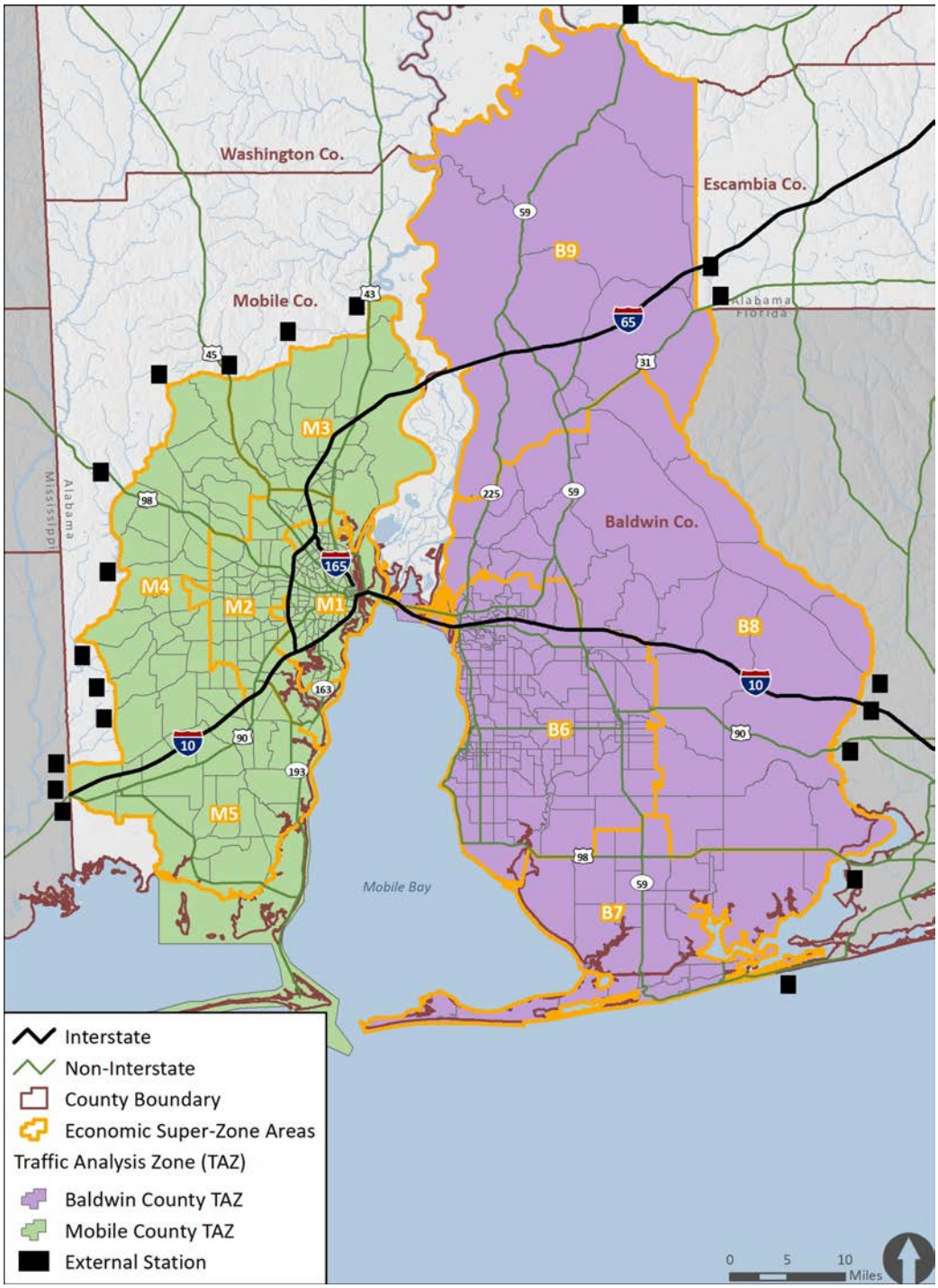
A base-year SE estimate for each variable was generally estimated by:

- compiling 2019 data from DataStory/ESRI/Census (block groups)
- translating into TAZs (see **Figure 21**)
  - note: TAZs do not account for the entirety of Mobile County
  - Total county forecasts are provided in this chapter for the purposes of reviewing growth. This growth was applied to the TAZ-level dataset as appropriate.
- compiling historical/base year 2019 county control totals
- scaling TAZs and calibrating to county totals (e.g., Mobile TAZs < county total)
- implementing adjustments/refinements

[4]PFM Financial Advisors LLC acquired Fishkind & Associates (FKA) in 2019 (socioeconomic forecasters in 2017 study)

To develop updated forecasts, CDM Smith applied county-level growth from W&P 2024 forecasts (W&P24) by TAZ onto the previous PFM's TAZ estimates. CDM Smith also discussed with local MPOs about known or expected future developments and adjusted TAZs as necessary.

Figure 21: Economic Superzones



Note: For modeling purposes, external points are based on MTM locations.
Source: PMF Group Consulting LLC, CDM Smith

Table 9 summarizes county-level socioeconomics by analysis year, compound average annual growth rates (CAAGR), and total percent growth between 2023 and 2055[5]. Mobile County's population is projected to increase just 0.6 percent, or less than 0.1 percent annually, through 2055, whereas Baldwin County's population is projected to grow 46.3 percent, or 1.2 percent annually. Other socioeconomic variables show similar patterns, with relatively slow and plateauing growth in Mobile County and somewhat faster growth east of the Mobile River and Bay in Baldwin County.

Table 9: Socioeconomic Summary

Socioeconomics	Year					CAAGR					Total
	2023	2025	2035	2045	2055	'23-'25	'25-'35	'35-'45	'45-'55	'23-'55	'23-'55
Mobile County											
Population	396,700	396,400	402,700	401,900	399,200	0.0%	0.2%	0.0%	-0.1%	0.0%	0.6%
Households (HH)	155,500	156,700	160,700	159,000	158,300	0.4%	0.3%	-0.1%	0.0%	0.1%	1.8%
HH <$25k	46,000	46,300	47,600	47,200	47,000	0.3%	0.3%	-0.1%	0.0%	0.1%	2.2%
HH $25-$50k	34,900	35,200	36,200	35,800	35,700	0.4%	0.3%	-0.1%	0.0%	0.1%	2.3%
HH >$50	74,600	75,200	76,900	76,000	75,600	0.4%	0.2%	-0.1%	-0.1%	0.0%	1.3%
Median Income	$53,400	$55,100	$61,100	$69,200	$76,600	1.6%	1.0%	1.3%	1.0%	1.1%	43.4%
Employment	255,300	263,100	274,500	282,800	289,300	1.5%	0.4%	0.3%	0.2%	0.4%	13.3%
Commercial	43,200	43,800	45,000	46,300	47,600	0.7%	0.3%	0.3%	0.3%	0.3%	10.2%
Service	150,500	155,200	167,600	176,800	184,200	1.5%	0.8%	0.5%	0.4%	0.6%	22.4%
Other	61,600	64,100	62,000	59,700	57,500	2.0%	-0.3%	-0.4%	-0.4%	-0.2%	-6.7%
PK-12 Enrollment	65,600	66,000	67,800	70,500	71,700	0.3%	0.3%	0.4%	0.2%	0.3%	9.3%
Univ. Enrollment	20,900	21,100	22,100	23,100	24,100	0.5%	0.5%	0.4%	0.4%	0.4%	15.3%
Baldwin County											
Population	249,000	260,100	293,900	327,400	364,200	2.2%	1.2%	1.1%	1.1%	1.2%	46.3%
Households (HH)	102,000	107,400	122,400	135,100	150,500	2.6%	1.3%	1.0%	1.1%	1.2%	47.5%
HH <$25k	17,600	18,600	21,200	23,500	26,200	2.8%	1.3%	1.0%	1.1%	1.3%	48.9%
HH $25-$50k	25,300	26,700	30,700	34,000	38,100	2.7%	1.4%	1.0%	1.1%	1.3%	50.6%
HH >$50	59,000	62,100	70,500	77,500	86,200	2.6%	1.3%	1.0%	1.1%	1.2%	46.1%
Median Income	$63,300	$64,300	$73,400	$84,800	$95,200	0.8%	1.3%	1.5%	1.2%	1.3%	50.4%
Employment	135,300	143,200	174,300	208,000	244,400	2.9%	2.0%	1.8%	1.6%	1.9%	80.6%
Commercial	33,700	34,600	43,100	52,500	62,600	1.3%	2.2%	2.0%	1.8%	2.0%	85.8%
Service	77,200	82,800	104,200	127,300	152,600	3.6%	2.3%	2.0%	1.8%	2.2%	97.7%
Other	24,400	25,800	27,000	28,200	29,200	2.8%	0.5%	0.4%	0.3%	0.6%	19.7%
PK-12 Enrollment	37,700	39,600	45,300	51,800	59,300	2.5%	1.4%	1.3%	1.4%	1.4%	57.3%
Univ. Enrollment	3,900	3,900	4,100	4,300	4,500	0.0%	0.5%	0.5%	0.5%	0.4%	15.4%
Combined Counties											
Population	645,700	656,500	696,600	729,300	763,400	0.8%	0.6%	0.5%	0.5%	0.5%	18.2%
Households (HH)	257,500	264,100	283,100	294,100	308,800	1.3%	0.7%	0.4%	0.5%	0.6%	19.9%
HH <$25k	63,600	64,900	68,800	70,700	73,200	1.0%	0.6%	0.3%	0.3%	0.4%	15.1%
HH $25-$50k	60,200	61,900	66,900	69,800	73,800	1.4%	0.8%	0.4%	0.6%	0.6%	22.6%
HH >$50	133,600	137,300	147,400	153,500	161,800	1.4%	0.7%	0.4%	0.5%	0.6%	21.1%
Median Income	$57,300	$58,900	$66,400	$76,400	$85,700	1.4%	1.2%	1.4%	1.2%	1.3%	49.6%
Employment	390,600	406,300	448,800	490,800	533,700	2.0%	1.0%	0.9%	0.8%	1.0%	36.6%
Commercial	76,900	78,400	88,100	98,800	110,200	1.0%	1.2%	1.2%	1.1%	1.1%	43.3%
Service	227,700	238,000	271,800	304,100	336,800	2.2%	1.3%	1.1%	1.0%	1.2%	47.9%
Other	86,000	89,900	89,000	87,900	86,700	2.2%	-0.1%	-0.1%	-0.1%	0.0%	0.8%
PK-12 Enrollment	103,300	105,600	113,100	122,300	131,000	1.1%	0.7%	0.8%	0.7%	0.7%	26.8%
Univ. Enrollment	24,800	25,000	26,200	27,400	28,600	0.4%	0.5%	0.4%	0.4%	0.4%	15.3%

Source: PMF Group Consulting LLC, CDM Smith

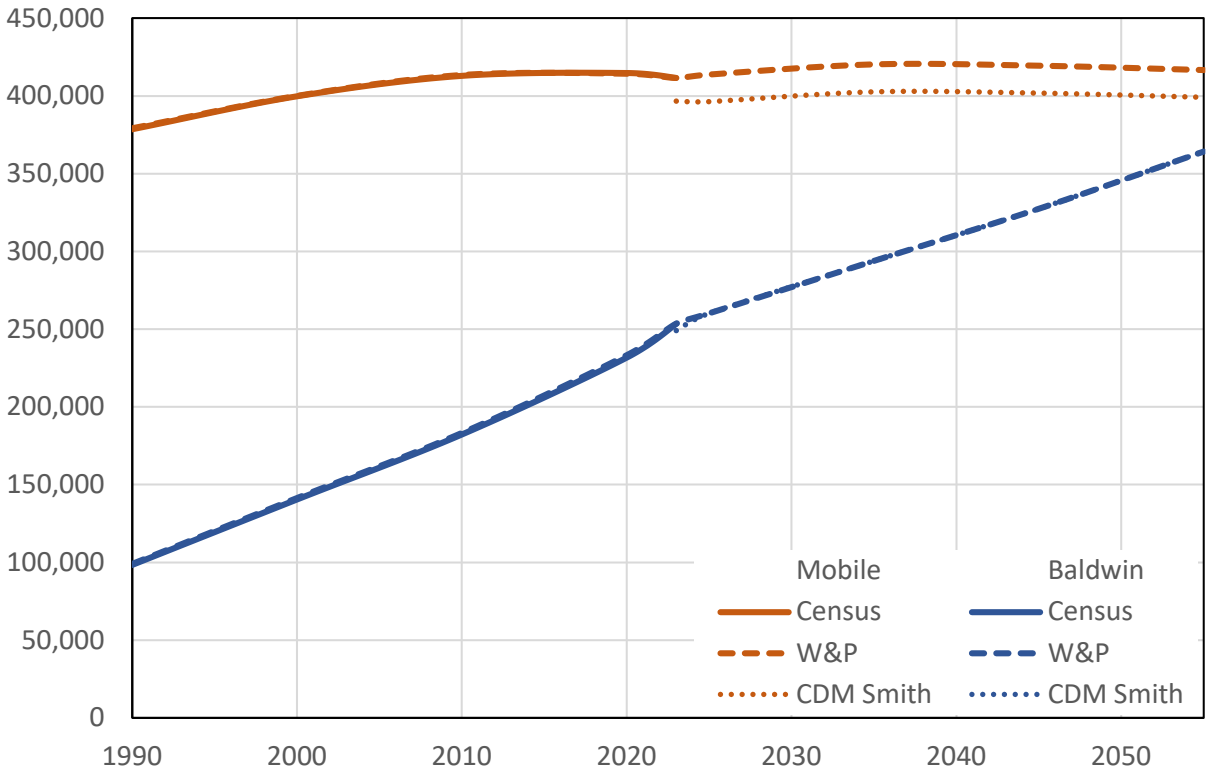
[5] Projections of socioeconomic variables were extended through 2065 by extrapolating half of the percentage rate growth from the 2045 to 2055 period to the 2055 to 2065 period. This process is explained in more detail in Chapter 5.

3.2 Population and Households

Population and households are closely related to socioeconomic variables. 2019 TAZ population and household data were sourced from DataStory/ESRI, aggregated at the county level, and adjusted based on CBER county control data. Households were income categorized based on nine ESRI/Census-based income ranges aggregated into three for the MTM. Forecasts are derived from CBER projections with some minor adjustments.

Baldwin County's population increased 157.9 percent, or 2.9 percent annually, from 98,300 in 1990 to 253,500 by 2023. Mobile County's population increased only 8.7 percent, or 0.3 percent annually, from 378,600 to 411,600. Per **Figure 22**, CDM Smith's population forecasts show effectively linear extrapolations of those historical trends.

Figure 22: Population Forecasts



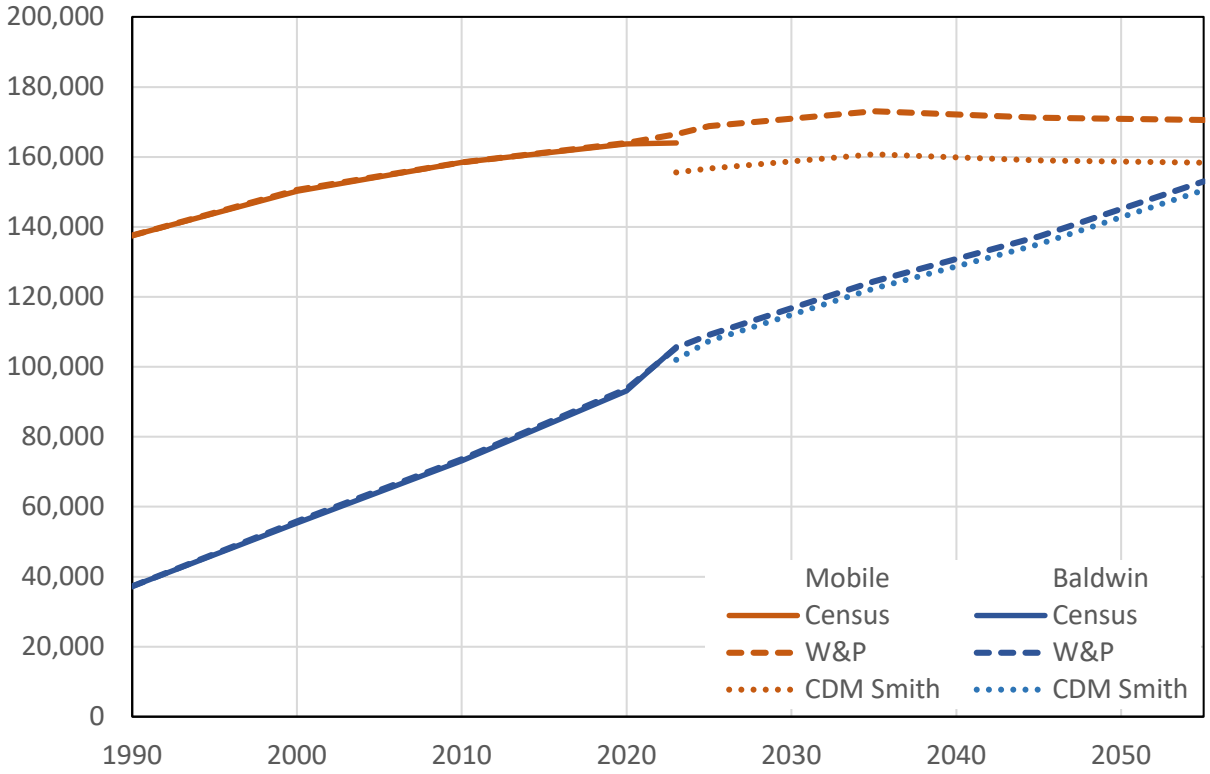
Note: MTM TAZs do not account for the entirety of Mobile County. Total county forecasts are provided in this chapter for the purposes of reviewing growth. This growth was applied to the TAZ-level dataset as appropriate.

Source: PMF Group Consulting LLC , Woods & Poole, CDM Smith

The MTM utilizes households rather than population. CDM Smith's household forecast shows effectively identical trend patterns as population for the respective counties, per **Figure 23.** Baldwin County's household growth is projected to be 47.6 percent, or 1.2 percent annually, from 102,000 in 2023 to 150,500 in 2055. W&P's household forecast for Baldwin County is very similar. Mobile County's forecast growth is 1.8 percent, or 0.1 percent annually, from 155,500 in 2023 to 158,300 in 2055. W&P forecasts a similar growth rate for Mobile County households, but has a higher 2023 base year estimate, resulting in forecast households consistently being about

11,000-12,000 higher than CDM Smith's forecast across all model years. This difference does not have a significant impact on the forecast since the MTM is calibrated to 2023 baseline conditions.

Figure 23: Household Forecasts



Note: MTM TAZs do not account for the entirety of Mobile County. Total county forecasts are provided in this chapter for the purposes of reviewing growth. This growth was applied to the TAZ-level dataset as appropriate.

Source: PMF Group Consulting LLC , Woods & Poole, CDM Smith

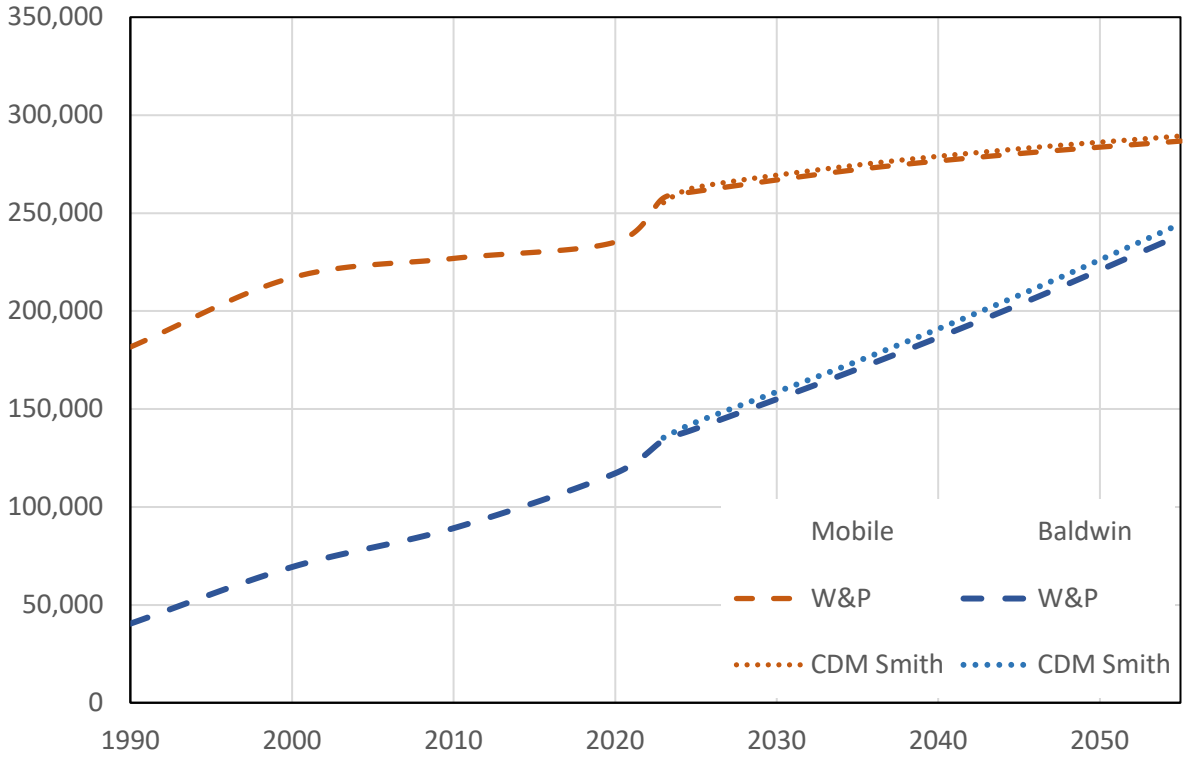
3.3 Employment

Baseline 2023 employment data are mostly estimated from W&P, including converting W&P's 23 industry sectors into commercial, services, and other for the MTM. Forecast growth rates were also leveraged from W&P.

Baldwin County's employment increased 231.1 percent, or 3.7 percent annually, from 40,500 in 1990 to 134,300 by 2023. Contrastingly, Mobile County's employment increased only 41.9 percent, or 1.1 percent annually, from 181,700 to 257,800, per **Figure 24**.

CDM Smith and W&P employment forecasts are very similar for both Mobile and Baldwin Counties. CDM Smith forecasts that employment in Mobile County is projected to grow a relatively slow 0.4 percent annually, reaching 289,300 by 2055, and in Baldwin County at 1.9 percent annually, reaching 244,400 in 2055.

Figure 24: Employment Forecasts



Note: MTM TAZs do not account for the entirety of Mobile County. Total county forecasts are provided in this chapter for the purposes of reviewing growth. This growth was applied to the TAZ-level dataset as appropriate.

Source: PMF Group Consulting LLC , Woods & Poole, CDM Smith

Chapter 4: Value of Time/SP Surveys

Drivers' value of travel time savings (VOT) is an important variable in TDM estimations of choice between alternative routes with differing average travel times and toll costs. Average VOT are estimated from stated preference (SP) surveys, which pose tradeoff questions to drivers regarding travel scenarios, time savings, and willingness to pay. Ultimately, such SP survey results determine and frame the VOT needed for MTM trip assignments. The SP surveys, which were used to develop the VOTs in this study, were conducted in 2016 for PCs and in 2022 for trucks. In both cases, VOTs were adjusted for base and future year dollars using actual and project inflation rates as described in the following sections.

4.1 Passenger Car VOT

An SP survey was conducted by RSG in April 2016 to collect PC data and estimate drivers' VOT crossing the Bay/River. Approximately 1,450 records were obtained from drivers crossing via the Wallace Tunnel, the Bankhead Tunnel, or the Africatown Bridge. Estimated VOT in 2016 dollars (2016$) were tabulated by TDM period and annual household income levels, per **Table 10**.

Table 10: PC 2016$ VOT

	AM	PM	Midday	Night	Weekend
Income Midpoint					
$17,500	$7.72	$7.13	$6.01	$5.94	$6.31
$37,500	$8.85	$8.18	$6.90	$6.82	$7.24
$62,500	$9.62	$8.89	$7.50	$7.40	$7.86
$87,500	$10.12	$9.35	$7.89	$7.79	$8.27
$112,500	$10.49	$9.70	$8.18	$8.08	$8.58
$125,000	$10.65	$9.84	$8.30	$8.20	$8.71
Respondents					
Count	388	189	426	84	362
% Total	26.8%	13.0%	29.4%	5.8%	25.0%

Source: I-10 Mobile River Bridge Stated Preference Survey, 2016, RSG

Estimated VOT were updated to 2021$ considering the following:

- Trip types made (e.g., purposes, lengths)
- General travel conditions (e.g., congestion levels on existing roads)
- Household characteristics (e.g., household incomes)
- Regional economic conditions

More specifically, VOT estimates from 2016$ were updated to 2021$ via inflation adjustments and household income increases, not via a redeployed updated survey implementation. Year 2021 was selected for this first step to align with the truck SP survey conducted in early 2022 but prior to high inflation taking hold. Inflation assumed from 2021 onward is covered in Section 5.7.

Between the first half of 2016 and first half of 2021, the applicable Consumer Price Index (CPI) increased 14.98 percent, per the Bureau of Labor Statistics (BLS)[6]. Between the second quarter of 2016 and the second quarter of 2021, average weekly wages in the two counties grew 19.59 percent, or 4.61 percent in real terms (excluding the effects of inflation), also sourced from the BLS. Consequently, the 2016$ estimates were increased by 14.98 percent to reflect regional CPI growth and a further 0.66 percent to reflect real income growth elasticity, as originally estimated as part of the discrete choice models (with some minor income group nuances), as outlined below in **Table 11**.

Table 11: PC 2021$ VOT Adjustments

	AM	PM	Midday	Night
Adjustments				
CPI (Inflation)	14.98%	14.98%	14.98%	14.98%
Real Income Elasticity	0.66%	0.66%	0.63%	0.67%
Total	15.64%	15.64%	15.61%	15.65%
Income Midpoint				
$17,500	$8.93	$8.25	$6.95	$6.87
$37,500	$10.23	$9.46	$7.98	$7.89
$62,500	$11.12	$10.28	$8.67	$8.56
$87,500	$11.70	$10.81	$9.12	$9.01
$112,500	$12.13	$11.22	$9.46	$9.34
$125,000	$12.32	$11.38	$9.60	$9.48

Source: RSG

4.2 Truck VOT

Truck drivers are often company employees, with a blend of both drivers and other company employees responsible for making route/toll decision and paying tolls. Such drivers were included in the 2016 MRBB's SP survey, however non-driver decision makers were poorly represented. To remedy this shortcoming, RSG conducted a new survey focusing exclusively on dispatchers, managers, and other non-driver decision-makers. RSG's survey report is **Appendix B**.

Survey results were used to estimate VOT by non-driver decision makers who recently routed trips across the Mobile River/Bay using I-10, US 98, the Wallace Tunnel (I-10), or the Africatown Bridge (US 98). These estimates were then blended with the 2016 results (with inflationary adjustments) and used in the MTM.

Surveys were implemented in January and February 2022. Respondents were recruited through an ALDOT-distributed link to commercial partners or mailed to firms with registered trucks/ commercial vehicles within the region. 272 valid surveys were collected. The survey contained five sections:

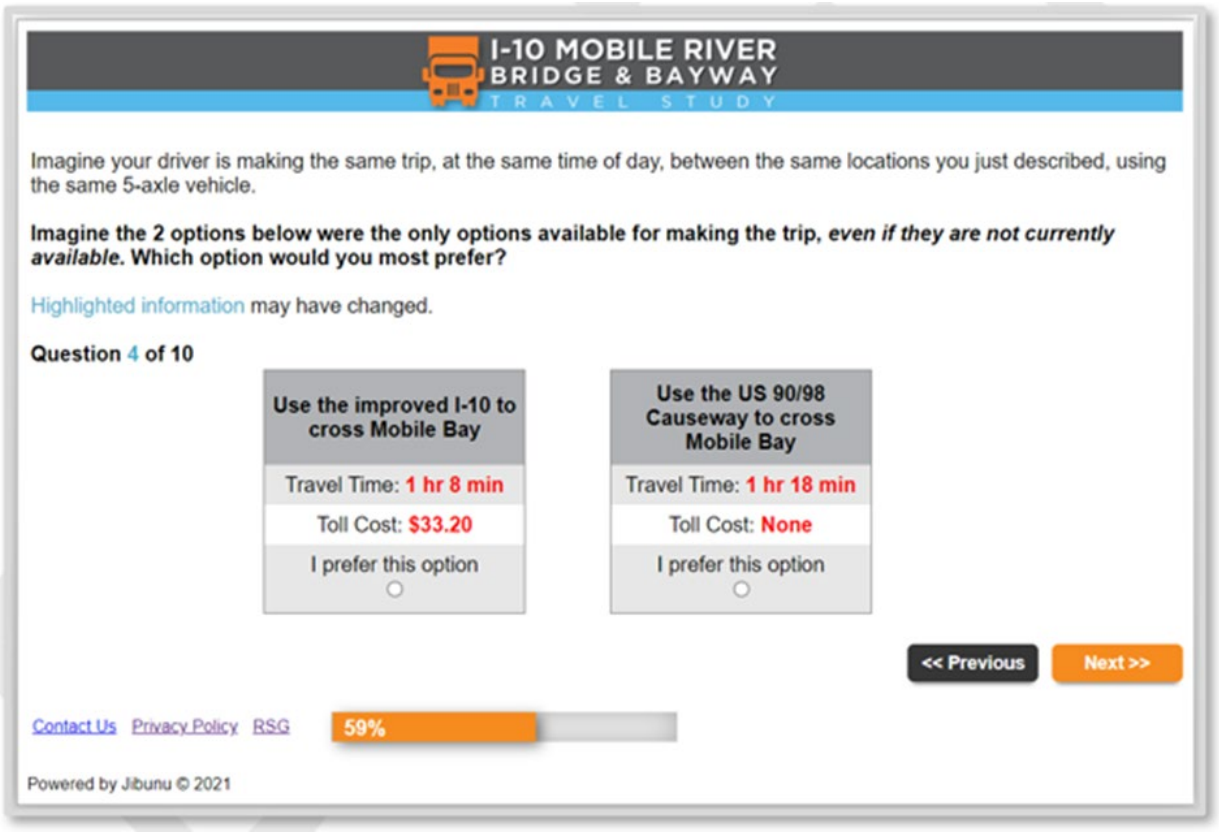
- Qualification questions determining eligibility
- Trip characteristics

[6] CPI for South – Size Class B/C, Bureau of Labor Statistics

- SP scenarios
- Opinion questions designed to understand choices and attitudes towards MRBB tolls
- Company information (e.g., location, fleet size, trip length, driver compensation, etc.)

Qualification questions ensured respondents were companies operating trucks recently crossing the I-10 Bayway or US 90/98 Causeway and actively deciding route choice (tolled/not). Trip characteristics questions focused on the most recent trip meeting qualification criteria, identifying O-D, driving time, typical frequency, commercial vehicle size/classification, and route taken. SP questions described the MRBB improvements and asked the respondents to choose between using the improved I-10 Bayway or the US 90/98 Causeway. **Figure 25** shows a survey choice example.

Figure 25: Truck Stated Preference Example



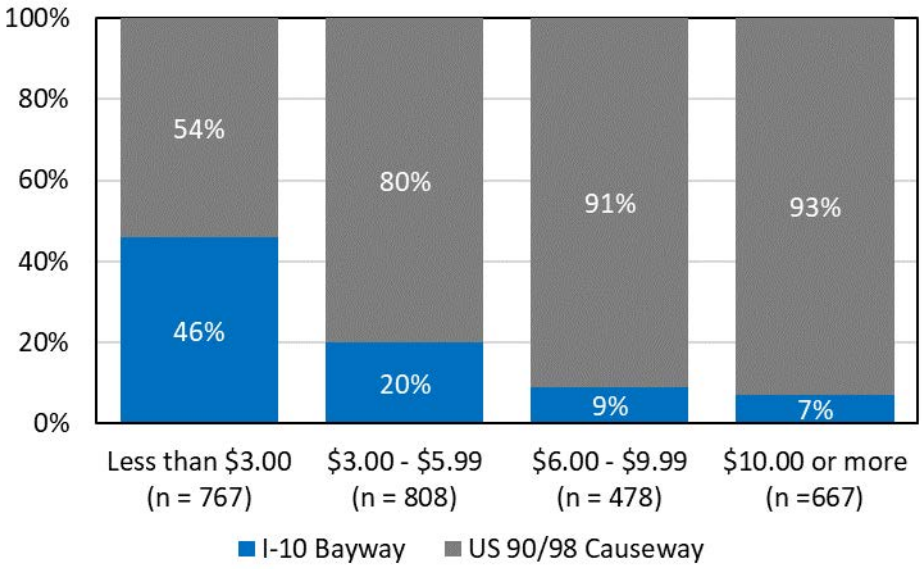
Source: RSG, CDM Smith

Respondents were given ten choice questions, such as above, representing possible time savings and toll cost tradeoffs. Travel times and tolls in choice questions were determined from previous questions regarding trip characteristics. Respondents never selecting tolled trips were asked why and their general opinion of the MRBB.

53 percent of survey responses were for 2-axles trucks, 28 percent were for 3 and 4-axle trucks, and 19 percent for trucks with 5 or more axles. Of 2,720 choice observations (10 questions x 272 survey responses), 611 (22.5 percent) selected the improved I-10 MRBB and 2,109 (77.5 percent)

selected the toll-free US 90/98 Causeway. **Figure 26** shows substantial variation in the percentage choosing I-10 depending on toll costs.

Figure 26: Truck Stated Preference Survey Route Selection vs Toll Rates



Source: RSG, CDM Smith

A multinomial logit model (MNL) quantifies traveler and trip characteristics affecting truck probabilities to pay tolls on the improved I-10 Bayway, or to opt out on the Causeway. **Table 12** shows the MNL variables and coefficient values. Negative coefficient values indicate that as the variable's value increases, route alternative attractiveness decreases, and vice versa. Dummy variables and constants' signs are relative to the I-10 alternative. These outputs lead to the following conclusions:

- Higher travel times are unattractive.
  - If I-10 offers travel time savings over US 90/98, travelers are more likely to pay tolls.
- Higher toll costs are unattractive.
  - But as truck classification/sizes increase, toll sensitivity decreases as exhibited by smaller negative toll cost coefficients for larger vehicles.
- US 90/98 trips are less likely to switch to I-10 than trips already on/staying on I-10.
- Trips charging customers tolls for delivery are predisposed to pay on the improved I-10.
- Strongly opposed respondents are predisposed not to pay tolls on the improved I-10.
- A negative tolled alternative constant signifies an inherent bias against paying tolls.
  - However, bias can be overcome with sufficiently attractive time savings and/or toll rate.

Table 12: Multinomial Logit Model Coefficients

Coefficient	Alternatives		Coefficient Values		
	I-10	US 98	Value	Std. Error	T-Stat
Travel Time (minutes)					
Time for All Respondents	X	X	-0.0786	0.0127	-6.1684
Toll Cost per Vehicle					
2 Axles	X		-0.5123	0.0591	-8.6662
3-4 Axles	X		-0.2393	0.0530	-4.5101
5+ Axles	X		-0.1641	0.0472	-3.4800
Dummy Variables (1,0)					
Reference Trip Used US 98	X		-1.5187	0.3490	-4.3521
Charges Tolls for Delivery	X		0.8761	0.2428	3.6085
Strongly Opposes MRBB	X		-2.9652	0.4077	-7.2731
Constants (1,0)					
Tolled Alternative Constant	X		-0.6036	0.2735	-2.2069

Source: RSG, CDM Smith

Values of time are calculable from the model coefficients, in the equation:

$$VOT = 60 \times \beta Time / \beta Toll$$

The resulting 2021 VOT, based on the truck dispatcher SP survey, are in **Table 13** alongside driver based VOT results from the 2016 SP truck survey. Results indicated further adjustments were needed. The blended MT+HT truck VOT in 2021 dollars is $23.29 for dispatchers and $31.62 for drivers. Assuming an equal share of dispatcher and driver tolling decisions, the average is $27.45 or 18 percent above the dispatcher derived values. Consequently, the truck 2021 VOT results were raised 18 percent as shown in the revised 2021 VOT column.

Table 13 Truck VOT and Adjustments

	Dispatcher		Driver		Blended		
Truck Size	2021 VOT	Share of Traffic	2016 VOT	2021 VOT*	2021 VOT Driver-Dispatch Average	% increase	Revised 2021 VOT
2-axle Truck	$ 9.20	--	--	--	--	--	$ 10.85
Medium Truck (3-4 axle)	$ 19.70	60.2%	--	--	--	--	$ 23.22
Heavy Truck (5+ axle)	$ 28.72	39.8%	--	--	--	--	$ 33.86
MT + HT Blend	$ 23.29	100.0%	$ 27.50	$ 31.62	$ 27.45	18%	--

*CPI Adjustment 2016-2021 14.98 percent

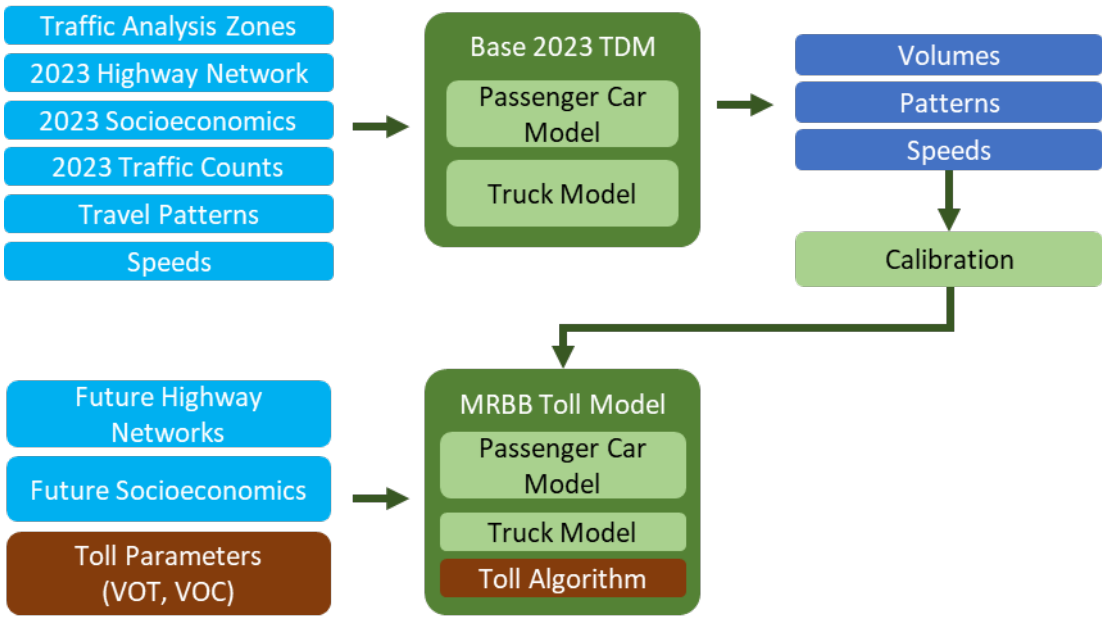
Source: RSG, CDM Smith

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Chapter 5: Travel Demand Modeling

This chapter summarizes the MRBB Toll Model (MTM) used to prepare MRBB T&R estimates. **Figure 27** provides a high-level overview of the MRBB Toll Model development process.

Figure 27: MRBB Toll Model Development



Source: CDM Smith

The MTM connects three existing travel demand model areas from local planning agencies:

- Mobile Area Transportation Study (MATS)
- Eastern Shore Metropolitan Planning Organization (ESMPO)
- Baldwin County Highway Department (BCHD)

The TAZ boundaries and roadway network files from the local planning agencies were utilized and the MATS daily trip generation formulas were applied. All other model inputs were developed by the CDM Smith team. The MRBB base-year is 2023. Five future-years were developed: 2030, 2035, 2045, 2055, and 2065.

5.1 Traffic Analysis Zones

The TAZ system for MRBB (from the three agencies) is constructed with very fine detail, reflecting county-level land use.

Reviewing MATS's zones, several were split for more precise traffic loading. If a single TAZ stretches across a land area with multiple distinct uses or multiple key roadway connections, or if a more detailed analysis is needed in a particular area, it is beneficial to split a zone and readjust travel origin-destination (O-D) patterns appropriately. The O-D matrix for these new zones was then adjusted based on applying the resulting split of population and employment to the original

zone for three vehicle types and four time periods. Two such TAZs were identified and split into a total of five new TAZs:

- Pinto Island – divided into two for USS Alabama Memorial Park and Austal Shipyard.
- Port of Mobile – divided into three covering McDuffie Island, Intermodal Facility, and Container Terminal.

For Baldwin County, the ESMPO system is used to provide an additional level of detail as compared to the BCHD structure. For areas outside of ESMPO, BCHD zones were used. Finally, a new TAZ was added to better represent Dauphin Island and the southwestern shores of Mobile Bay.

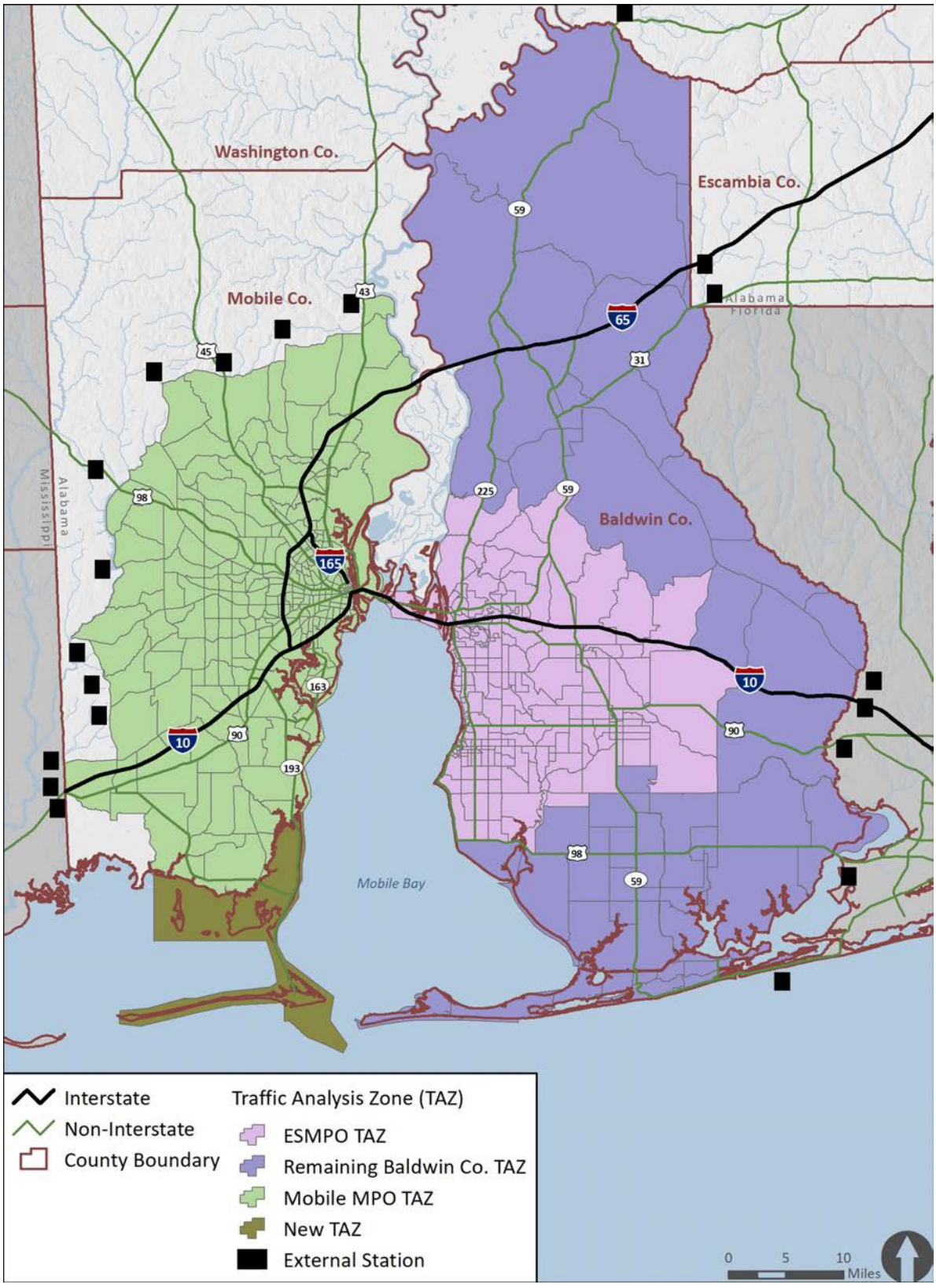
MATS also has twelve external stations while BCHD has eight. Externals are zones that are segments at the model boundary where vehicles pass from outside the model into the model or vice versa. In total, there are 689 TAZs in the combined MTM, per **Table 14** and shown in **Figure 28**.

Table 14: Traffic Analysis Zones by Location

Location	TAZs
Mobile County	316
Mobile External	12
Baldwin County	353
Baldwin External	8
Total	689

Source: MATS, ESMPO, BCHD, and CDM Smith

Figure 28: Traffic Analysis Zones and External Stations

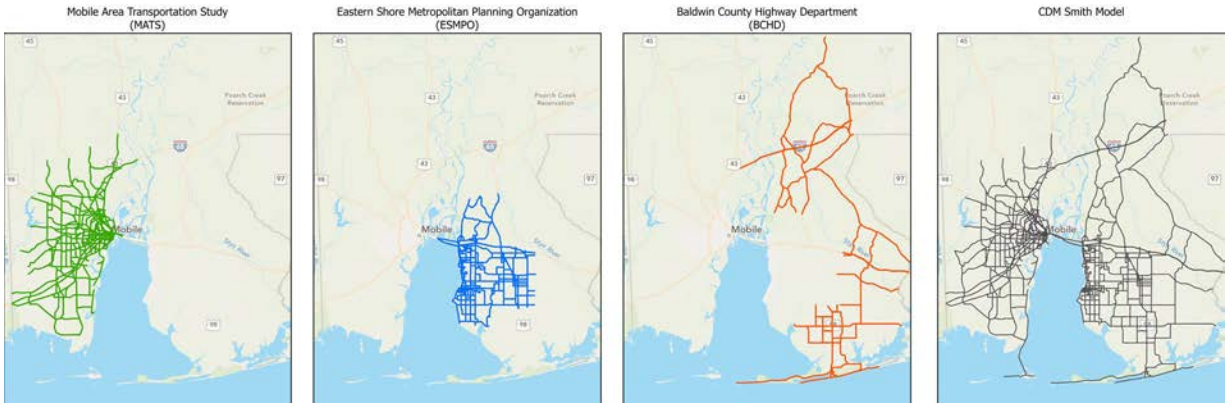


Source: MATS, ESMPO, BCHD, CDM Smith; Note: For modeling purposes, external points are based on MTM locations.

5.2 Base Year network

CDM Smith obtained base-year roadway network files from all three planning organizations (MATS, ESMPO, and BCHD). Using the MATS network as a template, the study highway network was developed by "stitching" networks together. **Figure 29** shows this process while **Figure 30** shows the resulting final network.

Figure 29: MPO and Model Networks



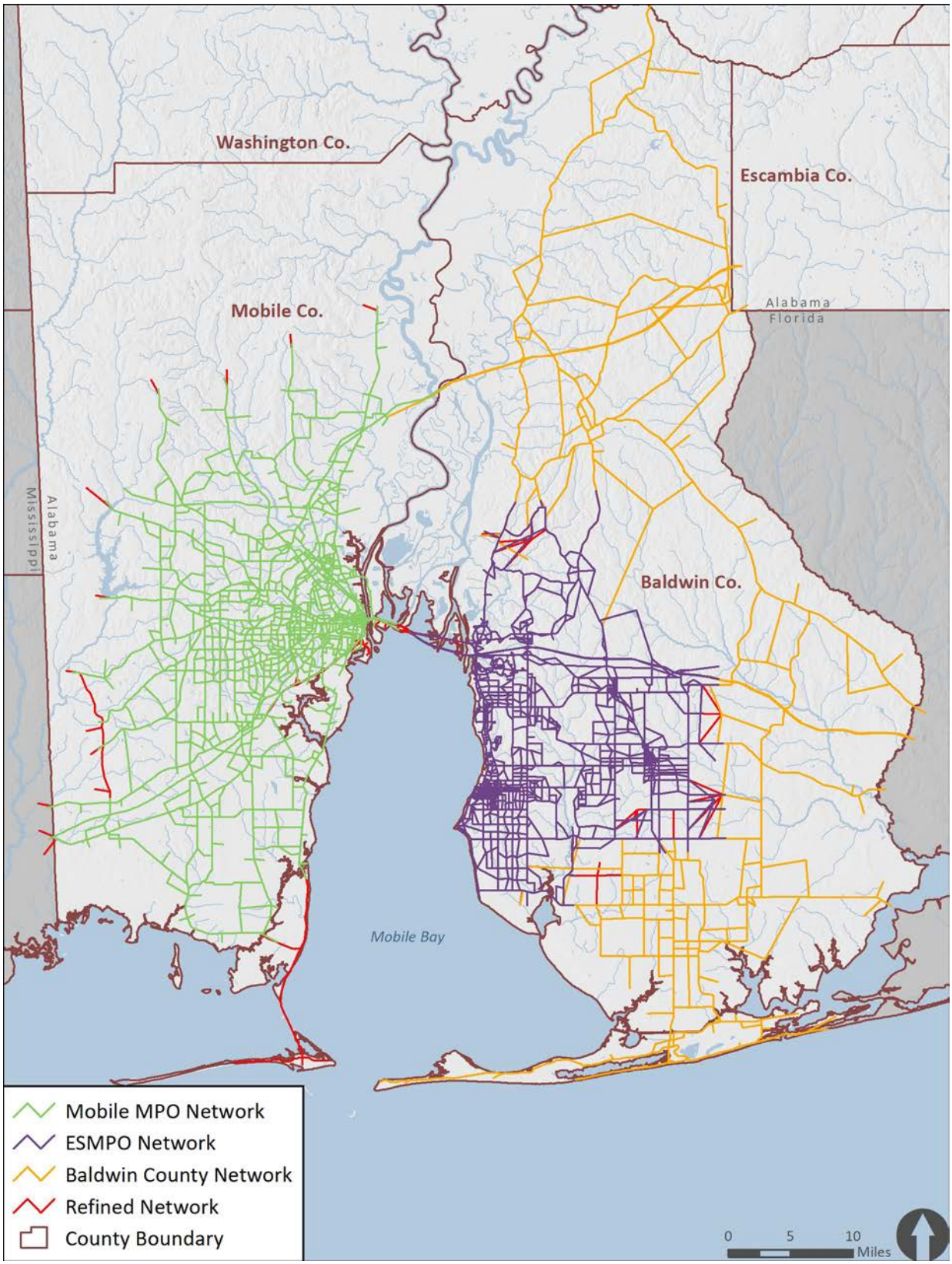
Source: MATS, ESMPO, BCHD, CDM Smith

Extensive updates were also made to the base year network, including:

- Link adjustments: adjusted roadway links and added centroid connectors where TAZ boundaries were split or adjusted
- Link capacity: reviewed links' hourly capacities and developed factors for time of day (TOD) periods
- Link distances and speeds: geographic information system (GIS) tools helped to identify and verify variables dictating free-flow travel time and roadway capacity
- Truck routes and turning movements prohibition: identified truck prohibited segments and turn prohibitions
- Volume-delay: investigated volume delay functions and congested speed impacts
- Quality checking: performed checks on directionality, connectivity, and link geometry

All link attributes were reviewed and updated as needed, including capacity, free-flow speed, and link group. Generally, the MATS attributes were adopted. CDM Smith also reviewed all link attributes, such as capacity, number of lanes (implied through capacity), and free-flow speed to ensure accuracy reflecting current roadway conditions.

Figure 30: Model Network



Source: MATS, ESMPO, BCHD, CDM Smith

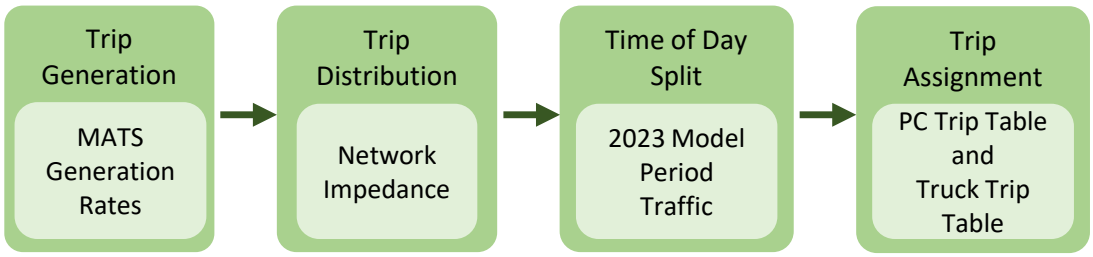
Finally, since the MTM is a time-of-day model, daily capacities were converted to hourly. Daily models typically reflect average hourly congestion, and therefore, daily capacity is usually ten times hourly capacity. CDM Smith divided daily capacity by ten to obtain the implied hourly capacity and then multiplied hourly capacity by hours per period to reflect the link capacity within each MTM period:

- AM Peak: 06:00-09:00 (3 hours)
- Midday: 09:00-15:00 (6 hours)
- PM Peak: 15:00-18:00 (3 hours)
- Overnight: 18:00-06:00 (12 hours)

5.3 Passenger Car Model

The passenger car portion of the MTM is summarized in **Figure 31**.

Figure 31: Passenger Car Model Process



Source: CDM Smith

5.3.1 Trip Generation

The first MTM passenger car step is trip generation. Household trip generation estimates travel demand associated with specific socioeconomic (SE) characteristics and land use. The trip generation goal is to estimate total trips by purpose produced by and attracted to each TAZ.

Trip rate formulas from MATS and TAZ-level SE data forecasts (Chapter 3) were used to calculate trip productions and attractions (P-A), requiring the following SEs to calculate the P-A Table:

- Low-income households
- Medium-income households
- High-income households
- College dorm rooms
- Primary/secondary school students
- Commercial employment
- Service employment
- Other employment

A summary of socioeconomic inputs utilized in the trip generation process can be found below in **Table 15**.

Table 15: Socioeconomic Forecast Summary

	Mobile County TAZs				Baldwin County TAZs				Total			
Socioeconomics	2023	2055	% Δ	CAAGR	2023	2055	% Δ	CAAGR	2023	2055	% Δ	CAAGR
Population	396,700	399,200	0.6%	0.0%	249,000	364,200	46.3%	1.2%	645,700	763,400	18.2%	0.5%
Households (HH)	155,500	158,300	1.8%	0.1%	102,000	150,500	47.5%	1.2%	257,500	308,800	19.9%	0.6%
HH <$25k	46,000	47,000	2.2%	0.1%	17,600	26,200	48.9%	1.3%	63,600	73,200	15.1%	0.4%
HH $25-$50k	34,900	35,700	2.3%	0.1%	25,300	38,100	50.6%	1.3%	60,200	73,800	22.6%	0.6%
HH >$50	74,600	75,600	1.3%	0.0%	59,000	86,200	46.1%	1.2%	133,600	161,800	21.1%	0.6%
Median Income	$48,400	$70,200	45.0%	1.2%	$67,500	$104,400	54.7%	1.4%				
Employment	255,300	289,300	13.3%	0.4%	135,300	244,400	80.6%	1.9%	390,600	533,700	36.6%	1.0%
Commercial	43,200	47,600	10.2%	0.3%	33,700	62,600	85.8%	2.0%	76,900	110,200	43.3%	1.1%
Service	150,500	184,200	22.4%	0.6%	77,200	152,600	97.7%	2.2%	227,700	336,800	47.9%	1.2%
Other	61,600	57,500	-6.7%	-0.2%	24,400	29,200	19.7%	0.6%	86,000	86,700	0.8%	0.0%
PK-12 Enrollment	65,600	71,700	9.3%	0.3%	37,700	59,300	57.3%	1.4%	103,300	131,000	26.8%	0.7%
Univ. Enrollment	20,900	24,100	15.3%	0.4%	3,900	4,500	15.4%	0.4%	24,800	28,600	15.3%	0.4%
Dormitory Units	--	--	--	--	--	--	--	--	2,900	4,000	37.9%	1.0%

Source: PFM, CDM Smith

These data were processed to estimate weekday motorized person-trips for the gravity-based model, using MATS trip generation formulas for three internal-to-internal (I-I) trip purposes:

- Home-based work (HBW)
- Home-based other (HBO)
- Non-home based (NHB)

In addition to I-I trips, MATS formulas were used to estimate external-to-internal (E-I)/internal-to-external (I-E) corresponding trip attractions. External-to-external (E-E) trips are estimated separately as described later in this chapter.

5.3.2 Trip Distribution

Trip distribution is the second step in the MTM process, in which zonal trips (estimated in trip generation) are distributed geographically using a standard gravity model approach. The following three subsections describe how the trip distribution step was executed.

Time Skims

To run the gravity models, a shortest path time matrix was produced. Due to prohibited truck routes, a PC-only and an all-vehicle skim were produced. Travel times for each model link is computed from link length and speed. The modeling program then computes minimum time path between each zone, producing a shortest travel time matrix. Travel times were based on the free-flow speed and distance only; no volume delay was included in the trip distribution travel time matrix.

Terminal Times

Terminal times were incorporated, which reflect additional time for parking, walking, or other pre-driving activity at both origin and destination. Terminal times are assumed to depend on land use type. Assumed terminal times for each zonal area type are in **Table 16**.

Table 16: Assumed Terminal Times

Land-Use	Terminal Time (min)
CBD	5
Activity Center	4
Urban	3
Suburban	2
Rural	1

Source: CDM Smith

Intrazonal Times

Some trips will have both origin and destination within the same zone. The MTM utilized the "nearest neighbor technique" to calculate intrazonal travel times, which assumes that intrazonal travel time equals one-half the average travel time to the adjacent zones. The five nearest neighboring zones were used as the basis for calculating intrazonal times.

Feedback Loop

To improve trip distribution, the MTM uses a feedback loop where trip distribution and traffic assignment are performed twice. Congested speed from the first loop is used to adjust "time skims" for the second loop of trip distribution. This way, the trip distribution will reflect congested conditions in the network.

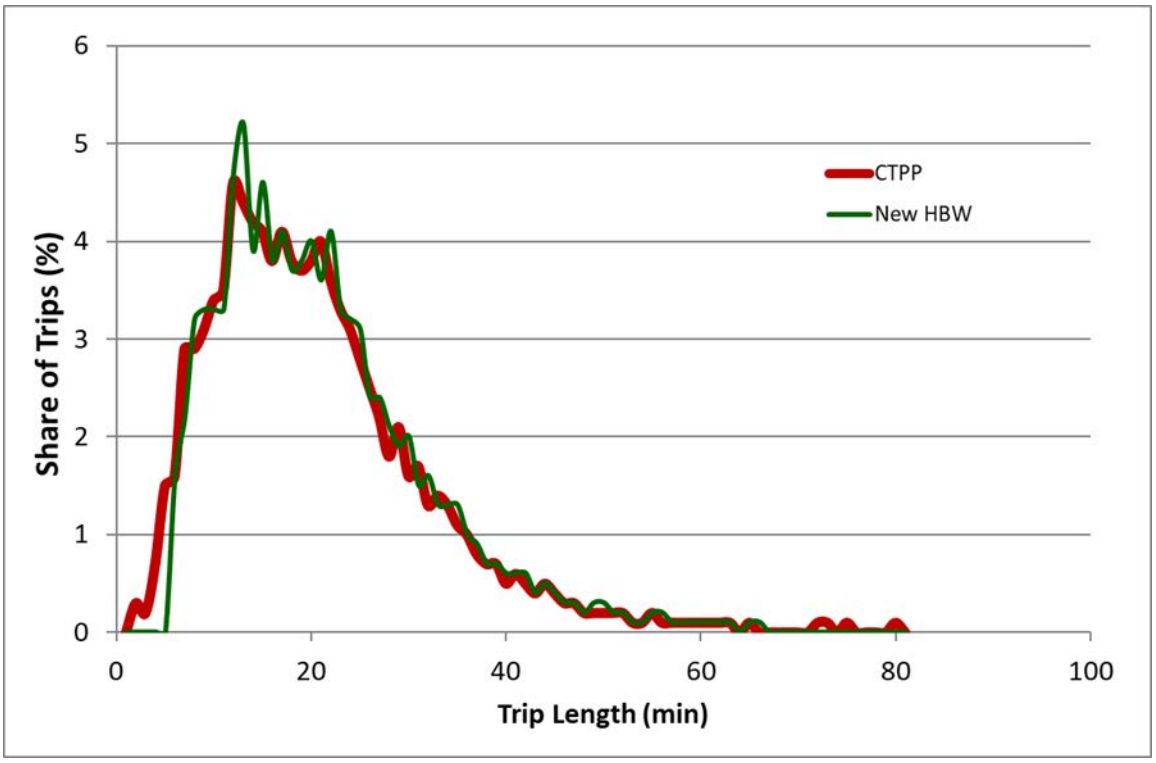
Trip Length Frequency Distribution

Trip distribution is the most important step because it establishes how different trip purposes are sensitive to time and distance. This must be estimated correctly so that during traffic assignment, the model fits observed conditions (link volumes, travel times, and trip lengths). The key parameter for the trip length frequency distribution (TLFD) is a friction factor table.

Since the MTM area is larger than either the MATS, ESMPO, or BCHD model areas, the TLFDs from those models were too short (time duration) for the MTM. An "observed" TLFD for the MTM was created from U.S. Census American Community Survey travel data obtained through the FHWA Census Transportation Planning Products (CTPP) website. An iterative trip distribution process was used to create the friction factor table from the "observed" TLFD, adjusting the friction factors to produce a P-A matrix that matched the CTPP "observed" TLFD for PC HBW trips. Similar TLFDs and friction factor tables were developed for the MTM PC HBO and NHB trip purposes.

Figure 32 graphs TLFD for HBW trips. The horizontal axis of the graph shows the trip length in minutes and the vertical axis shows the percentage of trips that fall within the trip length increment. The red line (CTPP) shows "observed" TLFD and the green line (new HBW) a new TLFD developed for the MTM. As noted in **Table 16**, terminal times for vehicle access on either end of each trip and intrazonal times are included resulting in no trip lengths lower than five minutes on average.

Figure 32: HBW Trip Length Frequency Distribution (TLFD)



Source: CTPP, CDM Smith

5.3.3 Time of Day Split and External Traffic

In trip distribution, daily P-A matrices were developed by trip purpose (HBW, HBO, and NHB). To split daily P-A matrices into uncalibrated time-of-day tables, CDM Smith used the methodology specified for "diurnal distribution [of trips] by purpose and direction" from the National Cooperative Highway Research Program's (NCHRP) "NCHRP Report 365 "Travel Estimation Techniques for Urban Planning" for each hour in the MTM. The updated table was compressed into the four MTM time periods, resulting in the factors in **Table 17**. These factors were used to convert PC HBW, HBO, and NHB P-A matrices into a single uncalibrated 2023 PC trip table, which contained I-I and I-E/E-I trips, although E-E trips were excluded.

Table 17: Passenger Car Time of Day Conversion Factors by Purpose and Period

	HBW		HBO		NHB	
TOD	Departure	Return	Departure	Return	Departure	Return
AM Peak	36%	0%	6%	6%	6%	6%
Midday	6%	6%	12%	12%	20%	20%
PM Peak	2%	31%	11%	11%	11%	11%
Overnight	6%	13%	21%	21%	13%	13%
Total	50%	50%	50%	50%	50%	50%

Source: TransCAD, CDM Smith

External Traffic

Both E-E trip ends are to/from external zones. Unlike internal links, trips on externals are specified directly from traffic counts. 2015 to 2023 AWDT were obtained at each external station from ALDOT's database, per **Table 18**. Temporary counts were factored to annual levels using nearby permanent count stations. Since these are bidirectional counts, it is assumed that there are equal number of trip origins and destinations at each external zone. **Table 19** summarizes external recent historical growth and assumed future growth.

Given the economic outlook (see Chapter 3), short historical timeframe available, and fluctuations between external stations (likely caused by seasonal factoring of temporary counts), the forecast growth rates were bracketed to minimum and maximum levels and standardized. The highest traffic growth at external points is expected at the Baldwin County northern and eastern boundaries for I-65, I-10, and US 98. The lowest traffic growth is expected at locations that have shown some recent negative growth patterns. For most externals in Mobile and Baldwin Counties, the highest traffic growth rates are estimated to be 1.0 percent and 2.2 percent, respectively, from 2023-2035. These growth rates are then estimated to moderate from 2035-2065, reflecting expected socioeconomic growth. Similarly, the lowest growth is estimated to be 0.1 percent throughout the forecast based on expected growth. The greatest levels of growth are estimated to occur on I-65 at the Baldwin/Escambia County line and on I-10 and US 98 at the Baldwin County/Florida line owing to the large historical growth at these locations. **Table 20** shows the resulting external traffic by year.

Table 18: AWDT Traffic Counts at Model Externals

	Description	Type*	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Mobile County	US 90 E of MS state line	T	5,700	5,800	6,000	5,300	5,400	5,400	5,300	5,400	5,600	5,400
	I-10 E of MS state line	P	42,600	44,200	45,800	46,200	46,900	47,700	42,000	49,000	48,600	48,400
	CR 28 E of MS state line	T	1,100	1,100	1,100	1,200	1,200	1,200	1,200	1,200	1,200	1,300
	Dawes Road E of CR 11	T	3,100	3,200	3,300	3,300	3,400	3,600	3,100	3,500	3,400	2,800
	Jeff Hamilton Rd E of CR 11	T	1,700	1,700	1,800	1,900	1,900	2,100	2,000	2,100	2,000	2,300
	Airport Blvd E of Newman Rd	T	8,300	8,400	8,700	8,200	8,500	8,600	7,900	8,500	8,600	8,500
	CR 70 W of CR 25 Snow Rd	T	8,200	8,300	8,500	9,900	9,300	9,400	8,900	9,400	9,500	9,100
	US 98 E of CR 63	T	13,400	13,400	13,100	12,600	12,800	13,000	12,400	14,600	15,200	14,000
	SR 217 S of Georgetown Wilmer Rd	T	4,500	4,900	5,000	4,800	4,500	4,500	4,300	4,400	4,500	4,400
	US 45 N of Chunchula	T	7,900	6,500	6,300	6,900	6,900	7,300	7,000	7,300	7,000	7,400
	Celeste Road S of Roberts Road	T	3,900	4,000	4,100	3,900	3,700	3,700	3,500	4,000	4,500	4,000
	US 43 S of Mt. Vernon	P	18,200	14,700	15,100	14,900	15,300	15,500	13,700	15,300	15,100	15,600
Baldwin County	AL 59 S of Drew Phillips Road	T	800	800	800	800	800	800	800	800	900	800
	I-65 at Baldwin / Escambia Co Line†	P	NA	NA	NA	NA	NA	24,400	22,700	26,400	26,200	26,700
	I-65 W of Exit 45†	P	21,900	23,700	25,500	25,500	25,500	25,700	23,600	27,300	27,300	27,900
	US 31 SW of Escambia Co Line	T	4,200	5,400	5,500	5,500	5,000	5,100	4,600	4,800	4,700	4,700
	CR 112 NW of Baldwin Co Line	T	700	1,200	1,100	1,100	1,200	1,200	1,200	1,200	1,200	1,200
	I-10 at Baldwin Co / FL line	P	30,000	28,500	28,700	36,300	34,100	35,300	30,300	36,900	36,800	37,400
	US 90 W of Baldwin Co Line / FL Line	T	5,100	5,200	5,300	5,100	5,000	5,400	5,200	5,400	5,500	5,500
	US 98 at Baldwin Co/ FL Line	P	NA	11,900	12,700	12,700	12,800	13,600	12,700	14,200	14,500	14,700
	AL 182 W of Baldwin Co / FL Line†	T	NA	NA	NA	16,200	16,000	16,300	14,600	18,300	18,200	18,200
	AL 182 W of Ono Island Bridge†	T	15,900	16,900	15,700	16,200	16,000	16,300	20,000	21,500	21,000	21,000

* Temporary / Permanent

† Two counts included for external due to range of data available

Source: ALDOT, CDM Smith

Table 19: Traffic Growth Forecasts at Model Externals

	External Station	Historical 2015-2023	Forecast 2023 - 2035	Forecast 2035 - 2065
Mobile County	US 90 E of MS state line	-0.8%	0.2%	0.1%
	I-10 E of MS state line	1.1%	1.0%	0.8%
	CR 28 E of MS state line	1.6%	1.0%	1.0%
	Dawes Road E of CR 11	-1.9%	0.1%	0.1%
	Jeff Hamilton Rd E of CR 11	3.6%	1.0%	1.0%
	Airport Blvd E of Newman Rd	0.1%	0.1%	0.1%
	CR 70 W of CR 25 Snow Rd	1.2%	1.0%	0.8%
	US 98 E of CR 63	0.6%	0.5%	0.4%
	SR 217 S of Georgetown Wilmer Rd	-1.3%	0.1%	0.1%
	US 45 N of Chunchula	1.6%	1.0%	0.8%
	Celeste Road S of Roberts Road	0.1%	0.3%	0.3%
	US 43 S of Mt. Vernon	0.7%	0.8%	0.8%
Baldwin County	AL 59 S of Drew Phillips Road	0.3%	0.3%	0.3%
	I-65 at Baldwin / Escambia Co Line	2.3%	2.0%	1.8%
	US 31 SW of Escambia Co Line	-1.7%	0.1%	0.1%
	CR 112 NW of Baldwin Co Line	-0.2%	0.1%	0.1%
	I-10 at Baldwin Co / FL line	3.4%	2.2%	1.6%
	US 90 W of Baldwin Co Line / FL Line	0.6%	0.7%	0.7%
	US 98 at Baldwin Co/ FL Line	2.6%	2.2%	1.6%
	AL 182 W of Baldwin Co / FL Line	2.0%	0.7%	0.7%

Source: ALDOT, CDM Smith

Table 20: External AWDT Traffic Growth Forecasts

	External Station	2030	2035	2045	2055	2065
Mobile	US 90 E of MS state line	5,700	5,700	5,800	5,800	5,900
	I-10 E of MS state line	52,400	55,000	59,600	64,500	69,900
	CR 28 E of MS state line	1300	1,400	1,500	1,700	1,900
	Dawes Road E of CR 11	3,000	3,000	3,000	3,000	3,100
	Jeff Hamilton Rd E of CR 11	2,900	3,000	3,300	3,700	4,100
	Airport Blvd E of Newman Rd	10,200	10,300	10,400	10,500	10,600
	CR 70 W of CR 25 Snow Rd	9,700	10,200	11,100	12,000	13,000
	US 98 E of CR 63	19,400	19,900	20,700	21,500	22,400
	SR 217 S of Georgetown Wilmer Rd	6,100	6,100	6,200	6,300	6,300
	US 45 N of Chunchula	11,000	11,600	12,500	13,600	14,700
	Celeste Road S of Roberts Road	3,600	3,600	3,700	3,800	4,000
	US 43 S of Mt. Vernon	22,300	23,200	25,100	27,200	29,500
Baldwin	AL 59 S of Drew Phillips Road	1200	1200	1,300	1,300	1,400
	I-65 at Baldwin / Escambia Co Line	30,200	33,300	39,800	47,600	56,900
	US 31 SW of Escambia Co Line	7,300	7,300	7,400	7,500	7,500
	CR 112 NW of Baldwin Co Line	1200	1200	1,200	1,200	1,200
	I-10 at Baldwin Co / FL line	40,800	45,500	53,300	62,500	73,200
	US 90 W of Baldwin Co Line / FL Line	9,100	9,400	10,100	10,800	11,600
	US 98 at Baldwin Co/ FL Line	17,600	19,600	23,000	27,000	31,600
	AL 182 W of Baldwin Co / FL Line	18,700	19,400	20,800	22,300	23,900

Source: CDM Smith

External Trip Model Adjustments

StreetLight Data were used to adjust the external trips (E-E and I-E/E-I) of the MTM trip table. The E-E trips were adjusted to match the StreetLight distribution at external stations. The E-I/I-E trips were adjusted through a two-step process. In the first step, E-I/I-E trips were calculated by subtracting E-E trips (calculated in previous step) from total trips. The E-I trips at each external zone were adjusted to match StreetLight distribution. A similar process was used for I-E trips coming from internal zones, such that there was an equal number of E-I and I-E trips. In the second step, the observed StreetLight pattern was used to distribute E-I and I-E trips between StreetLight zones and model distribution, based on socioeconomic data, with each StreetLight zone being comprised of several TAZs.

5.3.4 Trip Assignment

The passenger car trip table, truck trip table (Section 5.4), and external trips were combined during the trip assignment step using standard travel demand model trip assignment processes to develop the 2023 baseline uncalibrated model. The model was then calibrated and validated (Section 5.5), future year models were developed (Section 5.6), and tolling mechanisms were added (see Section 5.7).

5.4 Truck Model

A separate process was developed for estimating trucks, leveraging components of the Mobile MPO and ESMPO TDMs' truck modules. Mobile's process is data-driven and heavily reliant on TAZ-level StreetLight data. ESMPO's is a synthetic approach following trip generation and distribution steps. The applied hybrid process first adopts the synthetic approach to develop a seed demand matrix, and then is refined via incorporating the Mobile MPO information, StreetLight O-D data, and truck traffic counts.

Figure 33 illustrates seven steps in developing a base 2023 truck trip table.

1 Truck trips are generated by class, separately for internal zones, external zones, and special generators. Internal zones leverage socioeconomic data (households and commercial, service, and other employment categories per TAZ) and apply generation rates sourced from NCHRP Synthesis 298[7] and Quick Response Freight Methods (QRFM) Edition III[8]. (See **Table 21** below.) External zones rely on traffic counts and assumed growth.

2 Trucks are distributed using a doubly-constrained gravity model with network travel distance as an impedance variable and a mathematical function to compute friction factors. Exponential, power, and gamma functions were tested with the objective to closely fit estimated trip length frequency distributions with observed distributions from StreetLight.

3 Synthetic Mobile County truck trip estimates are replaced with Mobile MPO TDM's trip table (factored to 2023), striving to maintain the same truck class shares derived in Step 2.

4 Daily truck trips are split into model time periods by applying aggregated time of day patterns observed from hourly traffic counts.

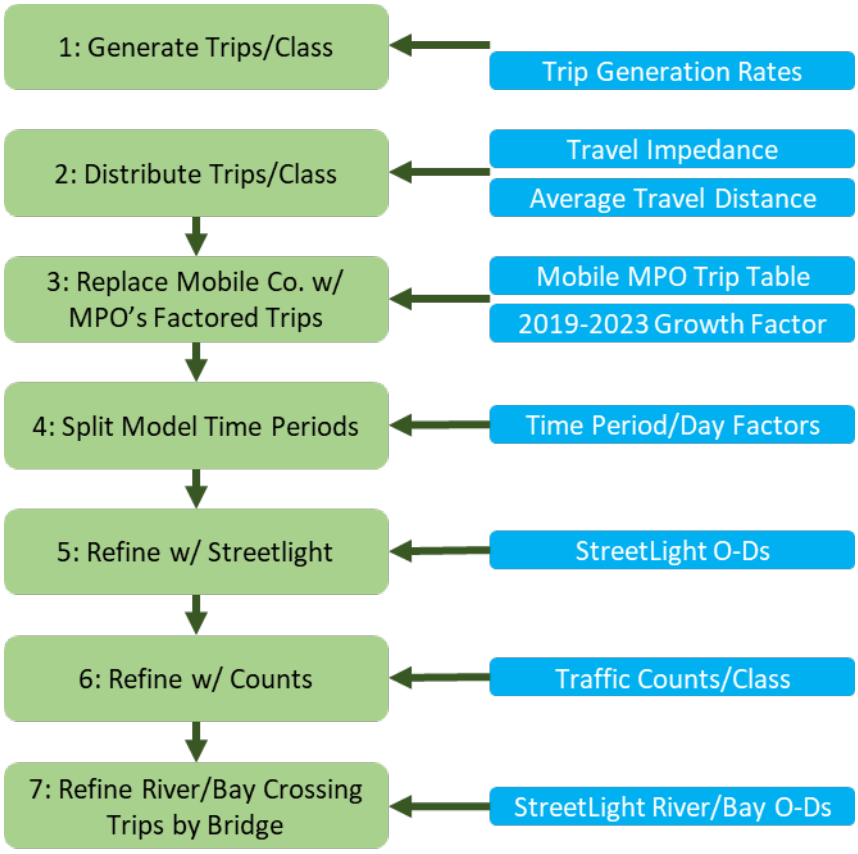
5 StreetLight provides two truck O-D types: proportional general O-Ds by class for superzones (including externals) and specific proportional O-Ds crossing Mobile River and Bay bridges. In this step, general O-Ds are compared against the Mobile MPO truck trip table to understand changes between 2019 to 2023. Adjustments to the bi-county table from Step 4 are made to match general O-Ds. (Specific O-Ds are used in Step 7 to adjust River/Bay trucks for specific bridge crossings.)

6 Class counts are used to calibrate truck trips via an origin-destination matrix estimation (ODME) process. Trucks are more likely to use/stay on highways due to time savings, and a reliability factor is added onto these roadways to reflect this route choice preference.

7 River/Bay-crossing O-Ds are extracted through a select link analysis on I-10 Bayway and US 98 Causeway. Substitutability between the two routes was modeled with route choice assumptions. Modeled River/Bay crossings were compared to specific proportional O-Ds crossing Mobile River and Bay bridges, various route choice assumptions were tested, and refinements were made to minimize modeling adjustments.

[7] National Cooperative Highway Research Program Synthesis 298, Truck Trip Generation Data, 2001
[8] Quick Response Freight Methods (QRFM III) UPDATE, FHWA, September 24, 2019

Figure 33: Truck Model 2023 Trip Table Process



Source: CDM Smith

Table 21: Trip Generation Rates by Truck Class

	Medium Trucks	Heavy Trucks
Households (trips per HH)	0.0087	0.0023
Commercial Employment (trips per emp)	0.0680	0.0190
Service Employment (trips per emp)	0.0140	0.0140
Other Employment (trips per emp)	0.0720	0.0840

Source: NCHRP Synthesis 298 and QRFM Edition III

Using the same generation rates specified in Step 1, forecasted socioeconomic data were used to develop future truck productions and attractions, which were then compared against the base year to develop growth factors applied to the refined base year truck trip table.

5.5 Calibration and Validation

Calibration is the process of adjusting model constants and parameters to improve how well the model replicates observed traffic counts, trip lengths, and travel patterns. CDM Smith utilized FHWA guidelines: the Model Validation and Reasonableness Checking Manual – 2nd Edition

(Validation Manual) as a standard reference for validation. The traffic assignment results of the 2023 MTM were compared to the 2023 observed counts.

To prepare future year models, the same trip generation/distribution steps were followed, but instead using the future year SE data. Then, 2023 trip table adjustments were applied to the future year trip tables to reflect the "calibration effect." In other words, the numerical changes between the uncalibrated and calibrated base year are added to the uncalibrated future year trip tables.

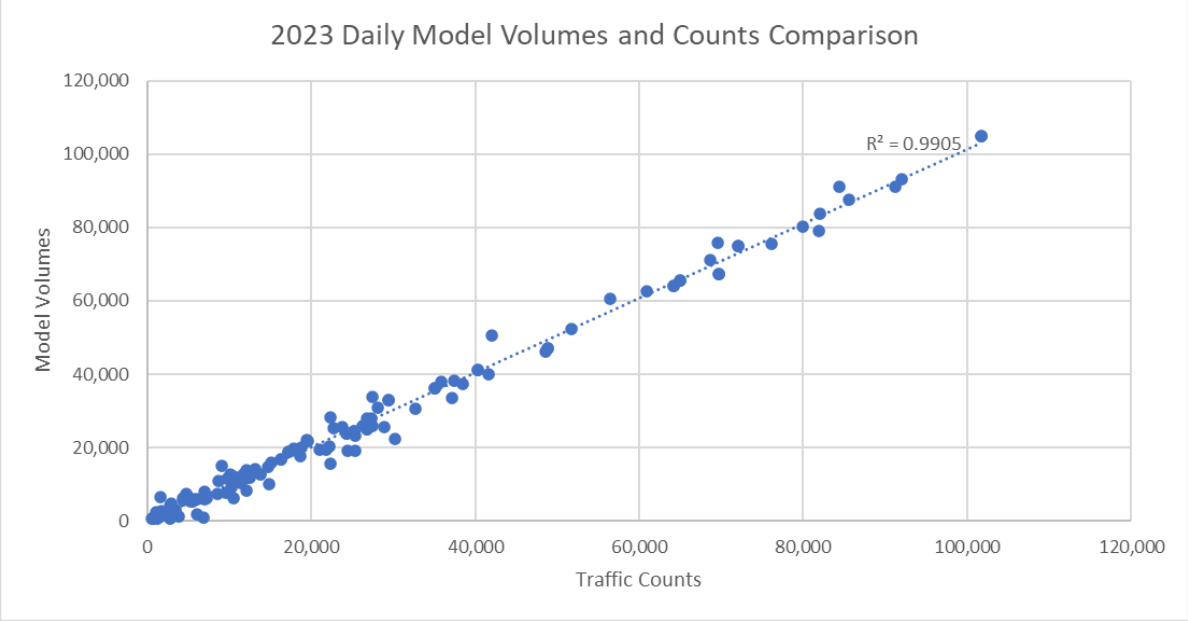
5.5.1 Origin-Destination Matrix Estimation

An ODME process was used for calibration. ODME uses an input seed matrix and target volumes. An algorithm adjusts the seed matrix to best match target volumes in a series of assignment iterations. The ODME seed matrices were uncalibrated 2023 trip tables. Suitable ODME count targets were identified at around 200 count locations, processed to AWDT. At this analysis level, the factors converting daily volumes to the four model time periods were used rather than calibrating by period.

Volume/Count Comparison

Figure 34 presents a scatterplot comparing 2023 daily model volumes via the traffic assignment against the actual traffic counts. The diagonal dotted line indicates a perfect match between assignment and count volumes. The proximity of markers (blue dots) to the diagonal line indicates the goodness-of-fit. As the scatterplot shows, there is a very close volume match at the traffic count locations. The R-squared correlation value is a very high 0.9905.

Figure 34: Model to Counts Scatterplot

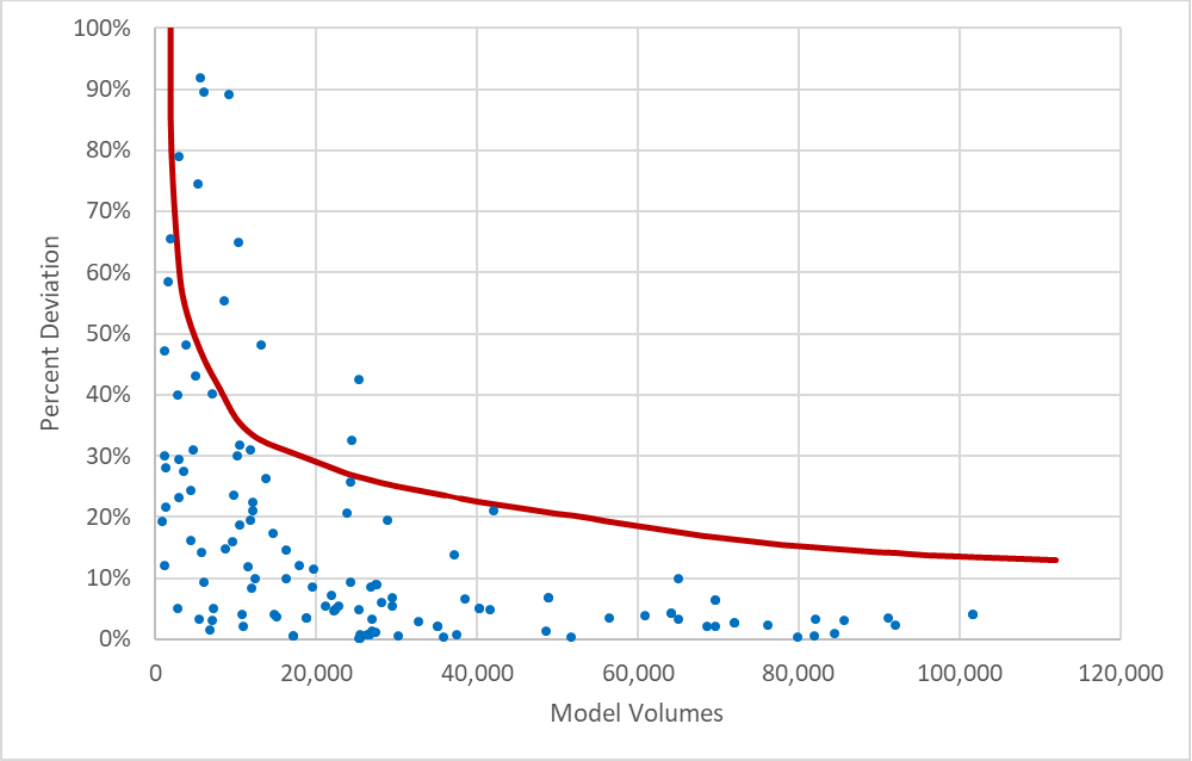


Source: CDM Smith

5.5.2 Traffic Counts to Model Differences

Figure 35 graphs two elements. Each dot represents a comparison between an observed traffic count and the model estimated traffic volume, with the dots' location based on the percent difference between the observed and modeled volumes on the y-axis and the traffic count volume on the x-axis. The graph's solid line represents a maximum desirable deviation, based on NCHRP guidelines, between the counts and model estimated volume, based on the concept that higher volume links should contain a lower error level than lower volume links. Based upon this approach, most model calibration links fall below the maximum desirable deviation line.

Figure 35: Model Traffic versus Maximum Desirable Deviation



Source: CDM Smith

5.5.3 Traffic Count Comparison by Screenline

Table 22 compares observed and modeled traffic volumes at the seven screenlines. The screenline locations were previously shown in **Figure 7**. The screenline results demonstrate that the MTM is performing well in replicating both north-south movements and east-west movements throughout the study area.

Table 22: Screenline Validation/Comparison

SL	Location	Description	Counts PC	Counts CV	Counts Total	Model PC	Model CV	Model Total	% Difference PC	% Difference CV	% Difference Total
1	**Mobile W of I-65 Arc**		**421,200**	**24,700**	**445,900**	**418,900**	**27,000**	**445,900**	**-0.5%**	**9.3%**	**0.0%**
2	**Mobile River N-S**	Wallace Tunnel	59,300	5,700	65,000	59,300	6,100	65,400	0.0%	7.0%	0.6%
		Bankhead Tunnel	16,300	0	16,300	16,900	0	16,900	3.7%	0.0%	3.7%
		Africatown Bridge	21,100	3,200	24,300	20,800	3,000	23,800	-1.4%	-6.3%	-2.1%
		I-65 W of Mobile River	18,300	6,900	25,200	17,500	7,000	24,500	-4.4%	1.4%	-2.8%
		Screenline 2 Subtotal	**115,000**	**15,800**	**130,800**	**114,500**	**16,100**	**130,600**	**-0.4%**	**1.9%**	**-0.2%**
3	**Mobile Bay West**	US 98 (Causeway West)	28,100	1,300	29,400	31,100	1,900	33,000	10.7%	46.2%	12.2%
		I-10 (Bayway West)	63,500	6,200	69,700	61,500	5,800	67,300	-3.1%	-6.5%	-3.4%
		I-65 W of Mobile River	18,300	6,900	25,200	17,500	7,000	24,500	-4.4%	1.4%	-2.8%
		Screenline 3 Subtotal	**109,900**	**14,400**	**124,300**	**110,100**	**14,700**	**124,800**	**0.2%**	**2.1%**	**0.4%**
4	**Mobile Bay East**	I-10 (Bayway East)	65,000	7,000	72,000	67,600	7,200	74,800	4.0%	2.9%	3.9%
		US 98 (Causeway East)	26,500	300	26,800	24,800	300	25,100	-6.4%	0.0%	-6.3%
		I-65 W of Mobile River	18,300	6,900	25,200	17,500	7,000	24,500	-4.4%	1.4%	-2.8%
		Screenline 4 Subtotal	**109,800**	**14,200**	**124,000**	**109,900**	**14,500**	**124,400**	**0.1%**	**2.1%**	**0.3%**
5	**Baldwin E of Bay Arc**		**161,200**	**7,900**	**169,100**	**159,100**	**8,400**	**167,500**	**-1.3%**	**6.3%**	**-0.9%**
6	**E-W north of I-10**		**87,200**	**2,200**	**89,400**	**83,300**	**2,600**	**85,900**	**-4.5%**	**18.2%**	**-3.9%**
7	**E-W south of I-10**		**135,500**	**3,300**	**138,800**	**137,000**	**3,400**	**140,400**	**1.1%**	**3.0%**	**1.2%**
	Externals		222,300	30,300	252,600	232,200	29,200	261,400	4.5%	-3.6%	3.5%
	I-10 Profile		1,318,600	161,600	1,480,200	1,330,200	164,400	1,494,600	0.9%	1.7%	1.0%
	US 98 Profile		229,400	6,800	236,200	228,200	8,800	237,000	-0.5%	29.4%	0.3%

Source: CDM Smith

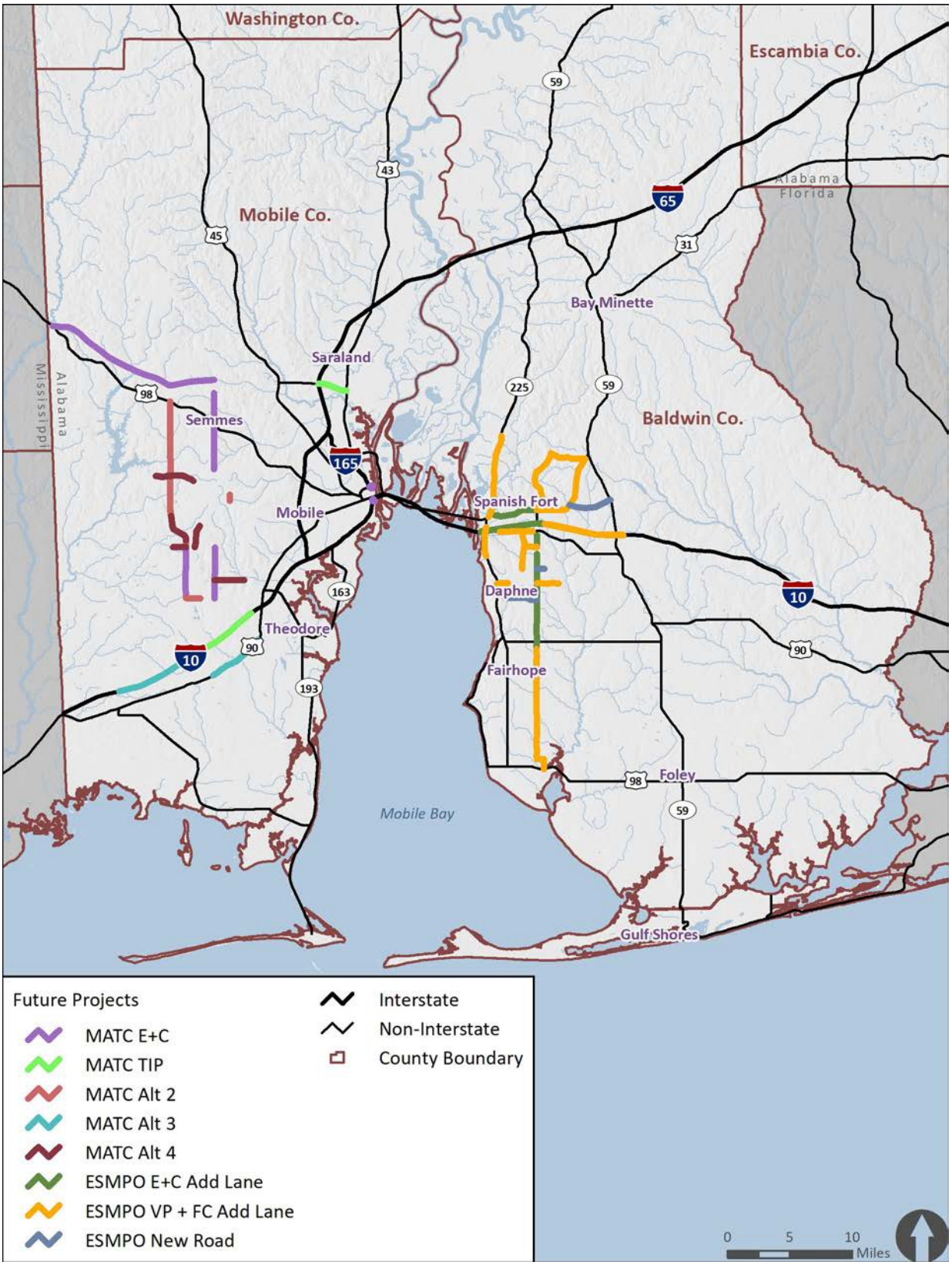
5.6 Future Year Models

Future year models were developed for 2030, 2035, 2045, 2055, and 2065 using corresponding SE data and networks. Future year external traffic was also estimated. Future year roadway networks were created in the same manner as the 2023 network, by combining MATS, ESMPO, and BCHD. Each future year network includes planned capacity improvement projects, as shown in **Figure 36**. For future year trip tables, the same trip generation parameters used for the 2023 base year model were applied but used forecasted future socioeconomic data. Also, the same trip distribution and time-of-day split procedures were used.

As described in Section 5.3.3., future volumes at external zones are estimated by multiplying base year counts with assumed growth rates (**Table 19**) based on ALDOT AWDT historical data from 2014 to 2023 (**Table 18**). Of the 20 stations, 7 showed negative growth. For those stations, a nominal 0.2 percent annual growth was assumed based on the economic growth forecasts described in Chapter 3. **Table 20** shows forecasted traffic at external zones in AWDT including adjustments for trips with one end within the model area.

The final step was applying base year "calibration effects," as the absolute difference between the uncalibrated and calibrated 2023 base year trip tables. It incorporates all trip table adjustments made to ensure traffic assignment volumes, travel patterns, and trip length frequency distributions are calibrated to existing conditions.

Figure 36: Future Network Projects



Source: MATS, ESMPO, CDM Smith

Toll Free Future Year Traffic Volumes Without and With Project

Table 23 shows forecasted AWDT without tolls along key crossings under non-tolled conditions both without and with the MRBB. Annual growth between 2030 and 2065 would be about 0.5 percent without the MRBB and slightly higher with the MRBB. Total Mobile River crossings would increase 8 percent to 12 percent assuming the opening of the new MRBB, depending on the year. The Bankhead and Wallace Tunnels would be expected to experience the bulk of the decreased traffic as users switch to the new crossing, while the Africatown Bridge and I-65 would be expected to see less of a traffic impact. The MRBB would be expected to carry 36 to 38 percent of traffic crossing the Mobile River upon its completion. The US 98 Causeway would be expected to see its share of east bay traffic drop from about 25 percent no build to about 15 percent build no toll on average, while I-65 would decrease from about 24 percent to 21 percent on average. The I-10 east bay crossing would be expected to see 31 percent more traffic in 2030 and about 40 percent more by 2065 if the MRBB is built versus the no build case. These results demonstrate the MRBB will provide relief to the currently congested river and bay crossings by providing a higher capacity alternative for users.

Table 23: Future Year Average Weekday Volumes without Tolls

		Mobile River Crossings						Mobile Bay Crossings (East Bay)			
		I-65	Africatown Bridge	Bankhead Tunnel	Wallace Tunnel	New I-10 Bridge	Total	I-65	US-98	I-10	Total
Existing*	2023	24,600	23,800	16,900	65,500	--	130,800	24,600	25,100	74,900	124,600
No Build	2030	33,500	29,700	22,600	75,900	--	161,700	33,500	36,400	81,400	151,300
	2035	35,200	30,800	22,900	76,600	--	165,500	35,200	39,000	80,700	154,900
	2045	38,500	32,400	23,000	77,600	--	171,500	38,500	40,700	81,700	160,900
	2055	42,600	34,600	23,600	80,200	--	181,000	42,600	43,800	83,900	170,300
	2065	46,900	36,300	24,100	82,800	--	190,100	46,900	45,600	87,000	179,500
Share of Crossings No Build	2030	21%	18%	14%	47%	--	100%	22%	24%	54%	100%
	2035	21%	19%	14%	46%	--	100%	23%	25%	52%	100%
	2045	22%	19%	13%	45%	--	100%	24%	25%	51%	100%
	2055	24%	19%	13%	44%	--	100%	25%	26%	49%	100%
	2065	25%	19%	13%	44%	--	100%	26%	25%	48%	100%
Build No Toll	2030	32,000	25,300	10,800	43,300	63,100	174,500	32,000	23,500	106,500	162,000
	2035	33,800	27,000	11,200	42,100	65,600	179,700	33,800	26,000	107,300	167,100
	2045	37,200	28,400	10,300	43,300	71,100	190,300	37,200	24,000	116,800	178,000
	2055	41,500	30,500	10,500	43,200	76,500	202,200	41,500	29,700	118,800	190,000
	2065	46,000	31,800	10,500	43,600	80,400	212,300	46,000	32,300	121,800	200,100
Share of Crossings Build No Toll	2030	18%	14%	6%	25%	36%	100%	20%	15%	66%	100%
	2035	19%	15%	6%	23%	37%	100%	20%	16%	64%	100%
	2045	20%	15%	5%	23%	37%	100%	21%	13%	66%	100%
	2055	21%	15%	5%	21%	38%	100%	22%	16%	63%	100%
	2065	22%	15%	5%	21%	38%	100%	23%	16%	61%	100%
No Build to Build Change	2030	-4%	-15%	-52%	-43%	--	8%	-4%	-35%	31%	7%
	2035	-4%	-12%	-51%	-45%	--	9%	-4%	-33%	33%	8%
	2045	-3%	-12%	-55%	-44%	--	11%	-3%	-41%	43%	11%
	2055	-3%	-12%	-56%	-46%	--	12%	-3%	-32%	42%	12%
	2065	-2%	-12%	-56%	-47%	--	12%	-2%	-29%	40%	11%

**Existing 2023 represents calibrated model volumes*

Source: CDM Smith

5.7 Incorporating Tolling in Modeling

Tolling can cause two primary effects on traffic: toll suppression causes less traffic to travel in a specific area and toll diversion causes traffic to divert to other routes. Both effects were considered in the current modeling effort.

5.7.1 Toll Suppression

Tolling the MRBB will likely result in fewer vehicles crossing Mobile River/Bay, due to various factors such as travelers opting out of the trip, changing destinations, or resorting to transit or rideshare options. To reflect decreased traffic demand across the Mobile River/Bay, a portion of the toll cost was incorporated into the trip distribution step during tolled scenario runs. Toll suppression, as it is known, reduced the total traffic volume crossing Mobile River/Bay.

5.7.2 Toll Diversion Methodology

A "cost ratio" toll diversion method was used, which is incorporated in the trip assignment step. In this approach, travel time and travel costs between each origin-destination zone pair for paths with the lowest travel time on tolled and on toll-free routes is completed. Travel time and cost matrices are developed using a path-building process. Using the time, distance, and toll cost, a ratio of generalized cost for each path is calculated as follows:

$$CR = \frac{Toll\ Path\ Cost}{Free\ Path\ Cost}$$

$$CR = \frac{VOT * Tt + VOC * Dt + Toll}{VOT * Tf + VOC * Df}$$

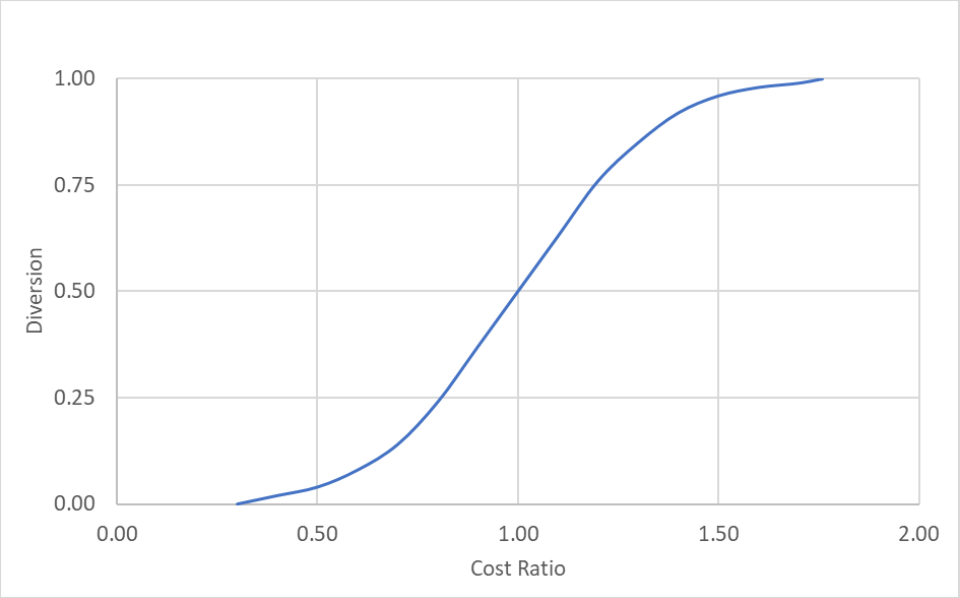
where,

CR	=	Cost Ratio
VOT	=	Value of Time
Tt	=	Travel Time on Toll Path
VOC	=	Vehicle Operating Cost
Dt	=	Distance Traveled on Toll Path
$Toll$	=	Toll Cost
Tf	=	Travel Time on Free Path
Df	=	Distance Traveled on Free Path

The cost ratio calculated for each movement is then used to split the original trip tables into "toll" and "non-toll" components. **Figure 37** illustrates the toll diversion curve used, which assumes if costs are the same, trip makers would be route indifferent and trips would split evenly between toll and toll-free paths. As the toll path cost increases, trip shares decrease, with more trips assigned to the toll-free path – a toll diversion route. However, resulting congestion on toll-free paths would cause some trips to shift back to the toll path. In each model iteration, the toll trips are assigned to the toll path and toll-free trips to the toll-free path. This is repeated until a user equilibrium is satisfied, i.e., no further rerouting is possible without user cost degradation. This traffic assignment methodology, commonly used on travel demand models, is referred to as a "user

equilibrium assignment." This methodology inherently accounts for vehicle operating costs for both toll-free and toll paths, including potentially higher vehicle operating costs for using a longer toll-free path. The number of vehicles assigned to the toll facility was used to determine the toll transactions.

Figure 37: Toll Diversion Curve



Source: CDM Smith

Assumed Inflation

To adjust VOT and VOC to future years, an inflation schedule was assumed as shown in **Table 24**.

Table 24: Assumed Inflation

Year	Inflation
2021	5.27% *
2022	8.43% *
2023	4.38% *
2024	2.89% *
2025	2.40%
2026	2.20%
2027	2.10%
2028-2063	2.00%

** Actual*

Source: BLS, CDM Smith

Value of Time

VOT converts the travel time to a monetary value and is expressed in dollars per hour. As described in **Chapter 4**, SP surveys were conducted to estimate VOT. The top of **Table 25** shows VOT inflated to 2030 dollars. Since 2-axle trucks are a small share of traffic (6.1 percent) and to

develop a more robust model, they were combined with the passenger cars in the development of the MTM. The bottom of **Table 25** shows VOT used in the MTM.

Within the MTM, PC VOT was calculated separately for every O-D pair in the trip table (and each time period) by applying the TAZ-level 2019 median household income estimates, to determine the income-dependent VOT for both the trip origin and destination TAZs. A weighted average of the two VOTs is used to calculate the VOT for that particular O-D pair and time period. The average of the two VOTs were weighted according to the total number of trips produced by the origin versus the total number of trips attracted to the destination.

Table 25: SP Survey Output Value of Time and MTM Model Input Value of Time (in 2030$)

Value of Time (2030$)		AM	PM	Midday	Night	All Day
Class	Income					
Passenger Car Only	$ 17,500	$11.79	$10.89	$9.17	$9.07	--
	$ 37,500	$13.51	$12.49	$10.53	$10.42	--
	$ 62,500	$14.69	$13.58	$11.45	$11.30	--
	$ 87,500	$15.45	$14.28	$12.04	$11.90	--
	$ 112,500	$16.02	$14.81	$12.49	$12.34	--
	$ 125,000	$16.26	$15.03	$12.67	$12.52	--
2-axle Truck	--	--	--	--	--	$ 14.32
Medium Truck	--	--	--	--	--	$ 30.67
Heavy Truck	--	--	--	--	--	$ 44.71
Model Value of Time (2030$)		**AM**	**PM**	**Midday**	**Night**	**All Day**
Class	Income					
Model PC Class (Passenger Car / 2-axle Truck blended)	$ 17,500	$11.94	$11.09	$9.48	$9.39	--
	$ 37,500	$13.56	$12.60	$10.76	$10.65	--
	$ 62,500	$14.67	$13.62	$11.62	$11.48	--
	$ 87,500	$15.39	$14.28	$12.18	$12.04	--
	$ 112,500	$15.92	$14.78	$12.60	$12.46	--
	$ 125,000	$16.15	$14.98	$12.77	$12.63	--
Medium Truck	--	--	--	--	--	$30.67
Heavy Truck	--	--	--	--	--	$44.71

Source: RSG, CDM Smith

Vehicle Operating Cost

VOC is the cost of operating a vehicle for one mile. Motor fuel is the primary (and most variable) component of VOC, but vehicle maintenance and tires are also included. Estimated 2021 VOC is based on three factors: fuel cost, fuel efficiency, and vehicle maintenance costs. Insurance, registration costs, and taxes are not typically included in VOC.

Fuel costs were based on actual gasoline and diesel prices obtained from the Energy Information Administration, with an average gasoline cost of $2.76 per gallon. Fuel efficiency estimates were based on available data from FHWA and the American Automobile Association (AAA), with the fuel economy of a sedan averaging 32 miles per gallon. Assumed fuel efficiency improvements in the future were based on the programmed corporate average fuel economy (CAFE) standards.

Lastly, maintenance costs were based on data published by AAA. The resulting VOC based on these data is estimated to be 21 cents per mile in 2021. The PC VOC is assumed to increase based on inflation assumptions, federal fuel forecasts, and expected increases in vehicle efficiency. The PC VOC parameters used in the model are 30 cents per mile in 2030, 33 cents per mile in 2035, and rising approximately 2.4 percent annually thereafter. The truck VOC was calculated using a similar method resulting in $1.13 per mile in 2030, and $1.27 per mile in 2035, escalating approximately 2.4 percent annually thereafter.

Network Constraints

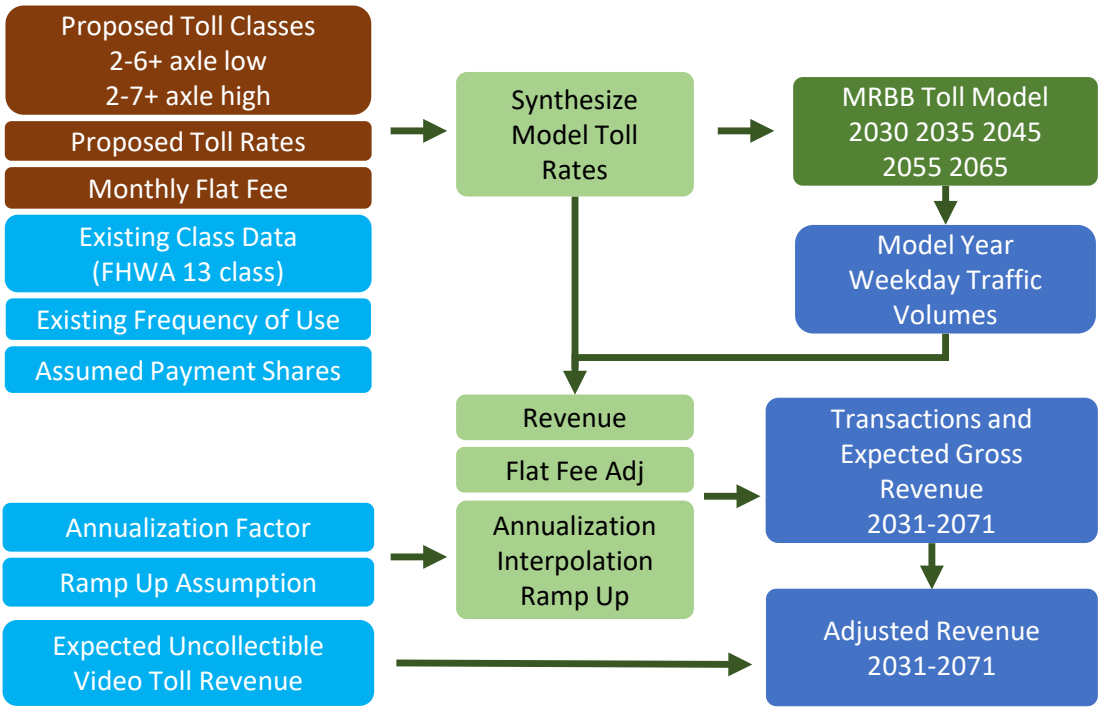
A key factor in developing the MTM is the consideration that only the new Mobile River Bridge will be tolled. The Wallace and Bankhead Tunnels and Africatown Bridge are assumed to remain toll free. Consequently, those desiring to have a toll-free trip using these facilities will need to use the US 98 Causeway, which has existing capacity constraints. The primary approach to controlling this effect in the MTM is application of a more severe volume delay function (VDF) on US 98. Using VDF on US 98 allows the model to limit unreasonable throughput without affecting travel time during off peak hours when the route is less congested. Using time penalties or signal timing would put additional impedance during off peak hours, therefore increasing toll traffic.

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Chapter 6: Traffic Forecast Development

The next step in forecast development is implementing ALDOT's assumed toll rates in the MTM. **Figure 38** outlines this overall process.

Figure 38 Traffic and Revenue Development Overview



Source: CDM Smith

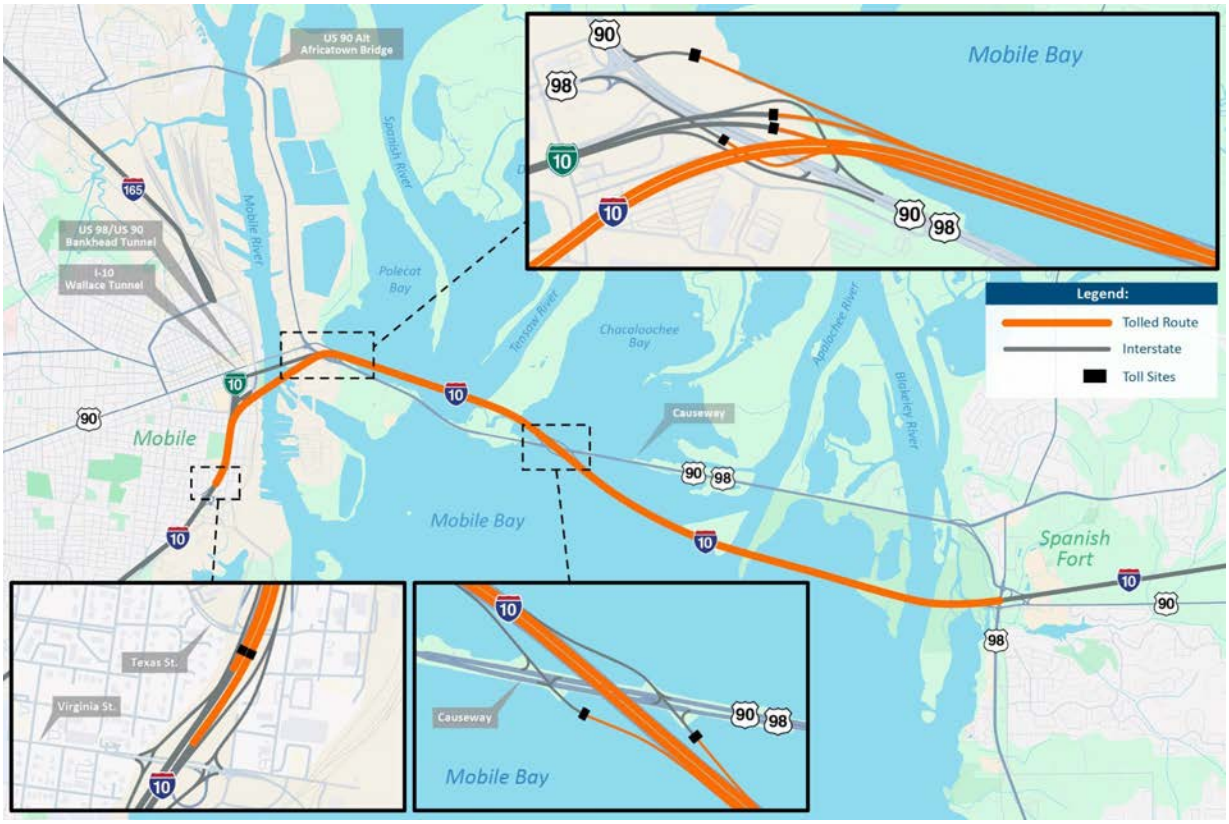
6.1 Tolling Assumptions

In modeling ALDOT's proposed toll policy, key aspects to study are tolled segments (including gantry locations), payment methods, expected payment shares, and extent of monthly flat fee use.

6.1.1 Toll Locations and Payment Methods

ALDOT intends to build a new bridge over the Mobile River, restripe the I-10 Bayway over Mobile Bay, and provide interchange upgrades. Restriping the Bayway will reduce the width of both travel lanes and shoulders, to 11.5 feet and 2.5 feet, respectively, in order to increase the number of travel lanes from four to six. The main project is highlighted in orange in **Figure 39**. Due to the interchanges' configurations and toll gantry locations, a trip in either direction across the new Mobile River Bridge and/or the restriped Mobile Bayway is assumed to incur the same toll. It is currently assumed this will be accomplished via a mainline tolling location west of the Wallace Tunnel covering travel in both directions or one of six ramp locations, two within the Mid-Bay Interchange and four within the western shore interchange.

Figure 39: Tolled and Toll-Free Roadways with Assumed Tolling Locations



Source: ALDOT, CDM Smith

6.1.2 Toll Rates

It is assumed that tolling operations will incorporate all-electronic tolling (AET), where vehicles must be equipped with either an interoperable transponder or ALGOpass transponder or will be tolled using video license plate image capture. Cash or credit card point-of-sale payments will not be accepted, nor will there be traditional staffed toll booths on the MRBB. Gantry tolling equipment positioned above tolling locations will be designed to electronically capture transactions using a transponder or by taking a picture of a vehicle's license plate. The license plate information will be used to determine the vehicle's registered owner who will then be sent a pay by mail invoice if there is no valid transponder detected.

Assumed toll classes and rates are broken into PC low vehicles (shorter than 7'6" over the first two axles) and trucks/commercial vehicles (7'6" and above over the first two axles), per **Table 26**. Toll rates are assumed to not vary by time of day, day of week, or by month.

Table 26: Toll Classes and Rates (in Opening Year 2031$)

Vehicle Type		Interoperable Transponder Rate (Base)	ALGOpass Transponder Rate (Discount)	Video Rate	ALGOpass Monthly Flat Fee
Height	Axles				
Low (under 7'6")	2	$7.70	$3.00	$15.40	$60.00
	3	$13.30	$6.00	$26.60	
	4	$15.40	$6.00	$30.80	
	5	$21.00	$9.00	$42.00	
	6	$23.10	$9.00	$46.20	
High (7'6" and higher)	2	$20.30	$12.60	$40.60	
	3	$28.35	$16.80	$56.70	
	4	$36.40	$21.00	$72.80	
	5	$44.45	$25.20	$88.90	
	6	$52.50	$29.40	$105.00	
	7	$60.55	$33.60	$121.10	

Source: ALDOT, CDM Smith

In 2031 (assumed opening year), PC low vehicles with interoperable transponders[9] (e.g., Florida's SunPass®) are expected to pay the base rate of $7.70, escalating by total axles when towing a trailer, up to $23.10. PC low vehicles with ALGOpass transponders will pay a discounted rate of $3.00, also escalating by total axles when towing a trailer up to $9.00. PC low vehicle video rates will start at $15.40 with nothing in tow, escalating to $46.20 with 6 or more total axles. The ALGOpass monthly flat fee benefits frequent users by providing unlimited trips for 2-axle low vehicles with nothing in tow for a monthly flat fee ($60) equivalent to 20 regular trips at the 2031 opening rate ($3). In lieu of per-trip tolls, participants in the program must have an ALGOpass transponder and pre-pay for unlimited use.

Base truck tolls for those with interoperable transponders will range from $20.30 to $60.55, again escalating by vehicle size/axles. Trucks with ALGOpass transponders will see an approximately 38-percent to 45-percent discount. Video tolls for trucks will range from $40.60 to $121.10, depending on number of axles.

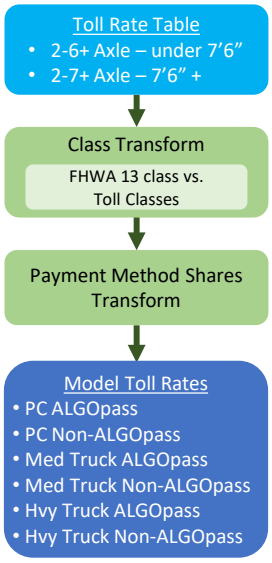
It is assumed that all toll rates will increase annually at 5.0 percent from 2032 to 2041 and then 2.5 percent thereafter. However, it was also assumed that the ALGOpass monthly flat fee will be held at $60 through 2041. It will then be adjusted to $80.14 in 2042, which is roughly equivalent to 16 2-axle trips at the ALGO rate. After 2042, the ALGOpass monthly flat fee will be increased annually at a rate of 2.5 percent, consistent with all other toll rates.

6.1.3 Toll to Model Rates Conversion and Payment Shares

The MTM cannot directly utilize the planned toll classes and rates due to limitations on data availability and model capacity. It is standard practice to convert planned toll rates to fewer model toll rates utilizing existing vehicle class information and assumed payment shares, per **Figure 40**.

[9] Which transponders will be considered interoperable has not been determined at the time of this report.

Figure 40: Toll Rate to Model Rate Conversion



Source: CDM Smith

FHWA class information was collected in September 2021 and November 2024 and the resulting vehicle proportions can be found in **Table 27**. The modeled toll rates were developed assuming PCs include FHWA classes 1-5, MTs include classes 6-8, and HTs include classes 9-13. Accounting for the planned roadway configuration and tolling points, the combined I-10 Bayway East and US 98 Causeway East FHWA class shares were used to help develop the model input toll rates. Two-axle PCs and light trucks with and without trailers (FHWA classes 2 and 3) make up the largest share of model traffic at 86 percent. The vehicle class shares are assumed to remain constant over time.

Additional breakouts were needed for certain FHWA classes to align with the planned toll classes for low vehicles with trailers (FHWA class 3) and combinations of axles within FHWA truck class 4 (3- or 4-axle buses) and class 8 (3- or 4-axle single trailers). Field and vehicle fleet data developed for a prior study were used to estimate these breakouts. It is unlikely these shares have changed significantly over time. (See **Table 1**.)

Table 27: Actual Shares of Bayway and US 98 Traffic by FHWA and Model Class

FHWA Class	Model Class	I-10 Bayway East	US 98 Causeway East	Combined
1		0.5%	0.4%	0.5%
2		58.7%	68.5%	61.0%
3	PC	24.0%	25.2%	24.3%
4		1.3%	0.3%	1.1%
5		4.7%	3.4%	4.4%
PC Subtotal		89.2%	97.8%	91.3%
6		0.4%	0.3%	0.4%
7	MT	0.0%	0.5%	0.1%
8		2.5%	0.6%	2.1%
MT Subtotal		2.9%	1.4%	2.6%
9		7.4%	0.7%	5.8%
10		0.2%	0.1%	0.1%
11	HT	0.1%	0.0%	0.1%
12		0.2%	0.0%	0.1%
13		0.0%	0.0%	0.0%
HT Subtotal		7.9%	0.8%	6.1%
Total		100.0%	100.0%	100.0%

Source: FTE, CDM Smith counts September 2021 and November 2024

Initially, assumed payment shares for the three model toll classes were estimated at key forecast years (See **Table 28**). ALGOpass transponder shares were estimated for all I-E, I-E/E-I, and E-E trips utilizing startup and current transponder share information for similar facilities and professional experience. Utilizing a MTM feedback loop, the model class shares by trip type (I-I, I-E/E-I, and E-E) were applied to develop summary shares by class and total. Interoperable transponder shares were developed similarly.

PC ALGOpass transponder shares are expected to be approximately 58 percent in 2031, increasing to 74 percent by 2065. MT and HT ALGOpass transponder shares are expected to be lower than PCs (approximately 45 percent and 27 percent respectively for 2031, increasing to 65 percent and 37 percent by 2065) since many fleets already have interoperable transponders and are unlikely to get ALGOpass transponders given the MRBB would be the only toll facility operated by ALDOT in the region. As a result, interoperable transponder shares are expected to be low for PCs initially and much higher for MTs and HTs.

Over the horizon, payment shares by interoperable transponders and ALGOpass are assumed to increase substantially due to typical transponder adoption over time, the lower toll rates charged to interoperable and ALGOpass transponders, and increasing vehicle onboard telematics. By 2065, 72 percent of all transactions are expected to be by ALGOpass transponder, 24 percent by interoperable transponder, and only 4 percent video transactions.

Table 28: Assumed Payment Shares for Key Forecast Years

Model Year/ Vehicle Class	Interoperable Transponder	ALGOpass Transponder	Video	Total
Year 2030				
PC	8%	58%	34%	100%
MT	24%	45%	30%	100%
HT	52%	27%	21%	100%
All Transactions	10%	57%	33%	100%
Year 2035				
PC	11%	65%	24%	100%
MT	28%	53%	19%	100%
HT	54%	32%	14%	100%
All Transactions	13%	63%	23%	100%
Year 2045				
PC	19%	70%	11%	100%
MT	30%	60%	10%	100%
HT	56%	35%	9%	100%
All Transactions	21%	68%	11%	100%
Year 2055				
PC	20%	72%	7%	100%
MT	32%	63%	5%	100%
HT	58%	37%	6%	100%
All Transactions	23%	70%	7%	100%
Year 2065				
PC	22%	74%	4%	100%
MT	32%	65%	4%	100%
HT	61%	37%	1%	100%
All Transactions	24%	72%	4%	100%

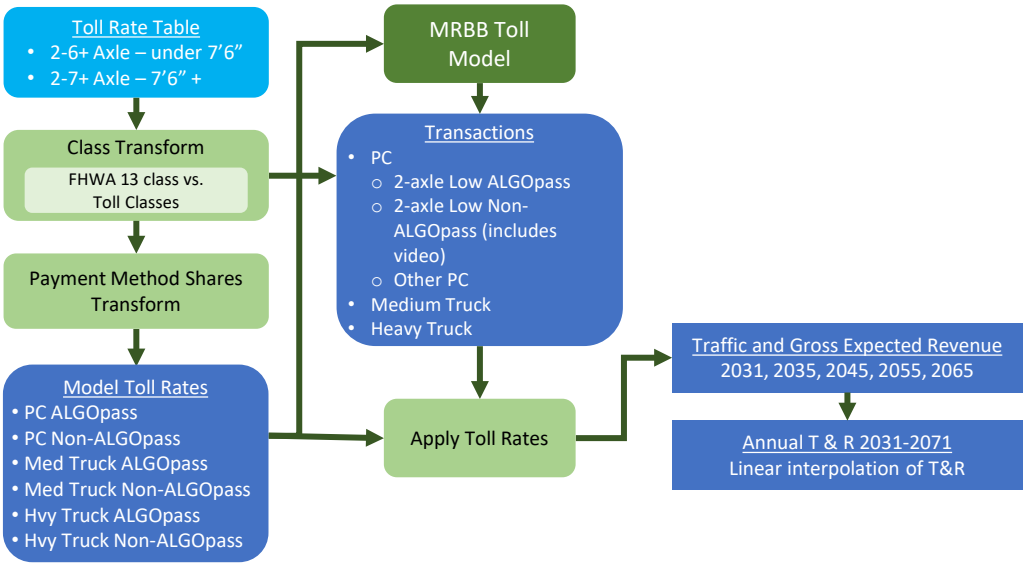
Note: ALGOpass Transponder share also includes ALGOpass Monthly Flat Fee customers.
Model years are 2030, 2035, 2045, 2055, and 2065. Actual opening year is planned for 2031 and interpolated.
Source: CDM Smith

6.1.4 T&R Development without Monthly Flat Fee

In developing annual transaction and expected gross revenue streams based on tolling assumptions, a few additional steps were taken, per **Figure 41**. This initial forecast process is later adjusted for the monthly flat fee plan approach (next section).

Model toll rates are fed into the MTM for each model year for ALGOpass and non-ALGOpass; outputs are transactions by the three model classes. PC transactions are further split (per FHWA class count data) to 2-axle low ALGOpass, 2-axle low non-ALGOpass, and other PCs for estimating monthly flat fee plan impacts. Detailed toll rates for 2-axle low and blended toll rates for the other classes are multiplied by their respective transactions, resulting in traffic and gross revenue forecasts. To generate annual T&R from the AWDT-based MTM, annualization factors of 343 for PCs and 320 for trucks are applied. Linear interpolation and extrapolation are utilized to develop T&R estimates for interim and extended forecast years, beginning in 2031.

Figure 41: Traffic and Gross Revenue Forecast Development



Source: CDM Smith

6.1.5 Monthly Flat Fee Adjustment Approach

Based on public consultation, ALDOT intends to include an ALGOpass monthly flat fee plan, available to 2L (two-axle low) class vehicle drivers with nothing in-tow. This plan is assumed to require an ALGOpass transponder and a flat $60 prepayment per month, initially equivalent to 20 one-way tolled trips across Mobile River and Bay at the assumed $3.00 opening year toll rate.

Figure 42 shows processes for modeling the monthly flat fee plan:

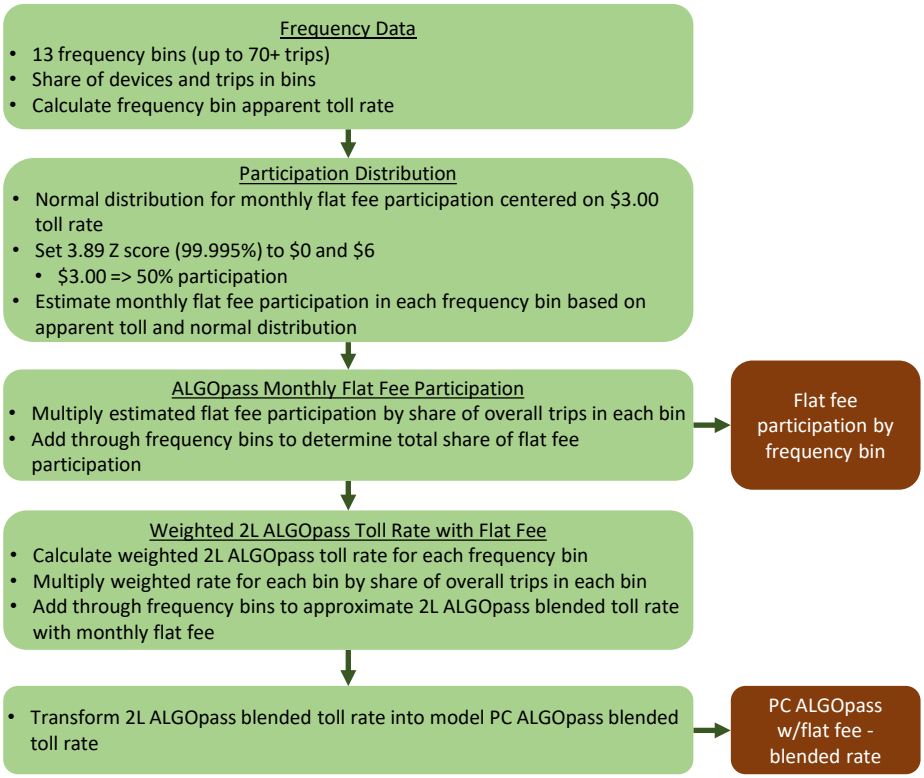
- Frequency Data – Existing frequency data from StreetLight, including shares of devices and trips, was utilized to calculate the apparent toll rate with the flat fee plan applied for each frequent-user bin. (For instance, travelers in the 30 trips per month frequency bin would have an apparent toll with the $60 pass plan of $2.00 per trip).

- Participation Distribution – A normal cumulative distribution for ALGOpass monthly flat fee participation was applied to each frequency bin, centered on the $3.00 ALGOpass 2L (two-axle low) toll rate where participation is assumed to be 50 percent. An assumed 99.995 percent participation was applied at a $0 apparent toll rate and a 0.005 percent participation was applied at a $6.00 apparent toll rate. Participation was calculated for each frequency bin.

- ALGOpass Monthly Flat Fee Participation – Combines the frequency distribution and usage assumptions to estimate pass participation rates for each frequency bin, calculated by multiplying estimated usage rates by overall trip shares in each frequency bin. Participation rates were then weighted by total trip share to determine overall share of pass participation. The resulting participation is 30.2 percent of Class 2L ALGOpass daily transactions.

- Weighted 2L ALGOpass Toll Rate with Flat Fee – Weighted toll rate (including monthly flat fee ALGOpass participants and regular ALGOpass payment) for each frequency bin was determined using estimated ALGOpass monthly flat fee participation by each bin. The weighted 2L ALGOpass toll rate was calculated by summing the weighted toll rate in each bin against the trip share in each bin. The resulting weighted 2L ALGOpass toll rate, which accounts for the flat fee adjustment, was then fed back into the previously developed toll-class to model-class process to determine the PC ALGOpass "blended" toll rate with the flat fee plan.

Figure 42: Development of Model PC Toll Rate with Monthly Flat Fee Plan



Source: CDM Smith

Applying this process results in a lower PC blended rate for the model toll rates. The ALGOpass monthly flat fee plan results in an estimated PC ALGOpass model toll rate decrease of around 8.0 percent for each model year.

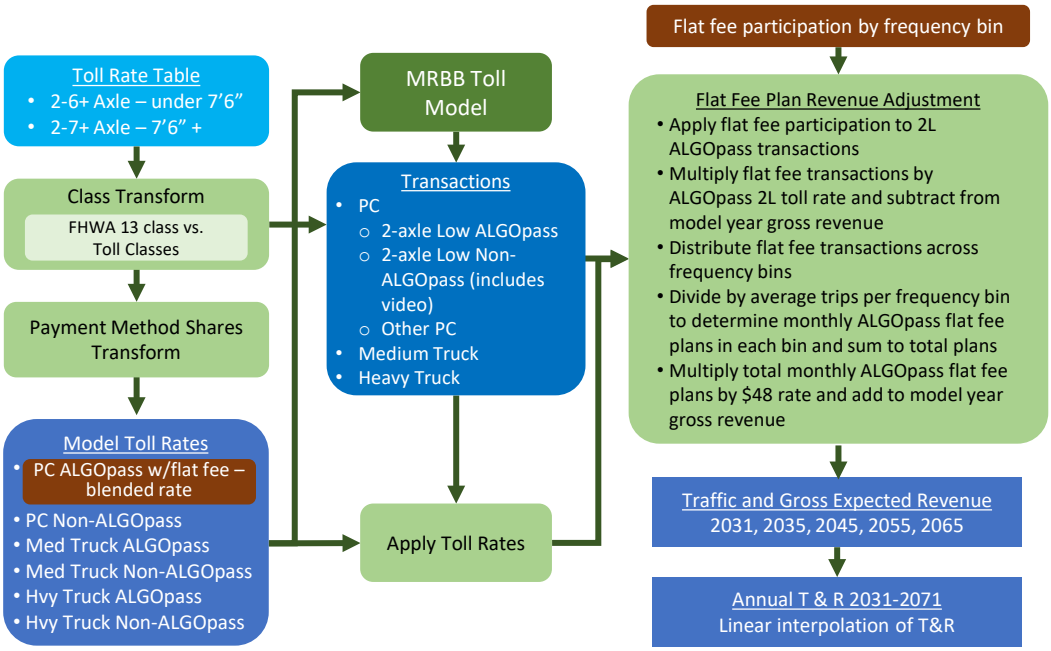
6.1.6 T&R Development with ALGOpass Monthly Flat Fee Plan

The final steps in applying the flat fee plan adjustment can be found in **Figure 43.** The PC with flat fee blended rate, reflecting users who pay regular ALGOpass toll rates as well as those utilizing the flat fee per month plan, is fed into the MTM. (The other toll rates remain the same.) The PC blended rate is lower and results in more modelled PC transactions which are then added to the 2L ALGOpass transactions. In other words, it is assumed any increase in transactions with the addition of the flat fee plan is strictly due to the application of that plan and those transactions accumulate to the 2L class.

Next, the flat fee participation previously determined is applied to the 2L ALGOpass transactions to determine how many transactions are generated within the flat fee plan. These are multiplied by the $3.00 2L ALGOpass rate resulting in the expected revenue for the flat fee transactions. This revenue is then removed from the overall gross revenue. The flat fee transactions are distributed into the frequency bins and divided by the average number of monthly trips in each bin to determine the number of monthly flat fee plans purchased per bin, which are then summarized to determine the total monthly flat fee plans. This total is multiplied by the $60 flat fee plan rate and the revenue is added to the overall gross revenue.

The other PC and MT and HT transactions are multiplied through the regular modeled rates for those classes to develop gross revenue. The usual extrapolation, annualization, and interpolation process is used to build the annual traffic and revenue streams.

Figure 43: T&R Development with Monthly Flat Fee Adjustment



Source: CDM Smith

6.2 Model Results (AWDT)

Table 29 summarizes AWDT on the Mobile River and Mobile Bay crossings with the MRBB, both without and with tolling. With tolling, the total traffic is expected to decrease by between 3 and 5 percent versus the build no toll condition in all model years due to overall cross bay trip suppression caused by tolling.

When MRBB is tolled compared to build non-tolled, traffic increases between 4 and 9 percent in the Bankhead Tunnel, increases between 40 and 51 percent in the Wallace Tunnel, decreases by between 42 and 46 percent on the Mobile River Bridge, decreases between 18 and 24 percent on the Africatown Bridge, and increases between 25 and 31 percent on I-65 for modeled years. A large proportion of traffic shifting from the tolled MRBB would likely use the Wallace and Bankhead Tunnels while some would divert to I-65. Africatown Bridge decreases are likely due to crowding on the toll-free US 98 Causeway. Traffic on the US 98 Causeway would increase

between 66 and 110 percent under build toll conditions versus build no toll conditions, handling the combined volume increases from the Wallace and Bankhead Tunnels.

Table 29: Comparison of Average Weekday Traffic with Tolling

		Mobile River Crossings						Mobile Bay Crossings (East Bay)			
		I-65	Africatown Bridge	Bankhead Tunnel	Wallace Tunnel	New I-10 Bridge	Total	I-65	US-98	I-10	Total
Existing*	2023	24,600	23,800	16,900	65,500	--	130,700	24,600	25,100	74,900	124,600
No Build	2030	33,500	29,700	22,600	75,900	--	161,700	33,500	36,400	81,400	151,300
	2035	35,200	30,800	22,900	76,600	--	165,500	35,200	39,000	80,700	154,900
	2045	38,500	32,400	23,000	77,600	--	171,500	38,500	40,700	81,700	160,900
	2055	42,600	34,600	23,600	80,200	--	181,000	42,600	43,800	83,900	170,300
	2065	46,900	36,300	24,100	82,800	--	190,100	46,900	45,600	87,000	179,500
Build No Toll	2030	32,000	25,300	10,800	43,300	63,100	174,500	32,000	23,500	106,500	162,000
	2035	33,800	27,000	11,200	42,100	65,600	179,700	33,800	26,000	107,300	167,100
	2045	37,200	28,400	10,300	43,300	71,100	190,300	37,200	24,000	116,800	178,000
	2055	41,500	30,500	10,500	43,200	76,500	202,200	41,500	29,700	118,800	190,000
	2065	46,000	31,800	10,500	43,600	80,400	212,300	46,000	32,300	121,800	200,100
Build Toll	2030	40,500	20,700	11,800	60,700	34,600	168,300	40,500	49,300	65,500	155,300
	2035	42,800	20,900	11,600	61,700	35,600	172,600	42,800	50,200	66,500	159,500
	2045	48,600	21,600	11,100	61,100	39,300	181,700	48,600	49,100	71,100	168,800
	2055	53,600	23,500	11,100	63,600	43,600	195,400	53,600	51,800	77,400	182,800
	2065	57,500	24,400	11,200	65,900	46,600	205,600	57,500	53,700	82,500	193,700

**Existing 2023 represents calibrated model volumes*
Note: Model years are 2030, 2035, 2045, 2055, and 2065. Actual opening year is planned for 2031.
Source: CDM Smith

Table 30 summarizes example modeled travel times. Trips with the greatest benefit eastbound are between Mobile Downtown and Eastern Shore Center, where the toll route offers a 56- to 66-percent reduction in travel time for the AM and PM peak, respectively. Trips seeing the greatest benefit westbound are between Eastern Shore Center and the University of South Alabama, where the toll route offers travel time reductions of about 39 percent in the AM and 48 percent in the PM travel time. Trips on I-10 from state border to state border in both directions benefit by at least 22 minutes and reach over 30 minutes in the afternoon in both directions. Trips between Bay Minette and Austal Shipyard show less overall benefit since the toll-free route would likely be I-65 instead of US 98.

Table 30: Travel Time Summary with Tolled MRBB (2031)

Eastbound		I-10 (Tolled Path)		US 98 or I-65 (Toll Free Path)		Difference	
From	To	AM Peak	PM Peak	AM Peak	PM Peak	AM Peak	PM Peak
South Mobile / New Airport	Downtown Daphne	21	23	41	57	20	34
Mobile Downtown	Eastern Shore Center	15	16	34	47	19	31
Austal Shipyard	Foley	41	44	58	73	17	29
University of South Alabama	Gulf Shores	76	83	97	112	21	29
I-10 at MS Border	I-10 at FL Border	67	70	89	104	22	34
Westbound		**I-10 (Tolled Path)**		**US 98 or I-65 (Toll Free Path)**		**Difference**	
From	To	AM Peak	PM Peak	AM Peak	PM Peak	AM Peak	PM Peak
Bay Minette	Austal Shipyard	39	39	47	48	8	9
Gulf Shores	South Mobile / New Airport	64	72	87	103	23	31
Eastern Shore Center	University of South Alabama	33	33	54	63	21	30
Foley	Mobile Downtown	43	42	64	72	21	30
I-10 at FL Border	I-10 at MS Border	66	71	88	102	22	31

Source: CDM Smith

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Chapter 7: Traffic and Revenue Forecasts

Utilizing the MTM described in Chapter 5 and approach to developing forecasts described in Chapter 6 as well as annualization and interpolation and extrapolation between model years, transaction and gross toll revenue annual streams were developed. Adjusted gross toll revenue streams were developed by subtracting estimated uncollectible video tolls from the gross toll revenue streams. Capital, operation, and maintenance costs for the toll collection system and fines and fee revenue will be provided by ALDOT separately from this study.

7.1 Assumptions/Caveats

The list below provides information on major assumptions and caveats regarding the toll transactions and revenue forecasts.

- PC VOT vary by time-of-day and by the median household income of the trip's origin and destination TAZs. The average PC VOT (which includes 2-axle trucks) is $12.79 per hour in 2030 dollars and $25.58 per hour in 2065 dollars.
- Medium truck VOT is $30.67 per hour in 2030 dollars and $61.33 per hour in 2065 dollars.
- Heavy truck VOT is $44.71 per hour in 2030 dollars and $89.41 per hour in 2065 dollars.
- Annualization factors of 343 for PCs and 320 for trucks (based on review of permanent count stations crossing Mobile River with downward adjustments for holidays and weekends).
- The I-10 MRBB would open to traffic and tolling would begin by October 1, 2031.
- All roadway improvement projects included in the current Mobile MPO and Baldwin County Long Range Transportation Plan (LRTP) will be implemented within their specified timeframe.
- No other competing facilities or additional capacity improvements would be constructed during the 2023-2071 period, other than those listed in the current LRTP.
- Toll rates are set at the amounts shown in this report.
- Toll rates shown in this report are introduced at opening (assumed to be October 1, 2031) and are increased annually by 5.0 percent from 2032 to 2041 and then 2.5 percent thereafter, and the ALGOpass monthly flat fee will be introduced with the rates described in this report.
- Toll payment shares will be as described in this report. Loss due to uncollectible video tolling payments is assumed to be 50 percent of the expected gross revenue from video tolls.
- Actual inflation will be consistent with the assumption of 2.4 percent in 2025, 2.2 percent in 2026, 2.1 percent in 2027, and 2.0 percent from 2028 through 2071. VOT parameters have been escalated by this schedule in the travel demand model.
- Toll gantries will be situated at the locations described and the full toll rates will be charged at each gantry.
- Restriping the Bayway to have six 11.5'-wide lanes and 2.5'-wide shoulders will have minimal impacts on free-flow speeds on the Bayway and traffic and revenue on the MRBB.
- Economic growth in the study area will be generally consistent with what was assumed in the SE forecasts as presented in this report.

- The highest annual traffic growth rates for externals are estimated to be 1.0 percent and 2.2 percent in Mobile and Baldwin Counties, respectively, from 2023-2035. These growth rates are then estimated to moderate from 2035-2065, reflecting expected socioeconomic growth. Similarly, the lowest growth is estimated to be 0.1 percent throughout the forecast based on expected economic growth. The greatest levels of growth are estimated to occur on I-65 at the Baldwin/Escambia County line and on I-10 and US 98 at the Baldwin County/Florida line owing to the large historical growth at these locations.
- The I-10 MRBB will be properly signed and promoted to encourage maximum usage.
- Motor fuel will remain in adequate supply and no national or regional emergency shall arise that would abnormally restrict the use of motor vehicles.
- No major construction activities, natural disasters or acts of terrorism will affect access and circulation on the MRBB.
- No force majeure events will occur (e.g., major hurricane destroys infrastructure, pandemic results in greatly reduced travel, etc.).

7.2 Transactions & Gross Revenues

7.2.1 Factors

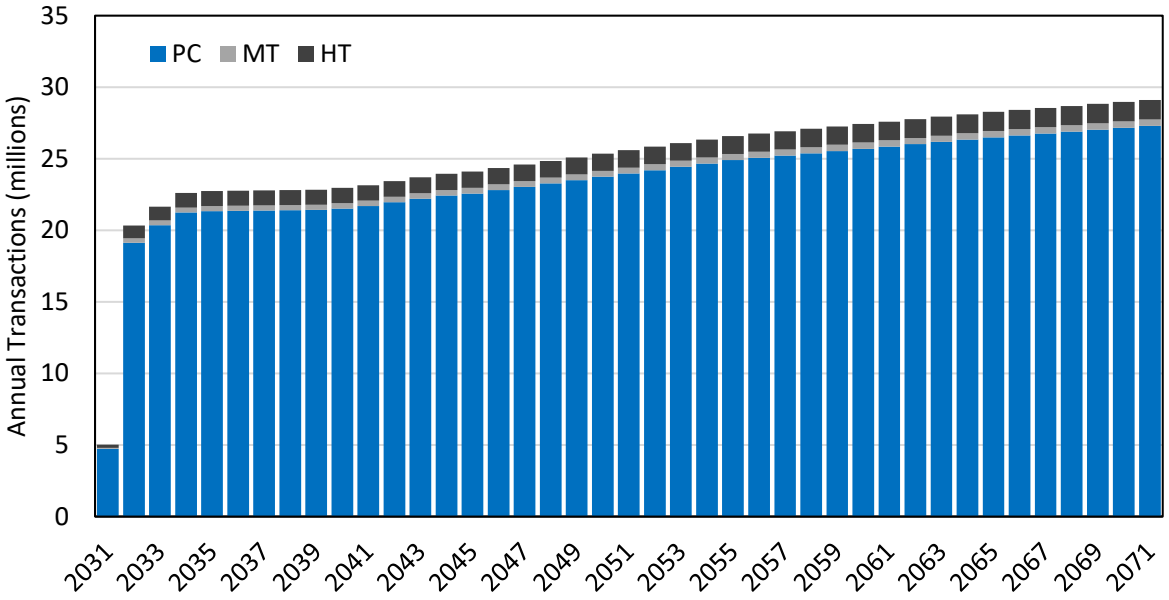
To develop annual transactions and gross revenue from the AWDT MTM and T&R model results, annualization factors of 343 for PCs and 320 for trucks were applied. These factors are based on review of permanent count stations crossing Mobile River and other comparable toll facilities and adjusts for holidays and weekends where the toll-free route may be more competitive. Also, given this will be a new tolled facility, ramp-up factors of 0.895 and 0.95 were used for the first and second year of operation, respectively.

7.2.2 Annual Transactions

As noted previously in this report, interim years were developed through interpolation. To develop forecasts through 2071, T&R growth between 2055 and 2065 was reviewed and applied through 2071 at a 90-percent rate. This assumes a continued reduction in growth rates over time, consistent with the MTM results, which would occur over time as the MRBB facility matures.

Annual transactions (**Figure 44)** are estimated at 5.0 million for three months of operation in 2031 and 20.3 million for the first full year of operation in 2032. Thereafter, transactions escalate 6.5 percent in 2033, 4.4 percent in 2034, and 0.5 percent in 2035, when there will be an estimated 22.7 million transactions. Annual transactions are then forecast to grow 0.1 percent annually through 2039, and between 0.5 percent and 1.2 percent each year from 2040 to 2055, with minor variations within modeled years stemming from underlying nuances in the socioeconomic forecasts affecting trip generation. Annual growth is a more modest 0.6 percent from 2056 through 2065 and 0.5 percent from 2066 through 2071. Truck growth is projected to be slightly faster than PC growth, such that MTs and HTs each growth about 1 percent (ranging between 0.2 percent and 1.9 percent) annually between 2036 and 2055. From 2056 through 2071, MTs and HTs grow modestly at 0.3 to 0.6 percent annually. MTs remain between 1.5 and 1.6 percent of all transactions throughout the forecast period, with HTs increasing from 4.3 percent in 2031 to 4.7 percent in 2071. However, PC transactions constitute a continued majority, from 94.2 percent in 2031 to 93.8 percent in 2071.

Figure 44: Annual Transaction Estimates (millions)



Source: CDM Smith

Annual transaction estimates through the study horizon detailed by payment type can be found in **Table 31**. In opening year 2031, 54 percent of annual PC transactions are expected to be completed with ALGOpass or another interoperable transponder, with another 16 percent expected to utilize the ALGOpass flat fee plan. All three transponder transaction types are expected to increase in share through the project horizon, with the resulting PC video transactions decreasing from 30 percent of transactions in 2031 to just 4 percent in 2071.

Trucks, a combination of MT and HT, are expected to have a larger share of out-of-state interoperable transponder transactions, due to their higher share of interstate travel and limited number of toll facilities in Alabama. This interoperable share steadily increases from 45 percent in 2031 to 53 percent in 2071, while ALGOpass transactions increase from 34 percent to 45 percent over the same time frame. As such, video transactions are expected to continually decrease as a share of total transactions throughout the project timeline. Due to the larger share of PC transactions expected on the MRBB, total transaction payment shares largely mirror those shown in the PC forecast.

Table 31: Annual Transaction Estimates by Payment Type (millions)

	Passenger Car (PC) Transactions					Truck (MT+HT) Transactions				Total Transactions				
Year	Interop	ALGOpass	Video	Flat Fee	**Total**	Interop	ALGOpass	Video	**Total**	Interop	ALGOpass	Video	Flat Fee	**Total**
2031	0.368	2.196	1.413	0.753	**4.730**	0.132	0.098	0.062	**0.292**	0.500	2.294	1.475	0.753	**5.022**
2032	1.615	9.057	5.367	3.105	**19.144**	0.545	0.420	0.236	**1.201**	2.160	9.477	5.603	3.105	**20.345**
2033	1.853	9.814	5.337	3.362	**20.366**	0.592	0.470	0.234	**1.296**	2.445	10.284	5.571	3.362	**21.662**
2034	2.073	10.425	5.183	3.569	**21.250**	0.630	0.514	0.228	**1.372**	2.703	10.939	5.411	3.569	**22.622**
2035	2.220	10.656	4.823	3.646	**21.345**	0.646	0.539	0.211	**1.396**	2.866	11.195	5.034	3.646	**22.741**
2036	2.385	10.736	4.572	3.673	**21.366**	0.652	0.547	0.203	**1.402**	3.037	11.283	4.775	3.673	**22.768**
2037	2.551	10.816	4.323	3.700	**21.390**	0.656	0.555	0.194	**1.405**	3.207	11.371	4.517	3.700	**22.795**
2038	2.716	10.896	4.072	3.726	**21.410**	0.662	0.563	0.186	**1.411**	3.378	11.459	4.258	3.726	**22.821**
2039	2.881	10.976	3.822	3.753	**21.432**	0.668	0.571	0.177	**1.416**	3.549	11.547	3.999	3.753	**22.848**
2040	3.046	11.114	3.572	3.797	**21.529**	0.674	0.600	0.169	**1.443**	3.720	11.714	3.741	3.797	**22.972**
2041	3.212	11.308	3.322	3.861	**21.703**	0.679	0.617	0.160	**1.456**	3.891	11.925	3.482	3.861	**23.159**
2042	3.438	11.514	3.087	3.930	**21.969**	0.696	0.629	0.153	**1.478**	4.134	12.143	3.240	3.930	**23.447**
2043	3.637	11.709	2.868	3.997	**22.211**	0.708	0.642	0.146	**1.496**	4.345	12.351	3.014	3.997	**23.707**
2044	3.857	11.869	2.659	4.051	**22.436**	0.725	0.652	0.140	**1.517**	4.582	12.521	2.799	4.051	**23.953**
2045	4.060	11.995	2.433	4.093	**22.581**	0.737	0.659	0.133	**1.529**	4.797	12.654	2.566	4.093	**24.110**
2046	4.134	12.167	2.362	4.151	**22.814**	0.748	0.669	0.129	**1.546**	4.882	12.836	2.491	4.151	**24.360**
2047	4.206	12.341	2.289	4.211	**23.047**	0.758	0.678	0.124	**1.560**	4.964	13.019	2.413	4.211	**24.607**
2048	4.280	12.513	2.217	4.269	**23.279**	0.770	0.688	0.120	**1.578**	5.050	13.201	2.337	4.269	**24.857**
2049	4.353	12.687	2.144	4.327	**23.511**	0.781	0.696	0.115	**1.592**	5.134	13.383	2.259	4.327	**25.103**
2050	4.427	12.859	2.073	4.386	**23.745**	0.791	0.706	0.112	**1.609**	5.218	13.565	2.185	4.386	**25.354**
2051	4.501	13.032	2.001	4.444	**23.978**	0.802	0.716	0.108	**1.626**	5.303	13.748	2.109	4.444	**25.604**
2052	4.573	13.206	1.928	4.503	**24.210**	0.813	0.724	0.103	**1.640**	5.386	13.930	2.031	4.503	**25.850**
2053	4.647	13.378	1.856	4.561	**24.442**	0.824	0.734	0.099	**1.657**	5.471	14.112	1.955	4.561	**26.099**
2054	4.720	13.552	1.784	4.620	**24.676**	0.835	0.743	0.094	**1.672**	5.555	14.295	1.878	4.620	**26.348**
2055	4.794	13.724	1.712	4.678	**24.908**	0.846	0.752	0.090	**1.688**	5.640	14.476	1.802	4.678	**26.596**
2056	4.873	13.836	1.639	4.719	**25.067**	0.854	0.758	0.084	**1.696**	5.727	14.594	1.723	4.719	**26.763**
2057	4.952	13.948	1.566	4.759	**25.225**	0.864	0.763	0.079	**1.706**	5.816	14.711	1.645	4.759	**26.931**
2058	5.032	14.060	1.494	4.801	**25.387**	0.873	0.769	0.073	**1.715**	5.905	14.829	1.567	4.801	**27.102**
2059	5.111	14.171	1.421	4.841	**25.544**	0.882	0.774	0.067	**1.723**	5.993	14.945	1.488	4.841	**27.267**
2060	5.190	14.283	1.349	4.882	**25.704**	0.891	0.780	0.061	**1.732**	6.081	15.063	1.410	4.882	**27.436**
2061	5.269	14.396	1.276	4.923	**25.864**	0.900	0.784	0.055	**1.739**	6.169	15.180	1.331	4.923	**27.603**
2062	5.348	14.507	1.204	4.963	**26.022**	0.910	0.790	0.049	**1.749**	6.258	15.297	1.253	4.963	**27.771**
2063	5.428	14.619	1.131	5.005	**26.183**	0.918	0.795	0.044	**1.757**	6.346	15.414	1.175	5.005	**27.940**
2064	5.507	14.730	1.058	5.045	**26.340**	0.928	0.801	0.038	**1.767**	6.435	15.531	1.096	5.045	**28.107**
2065	5.586	14.843	0.985	5.086	**26.500**	0.937	0.806	0.032	**1.775**	6.523	15.649	1.017	5.086	**28.275**
2066	5.614	14.917	0.990	5.111	**26.632**	0.940	0.809	0.032	**1.781**	6.554	15.726	1.022	5.111	**28.413**
2067	5.642	14.991	0.995	5.137	**26.765**	0.944	0.812	0.032	**1.788**	6.586	15.803	1.027	5.137	**28.553**
2068	5.670	15.066	1.000	5.162	**26.898**	0.948	0.815	0.032	**1.795**	6.618	15.881	1.032	5.162	**28.693**
2069	5.698	15.142	1.005	5.188	**27.033**	0.952	0.818	0.032	**1.802**	6.650	15.960	1.037	5.188	**28.835**
2070	5.727	15.217	1.010	5.214	**27.168**	0.955	0.821	0.033	**1.809**	6.682	16.038	1.043	5.214	**28.977**
2071	5.756	15.292	1.015	5.240	**27.303**	0.958	0.824	0.034	**1.816**	6.714	16.116	1.049	5.240	**29.119**

Notes:
Passenger Cars (PC): 2-axle low vehicles without & with trailers, 2- and 3-axles buses, 2-axle trucks (FHWA Classes 1-5)
Trucks (MT+HT): 3-7+ axle high vehicles (FHWA Classes 6-13), excluding 2- and 3-axle buses
Interop: Vehicles equipped with interoperable transponders from other states /systems
ALGOpass: Vehicles equipped with proposed ALGOpass transponder system
Video: Vehicles identified using video license plate capture and billed via US mail
Flat Fee: Drivers enrolled in the ALGOpass Monthly Flat Fee plan (PC with ALGOpass only, nothing in tow)
Source: CDM Smith

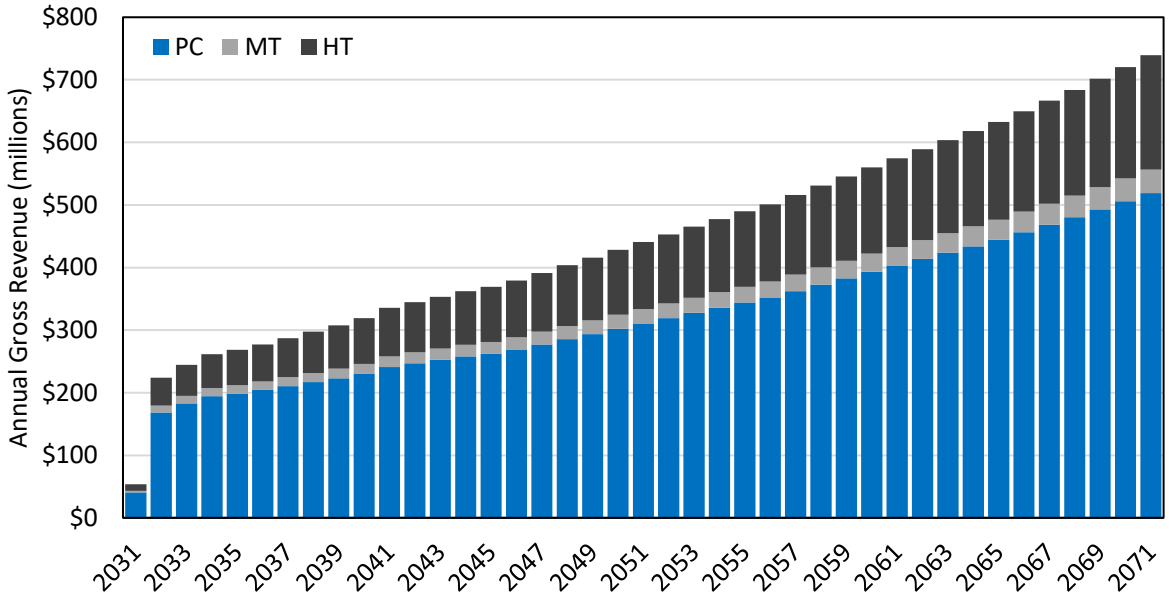
7.2.3 Annual Gross Revenue

Figure 45 shows expected annual gross revenue by payment type. Gross revenue is the amount of revenue collected if every vehicle passing the toll points paid according to toll classification and payment method. Estimated at $53.9 million for three months of operation in 2031 and $223.8 million for the first full year of operation in 2032, gross revenue grows 9.2 percent in 2033, 7.0 percent in 2034, and 2.7 percent in 2035, at which point it is estimated to reach $268.6 million.

Annual growth thereafter is estimated around 2.9 percent (ranging between 1.9 percent and 5.2 percent), reaching $739.1 million by 2071.

Growth in revenue reflects underlying socioeconomics increasing trip generation and transactions (with trucks growing relatively faster than PCs), compounding toll rate escalation, and changes in payment share types and resulting revenue per transaction over time. Since truck traffic is projected to grow faster than PCs, MT revenue contribution increases from 4.8 percent in 2031 to 5.1 percent in 2071, and HT revenue increases from 19.3 percent to 24.7 percent over the same period. PC revenue contribution is projected to decline from 75.9 percent in 2031 to 70.2 percent in 2071. PC transponder transaction shares are assumed to start lower and increase faster than those for trucks, providing an additional driver of these changes.

Figure 45: Annual Gross Revenue Estimates (millions)



Source: CDM Smith

Table 32 provides detailed expected annual gross revenue by payment type. Video tolls start off as the highest revenue generator, due to both the higher initial share of total transactions and the higher video toll rate. As users shift to electronic payment methods as the facility matures, the revenue share shifts towards ALGOpass and interoperable transponders. Expected uncollectible video toll revenue is assumed at 50 percent of the expected gross video toll revenue throughout the forecast period. Adjusted gross revenue is expected to start at $38.1 million in 2031 and $161.0 million in 2032, growing 11.2 percent in 2033, 8.9 percent in 2034, and 4.3 percent in 2035, where it is estimated to reach $203.3 million. Succeeding growth averages around 3.5 percent annually, ranging from 2.6 percent to 6.9 percent with adjusted gross revenue reaching $704.1 million by 2071.

Table 32: Annual Gross Revenue Estimates by Payment Type (millions)

	Passenger Car (PC) Gross Revenue					Truck (MT + HT) Gross Revenue				Total Gross Revenue					Uncollectible Video	Adjusted Gross
Year	Interop	ALGOpass	Video	Flat Fee	Total	Interop	ALGOpass	Video	Total	Interop	ALGOpass	Video	Flat Fee	Total	Toll Revenue	Revenue
2031	$ 3.475	$ 9.292	$ 26.684	$ 1.490	**$ 40.941**	$ 5.685	$ 2.290	$ 5.022	**$ 12.997**	$ 9.160	$ 11.582	$ 31.706	$ 1.490	**$ 53.938**	$ 15.853	**$ 38.085**
2032	$ 16.376	$ 40.394	$ 105.623	$ 6.303	**$ 168.696**	$ 24.863	$ 10.273	$ 19.949	**$ 55.085**	$ 41.239	$ 50.667	$ 125.572	$ 6.303	**$ 223.781**	$ 62.786	**$ 160.995**
2033	$ 19.883	$ 46.322	$ 109.835	$ 6.993	**$ 183.033**	$ 28.452	$ 12.145	$ 20.714	**$ 61.311**	$ 48.335	$ 58.467	$ 130.549	$ 6.993	**$ 244.344**	$ 65.275	**$ 179.069**
2034	$ 23.280	$ 51.812	$ 111.901	$ 7.602	**$ 194.595**	$ 31.752	$ 13.929	$ 21.218	**$ 66.899**	$ 55.032	$ 65.741	$ 133.119	$ 7.602	**$ 261.494**	$ 66.560	**$ 194.934**
2035	$ 25.907	$ 55.092	$ 109.771	$ 7.839	**$ 198.609**	$ 33.999	$ 15.227	$ 20.737	**$ 69.963**	$ 59.906	$ 70.319	$ 130.508	$ 7.839	**$ 268.572**	$ 65.254	**$ 203.318**
2036	$ 28.763	$ 57.438	$ 110.231	$ 7.934	**$ 204.366**	$ 35.704	$ 16.033	$ 21.179	**$ 72.916**	$ 64.467	$ 73.471	$ 131.410	$ 7.934	**$ 277.282**	$ 65.705	**$ 211.577**
2037	$ 33.903	$ 61.002	$ 107.556	$ 8.214	**$ 210.675**	$ 38.383	$ 17.244	$ 21.061	**$ 76.688**	$ 72.286	$ 78.246	$ 128.617	$ 8.214	**$ 287.363**	$ 64.309	**$ 223.054**
2038	$ 39.002	$ 64.613	$ 104.813	$ 8.458	**$ 216.886**	$ 41.163	$ 18.438	$ 21.046	**$ 80.647**	$ 80.165	$ 83.051	$ 125.859	$ 8.458	**$ 297.533**	$ 62.930	**$ 234.603**
2039	$ 44.079	$ 68.380	$ 102.086	$ 8.707	**$ 223.252**	$ 43.934	$ 19.625	$ 20.914	**$ 84.473**	$ 88.013	$ 88.005	$ 123.000	$ 8.707	**$ 307.725**	$ 61.500	**$ 246.225**
2040	$ 49.132	$ 72.463	$ 99.302	$ 8.961	**$ 229.858**	$ 46.708	$ 21.558	$ 20.893	**$ 89.159**	$ 95.840	$ 94.021	$ 120.195	$ 8.961	**$ 319.017**	$ 60.098	**$ 258.919**
2041	$ 54.186	$ 80.626	$ 96.471	$ 9.846	**$ 241.129**	$ 49.404	$ 24.180	$ 20.742	**$ 94.326**	$ 103.590	$ 104.806	$ 117.213	$ 9.846	**$ 335.455**	$ 58.607	**$ 276.848**
2042	$ 59.615	$ 84.513	$ 92.116	$ 10.650	**$ 246.894**	$ 52.040	$ 25.349	$ 20.383	**$ 97.772**	$ 111.655	$ 109.862	$ 112.499	$ 10.650	**$ 344.666**	$ 56.250	**$ 288.416**
2043	$ 64.775	$ 88.286	$ 87.876	$ 11.471	**$ 252.408**	$ 54.360	$ 26.560	$ 19.973	**$ 100.893**	$ 119.135	$ 114.846	$ 107.849	$ 11.471	**$ 353.301**	$ 53.925	**$ 299.376**
2044	$ 70.429	$ 91.747	$ 83.519	$ 12.275	**$ 257.970**	$ 57.058	$ 27.638	$ 19.631	**$ 104.327**	$ 127.487	$ 119.385	$ 103.150	$ 12.275	**$ 362.297**	$ 51.575	**$ 310.722**
2045	$ 75.881	$ 94.880	$ 78.197	$ 13.098	**$ 262.056**	$ 59.351	$ 28.581	$ 19.083	**$ 107.015**	$ 135.232	$ 123.461	$ 97.280	$ 13.098	**$ 369.071**	$ 48.640	**$ 320.431**
2046	$ 79.042	$ 98.309	$ 77.639	$ 13.947	**$ 268.937**	$ 61.605	$ 29.643	$ 18.929	**$ 110.177**	$ 140.647	$ 127.952	$ 96.568	$ 13.947	**$ 379.114**	$ 48.284	**$ 330.830**
2047	$ 83.026	$ 102.801	$ 76.750	$ 14.570	**$ 277.147**	$ 64.400	$ 30.985	$ 18.570	**$ 113.955**	$ 147.426	$ 133.786	$ 95.320	$ 14.570	**$ 391.102**	$ 47.660	**$ 343.442**
2048	$ 87.055	$ 107.362	$ 75.932	$ 15.198	**$ 285.547**	$ 67.352	$ 32.377	$ 18.359	**$ 118.088**	$ 154.407	$ 139.739	$ 94.291	$ 15.198	**$ 403.635**	$ 47.146	**$ 356.489**
2049	$ 91.065	$ 111.899	$ 75.061	$ 15.837	**$ 293.862**	$ 70.228	$ 33.672	$ 17.993	**$ 121.893**	$ 161.293	$ 145.571	$ 93.054	$ 15.837	**$ 415.755**	$ 46.527	**$ 369.228**
2050	$ 95.092	$ 116.503	$ 74.234	$ 16.448	**$ 302.277**	$ 73.017	$ 35.067	$ 17.939	**$ 126.023**	$ 168.109	$ 151.570	$ 92.173	$ 16.448	**$ 428.300**	$ 46.087	**$ 382.213**
2051	$ 99.112	$ 121.067	$ 73.397	$ 17.065	**$ 310.641**	$ 75.901	$ 36.459	$ 17.731	**$ 130.091**	$ 175.013	$ 157.526	$ 91.128	$ 17.065	**$ 440.732**	$ 45.564	**$ 395.168**
2052	$ 103.121	$ 125.721	$ 72.512	$ 17.697	**$ 319.051**	$ 78.780	$ 37.757	$ 17.357	**$ 133.894**	$ 181.901	$ 163.478	$ 89.869	$ 17.697	**$ 452.945**	$ 44.935	**$ 408.010**
2053	$ 107.206	$ 130.302	$ 71.660	$ 18.335	**$ 327.503**	$ 81.658	$ 39.152	$ 17.147	**$ 137.957**	$ 188.864	$ 169.454	$ 88.807	$ 18.335	**$ 465.460**	$ 44.404	**$ 421.056**
2054	$ 111.203	$ 134.842	$ 70.807	$ 18.942	**$ 335.794**	$ 84.552	$ 40.494	$ 16.759	**$ 141.805**	$ 195.755	$ 175.336	$ 87.566	$ 18.942	**$ 477.599**	$ 43.783	**$ 433.816**
2055	$ 115.200	$ 139.436	$ 69.952	$ 19.554	**$ 344.142**	$ 87.443	$ 41.834	$ 16.547	**$ 145.824**	$ 202.643	$ 181.270	$ 86.499	$ 19.554	**$ 489.966**	$ 43.250	**$ 446.716**
2056	$ 119.389	$ 143.479	$ 69.051	$ 20.103	**$ 352.022**	$ 90.012	$ 43.009	$ 15.955	**$ 148.976**	$ 209.401	$ 186.488	$ 85.006	$ 20.103	**$ 500.998**	$ 42.503	**$ 458.495**
2057	$ 125.335	$ 148.965	$ 67.150	$ 20.892	**$ 362.342**	$ 93.900	$ 44.590	$ 15.116	**$ 153.606**	$ 219.235	$ 193.555	$ 82.266	$ 20.892	**$ 515.948**	$ 41.133	**$ 474.815**
2058	$ 131.386	$ 154.519	$ 65.273	$ 21.653	**$ 372.831**	$ 97.671	$ 46.232	$ 14.085	**$ 157.988**	$ 229.057	$ 200.751	$ 79.358	$ 21.653	**$ 530.819**	$ 39.679	**$ 491.140**
2059	$ 137.384	$ 159.849	$ 63.348	$ 22.414	**$ 382.995**	$ 101.456	$ 47.802	$ 13.053	**$ 162.311**	$ 238.840	$ 207.651	$ 76.401	$ 22.414	**$ 545.306**	$ 38.201	**$ 507.105**
2060	$ 143.400	$ 165.111	$ 61.460	$ 23.190	**$ 393.161**	$ 105.245	$ 49.436	$ 12.018	**$ 166.699**	$ 248.645	$ 214.547	$ 73.478	$ 23.190	**$ 559.860**	$ 36.739	**$ 523.121**
2061	$ 149.429	$ 170.449	$ 59.525	$ 23.926	**$ 403.329**	$ 109.017	$ 50.944	$ 10.980	**$ 170.941**	$ 258.446	$ 221.393	$ 70.505	$ 23.926	**$ 574.270**	$ 35.253	**$ 539.017**
2062	$ 155.466	$ 175.825	$ 57.623	$ 24.716	**$ 413.630**	$ 112.922	$ 52.582	$ 9.936	**$ 175.440**	$ 268.388	$ 228.407	$ 67.559	$ 24.716	**$ 589.070**	$ 33.780	**$ 555.290**
2063	$ 161.483	$ 181.129	$ 55.668	$ 25.475	**$ 423.755**	$ 116.586	$ 54.155	$ 9.093	**$ 179.834**	$ 278.069	$ 235.284	$ 64.761	$ 25.475	**$ 603.589**	$ 32.381	**$ 571.208**
2064	$ 167.468	$ 186.482	$ 53.694	$ 26.234	**$ 433.878**	$ 120.501	$ 55.798	$ 8.040	**$ 184.339**	$ 287.969	$ 242.280	$ 61.734	$ 26.234	**$ 618.217**	$ 30.867	**$ 587.350**
2065	$ 173.501	$ 191.920	$ 51.713	$ 27.007	**$ 444.141**	$ 124.293	$ 57.363	$ 6.977	**$ 188.633**	$ 297.794	$ 249.283	$ 58.690	$ 27.007	**$ 632.774**	$ 29.345	**$ 603.429**
2066	$ 177.908	$ 196.755	$ 53.955	$ 27.702	**$ 456.320**	$ 127.267	$ 58.790	$ 7.257	**$ 193.314**	$ 305.175	$ 255.545	$ 61.212	$ 27.702	**$ 649.634**	$ 30.606	**$ 619.028**
2067	$ 182.575	$ 201.779	$ 55.372	$ 28.408	**$ 468.134**	$ 130.640	$ 60.315	$ 7.417	**$ 198.372**	$ 313.215	$ 262.094	$ 62.789	$ 28.408	**$ 666.506**	$ 31.395	**$ 635.111**
2068	$ 187.337	$ 207.007	$ 56.820	$ 29.114	**$ 480.278**	$ 134.104	$ 61.875	$ 7.581	**$ 203.560**	$ 321.441	$ 268.882	$ 64.401	$ 29.114	**$ 683.838**	$ 32.201	**$ 651.637**
2069	$ 192.251	$ 212.442	$ 58.310	$ 29.883	**$ 492.886**	$ 137.659	$ 63.477	$ 7.748	**$ 208.884**	$ 329.910	$ 275.919	$ 66.058	$ 29.883	**$ 701.770**	$ 33.029	**$ 668.741**
2070	$ 197.295	$ 218.060	$ 59.843	$ 30.658	**$ 505.856**	$ 141.159	$ 65.122	$ 8.167	**$ 214.448**	$ 338.454	$ 283.182	$ 68.010	$ 30.658	**$ 720.304**	$ 34.005	**$ 686.299**
2071	$ 202.496	$ 223.569	$ 61.418	$ 31.440	**$ 518.923**	$ 144.754	$ 66.802	$ 8.600	**$ 220.156**	$ 347.250	$ 290.371	$ 70.018	$ 31.440	**$ 739.079**	$ 35.009	**$ 704.070**

Notes: Passenger Cars (PC): 2-axle low vehicles without & with trailers, 2- and 3-axles buses, 2-axle trucks (FHWA Classes 1-5)
Trucks (MT+HT): 3-7+ axle high vehicles (FHWA Classes 6-13), excluding 2- and 3-axle buses
Interop: Vehicles equipped with interoperable transponders from other states /systems ALGOpass: Vehicles equipped with proposed ALGOpass transponder system
Video: Vehicles identified using video license plate capture and billed via US mail
Flat Fee: Drivers enrolled in the ALGOpass Monthly Flat Fee plan (PC with ALGOpass only, nothing in tow)
Source: CDM Smith

Chapter 8: Sensitivity Tests

Despite a highly detailed and analytical approach used to forecast the traffic and revenue for the final scenario for the Mobile River Bridge crossing, T&R forecasts of any kind are subject to a significant level of uncertainty. As such, CDM Smith performed a series of "sensitivity tests" aimed at estimating the sensitivity of the baseline revenue forecast to changes in certain basic assumptions. All sensitivity tests are compared against the base scenario as presented in Chapter 7.

Each sensitivity test evaluated the model's response to changing a single variable while holding other assumptions unchanged from the baseline scenario. This chapter first describes the assumptions for each sensitivity test and then presents the results in terms of impact on transactions and gross revenue.

8.1 Test Definitions

This section provides a description of the various sensitivity tests performed for this study.

Economic Growth

As noted in Chapter 3, population and employment estimates were developed for year 2035. In addition to the estimates discussed in Chapter 3, population and employment estimates were also developed for both lower and higher economic growth scenarios. CDM Smith utilized these forecasts with county-level adjustments, using the same process as previously described in Chapter 3, for use in this test as shown in **Table 33.** These were applied to the MTM and resulting transactions and gross revenue developed.

Table 33: Alternative Growth Test Parameters (2035)

	Population vs. Base Forecast		Employment vs. Base Forecast	
	Low	High	Low	High
Baldwin County TAZs	-6.3%	10.5%	-6.1%	10.2%
Mobile County TAZs	-0.8%	1.3%	-2.3%	3.8%
Total	-3.1%	5.2%	-3.8%	6.3%

Source: CDM Smith

Payment Shares

The baseline assumption for payment shares (ALGOpass transponder, interoperable transponder, video) are based on industry experience with similar new toll facilities, maturing facilities, and influence of technological advances as well as proposed toll rate differences. The payment shares sensitivity tests, through MTM modeling, looks at gross revenue impacts based on alternative shares shown in **Table 34:** Alternative Payment Shares Test Parameters

.

Table 34: Alternative Payment Shares Test Parameters

Model Year/ Vehicle Class	Interoperable Transponder	ALGOpass	Video	Total
2035 Lower ALGO				
PC	8%	49%	43%	100%
MT	21%	40%	39%	100%
HT	40%	24%	36%	100%
All Transactions	10%	47%	43%	100%
2035 Baseline				
PC	11%	65%	24%	100%
MT	28%	53%	19%	100%
HT	54%	32%	14%	100%
All Transactions	14%	63%	24%	100%
2035 Higher ALGO				
PC	12%	71%	17%	100%
MT	29%	59%	12%	100%
HT	57%	35%	8%	100%
All Transactions	14%	69%	17%	100%

Source: CDM Smith

Value of Time

As noted in Chapters 4 and 5, Value of Time (VOT) plays a significant role in the selection of tolled versus toll free routes for actual drivers as well as in modeling. While stated preference surveys have provided a strong basis for estimating VOT, actual VOT is not known. This test reduces the VOTs presented in **Table 25** by 25 percent, models the results in the MTM, and presents the resulting gross revenue impacts.

Increase in Pass Plan Participation

The frequent user monthly flat fee plan, as described in **Chapter 6**, is a prepaid plan available to ALGOpass users driving 2-axle low class vehicles with nothing in tow and allows unlimited crossings per month for the equivalent of 20 normal priced trips at the opening year rate ($60). Based on frequency distribution and usage assumptions, 30.2 percent of Class 2L ALGOpass daily transactions are assumed to utilize the program under the base scenario. This test, using processing applied after modeling, assumes an increase to 50.0 percent participation.

8.2 Test Results

A summary of the impact on transactions and toll revenue for model year 2035 for all tests performed is provided in **Table 35**. This table presents the percentage change in annual transactions and toll revenues compared to the baseline scenario for each sensitivity test.

Table 35: Sensitivity Test Results

Scenario	2035	
	Transactions	Gross Revenue
Higher Economic Growth	9.7%	9.6%
Lower Economic Growth	-4.1%	-4.0%
Higher ALGO Share	1.3%	-3.0%
Lower ALGO Share	-2.7%	8.3%
Lower Value of Time (VOT)	-4.2%	-4.3%
Increase in Pass Plan Participation	0.0%	-1.3%

Source: CDM Smith

Of all the sensitivity tests performed, the higher economic growth scenario had the largest impact, with both transactions and gross revenue increasing by nearly 10 percent. The magnitude of change was less in the lower economic growth scenario, with both transactions and revenue declining by about four percent. Similar impacts would be expected for adjusted gross revenue and in other years.

The higher ALGOpass share increases transactions by 1.3 percent (due to an overall average lower toll) but lowers gross revenue by 3.0 percent. With a lower ALGOpass share, transactions decrease by 2.7 percent (due to an overall average higher toll) and gross revenue increases by 8.3 percent.

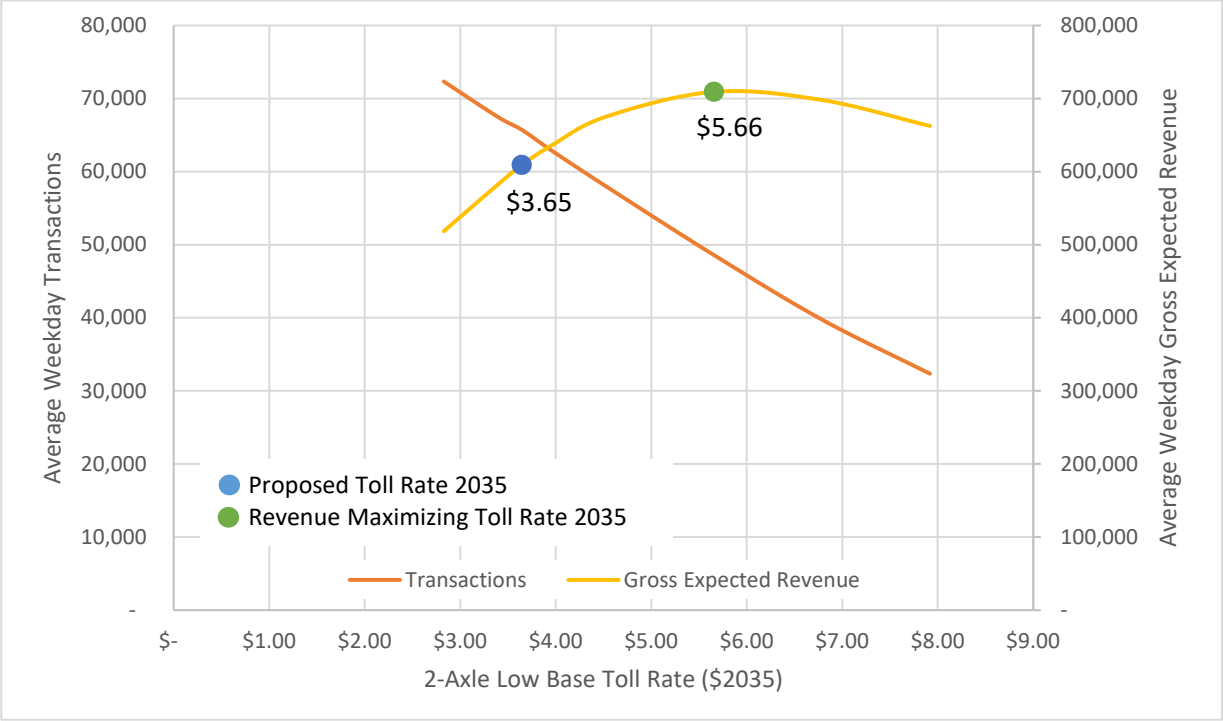
Lower VOT reduces both transactions and gross revenue roughly equally because the effects are likely to be similar across payment types and vehicle classes. In the scenario tested, both transactions and gross revenue declined by about four percent. For other years, this effect would likely be smaller as toll-free options, primarily US 98 causeway, become more congested.

Increasing the participation in the frequent user discount plan does not affect the total number of transactions. However, it reduces gross revenue by 1.3 percent. For other years, the impact may increase marginally as overall ALGOpass share increases and more participants join the program.

8.3 Toll Rate Elasticity

For evaluating toll rate elasticity, 2-axle low ALGOpass toll rates ranging from $2.79 to $7.80 were tested for 2035. Other toll rates, such as for interoperable transponders and video transactions, as well as MT and HT tolls were assumed to be the same ratios of the Class 2 ALGOpass rates as the baseline assumption. The toll rate elasticity analysis results are illustrated in **Figure 46**. The toll rate elasticity curve shows transactions would decrease with increasing toll rates. Gross revenue increases at lower toll rates but eventually, as more suppression and diversion to toll-free routes occur, gross revenue reaches a maximum at a corresponding 2-axle low toll rate of $5.66 (2035$).

Figure 46: Toll Elasticity Curve



Source: CDM Smith

Disclaimer

CDM Smith used currently accepted professional practices and procedures in developing this Mobile River Bridge and Bayway (MRBB) Traffic and Revenue Study, including the travel demand model and resulting traffic and revenue estimates. However, as with any forecast, differences between forecasted and actual results may occur, caused by events and circumstances beyond forecasters' control. In formulating estimates, CDM Smith reasonably relied upon the accuracy and completeness of information provided (both written and oral) by the Alabama Department of Transportation (ALDOT). CDM Smith also relied upon reasonable assurances of other independent parties and is unaware of any material facts making such information misleading.

CDM Smith made qualitative judgments related to several key variables in the development and analysis of the traffic and revenue estimates that must be considered as a whole; therefore, selecting portions of any individual result without consideration of the intent of the whole may create a misleading or incomplete view of the results and the underlying methodologies used to obtain the results. CDM Smith gives no opinion as to the value or merit of partial information extracted from these traffic and revenue estimates.

All estimates and projections reported herein are based on CDM Smith's experience and judgment and on a review of information obtained from multiple agencies, including ALDOT. These estimates and projections may not be indicative of actual or future values and are therefore subject to substantial uncertainty. Certain variables such as future developments, economic cycles, pandemics, government actions, climate change related events, or impacts related to advances in automotive technology etc. cannot be predicted with certainty and may affect the estimates or projections expressed in this report, such that CDM Smith does not specifically guarantee or warrant any estimate or projection contained within this report.

While CDM Smith believes that projections and other forward-looking statements herein are based on reasonable assumptions as of the report's completion date, such forward-looking statements involve risks and uncertainties that may cause actual results to differ materially from results predicted. Therefore, following report's completion date, CDM Smith takes no responsibility or assumes any obligation to advise of changes that may affect assumptions contained herein, as pertain to socioeconomic forecasts, proposed residential or commercial land use development projects and/or potential improvements to the regional transportation network.

These investment grade traffic and revenue estimates and report were prepared to support planning and decision-making by ALDOT concerning toll plans as well as financial rating processes. This material was prepared for the exclusive use of the Alabama Department of Transportation and designated parties approved by ALDOT and CDM Smith, not for use by third parties. Any use by third-parties, other than as noted above, is expressly prohibited. In addition, any publication of the traffic and revenue estimates and report without the express written consent of CDM Smith is prohibited.

CDM Smith is not, and has not been, a municipal advisor as defined in Federal law (the Dodd Frank Bill) to ALDOT and does not owe a fiduciary duty pursuant to Section 15B of the Exchange Act to ALDOT with respect to the information and material contained herein. CDM Smith is not recommending and has not recommended any action to the ALDOT. ALDOT should discuss the information and material contained herein with any and all internal and external advisors it deems appropriate before acting on this information.

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Appendix A: Socioeconomic Forecast

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I-10 MOBILE RIVER BRIDGE/BAYWAY PROJECT 2019 BASE YEAR ANALYSIS AND SOCIOECONOMIC DATA FORECAST ANALYSIS (2025, 2035, 2045 & 2055)

June 2022

Prepared for:
Alabama Department of Transportation

Prepared on June 1, 2022

PFM Group Consulting LLC
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APPENDICES

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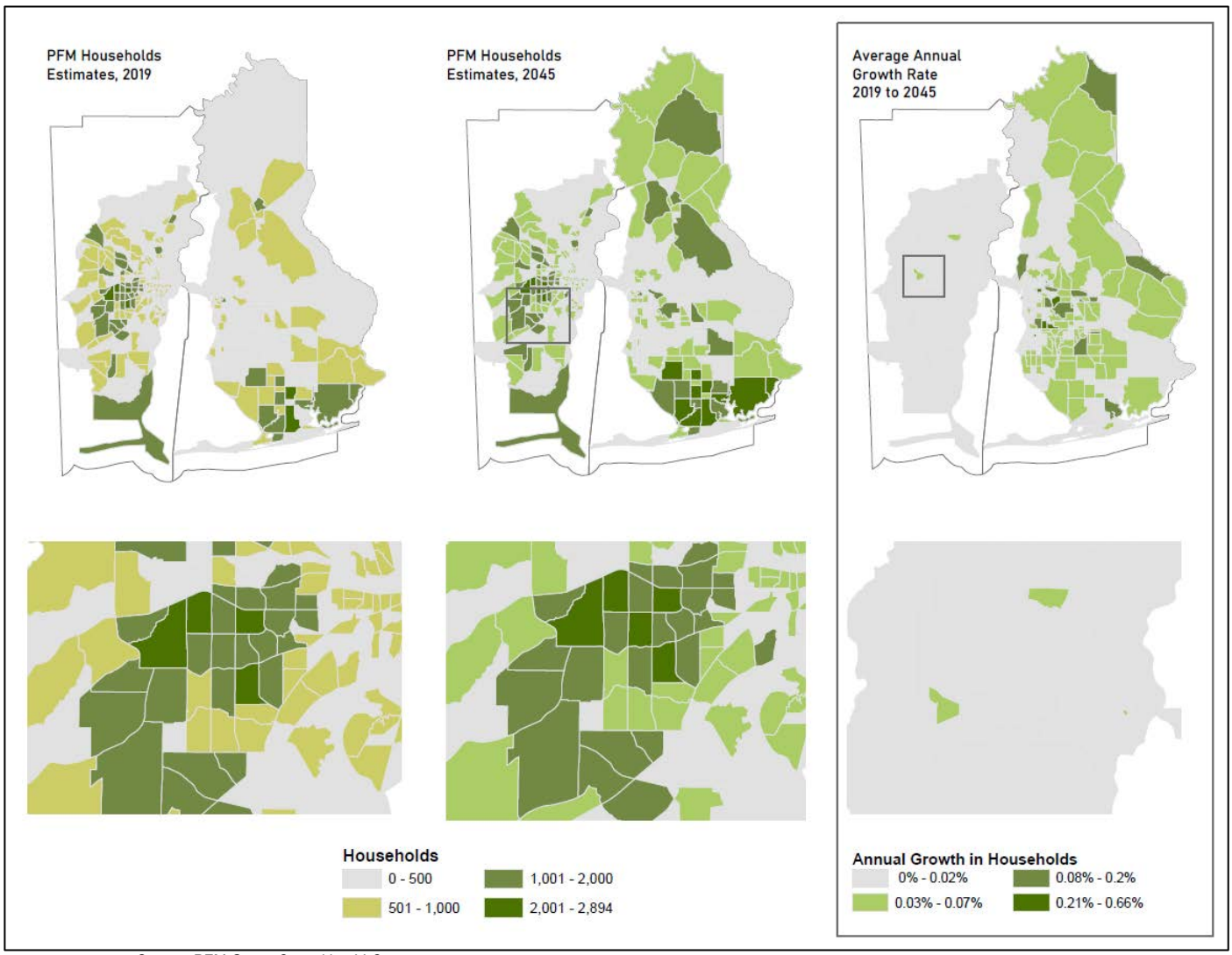
Executive Summary

The proposed I-10 Mobile River Bridge and Bayway Widening project ("Project") is designed to increase the capacity of I-10 by constructing a new six-lane bridge with 215 feet of Air Draft Clearance (ADC) across the Mobile River and widening the existing I-10 "Bay Way" bridges across Mobile Bay from four to eight lanes. The proposed project would be located in Mobile and Baldwin Counties, Alabama.

CDM Smith ("Client") is working with the Alabama Department of Transportation (ALDOT) to conduct the traffic and revenue analysis associated with the Project. The Client has asked PFM Group Consulting LLC ("PFM") to provide the socioeconomic data for the 2019 base year and the 2025, 2035, 2045 and 2055 future years for the pertinent traffic analysis zones (TAZs) in Baldwin County and the majority of Mobile County.

Map E1 summarizes the household estimates for 2019 & 2045 in the Mobile and Baldwin County Study Area.

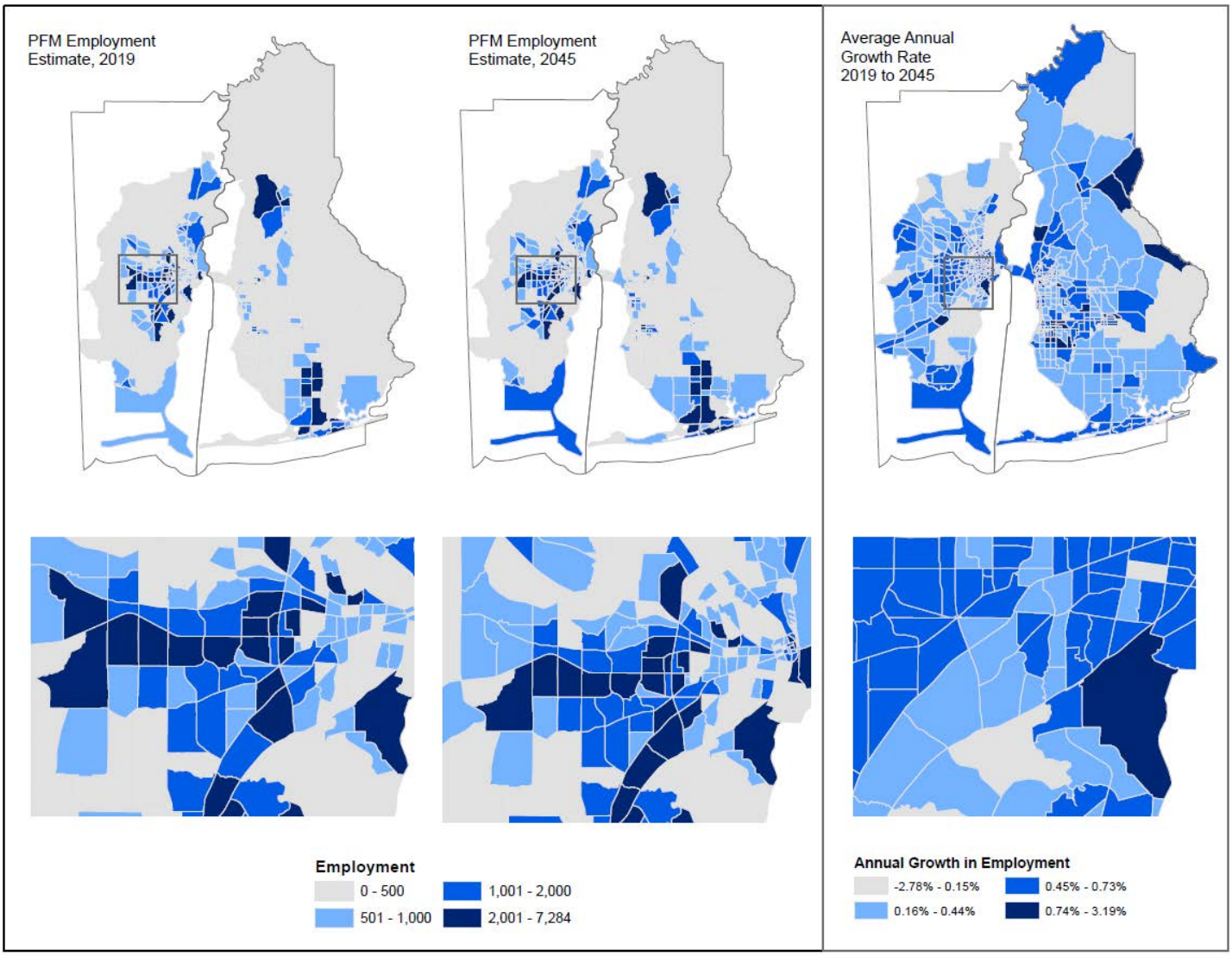
Map E1. Household Estimates 2019 & 2045



Source: PFM Group Consulting LLC

Map E2 summarizes the employment estimates for 2019 & 2045 in the Mobile and Baldwin County Study Area.

Map E2. Employment Estimates 2019 & 2045



Source: PFM Group Consulting LLC

Table E1 summarizes the socioeconomic data estimates for the 2019 base year and Table E2 summarizes the socioeconomic data for the forecast years of 2025 through 2055.

Table E1. 2019 Study Area SE Data Summary

	Mobile	Baldwin	Total
Population	397,349	226,814	624,163
Households (HH)	153,232	91,210	244,442
Median HH Income, less than $25,000	45,282	15,744	61,026
Median HH Income, between $25,000 and $50,000	34,418	22,587	57,005
Median HH Income, greater than $50,000	73,532	52,879	126,411
Median_Income	41,583	60,706	51,674
Employment - Commercial	41,866	31,883	73,749
Employment - Service	141,247	66,085	207,332
Employment - Other	56,618	21,567	78,185
Employment - TOTAL	239,731	119,535	359,266
School Enrollment (PK_12)	64,945	34,022	98,967
University Enrollment	20,523	3,794	24,317
Dormitory Units	2,936	232	3,168

Source: PFM Group Consulting LLC

Table E2. 2025, 2035, 2045 and 2055 Study Area SE Data Summary

	Base					
	2025			2035		
	Mobile	Baldwin	Total	Mobile	Baldwin	Total
Population	400,618	251,558	652,176	407,828	288,471	696,299
Households (HH)	154,341	101,028	255,369	156,861	115,657	272,518
Median HH Income, less than $25,000	45,630	17,481	63,111	46,425	20,066	66,491
Median HH Income, between $25,000 and $50,000	34,668	25,150	59,818	35,230	28,994	64,224
Median HH Income, greater than $50,000	74,043	58,397	132,440	75,206	66,597	141,803
Median_Income	48,024	68,909	-	60,523	85,472	-
Employment - Commercial	43,036	33,393	76,429	44,376	41,108	85,484
Employment - Service	149,464	71,333	220,797	160,215	91,956	252,171
Employment - Other	56,454	20,614	77,068	55,792	22,093	77,885
Employment - TOTAL	248,954	125,340	374,294	260,383	155,157	415,540
School Enrollment (PK_12)	65,990	39,566	105,556	67,834	45,291	113,125
University Enrollment	21,084	3,897	24,981	22,052	4,077	26,129

	Base					
	2045			2055		
	Mobile	Baldwin	Total	Mobile	Baldwin	Total
Population	415,250	323,245	738,495	421,558	363,346	784,904
Households (HH)	159,501	129,393	288,894	161,695	145,274	306,969
Median HH Income, less than $25,000	47,252	22,496	69,748	47,941	25,305	73,246
Median HH Income, between $25,000 and $50,000	35,831	32,612	68,443	36,316	36,780	73,096
Median HH Income, greater than $50,000	76,418	74,285	150,703	77,438	83,189	160,627
Median_Income	76,276	106,019	-	96,129	131,508	-
Employment - Commercial	44,959	46,787	91,746	45,471	53,149	98,620
Employment - Service	167,494	108,901	276,395	171,616	125,893	297,509
Employment - Other	54,655	22,212	76,867	54,577	23,654	78,231
Employment - TOTAL	267,108	177,900	445,008	271,664	202,696	474,360
School Enrollment (PK_12)	70,518	51,838	122,356	71,687	59,331	131,018
University Enrollment	23,064	4,264	27,328	24,124	4,459	28,583

Source: PFM Group Consulting LLC

1.0 Introduction

1.1 Background

The proposed I-10 Mobile River Bridge and Bayway Widening project ("Project") is designed to increase the capacity of I-10 by constructing a new six-lane bridge with 215 feet of Air Draft Clearance (ADC) across the Mobile River and widening the existing I-10 "Bay Way" bridges across Mobile Bay from four to eight lanes. The proposed project would be in Mobile and Baldwin Counties, Alabama.

CDM Smith ("Client") is working with the Alabama Department of Transportation (ALDOT) to conduct the traffic and revenue analysis associated with the Project. The Client has asked PFM Group Consulting LLC ("PFM") to provide the socioeconomic data for the 2019 base year and the 2025, 2035, 2045 and 2055 future years for the pertinent traffic analysis zones (TAZs) in Baldwin County and the majority of Mobile County.

1.2 Organization

The report that follows includes six (6) sections:

1. Section 1.0 includes this Introduction.
2. Section 2.0 provides data, analysis and discussion regarding the development of the 2019 baseline socioeconomic data.
3. Section 3.0 provides the methodology and discussion in the development of the socioeconomic population control total datasets.
4. Section 4.0 provides the methodology and discussion in the development of the socioeconomic employment control total datasets.
5. Section 5.0 provides data, analysis and discussion regarding the development of the forecast data for years 2025, 2035, 2045 and 2055.
6. Section 6.0 provides a sensitivity analysis, providing a high and a low forecast which provides additional socioeconomic datasets which bracket the development potential for the study area.

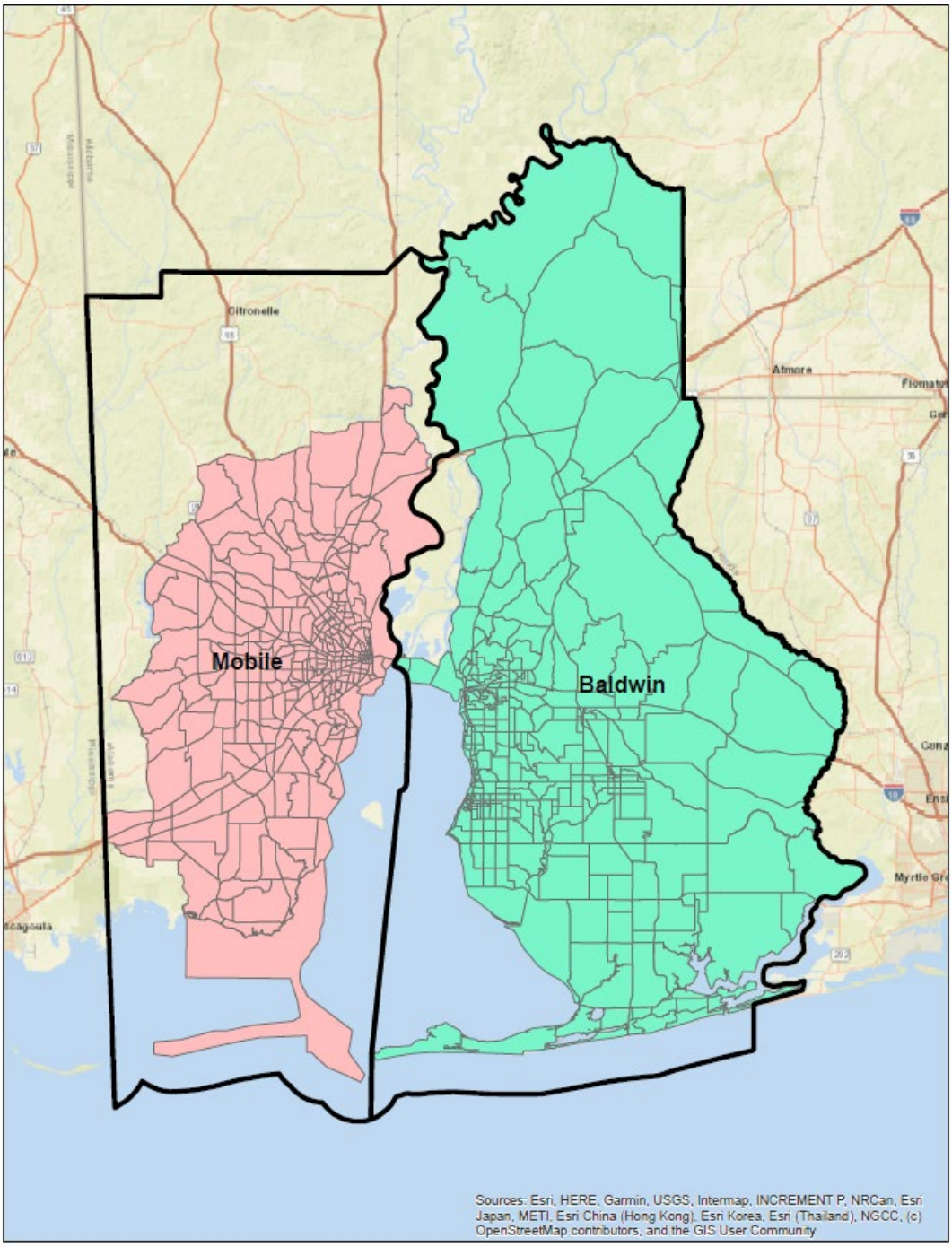
PFM developed socioeconomic estimates for the following component of the TAZ datasets:

1. Population
2. Households
3. Median household income
4. Employment: a) retail, b) service and c) other
5. School enrollment (PK-12)
6. College/university enrollment
7. Number of campus dormitory units

1.3 Study Area Identification - Definition

The Project Study Area is defined as Baldwin County, Alabama and the majority of Mobile County, Alabama. Map 1 provides the study area and TAZ boundaries provided by the Client.

Map 1. Project Study Area



Source: PFM Group Consulting LLC and CDM Smith

2.0 2019 Baseline Analysis for Study Area

DataStory, a third-party data service, used ESRI-based data to obtain 2019 TAZ-level socioeconomic data estimates. The data service used the TAZ shape file and intersected it with the ESRI data to obtain the following socioeconomic variables by TAZ for the years shown in parentheses:

- Population (2019)
- Households (2019)
- Median Household Income (Federal Reserve Economic Data)
- Employment by Category (2019)

The ESRI methodology is a census based-block group data set which is then adjusted using a variety of data sources to estimate growth in non-decennial census years. It uses a range of data sources including, but not limited to: the Internal Revenue Service (IRS), United States Postal Service (USPS) and Federal Reserve Economic Data on median income. Appendix 1 provides more detailed information regarding the ESRI methodologies and source data. In addition to these variables, PFM generated the baseline data for: 1) school enrollment, 2) university enrollment and 3) number of dormitory units. The further explanation of how the 2015 baseline data was developed is provided in the sections below.

2.1 Population and Household Analysis and Control Total Development

The county-level data is provided so that County level comparisons can be made to validate and reconcile the aggregate TAZ level data within the Study Area with County level data for control totals. The Study Area TAZs for Mobile County (as provided by the Mobile MPO) do not comprise the entire county, while the TAZs within Baldwin County include the entire county and include data via the Eastern Shore MPO (ESMPO). The 2019 base year analysis includes ESRI data at the county level and the DataStory Study Area data at the TAZ level for both the population and household variables.

Using the DataStory data for the population and households variables, which are U.S. Census-based data, PFM summarized TAZ data at the aggregate countywide totals for each variable and compared them with the 2019 county-level ESRI data via ESRI. This data was also compared to the CBER county-level population data for each county. Table 1 summarizes the findings.

Table 1. 2019 Population County-level Data (via ESRI) and 2019 CBER Population Data

	Full County		Study Area	Study Area - Forecast
Population	CBER	ESRI	ESRI TAZs	PFM
Baldwin	218,525	226,817	218,946	226,814
Mobile	416,077	414,627	397,353	397,349

Source: ESRI, DataStory (ESRI TAZ Data), CBER and PFM Group Consulting LLC

Table 2. 2019 Households and County-level Data (via ESRI)

	Full County		Study Area	Study Area - Forecast
Households	CBER	ESRI	ESRI TAZs	PFM
Baldwin		81,070	80,885	88,045
Mobile		161,558	150,548	153,232

Source: ESRI, DataStory (ESRI TAZ Data) and PFM Group Consulting LLC

PFM reviewed aerial photographs of TAZs to verify PFM's development estimates TAZ by TAZ. As the data shows in Table 1, the Baldwin County and Mobile County ESRI-based data provided by DataStory, which was developed using the TAZ shape geographies, underestimated the 2019 base year population as determined at the county-level by CBER therefore, PFM adjusted the DataStory population data to match county-level control totals. To calculate the Study Area Baldwin County and Mobile County households within Table 2, PFM calculated the persons per household (PPH) at the TAZ level via the DataStory data in 2019. These TAZ-specific PPH factors were applied to PFMs 2019 population control total allocated to each TAZ.

2.2 Household Income Profile (2019)

PFM estimated the number of households by income range for each TAZ using 2019 Census data. The U.S. Census Bureau provides household data for nine income ranges, as shown in Table 3.

Table 3. 2019 Household Income Ranges

Income Ranges
< $15,000
$15,000 - $24,998
$25,000 - $34,998
$35,000 - $49,998
$50,000 - $74,998
$75,000 - $99,999
$100,000 - $149,999
$150,000 - $199,999
$200,000+

Source: DataStory, U.S. Census

PFM then consolidated this data into the low, medium and high-income ranges needed for the Client's modeling purposes. The three income ranges are:

- Low Income: less than $25,000
- Medium Income: $25,000-$50,000
- High Income: more than $50,000

PFM calculated the percentage of households within each of the three income categories for each TAZ. These percentages were then applied to the 2019 estimate of total households within each TAZ. In addition to estimating household income ranges, PFM included the DataStory-estimated median income for each TAZ. Appendix 1 describes the DataStory methodology. Appendix 2 contains the 2019 Study Area socio-economic data for all TAZs for all socioeconomic variables (including the 2019 TAZ-level median income estimates).

2.3 Employment (2019 Retail-Commercial, Service, Other)

The development of the 2019 baseline employment data for the two counties consisted of the following steps:

1. **Establish PFM's employment control total for each county's Study Area**

   PFM estimated the 2019 employment control totals for each county within the Study Area. Table 4 summarizes the 2019 employment control totals.

Table 4. 2019 Employment County-Level Control Totals

County	2019
Baldwin	119,535
Mobile	239,731

Source: PFM Group Consulting LLC

2. **Allocate PFM's Woods & Poole (W&P) based employment control total across the three employment categories (retail, service and other)**

   W&P is a third party database of economic data which includes county-level employment estimates for the entire United States. The 2019 W&P employment data is the basis of PFM's 2019 employment estimates for the two-county study area. PFM reduced the 23 employment categories as provided in the W&P employment data to the three categories: (1) retail/commercial, (2) service and (3) other.

   Table 5 summarizes W&P's 23 employment categories. The categories highlighted in red being associated with commercial/retail, blue as service, and green as "other" employment. PFM allocated the 2019 W&P employment according to the three socioeconomic employment categories (retail, service and other) while maintaining the control totals for each County, as shown in Table 4. Table 6 summarizes PFM's County-level employment estimates by employment type.

Table 5. Employment Categories (Woods & Poole)

Year	Industry Title	W&P Cat
2019	Total, All Industries	32
2019	Farm Employment	33
2019	Forestry, Fishing & Other	34
2019	Mining	35
2019	Utilities	36
2019	Construction	37
2019	Manufacturing	38
2019	Wholesale Trade	39
2019	Retail Trade	40
2019	Transportation & Warehousing	41
2019	Information	42
2019	Finance & Insurance	43
2019	Real Estate, Rental and Lease	44
2019	Professional & Tech Services	45
2019	Management & Enterprises	46
2019	Administration and Waste Services	47
2019	Educational Services	48
2019	Health Care & Social Assistance	49
2019	Arts, Entertainment and Recreation	50
2019	Accomodation & Food Service	51
2019	Other Services	52
2019	Federal Civilial Govt	53
2019	Federal Military Govt	54
2019	State and Local Govt	55

Source: Woods & Poole (2019) and PFM Group Consulting LLC
*green = other, red = retail and blue = service

Table 6. 2019 Baseline County Employment Estimates by Type

2019	Baldwin	Mobile	Total
OTHER	21,567	56,618	78,185
COMMERCIAL	31,883	41,866	73,749
SERVICE	66,085	141,247	207,332
TOTAL	119,535	239,731	359,266
% OTHER	18.04%	23.62%	21.76%
% COMMERCIAL	26.67%	17.46%	20.53%
% SERVICE	55.29%	58.92%	57.71%

Source: Woods & Poole (2019) and PFM Group Consulting LLC

3. Calculated employment by TAZ as a percentage of total employment by category

PFM calculated the percentage of each of the three employment categories per TAZ as a share of the total employment for that category in the Study Area. Table 7 provides a sample of the employment percentage allocation of TAZs in the Mobile County Study Area. For each category, the category percentages total 100%.

Table 7. Sample of Mobile County TAZs
Employment Allocation at TAZ Level

TAZ	County	% COMMERCIAL	% SERVICE	% OTHER
1	Mobile	0.46%	1.52%	1.10%
2	Mobile	0.28%	0.92%	0.67%
3	Mobile	0.84%	2.79%	2.02%
4	Mobile	0.19%	0.63%	0.46%
5	Mobile	0.38%	1.27%	0.92%
6	Mobile	0.10%	0.37%	0.44%
7	Mobile	0.10%	0.33%	0.24%
8	Mobile	0.08%	0.25%	0.18%
9	Mobile	0.16%	0.53%	0.38%
10	Mobile	0.08%	0.27%	0.19%
…				
Total	-	100.00%	100.00%	100.00%

Source: DataStory (ESRI TAZ Data) and PFM Group Consulting LLC

4. Calculate employment by category at the TAZ level

To obtain the TAZ-level employment by category, PFM multiplied the 2019 category-level employment control totals provided in Table 6 to the corresponding employment percentages illustrated in Table 7. Appendix 2 contains a summary of the final set of socioeconomic data, which includes the 2019 employment data by category at the TAZ level.

2.4 Schools - Pre-Kindergarten to 12th Grade Enrollment (2019)

PFM estimated the 2019 base year Pre-Kindergarten to 12th Grade (PK-12) school enrollments in the study area. The information was obtained from 2019 public school and private school enrollment data. These data sources identify both the number of students per school, as well as the geographic locations of the schools within the two-county Study Area. Additionally, PFM gathered data on student-age children from age 4 to 17 via ESRI. Table 8 provides a sample of the detailed-age profile for Baldwin County. Table 9 summarizes the Study Area student control totals for the PK-12 schools. The development of the 2019 baseline PK-12 school enrollment data for the two counties within the Study Area involved the following steps:

1. Identify the existing location and 2019 enrollments for the Baldwin and Mobile County public schools within the Study Area as provided by each county public school district
2. Identify the existing location and 2019 enrollments for the Baldwin and Mobile County private schools within the Study Area as provided by the following website source: www.privateschoolreview.com
3. PFM geo-located each school to properly identify which TAZ to allocate students

Table 8. Detailed-Age Profile Summary (4 to 17 - Baldwin County)

esri

Detailed Age Profile

Baldwin County, AL
Baldwin County, AL (01003)
Geography: County

Prepared by Esri

Summary	Census 2010	2015	2021		
Population	182,265	200,388	233,561		
Households	73,180	81,070	95,015		
Average Household Size	2.46	2.44	2.44	0.00	0.00%

	Census 2010		2015		2021	
Total Population by Detailed Age	Number	Percent	Number	Percent	Number	Percent
Total	182,265	100.0%	200,388	100.0%	233,561	100.0%
<1	2,103	1.2%	2,244	1.1%	2,458	1.1%
1	2,193	1.2%	2,310	1.2%	2,520	1.1%
2	2,263	1.2%	2,343	1.2%	2,555	1.1%
3	2,250	1.2%	2,356	1.2%	2,578	1.1%
4	2,349	1.3%	2,395	1.2%	2,640	1.2%
5	2,245	1.2%	2,392	1.2%	2,666	1.1%
6	2,301	1.3%	2,495	1.2%	2,758	1.2%
7	2,260	1.2%	2,454	1.2%	2,693	1.2%
8	2,306	1.3%	2,464	1.2%	2,727	1.2%
9	2,487	1.4%	2,572	1.3%	2,803	1.2%
10	2,340	1.3%	2,506	1.3%	2,784	1.3%
11	2,362	1.3%	2,536	1.3%	2,791	1.3%
12	2,398	1.3%	2,566	1.3%	2,837	1.3%
13	2,419	1.3%	2,527	1.3%	2,795	1.3%
14	2,407	1.3%	2,491	1.2%	2,772	1.3%
15	2,367	1.3%	2,404	1.2%	2,630	1.2%
16	2,447	1.3%	2,340	1.2%	2,555	1.2%
17	2,401	1.3%	2,379	1.2%	2,586	1.2%

Source: ESRI (2019)

Table 9. 2019 Study Area PK-12 Student Enrollment

2019	ESRI (4-17)	Study Area
Baldwin	36,437	34,022
Mobile	74,691	64,945
Total	111,128	98,967

Source: ESRI (2019) and PFM Group Consulting LLC

2.5 College & University Student Enrollment Estimates (2019)

PFM produced 2019 estimates of college/university enrollment for the two-county study area. The development of these 2019 baseline estimates involved the following two steps:

1. Identify the existing location and 2019 enrollments for the Baldwin and Mobile County colleges and universities within the Study Area as provided by the Alabama Commission on Higher Education
2. PFM geo-located each college/university to the appropriate TAZ

PFM gathered the college and university enrollment for colleges throughout both counties within the Study Area for 2019. Table 10 summarizes the Study Area 2019 control totals for the colleges and universities identified.

Table 10. 2019 Base Year College Enrollment by TAZ

College/University	TAZ	Number of Students
Bishop State - SW	28	427
Bishop State CC - main	29	1,708
Bishop State - baker	51	427
Bishop State - carver	85	285
Spring Hill College	141	1,290
University of South Alabama	178	14,397
University of Mobile	259	1,989
Faulkner State	330	824
United States Sports Academy	380	499
Faulkner State	646	2,471
	Total Of Enrollment	24,317

Source: ESRI (2019) and PFM Group Consulting LLC

2.6 University Dormitory Unit Estimates (2019)

To estimate the number of dormitory units at each college/university within the Study Area, PFM gathered data from each university on the number of dormitory units on campus as of 2019. Based on the enrollment data as of 2019, PFM calculated a dormitory unit to enrollee factor. This factor was calculated for the base year and applied to the forecast years to provide an estimate of future dormitory units because the university's do not have a long-range plan for dormitory development. This factor creates the university-specific relationship between enrollment and dormitory units. Table 11 summarizes the estimated dormitory units in 2019.

Table 11. 2019 Base Year College Dormitory Units by TAZ

College/University	Units/Per Enrollment (2019)	Dorm Rooms
Bishop State - SW	0.00	0
Bishop State CC - main	0.00	0
Bishop State - baker	0.00	0
Bishop State - carver	0.00	0
Spring Hill College	0.38	540
University of South Alabama	0.09	1,466
University of Mobile	0.47	930
Faulkner State	0.00	0
United States Sports Academy	0.00	0
Faulkner State	0.07	232
	Total Of Dorm Units	3,168

Source: ESRI (2019) and PFM Group Consulting LLC

2.7 Summary of 2019 Baseline Socioeconomic Data

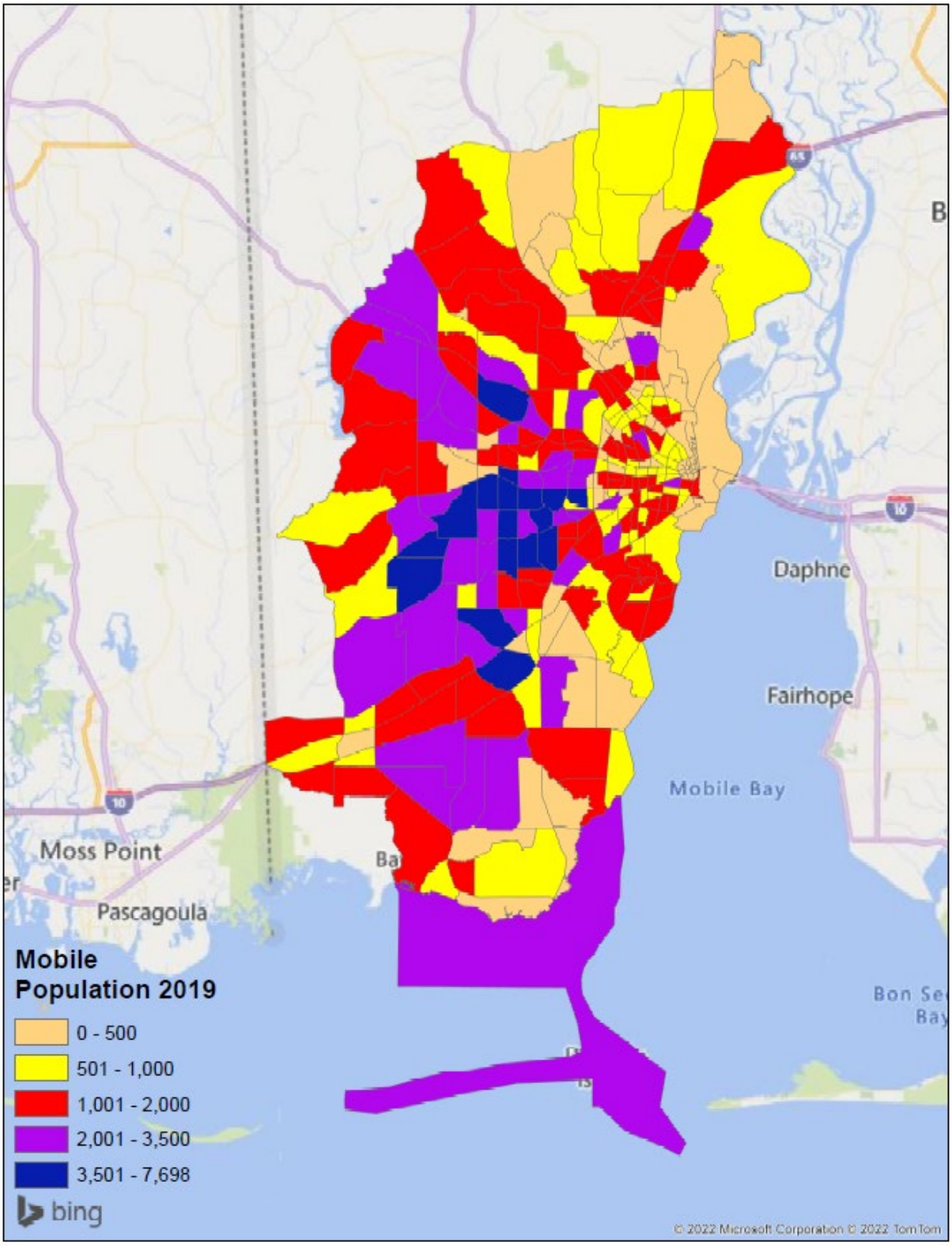
PFM combined the data derived via the methodologies discussed in Section 2.1 through Section 2.6 to estimate the full socioeconomic dataset for the 2019 base year. Table 12 provides the summary of the 2019 socioeconomic data for each county within the Study Area. Map 2 through Map 5 provide Mobile and Baldwin County population and employment concentrations for 2019. Appendix 2 contains 2019 TAZ-level socioeconomic data for all of the variables shown in Table 12.

Table 12. 2019 Study Area SE Data Summary

	Mobile	Baldwin	Total
Population	397,349	226,814	624,163
Households (HH)	153,232	91,210	244,442
Median HH Income, less than $25,000	45,282	15,744	61,026
Median HH Income, between $25,000 and $50,000	34,418	22,587	57,005
Median HH Income, greater than $50,000	73,532	52,879	126,411
Median_Income	41,583	60,706	51,674
Employment - Commercial	41,866	31,883	73,749
Employment - Service	141,247	66,085	207,332
Employment - Other	56,618	21,567	78,185
Employment - TOTAL	239,731	119,535	359,266
School Enrollment (PK_12)	64,945	34,022	98,967
University Enrollment	20,523	3,794	24,317
Dormitory Units	2,936	232	3,168

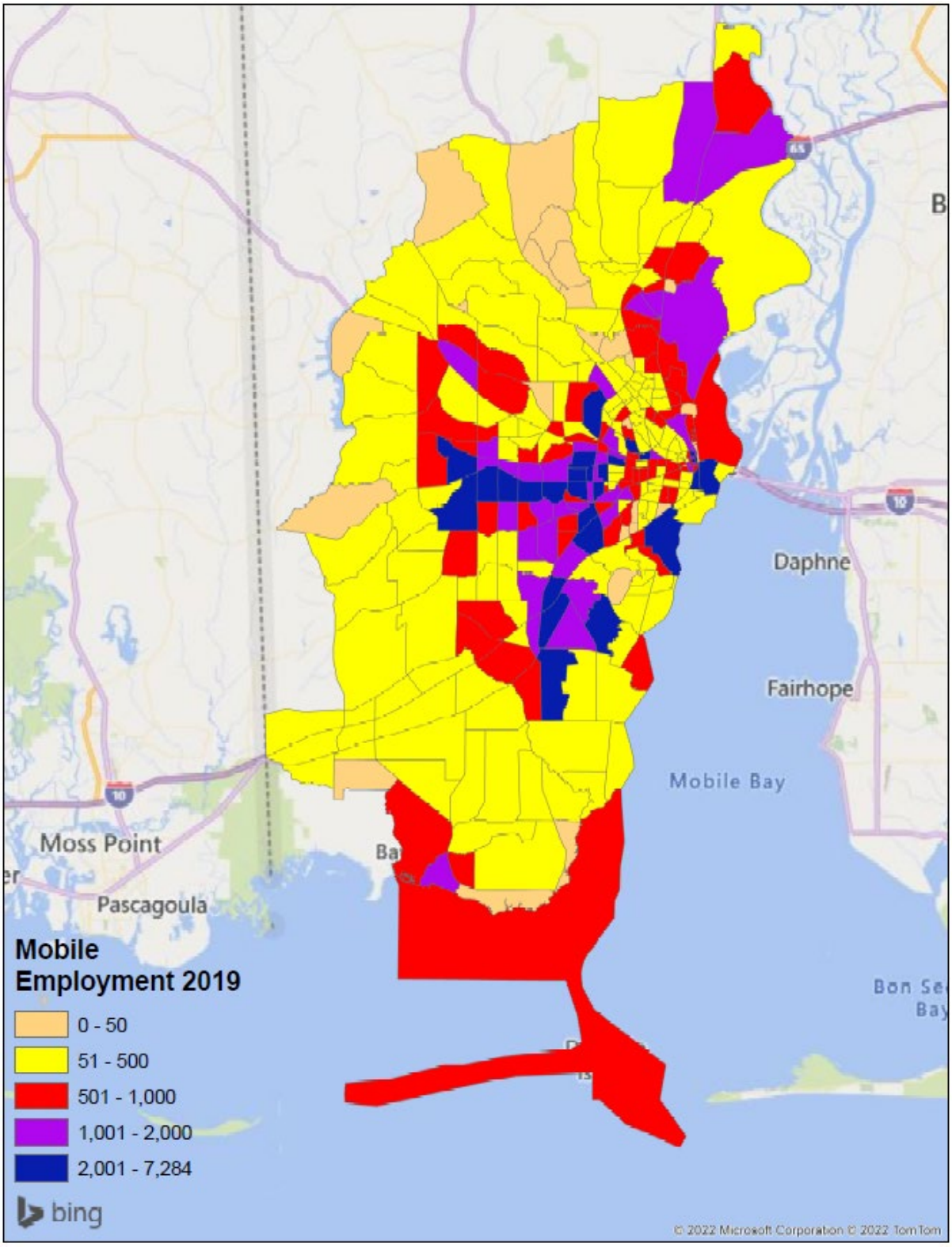
Source: PFM Group Consulting LLC

Map 2. Mobile County TAZ Population Concentrations (2019)



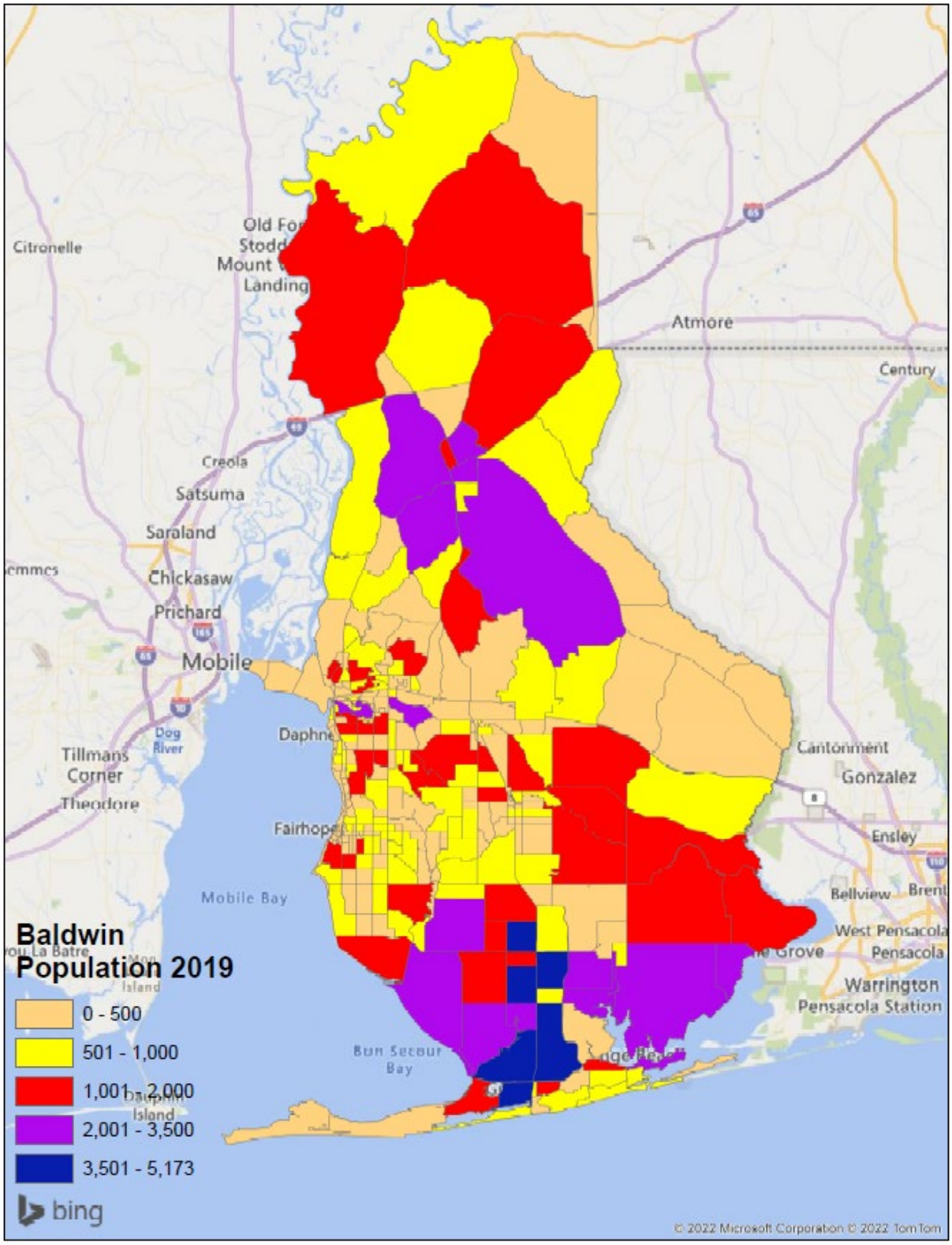
Source: DataStory (ESRI provided Census-based data)

Map 3. Mobile County TAZ Employment Concentrations (2019)



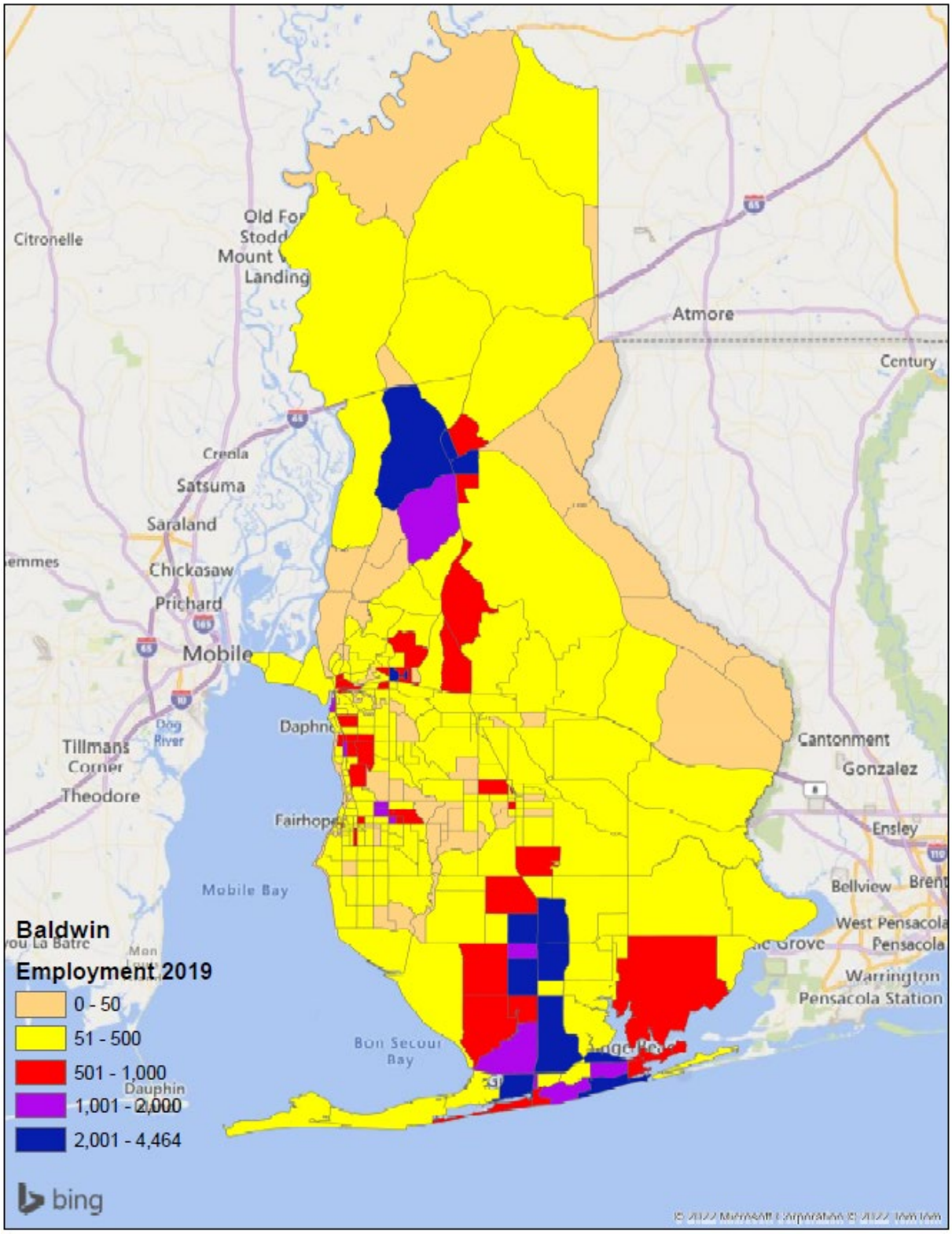
Source: DataStory (ESRI provided Census-based data)

Map 4. Baldwin County TAZ Population Concentrations (2019)



Source: DataStory (ESRI provided Census-based data)

Map 5. Baldwin County TAZ Employment Concentrations (2019)



Source: DataStory (ESRI provided Census-based data)

3.0 Future-Year Population Control Totals

3.1 Historic Population Growth Within Study Area

PFM generated population and employment control total forecasts at the county level for Baldwin and Mobile Counties. A control total represents the upper limit of population within each County and Study Area analyzed. Prior to establishing future-year control totals, PFM analyzed the historic population growth in the two-county Study Area. The Study Area market includes the Mobile, AL Metropolitan Statistical Area (Mobile County) and the Daphne-Fairhope-Foley, AL Metropolitan Statistical Area (Baldwin County). Mobile County and specifically the City of Mobile currently represent the major employment center for the study area market. However, Baldwin County is one of the fastest growing counties in Alabama. From 2000 through 2019, Baldwin County has added an estimated 78,110 in population (compared to Mobile County, which has only added 16,234 persons over the same period).

The base year for the purposes of this analysis is 2019. The 2010 population data is benchmarked to the US Census Bureau 2010 county level population estimates. Table 13 shows the populations of Baldwin and Mobile Counties from 1990 through 2019.

Table 13. Historical Population Levels and Growth

	County	1990*	2000*	2010*	2019	
CEBR	Baldwin	98,280	140,415	182,265	218,525	
	Mobile	378,643	399,843	412,992	416,077	
	County		1990-2000	2000-2010	2010-2019	Since 2000
Growth	Baldwin		42,135	41,850	36,260	78,110
	Mobile		21,200	13,149	3,085	16,234

Source: University of Alabama, Center for Business and Economic Research
*U.S. Census

3.2 Population Forecast Methodology and Forecast

The University of Alabama Center for Business and Economic Research (CBER) produces historical population estimates and future population projections for all Alabama counties. For the purposes of past annual population estimates, PFM relies on Census Bureau published estimates. PFM relied on the CBER county-level population forecasts for future population control totals.

Table 14 provides the summary of PFM's initial 2019 base year population and population forecast by county for the select forecast years of 2025, 2035, 2045 and 2055. These data reflect the county level data which represents the starting point for development of the Study Area control totals for each county. PFM compared the CBER forecast to W&P population forecasts over the same period. After evaluating the two forecasts, the CBER forecast was slightly more conservative and more consistent with PFM's view of the market.

Table 14. CBER Population Forecast by County

County	2010*	2019	2025	2035	2045	2055
Baldwin	182,265	204,543	261,352	332,333	na	na
Mobile	412,992	420,180	430,117	430,150	na	na

Source: University of Alabama, Center for Business and Economic Research
*U.S. Census (2010)

The TAZs for Mobile County (as provided by the Mobile MPO) do not comprise the entire county; PFM estimated the percentage of population located within the TAZs compared to the county as a whole using data and analysis via Environmental Systems Research Institute (ESRI) which is a third party data service. Using this data, PFM estimated the population of Mobile County located within the Study Area. As Table 15A and 15B show, an estimated 95.8% of Mobile County's 2019 population is located within the study area portion of Mobile County. Based on this finding, PFM applied a 95.8% rate to the 2020 CBER population and 95.8% to the CBER forecast data when creating the population projections for the Mobile County Study Area.

Table 15A. ESRI Population Forecast by County

	County	2000***	2010	2019
ESRI	Baldwin	140,415	182,265	226,817
	Mobile	399,843	412,992	414,627

Source: ESRI, **forecast estimates via ESRI
***U.S. Census (2010)

Table 15B. ESRI TAZs (DataStory) Population Forecast by County

	County	2000	2010	2019
ESRI TAZs	Baldwin		181,953	218,946
	Mobile*		383,766	397,353
	% of County		92.9%	95.8%

Source: DataStory (ESRI TAZ Data) *partial county
**forecast estimates via ESRI

Table 16 summarizes the control total forecast estimates for each county within the Study Area. Table 17 summarizes the compound annual growth rate (CAGR) calculations for the historic and forecast population levels through 2055.

Table 16. Population Forecast by County (for Study Area)

County	1990	2000	2010	2019	2025	2035	2045	2055
Baldwin	98,280*	140,415*	182,265*	226,814	251,558	288,471	323,244	363,346
Mobile	351,848	371,548	383,766	397,349	400,618	407,828	415,250	421,558

Source: CBER and PFM Group Consulting LLC
*U.S. Census (2010)

Table 17. CAGR for Population by County (for Study Area)

CAGR	1990-2000	2000-2010	2010-2020	2020-2030	2030-2040	2040-2050	2050-2055
Baldwin	3.63%	2.64%	2.43%	1.58%	1.23%	1.12%	1.21%
Mobile	0.55%	0.32%	0.35%	0.16%	0.20%	0.15%	0.15%

Source: PFM Group Consulting LLC

4.0 Future-Year Employment Control Totals

4.1 Employment Forecast Methodology and Forecast

PFM analyzed the historic employment growth in the two-county Study Area. These two counties are linked by I-10 and US-98, and the I-10 Mobile River Bridge Project will continue to link both counties' economies. The continued growth of Baldwin County is likely to result in increased traffic over the proposed Project given Mobile's history as an employment center. The W&P employment data is the basis for PFM's employment forecast. Table 18 provides the county-level W&P employment data for each county.

Table 18. County-Level Woods & Poole Employment Estimates

County	1990	2000	2010	2019	2025	2035	2045	2055
Baldwin	40,545	69,424	89,246	119,535	137,340	170,657	208,281	254,215
Mobile	181,717	217,094	226,900	240,491	249,937	261,639	268,526	273,191

Source: Woods & Poole Economics (2021)

The number of jobs estimated in W&P employment data is higher than other data sources as it takes into account a broader employment base with respect to sole proprietors and those having more than one job. W&P data are used in preference over Total Non-Agricultural Employment as published by the Bureau of Labor Statistics. This is because W&P employment data incorporate full-time and part-time workers by place of work as well as proprietors, private household employees, military and miscellaneous workers employment. This is a more comprehensive employment measure than either BLS or Census and more representative of total employment within each county. The data in Table 18 were modified to develop PFM's control total employment forecast for the Study Area counties.

Modifications are based on a review of historic trends observed in the Employment/Population (E/P) ratio. The E/P ratio is the ratio of total county employment divided by the total county population. Historically, the E/P ratios vary over time. These ratios are a function of the economic linkages from community to community and the pace at which economic development occurs.

The first modification involved PFM adjusting the county-level W&P employment data to achieve E/P ratios that appeared rational given growth rates in development within both Mobile and Baldwin Counties. PFM has adjusted the E/P ratios in the development of employment projections to provide its forecasted employment growth. Generally speaking, employment population ratios are low and grow slowly in secondary counties / bedroom communities to major metro centers.

As bedroom communities become more economically integrated into the Metro Area E/P ratios grow more quickly. This integration results from improved linkages to the other counties in the Metro Area, for example as a result of the existing Mobile Bay Bridge between Mobile County and Baldwin County. Table 19 provides the E/P ratios associated with historic CBER population levels and W&P employment data and PFM's estimated E/P ratios 2019 through 2055 at the county level.

Table 19. Employment to Population Ratios: 1990-2055

County	1990*	2000*	2010*	2019	2025	2035	2045	2055
Baldwin	41.2%	49.5%	49.2%	52.7%	49.8%	53.8%	55.0%	55.8%
Mobile	48.0%	54.4%	53.6%	60.3%	62.1%	63.8%	64.3%	64.4%

Source: PFM Group Consulting LLC (*CBER and Woods & Poole historic data)

The second modification involved the adjustment for the Mobile County TAZs not comprising the entirety of Mobile County. PFM estimated the percentage of employment located within the TAZs compared to the county as a whole using data and analysis via ESRI. Using this data, PFM estimated the population of Mobile County located within the subset of TAZs within the Study Area. As Table 20A and Table 20B show, an estimated 97.7% of Mobile County's employment base is located within the subset of TAZs within Mobile County.

Table 20A. Employment Forecast by County

	County	2019
ESRI	Baldwin	93,792
	Mobile	214,285

Source: ESRI 2019

Table 20B. Employment Forecast by County (Study Area)

	County	2019
ESRI TAZs	Baldwin	93,402
	Mobile*	209,257
	Avg % of County	97.7%

Source: DataStory (ESRI TAZ Data) *partial county

The result of the two modifications of adjusting the county-level E/P ratios and applying the 97.7% to the adjusted employment levels resulted in PFM's employment control totals for the Study Area. Table 21 summarizes PFM's employment control total forecast for the Study Area counties. Table 22 summarizes the CAGR calculations for the historic and forecast employment levels through 2055.

Table 21. Employment Forecast by County (for Study Area)

County	1990	2000	2010	2019	2025	2035	2045	2055
Baldwin	40,540	69,550	89,690	119,535	125,340	155,157	177,901	202,696
Mobile	177,446	212,240	221,459	239,731	248,955	260,383	267,108	271,663

Source: PFM Group Consulting LLC

Table 22. CAAGR – Compound Average Annual Growth Rate for Employment by County (for Study Area)

CAGR	1990-2000	2000-2010	2010-2020	2020-2030	2030-2040	2040-2050	2050-2055
Baldwin	5.53%	2.54%	2.48%	2.07%	1.76%	1.30%	1.34%
Mobile	1.79%	0.44%	0.47%	0.95%	0.35%	0.18%	0.18%

Source: PFM Group Consulting LLC

5.0 I-10 Mobile River Bridge/Bayway Forecast 2025, 2035, 2045 and 2055

Methodology

As part of the development of the forecast analysis, PFM estimated the holding capacity of vacant lands within the Study Area. PFM used the Client-provided Traffic Analysis Zones (TAZs) boundaries and intersected them with each county's GIS parcel shape file. PFM then intersected these parcel shape files with the U.S. Fish and Wildlife National Wetlands Inventory layer and removed all sensitive wetlands from the Study Area. By doing this, PFM was then able to estimate developable land in each TAZ within the Study Area.

As discussed in Section 4.1 and Section 4.2, neither county nor the City of Mobile are governed by an existing comprehensive land use plan or future land use element which defines overarching land uses of lands within the county and/or city. As a result, to estimate holding capacities of residential and commercial uses, PFM calculated the existing density of development within each TAZ on a population per acre basis and an employee per acre basis. While it is understood that past development densities do not necessarily represent future densities, without municipal planning guidance, PFM believes this a reasonable methodology in estimating the holding capacity of residential and commercial development within the Study Area.

PFM identified the vacant developable acres within each county in the Study Area. PFM calculated the TAZ specific population capacity based in the existing population per acre within the TAZ. Similarly, PFM calculated the TAZ specific employment capacity based on the existing employee per acre basis.

Based on the local planning knowledge and PFM's market analysis, specific locations within each county were identified as more or less attractive to future growth. PFM created nine Super Zones: five in Mobile County and four in Baldwin County. These zones were created using an index of attractiveness, which is a collection of criteria that make areas within each county more likely to see growth. These criteria include: 1) transportation access in terms of highway, rail and/or airports, 2) coastal development / retiree activity, 3) juxtaposition to current employment centers, and 4) other factors. PFM identified the following economic drivers and activity areas within each county:

Mobile County Study Area Super Zones

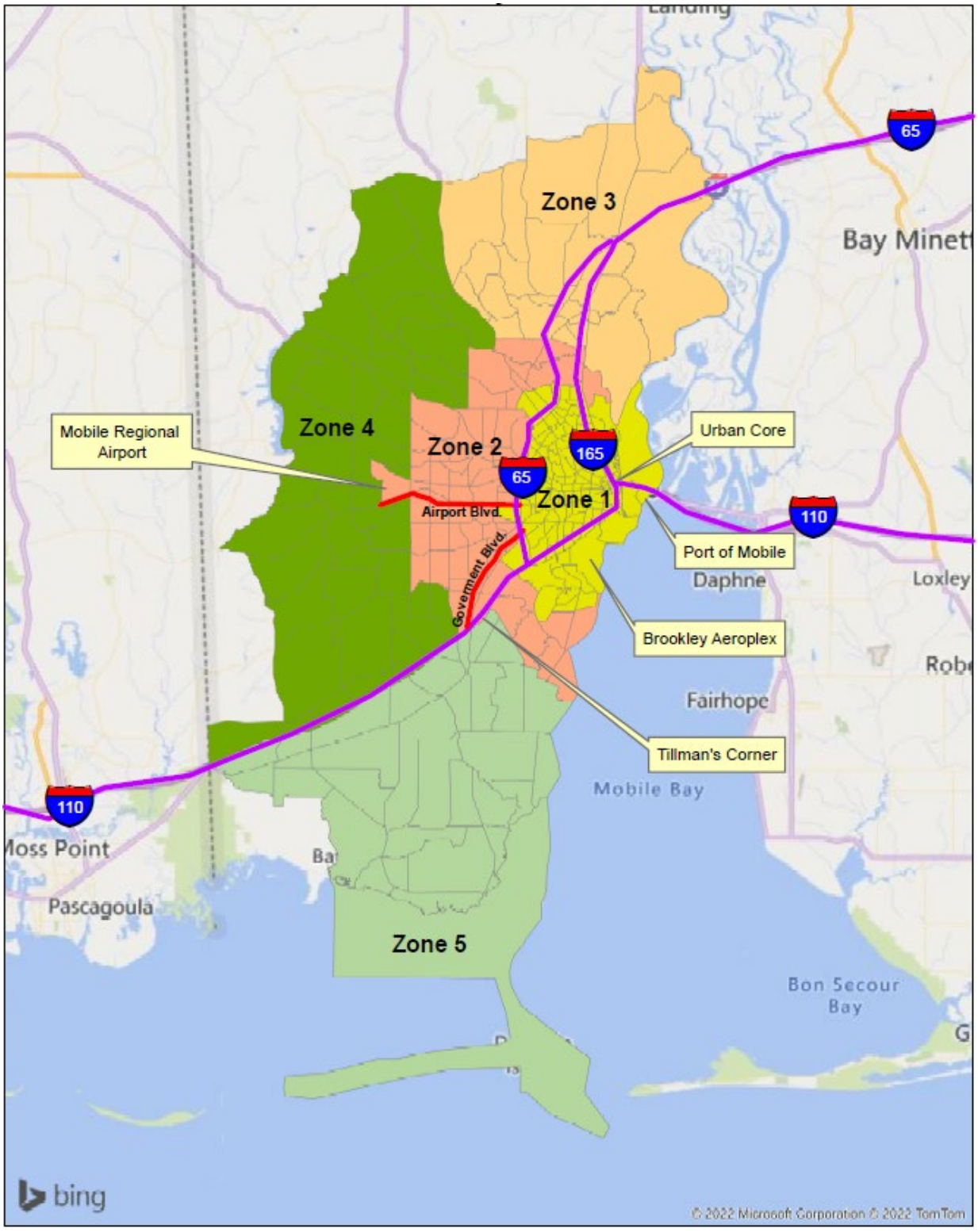
- Super Zone 1: Downtown Mobile (urban core), Mobile Aeroplex at Brookley, Port of Mobile, Mobile Regional Airport (starting in 2025)
- Super Zone 2: Mobile Regional Airport (through 2024), Airport Blvd Corridor, Tillmans Corner, Government Blvd Corridor
- Super Zone 3: Northern Study Area
- Super Zone 4: Western Study Area
- Super Zone 5: Southern Study Area

Baldwin County Study Area Super Zones

- Super Zone 1: Eastern Shore (Daphne – Fairhope), SR 98 Corridor and Route 181 Corridors
- Super Zone 2: Orange Beach/Gulf Shores (retirement cluster), SR 59 Corridor (Foley – Tanger Outlet Center)
- Super Zone 3: Spanish Fort and Eastern Baldwin County
- Super Zone 4: Bay Minette (County Seat) and northern Baldwin County

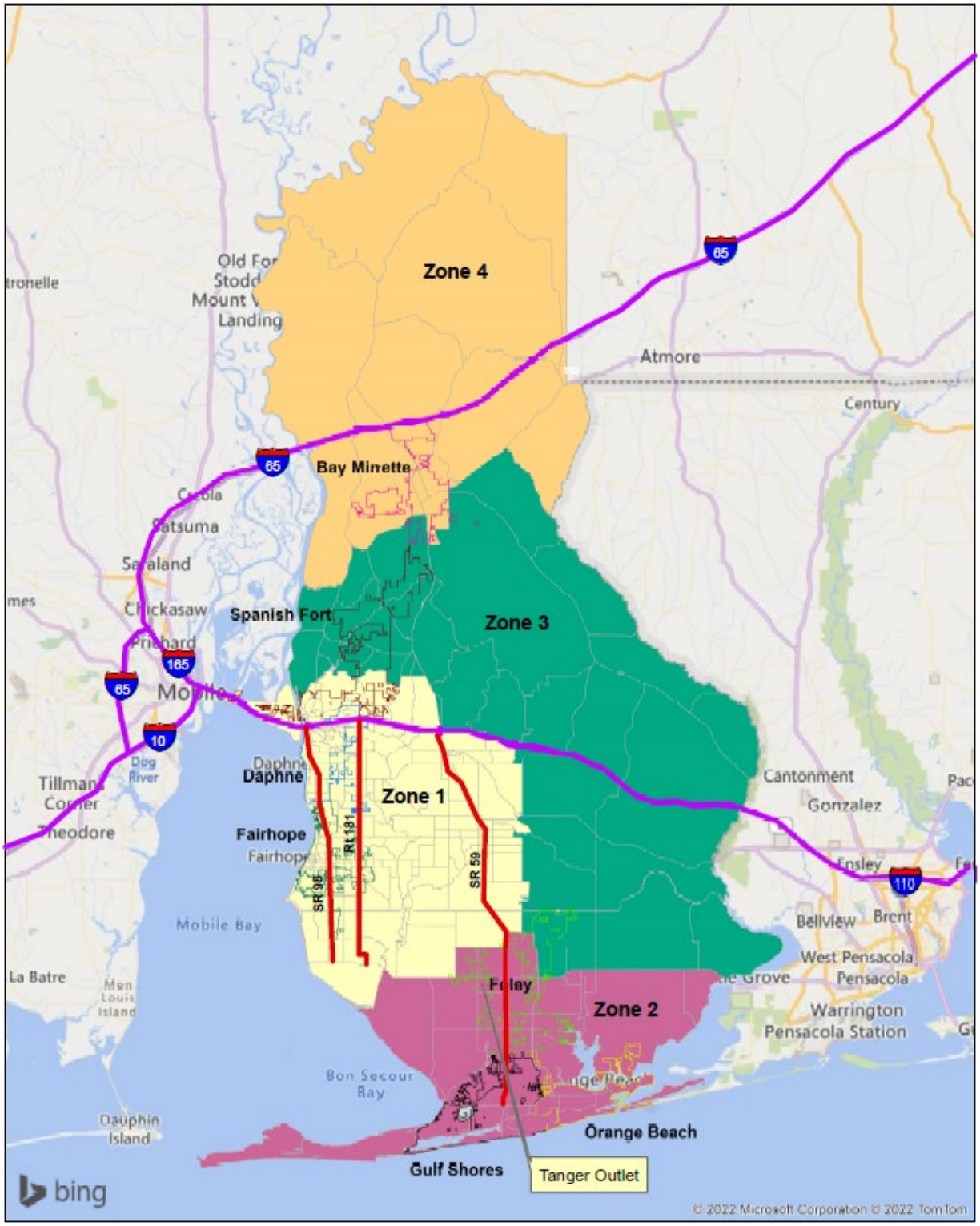
The boundary of each Super Zones defines specific areas to which to allocate forecasted growth. This methodology allows PFM to allocate growth into areas within each county that are likely to see higher or lower growth based on historic growth patterns. Maps 6 and 7 show PFM's Super Zones' boundaries for Mobile and Baldwin Counties respectively. By applying PFM's assumptions and understanding of the local market dynamics, known environmental constraints, and growth trends, PFM estimated and allocated countywide growth to each Super Zone within the Study Area from 2025 through 2055.

Map 6. Mobile County Study Area TAZ Super Zones



Source: PFM Group Consulting LLC

Map 7. Baldwin County Study Area TAZ Super Zones



Source: PFM Group Consulting LLC

5.1 Population and Households

Table 23 summarizes PFM's population forecasts for each county within the Study Area for the three forecast years.

Table 23. Population Forecasts (Study Area)

County	2025	2035	2045	2055
Baldwin	251,558	288,471	323,244	363,346
Mobile	400,618	407,828	415,250	421,558
Total	652,176	696,299	738,494	784,904

Source: PFM Group Consulting LLC

PFM generated the data in Table 23 via its annual population forecast for each county within the Study Area. The annual population growth is cumulatively added to the 2019 Base Year population. The annual growth is first allocated across each Super Zone within each county by percentage. This percentage was adjusted annually. The percentage of annual population growth within each Super Zone is then divided equally among each of the TAZs within each Super Zone.

It is important to note that this allocation of population growth per TAZ varied annually based on the percentage of population growth allocated to each Super Zone within each county. With respect to the forecasted population growth in each county within the Study Area, PFM made an assumption that all vacant developable land within each defined Super Zone of TAZs within each county (Super Zones 1 through 5 in Mobile County and Super Zones 1 through 4 in Baldwin County) have the ability to capture its relative share of forecasted annual population based on each individual TAZ's population capacity and that all TAZs were equal in terms of development desirability within each zone. For example, this assumption means that a TAZ with a larger amount of residential population capacity relative to other TAZs in the same Super Zone will capture a larger share of annual population growth based on its capacity regardless of its comparative location/attractiveness to other TAZs within the zone.

PFM calculated the capacity of each TAZ and Super Zone annually so that if all the vacant land was exhausted in a specific TAZ and Super Zone for population growth, that growth can be allocated to another TAZ within the Super Zone. As mentioned in Section 6.0, PFM calculated the existing density of development within each TAZ on a population per acre basis and an employee per acre basis. PFM calculated the percentage of population within each Super Zone to evaluate that each Super Zone continues to capture its historic share of existing countywide population. It is assumed that development patterns will continue to generally emulate historic activity at the Super Zone level.

PFM converted each county's annual population growth to annual household growth using the 2019 TAZ-specific PPH factor. PFM's population and household levels from 2019 through 2055 are calculated at the aggregate Super Zone level for the forecast years of 2025, 2035, 2045 and 2055 for the Study Area. Table 24 summarizes the estimates and allocation of population and households through 2055. The percentage of population within each Super Zone is also calculated through 2055 to evaluate the allocation among the Super Zones in each county within the Study Area.

Table 24. Summary of Population and Household Estimates (by Zone)

	Baldwin Population							Baldwin Population (%)				
Super Zone	2019	2025	2035	2045	2055		Super Zone	2019	2025	2035	2045	2055
1	119,446	132,300	151,521	169,438	189,829		1	52.66%	52.59%	52.53%	52.42%	52.24%
2	65,657	72,924	83,671	93,902	105,877		2	28.95%	28.99%	29.00%	29.05%	29.14%
3	23,284	25,815	29,512	32,944	37,175		3	10.27%	10.26%	10.23%	10.19%	10.23%
4	18,427	20,519	23,767	26,961	30,465		4	8.12%	8.16%	8.24%	8.34%	8.38%
Total	226,814	251,558	288,471	323,245	363,346		Total	100.00%	100.00%	100.00%	100.00%	100.00%

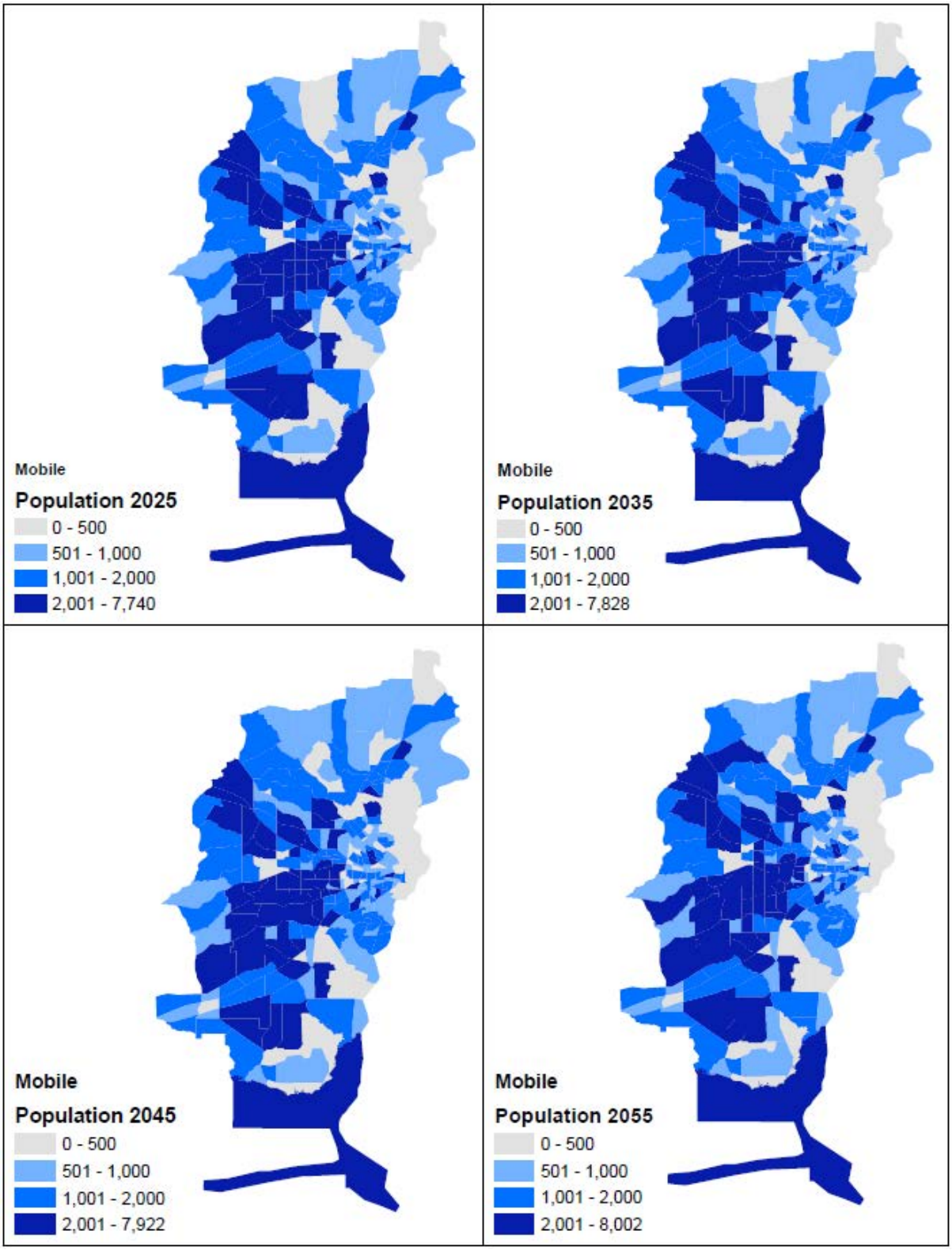
	Baldwin Households							Baldwin Households (%)				
Super Zone	2019	2025	2035	2045	2055		Super Zone	2019	2025	2035	2045	2055
1	47,330	52,270	59,637	66,462	74,262		1	51.89%	51.74%	51.56%	51.36%	51.12%
2	28,263	31,376	35,968	40,330	45,453		2	30.99%	31.06%	31.10%	31.17%	31.29%
3	8,557	9,498	10,883	12,172	13,750		3	9.38%	9.40%	9.41%	9.41%	9.46%
4	7,060	7,884	9,169	10,429	11,809		4	7.74%	7.80%	7.93%	8.06%	8.13%
Total	91,210	101,028	115,657	129,393	145,274		Total	100.00%	100.00%	100.00%	100.00%	100.00%

	Mobile Population							Mobile Population (%)				
Super Zone	2019	2025	2035	2045	2055		Super Zone	2019	2025	2035	2045	2055
1	111,719	112,650	114,626	116,659	118,389		1	28.12%	28.12%	28.11%	28.09%	28.08%
2	127,877	128,907	131,275	133,722	135,783		2	32.18%	32.18%	32.19%	32.20%	32.21%
3	26,057	26,269	26,752	27,247	27,647		3	6.56%	6.56%	6.56%	6.56%	6.56%
4	93,287	94,098	95,813	97,558	99,085		4	23.48%	23.49%	23.49%	23.49%	23.50%
5	38,409	38,694	39,362	40,064	40,654		5	9.67%	9.66%	9.65%	9.65%	9.64%
Total	397,349	400,618	407,828	415,250	421,558		Total	100.00%	100.00%	100.00%	100.00%	100.00%

	Mobile Households							Mobile Households (%)				
Super Zone	2019	2025	2035	2045	2055		Super Zone	2019	2025	2035	2045	2055
1	43,896	44,189	44,856	45,556	46,106		1	28.65%	28.63%	28.60%	28.56%	28.51%
2	51,742	52,121	53,001	53,935	54,711		2	33.77%	33.77%	33.79%	33.81%	33.84%
3	9,957	10,019	10,176	10,336	10,456		3	6.50%	6.49%	6.49%	6.48%	6.47%
4	33,678	33,972	34,593	35,219	35,777		4	21.98%	22.01%	22.05%	22.08%	22.13%
5	13,959	14,040	14,235	14,455	14,645		5	9.11%	9.10%	9.07%	9.06%	9.06%
Total	153,232	154,341	156,861	159,501	161,695		Total	100.00%	100.00%	100.00%	100.00%	100.00%

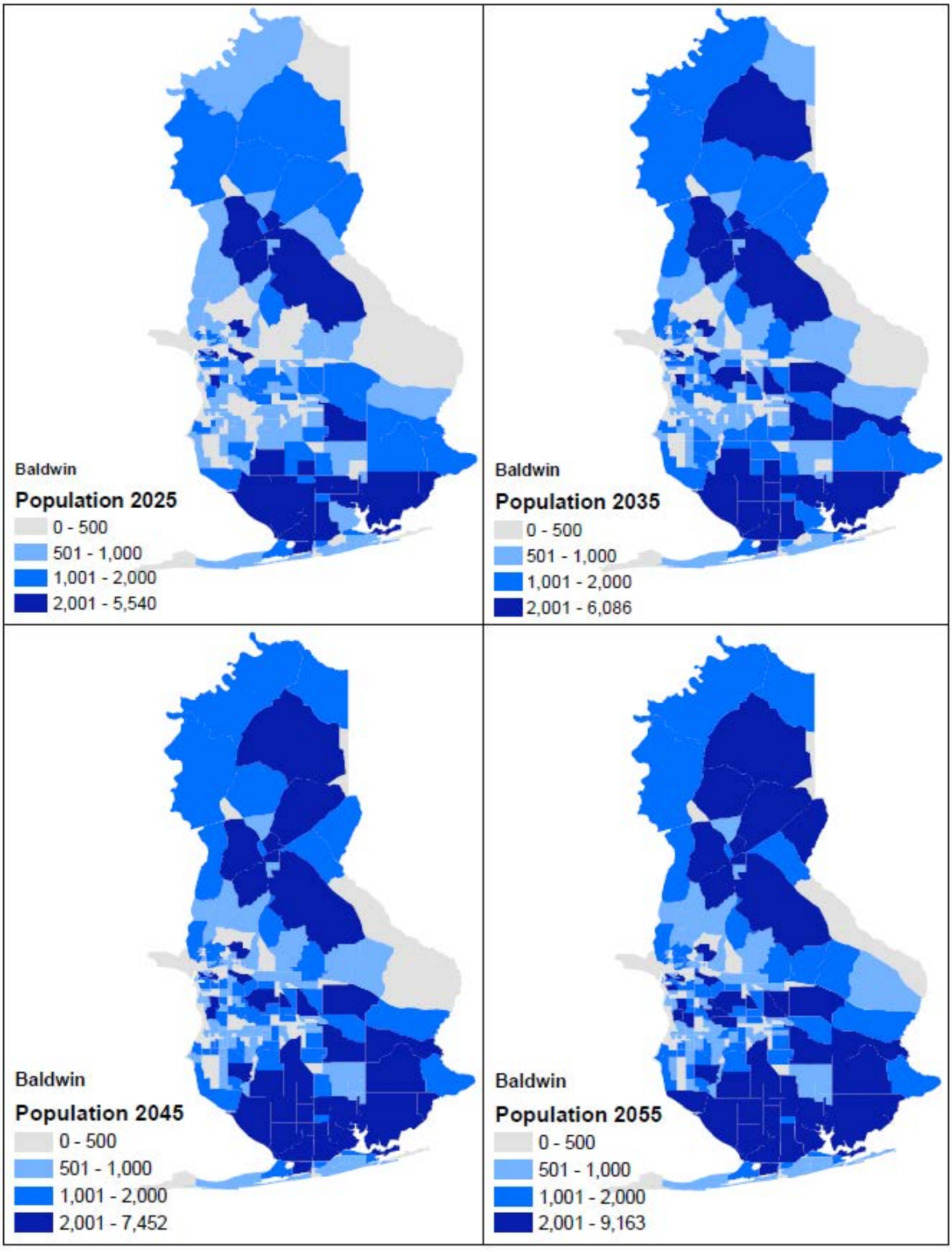
Source: PFM Group Consulting LLC

Map 8. Total Population Concentration at the TAZ Level (Mobile County)



Source: PFM Group Consulting LLC

Map 9. Total Population Concentration at the TAZ Level (Baldwin County)



Source: PFM Group Consulting LLC

5.2 Household Income Profile

As discussed in Section 2.2, PFM calculated the number of households per TAZ by income range using the U.S. Census Bureau 2019 Household Income Profile. The three income ranges (and associated vehicle trips) estimated are the following:

- Low Income, less than $25,000 = 4.3 vehicle trips
- Medium Income, $25,000-$50,000 = 7.3 vehicle trips
- High Income, more than $50,000 = 9.3 vehicle trips

PFM calculated the 2019 percentage of households within each of the three income categories for each TAZ. The 2019 percentages were then applied to the 2025, 2035, 2045 and 2055 estimates of total households.

Table 25 summarizes the average median household incomes across the TAZs within the Study Area for each county. Appendix 3 contains the average household median income data as well as the allocation of households within the low, median and high-income categories at the TAZ level.

Table 25. Summary of County-Level Median Income Data

County	2019 Median HH Income	2025 Median HH Income	2035 Median HH Income	2045 Median HH Income	2055 Median HH Income
Mobile	$49,492	$56,861	$65,327	$73,337	$82,330
Baldwin	$59,871	$68,074	$77,402	$86,144	$95,873

Source: US Census (American Factfinder) and PFM Group Consulting LLC

PFM utilized the 2019 and 2020 DataStory median income data at the TAZ level for both Baldwin and Mobile Counties within the Study Area. Using the 2019 data point, PFM applied county-specific annual growth rates at the TAZ-level based on the average annual growth rate observed between 2009 and 2019. Table 26 summarizes the recent history of median household income for Alabama, Baldwin County and Mobile County.

Table 26. Alabama, Baldwin County and Mobile County
Median Household Income History and Annual Growth Rates

Year	Alabama	Baldwin	Mobile
2009	$48,351	$48,637	$39,828
2010	$48,701	$47,618	$39,753
2011	$49,123	$50,144	$41,867
2012	$49,092	$48,867	$39,546
2013	$52,667	$47,539	$42,278
2014	$46,272	$49,626	$42,943
2015	$48,629	$52,387	$42,530
2016	$50,936	$56,460	$45,233
2017	$53,711	$56,607	$45,615
2018	$51,475	$57,588	$43,598
2019	$56,901	$59,871	$49,492
2020	$54,393		
Year	Alabama	Baldwin	Mobile
2009			
2010	0.72%	-2.10%	-0.19%
2011	0.87%	5.30%	5.32%
2012	-0.06%	-2.55%	-5.54%
2013	7.28%	-2.72%	6.91%
2014	-12.14%	4.39%	1.57%
2015	5.09%	5.56%	-0.96%
2016	4.74%	7.77%	6.36%
2017	5.45%	0.26%	0.84%
2018	-4.16%	1.73%	-4.42%
2019	10.54%	3.96%	13.52%
2020	-4.41%		
AVG*	1.83%	2.16%	2.34%

Source: St. Louis Federal Reserve

5.3 Employment (2025, 2035, 2045 and 2055 Retail-Commercial, Service and Other)

The development of the 2025, 2035, 2045 and 2055 employment estimates for the two counties within the Study Area involved the same methodology as outlined in Section 2.3 for the 2019 Base Year. A summary of the steps is provided herein:

1. **Identify/establish PFM's guiding employment control total for each county's Study Area (See Section 2.2 – Table 8)**

PFM estimated the 2025, 2035, 2045 and 2055 aggregate employment control totals for each county within the Study Area. Table 27 summarizes the forecast employment control totals.

Table 27. Forecast Employment County-Level Control Totals (for Study Area)

County	2025	2035	2045	2055
Baldwin	125,340	155,157	177,901	202,696
Mobile	248,955	260,383	267,108	271,663

Source: PFM Group Consulting LLC

2. Allocate PFM's (W&P-based) employment control total across the three employment categories (retail, service and other)

Table 28 summarizes the forecast employment allocations by employment type for the Study Area.

Table 28. 2025, 2035, 2045 and 2055 Forecast Employment Estimates by Type for the Study Area

	2025	2035	2045	2055
Baldwin				
OTHER	20,614	22,093	22,212	23,654
COMMERCIAL	33,393	41,108	46,787	53,149
SERVICE	71,333	91,956	108,901	125,893
TOTAL	125,340	155,157	177,901	202,696
% OTHER	16.4%	14.2%	12.5%	11.7%
% COMMERCIAL	26.6%	26.5%	26.3%	26.2%
% SERVICE	56.9%	59.3%	61.2%	62.1%
	2025	2035	2045	2055
Mobile				
OTHER	56,454	55,592	54,255	53,977
COMMERCIAL	43,036	44,376	44,959	45,471
SERVICE	149,464	160,415	167,894	172,216
TOTAL	248,955	260,383	267,108	271,663
% OTHER	22.7%	21.4%	20.3%	19.9%
% COMMERCIAL	17.3%	17.0%	16.8%	16.7%
% SERVICE	60.0%	61.6%	62.9%	63.4%

Source: PFM Group Consulting LLC

3. Calculated employment by TAZ as a percentage of total employment by category

4. Calculate employment by category at the TAZ level

To obtain the TAZ-level employment category, PFM multiplied the 2025, 2035, 2045 and 2055 category-level employment control totals provided in Table 30 to the corresponding employment percentages illustrated in Table 7 in Section 2.3.

With respect to TAZ 49, which includes the Mobile Aeroplex at Brookley, PFM included an estimate of 700 additional employees by 2018 associated with the Airbus manufacturing facility. Given the 2020 control total, PFM adjusted the remaining employment throughout the Mobile Study Area to account for the forecasted Airbus employment. This generated the final employment estimates by category at the TAZ level for the 2025, 2035, 2045 and 2055 forecast years for the Study Area. Table 29 summarizes the total employment by PFM's defined zones through 2040.

Table 29. Summary of Employment Estimates (by Zone)

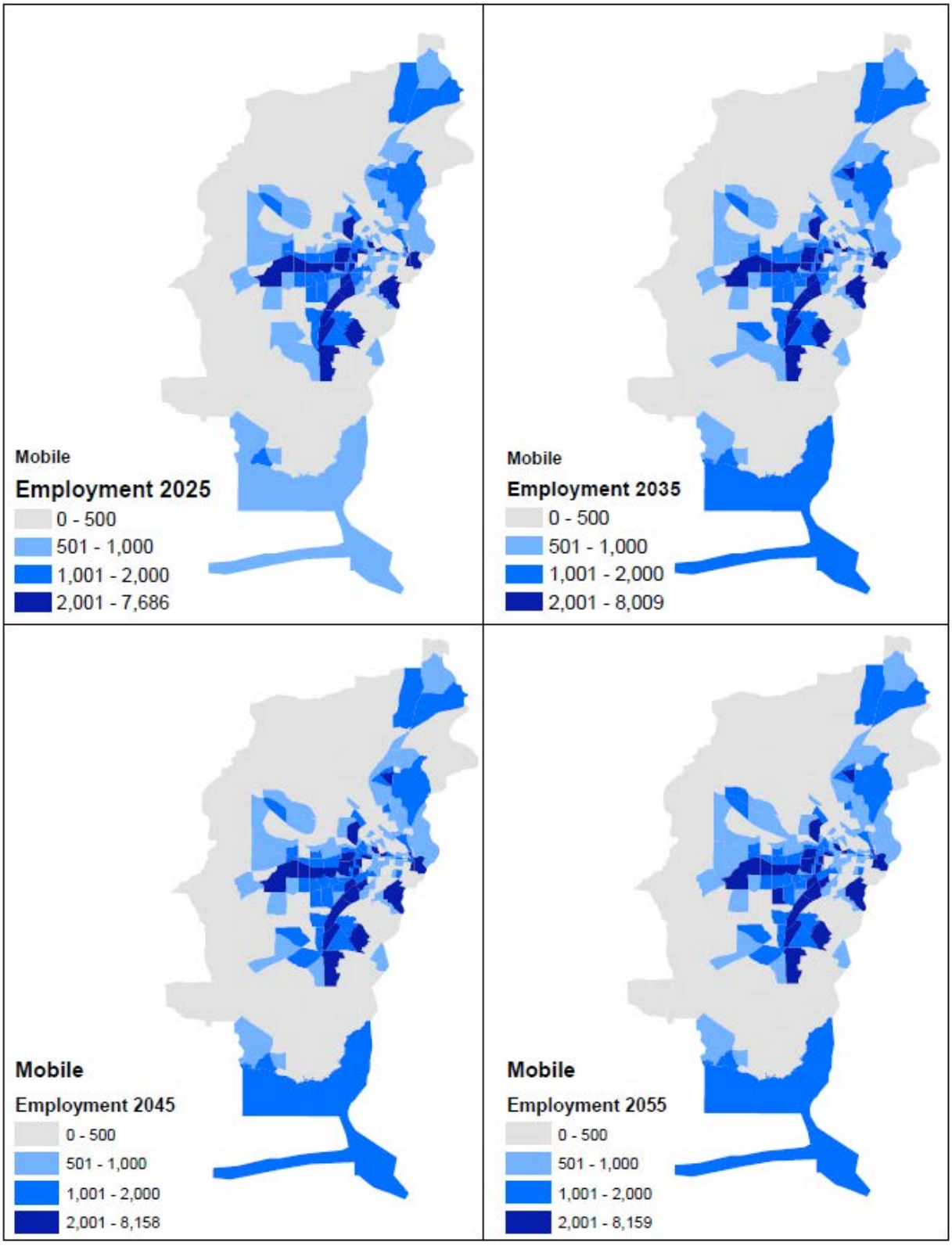
	Baldwin Employment (Total)							Baldwin Employment Total (%)				
Super Zone	2019	2025	2035	2045	2055		Super Zone	2019	2025	2035	2045	2055
1	62,470	65,678	81,535	93,742	106,896		1	52.26%	52.40%	52.55%	52.69%	52.74%
2	41,924	43,941	54,421	62,391	71,119		2	35.07%	35.06%	35.07%	35.07%	35.09%
3	4,820	4,948	5,939	6,643	7,471		3	4.03%	3.95%	3.83%	3.73%	3.69%
4	10,321	10,773	13,262	15,124	17,210		4	8.63%	8.60%	8.55%	8.50%	8.49%
Total	119,535	125,340	155,157	177,900	202,696		Total	100.00%	100.00%	100.00%	100.00%	100.00%

	Mobile Employment							Mobile Employment (%)				
Super Zone	2019	2025	2035	2045	2055		Super Zone	2019	2025	2035	2045	2055
1	114,849	121,037	126,778	130,225	132,502		1	47.91%	48.62%	48.69%	48.75%	48.77%
2	78,295	80,053	84,056	86,439	87,893		2	32.66%	32.16%	32.28%	32.36%	32.35%
3	13,775	14,102	14,469	14,610	14,776		3	5.75%	5.66%	5.56%	5.47%	5.44%
4	16,622	17,220	17,959	18,361	18,653		4	6.93%	6.92%	6.90%	6.87%	6.87%
5	16,190	16,542	17,121	17,473	17,840		5	6.75%	6.64%	6.58%	6.54%	6.57%
Total	239,731	248,954	260,383	267,108	271,664		Total	100.00%	100.00%	100.00%	100.00%	100.00%

Source: PFM Group Consulting LLC

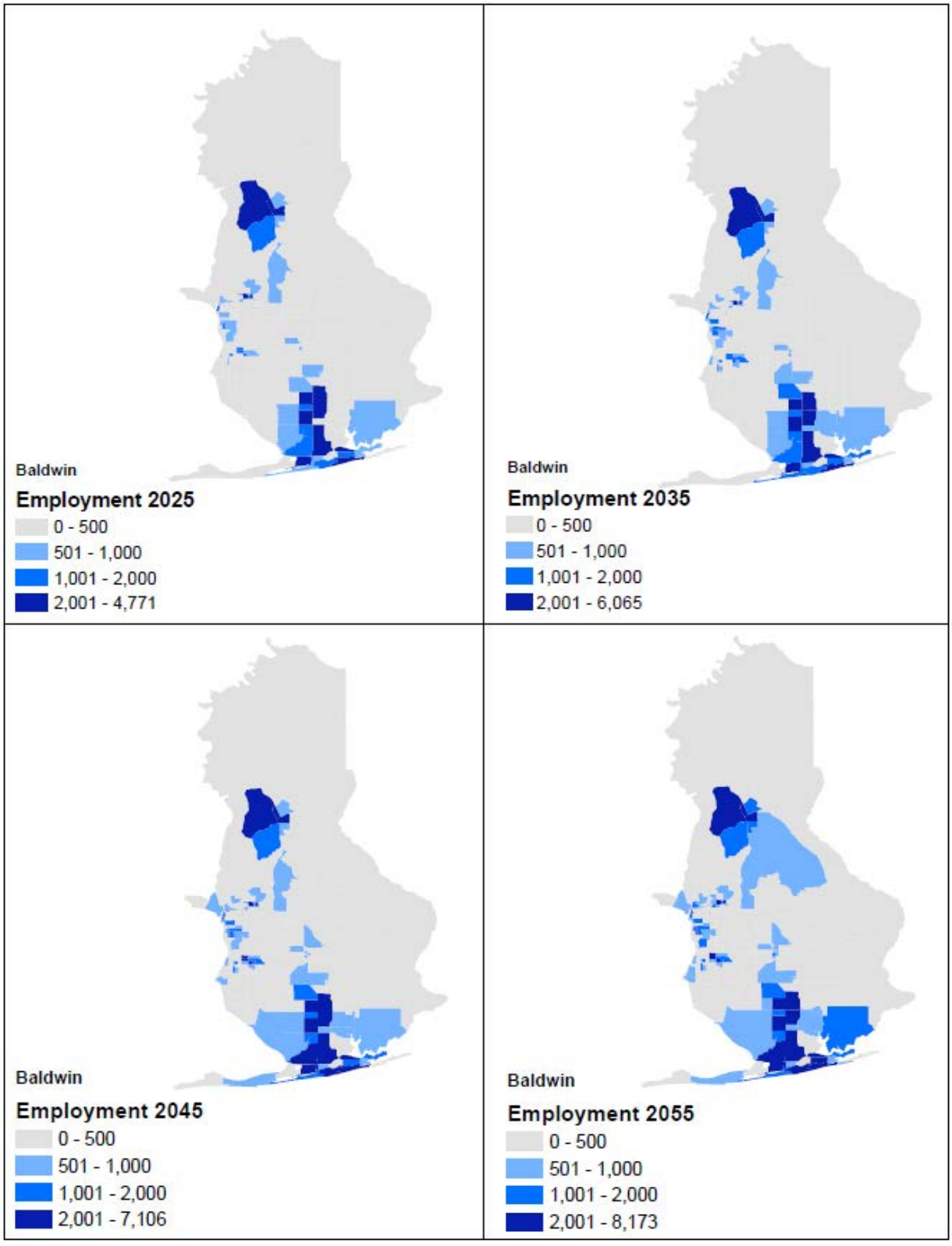
Map 11 shows the total employment levels at the TAZ level in 2025, 2035, 2045 and 2055 for Baldwin County. Appendix 3 contains a summary of the final set of socioeconomic data which includes the forecast years' employment data by category at the TAZ level.

Map 10. Total Employment Concentration at the TAZ Level (Mobile County)



Source: PFM Group Consulting LLC

Map 11. Total Employment Concentration at the TAZ Level (Baldwin County)



Source: PFM Group Consulting LLC

5.4 Schools – Pre-Kindergarten to 12th Grade Enrollment (2025-2035-2045-2055)

PFM estimated the 2025, 2035, 2045 and 2055 (PK-12) school enrollments in the Study Area. PFM developed the forecast PK-12 school enrollment data for the two counties within the Study Area via the following steps:

1. Identify the existing location and 2019 enrollments for the Baldwin and Mobile County public schools within the Study Area as provided by each county public school district
2. Identify the existing location and 2019 enrollments for the Baldwin and Mobile County private schools within the Study Area as provided by the following website source: www.privateschoolreview.com
3. PFM analyzed county-specific detailed-age profiles for each county to evaluate growth trends from 2010 to 2021 for population age 4 to 17 (Table 30 summarizes the growth rates applied for modeling)
4. PFM geo-located each school within the TAZs and forecast student enrollment based on each TAZs share of student estimates based on the 2019 percentage allocation

Table 30. County-Specific Annual Population Growth Rates (Age 4 to 17)

	2010	2019	2021
Population (4-17)	33,089	36,437	38,037
Baldwin - Annual Growth Rate (2010-2021)			1.36%
	2010	2019	2021
Population (4-17)	80,963	74,691	73,677
Mobile - Annual Growth Rate (2021-2026)			0.28%

Source: ESRI (2015)

PFM applied each county's specific annual growth rate to the student volumes located within each TAZ beyond 2025 through 2055. For example, TAZ 389 in Baldwin County has an estimated student volume of 235 in 2019 and is forecast to grow at 1.36% annually through 2055. The aggregate data for school age children from age 4 to 17 within the Study Area was calculated in 2019, 2025, 2035, 2045 and 2055. PFM calculated the percentage of children aged 4 to 17 compared to the total forecast population within the Study Area. Table 31 summarizes the Study Area PK-12 enrollment and total population through 2055. This table provided PFM a measure of quality control regarding its estimates of total students through the forecast horizon.

Table 31. Summary of Study Area PK-12 Student Volumes and Total Population

	Baldwin County - Study Area				
	2019	2025	2035	2045	2055
Total Pop	226,814	251,558	288,471	323,244	363,346
Students	34,022	39,566	45,291	51,838	59,331
% students	15.0%	15.7%	15.7%	16.0%	16.3%

	Mobile County - Study Area				
Mobile	2019	2025	2035	2045	2055
Total Pop	397,349	400,618	407,828	415,250	421,558
Students	64,945	65,990	67,834	70,518	71,687
% students	16.3%	16.5%	16.6%	17.0%	17.0%

Source: PFM Group Consulting LLC

5.5 College & University Student Enrollment and Dormitory Unit Estimates (2025-2035-2045-2055)

PFM produced 2025, 2035, 2045 and 2055 estimates of college/university enrollment and dormitory units for the two county Study Area. The development of these estimates involved the following steps:

1. Identify the existing location and 2019 enrollments for the Baldwin and Mobile County colleges and universities within the Study Area as provided by the Alabama Commission on Higher Education
2. PFM analyzed the state-level detailed-age profile to evaluate growth trends from 2010 to 2019 for those age 18 to 24 (Table 32)
3. PFM geo-located each college/university within the TAZs and estimated the enrollment data at each school based on the change in volume of the 18 to 24 age group through 2055 within each TAZ (Table 33)
4. PFM gathered data on the number of dormitory units at each college within the Study Area as of 2019 and calculated the number of dormitory units per university student. PFM applied the ratio of dormitory units to enrollment and estimated the number of dormitory units in 2025, 2035, 2045 and 2055 based on the forecasted enrollments at each college/university through 2055 (Table 34)

Table 32. Alabama Annual Growth Rates (Age 18 to 24)

Annual Growth Rate (2010-2019)		0.24%
	2010	2019
ESRI (18-24)	479,175	461,073

Source: ESRI and PFM Group Consulting LLC

Table 33. 2025, 2035, 2045 and 2055 College Enrollment by TAZ

	Year	2019	2025	2035	2045	2055
	Total Of Enrollment	26,714	27,038	28,875	33,074	38,089
College/University	TAZ					
Bishop State - SW	26	427	439	459	480	502
Bishop State CC - main	38	1,708	1,754	1,835	1,920	2,009
Bishop State - baker	51	427	439	459	480	502
Bishop State - carver	85	285	293	307	321	335
Spring Hill College	141	1,290	1,326	1,387	1,450	1,517
University of South Alabama	178	14,397	14,790	15,469	16,179	16,922
University of Mobile	259	1,989	2,043	2,136	2,234	2,337
Faulkner State	357	824	846	885	926	968
United States Sports Academy	399	499	513	537	561	587
Faulkner State	475	2,471	2,538	2,655	2,777	2,904

Source: PFM Group Consulting LLC

To estimate the number of dormitory units at each college/university within the Study Area, PFM gathered data from each university on the number of dormitory units on campus as of 2019. Based on the enrollment data as of 2015, PFM calculated a dormitory unit to enrollee factor (Table 34) which was applied based on the estimated enrollment in 2025, 2035, 2045 and 2055 at each university. Table 34 summarizes the dormitory findings.

Table 34. 2025, 2035, 2045 and 2055 College Dormitory Units by TAZ

		Year	2019	2025	2035	2045	2055
		Total Of Dorm_Units	2,942	2,979	3,152	3,544	4,013
College/University	Units/Per Enrollment (2015)	TAZ					
Bishop State - SW	0.00	28	0	0	0	0	0
Bishop State CC - main	0.00	29	0	0	0	0	0
Bishop State - baker	0.00	51	0	0	0	0	0
Bishop State - carver	0.00	85	0	0	0	0	0
Spring Hill College	0.38	141	540	507	530	555	580
University of South Alabama	0.09	178	1,466	1,372	1,435	1,501	1,570
University of Mobile	0.47	259	930	956	999	1,045	1,093
Faulkner State	0.00	330	0	0	0	0	0
United States Sports Academy	0.00	380	0	0	0	0	0
Faulkner State	0.07	646	232	175	183	191	200

Source: PFM Group Consulting LLC

5.6 Socioeconomic Data Forecast Summary (2025 – 2035 – 2045 - 2055)

PFM combined the methodologies from Section 6.1 through Section 6.5 to estimate the full socioeconomic data for the forecast years of 2025, 2035, 2045 and 2055. Table 35 provides the summary of the forecast socioeconomic data for each county within the Study Area for 2025, 2035, 2045 and 2055.

Table 35. 2025, 2035, 2045 and 2055 Study Area SE Data Summary

	Base					
	2025			2035		
	Mobile	Baldwin	Total	Mobile	Baldwin	Total
Population	400,618	251,558	652,176	407,828	288,471	696,299
Households (HH)	154,341	101,028	255,369	156,861	115,657	272,518
Median HH Income, less than $25,000	45,630	17,481	63,111	46,425	20,066	66,491
Median HH Income, between $25,000 and $50,000	34,668	25,150	59,818	35,230	28,994	64,224
Median HH Income, greater than $50,000	74,043	58,397	132,440	75,206	66,597	141,803
Median_Income	48,024	68,909	-	60,523	85,472	-
Employment - Commercial	43,036	33,393	76,429	44,376	41,108	85,484
Employment - Service	149,464	71,333	220,797	160,215	91,956	252,171
Employment - Other	56,454	20,614	77,068	55,792	22,093	77,885
Employment - TOTAL	248,954	125,340	374,294	260,383	155,157	415,540
School Enrollment (PK_12)	65,990	39,566	105,556	67,834	45,291	113,125
University Enrollment	21,084	3,897	24,981	22,052	4,077	26,129

	Base					
	2045			2055		
	Mobile	Baldwin	Total	Mobile	Baldwin	Total
Population	415,250	323,245	738,495	421,558	363,346	784,904
Households (HH)	159,501	129,393	288,894	161,695	145,274	306,969
Median HH Income, less than $25,000	47,252	22,496	69,748	47,941	25,305	73,246
Median HH Income, between $25,000 and $50,000	35,831	32,612	68,443	36,316	36,780	73,096
Median HH Income, greater than $50,000	76,418	74,285	150,703	77,438	83,189	160,627
Median_Income	76,276	106,019	-	96,129	131,508	-
Employment - Commercial	44,959	46,787	91,746	45,471	53,149	98,620
Employment - Service	167,494	108,901	276,395	171,616	125,893	297,509
Employment - Other	54,655	22,212	76,867	54,577	23,654	78,231
Employment - TOTAL	267,108	177,900	445,008	271,664	202,696	474,360
School Enrollment (PK_12)	70,518	51,838	122,356	71,687	59,331	131,018
University Enrollment	23,064	4,264	27,328	24,124	4,459	28,583

Source: PFM Group Consulting LLC

PFM compared its 2022 forecast against its prior 2016 forecast for the same Study Area. While PFM's original 2016 forecast only extended to 2040, PFM forecast in 5-year increments making a comparison against its 2022 forecast for years 2020, 2025 and 2035. Table 36 summarizes the comparison of the socioeconomic variables of each forecast.

Table 36. Comparison of 2022 Forecast to 2016 Forecast (for 2019, 2020, 2025 and 2035)

2022 PFM Study						
Population	2019	2020	2025	2035	2045	2055
B-2022	226,814	231,767	251,558	288,471	323,244	363,346
M-2022	397,349	397,527	400,618	407,828	415,250	421,558
T-2022	624,163	629,294	652,176	696,299	738,494	784,904

Households	2019	2020	2025	2035	2045	2055
B-2022	91,210	96,119	101,028	115,657	129,393	145,274
M-2022	153232	153,787	154,341	156,861	159,501	161,695
T-2022	244,442	249,906	255,369	272,518	288,894	306,969

Employment	2019	2020	2025	2035	2045	2055
B-2022	119,535	114,049	125,340	155,157	177,901	202,696
M-2022	239,731	232,256	248,955	260,383	267,108	271,663
T-2022	359,266	346,305	374,295	415,540	445,009	474,359

2016 FKA Study						
Population	2019	2020	2025	2035	2045	2055
B-2016	221,885	225,564	245,278	282,729	na	na
M-2016	394,336	395,434	399,542	405,367	na	na
T-2016	616,221	620,998	644,820	688,096	na	na

Households	2019	2020	2025	2035	2045	2055
B-2016		91,015	98,789	113,544	na	na
M-2016		153,448	154,907	156,849	na	na
T-2016		244,463	253,696	270,393	na	na

Employment	2019	2020	2025	2035	2045	2055
B-2016	112,760	114,150	127,040	154,847	na	na
M-2016	236,139	235,091	246,849	261,839	na	na
T-2016	348,899	349,241	373,889	416,686	na	na

Source: PFM Group Consulting LLC

A comparison of the 2022 forecast data to the 2016 forecast data shows overall consistency in the forecast with some variation in the initial couple years, which is not surprising given the market volatility in 2019 / 2020 associated with COVID-19. Table 37 shows the percentage difference between the two forecasts.

Table 37. Comparison of 2022 Forecast to 2016 Forecast (Pct Change) for 2019, 2020, 2025 and 2035

2022 vs. 2016 study						
Population	2019	2020	2025	2035	2045	2055
Baldwin	2.2%	2.7%	2.6%	2.0%	na	na
Mobile	0.8%	0.5%	0.3%	0.6%	na	na
Total	1.3%	1.3%	1.1%	1.2%	na	na
Households	2019	2020	2025	2035	2045	2055
Baldwin		5.6%	2.3%	1.9%	na	na
Mobile		0.2%	-0.4%	0.0%	na	na
Total		2.2%	0.7%	0.8%	na	na
Employment	2019	2020	2025	2035	2045	2055
Baldwin	6.0%	-0.1%	-1.3%	0.2%	na	na
Mobile	1.5%	-1.2%	0.9%	-0.6%	na	na
Total	3.0%	-0.8%	0.1%	-0.3%	na	na

Source: PFM Group Consulting LLC

In addition to the comparison of the population, household and employment levels. PFM also compared the growth rates between the two forecast data sets. Similarly, the growth rates are consistent through 2035 with some variation in the initial couple years, which is not surprising given the market volatility and significant deceleration across all economies in 2020 associated with COVID-19. Table 38 shows the growth rate comparison between the two forecasts.

Table 38. Comparison of 2022 Forecast to 2016 Forecast – Growth Rates (for 2019, 2020, 2025 and 2035)

	2022 PFM Study Growth					
Population	2019-2020	2020-2025	2025-2035	2035-2045	2045-2055	2019-2035
B-2022	2.2%	1.7%	1.4%	1.1%	1.2%	1.5%
M-2022	0.0%	0.2%	0.2%	0.2%	0.2%	0.2%
T-2022	0.8%	0.7%	0.7%	0.6%	0.6%	0.7%

Households	2019-2020	2020-2025	2025-2035	2035-2045	2045-2055	2019-2035
B-2022	5.4%	1.0%	1.4%	1.1%	1.2%	1.5%
M-2022	0.4%	0.1%	0.2%	0.2%	0.1%	0.1%
T-2022	2.2%	0.4%	0.7%	0.6%	0.6%	0.7%

Employment	2019-2020	2020-2025	2025-2035	2035-2045	2045-2055	2019-2035
B-2022	-4.6%	1.9%	2.2%	1.4%	1.3%	1.6%
M-2022	-3.1%	1.4%	0.4%	0.3%	0.2%	0.5%
T-2022	-3.6%	1.6%	1.1%	0.7%	0.6%	0.9%

	2016 FKA Study Growth					
Population	2019-2020	2020-2025	2025-2035			2019-2035
B-2016	1.7%	1.7%	1.4%			1.5%
M-2016	0.3%	0.2%	0.1%			0.2%
T-2016	0.8%	0.8%	0.7%			0.7%

Households	2019-2020	2020-2025	2025-2035			
B-2016		1.7%	1.4%			
M-2016		0.2%	0.1%			
T-2016		0.7%	0.6%			

Employment	2019-2020	2020-2025	2025-2035			2019-2035
B-2016	1.2%	2.2%	2.0%			2.0%
M-2016	-0.4%	1.0%	0.6%			0.6%
T-2016	0.1%	1.4%	1.1%			1.1%

Source: PFM Group Consulting LLC

PFM also compared its 2045 forecasts for population, household and employment against the Baldwin County Eastern Shore MPO data as well as the Mobile County MPO data in 2045. Table 39 summarizes the comparison of those data sets.

Table 39. Comparison of 2022 Forecast to MPO Forecast (2045)

2022 PFM Study						
Population	2019	2020	2025	2035	2045	2055
Baldwin - ESMPO					171,107	
Mobile					415,250	
Total					586,357	

Households	2019	2020	2025	2035	2045	2055
Baldwin - ESMPO					66,808	
Mobile					159,501	
Total					226,309	

Employment	2019	2020	2025	2035	2045	2055
Baldwin - ESMPO					93,839	
Mobile					267,108	
Total					360,947	

MPO Data							2045 PFM vs MPO
Population	2019	2020	2025	2035	2045	2055	
Baldwin - ESMPO					175,383		-2.4%
Mobile					na		
Total							

Households	2019	2020	2025	2035	2045	2055	
Baldwin - ESMPO					69,348		-3.7%
Mobile					163,656		-2.5%
Total					233,004		-2.9%

Employment	2019	2020	2025	2035	2045	2055	
Baldwin - ESMPO					79,581		17.9%
Mobile					238,452		12.0%
Total					318,033		13.5%

Source: PFM Group Consulting LLC

With respect to the Mobile County Study Area, PFM estimated 2.5% fewer households in the Mobile Study Area than the Mobile MPO in 2045. When compared to the Mobile MPO forecast data, PFM's Mobile County Study Area estimates with respect to aggregate employment are higher by nearly 12%, with a mix more service-employment oriented. Given the current employment/population ratio for the Mobile County Study Area and PFM's forecasted employment/population ratio for 2045, PFM is comfortable with its employment estimates when compared to the Mobile MPO's estimates for 2045.

For the Eastern Shore MPO Study Area in Baldwin County, PFM estimated 3.7% fewer households (and 2.4% less population) than the ESMPO in 2045. When compared to the ESMPO forecast data, PFM's ESMPO Study Area in Baldwin County estimates with respect to aggregate employment are higher by nearly 18%, with a mix more service-employment oriented. Given the current employment/population ratio for the ESMPO Study Area and PFM's forecasted employment/population ratio for 2045, PFM is comfortable with its employment estimates when compared to the ESMPO's estimates for 2045.

6.0 Forecast Sensitivity High-Low Analysis

6.1 Methodology

As part of the development of the Project data, PFM created alternative high and low population and employment forecasts which provide brackets associated with growth for the subject area counties. The first step in creating reasonable estimates of growth involved an analysis of Alabama population growth since 1980 (Table 41). PFM used Alabama population growth for the study area due to its larger base resulting in less annual volatility over the history. In addition, PFM believes that the statewide data is a reasonable proxy for estimating the historic range of growth rates for the Study Area.

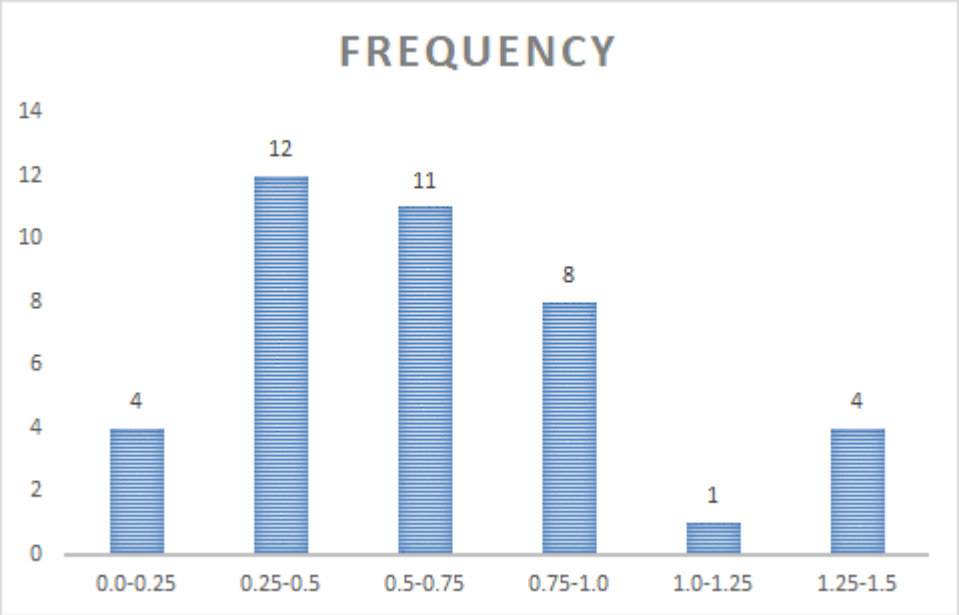
PFM reviewed the history and created a frequency distribution with respect to the annual percentage change in population growth. Table 40 and Figure 1 summarize the frequency distribution. The "Bins" represent a range of annual percentage change in population growth. The frequency is the number of years the population growth rate was within the "Bin" range. For example, there were 11 years when the population growth rate was between 0.25% and 0.5%. The highlighted Bins in Table 42 represent the probability range of the annual growth rate occurring between 25 percent and 75 percent of the time. In this case, the range is 0.25% to 1.00% per year. Table 40 summarizes the Alabama population level, growth and annual percentage growth. Ultimately this analysis evaluates the probability of the annual population growth rate deviating from the historic median in any given year.

Table 40. Frequency Distribution of Alabama Population Annual Growth Rates

Bins	Frequency	Agg	Cum Agg %
0.0% - 0.25%	4	4	10%
0.25%-0.5%	12	16	40%
0.5%-0.75%	11	27	68%
0.75%-1.0%	8	35	88%
1.0%-1.25%	1	36	90%
1.25%-1.5%	4	40	100%
TOTAL	**40**		

Source: US. Census and PFM Group Consulting LLC

Figure 1. Frequency Distribution of Alabama Population Annual Growth Rates



Source: US. Census and PFM Group Consulting LLC

Table 41. Alabama Population Growth Summary

Year	Population	Change	% Change	Year	Population	Change	% Change
1980	3,893,888			2001	4,467,634	20,434	0.5%
1981	3,918,531	24,643	0.6%	2002	4,480,089	12,455	0.3%
1982	3,925,266	6,735	0.2%	2003	4,503,491	23,402	0.5%
1983	3,934,102	8,836	0.2%	2004	4,530,729	27,238	0.6%
1984	3,951,820	17,718	0.5%	2005	4,569,805	39,076	0.9%
1985	3,972,523	20,703	0.5%	2006	4,628,981	59,176	1.3%
1986	3,991,569	19,046	0.5%	2007	4,672,840	43,859	0.9%
1987	4,015,264	23,695	0.6%	2008	4,718,206	45,366	1.0%
1988	4,023,844	8,580	0.2%	2009	4,757,938	39,732	0.8%
1989	4,030,222	6,378	0.2%	2010	4,779,736	21,798	0.5%
1990	4,040,389	10,167	0.3%	2011	4,809,069	29,333	0.6%
1991	4,099,156	58,767	1.5%	2012	4,835,588	26,519	0.6%
1992	4,154,014	54,858	1.3%	2013	4,860,081	24,493	0.5%
1993	4,214,202	60,188	1.4%	2014	4,881,799	21,718	0.4%
1994	4,260,229	46,027	1.1%	2015	4,902,347	20,548	0.4%
1995	4,296,800	36,571	0.9%	2016	4,923,525	21,178	0.4%
1996	4,331,102	34,302	0.8%	2017	4,944,486	20,961	0.4%
1997	4,367,935	36,833	0.9%	2018	4,967,681	23,195	0.5%
1998	4,404,701	36,766	0.8%	2019	4,993,185	25,504	0.5%
1999	4,430,141	25,440	0.6%	2020	5,024,279	31,094	0.6%
2000	4,447,200	8,530	0.2%				

Source: US. Census and PFM Group Consulting LLC

The historic population data indicates that the median annual growth rate within the State of Alabama from 1980 through 2015 is 0.52 percent. The highlighted Bins in Table 40 represent the probability range of the annual growth rate occurring between 25 percent and 75 percent of the time. PFM than calculated the percentage difference to growth compared to the median via the following calculations:

With respect to growth being greater than the median (high side), the calculation used the midpoint of the 0.75 to 1.00 Bin of 0.825 and divided by the median growth rate of 0.55% (0.825/0.55-1 = 53 percent). The 53 percent indicates that the historic average annual growth rate above the median is 53 percent.

With respect to growth being lower than the median (low side), the calculation used the midpoint of the 0.25 to 0.5 Bin of 0.375 and divided by the median growth rate of 0.54% (0.375/0.54-1 = -30 percent). The -30 percent indicates that the historic average annual growth rate below the median is 30 percent.

In addition to State of Alabama data, PFM analyzed the county-specific population growth over the same period of time from 1980 through 2020. Table 42 summarizes those findings and recommendations. Based on the frequency distribution data and the median growth rate, PFM recommends an adjustment to the existing forecasted growth of an additional 50 percent to reflect the high growth scenario for the Study Area. PFM recommends a reduction in the existing forecasted growth of 30 percent to represent the low growth scenario for the Study Area.

Table 42. Alabama Population Growth Rates and High-Low Recommendations

	State of AL	Baldwin Co	Mobile Co	Recommended
Average Annual Growth	0.63%	2.73%	0.37%	
Median Annual Growth	0.54%	2.41%	0.21%	
% Diff in Growth Compared to Median				
High	53%	35%	195%	50%
Low	-30%	-27%	-159%	-30%

Source: US. Census and PFM Group Consulting LLC

6.2 Population Estimates (High and Low)

PFM applied the recommended high and low brackets to the "base" growth within the Study Area. Table 43 summarizes the impact of the application of the recommended brackets with respect to the base case forecast.

Table 43. Annual Population Growth Rates (Summary)

AVG Annual Growth Rate Population		
	2019-2055	
Baldwin	HI	1.8%
	BASE	1.3%
	LOW	1.0%
	2019-2055	
Mobile	HI	0.2%
	AVG	0.2%
	LOW	0.1%

Source: PFM Group Consulting LLC

PFM applied the high and low thresholds with respect to forecasted growth with respect to the population forecasts and associated socioeconomic data sets. The high and low population forecasts for both counties within the defined Study Area are provided in Table 44. Table 45 summarizes the historic and forecasted CAGR for population forecasts for the Study Area.

Table 44. Study Area Population Levels with Delta from Base Case Forecast

		2019	2025	2035	2045	2055				2025	2035	2045	2055
Baldwin	High	0	263,930	319,299	371,460	431,612		Baldwin	High	12,372	30,828	48,215	68,266
	Base Case	226,814	251,558	288,471	323,244	363,346			Base Case				
	Low	0	244,135	269,974	294,315	322,386			Low	(7,423)	(18,497)	(28,929)	(40,960)
		2019	2025	2035	2045	2055				2025	2035	2045	2055
Mobile	High	0	402,253	413,068	424,201	433,663		Mobile	High	1,635	5,240	8,951	12,105
	Base Case	397,349	400,618	407,828	415,250	421,558			Base Case				
	Low	0	399,637	404,684	409,880	414,295			Low	(981)	(3,144)	(5,370)	(7,263)

Source: PFM Group Consulting LLC

Table 45. Population CAGR Summary (with High and Low)

Low Population CAGR	1990-2000	2000-2010	2010-2020	2020-2030	2030-2040	2040-2050	2050-2055
Baldwin	3.63%	2.64%	2.37%	1.13%	0.92%	0.86%	0.94%
Mobile	0.55%	0.32%	0.35%	0.11%	0.14%	0.11%	0.11%
Base Population CAGR	1990-2000	2000-2010	2010-2020	2020-2030	2030-2040	2040-2050	2050-2055
Baldwin	3.63%	2.64%	2.43%	1.58%	1.23%	1.12%	1.21%
Mobile	0.55%	0.32%	0.35%	0.16%	0.20%	0.15%	0.15%
High Population CAGR	1990-2000	2000-2010	2010-2020	2020-2030	2030-2040	2040-2050	2050-2055
Baldwin	3.63%	2.64%	2.54%	2.27%	1.67%	1.46%	1.54%
Mobile	0.55%	0.32%	0.36%	0.24%	0.30%	0.22%	0.22%

Source: PFM Group Consulting LLC

6.3 Employment Estimates (High and Low)

PFM applied the recommended high and low brackets to the "base" growth within the Study Area. Table 46 summarizes the impact of the application of the recommended brackets with respect to the base case forecast.

Table 46. Annual Employment Growth Rates (Summary)

AVG Annual Growth Rate Employment		
	2019-2055	
Baldwin	HI	2.0%
	AVG	1.5%
	LOW	1.1%
	2019-2055	
Mobile	HI	0.5%
	AVG	0.4%
	LOW	0.3%

Source: PFM Group Consulting LLC

PFM applied the high and low thresholds with respect to forecasted growth with respect to the employment forecasts and associated socioeconomic data sets. The high and low employment forecasts for both counties within the defined Study Area are provided in Table 47. Table 48 summarize the historic and forecasted CAGR for employment forecasts for the Study Area.

Table 47. Study Area Employment Levels with Delta from Base Case Forecast

		2019	2025	2035	2045	2055				2025	2035	2045	2055
Baldwin	High	0	128,243	172,968	207,084	244,277		Baldwin	High	2,903	17,811	29,183	41,581
	Base Case	119,535	125,340	155,157	177,901	202,696			Base Case				
	Low	0	123,599	144,470	160,391	177,748			Low	(1,742)	(10,687)	(17,510)	(24,948)
		2019	2025	2035	2045	2055				2025	2035	2045	2055
Mobile	High	0	253,567	270,709	280,797	287,629		Mobile	High	4,612	10,326	13,689	15,966
	Base Case	239,731	248,955	260,383	267,108	271,663			Base Case				
	Low	0	246,188	254,187	258,895	262,083			Low	(2,767)	(6,196)	(8,213)	(9,580)

Source: PFM Group Consulting LLC

Table 48. Employment CAGR Summary (with High and Low)

Low Employment CAGR	1990-2000	2000-2010	2010-2020	2020-2030	2030-2040	2040-2050	2050-2055
Baldwin	5.53%	2.54%	2.63%	1.47%	1.31%	1.01%	1.06%
Mobile	1.79%	0.44%	0.57%	0.67%	0.25%	0.13%	0.13%
Base Employment CAGR	1990-2000	2000-2010	2010-2020	2020-2030	2030-2040	2040-2050	2050-2055
Baldwin	5.53%	2.54%	2.48%	2.07%	1.76%	1.30%	1.34%
Mobile	1.79%	0.44%	0.47%	0.95%	0.35%	0.18%	0.18%
High Employment CAGR	1990-2000	2000-2010	2010-2020	2020-2030	2030-2040	2040-2050	2050-2055
Baldwin	5.53%	2.54%	2.23%	3.04%	2.39%	1.68%	1.69%
Mobile	1.79%	0.44%	0.31%	1.42%	0.50%	0.26%	0.26%

Source: PFM Group Consulting LLC

6.4 Schools - Pre-Kindergarten to 12th Grade Enrollment Estimates (High and Low)

Assuming that population levels change as part of the high and low analyses, PFM estimated high and low student enrollment and university enrollment within the Study Area. PFM developed the high and low PK-12 school enrollment forecasts for the two counties within the Study Area via the following steps:

- PFM calculated the percentage of students in 2025, 2035, 2045 and 2055 as a percentage of total population for the base-case forecast for each county within the Study Area (Table 49)
- PFM calculated the number of students in 2025, 2035, 2045 and 2055 in the high and low population forecasts based on the application of the student percentages calculated as part of the base-case forecast (Table 49)
- PFM allocated the control total student populations for the high and low forecasts based on the 2019 percentage allocation of student enrollment at the TAZ level

Table 49. Summary of PK-12 Control Totals for 2025, 2035, 2045 and 2055

	Baldwin County - Study Area				
	2019	2025	2035	2045	2055
Base Population	226,814	251,558	288,471	323,244	363,346
PK-12 Students	34,022	39,566	45,291	51,838	59,331
% students	15.0%	15.7%	15.7%	16.0%	16.3%
High Population		263,930	319,299	371,460	431,612
PK-12 Students		41,512	50,131	59,570	70,478
% students		15.7%	15.7%	16.0%	16.3%
Low Population		244,135	269,974	294,315	322,386
PK-12 Students		38,398	42,387	47,199	52,643
% students		15.7%	15.7%	16.0%	16.3%
	Mobile County - Study Area				
Mobile	2019	2025	2035	2045	2055
Base Population	397,349	400,618	407,828	415,250	421,558
PK-12 Students	64,945	65,990	67,834	70,518	71,687
% students	16.3%	16.5%	16.6%	17.0%	17.0%
High Population		402,253	413,068	424,201	433,663
PK-12 Students		66,259	68,705	72,038	73,745
% students		16.5%	16.6%	17.0%	17.0%
Low Population		399,637	404,684	409,880	414,295
PK-12 Students		65,828	67,311	69,606	70,452
% students		16.5%	16.6%	17.0%	17.0%

Source: PFM Group Consulting LLC

6.5 University Student Enrollment and Dormitory Unit Estimates (High and Low)

PFM developed the high and low university enrollment forecasts for the two counties within the Study Area via the following steps:

- PFM calculated the percentage of students in 2025, 2035, 2045 and 2055 as a percentage of total population for the base-case forecast for the Mobile County Study Area (Table 50)
- PFM calculated the number of students in 2025, 2035, 2045 and 2055 in the high and low population forecasts based on the application of the student percentages calculated as part of the base-case forecast (Table 50)
- PFM allocated the control total student populations for the high and low forecasts based on the 2019 percentage allocation of college/university enrollment at the TAZ level (Table 51)
- PFM calculated the number of dormitory units based on the dormitory unit per enrollee factor applied as part of the base-case forecast (Table 52)

Table 50. Summary of University Control Totals for 2025, 2035, 2045 and 2055

	2019	2025	2035	2045	2055
Base Population	397,349	400,618	407,828	415,250	421,558
University Students	24,317	24,981	26,129	27,328	28,583
% students	6.1%	6.2%	6.4%	6.6%	6.8%
High Population		402,253	413,068	424,201	433,663
University Students		25,083	26,465	27,917	29,404
% students		6.2%	6.4%	6.6%	6.8%
Low Population		399,637	404,684	409,880	414,295
University Students		24,920	25,928	26,975	28,091
% students		6.2%	6.4%	6.6%	6.8%

Source: PFM Group Consulting LLC

Table 51. 2025, 2035, 2045 and 2055 University Enrollment by TAZ

	HIGH FORECAST				
College/University	TAZ	2025	2035	2045	2055
Bishop State - SW	26	441	465	491	517
Bishop State CC - main	38	1,761	1,858	1,960	2,065
Bishop State - baker	51	441	465	491	517
Bishop State - carver	85	294	310	327	345
Spring Hill College	141	1,331	1,405	1,482	1,561
University of South Alabama	178	14,850	15,669	16,528	17,409
University of Mobile	259	2,051	2,164	2,283	2,405
Faulkner State	357	849	896	945	996
United States Sports Academy	399	515	543	573	604
Faulkner State	475	2,548	2,689	2,836	2,987
Total	-	25,081	26,464	27,916	29,406

	LOW FORECAST				
College/University	TAZ	2025	2035	2045	2055
Bishop State - SW	26	438	456	474	494
Bishop State CC - main	38	1,750	1,820	1,894	1,972
Bishop State - baker	51	438	456	474	494
Bishop State - carver	85	292	304	316	329
Spring Hill College	141	1,323	1,376	1,432	1,491
University of South Alabama	178	14,754	15,351	15,971	16,631
University of Mobile	259	2,038	2,120	2,206	2,297
Faulkner State	357	844	878	914	951
United States Sports Academy	399	512	532	554	577
Faulkner State	475	2,532	2,634	2,741	2,854
Total	-	24,921	25,927	26,976	28,090

Source: PFM Group Consulting LLC

Table 52. 2025, 2035, 2045 and 2055 University Dormitory Units by TAZ

	HIGH FORECAST					
College/University	Units/Per Enrollment (2015)	TAZ	2025	2035	2045	2055
Bishop State - SW	0.00	26	0	0	0	0
Bishop State CC - main	0.00	38	0	0	0	0
Bishop State - baker	0.00	51	0	0	0	0
Bishop State - carver	0.00	85	0	0	0	0
Spring Hill College	0.38	141	509	537	567	597
University of South Alabama	0.09	178	1,377	1,453	1,533	1,615
University of Mobile	0.47	259	959	1,012	1,068	1,125
Faulkner State	0.00	357	0	0	0	0
United States Sports Academy	0.00	399	0	0	0	0
Faulkner State	0.07	475	176	185	196	206
	TOTAL		3,021	3,187	3,364	3,543

	LOW FORECAST					
College/University	Units/Per Enrollment (2015)	TAZ	2025	2035	2045	2055
Bishop State - SW	0.00	26	0	0	0	0
Bishop State CC - main	0.00	38	0	0	0	0
Bishop State - baker	0.00	51	0	0	0	0
Bishop State - carver	0.00	85	0	0	0	0
Spring Hill College	0.38	141	506	526	548	570
University of South Alabama	0.09	178	1,369	1,424	1,481	1,543
University of Mobile	0.47	259	953	992	1,032	1,075
Faulkner State	0.00	357	0	0	0	0
United States Sports Academy	0.00	399	0	0	0	0
Faulkner State	0.07	475	175	182	189	197
	TOTAL		3,003	3,124	3,250	3,385

Source: PFM Group Consulting LLC

6.6 Socioeconomic Data High and Low Summary (2025 – 2035 – 2045 - 2055)

PFM combined the methodologies from Section 7.1 through Section 7.4 to estimate the high and low forecasts for years 2025, 2035, 2045 and 2055. Table 53 provides the high summary of the forecast socioeconomic data for each county within the Study Area for 2025, 2035, 2045 and 2055. Table 54 provides the low summary of the forecast socioeconomic data for each county within the Study Area for 2025, 2035, 2045 and 2055.

Table 53. 2025, 2035, 2045 and 2055 Study Area SE Data Summary (High)

	High					
	2025			2035		
	Mobile	Baldwin	Total	Mobile	Baldwin	Total
Population	402,253	263,930	666,183	413,068	319,299	732,366
Households (HH)	154,972	105,871	260,843	158,913	127,771	286,684
Median HH Income, less than $25,000	45,827	18,360	64,187	47,093	22,240	69,333
Median HH Income, between $25,000 and $50,000	34,810	26,444	61,254	35,697	32,232	67,929
Median HH Income, greater than $50,000	74,335	61,067	135,402	76,123	73,299	149,422
Median_Income	48,024	68,909	-	60,523	85,472	-
Employment - Commercial	43,834	34,166	78,000	46,136	45,827	91,963
Employment - Service	152,233	72,984	225,217	166,577	102,512	269,089
Employment - Other	57,500	21,092	78,592	57,996	24,629	82,625
Employment - TOTAL	253,567	128,242	381,809	270,709	172,968	443,677
School Enrollment (PK_12)	66,260	41,510	107,770	68,698	50,131	118,829
University Enrollment	21,169	3,912	25,081	22,336	4,128	26,464

	High					
	2045			2055		
	Mobile	Baldwin	Total	Mobile	Baldwin	Total
Population	424,201	371,460	795,660	433,663	431,612	865,274
Households (HH)	162,989	148,359	311,348	166,434	172,205	338,639
Median HH Income, less than $25,000	48,401	25,914	74,315	49,502	30,212	79,714
Median HH Income, between $25,000 and $50,000	36,613	37,666	74,279	37,403	44,045	81,448
Median HH Income, greater than $50,000	77,975	84,779	162,754	79,529	97,948	177,477
Median_Income	76,276	106,019	-	96,129	131,508	-
Employment - Commercial	47,263	54,462	101,725	48,143	64,052	112,195
Employment - Service	176,098	126,766	302,864	181,737	151,718	333,455
Employment - Other	57,436	25,856	83,292	57,749	28,506	86,255
Employment - TOTAL	280,797	207,084	487,881	287,629	244,276	531,905
School Enrollment (PK_12)	72,035	59,571	131,606	73,743	70,473	144,216
University Enrollment	23,562	4,354	27,916	24,819	4,587	29,406

Source: PFM Group Consulting LLC

Table 54. 2025, 2035, 2045 and 2055 Study Area SE Data Summary (Low)

	Low					
	2025			2035		
	Mobile	Baldwin	Total	Mobile	Baldwin	Total
Population	399,637	244,135	643,772	404,684	269,974	674,658
Households (HH)	153,914	98,014	251,928	155,550	108,171	263,721
Median HH Income, less than $25,000	45,504	16,953	62,457	46,027	18,723	64,750
Median HH Income, between $25,000 and $50,000	34,574	24,350	58,924	34,944	27,024	61,968
Median HH Income, greater than $50,000	73,836	56,711	130,547	74,579	62,424	137,003
Median_Income	48,024	68,909	-	60,523	85,472	-
Employment - Commercial	42,558	32,929	75,487	43,320	38,277	81,597
Employment - Service	147,803	70,342	218,145	156,398	85,622	242,020
Employment - Other	55,827	20,328	76,155	54,469	20,571	75,040
Employment - TOTAL	246,188	123,599	369,787	254,187	144,470	398,657
School Enrollment (PK_12)	65,837	38,397	104,234	67,321	42,381	109,702
University Enrollment	21,033	3,888	24,921	21,883	4,044	25,927

	Low					
	2045			2055		
	Mobile	Baldwin	Total	Mobile	Baldwin	Total
Population	409,880	294,315	704,195	414,295	322,386	736,681
Households (HH)	157,242	117,703	274,945	158,615	128,729	287,344
Median HH Income, less than $25,000	46,559	20,398	66,957	47,002	22,350	69,352
Median HH Income, between $25,000 and $50,000	35,338	29,518	64,856	35,651	32,394	68,045
Median HH Income, greater than $50,000	75,345	67,787	143,132	75,962	73,985	149,947
Median_Income	76,276	106,019	-	96,129	131,508	-
Employment - Commercial	43,577	42,182	85,759	43,867	46,608	90,475
Employment - Service	162,331	98,183	260,514	165,543	110,397	275,940
Employment - Other	52,987	20,026	73,013	52,673	20,743	73,416
Employment - TOTAL	258,895	160,391	419,286	262,083	177,748	439,831
School Enrollment (PK_12)	69,606	47,199	116,805	70,449	52,645	123,094
University Enrollment	22,767	4,209	26,976	23,708	4,382	28,090

Source: PFM Group Consulting LLC

Appendix B: Truck Stated Preference Survey

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ALABAMA DEPARTMENT OF TRANSPORTATION

I-10 MOBILE RIVER BRIDGE AND BAYWAY COMMERCIAL VEHICLE STATED PREFERENCE SURVEY

April 19, 2022



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Report Title:

I-10 Mobile River Bridge and Bayway Commercial Vehicle Stated Preference Survey

Report Prepared by:

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Report Prepared for:

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EXECUTIVE SUMMARY

The Alabama Department of Transportation (ALDOT), in collaboration with CDM Smith, is conducting a traffic and revenue (T&R) study for the proposed I-10 Mobile River Bridge and improved Bayway in Mobile, Alabama (shown in orange in **Figure 0-1**). Existing Mobile River crossings in the region, including the Wallace Tunnel (I-10) and the Bankhead Tunnel, carry traffic volumes above their design levels and experience heavy congestion and longer travel times, particularly during the peak travel season. The primary purpose of the I-10 Mobile River Bridge and Bayway project is to relieve congestion, increase capacity and improve safety across the Mobile River and Mobile Bay.

From January 12 to February 14, 2022, RSG conducted a stated preference (SP) survey for commercial dispatchers, route managers, and other non-driver decision makers who manage commercial vehicles crossing Mobile Bay and/or the Mobile River between Baldwin County and Mobile County, Alabama. RSG collaborated with CDM Smith to design and conduct the surveys to support CDM Smith's traffic and revenue forecast for the proposed I-10 Mobile River Bridge and Bayway Project. The primary purpose of the SP survey was to estimate value of time (VOT) of commercial vehicle travelers who are candidates for using the proposed project elements. The surveys provide an important analytical tool in evaluating traffic and revenue potential and in enhancing the credibility of the study for presentation to the financial community.

FIGURE 0-1: PROPOSED I-10 MOBILE RIVER BRIDGE AND BAYWAY PROJECT



The questionnaire collected data on respondents' current travel directions (also referred to as "revealed preferences"), presented respondents with information about the proposed project, and used SP scenarios to collect data that was used to estimate values of time in the corridors. RSG partnered with Jibunu to develop an online survey instrument using a computer-assisted self-interview (CASI) technique on Jibunu's proprietary survey platform. The SP survey instrument was customized for each respondent by presenting questions and modifying language based on respondents' previous answers. These dynamic survey features provide an accurate and efficient means of data collection and allow the presentation of realistic future conditions that correspond with the respondents' reported experiences.

Respondents were recruited to take the survey through the following methods:

- An open link to the survey distributed by ALDOT to their commercial partners
- Mailed invitations with a password protected link were sent to all firms with registered commercial vehicles in a zip code defined study area comprising the Mobile region

A total of 272 valid surveys were collected between January and February 2022. SP data from the survey was analyzed using accepted statistical techniques to estimate the coefficients of a set of multinomial logit (MNL) models for different traveler market segments. The model coefficients provide information about the respondents' sensitivities to the attributes that were tested in the tradeoff scenarios, such as travel time and toll cost. The coefficients of the MNL models were used to estimate travelers' value of time (VOT). For this sample of 272 commercial decision makers, the VOTs for the various segments generally fell within a range of $9 per hour to $29 per hour.

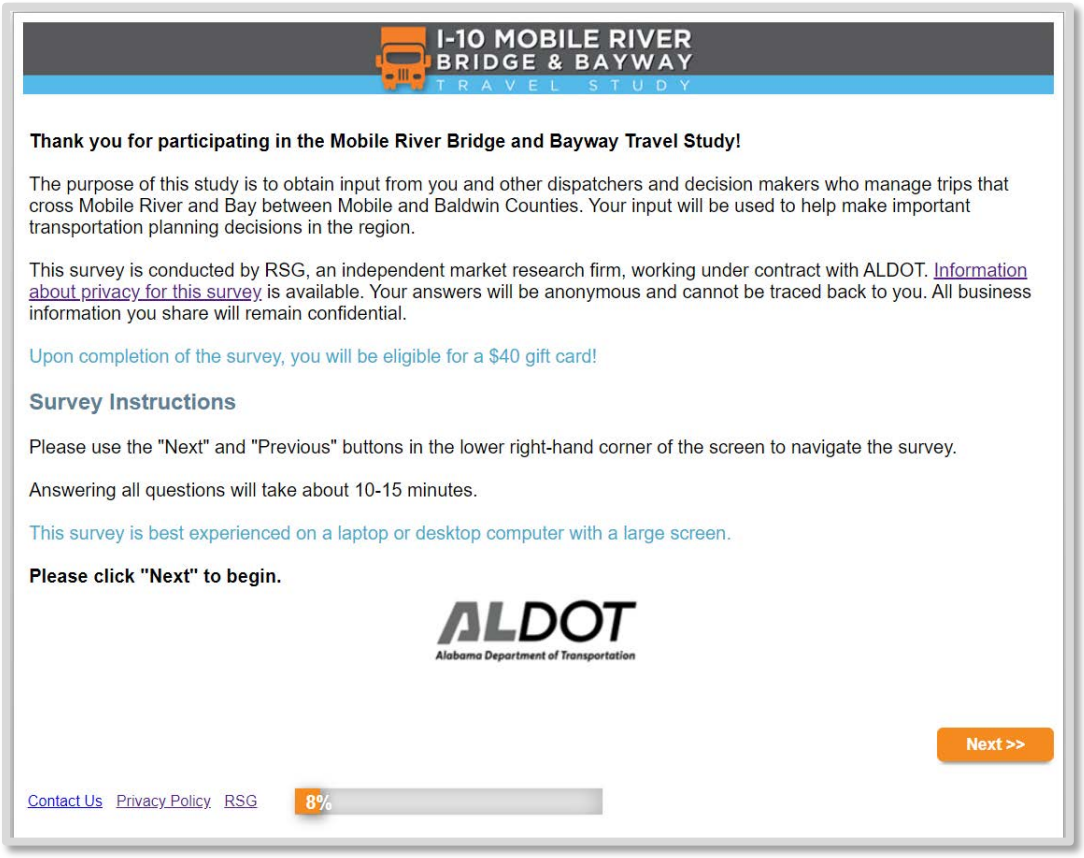
This report documents the development and administration of the survey questionnaire, presents the survey results, and summarizes the MNL model estimation methodology and findings. The full text of the survey questionnaire, survey screen captures, response tabulations, and respondents' comments about the project appear as appendices to this report.

1.0 SURVEY QUESTIONNAIRE

RSG worked closely with CDM Smith and ALDOT to develop a stated preference (SP) survey for commercial dispatchers, route managers, and other non-driver decision makers to meet the objectives of this study. The survey was designed to collect information about a recent trip that a respondent managed which crossed the Mobile Bay, and then to find out how decision makers might alter their planned routes given the option of paying to use the proposed I-10 Mobile River Bridge and Bayway. This, in turn, facilitated the estimation of values of time for different commercial vehicle market segments. The complete set of survey questions as they appeared to respondents on-screen is included in **Appendix A**.

The commercial decision maker survey was designed with the objective to collect information from respondents about a recent commercial vehicle trip and explore how decision makers might alter their travel planning under hypothetical future conditions. Commercial decision makers were first presented with an introduction screen that described the purpose of the survey, the time required to complete it, and instructions for how to navigate the online instrument (**Figure 1-1**). Respondents were again able to contact a member of the survey team with any technical questions using an email address that was linked at the bottom of all survey screens.

FIGURE 1-1: SAMPLE SURVEY SCREEN—INTRODUCTION AND INSTRUCTIONS

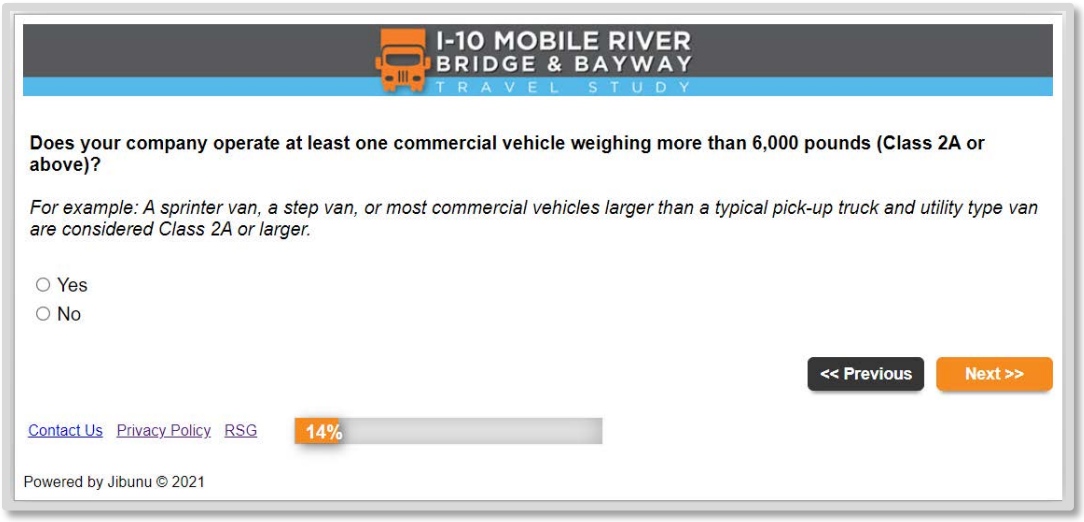


The survey consisted of five sections:

1. Qualification questions, which determined respondent eligibility
2. Trip characteristic questions, which collected details about a recent one-way trip that traveled across the Mobile Bay
3. SP scenarios, which were designed to reveal respondents' sensitivities to travel-time savings and toll costs
4. Debrief and opinion questions, which were designed to identify the reasons behind choices made in the SP scenarios, and to understand respondents' attitudes toward tolling and possible transportation improvements in the area
5. Company information questions, which collected information about the types of companies that had been represented by the drivers

Survey Section I: Qualification Questions

Following the survey introduction, respondents were shown several qualification questions to ascertain their ability to speak knowledgably about route choices on behalf of drivers. After determining their primary type of work (owner-operator, dispatcher, etc.), respondents were asked how much of a role they play in deciding which routes drivers take and what size vehicles their firm operates (**Figure 1-2** and **Figure 1-3**: Sample Survey Screen—Minimum Size



). Respondents with no role in route decision making or whose company did not operate any large commercial vehicles were thanked for their time and disqualified. Otherwise, respondents were screened for a qualifying trip (**Figure 1-4**). To be eligible, respondents needed to have made a trip that met the following conditions:

- **The trip crossed the Mobile Bay using either the I-10 Bayway or the US 90/98 Causeway**. This ensured that the sample included trips in the study corridor that could potentially use the proposed tolled sections of I-10 that cross Mobile Bay.
- **The trip was made in the past two months (60 days)**. This timeframe was selected to include respondents who make less frequent trips while also ensuring trips were recent enough for respondents to accurately recall specific details.
- **The trip took at least 10 minutes in total travel time**. A 10-minute minimum helped ensure trips that could reasonably have used one of the crossings and allowed meaningful travel time variations to be shown in the SP scenarios.

FIGURE 1-2: SAMPLE SURVEY SCREEN—ROUTING DECISIONS

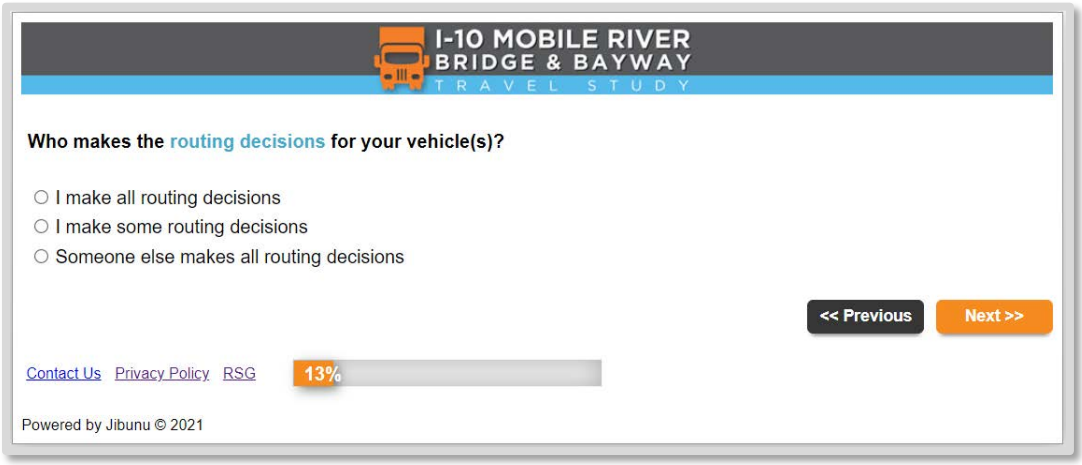


FIGURE 1-3: SAMPLE SURVEY SCREEN—MINIMUM SIZE

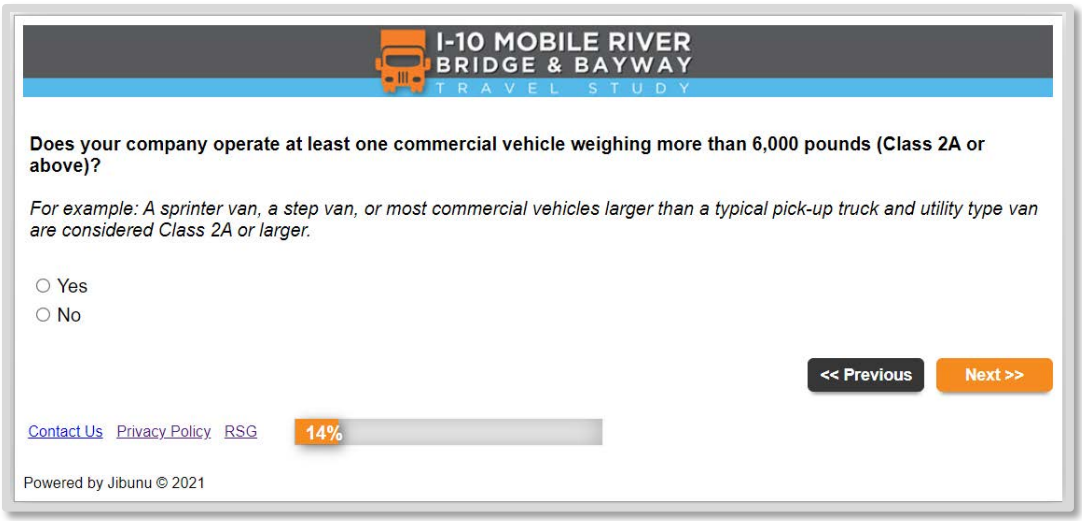
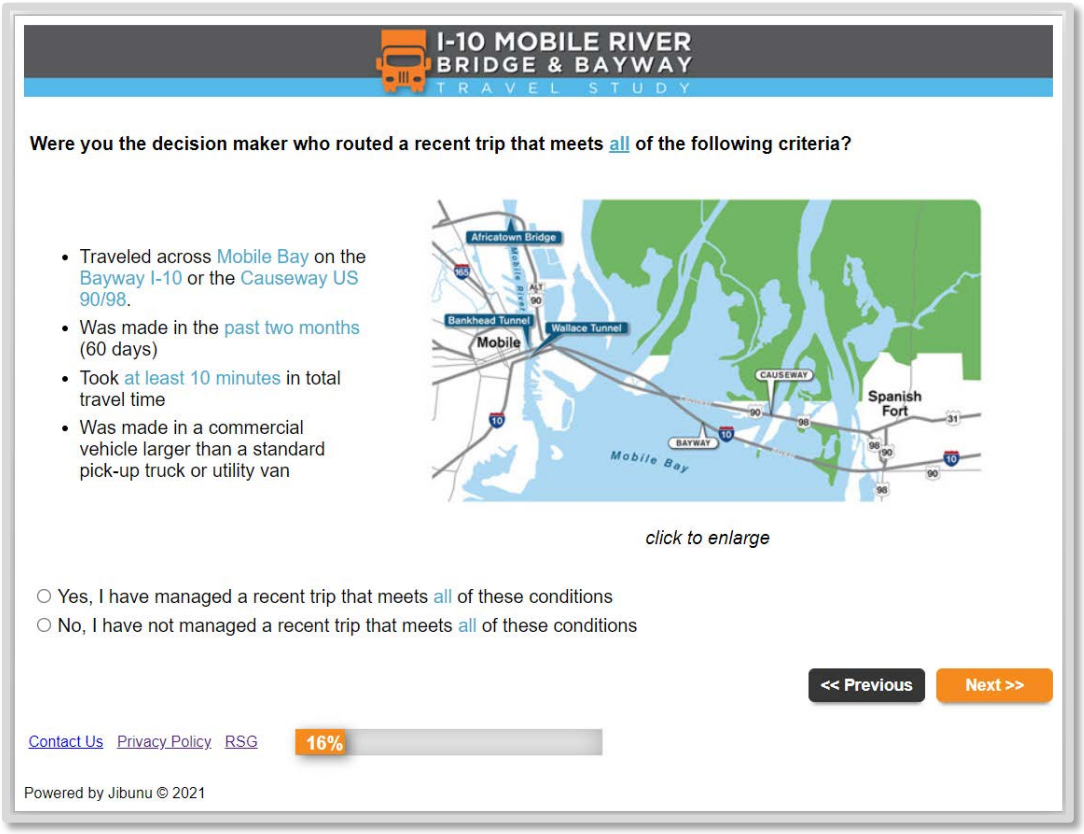


FIGURE 1-4: SAMPLE SURVEY SCREEN—TRIP QUALIFICATION



Survey Section II: Trip Characteristic Questions

Qualifying respondents were asked to focus for the duration of the survey on the most recent trip that met the criteria outlined above. The survey specified the most recent trip (and not a typical or average trip that they might direct) to broaden the range of trip types and travel characteristics reported across all respondents. Focusing on the most recent trip also gave respondents a more concrete frame of reference when considering the SP scenarios later in the survey.

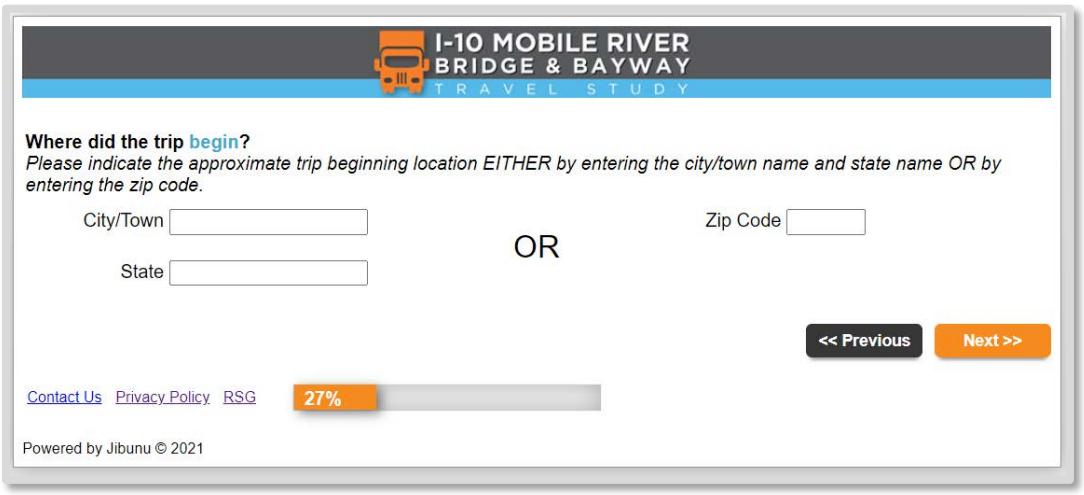
Respondents were first instructed to think about a one-way trip (rather than an entire round trip) and were asked a series of questions regarding the specific details of that reference trip, including:

- Bay crossing used
- River crossing used
- Ability to use the Wallace Tunnel (if did not use Wallace Tunnel)
- Trip length (in days)

- Date trip began
- Trip origin and destination
- Trip distance (in miles)
- Driving time
- Mobile Bay crossing time
- Delays encountered (with duration, if any)
- Number of axles on vehicle
- Trip frequency
- ETC ownership
- Type of goods being transported

Trip origins and destinations were reported through either identifying the city and state or the zip code (**Figure 1-5**).

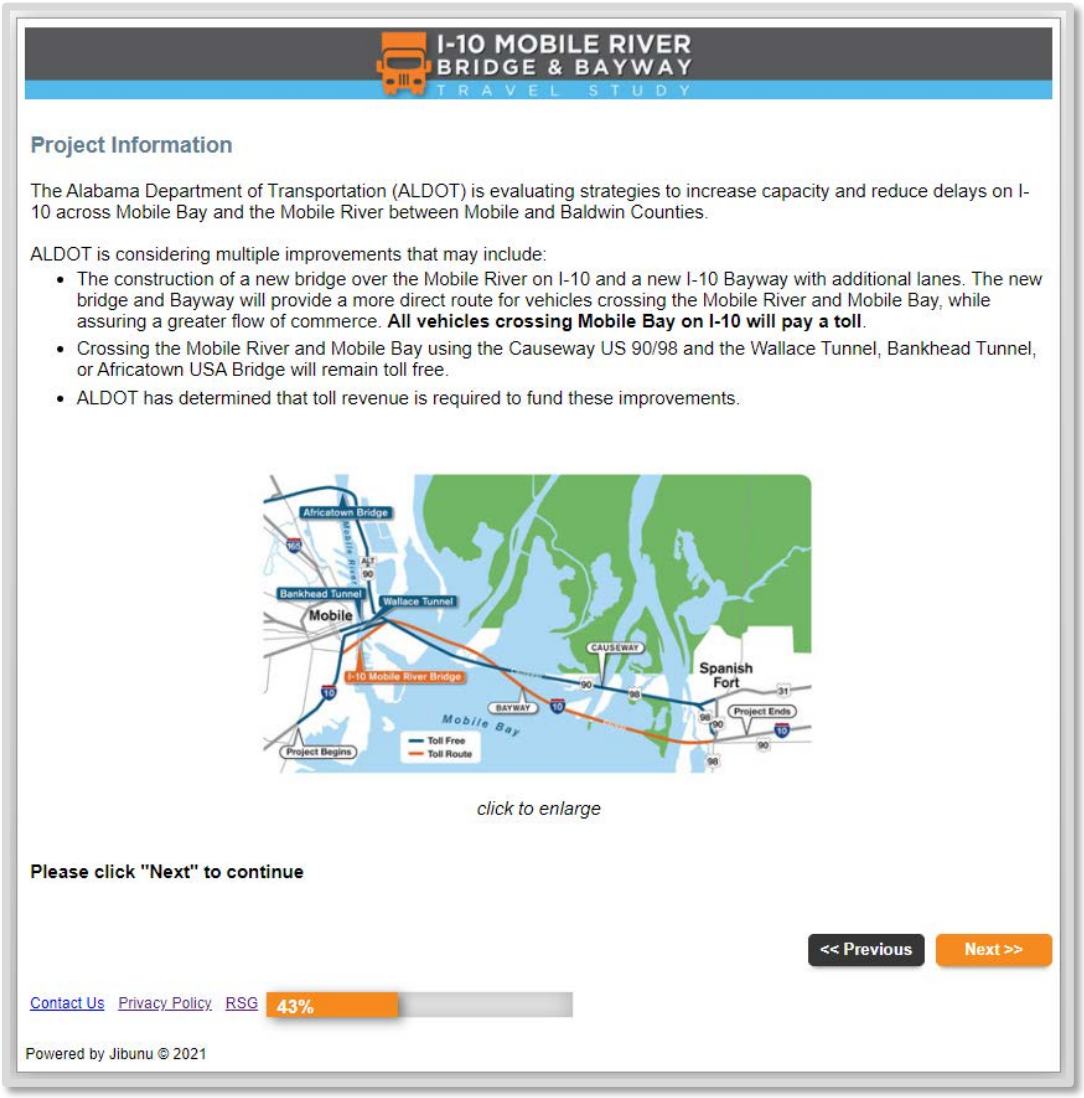
FIGURE 1-5: SAMPLE SURVEY SCREEN—TRIP ORIGIN AND DESTINATION



Survey Section III: Stated Preference Questions

After respondents had provided detailed information about the reference trip they had recently managed, that information was used to construct stated SP scenarios involving hypothetical variations based on the reference trip. Respondents were first provided with an introduction to the various plans being considered to increase capacity across the Mobile River and Bay (**Figure 1-6**).

FIGURE 1-6: SAMPLE SURVEY SCREEN—PROJECT INFORMATION



After this introduction to the project, respondents were shown the payment methods that would be accepted in tolled hypothetical scenarios (**Figure 1-7**). Finally, instructions were provided for the SP scenarios (**Figure 1-8**), which were followed immediately by a series of SP scenarios.

FIGURE 1-7: SAMPLE SURVEY SCREEN—PAYMENT INFORMATION

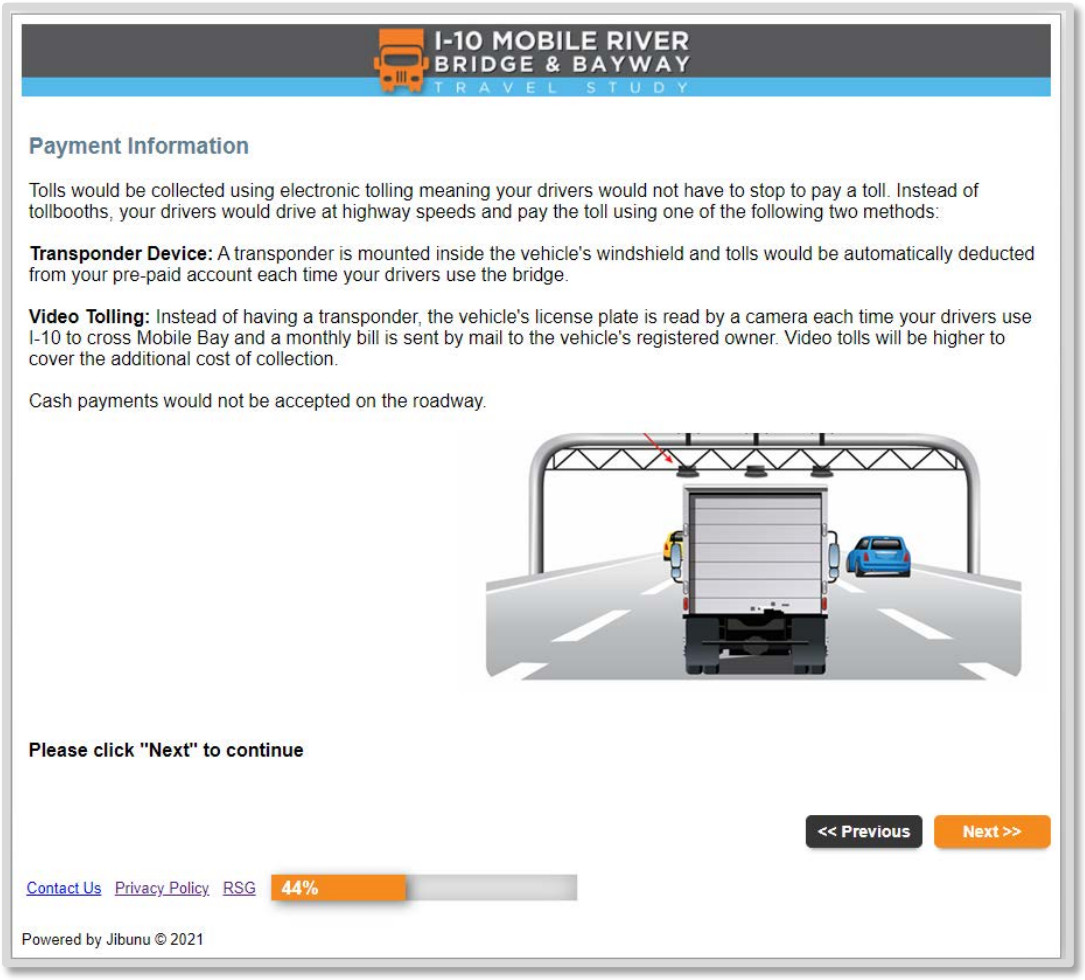
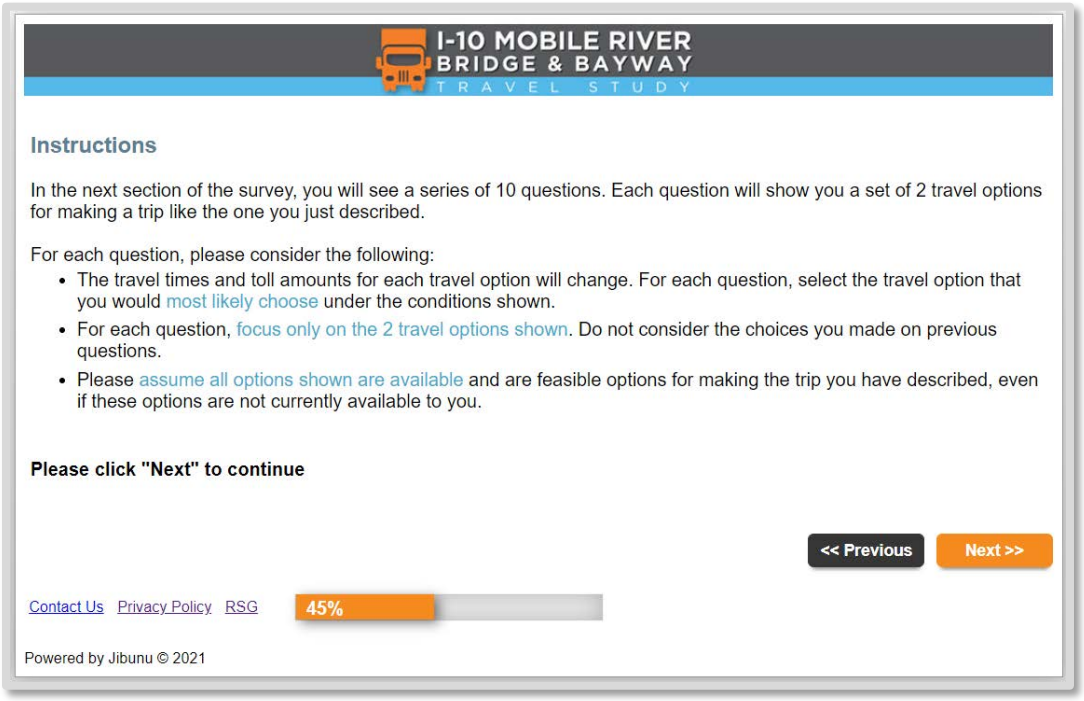


FIGURE 1-8: SAMPLE SURVEY SCREEN—SP INSTRUCTIONS

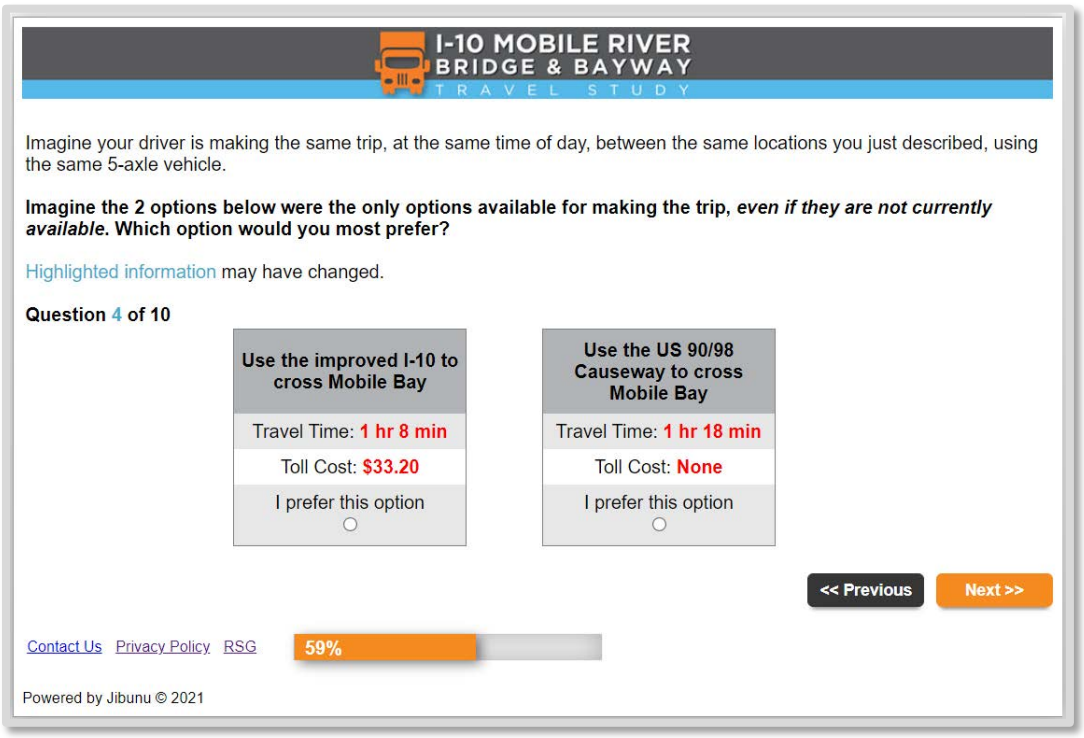


In each scenario, travelers were presented with the following alternatives:

1. Make the trip using the improved I-10 Bayway
2. Make the trip using the US 90/98 Causeway

Each alternative was distinguished by two varying attributes: travel time and toll cost. The values of these attributes varied across the ten questions, and respondents were asked to select the alternative they most preferred under the conditions presented in each question. **Figure 1-9** shows an example SP scenario with varied attribute values for each alternative. Additional examples of the SP scenarios (as they appeared to respondents on-screen) are presented in **Appendix A**.

FIGURE 1-9: SAMPLE SURVEY SCREEN—SP SCENARIO



The attribute values presented in each scenario varied around a set of base values. Trip characteristics of each respondent's reference trip were used as the base values for travel time and toll cost to ensure that the scenarios were realistic. These base values were then varied, according to an experimental design, to give a unique set of attribute values for each SP scenario. The amount of variation for each attribute depended on the size of the vehicle making the trip (based on number of axles) and the amount of delay experienced by the

respondent during their trip. **Table 1-1** through **Table 1-3** show the attribute levels used to generate the scenarios. Within the design, the attribute levels also varied depending on the amount of travel delay (0-5 minutes, 6-15 minutes, or 15+ minutes of delay, as shown in the tables) and number of axles.

The specific levels used in each SP scenario were determined using an orthogonal experimental design.

TABLE 1-1: ATTRIBUTE LEVELS FOR TRIPS WITH UP TO 5 MINUTES OF DELAY

Attribute and Levels		Alternative 1: Use the Improved I-10 Bayway					Alternative 2: Use US 90/98 Causeway
Travel Time (min)	1	Current Travel Time + Level	-1				Current Travel Time + Level 3
	2		-2				5
	3		-4				7
	4		-6				9
	5		-8				11
			Number of Axles				
			2	3	4	5	6+
Cost	1	Cost	$0.75	$1.50	$2.25	$3.00	$3.75
	2		$1.25	$2.50	$3.75	$5.00	$6.25
	3		$1.50	$3.00	$4.50	$6.00	$7.50
	4		$2.00	$4.00	$6.00	$8.00	$10.00
	5		$2.75	$5.50	$8.25	$11.00	$13.75
	6		$3.50	$7.00	$10.50	$14.00	$17.50
	7		$4.50	$9.00	$13.50	$18.00	$22.50
	8		$5.00	$10.00	$15.00	$20.00	$25.00
	9		$5.50	$11.00	$16.50	$22.00	$27.50
	10		$6.00	$12.00	$18.00	$24.00	$30.00

TABLE 1-2: ATTRIBUTE LEVELS FOR TRIPS WITH 5 TO 15 MINUTES OF DELAY

Attribute and Levels		Alternative 1: Use the Improved I-10 Bayway					Alternative 2: Use US 90/98 Causeway
Travel Time (min)	1	Current Travel Time + Level	-1				Current Travel Time + Level 4
	2		-3				6
	3		-5				9
	4		-8				11
	5		-10				14
			Number of Axles				
			2	3	4	5	6+
Cost	1	Cost	$0.90	$1.80	$2.70	$3.60	$4.50
	2		$1.60	$3.20	$4.80	$6.40	$8.00
	3		$1.90	$3.80	$5.70	$7.60	$9.50
	4		$2.50	$5.00	$7.50	$10.00	$12.50
	5		$3.40	$6.80	$10.20	$13.60	$17.00
	6		$4.40	$8.80	$13.20	$17.60	$22.00
	7		$5.60	$11.20	$16.80	$22.40	$28.00
	8		$6.30	$12.60	$18.90	$25.20	$31.50
	9		$6.90	$13.80	$20.70	$27.60	$34.50
	10		$7.50	$15.00	$22.50	$30.00	$37.50

TABLE 1-3: ATTRIBUTE LEVELS FOR TRIPS WITH MORE THAN 15 MINUTES OF DELAY

Attribute and Levels		Alternative 1: Use the Improved I-10 Bayway					Alternative 2: Use US 90/98 Causeway
Travel Time (min)	1	Current Travel Time + Level	-2				5
	2		-3				8
	3		-6				11
	4		-9				14
	5		-12				17
			Number of Axles				
			2	3	4	5	6+	
Cost	1	Cost	$1.10	$2.20	$3.30	$4.40	$5.50	
	2		$1.90	$3.80	$5.70	$7.60	$9.50	
	3		$2.30	$4.60	$6.90	$9.20	$11.50	
	4		$3.00	$6.00	$9.00	$12.00	$15.00	
	5		$4.10	$8.20	$12.30	$16.40	$20.50	
	6		$5.30	$10.60	$15.90	$21.20	$26.50	
	7		$6.80	$13.60	$20.40	$27.20	$34.00	
	8		$7.50	$15.00	$22.50	$30.00	$37.50	
	9		$8.30	$16.60	$24.90	$33.20	$41.50	
	10		$9.00	$18.00	$27.00	$36.00	$45.00	

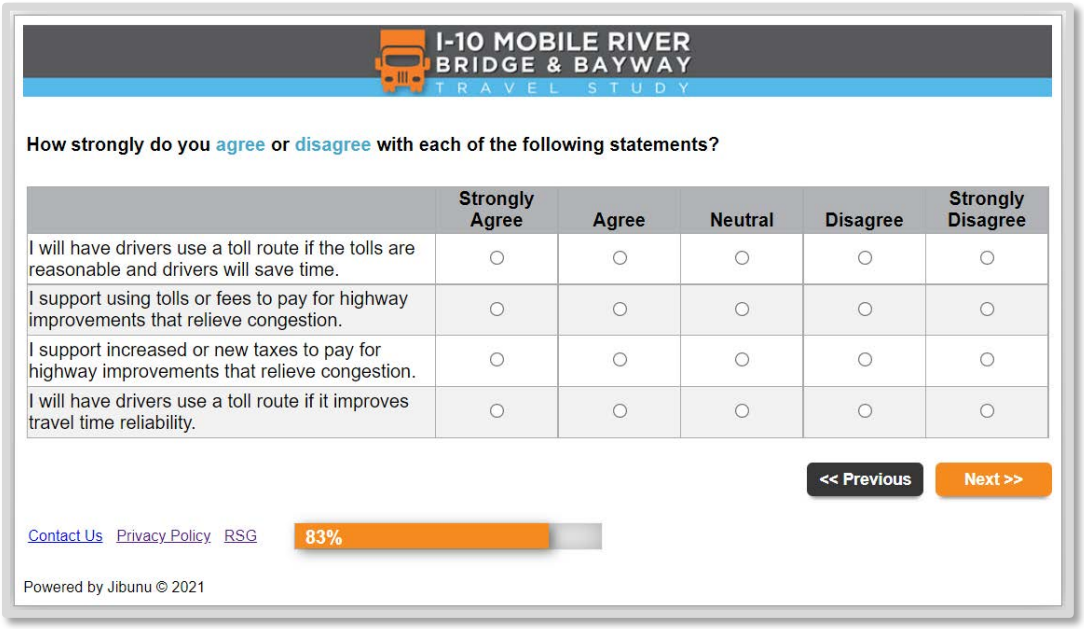
Survey Section IV: Debrief and Opinion Questions

After completing the ten SP scenarios, commercial decision makers answered a series of debrief and opinion questions seeking to assess the rationale underlying their choices and to identify any potential strategic bias in their responses.

Respondents who never selected a tolled alternative were asked to select their reason for always choosing the free option. Next, respondents were asked their opinion of the proposed project based on the information presented in the survey. A respondent's opinion of the project is an important indicator of the choices they might be expected to make in the SP scenarios. Those who indicated they were in favor of or opposed to the project (i.e., not neutral to the project) were asked a follow-up question to explain their reasoning.

Finally, all respondents were asked to indicate the level to which they agree or disagree with a set of attitude statements about tolls (as shown in **Figure 1-10**).

FIGURE 1-10: SAMPLE SURVEY SCREEN—TOLL ATTITUDES



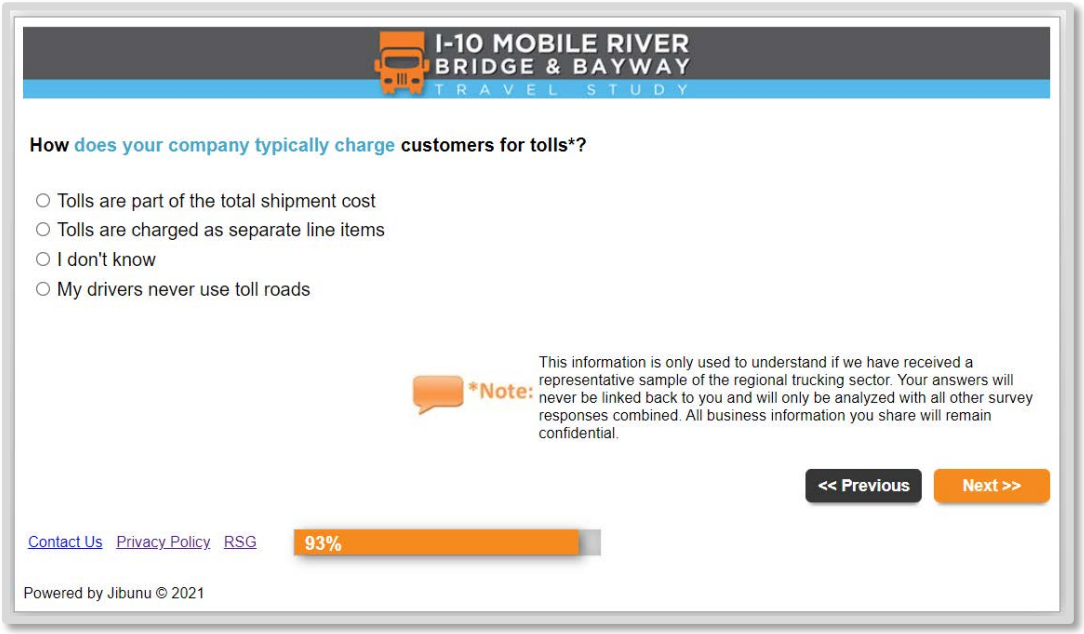
Survey Section V: Company Information Questions

The final section of the survey included a series of questions in which commercial dispatchers were asked for the following information about their company:

- Location of base of operations (state)
- Fleet size (if not an independent owner-operator)
- Typical trip length
- Flexibility of typical delivery schedule
- Who pays tolls (driver or employer)
- How toll charges are passed along to the customer
- How the driver is compensated

These screens included a note reassuring respondents that this information would be anonymous, analyzed in aggregate, and not linked back to individuals (as shown in **Figure 1-11**). At the conclusion of the survey, participants were given the opportunity to leave comments about the project or the survey. These open-ended comments are presented in **Appendix C**.

FIGURE 1-11: SAMPLE SURVEY SCREEN—COMPANY INFORMATION QUESTION WITH NOTE ABOUT INFORMATION



2.0 SURVEY ADMINISTRATION

RSG worked closely with CDM Smith and ALDOT to develop an efficient, timely, and cost-effective sampling plan to produce a generally representative sample of the target population for this study. While previous surveys in 2016 focused on commercial vehicle drivers who make trips across Mobile Bay, the target population for this survey was commercial non-driver decision makers who had recently routed or managed a trip across Mobile Bay. The sampling plan was designed to obtain a sample of commercial non-driver decision makers representing a sufficient range of trip types and vehicle types to support the statistical estimation of coefficients of a discrete choice model. By collecting data from a range of trip types and vehicle types, it is possible to identify the ways in which different characteristics (e.g., crossing time, vehicle size) affect route choice behavior. These differences can then be reflected in the structure and coefficients of the resulting choice model. It should be noted that the survey sample that supports choice model estimation does not need to be a perfectly representative sample as long as:

- Any behavioral differences are properly represented in the model, and
- The model is applied for forecasting using appropriate population proportions and/or sample weights

The target population of this study was non-driver decision makers who manage trips across Mobile Bay. RSG used two sampling approaches to recruit these decision makers to participate in the stated preference (SP) survey:

1. Address-based sampling using a sampling frame of commercial establishments with registered vehicles in the greater Mobile, Alabama region. A two-step mail-out including postcards, followed by an invitation letter, to all commercial establishments in the greater Mobile area with registered commercial vehicles.
2. Convenience sampling using an open link distributed by ALDOT to commercial partners.

The sampling approaches are described in more detail below.

2.1 ADDRESS-BASED SAMPLING

The address-based sampling frame consisted of all commercial establishments in the greater Mobile, Alabama region, defined as the 111 selected ZIP codes in Alabama, Mississippi, and Florida shown in **Figure 2-1 below.** The region spanned the Gulf Coast, roughly between Gulfport, MS, and Pensacola, FL. RSG

obtained a database of all commercial establishments with registered vehicles of any size in this region from IHS Markit, a firm specializing in automotive research and analysis. The sampling frame included 9,290 establishments with one or more registered commercial vehicles. RSG designed a postcard that was mailed to all 9,290 businesses in the sampling frame. The postcard included a brief description of the study and instructions to participate in the survey. The postcard also included the survey URL, a unique password, and an email address in case recipients had questions or difficulty accessing the online instrument (**Figure 2-2** and **Figure 2-3**). The postcards were followed up with a more detailed invitation letter explaining the study and the requirements to participate (**Figure 2-4**). Addresses and other identifying information has been redacted from the postcard and letter figures.

Postcards were mailed on January 11, 2022, and letters were mailed on January 18, 2022. 269 respondents completed the survey through this administration method, implying a response rate of approximately 2.9%.

Postcard respondents were offered an incentive of a $40 Amazon gift card for qualifying and completing the survey. Of the 269 respondents who completed the survey, 206 accepted the incentive.

FIGURE 2-1: SELECTED ZIP CODES FOR POSTCARD MAILING

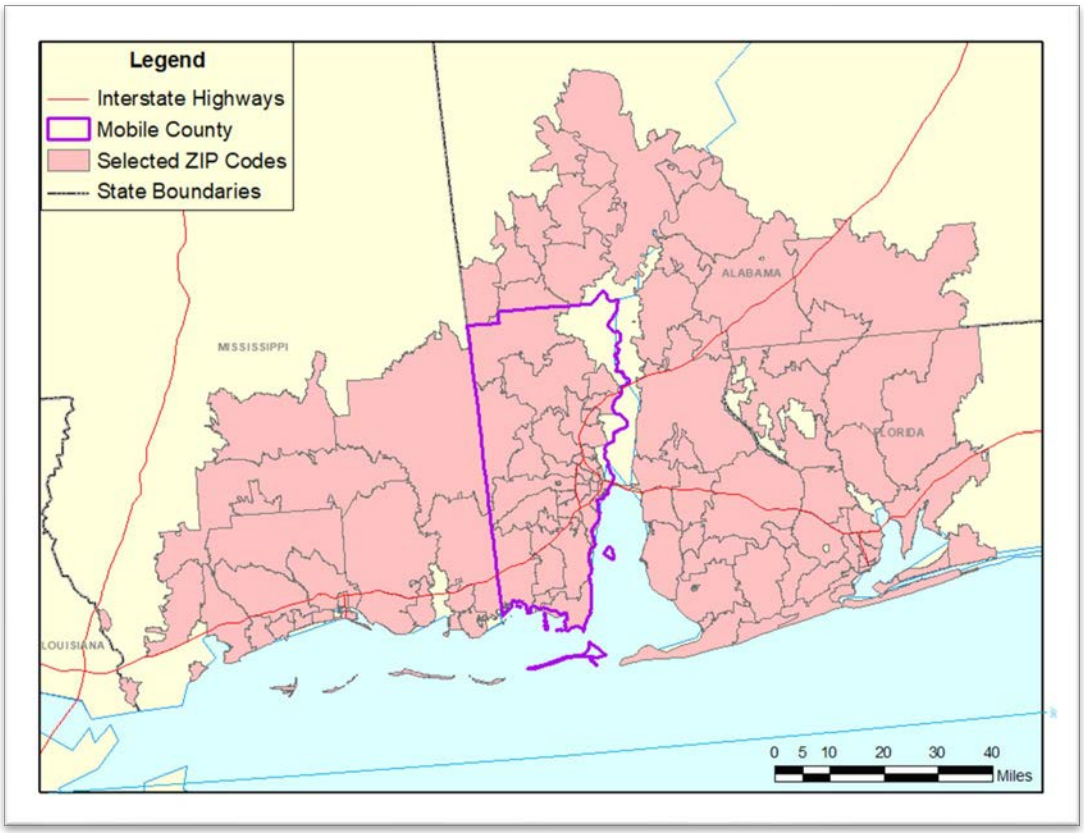


FIGURE 2-2: POSTCARD MAILING—FRONT

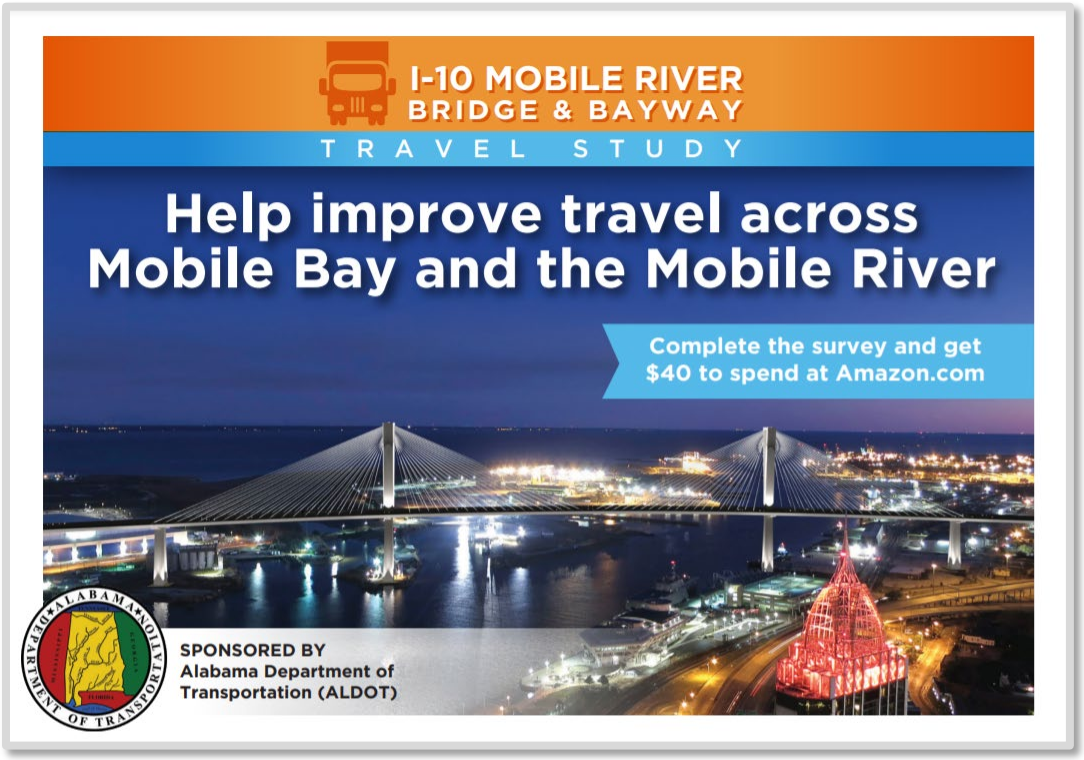


FIGURE 2-3: POSTCARD MAILING—BACK

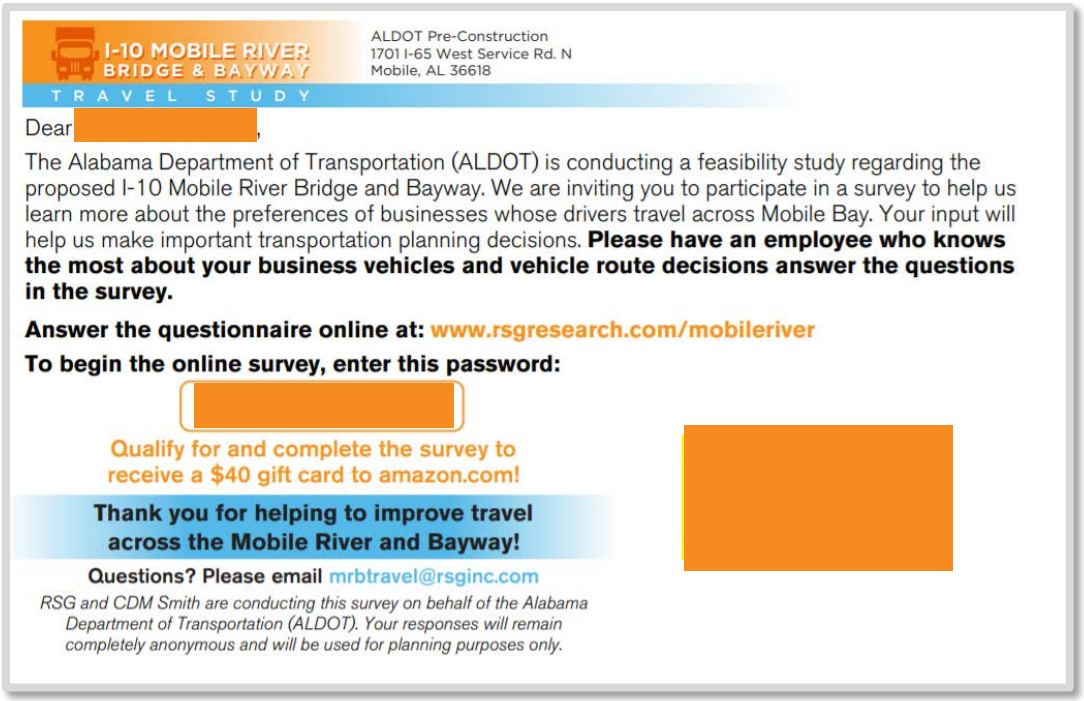
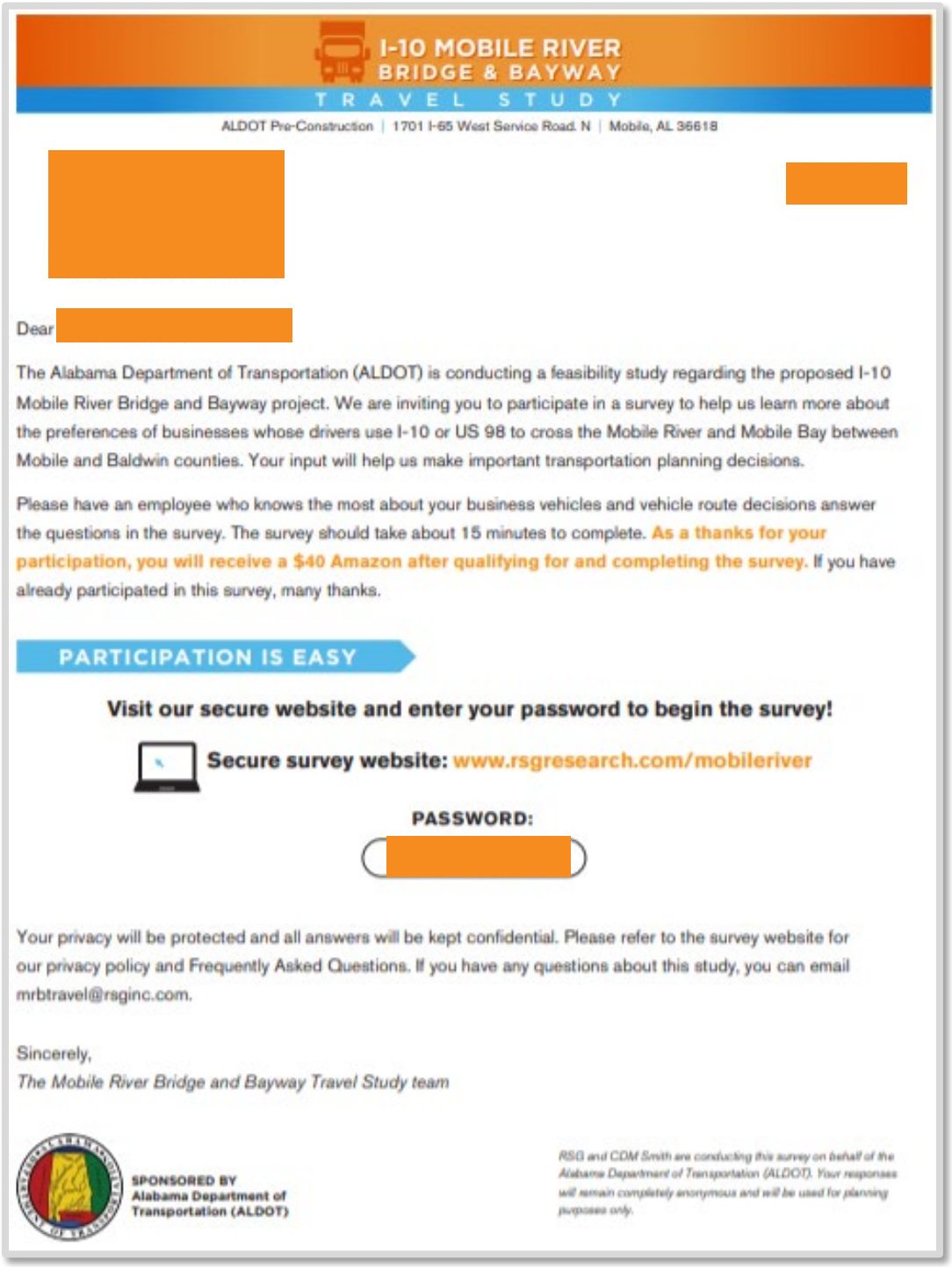


FIGURE 2-4: INVITATION LETTER



I-10 MOBILE RIVER BRIDGE & BAYWAY
TRAVEL STUDY

ALDOT Pre-Construction | 1701 I-65 West Service Road N | Mobile, AL 36618

[redacted]

Dear [redacted]

The Alabama Department of Transportation (ALDOT) is conducting a feasibility study regarding the proposed I-10 Mobile River Bridge and Bayway project. We are inviting you to participate in a survey to help us learn more about the preferences of businesses whose drivers use I-10 or US 98 to cross the Mobile River and Mobile Bay between Mobile and Baldwin counties. Your input will help us make important transportation planning decisions.

Please have an employee who knows the most about your business vehicles and vehicle route decisions answer the questions in the survey. The survey should take about 15 minutes to complete. **As a thanks for your participation, you will receive a $40 Amazon after qualifying for and completing the survey.** If you have already participated in this survey, many thanks.

PARTICIPATION IS EASY

Visit our secure website and enter your password to begin the survey!

Secure survey website: www.rsgresearch.com/mobileriver

PASSWORD: [redacted]

Your privacy will be protected and all answers will be kept confidential. Please refer to the survey website for our privacy policy and Frequently Asked Questions. If you have any questions about this study, you can email mrbtravel@rsginc.com.

Sincerely,
The Mobile River Bridge and Bayway Travel Study team

SPONSORED BY
Alabama Department of Transportation (ALDOT)

RSG and CDM Smith are conducting this survey on behalf of the Alabama Department of Transportation (ALDOT). Your responses will remain completely anonymous and will be used for planning purposes only.

2.2 CONVENIENCE SAMPLING WITH ALDOT PARTNERS

To supplement the address-based sampling frame, an open link to the commercial vehicle survey was shared with ALDOT and distributed to local businesses and stakeholders. The purpose of this link was to allow interested decision-makers who may not be covered by the address-based sample to provide their input. Three surveys were completed through this method.

2.3 ADMINISTRATION SUMMARY

RSG began survey administration on January 12, 2022 and concluded on February 14, 2022. The numbers of completed surveys from each administration method are presented in **Table 2-1**. RSG collected a total of 272 completed surveys during administration.

TABLE 2-1: COMPLETED SURVEYS BY ADMINISTRATION METHOD

Data Source	Completed Surveys
Postcard mailing to local businesses	269
Open link distributed by ALDOT	3
Total	**272**

3.0 SURVEY ANALYSIS

The analysis presented in this section summarizes the characteristics of the commercial vehicle decision maker survey sample, including trip details, stated preference (SP) results, debrief and opinion, and company questions. A complete set of tabulations for the survey can be found in **Appendix B**. Before finalizing data analysis and beginning model estimation work, this data was screened for outlier respondents. This screening process is outlined below.

3.1 IDENTIFICATION OF OUTLIERS

The survey data was screened to ensure that all observations included in the data analysis and model estimation represented realistic trips in the study corridors and reasonable tradeoffs in the SP exercises. Several variables were used for screening purposes, including an examination of trip origins and destinations, travel speed, and survey completion time.

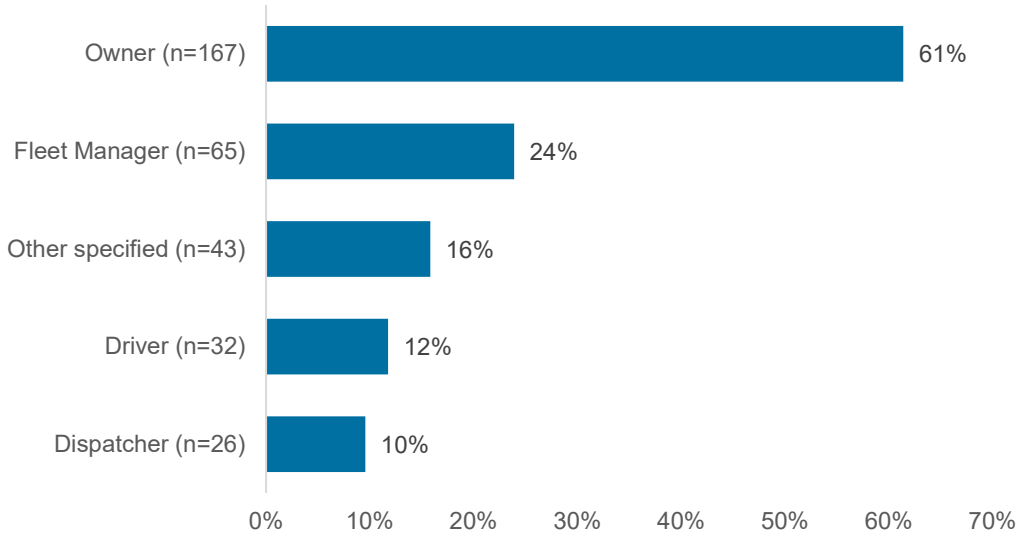
289 respondents completed the commercial vehicle survey during the data collection phase of the project. The number of records was reduced after completing the data checks and outlier analysis. Specifically, respondents were screened for abnormally quick completion times (under five minutes) and inconsistent SP responses. For this purpose, responses were classified as inconsistent if the respondent selected the tolled alternative at some time savings and toll cost but rejected another at equal or higher time savings and equal or lower toll costs. Based on this analysis, 272 responses were used in the analysis of the survey data and the estimation of the discrete choice models.

3.2 SURVEY RESULTS

The descriptive analysis of the survey data presented in this section of the report is based on the 272 valid responses and is provided in four sections: trip details, SP, debrief and opinion, and company information questions.

Before beginning the trip details section of the survey, respondents were asked to report their role at their company. The majority (61%) of respondents identified themselves as owners, and 24% identified themselves as fleet managers (**Figure 3-1**).

FIGURE 3-1: ROLE AT COMPANY

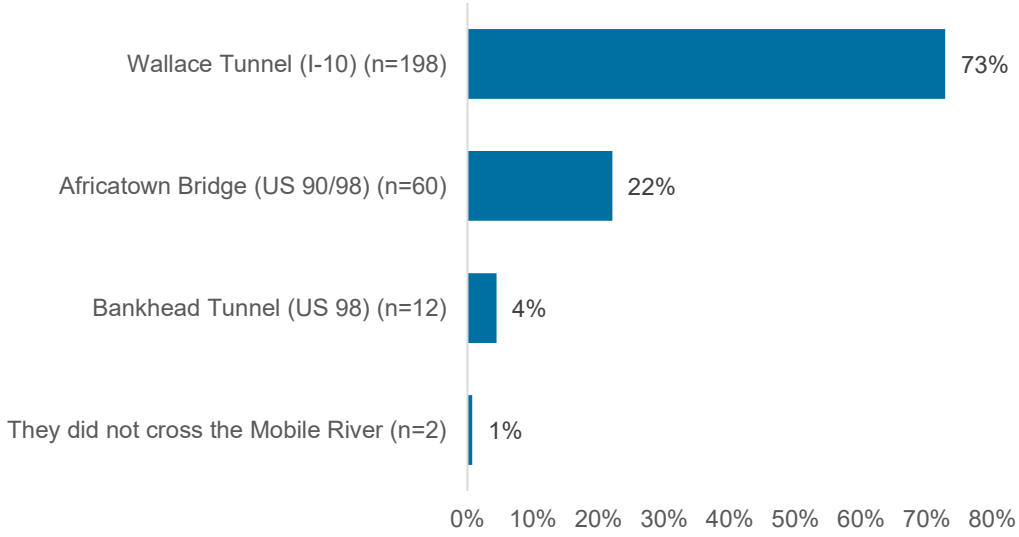


Next, respondents were asked who was responsible for making the routing decisions for their vehicles. Over two-thirds (70%) of respondents indicated that they make all routing decisions for themselves, while the remaining (30%) reported making some routing decisions.

Trip Characteristic Questions

First, respondents were asked whether their reference trip across the Mobile Bay used the I-10 Bayway (89%) or the US 90/98 Causeway (11%). Then, respondents were asked how the Mobile River was crossed during the reference trip: the Wallace Tunnel (I-10), the Africatown Bridge (US 90), or the Bankhead Tunnel (US 98). Roughly three-quarters (73%) of respondents used the Wallace Tunnel, while 22% used the Africatown Bridge and 4% used the Bankhead Tunnel (Figure 3-2). Of the 26% (n=74) of respondents who crossed the river and did not use the Wallace Tunnel, 32% indicated that they could not have used this tunnel to make their reference trip.

FIGURE 3-2: MOBILE RIVER CROSSING



Respondents were then asked where their reference trip began and ended. More than half (61%) of trips began and ended in Alabama, with the remainder being interstate. **Table 3-1** summarizes trip origins and destinations by state.

TABLE 3-1: REFERENCE TRIP ORIGIN AND DESTINATION STATE

State	Origin		Destination	
	Count	Percent	Count	Percent
Alabama	213	78%	196	72%
Florida	34	13%	56	21%
Mississippi	23	8%	14	5%
Georgia	0	0%	3	1%
Louisiana	1	0%	1	0%
Texas	1	0%	1	0%
Arkansas	0	0%	1	0%
Total	**272**	**100%**	**272**	**100%**

Respondents were asked to estimate their reference trip distance, in miles, and their reference trip time, in hours. The average reported trip distance across all respondents was 112 miles, with a median distance of 60 miles. The average reported trip time without delay was about two hours and 15 minutes, with a median time of one hour and 20 minutes (**Table 3-2**). Delay due to traffic congestion on either of the Mobile Bay crossings was reported by 29% of dispatchers, while nearly half (47%) did not report any delay, and 25% were unsure if their driver experienced delay while crossing Mobile Bay.

TABLE 3-2: TRIP LENGTH MEASURES

	Mean	Median
Trip Distance (miles)	111.8	60
Travel Time without Delay (minutes)	134.7	80

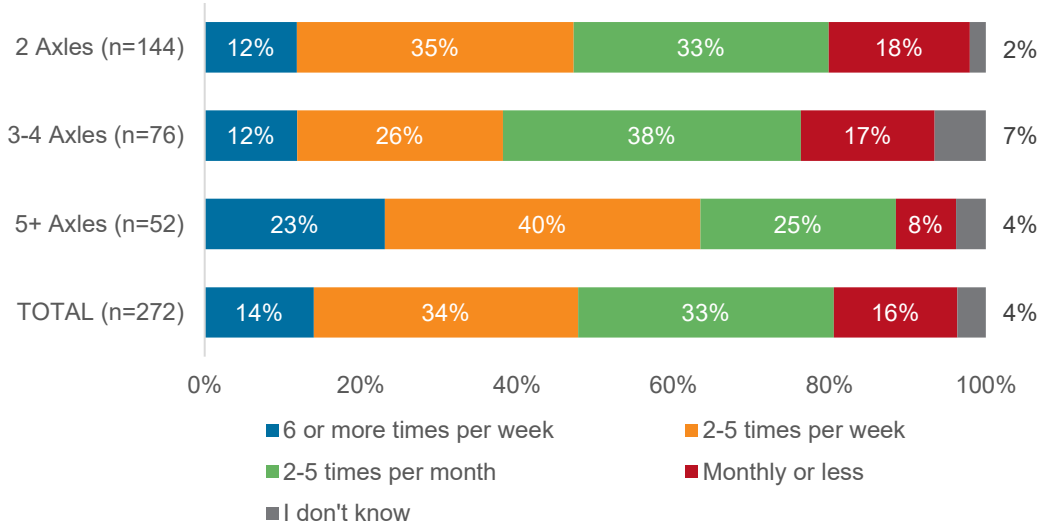
Table 3-3 shows reported vehicle size for all reference trips. More than one half (53%) of respondents managed a two-axle vehicle for their reference trip.

TABLE 3-3: NUMBER OF AXLES

Number of Axles	Count	Percent
2 axles	144	53%
3 axles	43	16%
4 axles	33	12%
5 axles	34	13%
6 axles	14	5%
7 axles	1	0%
8 or more axles	3	1%
Total	**272**	**100%**

Respondents were asked how often they manage the same trip as the reference trip they reported in the survey. Over one half (55%) of respondents reported they manage the same trip as their reference trip one or more times per week. **Figure 3-3** shows trip frequency by vehicle size. Respondents were then asked whether they had a transponder for electronic toll collection (ETC), such as a Freedom Pass or SunPass, in their vehicle. Most vehicles (86%) were not equipped with a transponder, while 14% were.

FIGURE 3-3: TRIP FREQUENCY BY VEHICLE SIZE



Stated Preference Questions

After completing the trip details portion of the survey, respondents answered a series of ten SP tradeoff scenarios. Since each of the 272 respondents were presented with ten questions, of the final dataset consisted of 2,720 choice observations. Across all SP scenarios, 22% of the choices were for the improved I-10 alternative (**Table 3-4**).

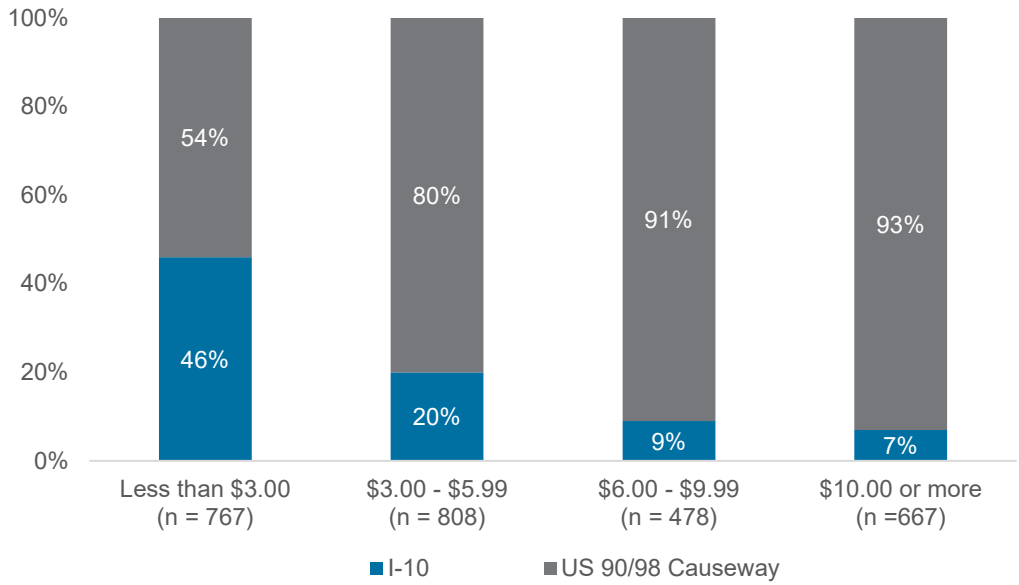
TABLE 3-4: STATED PREFERENCE CHOICES

Alternative	Number of Experiments Shown	Number of Experiments Selected	Percent Selected
Use the improved I-10 to cross Mobile Bay (tolled)	2,720	611	22%
Use the US 90/98 Causeway to cross Mobile Bay (toll-free)	2,720	2,109	78%

The toll cost for the new I-10 alternative varied from scenario to scenario, while the US 90/98 Causeway alternative was always presented as a non-tolled option.

Figure 3-4 shows the percentage of time I-10 was chosen in the SP scenarios at different toll costs. The first bar on the left in **Figure 3-4** shows that when the presented toll costs were less than $3.00, the toll option was selected 46% of the time, while the last bar on the right shows that when the presented toll costs were $10.00 or more, the I-10 option was selected only 7% of the time. In general, the likelihood of respondents choosing the toll option decreased considerably as the toll amount increased.

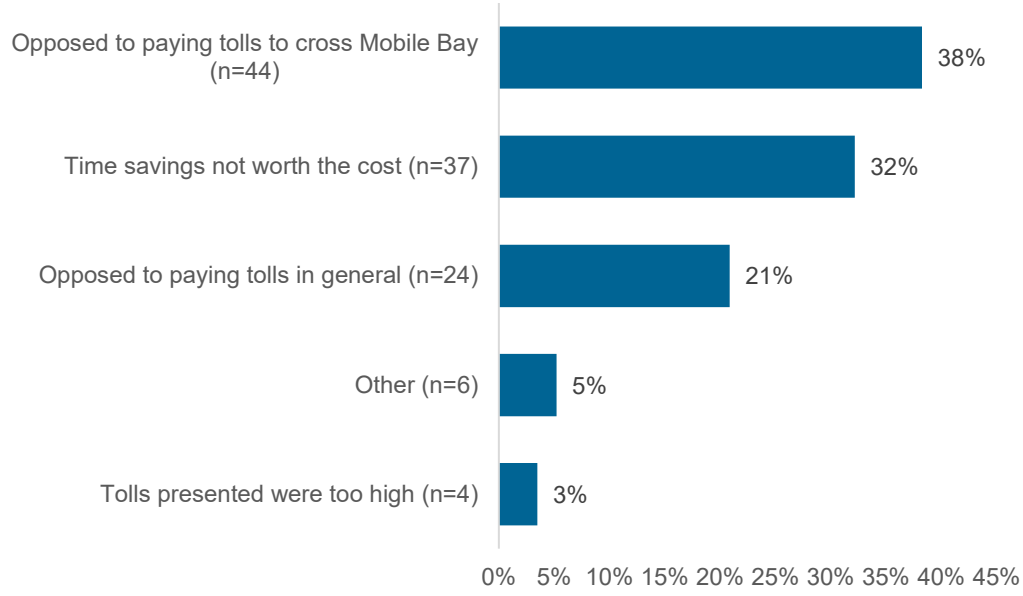
FIGURE 3-4: SP ALTERNATIVE OPTION SELECTED BY TOLL COST



Debrief and Opinion Questions

If a respondent never chose the toll option in the SP scenarios (42% of respondents), they were asked to indicate the primary reason for this. The reason most frequently cited (38% of all respondents who never selected the toll alternative) was their opposition to paying tolls to cross Mobile Bay specifically, while 32% stated that the time savings presented in the experiments were not high enough to justify the toll cost (**Figure 3-5**).

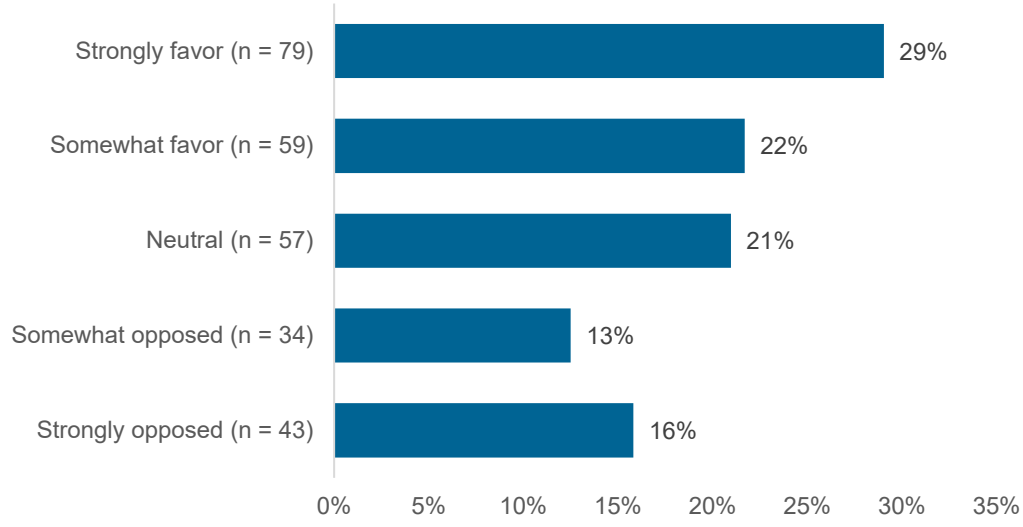
FIGURE 3-5: PRIMARY REASON FOR NEVER SELECTING TOLLED OPTIONS



Project Opinion

Approximately 51% of respondents were in favor of the project (29% strongly in favor and 22% somewhat in favor). While 21% of respondents were neutral in their project opinions, approximately 29% were either strongly (16%) or somewhat (13%) opposed to the project. **Figure 3-6** shows project opinion for all respondents.

FIGURE 3-6: PROJECT OPINION



If a respondent reported a non-neutral opinion about the project, they were asked to indicate their reasons for that opinion. Of the 51% of respondents who supported the project, the most common reasons were “less congestion” and “shorter travel time” (88% and 72%, respectively) (**Table 3-5**). Of the 29% of respondents who opposed the project, the most common reason was opposition to paying tolls to cross Mobile Bay (68%) (**Table 3-6**).

TABLE 3-5: REASON FOR FAVORING PROJECT (SELECT ALL THAT APPLY)

Reason for Favoring Project	Count	Percent
Less congestion	122	88%
Shorter travel time	100	72%
Safer travel conditions	96	70%
Increased capacity over Mobile Bay	93	67%
More reliable travel time	91	66%
Bring economic development to the region	50	36%
Generates revenue for transportation improvements and maintenance	36	26%
Other specified	8	6%
Total	**138**	**--**

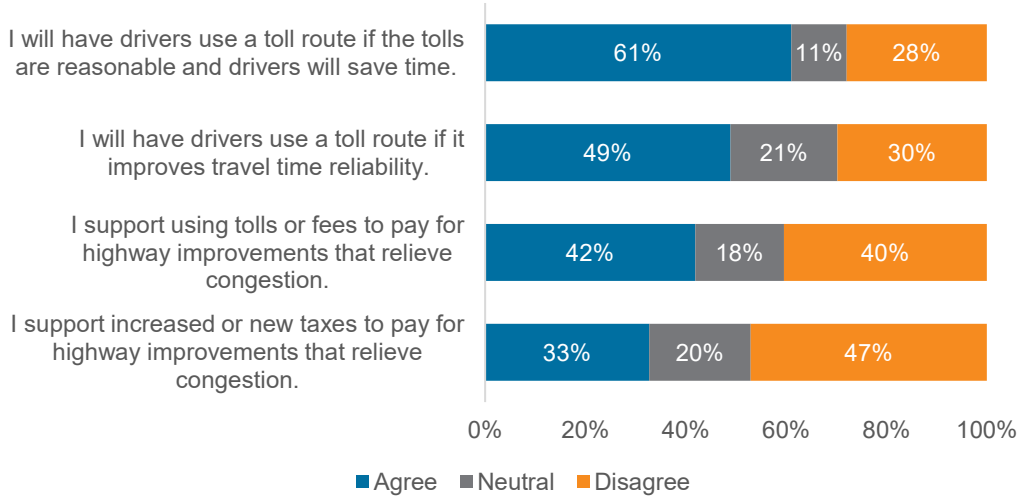
TABLE 3-6: REASON FOR OPPOSING PROJECT (SELECT ALL THAT APPLY)

Reason for Opposing Project	Count	Percent
Opposed to paying tolls to cross Mobile Bay	52	68%
Toll costs are too high	32	42%
Opposed to paying tolls in general	26	34%
Do not feel the project is needed/warranted	9	12%
Do not like electronic toll collection	9	14%
Other specified	8	10%
Total	**65**	**--**

Tolling Opinions

To gauge respondents’ opinions about issues related to the proposed project, levels of agreement were measured for a series of attitude statements (**Figure 3-7**). Of the statements presented, respondents were most likely to agree with the statement “I will have drivers use a toll route if the tolls are reasonable and drivers will save time” and most likely to disagree with the statement “I support increased or new taxes to pay for highway improvements that relieve congestion.”

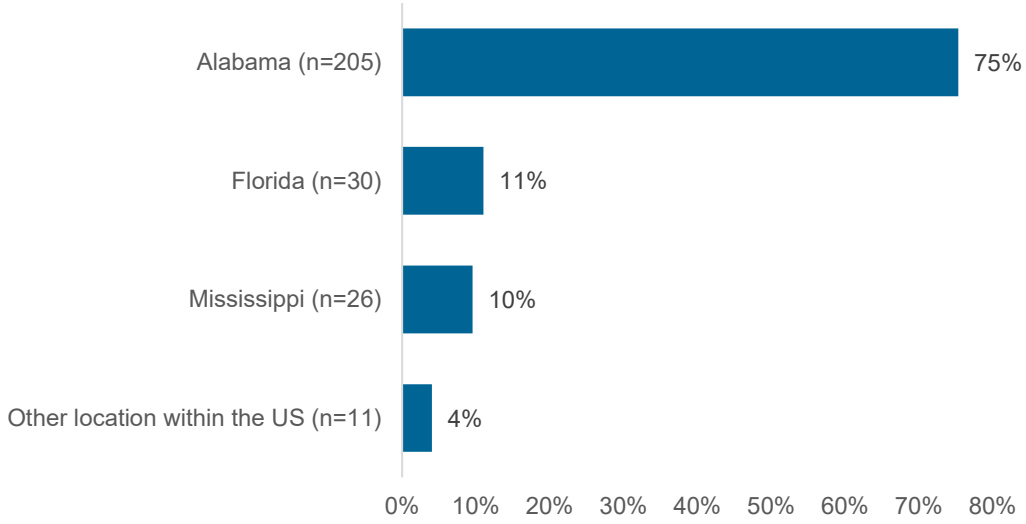
FIGURE 3-7: TOLL ATTITUDE STATEMENTS



Company Information Questions

To conclude the survey, respondents were asked a series of general questions about their company operations. Approximately three-quarters (75%) of respondents worked for companies based in Alabama, and 22% worked for US-based companies inside of a given list of states neighboring Alabama (**Figure 3-8**). Over two-thirds (68%) reported that their company operated fewer than 20 vehicles, while 16% worked for companies that operated 20 to 99 vehicles. More than one-half (51%) of respondents indicated that their typical trips were “short haul,” defined as trips of 50 to 199 miles in length, and 11% indicated “medium haul” (200-499 miles) as their typical trip length.

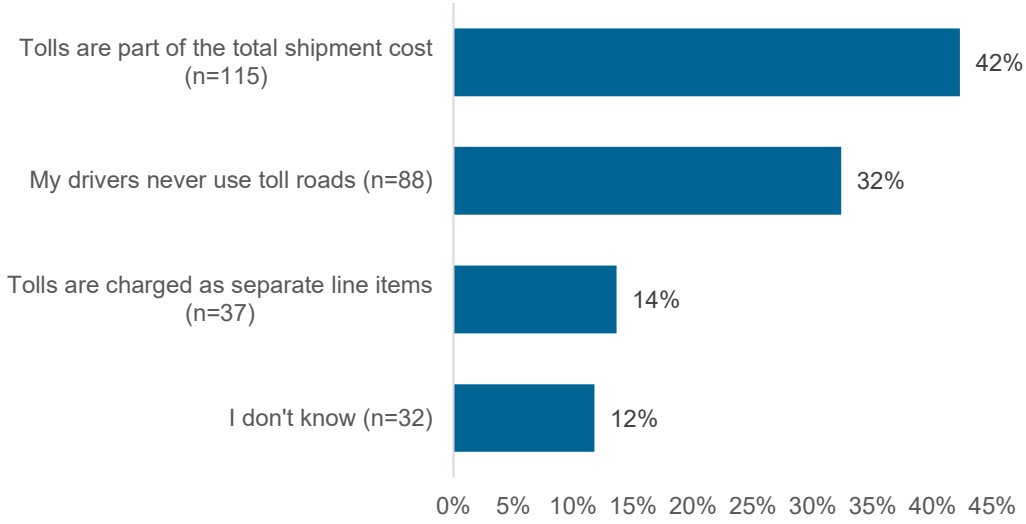
FIGURE 3-8: COMPANY LOCATION



When asked whether they had a “flexible” or “fixed” delivery schedule, 72% of respondents identified their schedules as flexible, meaning that they typically had a window of time during which they could make deliveries rather than a specific time. The 73% of respondents with flexible delivery times were then asked to identify the length of their typical window of flexibility. Nearly one-third (32%) of respondents reported one to two hours of flexibility, and 5% reported a flexible window of six hours or more.

Respondents were asked who was generally responsible for paying the toll costs that they incurred during their trips. This question revealed that 2% of respondents had drivers pay their own tolls, 38% had their company pay their tolls directly (e.g., using a transponder), and 30% had drivers pay tolls but were reimbursed by their company later. A small share of respondents (12%) did not know how their company typically charged its customers for tolls, but 42% indicated tolls as part of their total shipment costs and 14% indicated tolls as separate line items for billing (**Figure 3-9**). When asked how drivers were compensated for their work, 66% of respondents stated they were paid hourly, 5% stated that they were paid by the mile, and 7% stated that they were paid by the trip.

FIGURE 3-9: TOLL CHARGING METHOD



4.0 DISCRETE CHOICE MODEL ESTIMATION

The primary objective of the stated preference (SP) survey was to estimate the values of time (VOT) for commercial vehicle non-driver decision makers who direct trips across the Mobile Bay. These VOTs will support estimates of future traffic and revenue for the improved I-10 crossing Mobile Bay and the proposed Mobile River Bridge. The choice observations for each respondent were compiled into a dataset so that they could be used to estimate VOT for the commercial vehicle decision makers.

4.1 MODEL SPECIFICATION TESTING

The statistical estimation and specification testing were completed using a conventional maximum likelihood procedure that estimated a set of coefficients for a multinomial logit (MNL) model[1]. The model coefficients provide information about the respondents' sensitivities to the attributes that were tested in the tradeoff scenarios, such as travel time and toll cost. The resulting VOT estimates will serve as inputs into a regional travel demand model to forecast behavioral response, traffic, and revenue for the proposed pricing scenarios.

The MNL model estimates a choice probability for each alternative presented in the SP tradeoff exercises. The alternatives are represented in the model by observed utility equations of the form:

$U_1 = \beta_1 X_1 + \beta_2 X_2 + \ldots + \beta_n X_n$

Where each *X* represents a variable specified by the researcher and each *β* is a coefficient estimated by the model that represents the sensitivity of the respondents in the sample to the corresponding variable.

Several utility equation structures were tested using the variables included in the SP scenarios, including trip characteristics, attitudinal indicators, and company type/employment variables. The models presented in this section are the final model specifications and include only the variables that proved statistically significant.

---

[1] The multinomial logit model has the general form $(i) = \frac{e^{U_i}}{\sum e^{U_j}}$, where *p(i)* is the probability that mode *i* will be chosen and *Ui* is the "utility" of mode *i*, a function of service and other variables. See, for example, M. E. Ben-Akiva and S. R. Lerman, *Discrete Choice Analysis*, MIT Press, 1985 for details on the model structure and statistical estimations procedures.

Model Specification

In each of the ten SP experiments, commercial vehicle respondents were presented with two or three of the following alternatives:

1. Make the trip using the improved I-10 Bayway
2. Make the trip using the US 90/98 Causeway

Utility equations were specified for each alternative using the variables tested in the SP exercises (travel time and toll cost), as well as certain trip detail, attitude, and company information variables that could have explanatory power in the model. The final model specification for the commercial vehicle survey includes variables for travel time and toll cost. Additionally, dummy variables were also included for:

- Trips that were directed across US 90/98 Causeway to cross Mobile Bay
- For trips that charge customer a toll as part of the delivery cost
- For respondent who strongly oppose the project

An alternative-specific constant was specified for the improved I-10 Bayway alternative to capture utility that cannot be attributed to the other variables in the model.

4.2 COEFFICIENT ESTIMATES

The results of the final model specifications are presented below. The tables include the coefficients for the aggregate commercial vehicle sample. The coefficient values, robust standard errors, robust t-statistics, and general model statistics are presented in **Table 4-1**.

The coefficient values are the values estimated by the choice model that represent the relative importance of each of the variables. It should be noted that these values are unit-specific, and the units must be accounted for when comparing coefficients. The sign of the coefficient indicates a positive or negative relationship between utility and the associated variable. For example, a negative travel time coefficient implies that utility for a given travel alternative will decrease as the travel time associated with that alternative increases.

The standard error is a measure of error around the mean coefficient estimate. The t-statistic is the coefficient estimated divided by the standard error, which can be used to evaluate statistical significance. A t-statistic greater/less than ±1.96 indicates that the coefficient is statistically significantly different from zero (unless otherwise reported) at the 95% level.

The model fit statistics that are presented include the number of observations, the number of estimated parameters, the initial log-likelihood, the log-likelihood at convergence, rho-squared, and adjusted rho-squared. The log-likelihood is a model fit measure that indicates how well the model predicts the choices observed in the data. The initial log-likelihood is the measure of the model fit with coefficient values of zero. The final log-likelihood is the measure of model fit with the final coefficient values at model convergence. A value closer to zero indicates better model fit. The log-likelihood cannot be evaluated independently, as it is a function of the number of observations, the number of alternatives, and the number of parameters in the choice model. The rho-square model fit measure accounts for this to some degree by evaluating the difference between the null log-likelihood and the final log-likelihood at convergence. The adjusted rho-square value takes into account the number of parameters estimated in the model.

TABLE 4-1: MODEL COEFFICIENTS

Coefficient	Alternatives		Coefficient Values		
	Alt 1: Use I-10	Alt 2: Use US 98	Value	Rob. Std. Error	Rob. T-stat
Travel Time (minutes)					
Travel time for all respondents	X	X	-0.0786	0.0127	-6.1684
Toll Cost ($)					
2 axle vehicles	X		-0.5123	0.0591	-8.6662
3-4 axle vehicles	X		-0.2393	0.0530	-4.5101
5+ axle vehicles	X		-0.1641	0.0472	-3.4800
Dummy Variables (1,0)					
Used US 98 on reference trip	X		-1.5187	0.3490	-4.3521
Charges tolls as part of delivery	X		0.8761	0.2428	3.6085
Strongly opposed to project	X		-2.9652	0.4077	-7.2731
Constants (1,0)					
Tolled alternative constant	X		-0.6036	0.2735	-2.2069

Model Statistics	
Number of parameters	8
Number of observations	2720
Number of individuals	272
Initial log-likelihood	-1855.36
Final log-likelihood	-1083.46
Rho-square	0.425
Adjusted rho-square	0.421

4.3 WILLINGNESS TO PAY FOR TRAVEL TIME SAVINGS (VALUES OF TIME)

One way to evaluate the sensitivities that are estimated in the MNL models is to calculate the marginal rates of substitution for different attributes of interest. In basic economic theory, the marginal rate of substitution is the amount of one good (e.g., money) that a person would exchange for a second good (e.g., travel time), while maintaining the same level of utility, or satisfaction. In this analysis, the marginal rate of substitution of the travel time and toll cost coefficients provides the implied toll value that travelers would be willing to pay for a given travel time savings offered by the new I-10 Mobile River Bridge and Bayway.

The value of time can be calculated by simply dividing the travel time coefficient by the toll cost coefficient (**Equation 1**):

EQUATION 1: COMMERCIAL VEHICLE VOT CALCULATION

$$VOT = 60 \times \frac{\beta Time}{\beta Toll}$$

Table 4-2 presents the values of time for the commercial vehicle respondents.

TABLE 4-2: COMMERCIAL VEHICLE VOT ($/HR.)

Vehicle Size	VOT
2 Axles	$9.20
3-4 Axles	$19.70
5+ Axles	$28.72

5.0 SUMMARY AND CONCLUSIONS

RSG successfully developed and implemented a stated preference (SP) survey questionnaire that gathered information from 272 commercial dispatchers, route managers, and non-driver decision makers who manage trips that cross Mobile Bay between Baldwin County and Mobile County, Alabama. The questionnaire collected data on current travel behavior, presented respondents with information about the new I-10 Mobile River Bridge and Bayway, and engaged the respondents in a series of SP scenarios.

Choice models were developed to produce estimates of values of time for travelers in the region. The magnitude and signs of the sensitivity estimates are reasonable and intuitively correct. For mid-size commercial vehicles, the aggregate value of time was estimated as $19.70/hr.

Overall, the survey and choice model results indicate that travel time savings and toll costs can have a significant impact on individuals' route planning behaviors. The results of this work will help CDM Smith and the Alabama Department of Transportation to evaluate a range of tolling scenarios and travel conditions related to the proposed I-10 Mobile River Bridge and Bayway.

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ALABAMA DEPARTMENT OF TRANSPORTATION

I-10 MOBILE RIVER BRIDGE AND BAYWAY COMMERCIAL VEHICLE STATED PREFERENCE SURVEY

Appendix A: Survey Screenshots | April 19, 2022



55 Railroad Row
White River Junction, VT 05001
802.295.4999
www.rsginc.com

Report Title:

Appendix A: Survey Screenshots for I-10 Mobile River Bridge and Bayway Commercial Vehicle Stated Preference Survey

Report Prepared by:

RSG

Report Prepared for:

Alabama Department of Transportation

CDM Smith

For additional information regarding this report, or for questions about permissions or use of findings contained therein, please contact:

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1.0 SURVEY SCREENSHOTS

1.1 INTRODUCTION AND QUALIFICATION QUESTIONS

FIGURE 1: SURVEY INTRODUCTION AND INSTRUCTIONS

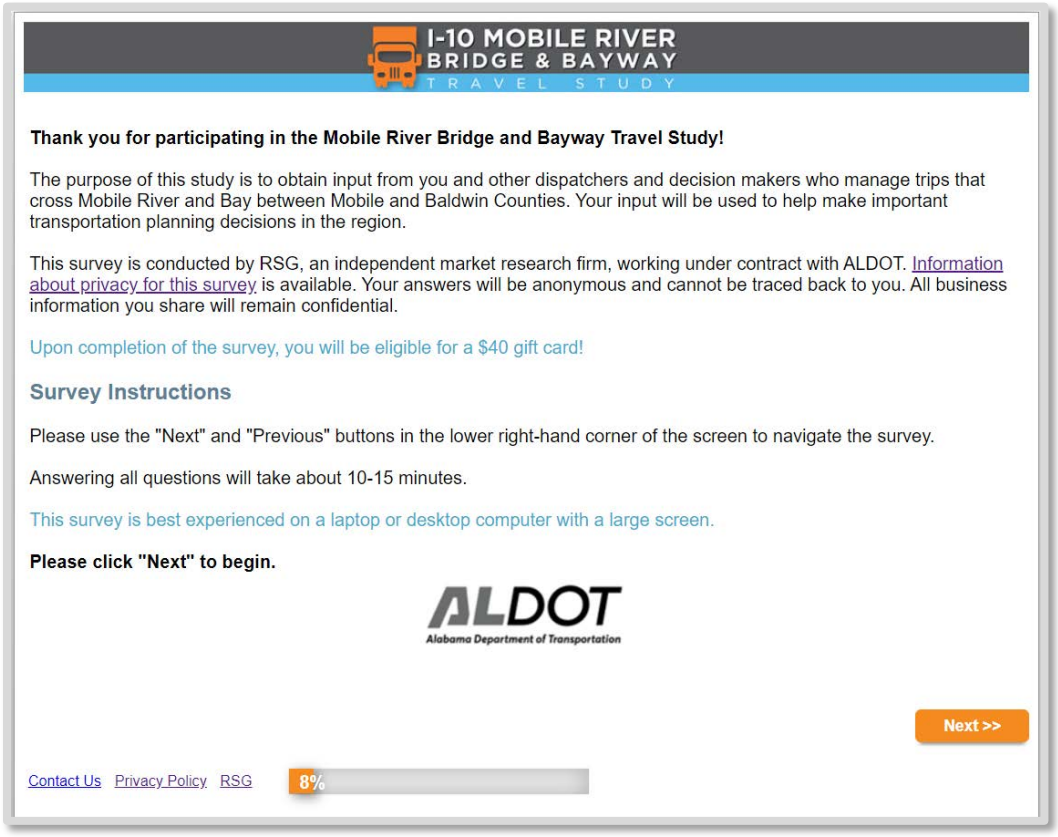


FIGURE 2: COMPANY WITH COMMERCIAL VEHICLES



FIGURE 3: PRIMARY ROLE

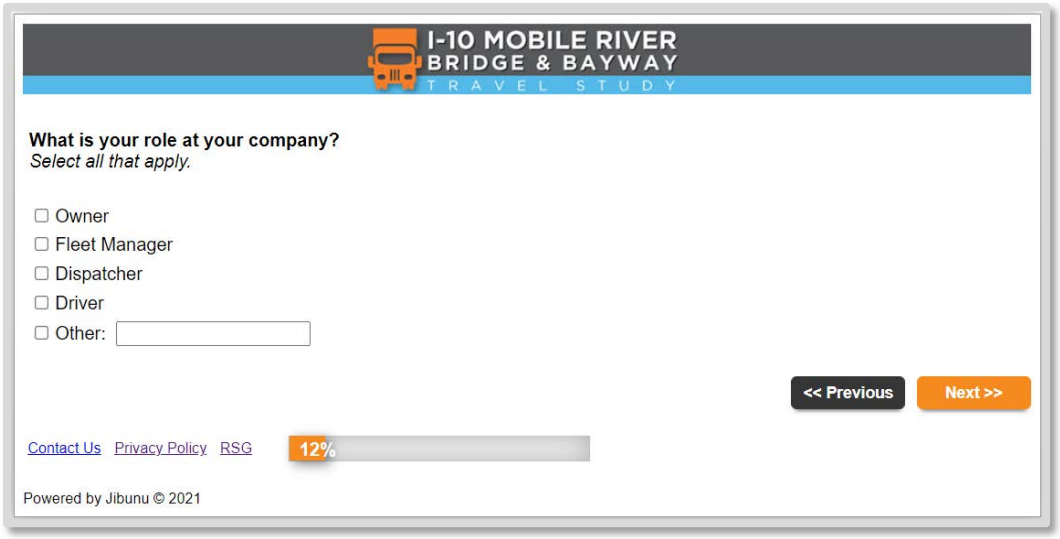


FIGURE 4: ROUTING DECISIONS

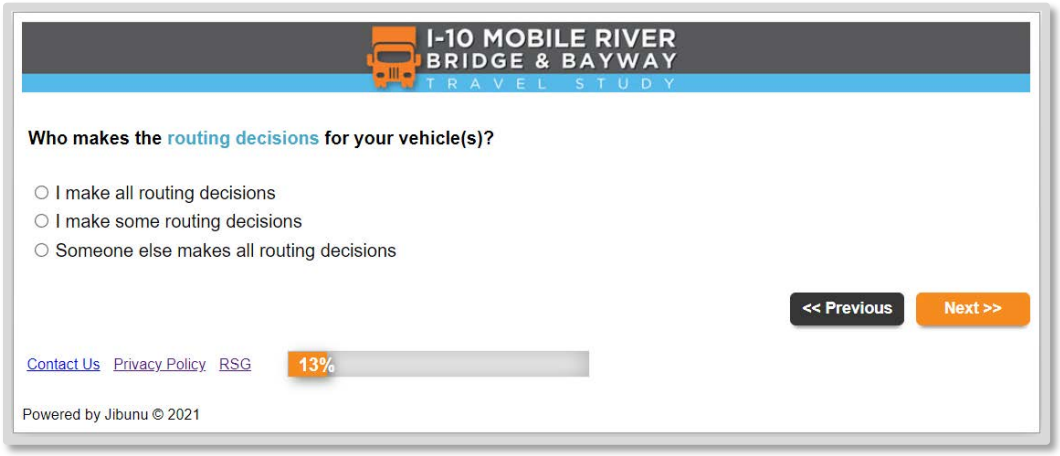


FIGURE 5: MINIMUM VEHICLE SIZE

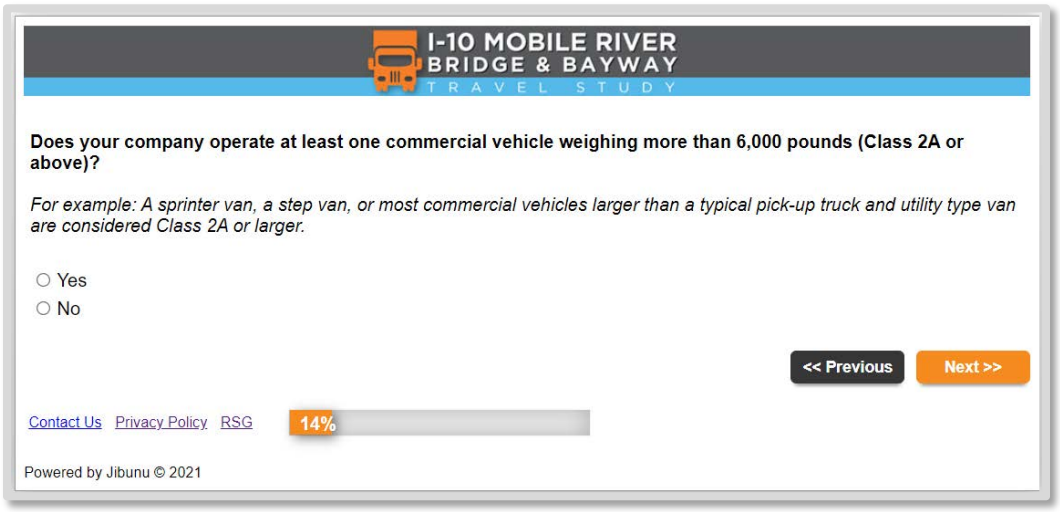


FIGURE 6: TERMINATION

If respondent does not make any routing decisions and cannot describe typical routing decisions

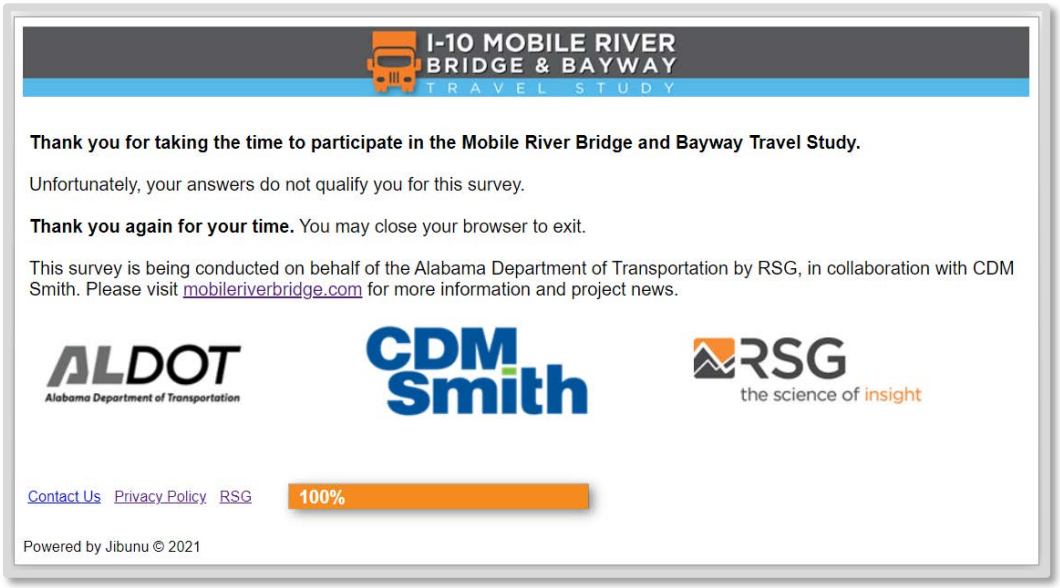
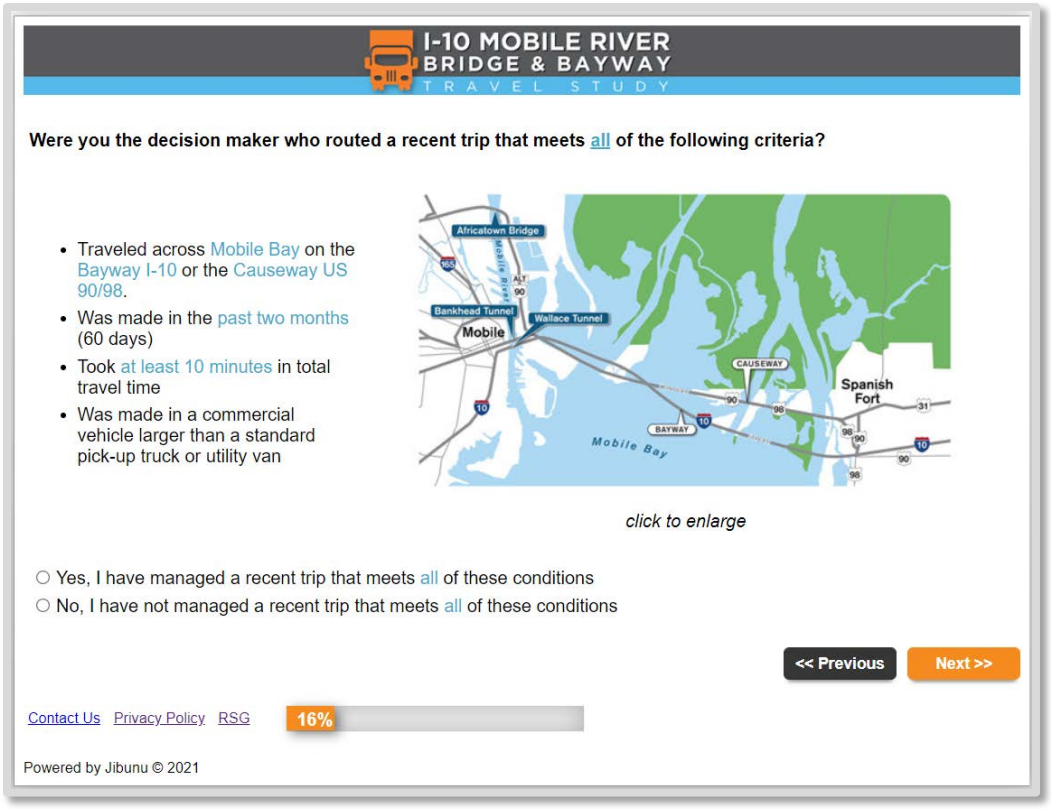


FIGURE 7: TRIP QUALIFICATION



1.2 TRIP CHARACTERISTIC QUESTIONS

FIGURE 8: DEFINITION OF QUALIFYING ONE-WAY TRIP



FIGURE 9: BAY CROSSING USED

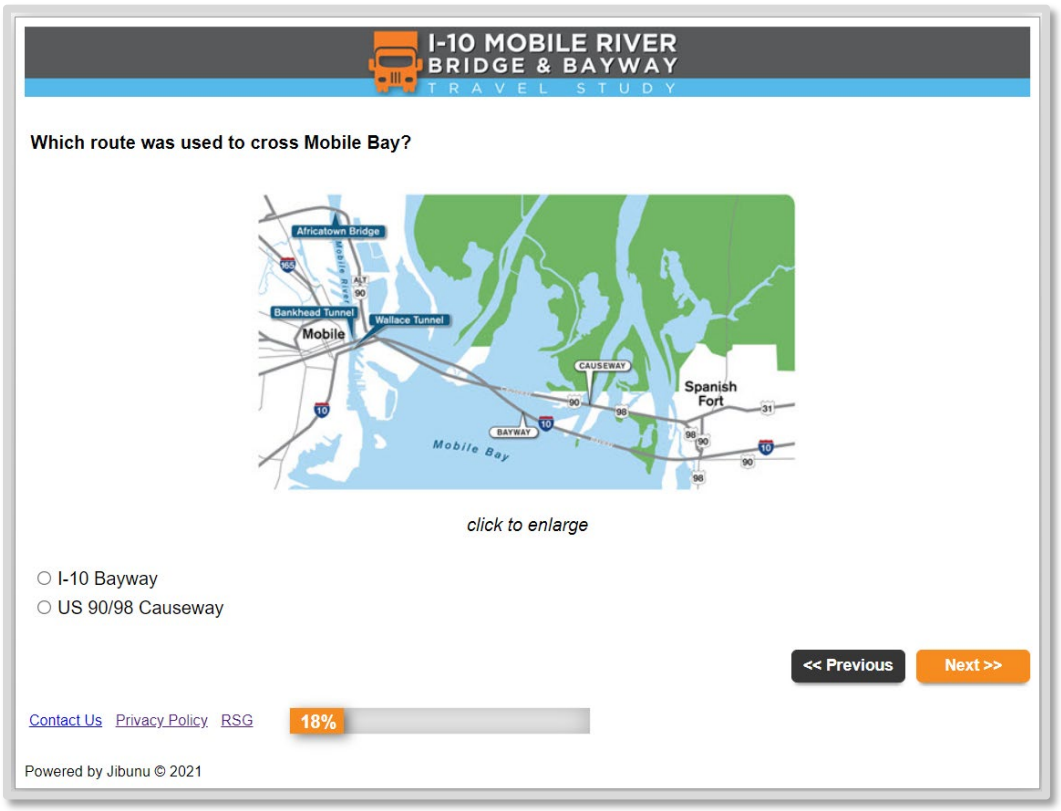


FIGURE 10: RIVER CROSSING USED

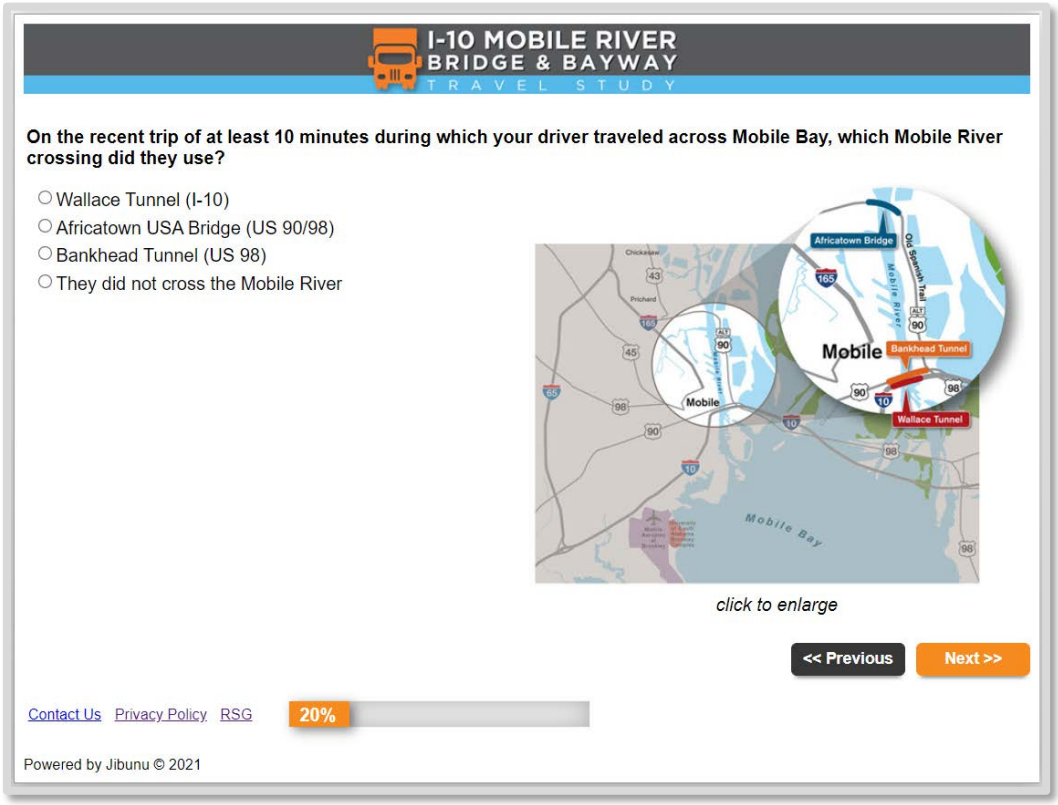


FIGURE 11: ABILITY TO USE WALLACE TUNNEL
If respondent used Cochrane-Africatown USA Bridge (US 98 Truck)

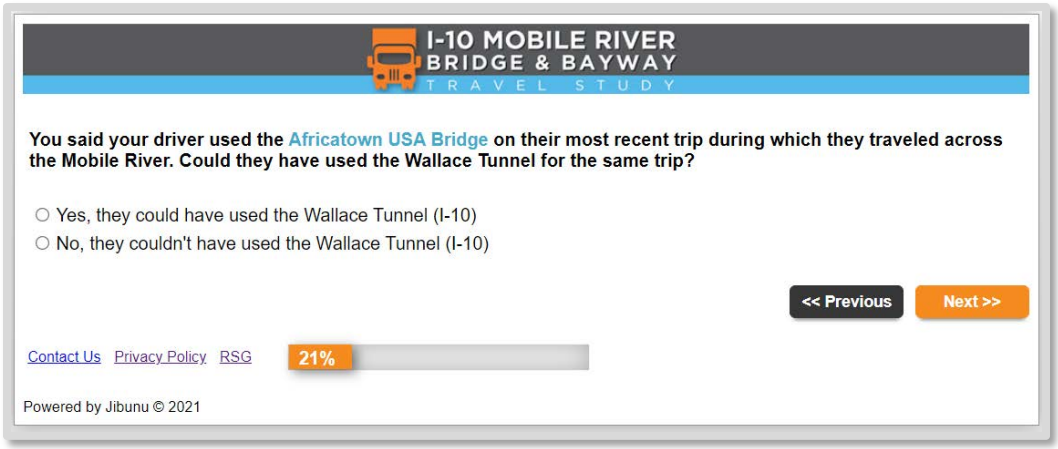


FIGURE 12: TRIP LENGTH
(# of days only appears when respondent chooses No (indicating they did not complete trip in one day or less)



FIGURE 13: DATE TRIP BEGAN

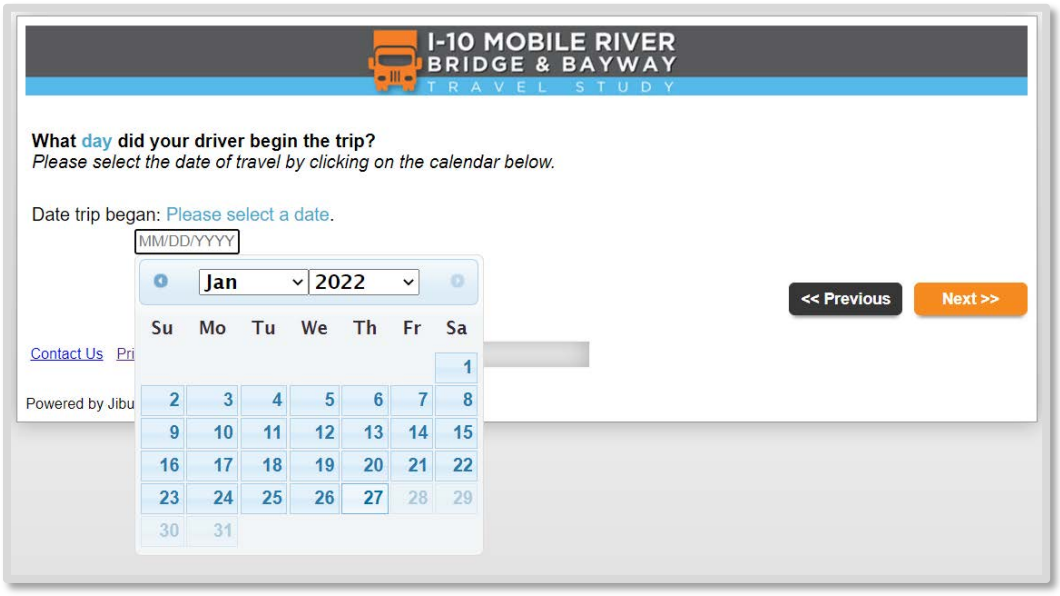


FIGURE 14: TRIP ORIGIN

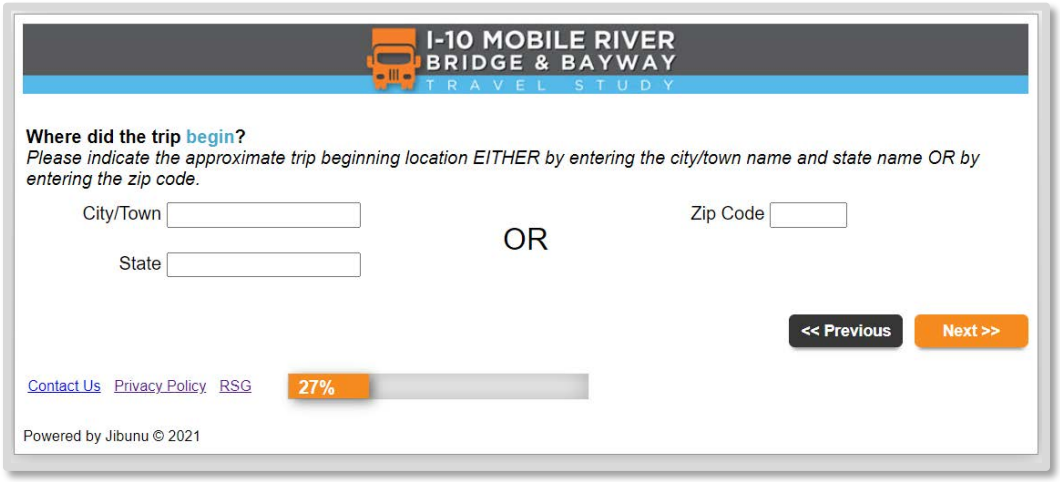


FIGURE 15: TRIP DESTINATION

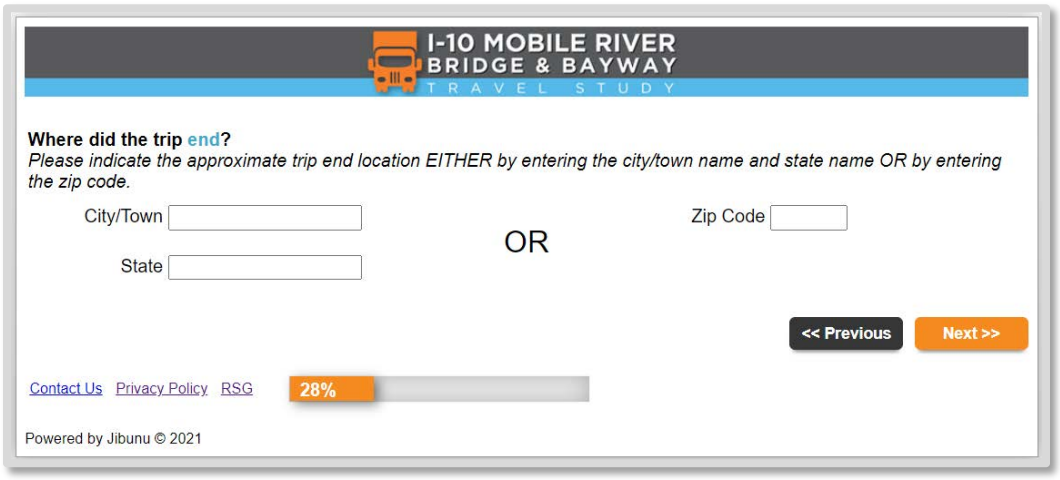


FIGURE 16: DISTANCE

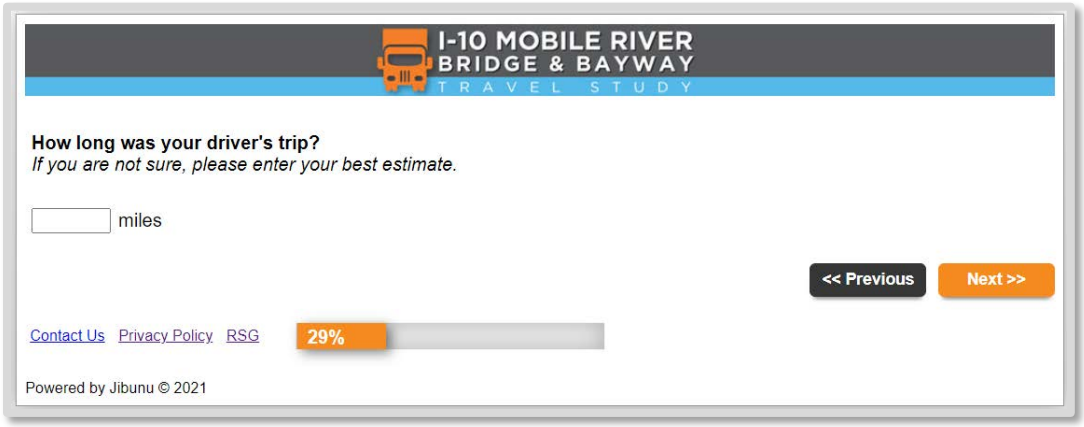


FIGURE 17: TRAVEL TIME

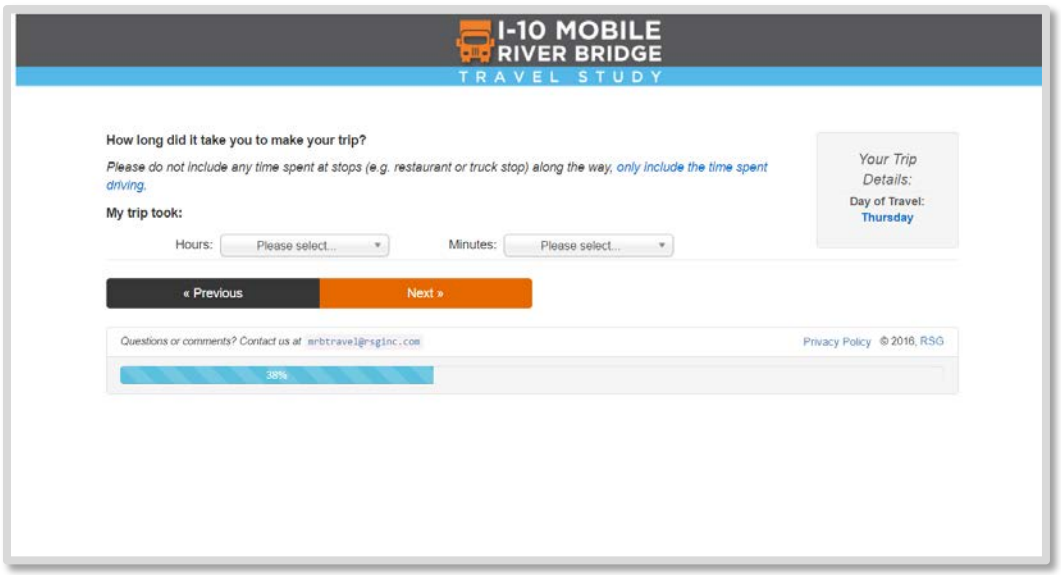


FIGURE 18: CROSSING TIME

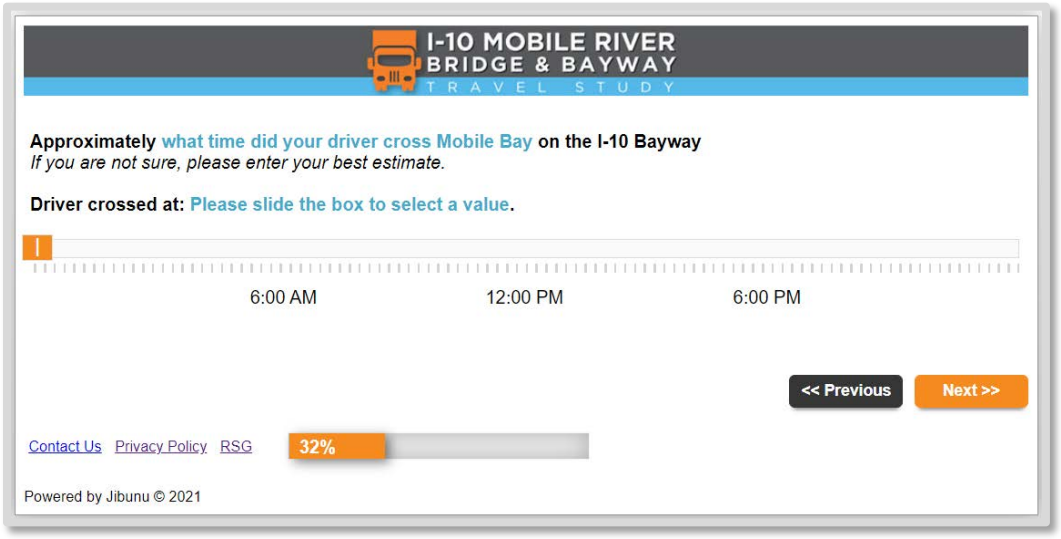


FIGURE 19: DELAY

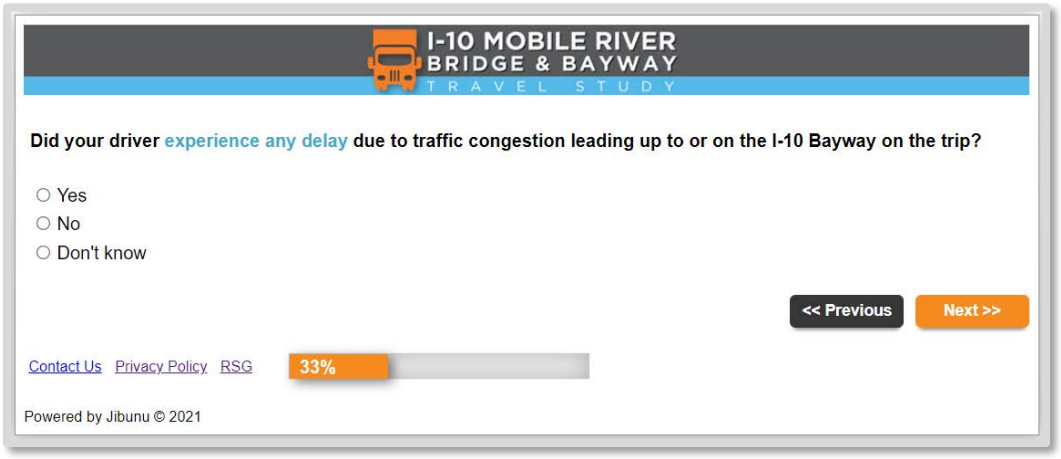


FIGURE 20: AMOUNT OF DELAY
If respondent experienced delay due to traffic congestion

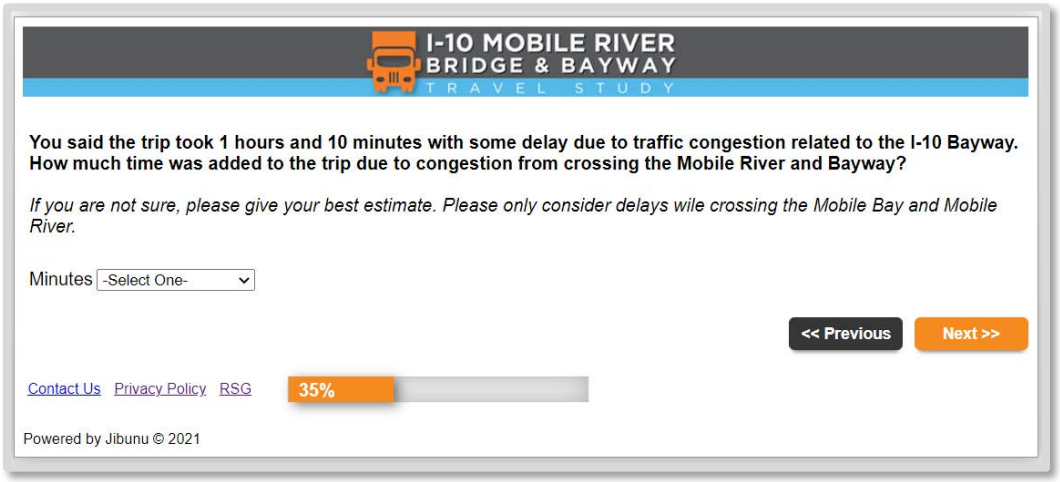


FIGURE 21: NUMBER OF AXLES

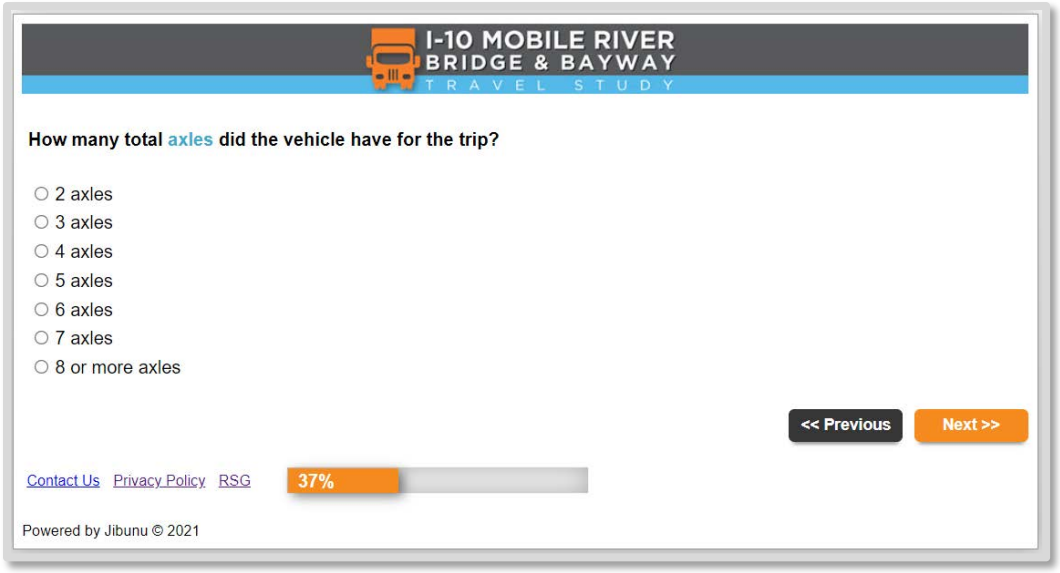


FIGURE 22: TRIP FREQUENCY

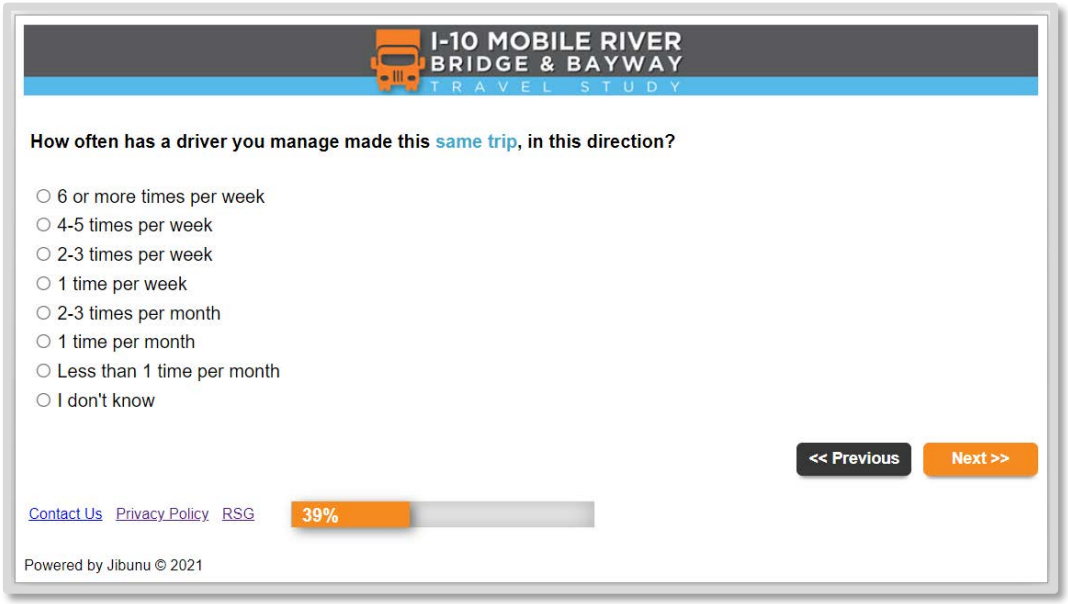


FIGURE 23: ETC OWNERSHIP

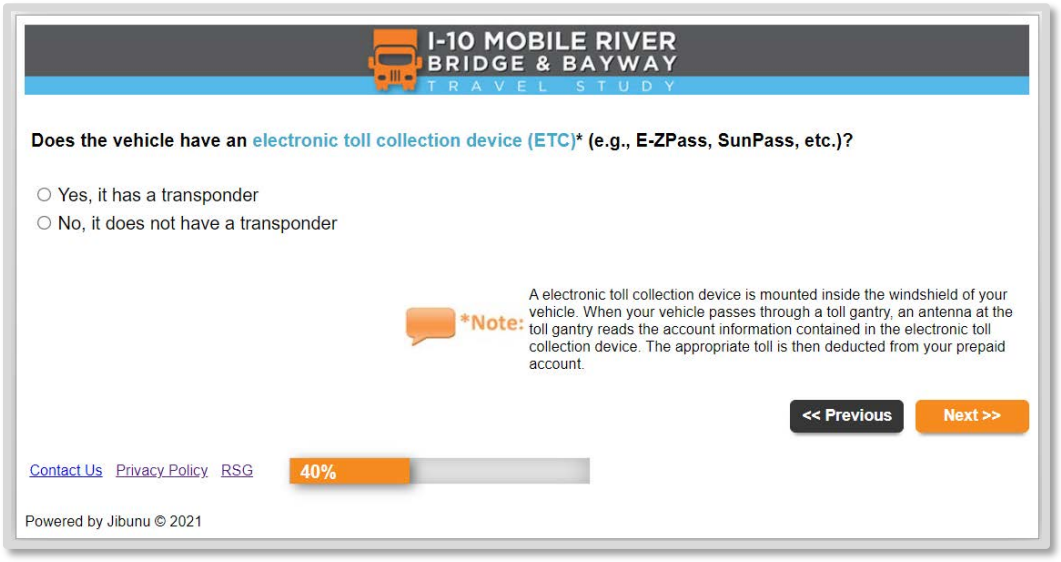
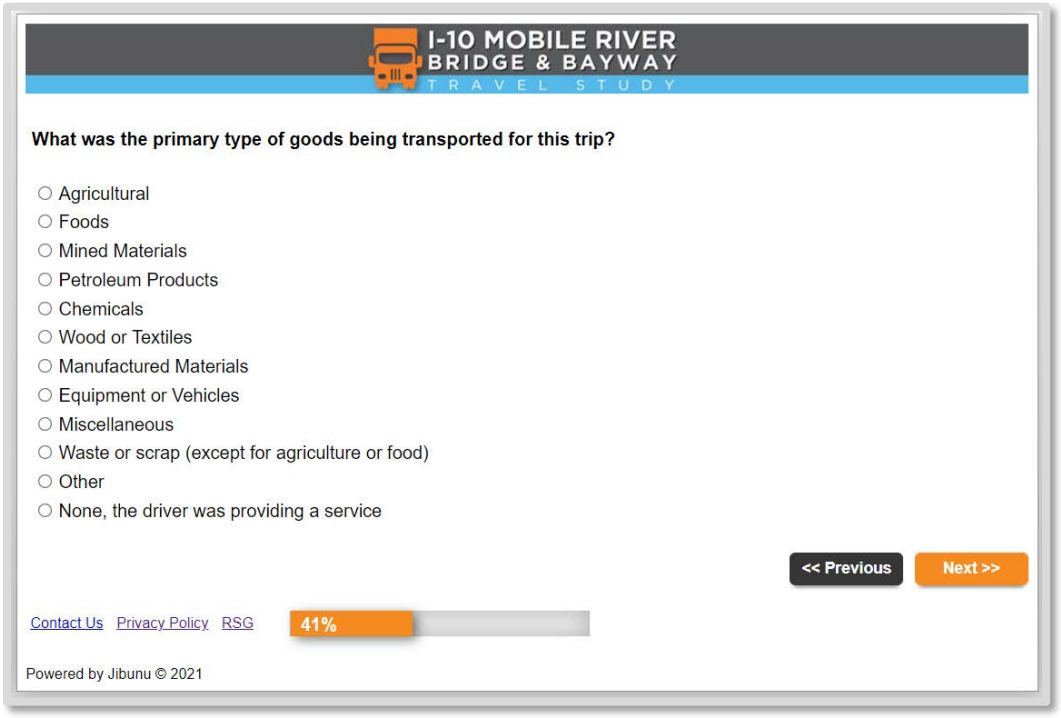


FIGURE 24: GOODS BEING TRANSPORTED



1.3 STATED PREFERENCE QUESTIONS

FIGURE 25: PROJECT INFORMATION

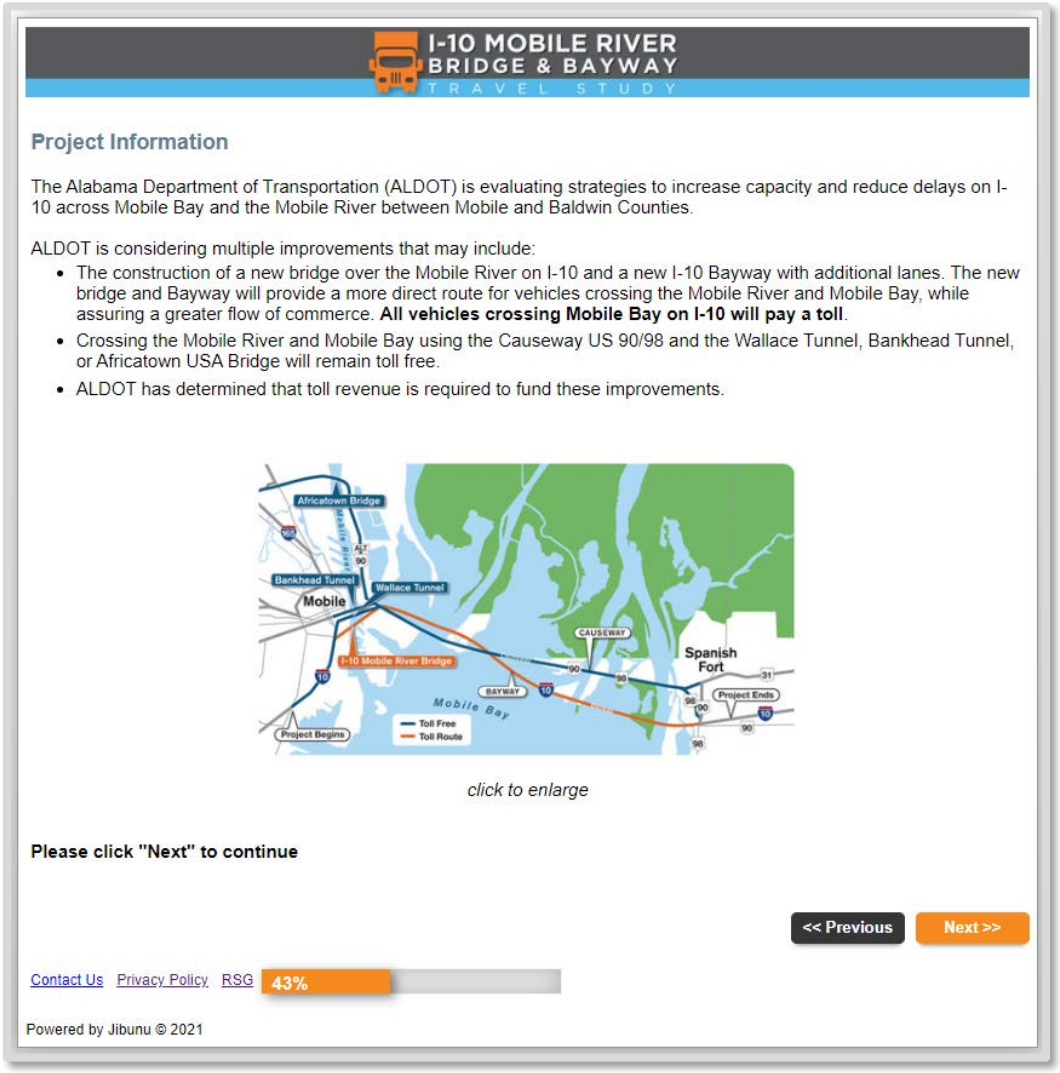


FIGURE 26: PAYMENT INFORMATION

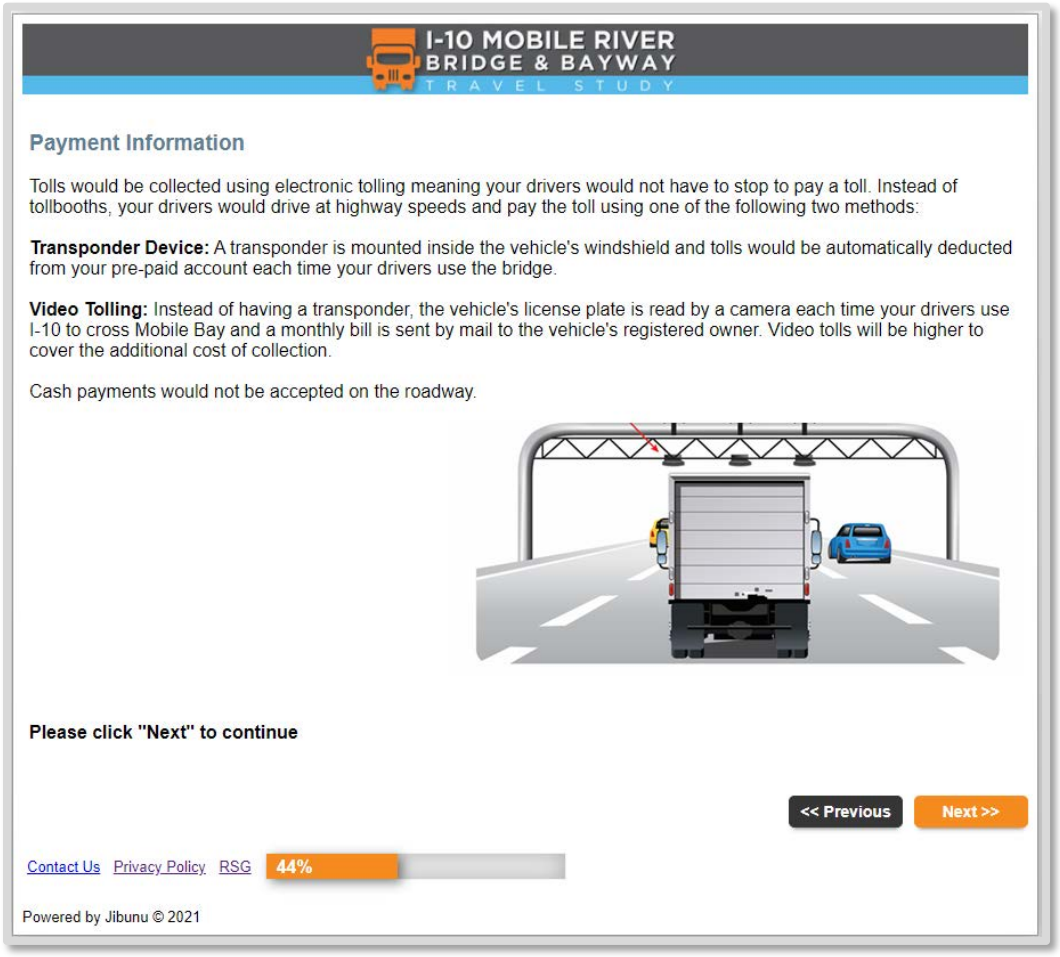


FIGURE 27: STATED PREFERENCE (SP) INSTRUCTIONS

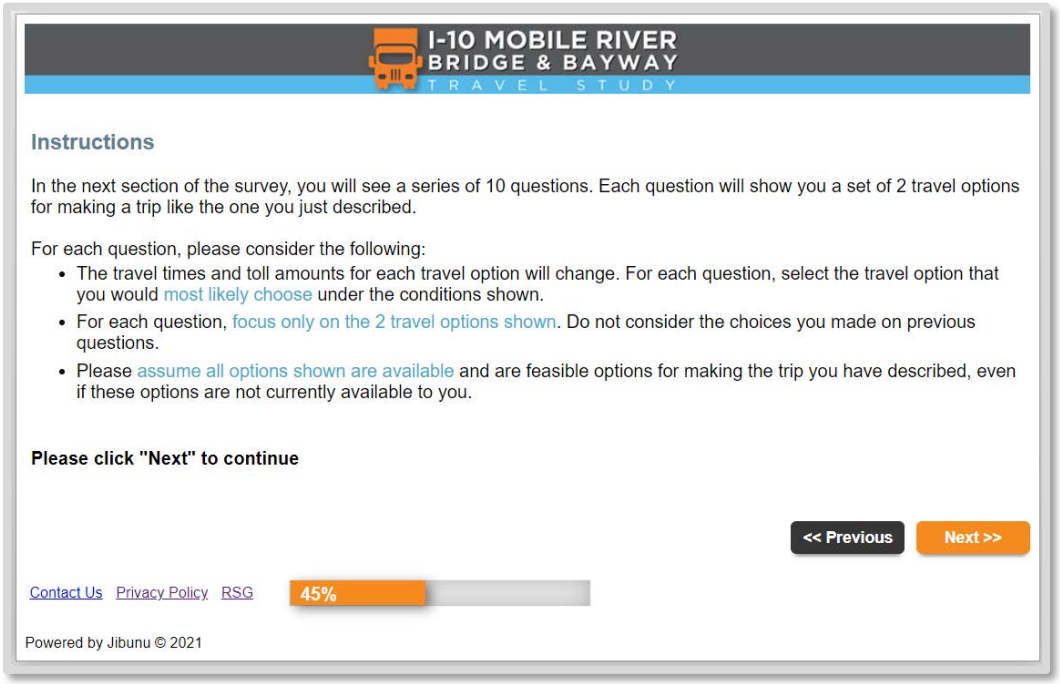


FIGURE 28: SP EXPERIMENT EXAMPLE #1

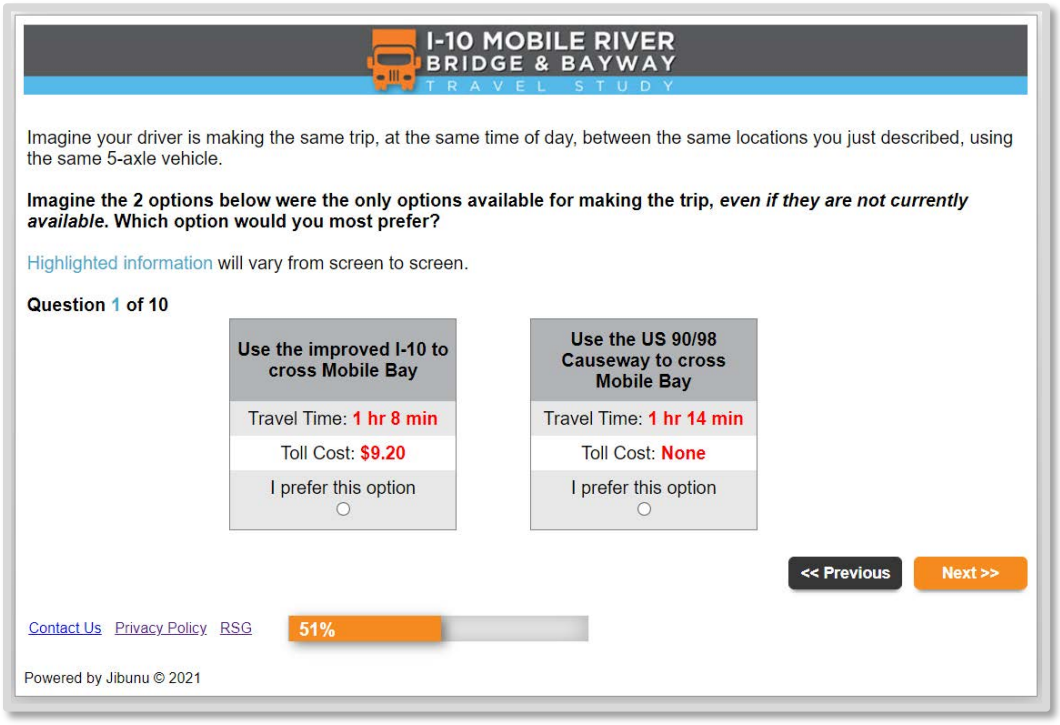


FIGURE 29: SP EXPERIMENT EXAMPLE #2

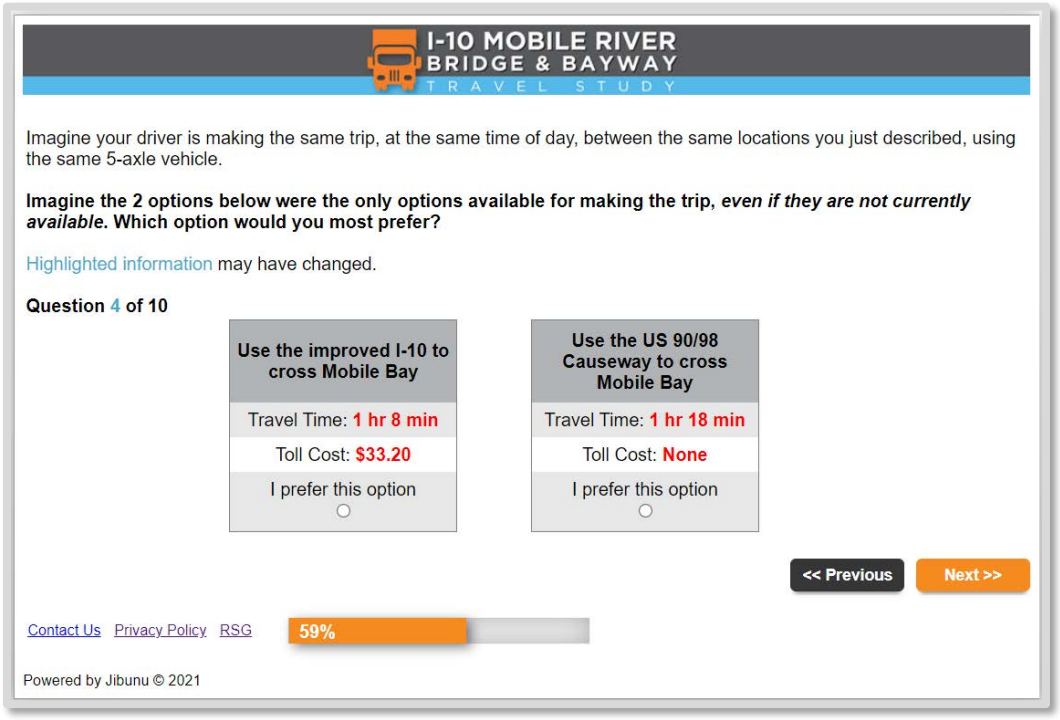
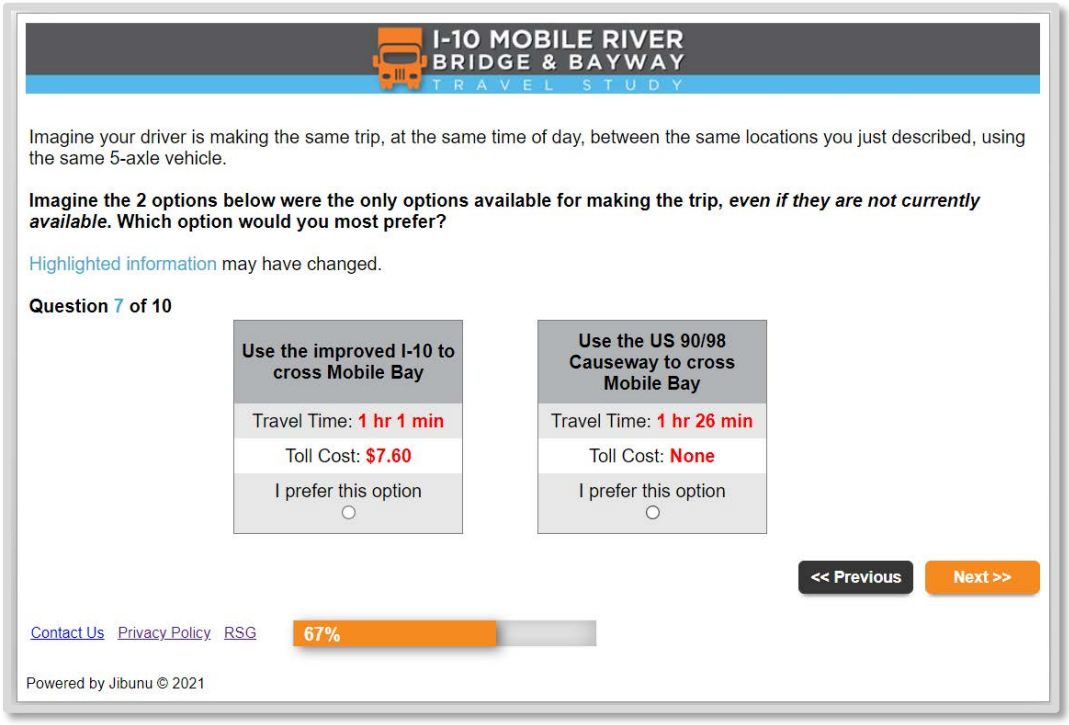


FIGURE 30: SP EXPERIMENT EXAMPLE #3



1.4 DEBRIEF AND OPINION QUESTIONS

FIGURE 31: REASON FOR NOT SELECTING TOLLED OPTION
If respondent never selected a tolled option in the stated preference section

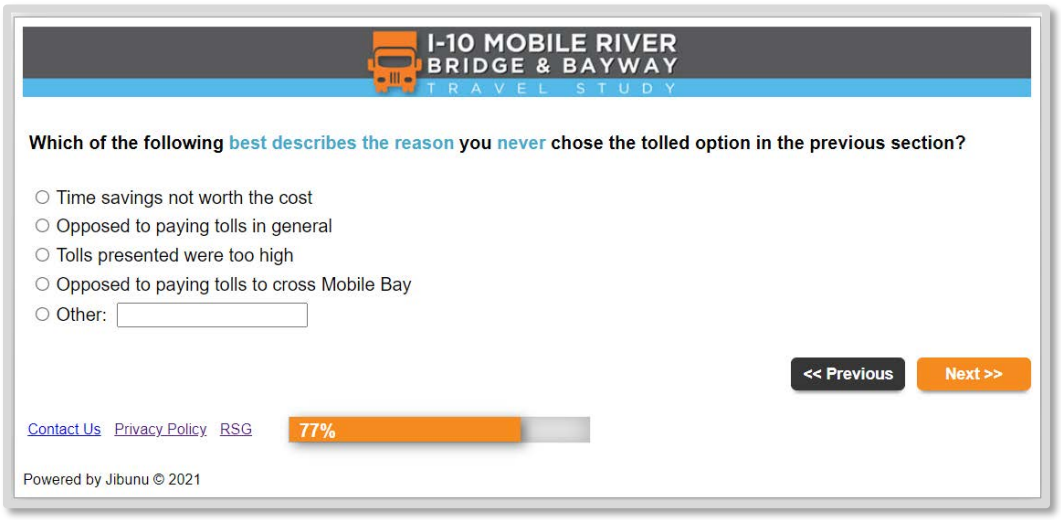


FIGURE 32: OPINION OF PROPOSED PROJECT

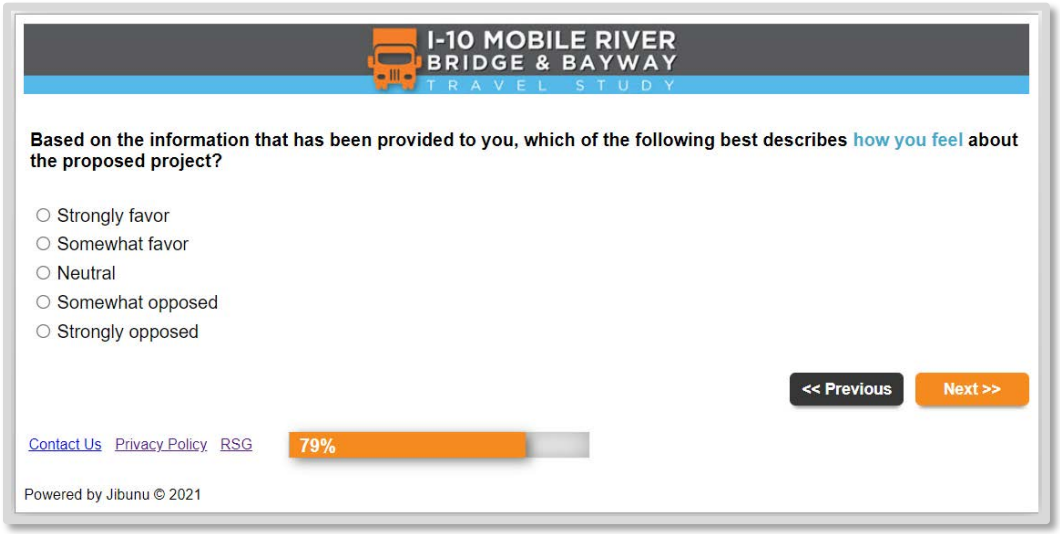


FIGURE 33: REASON FOR FAVORING THE PROJECT
If respondent somewhat or strongly favors the project

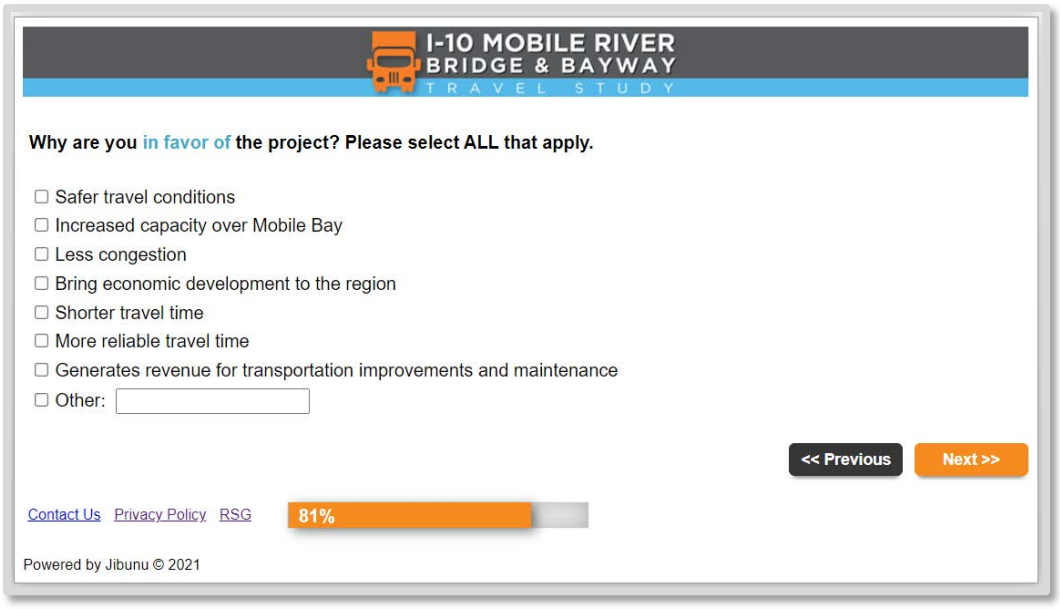


FIGURE 34: REASON FOR OPPOSING THE PROJECT
If respondent somewhat or strongly opposes the project

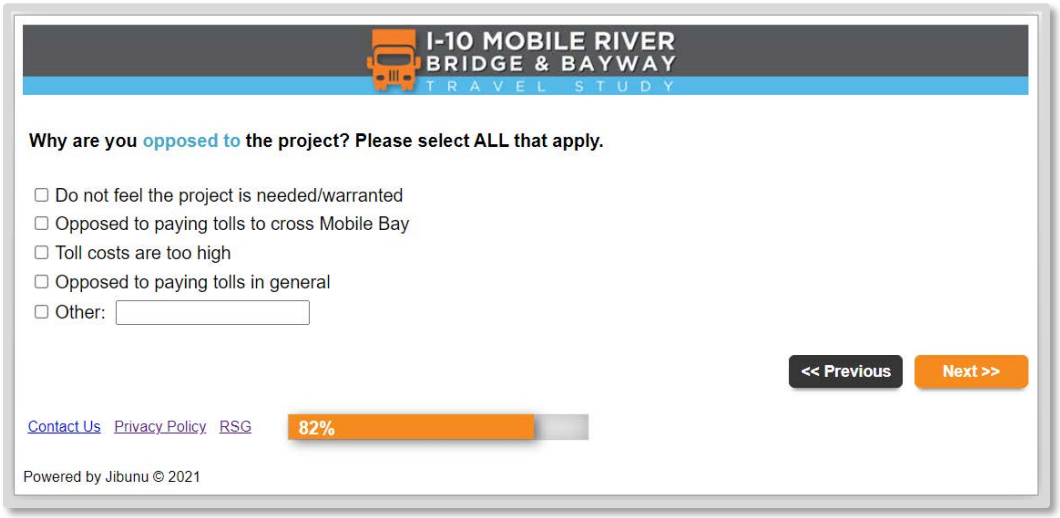
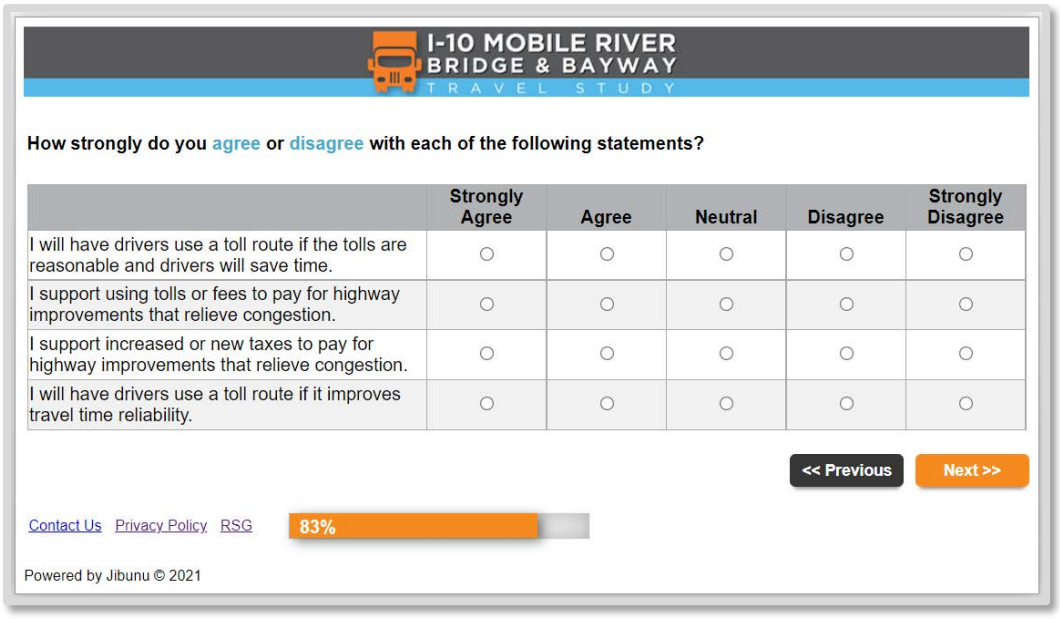


FIGURE 35: TOLL ATTITUDE STATEMENTS



1.5 COMPANY INFORMATION QUESTIONS

FIGURE 36: COMPANY LOCATION

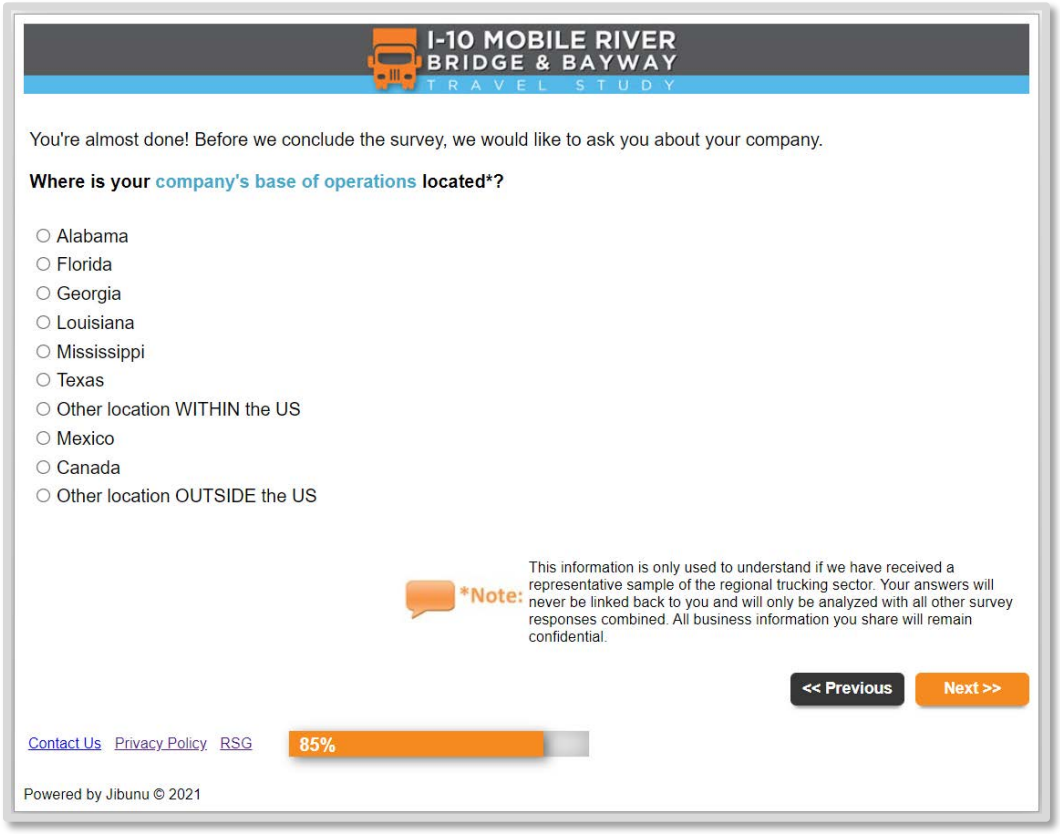


FIGURE 37: FLEET SIZE
If respondent is not independent owner-operator

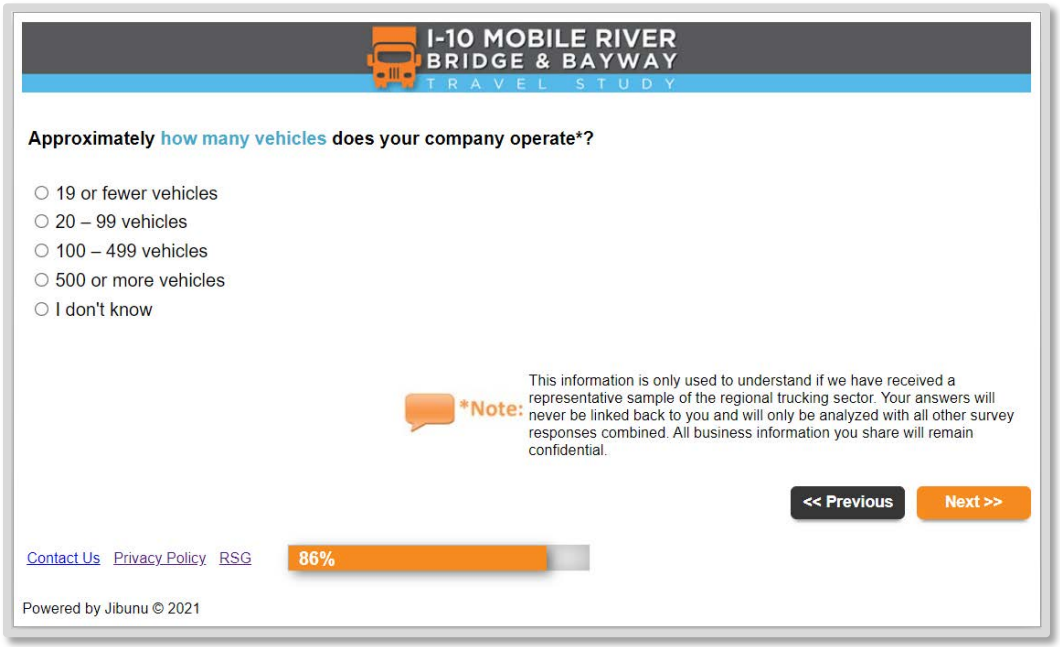


FIGURE 38: TYPICAL TRIP LENGTH

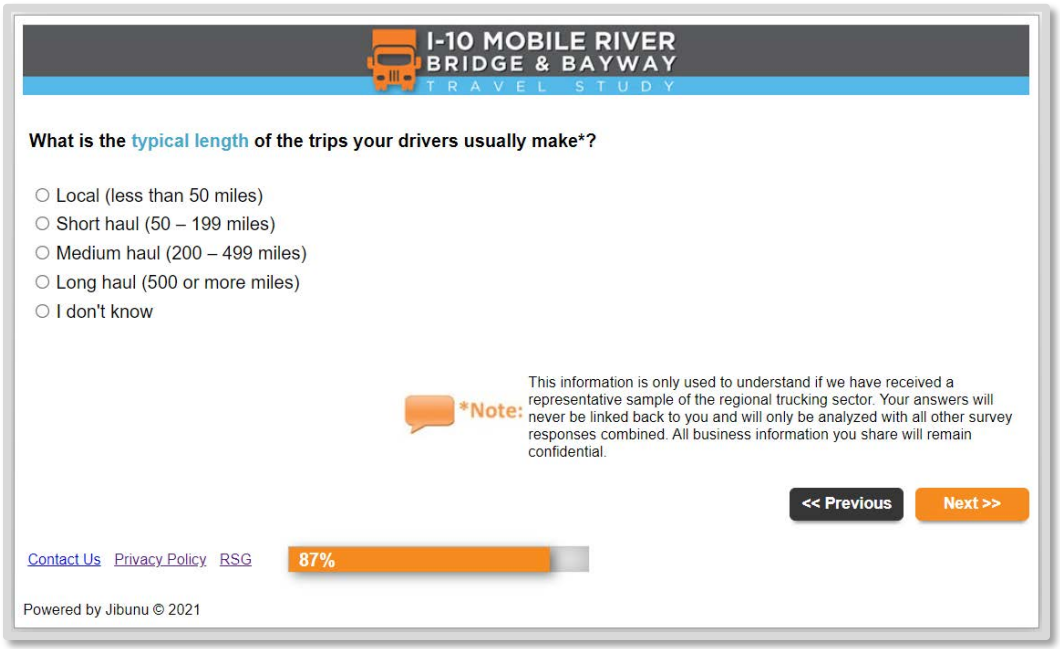


FIGURE 39: TYPICAL TRIP FLEXIBILITY

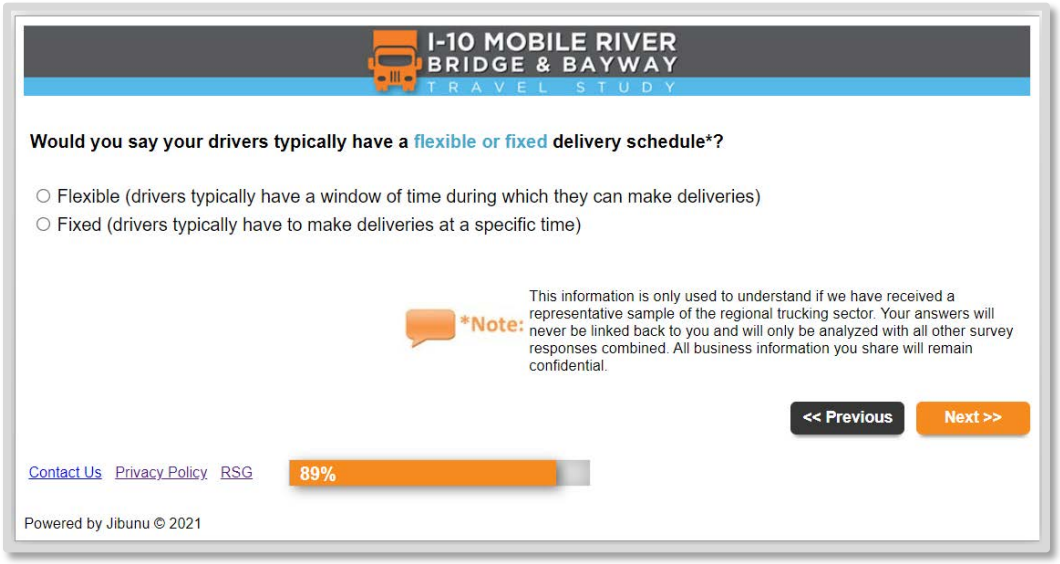


FIGURE 40: AMOUNT OF FLEXIBILITY
If respondent has trip flexibility

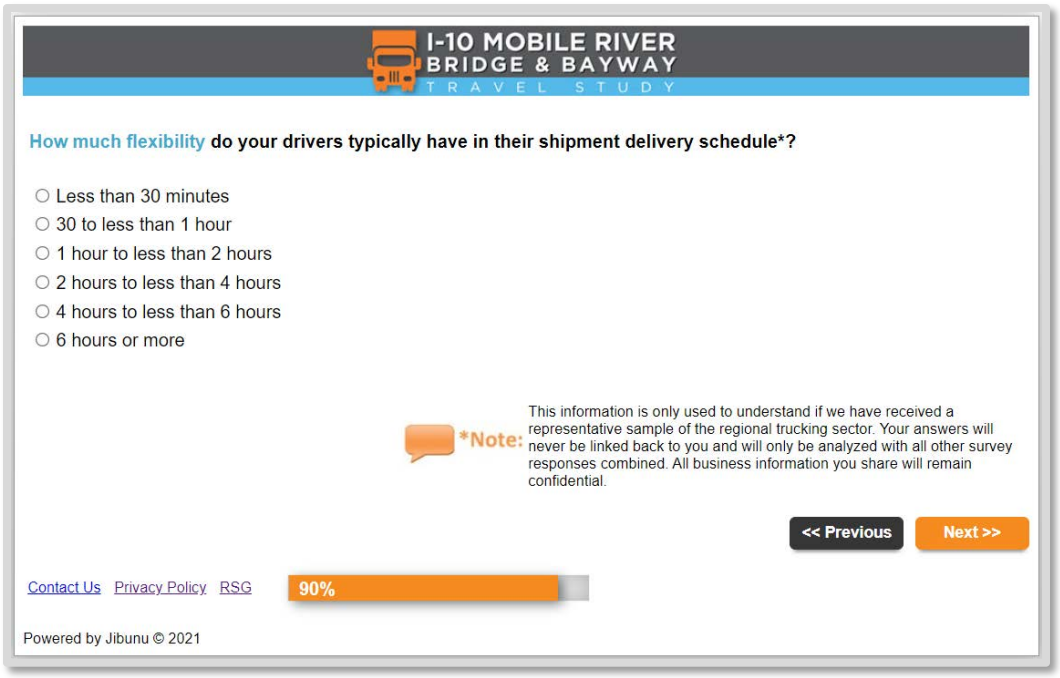


FIGURE 41: WHO PAYS TOLLS

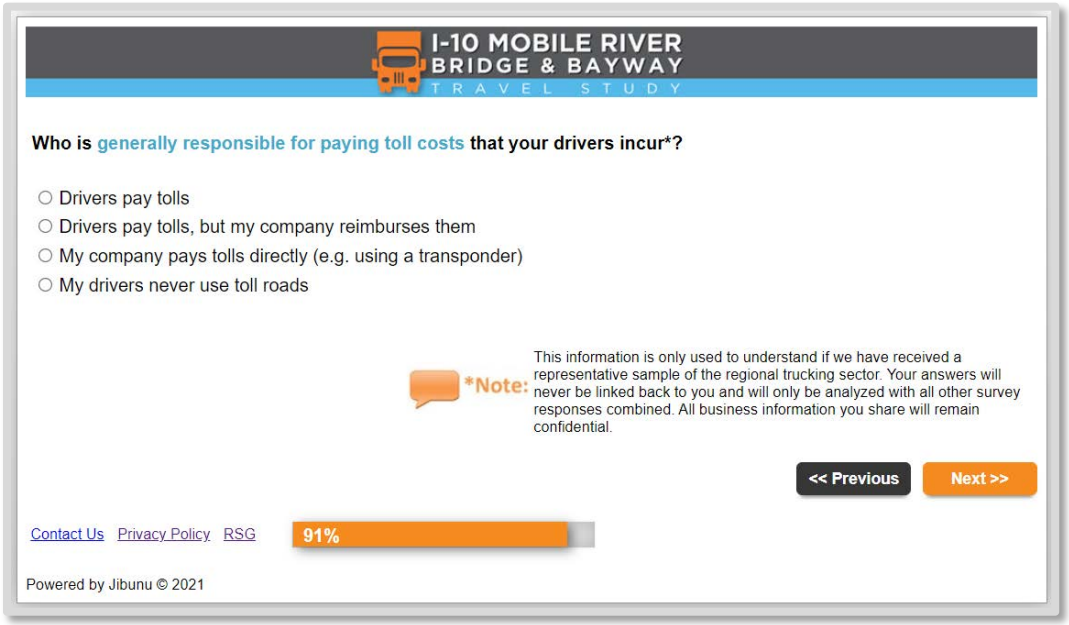


FIGURE 42: HOW TOLLS ARE CHARGED

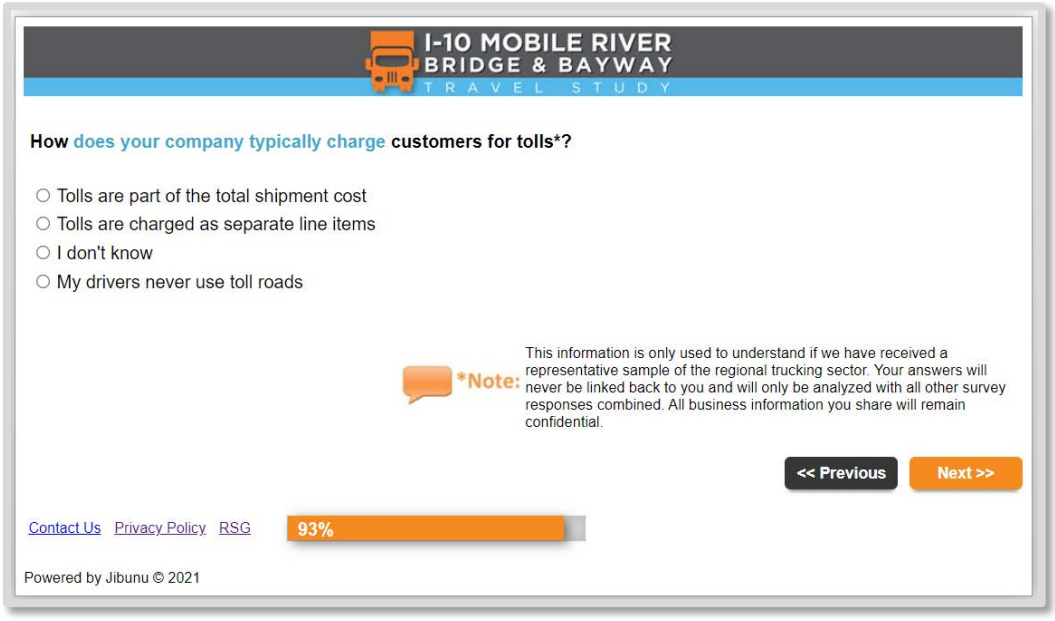


FIGURE 43: COMPENSATION

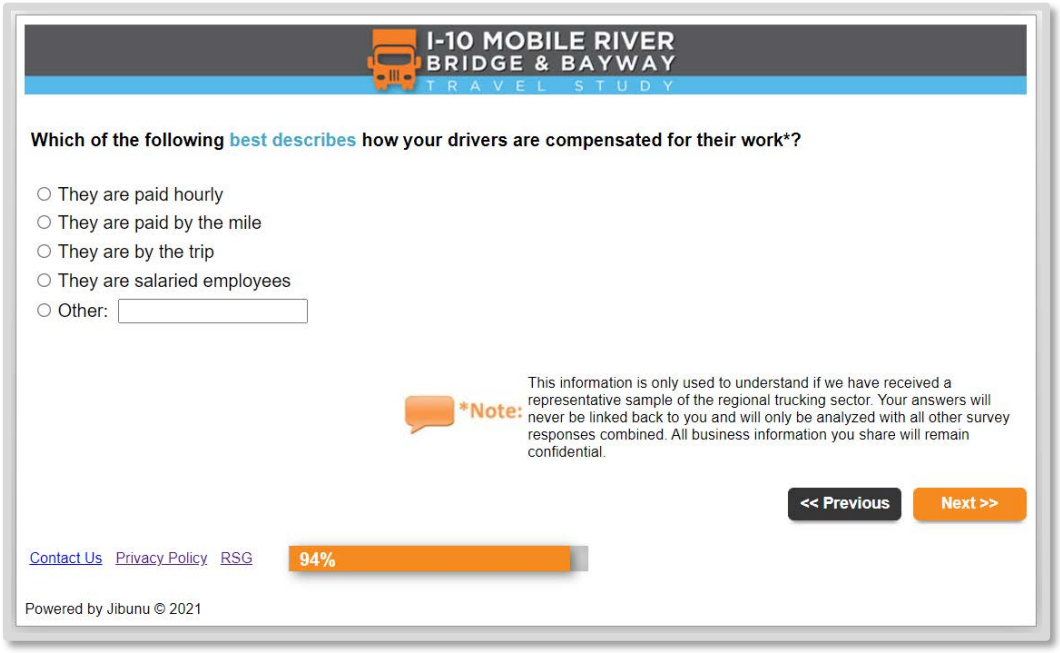


FIGURE 44: INCENTIVE OPTION

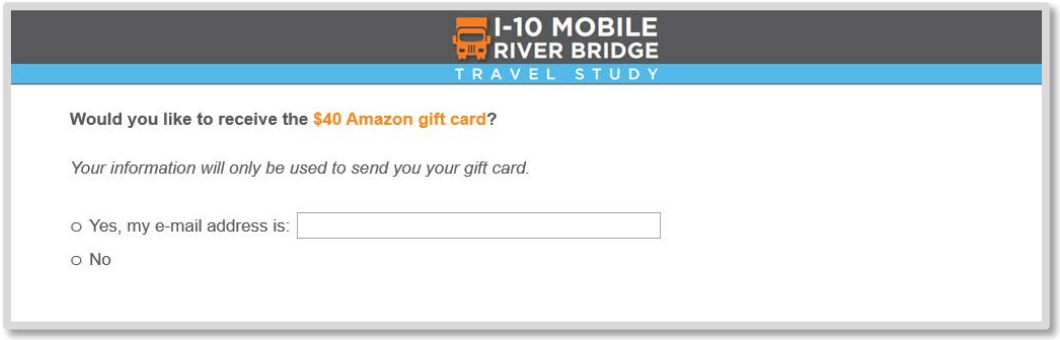


FIGURE 45: COMMENTS

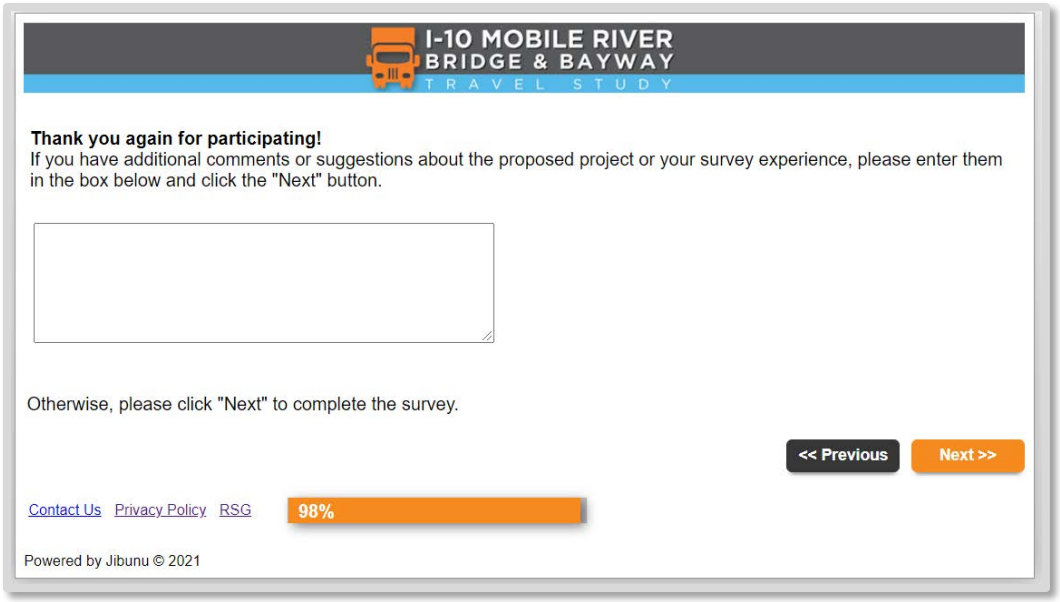
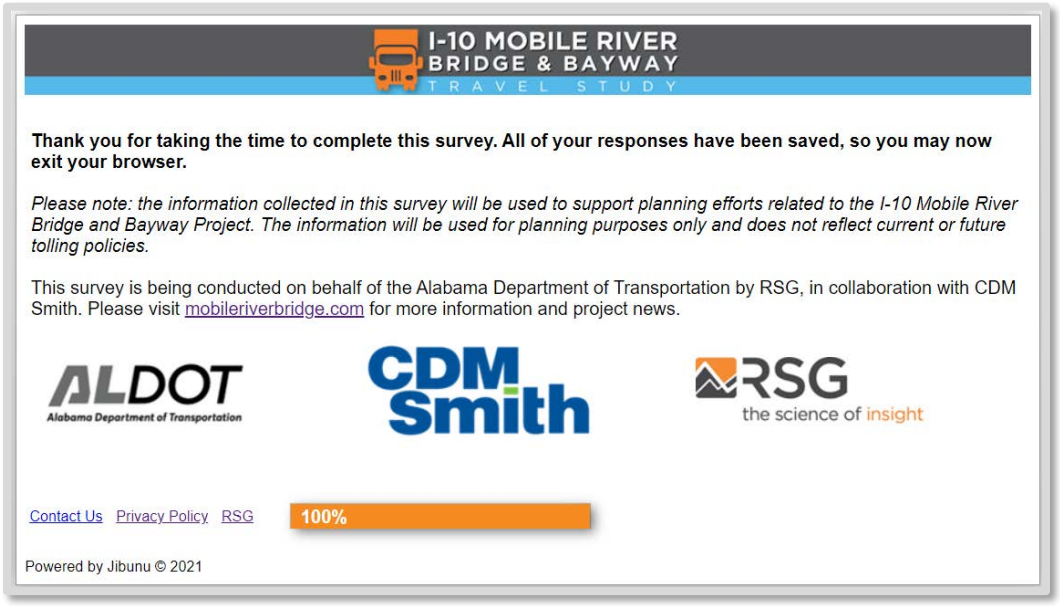


FIGURE 46: SURVEY END



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ALABAMA DEPARTMENT OF TRANSPORTATION

I-10 MOBILE RIVER BRIDGE AND BAYWAY COMMERCIAL VEHICLE STATED PREFERENCE SURVEY

Appendix B: Survey Tabulations | April 19, 2022



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Report Title:

Appendix B: Survey Tabulations for I-10 Mobile River Bridge and Bayway Commercial Vehicle Stated Preference Survey

Report Prepared by:

RSG

Report Prepared for:

Alabama Department of Transportation

CDM Smith

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1.0 QUESTIONNAIRE TABULATIONS

TABLE 1-1: ROLE AT COMPANY

What is your role at your company?

	Percent	Count
Owner	61%	167
Fleet Manager	24%	65
Dispatcher	10%	26
Driver	12%	32
Other specified	16%	43
Total	**100%**	**272**

TABLE 1-2: ROUTING DECISIONS

Who makes the routing decisions for your vehicle(s)?

	Percent	Count
I make all routing decisions	70%	191
I make some routing decisions	30%	81
Total	**100%**	**272**

TABLE 1-3: BAY CROSSING

Which route was used to cross Mobile Bay?

	Percent	Count
I-10 Bayway	89%	241
US 90/98 Causeway	11%	31
Total	**100%**	**272**

TABLE 1-4: RIVER CROSSING

On the recent trip of at least 10 minutes during which your driver traveled across Mobile Bay, which Mobile River crossing did they use?

	Percent	Count
Wallace Tunnel (I-10)	73%	198
Africatown USA Bridge (US 90/98)	22%	60
Bankhead Tunnel (US 98)	4%	12
They did not cross the Mobile River	1%	2
Total	**100%**	**272**

TABLE 1-5: WALLACE TUNNEL

Shown if crossed Mobile River and Wallace Tunnel was not used

Could they have used the Wallace Tunnel for the same trip?

	Percent	Count
Yes, they could have used the Wallace Tunnel (I-10)	68%	49
No, they couldn't have used the Wallace Tunnel (I-10)	32%	23
Total	**100%**	**72**

TABLE 1-6: ONE DAY TRIP

Did your driver complete their most recent trip in one day or less?

	Percent	Count
Yes	98%	266
No	2%	6
Total	**100%**	**272**

TABLE 1-7: NUMBER OF DAYS IN TRIP

Shown if trip took more than one day

How many days did it take your driver to make the trip in one direction?

	Percent	Count
1	50%	3
2	33%	2
5	17%	1
Total	**100%**	**6**

TABLE 1-8: TRIP DATE

What day did your driver begin the trip?

	Percent	Count
11/15/2021-11/21/2021	1%	3
11/22/2021-11/28/2021	1%	2
11/29/2021-12/5/2021	0%	1
12/6/2021-12/12/2021	3%	7
12/13/2021-12/19/2021	4%	12
12/20/2021-12/26/2021	3%	8
12/27/2021-1/2/2022	3%	9
1/3/2022-1/9/2022	19%	51
1/10/2022-1/16/2022	26%	70
1/17/2022-1/23/2022	20%	55
1/24/2022-1/30/2022	14%	39
1/31/2022-2/6/2022	4%	12
2/7/2022-2/13/2022	1%	3
Total	**100%**	**272**

TABLE 1-9: TRIP DAY OF WEEK

What day did your driver begin the trip?

	Percent	Count
Monday	23%	63
Tuesday	21%	56
Wednesday	15%	42
Thursday	19%	52
Friday	17%	46
Saturday	3%	7
Sunday	2%	6
Total	**100%**	**272**

TABLE 1-10: TRIP LENGTH

How long was your driver's trip?

	Percent	Count
0-49 miles	35%	96
50-99 miles	38%	102
100-149 miles	10%	28
150-199 miles	6%	16
200+ miles	11%	30
Total	**100%**	**272**

TABLE 1-11: CROSSING TIME

Approximately what time did your driver cross Mobile Bay on the <I-10 Bayway/US 90/98 Causeway>?

	Percent	Count
12 AM	7%	18
4 AM	1%	2
5 AM	3%	9
6 AM	6%	17
7 AM	14%	37
8 AM	17%	47
9 AM	17%	46
10 AM	14%	39
11 AM	6%	16
12 PM	3%	8
1 PM	5%	13
2 PM	1%	4
3 PM	1%	4
4 PM	1%	3
5 PM	0%	1
6 PM	1%	3
7 PM	0%	1
8 PM	1%	3
10 PM	0%	1
Total	**100%**	**272**

TABLE 1-12: DELAY

Did your driver experience any delay due to traffic congestion leading up to or on the < I-10 Bayway/US 90/98 Causeway>?> on the trip?

	Percent	Count
Yes	29%	78
No	47%	127
Don't know	25%	67
Total	**100%**	**272**

TABLE 1-13: AMOUNT OF DELAY

Shown if the respondent experienced delay

How much time was added to the trip due to congestion from crossing the Mobile River and Bayway? (minutes)

	Percent	Count
5	4%	3
10	22%	17
15	26%	20
20	23%	18
25	3%	2
30	6%	5
35	5%	4
40	3%	2
45	1%	1
50	1%	1
60	6%	5
Total	**100%**	**78**

TABLE 1-14: TRAVEL TIME

Travel time without delay

	Percent	Count
Less than half an hour	3%	7
0.5 - 1 hour	21%	58
1 - 1.5 hours	29%	78
1.5 - 2 hours	13%	36
2 - 2.5 hours	8%	23
2.5 - 3 hours	4%	11
3 - 3.5 hours	4%	11
3.5 - 4 hours	4%	11
4 - 4.5 hours	2%	6
4.5 - 5 hours	3%	8
5 or more hours	8%	23
Total	**100%**	**272**

TABLE 1-15: AXLES

How many total axles did the vehicle have for the trip?

	Percent	Count
2 axles	53%	144
3 axles	16%	43
4 axles	12%	33
5 axles	13%	34
6 axles	5%	14
7 axles	0%	1
8 or more axles	1%	3
Total	**100%**	**272**

TABLE 1-16: TRIP FREQUENCY

How often has a driver you manage made this same trip, in this direction?

	Percent	Count
6 or more times per week	14%	38
4-5 times per week	14%	39
2-3 times per week	19%	53
1 time per week	10%	28
2-3 times per month	22%	61
1 time per month	4%	12
Less than 1 time per month	11%	31
I don't know	4%	10
Total	100%	272

TABLE 1-17: ELECTRONIC TOLL COLLECTION

Does the vehicle have an electronic toll collection device (ETC) (e.g., E-ZPass, SunPass, etc.)?

	Percent	Count
Yes, it has a transponder	14%	37
No, it does not have a transponder	86%	235
Total	**100%**	**272**

TABLE 1-18: GOODS TRANSPORTED

What was the primary type of goods being transported for this trip?

	Percent	Count
Agricultural	6%	16
Foods	3%	9
Mined Materials	1%	3
Petroleum Products	1%	2
Chemicals	1%	3
Wood or Textiles	4%	12
Manufactured Materials	19%	51
Equipment or Vehicles	11%	31
Miscellaneous	11%	31
Waste or scrap (except for agriculture or food)	3%	9
Other	16%	44
None, the driver was providing a service	22%	61
Total	**100%**	**272**

TABLE 1-19: REASON FOR NEVER SELECTING TOLL

Shown if never chose an alternative with tolls

Which of the following best describes the reason you never chose the tolled option in the previous section?

	Percent	Count
Tolls presented were too high	3%	4
Time savings not worth the cost	32%	37
Opposed to paying tolls to cross Mobile Bay	38%	44
Opposed to paying tolls in general	21%	24
Other	5%	6
Total	100%	115

TABLE 1-20: PROJECT OPINION

Based on the information that has been provided to you, which of the following best describes how you feel about the proposed project?

	Percent	Count
Strongly favor	29%	79
Somewhat favor	22%	59
Neutral	21%	57
Somewhat opposed	13%	34
Strongly opposed	16%	43
Total	**100%**	**272**

TABLE 1-21: REASON FOR FAVORING PROJECT

Shown if favor or strongly favor project

Why are you in favor of the project? Please select ALL that apply.

	Percent	Count
Shorter travel time	72%	100
More reliable travel time	66%	91
Less congestion	88%	122
Bring economic development to the region	36%	50
Safer travel conditions	70%	96
Increased capacity over Mobile Bay	67%	93
Generates revenue for transportation improvements and maintenance	26%	36
Other specified	6%	8
Total	**---**	**138**

TABLE 1-22: REASON FOR OPPOSING PROJECT

Shown if oppose or strongly oppose project

Why are you opposed to the project? Please select ALL that apply.

	Percent	Count
Opposed to paying tolls in general	34%	26
Opposed to paying tolls to cross Mobile Bay	68%	52
Toll costs are too high	42%	32
Do not feel the project is needed/warranted	12%	9
Do not like electronic toll collection	14%	9
Other specified	10%	8
Total	**---**	**65**

TABLE 1-23: ATTITUDE STATEMENT (1/4)

I will have drivers use a toll route if the tolls are reasonable and drivers will save time.

	Percent	Count
Strongly Agree	35%	94
Agree	26%	72
Neutral	11%	30
Disagree	10%	28
Strongly Disagree	18%	48
Total	**100%**	**272**

TABLE 1-24: ATTITUDE STATEMENT (2/4)

I support using tolls or fees to pay for highway improvements that relieve congestion.

	Percent	Count
Strongly Agree	17%	45
Agree	25%	69
Neutral	18%	48
Disagree	15%	41
Strongly Disagree	25%	69
Total	**100%**	**272**

TABLE 1-25: ATTITUDE STATEMENT (3/4)

I support increased or new taxes to pay for highway improvements that relieve congestion.

	Percent	Count
Strongly Agree	13%	34
Agree	20%	55
Neutral	20%	55
Disagree	21%	58
Strongly Disagree	26%	70
Total	**100%**	**272**

TABLE 1-26: ATTITUDE STATEMENT (4/4)

I will have drivers use a toll route if it improves travel time reliability.

	Percent	Count
Strongly Agree	22%	61
Agree	26%	72
Neutral	21%	58
Disagree	13%	36
Strongly Disagree	17%	45
Total	**100%**	**272**

TABLE 1-27: COMPANY LOCATION

Where is your company's base of operations located?

	Percent	Count
Alabama	75%	205
Florida	11%	30
Georgia	0%	1
Louisiana	0%	1
Mississippi	10%	26
Texas	1%	2
Other location within the US	3%	7
Total	**100%**	**272**

TABLE 1-28: NUMBER OF COMPANY VEHICLES

Shown if any role other than owner

Approximately how many vehicles does your company operate?

	Percent	Count
19 or fewer vehicles	68%	89
20 - 99 vehicles	16%	21
100 - 499 vehicles	8%	11
500 or more vehicles	8%	10
Total	**100%**	**131**

TABLE 1-29: TYPICAL TRIP LENGTH

What is the typical length of the trips your drivers usually make?

	Percent	Count
Local (less than 50 miles)	34%	92
Short haul (50 - 199 miles)	51%	139
Medium haul (200 - 499 miles)	11%	31
Long haul (500 or more miles)	4%	10
Total	**100%**	**272**

TABLE 1-30: DELIVERY FLEXIBILITY

Would you say your drivers typically have a flexible or fixed delivery schedule?

	Percent	Count
Flexible (drivers typically have a window of time during which they can make deliveries)	72%	195
Fixed (drivers typically have to make deliveries at a specific time)	28%	77
Total	100%	272

TABLE 1-31: AMOUNT OF FLEXIBILITY

Shown if flexible

How much flexibility do your drivers typically have in their shipment delivery schedule?

	Percent	Count
Less than 30 minutes	13%	26
30 to less than 1 hour	38%	75
1 hour to less than 2 hours	32%	62
2 hours to less than 4 hours	9%	17
4 hours to less than 6 hours	3%	5
6 hours or more	5%	10
Total	**100%**	**195**

TABLE 1-32: TOLL PAYMENT

Who is generally responsible for paying toll costs that your drivers incur?

	Percent	Count
Drivers pay tolls	2%	5
Drivers pay tolls, but my company reimburses them	30%	81
My company pays tolls directly (e.g. using a transponder)	38%	103
My drivers never use toll roads	31%	83
Total	**100%**	**272**

TABLE 1-33: TOLL CHARGING

How does your company typically charge customers for tolls?

	Percent	Count
Tolls are part of the Total shipment cost	42%	115
Tolls are charged as separate line items	14%	37
I don't know	12%	32
My drivers never use toll roads	32%	88
Total	**100%**	**272**

TABLE 1-34: DRIVER COMPENSATION

Which of the following best describes how your drivers are compensated for their work?

	Percent	Count
They are paid hourly	66%	180
They are paid by the mile	5%	14
They are by the trip	7%	20
They are salaried employees	16%	43
Other specified	6%	15
Total	**100%**	**272**

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ALABAMA DEPARTMENT OF TRANSPORTATION

I-10 MOBILE RIVER BRIDGE AND BAYWAY COMMERCIAL VEHICLE STATED PREFERENCE SURVEY

Appendix C: Open-Ended Survey Comments | April 19, 2022



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Report Title:

Appendix C: Open-Ended Survey Comments for I-10 Mobile River Bridge and Bayway Commercial Vehicle Stated Preference Survey

Report Prepared by:

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Report Prepared for:

Alabama Department of Transportation

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1.0 OPEN ENDED SURVEY COMMENTS 1

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1.0 OPEN ENDED SURVEY COMMENTS

Upon completion, respondents to the I-10 Mobile River Bridge and Bayway stated preference survey were given the opportunity to leave open ended comments about the project or their experience taking the survey itself. Except for removing any personally identifiable information, these comments are compiled unedited within this appendix.

- A bridge is long overdue.
- A tolled interstate would have devastating effects on businesses and families that travel the bay way daily. For a business that is just another cost to pass to the consumer but for a family you would have to take the causeway which will be backed up worse than the tunnel now because of the bottle neck that will be created for taking the "free" route. Also restaurants on the cause way will suffer as congestion increases.
- Bridge needs improving for the future.....
- Check for bottle necks and do your best to reduce congestion. Tolls are fine.
- Expanding the brdge will Benefit traffic flow to & from the Destin beaches ALL THE WAY back to Louisiana! I feel better traffic flow will bring more visitors from the West to the East and they won't suffer delays from the Wallace Tunnel due to restricted traffic flow, or constant delays caused by accidents on the Bay Way! I AM STRONGLY IN FAVOR OF TAKING THE KINK OUTA THE WALLACE TUNNEL.
- Finish making the Africa Town bridge part of the interstate system. Get rid of all the lights. Make all trucks go around. Redirect all traffic coming from the north and going east take 165 then the Africa town bridge. This alone would cut down on congestion in the tunnels, where most of the problems occur. Tolls are outright theft by the govmt. Double taxation. Need to make wiser choices on what you spend money on. Tolls are also a class divider, those with money can hurry on across while all you broke fools get to sit in traffic.
- Get it done

- Good survey.
- I am against tolls. The were able to do the Jefferson County interchange without tolls, so I'm sure Baldwin and Mobile county can come together and find a way.
- I am opposed to using tolls to pay for the much needed improvements to relieve congestion when other metro areas in the state had similar improvements without adding tolls.
- I am willing to pay toll, as long as the time saved makes sense and increases safety, but the toll has to be reasonable.
- I believe it should be illegal to toll a Federal Interstate that is the main artery from East to West across the southern U.S. The citizens of this country and all small businesses are already paying too many taxes! Find the funding without tolls. This is what we pay taxes and gas taxes for already. Also, this bridge needs to be a minumum of six lanes, or it is a waist of time and money.
- I believe that the project is possible without the toll. Provided that the toll fee is reasonable (i.e. $1.50 per trip); and the money generated is only used to maintain structural integrity and safety of the roadway, as well as provide truly adequate A.S.A.P. patrols to assist motorists and keep roadway flowing, then a toll is acceptable.
- I believe that there are better options than trying to make truck owners pay to have merchandise transported throughout the state we already pay to use the highways on.
- I believe there should be federal funds available as well to contribute to the construction of a new bridge since this is a major thoroughfare.
- I do not approve of turning the interstate into a toll road. If you want a toll road build it, do not take a road paid for by the peoples taxes and ask us to pay more just to drive on it.
- I do not support a toll bridge crossing Mobile Bay. I10 is an interstate that runs from Florida to California, being such it should be federally and state funded.

- I don't feel like the survey adequately considered that companies like mine make round trip service delivery visits.
- I feel most delays on the Bayway and Causeway are due to accidents; I would support actions that would reduce accidents.
- I HAVE NO PROBLEM WITH A TOLL AS LONG AS THERE IS A TOLL FREE OPTION. GENERALLY SPEAKING WE WOULD USE THE TOLL FREE OPTION BUT THERE MAY BE OCCASIONS WE WOULD UTILIZE THE THE TOLL OPTION. I FEEL THERE WOULD BE ENOUGH UTILITZATION OF THE TOLL BRIDGE THAT I WOULD IMPROVE CONGESTIION FOR THOSE OF US THAT WANT THE FREE OPTION. I THINK THERE SHOULD BE AN OPTION FOR AN ACCESS PASS FOR LOCAL RESIDENTS THAT TRAVEL BACK AND FORTH REGULARLY, WHICH MAY BE PURCHASED ANNUALLY.
- I personally feel that our state and the US government need to build the infrastructure with funds they already have or start budgeting and putting back the money for the future. Too much tax revenue wasted on nonsense.
- I strongly agree with improvements to travel and the region surrounding the Mobile Bay. This project will affect the skyline and have the potential for building a riverwalk along the bay and/or Mobile River.
- I support a reasonable toll. The I10 bay way is in desperate need of traffic relief.
- I think a reasonable toll would draw the tourists from MS and LA.
- I thought the people of Mobile already spoke and this project was denied? So it's just going to happen anyway? Why even ask the people if no one really cares.
- I travel mobile bayway every day congestion is due to tunnel speed and pov drivers seing automatic headlights and confusing them for brake lights and slamming on brakes wich cause a ripple effect eventually stopping traffic flow,put brighter lights in the tunnels

- I would like to know why there are no other Interstate Highways in the State of Alabama that are toll roads and why you think it is acceptable to toll one in Mobile-Baldwin County. Tolling this route unfairly burdens local folks who have to use that route regularly. If you need to generate more revenue, why not toll Malfunction Junction in Birmingham? Or how about I-65 all the way from Mobile to the Tennessee line? How about we toll I-65 & I-85 in Montgomery or I-565 into Huntsville? With all of the taxes we already pay, there should be plenty of money to build and maintain our roads. From what I hear lately, Alabama has so much money from the Federal government right now, they don't even know where to spend it all. How about a bridge?

- If our existing taxes aren't enough to pay for increasing the Bayway's traffic flow, then don't build a bridge. Because other areas in the state aren't being tolled for roadway traffic flow improvements.

- If y'all make truck drivers use and pay toll we won't deliver goods to your city

- If you take the alternate route over the bridge, our truck uses approximately two gallons diesel fuel. Diesel costs $3.55 per gallon today. We would spend $7.10 in fuel. A toll of $3.00 would overall save us$4.10, plus lost time going around the bridge.

- In favor of the I-10 Bridge project to alleviate the congestion not only during the summer but year round. It would make travel easier.

- In general, federally funded roads such as I-10 should not be tolled. However, additional infrastructure should be for those who use it. For example, an additional bridge should be tolled, but not the existing route itself. If someone uses the new bridge, they should be tolled, not the people who cross on existing infrastructure who do not use new infrastructure. Pay the toll or pay the wait. Not, pay the toll so others don't have to wait.

- it is wrong and illegal to charge state tolls on interstate built, funded and maintained by the federal government

- Its either affordable tolls or raise taxes slightly. You cannot do both. People here wont less congestion but we are not going to pay $5 or

more to have to cross the Bayway twice a day, there and back. Charge tourist without transponders more if you want and only give locals/out of state 18 wheelers transponders. Stope being unreasonable. I saw $15 for a toll on this survey for 15 minutes saved. The people of Alabama are not fools.

- Keep the tolls low
- LET'S GET IT BUILT, TIRED OF ALL THE FIGHTNG. TO MUCH POLITICS INVOLVED IN EVERYTHING.
- My business is in Daphne, AL. 35% of my business is in Mobile or west of the Mobile Bay. 4 of my Daphne employees live in Mobile, and commute to Daphne each day. A typical day includes approximately 14+ crossings of Mobile Bay. I am in favor of tolls for this project, but they need to be low or give discount to businesses like mine that use I-10 frequently.
- Need to keep The toll as low as posable. Were already paying higher fuel prices
- NO TOLL ROAD. THIS IS A FEDERAL HIGHWAY SYSTEM. THE FEDERAL GOVT SHOULD PAY ALL COST
- NO TOLL WHEN THEY BUILT THE BAYWAY AND WALLACE TUNNEL. TAXES PAID FOR IT. TAXES CAN DO IT AGAIM. NO TOLL
- NO TOLLS PROJECT NOT TAKING 10 YEARS TO FINISH
- NO Tolls at all. ALDOT managed to build the new bridge in Birmingham without a toll, so why do we not get the same treatment. The gas tax has already been raised way to high to provide funds for projects just like this so use it for this. NO TOLLS
- NO TOOLS PERIOD
- Please make the tolls affordable for the locals.
- Primarily, unless there is an accident or incident - the Byway moves well. It is during summer season - Fridays - where the real congestion is. The other issue is the general congestion once you are off the

bridge - especially the Eastern Shore and South. I know this is not a part of your survey - but, I fear improvements to the Byway - will be negated once you are off of it?

- Reasonable Toll Fees can be factored into Service Rates. We have to do something to minimize congestion at the Wallace Tunnels and I am for whatever that takes. The time travel questions do not reflect the 1-hour time delays we can encounter at times.
- Remove the politics and get this bridge built. We need it for multiple reasons and for safety reasons. Thank you.
- sOMETHING HAS TO DONE JUST NOT SURE IF ENOUGH WOULD USE THE PAY ROUTE AS LONG AS LIKE ME THERE IS A CHOICE
- Spend tax dollars better, there is way to much wasted government spending.
- stop the tolls !!!!!!!!!!!!!!!!!!!!!!!
- Support for the new bridge is strong, but directly correlated to toll price. $6 = Zero interest. <$2 per trip, not per leg = Strong support. Determine required capacity for the next 10 years and then add 1 extra lane. Cost now is an extra 15% if contracted properly. Wait 10 years and the cost is 50% of this project to impossible.
- THANK YOU
- Thank you so much for the opportunity to voice our opinion on the tolls.
- The 4th of July weekend that truck/trailors were rerouted to avoid the Wallace tunnel, it was considerably more efficent and less congested drive. I would support a truck/trailor bridge separate from regular vehicles.
- The bridge is a good idea and is needed. I believe if a toll must be used to fund the project that frequent users should be considered for a lower rate. Although, in my opinion, this project could be done without it.

- the port needs to grow and cant without the bridge. mobile's port is not keeping up with its counterparts
- The reduction of the speed limit on the Causeway and the proposed addition of red lights on the causeway have been noted that this is being shoved down our throats. We already instituted a higher gas tax to pay for projects to alleviate congestion. If that money is being allocated to other projects, then it is obvious that ALDOT does not perceive I-10 congestion to be a very big issue. We also have $800 million in Covid money that could be used for this project, in a time where gas prices and taxes are rising and hitting local Alabamians in their wallet. Tolls would be a huge burden to local citizens. The funding is out there. It would be prudent for Politicians to allocate it correctly.
- The state and federal government have been and continue to collect large amounts of road taxes. The money should be used for roads and bridges in an efficient manner. The tax payers have already paid the money into the system to build this bridge. Tolls would only be a way to collect additional, unfair taxes.
- The toll bridge should significantly reduce commute times. (35-50 minutes) The bridge should come out from Highway 10 around Irvington/Theodore AL and connect Baldwin county to routes 104, 32 or 98.
- The tunnel is a nightmare during tourist season. Need a new bridge
- There is plenty of money to pay for this project if the money for this area was spent correctly
- THERE NEEDS TO BE A FIX FOR THE TUNNEL CONGESTION ON I10 IN THE SUMERTIME. THE TRAVEL DELAYS DURRING TOURIST SEASON ARE UNBELIVEABLE AND THE STATE PROFITS VERY MUCH FROM THE REVENUE OF MOBILE AND BALDWIN COUNTIES. I DO NOT SEE ANY TOLL ROADS IN BIRMINGHAM YOU JUST FIXED IT BECAIUSE IT WAS NESSESARY AND NEED TO DO THE SAME THING HERE!
- This project is much needed. During the summer months extraordinary delays happen crossing Mobile Bay as tourists from Texas and

Louisiana arrive here. For the good of commerce, the roads need to be improved. Tolling the road is a loser of an idea and any thought of it is absurd.

- This route needs to be fixed but not at the expense of the people who are required to travel across the bridge twice a day. It should be a very reasonable solution.
- Tolling the new bridge will drive more traffic onto the causeway which will then need more repair. Also, it will increase the cost to local businesses that traverse the Bayway several times a day. The processing fees that will be tacked onto the toll make the cost impact higher. Also, the business administration needed in order to process the toll payment is more expense to the business as well. ALDOT needs to show how much of the toll will go to paying the mortgage on the new bridge and the expected time frame for paying the bridge off so the toll is eliminated. The toll was kept on the bankhead tunnel long after it had been paid off.
- Tolls are a bad idea for this project as their are not good viable other options for this route. Adding a toll to 1-10 will destroy the causeway and maintenance & repair cost on the causeway will go through the roof due to enormous increase in use and traffic.
- Tolls are a very bad idea for the new bridge. You've already had to scrap the first plan due to opposition. Do not make the same mistake and waste more tax dollars for a repeat plan that will ultimately fail again.
- Tolls for a federal highway are ludicrous especially when northern areas of our state have major roads being built with no toll
- Tolls must be under $2 and time savings must offset the fee for us to consider using this option.
- Tolls suck and specially ones you can't pay cash for the toll.
- We already pay plenty of taxes to pay for this new bridge. It's not like our money is being put to good use anywhere else. Mobile County infrastructure is terrible. Would love to know where all the money goes.

- We cross the bay several times a day from Mobile to Baldwin County. I can not afford to pay high tolls? But we would also like to see the traffic congestion go away.
- We do not need to make a new tax whether it be in tax hikes or tolls. The we need to allocate moneys for the comprehensive annual financial report and Gross Receipts and budget the funds appropriately for any and all State or Municipal Improvement Projects. Any question please feel free to contact me at _____ leave a message and i will get back with you, or email me at _____
- We need a bridge but should not have to pay a toll on any interstate.
- We pay enough highway taxes that should be able to pay for this bridge without using any additional taxes without having to toll our citizens
- WE PAY PLENTY OF GAS TAXES TO TAKE CARE OF ALL THESE PROJECTS !!! EXAMPLE HWAY 98 WAS SUPPOSED TO BE FINISHED 40 YEARS AGO HWY158 NOT FINISHED THIS SURVEY PROBABLY COST TO MUCH !!!!!
- We travel from Pensacola to Mobile a number of times a week in Service Vehicles, I would hope that there might be breaks in cost for using the toll way so many times per month. Also we have employees who live in Baldwin County and would have to travel back and forth in their own car, this presents another issue. We have the same type situation in Destin, FL and those employees are having to pay 3.50 each way, thus 7.00 per day which then want an extra dollar per hour on their pay to work in our Destin Location.
- We will most likely use all ways to cross the river. A lot of it depends on the cost vs time.
- Why is no COVID money on the table? Why arent our representatives not fighting for us to get federal money to help build this bridge? Why cant we consider pay as you go? Mobilians do not want to pay a toll! The beach express was supposed to be temporary! The problem is getting much worse and there is a solution where we dont have to pay more tax money!

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CDM Smith

APPENDIX F

Engineering Report dated July 10, 2026 and Updated August 26, 2026

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I-10 MOBILE RIVER BRIDGE AND BAYWAY PROJECT

Engineering Report

Issued: July 10, 2026

Updated August 25, 2026



MOBILE RIVER BRIDGE & BAYWAY

Prepared for:
Alabama Toll Road, Bridge and Tunnel Authority

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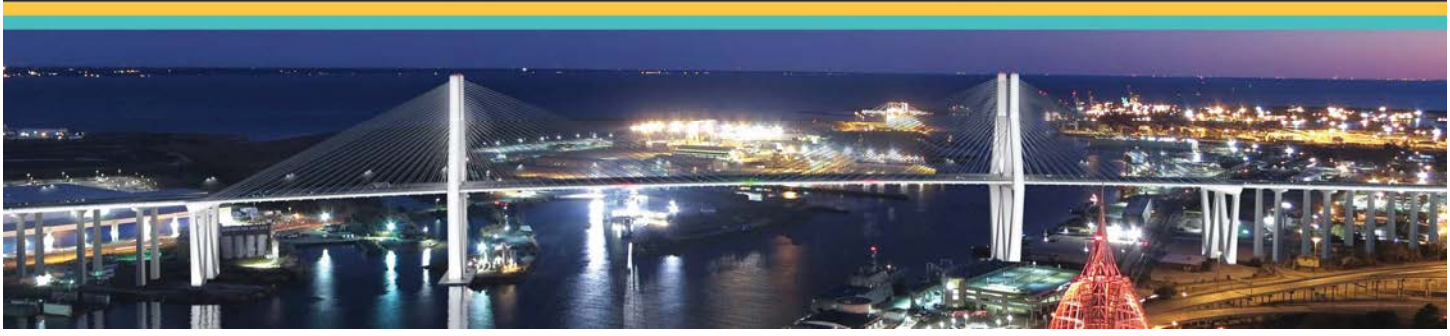


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Chapter 1 – Introduction

This report documents and describes the location, engineering features, project capital cost estimates, operation and maintenance, and the Progressive Design-Build procurement for the Mobile River Bridge and Bayway Project (the Project).

The Project will include a new six-lane cable-stay bridge with 215 feet of air draft clearance over the Mobile River, improvements west of the river to the Broad Street interchange, and a portion of new Bayway that will connect to the existing Bayway Bridges. From this connection point to the Eastern Shore Interchange, the existing Bayway Bridges will be restriped for 3 lanes of traffic.

In the future, but not as a part of the Project, the existing I-10 Bayway Bridges will be replaced from the connection point constructed as part of the Project to the Eastern Shore with a new six-lane bridge constructed above the 100-year storm surge elevation. This future construction will enhance the resiliency of this portion of I-10 to storm surge loads and sea level rise. When the newly constructed Bayway is open to traffic, it will replace the existing Bayway and will be tolled in the same manner as the existing Bayway is upon toll commencement of the Project. The Project is being constructed to include a portion of new Bayway bridge that will allow for a future Bayway contractor to construct the replacement Bayway Bridges between the existing bridges and without appreciable disruption to the existing Bayway and the tolling thereof. After completion of a future replacement Bayway, the existing Bayway Bridges will be demolished.

In the State of Alabama, toll collection and management fall under the jurisdiction of the Alabama Toll Road, Bridge and Tunnel Authority (the 'Authority'), a public corporation of the state authorized to set tolls on specific projects. Upon completion of the Project, traffic in both directions on I-10 over the Mobile River and the Mobile Bay will be tolled using all-electronic tolling.

Alabama Toll Road, Bridge & Tunnel Authority

The Alabama Toll Road, Bridge and Tunnel Authority (the "Authority") is a public corporation created in 1980 to facilitate vehicular traffic and safety in the State by providing for the construction of modern toll roads, bridges and tunnels in strategic and essential locations. The purpose of the Authority is to study, design, plan, construct, promote, own, finance, and operate a system of toll roads, bridges and tunnels supplementing the traditional non-toll transportation system serving the citizens of Alabama. Legislation has subsequently been enacted to provide for additional powers and exemptions for the Authority.

To date, the Authority has not been utilized to construct toll roads, bridges or tunnels, and the Project would be the first authorized, designed, constructed, and operated by the Authority.

The Authority is governed by a nine-member board with the Governor (or his or her designee) serving as chair. Members of the Board consist of the Governor (or his or her designee), the

Lieutenant Governor (or his or her designee), the Speaker of the House of Representatives (or his or her designee), the State Director of Transportation, the State Director of Finance, the Chair of the House Government Appropriations Committee, the Chair of the Senate Finance and Taxation General Fund Committee, and two persons from the state at large appointed by the Governor.

The current membership of the Authority is shown below.

Role	Member
Governor (Chairperson)	Governor Kay Ivey
Lieutenant Governor	Lt. Governor Will Ainsworth
Speaker of the House of Representatives	Nathaniel Ledbetter
Director of Transportation	Director John Cooper
Director of Finance (Secretary by Resolution)	Director Bill Poole
Chair of the House Ways and Means General Fund Committee	Representative Rex Reynolds
Chair of Senate Finance & Taxation General Fund Committee	State Senator Greg Albritton
At-Large Governor Appointee	Liz Filmore
At-Large Governor Appointee	Brooks McClendon

The powers of the Authority (Section 23-3-144 Code of Alabama, as amended) include:

- Acquire and construct toll road, bridge, or tunnel projects as the Authority may determine to be desirable, practicable, and economically feasible, and to maintain, repair and operate the projects.
- Issue toll road, bridge, or tunnel revenue bonds of the authority for any of its corporate purposes, payable solely from its tolls, other revenues, and proceeds of the bonds, and refund its bonds.
- Establish rules and regulations for the use of any project.
- Acquire, hold, and dispose of real and personal property.
- Acquiring any land or property or any easement or interest therein which it may determine is reasonably necessary for any toll road, bridge, or tunnel project or for its

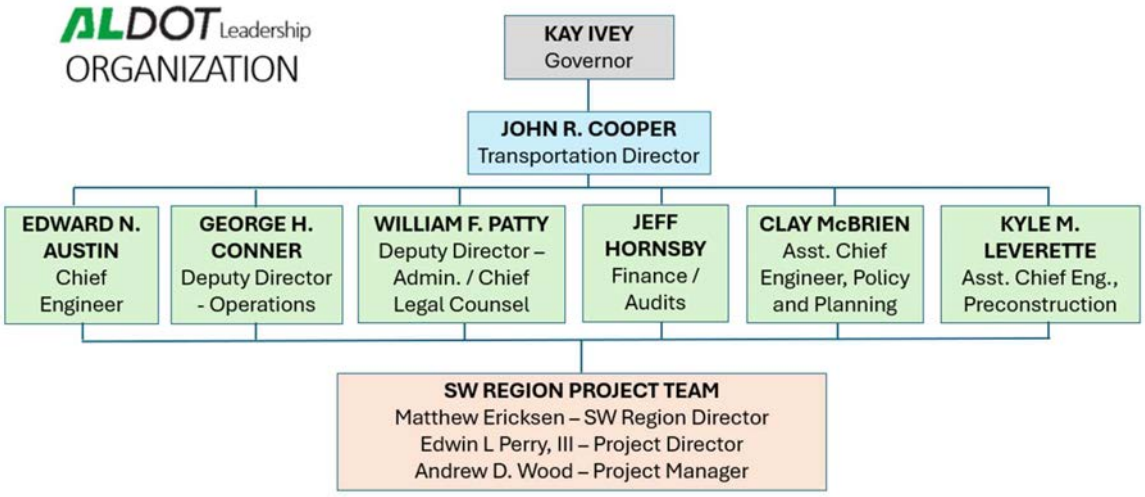
protection and preservation, or for the construction, relocation, or reconstruction of any access highway, street, or road.

- Designate points of ingress to and egress from each toll road, bridge, or tunnel project and to prohibit entrance to and exit from the project at any point or points not so designated.
- Make and enter into contracts and agreements necessary for, or incidentally to, the performance of its duties and the execution of its powers under this article, including contracts and agreements for professional services deemed necessary for such purposes by the authority.
- Set and collect tolls and receive other toll revenues from the operation of a tollway or other toll facility.
- Receive and accept from any federal agency, subject to the approval of the Governor, grants for, or in aid of, the construction of any project and to receive and accept aid or contributions from any source of either money, property, labor, or other things of value, to be held, used, and applied only for the purposes for which grants and contributions may be made.

ALDOT is responsible for the administration and management of the planning, construction, operations and maintenance of the projects under the purview of the Authority. ALDOT's executive leadership and management group are described below.

- ALDOT's Director is responsible for the oversight and management of all departmental operations.
- ALDOT's Chief Engineer directs preconstruction, planning, research, and right of way.
- ALDOT Deputy Director of Operations is responsible for the leading construction, maintenance, materials, and operational oversight of ALDOT's five geographic regions.
- ALDOT's executive leadership is supported by a Project team in Mobile which includes ALDOT Southwest Region staff supplemented with external technical, legal, and financial consultants. The Project team is shown in Exhibit 1-1.

Exhibit 1-1: ALDOT Executive Organization Chart & Project Team



For a project to receive federal funding and be considered as a toll facility, legislation requires that the project be included in a locally adopted comprehensive transportation plan and be shown in the current ALDOT State Transportation Improvement Program (STIP). The Authority and ALDOT have coordinated extensively with both Metropolitan Planning Organizations (MPOs) affected by the Project throughout its development, and both MPOs have demonstrated full support. The Project is included in the Eastern Shore (Baldwin County) MPO's Long Range Transportation Plan (LRTP) and the Mobile MPO's Transportation Improvement Plan (TIP).

Chapter 2 – Purpose of Project

The I-10 Mobile River Bridge and Bayway (MRBB) Progressive Design-Build Project is located on I-10 in Mobile and Baldwin Counties, Alabama. The I-10 corridor is an essential link in the U.S. Interstate Highway network, serving eight states and 17 major metropolitan regions. It is the southernmost cross-country corridor from Santa Monica, CA, to Jacksonville, FL, and a vital local and regional hurricane evacuation route. Seen in **Exhibit 2-1**, approximately 66 miles of I-10 crosses southern Alabama. I-10 in Alabama is predominantly two lanes in each direction. I-10 is a vital trucking route and is the primary route of travel between Mobile and Baldwin Counties.

Exhibit 2-1: Map of Interstate 10



In Mobile and Baldwin County, I-10 crosses the Mobile River via the Wallace Tunnel and then crosses the Mobile Bay via the Bayway bridges. The Wallace Tunnel was completed in 1973, and the Bayway was completed in 1978. Within the Project limits, I-10 varies from four lanes in each direction at the Broad Street Interchange to two lanes in each direction through the Wallace Tunnel and across the Bayway. Traveling west to east, the posted speed limit ranges from 65 MPH on I-10 just west of the Broad Street Interchange to a posted speed limit of 55 MPH in the Wallace Tunnel, and then back to a posted speed of 65 MPH on the Bayway. The Wallace Tunnel has sharp horizontal curves entering the tunnel for both eastbound and westbound traffic. For this reason, there are advisory speed limit signs for 40 MPH entering the tunnel.

Exhibit 2-2 below shows the full Project limits through Mobile and Baldwin Counties, as well as the numerous interchanges that will be improved.

Exhibit 2-2: Mobile River Bridge and Bayway Project Limits



The Project will include a new six-lane cable-stay bridge with 215 feet of air draft clearance (ADC) over the Mobile River, improvements west of the river to the Broad Street interchange, and a portion of new Bayway that will connect to the existing Bayway bridges. From this connection point to the Eastern Shore Interchange, the existing Bayway will be restriped for 3 lanes of traffic. Completion of the Project will address the Purpose and Need and will eliminate the major traffic bottleneck on the corridor.

The Project is not only critical for daily vehicular traffic but is also imperative for the effective movement of freight. The I-10 corridor is heavily used by tourist traffic visiting Alabama beaches and attractions as well as beaches, parks, and attractions in neighboring states. This congested corridor is identified as a critical bottleneck in Alabama's Statewide Freight Plan, which lists the I-10 Mobile River bridge as a critical freight need within the region. The Mobile Airport Authority lists the I-10 Mobile River bridge as a critical freight need within the region. The Mobile Airport Authority is planning a 2027 opening of the new Mobile International Airport located adjacent to the Airbus manufacturing site at Brookley Field near downtown Mobile, which is adjacent to the I-10 corridor. Additionally, more than 30 Caribbean cruises depart annually out of Mobile's cruise terminal between the months of October and March, with plans for year-round cruise departures beginning in 2027.

The Project is needed for three primary reasons:

1. To increase capacity to meet existing and projected future traffic volumes;
2. To provide a direct interstate route for trucks transporting hazardous materials across the Mobile River; and

3. To minimize impacts and facilitate ongoing growth of the region's maritime industry.

Each of these reasons is discussed in more detail in the following paragraphs.

The primary purpose of this Project is to increase the capacity of I-10 to meet existing and projected future traffic volumes and to provide a more direct route for vehicles transporting hazardous materials, while minimizing impacts to Mobile's maritime industry. ***Congestion on I-10 between Mobile and Baldwin counties is on par with the worst congestion levels in the Southeast United States***. The I-10 route through Mobile, particularly at the Wallace Tunnel where the Bayway bridges connect, is widely considered one of the worst bottlenecks in the country.

The need for the project is underscored in ALDOT's most recent Statewide Freight Plan (www.dot.state.al.us/programs/pdf/FreightPlanning/FinalALDOTStatewideFreightPlan.pdf), prepared in 2023. Key items discussed in the Statewide Freight Plan include the following:

- The entire extent of I-10 in Alabama (66.32 miles) is one of seven designated Primary Highway Freight Systems (pg. 60).
- I-10 in Mobile is the #1 bottleneck in the state of Alabama in terms of Truck Delay per Mile (Table 17, pg. 103).
- The I-10 bottleneck is anticipated to grow from 5.1 miles (MP 10.6 to MP 15.7) in length in 2022 to 44.3 miles (MP 0 to MP 44.3) in length by 2050 in the No-Build condition (Tables 19 and 20, pg. 107-111).
- Page 122 defines the I-10/US 90 corridor as a critical Resilience Corridor for the state, providing critical support to public agencies and freight operators during disruptions to freight travel.
- Pages 123 and 126 describe I-10 as a critical hurricane evacuation route for the Gulf Coast region.

ALDOT's Statewide Transportation Plan (www.dot.state.al.us/programs/StatewideTransportationPlan.html) also identifies I-10 at the Wallace Tunnel as one of Mobile's major Freight Choke Points. It also includes a map showing that the 2040 No-Build traffic volumes on I-10 in Mobile are projected to exceed 120,000 AADT.

The existing Wallace Tunnel was designed to carry approximately 35,000 vehicles per day (*source: Wallace Tunnel As-Built Plans, ADT 1989 = 34,620*). In 2023, the Wallace Tunnel had an average daily traffic of approximately 63,000 (*source – ALDOT Traffic Data website https://aldotgis.dot.state.al.us/TDMPublic/*) vehicles per day.

Exhibit 3: Typical Congestion on the I-10 Corridor at Wallace Tunnel



Recent traffic data for various locations along the project corridor is summarized in the table below (*Source: https://aldotgis.dot.state.al.us/TDMPublic/)*.

Mobile River Bridge & Bayway AADT Traffic Data (ALDOT TDM Public)								
ALDOT Counter ID	**FHWA ID**	**Corridor**	**County**	**Project Station**	**Milepost**	**AADT (2024)**	**TADT (%)**	**Location Description**
Mobile 60 (CCS #740)	740 AL, 1U	I-10	Mobile	NA	23	75,905	14.08%	Between Michigan Ave and Broad Street
Mobile 58 (CCS# 742)	742 AL, 1U	I-10	Mobile	420+00	24	75,579	12.59%	Between Broad Street and Virginia Street
Mobile 57 (CCS #744)	744 AL, 1U	I-10	Mobile	483+00	25	79,212	16.64%	Between Texas Street and Water / Canal Street
Mobile 808 (CCS # 808)	808 AL, 1U	I-10 BUS EB	Mobile	6018+00	26	57,798	8.38%	Outside of Wallace Tunnel in West Tunnel Interchange
Mobile 23 (CCS #806)	806 AL, 1U	I-10 BUS EB	Mobile	NA	26	61,996	15.56%	Inside Wallace Tunnel
Mobile 5639 (CCS #810)	810 AL, 1U	I-10 BUS EBR	Mobile	549+00	27	61,996	14.21%	Outside Wallace Tunnel in East Tunnel Interchange
Mobile 1	NA	I-10	Mobile	580+00	28	70,601	15.00%	Between Wallace Tunnel and Tensaw River
Baldwin 578	NA	I-10	Baldwin	814+50	32	69,751	15.00%	Between Mid Bay Interchange and Eastern Shore
Baldwin 813 (CCS #773)	773 AL, 1U	I-10	Baldwin	NA	37	64,199	15.58%	Between Eastern Shore and AL 181

Notes:
1) CCS = Continuous Count Station
2) Data for Mobile 1 and Baldwin 578 are collected using portable counters because vibration on the Bayway bridge and glare from the water cause too much interference to use permanent count station
3) FHWA ID names is taken from the FHWA Active Continuous Count Station Map. (Source: https://www.fhwa.dot.gov/policyinformation/tables/trafficmonitoring/)

By 2049, the Wallace Tunnel is expected to have an average daily traffic of approximately 95,000 vehicles per day, which is nearly three times the volume of traffic it was designed to carry.

The growing traffic volumes result in ongoing traffic flow or congestion problems. The 2016 Annual Average Daily Traffic (AADT) crossing the Mobile River was approximately 106,000 vehicles at the three locations in Mobile (Bankhead Tunnel, Wallace Tunnel, and Africatown Bridge). The level of traffic results in failing Levels of Service (LOS) of E and F with delays during peak traffic periods at locations along the I-10 corridor, including the Wallace Tunnel and Bayway Bridge. A LOS E represents an unstable congested condition in which operating

conditions are extremely poor. A LOS F represents a traffic condition that produces a breakdown in traffic flow due to the amount of traffic exceeding capacity. The projected AADT crossing the Mobile River in 2049 is projected to exceed 173,000 vehicles at the three locations in Mobile, which would create more congestion and longer delays. The 2049 traffic volumes were produced by linear forecasting using the 2040 No Build SDEIS data (SDEIS Volume 1, Table 3).

The proposed Project will increase the capacity of I-10 to meet existing and predicted future traffic volumes. The Project will provide a LOS of D or better on I-10 in 2049, with the majority of the route improved to LOS of B or better during peak traffic periods. The Project would also provide a direct interstate route for hazardous material transport, minimize adverse impacts to the maritime industry, and generate significant travel time savings for private and commercial drivers along the I-10 corridor. These travel time savings will be realized by all vehicles, which will be able to take advantage of higher average speeds and less congestion compared to a "no-build" scenario.

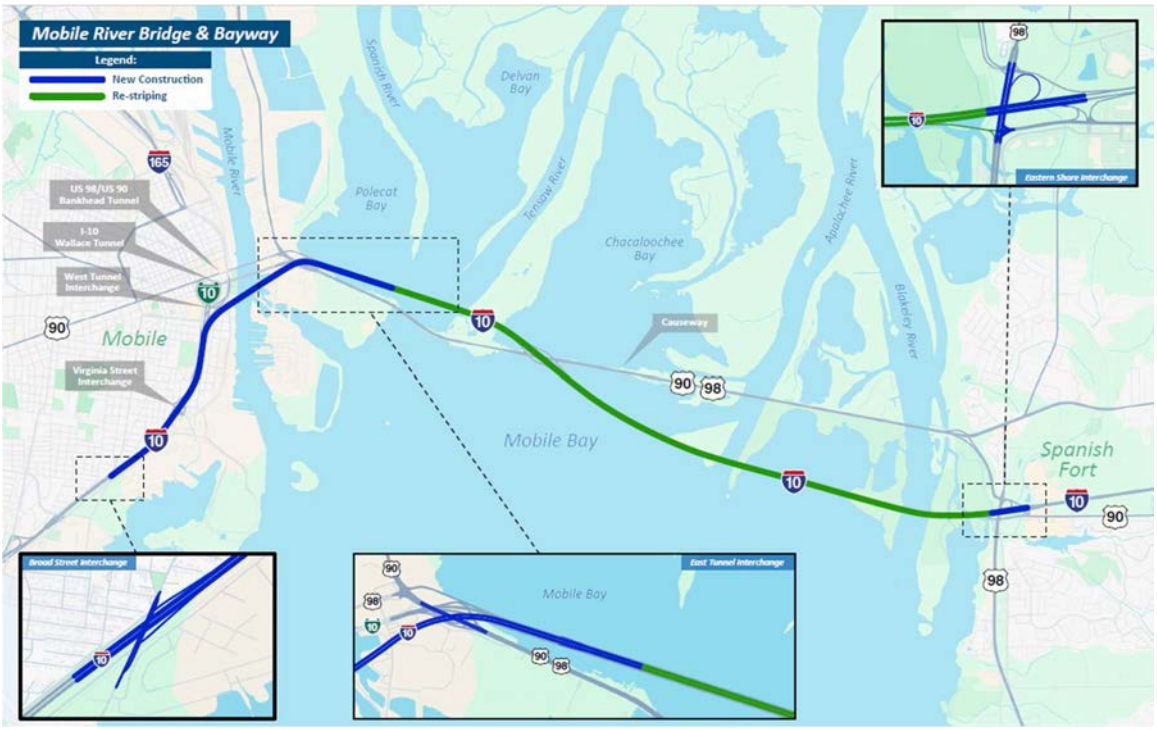
There is also a need to provide a direct interstate route for trucks transporting hazardous materials across the Mobile River. The transport of hazardous materials in the Wallace Tunnel is prohibited because of the potential for accidents in a confined space. Hazardous materials include radioactive, flammable, corrosive, and explosive materials. Currently, trucks carrying prohibited hazardous materials must detour through the Mobile central business district and use the Cochrane-Africatown USA Bridge to cross the Mobile River, taking them through an active downtown area and an environmental justice community. The volume of hazardous material trucks is projected to continue to increase as traffic on I-10 increases.

The third need is to minimize the Project's impacts on Mobile's maritime industry and facilitate economic growth. There are three main drivers of Mobile's maritime economy: cargo shipped through the Port of Mobile, shipbuilding and shipyard activities, and the cruise industry. As noted in the Project's Combined Final Environmental Impact Statement/Record of Decision (August 2019), the combined annual economic contribution supported by these three maritime activities will be over 28,700 jobs and approximately $2.4 billion in economic benefits, representing approximately 16 percent of the economic activities of the Mobile region. Given the magnitude of employment and economic value provided by maritime activities in the region, any proposed measures to increase the capacity of I-10 need to minimize adverse impacts to the maritime industry.

Chapter 3 – Project Description

The Mobile River Bridge and Bayway (MRBB) will be a six-lane controlled access toll facility. Tolls will be collected by an all-electronic toll (AET) collection system at highway speeds. There will be no stop-and-go toll booths. The MRBB is being delivered under a Progressive Design-Build contract.. See **Exhibit 3-1** for a layout of the overall project limits.

Exhibit 3-1: Mobile River Bridge & Bayway Project



The MRBB Project begins at the Broad Street Interchange in Mobile and concludes at the Eastern Shore Interchange in Spanish Fort / Daphne. From just west of the Tensaw River to the Eastern Shore Interchange, the existing Bayway will be restriped to carry three lanes each direction The signature feature of the Project is a new six-lane state-of-the-art cable-stayed bridge with a minimum of 215 feet of air-draft clearance across the Mobile River. The cable-stayed main span bridge will be approximately 2,575 feet across the Mobile River. The western pylon will be on land along the west side of the Mobile River, and the eastern pylon will be on the Pinto Pass Peninsula. The high-level approaches connecting to the main cable-stayed main span bridge will be approximately one mile long on either side of the cable-stayed bridge. Interchange improvements will be made to Broad Street, Virginia Street, and Texas Street. Other Project components include rehabilitation of the West Tunnel Interchange, Intelligent Transportation Systems (ITS), and toll collection system components (conduit and signage).

Toll Facility

The Project will feature a combination of toll collection sites, arranged so that the portion of I-10 from east of Virginia St. to the US-90/98 interchange in Daphne is tolled. The following toll sites have been identified by the Authority and are shown in **Exhibit 3-2**:

- Toll sites at Texas Street, on the west end of the Project near downtown Mobile
  - Mainline I-10 Eastbound
  - Mainline I-10 Westbound
- Toll sites at East Tunnel Interchange, just east of the Mobile River
  - Business I-10 Eastbound, just east of the US-98 exit ramp
  - Business I-10 Westbound, just east of the US-98 entrance ramp
  - Entrance ramp from US-98 to Mainline I-10 Eastbound
  - Exit ramp from Mainline I-10 Westbound to US-98
- Toll sites at Mid-Bay Interchange
  - Entrance ramp from US-98 to Mainline I-10 Eastbound
  - Exit ramp from Mainline I-10 Westbound to US-98

These eight toll sites will be required to accommodate the All-Electronic Toll (AET) program for the Project.

Exhibit 3-2: Tolled Route Map



Chapter 4 – Project Background and History

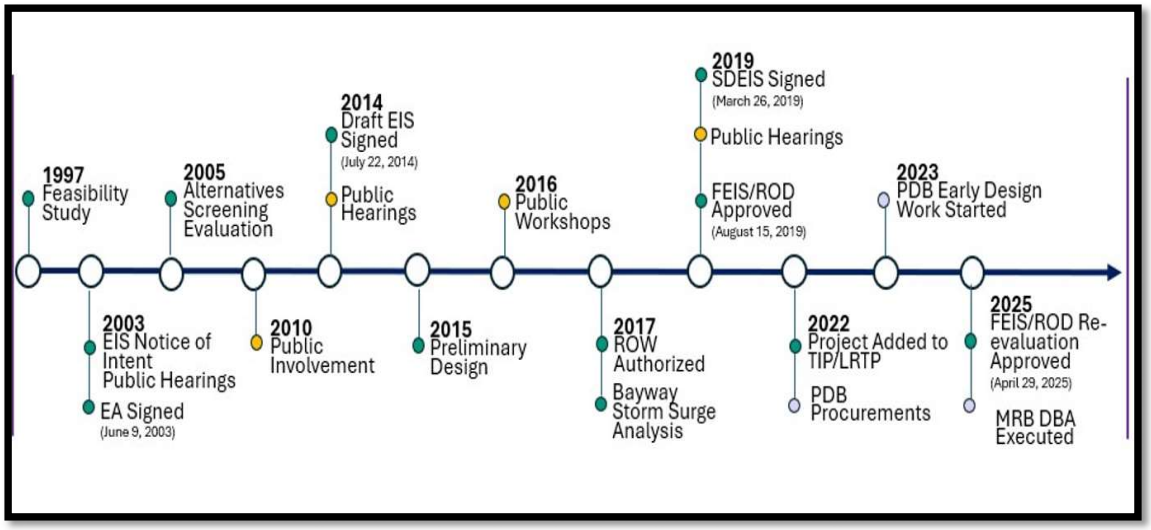
Project Planning

The preliminary project planning and development of the corridor, including the required environmental reviews, began over 25 years ago. The Project development process was undertaken in accordance with the National Environmental Policy Act (NEPA), Federal Highway Administration (FHWA) regulations, ALDOT requirements, and other applicable federal, state, and local laws. Issues considered during the NEPA process included potential impacts to the social, natural, and human environments. Resource categories evaluated in the NEPA document include water resources (including wetlands and streams), biological resources, noise, air quality, cultural/historic/archaeological resources, federally protected species, hazardous materials sites, and socioeconomic considerations (including environmental justice and maritime/shipping impacts). The NEPA document and Record of Decision covers both the current Project and the replacement of the existing Bayway, to be undertaken in the future.

FHWA and ALDOT led the planning process, with the support of various consulting firms. The Alabama Division of FHWA has been heavily involved in this Project since the Feasibility Study was completed in 1997. Representatives from the FHWA attended all public meetings and public hearings throughout the life of the Project. The U.S. Army Corps of Engineers, the U.S. Coast Guard, and other entities served as Cooperating Agencies and/or assisted on the NEPA document.

In 1997, a Feasibility Study examined constructing a bridge over the Mobile River near Mobile's central business district, which would alleviate congestion in the Wallace Tunnel. Three initial Build Alternatives were considered in an Environmental Assessment (EA) that was signed by FHWA in 2003. As a result of concerns related to visual impacts of the bridge on historic properties, FHWA elevated the level of documentation to an Environmental Impact Statement (EIS). In the years since, several alternatives have been considered. See **Exhibit 4-1** for a historical Project timeline.

Exhibit 4-1: Project Timeline



Conceptual/preliminary designs for the Project were developed by external consultants under contract to ALDOT. Refinements to the overall design have been made by the selected Design-Builder. These refinements have been closely coordinated with ALDOT, FHWA, and ALDOT's Owner's Project Management Team and Owner's Design Management Team.

Measures have been taken to avoid and minimize environmental impacts to the extent practicable. Where impacts cannot be avoided, mitigation will be provided to address those impacts. The following paragraphs summarize the primary mitigation measures and environmental commitments that will be implemented as part of this Project.

Lighting

Lighting associated with the bridge approaches, bridges, ramps, roadway widening, and other components of the Project will be designed to meet current design criteria, while minimizing light pollution, particularly in residential areas along the I-10 corridor. Measures to minimize light pollution on historic resources will be developed with input from the State Historic Preservation Officer (SHPO) and Section 106 Consulting Parties through an Aesthetic Steering Committee which has been established by ALDOT.

Bridge Aesthetics

Opportunities to incorporate bridge aesthetics and contextual design of the proposed Project will be developed as the design progresses with input from the SHPO and Section 106 Consulting Parties through the Aesthetic Steering Committee to provide an aesthetically pleasing bridge.

Archaeology

Phase 3 archaeological surveys were conducted by ALDOT and its consultant team to clear the right-of-way for land-disturbing activities. The results of these surveys have been communicated to the SHPO, Section 106 Consulting Parties, and tribes. By letter dated December 13, 2023, SHPO concurred that archaeological surveys for the Project have been completed and land-disturbing activities related to the Project can commence.

Historic Battleship Park

Access to the USS ALABAMA Battleship Memorial Park will be maintained before, during, and after construction of the proposed Project, and a new signage plan will be developed in consultation with the Battleship Park Commission and implemented as part of the Project to direct visitors to the Park.

Vibrations

To minimize the potential for impacts to structures during construction, vibrations will be limited to a maximum level of 0.5 inch per second for modern structures and 0.1 inch per second for historic structures at the location of the structure. Pre- and post-construction surveys will be conducted, and any damage will be repaired in accordance with ALDOT Specification 107.12, 107.14 and 107.15 Protection and Restoration of Property, Landscape and Utility Facilities, 36 CFR 800.12 Emergency Situations, and 36 CFR 68 The Secretary of Interior's Standards for the Treatment of Historic Properties.

Bicycle and Pedestrian Facilities

ALDOT will construct a bicycle and pedestrian shared use path from the I-165 southbound on-ramp at Bay Bridge Road to the Cochrane-Africatown USA Bridge. ALDOT will retrofit the Cochrane-Africatown USA Bridge to provide two protected bicycle and pedestrian lanes (one on each side of the bridge). ALDOT will work with municipalities to extend this route to downtown Mobile and to Battleship Park. ALDOT will perform these bicycle and pedestrian improvements separately from the MRBB Project.

Existing pedestrian facilities within the Project limits shall be reviewed for compliance or replaced to meet design criteria under the Americans with Disabilities Accessibility Guidelines or the Proposed Accessibility Guidelines for Pedestrian Facilities in Public Right-of-Way. Any facilities that do not meet the design criteria will be replaced.

Drainage

ALDOT will coordinate with the local municipalities to assure compatibility with the Project's drainage system with their drainage improvement programs.

Drainage associated with any discharges into the D'Olive Creek Watershed will be designed to achieve a sediment reduction of 80 percent.

Stormwater

ALDOT will continue sweeping the Bayway bridges to remove particulates that have accumulated on the shoulders of the bridges.

ALDOT will utilize open grade friction course (OGFC) pavements on the I-10 roadway segments on the proposed Project, excluding bridges and tunnels.

ALDOT will evaluate the use of vegetated filter strips on the shoulders and slopes on this Project where practicable.

ALDOT will continue to partner with local organizations on environmental stewardship projects to help improve water quality in ALDOT's Southwest Region.

Wetlands, Submerged Aquatic Vegetation (SAV), Essential Fish Habitat, and Coastal Zone

ALDOT has committed to a mitigation ratio of 1.5 to 1 for wetlands and a mitigation ratio of 2 to 1 for SAVs. A marsh island and SAV planter will be constructed to mitigate impacts on wetlands and SAV. This approach has been developed in consultation with the U.S. Army Corps of Engineers (USACE), U.S. Fish and Wildlife Services (USFWS), National Oceanic Atmospheric Administration (NOAA) - Fisheries, Alabama Department of Conservation and Natural Resources (ADCNR), Alabama Department of Environmental Management (ADEM), and the US Environmental Protection Agency (USEPA).

To minimize impacts on aquatic species during pile driving operations in the water, the Design-Builder will:

- Use a ramp-up pile driving procedure during the installation of piles in water. This procedure allows for a gradual increase in noise levels so that species have time to leave the area prior to full noise levels being released by pile driving.
- Implement an Erosion and Sediment Control Plan to minimize the suspension of sediments in the water during construction.

ALDOT and the Design-Builder coordination with ADEM shall occur to develop practical atypical construction best management practices deemed necessary during the permitting process.

Threatened and Endangered Species

The USFWS issued an Incidental Take Permit and prescribed reasonable and prudent measures to be taken as well as Terms and Conditions that must be met for the Incidental Take provisions to be valid for the Gulf sturgeon and red-bellied turtle. Coordination with the USFWS during Project development and implementation shall be maintained throughout the Project.

The Design-Builder will also adhere to the Alabama Standard Manatee Construction Conditions which will protect the manatees and sea turtles during construction.

Environmental Justice

While direct impacts on environmental justice communities are not anticipated, indirect impacts associated with toll diversion/avoidance may occur. As a result, ALDOT has developed the Africatown Steering Committee and committed to numerous projects and studies to lessen potential impacts on the community. ALDOT has met with the Steering Committee over the last few years and has begun implementing various mitigation measures, including installation of new traffic signals and other projects that were developed in collaboration with the community.

Alabama Department of Conservation and Natural Resources (ADCNR) Facilities

The Project will avoid impacts to access to ADCNR's Five Rivers Delta Resource Center, Meaher State Park, and public boat ramps along the US-90/US-98 Causeway. The Project will avoid acquiring right-of-way from the Five Rivers Delta Resource Center, Meaher State Park, and public boat ramps along the US-90/US-98 Causeway.

Special care will be taken to avoid night-time construction noise impacts on Meaher State Park through coordination with the ADCNR. Construction noise levels at the nearest campsite at Meaher State Park Campground resulting from nighttime construction activities related to the proposed Project will be monitored by the Design-Builder. Noise levels exceeding 70 decibels A (dBA) between 10:00 p.m. and 7:00 a.m. will require prior coordination with Meaher State Park.

Access Management Plan

ALDOT will develop an access management plan to help facilitate access to and from destinations along the US-90/US-98 Causeway. Strategies included in this access management plan may include installing traffic signals, medians with U-turns, mid-block signals, as well as other appropriate techniques. The access management plan will be implemented prior to tolling commencement.

Non-Tolled Route

ALDOT will maintain a non-tolled route across the Mobile River and Mobile Bay. The non-tolled route will include the existing US-90/US-98 Causeway, the Bankhead Tunnel, the Wallace Tunnel, and the Cochrane-Africatown USA Bridge.

Hazardous Materials

Preliminary hazardous materials investigations were conducted at 12 sites prior to acquisition of right-of-way for the Project. The investigations focused on soil and groundwater contamination related to site conditions and determined that no major contamination issues exist. The studies also identified limited areas where soil and/or groundwater contamination will require additional consideration prior to and during construction. Additional hazardous materials studies will be

performed prior to construction to ensure hazardous materials are identified and properly handled during construction.

Access to Austal

Continuous access to Dunlap Drive and Addsco Road will be maintained at all times unless approval from Austal is obtained at least 30 days prior to the required road closures.

NEPA Documentation

The Combined Final Environmental Impact Statement/Record of Decision (FEIS/ROD) was signed by FHWA on August 15, 2019. FHWA filed a Notice of Limitation on Claims for Judicial Review for the FEIS/ROD in the *Federal Register*. No legal challenges were received during the 150-day statute of limitations period. The Reevaluation of the 2019 Combined FEIS/ROD for the Project, which was required to reflect modifications to the Project since 2019, was signed by FHWA on April 29, 2025.

The permits listed below will be required from Federal and state agencies prior to construction of the Project. The agencies that will issue these permits and certifications are either Cooperating Agencies or have been involved throughout the project development process. The Design-Builder and/or ALDOT are responsible for preparing and obtaining the necessary permits which will be submitted prior to construction and based on more detailed design. Information related to each type of permit is listed below.

USCG Bridge Permits

Bridge permits from the United States Coast Guard (USCG) will be required for the Mobile River Crossing and for the I-10 Bayway Crossings of the Tensaw, Apalachee, and Blakeley Rivers. The USCG is a Cooperating Agency on this Project.

Section 401/404/10 Joint Permit Application and Notification (Individual Permit)

A Section 401/404/10 Joint Permit Application and Notification (Individual Permit) will be required for the proposed Project. A Coastal Zone Consistency Determination will be issued as part of this joint permit to satisfy the requirements of the Coastal Area Management Program. The United States Army Corps of Engineers (USACE) is a Cooperating Agency on this Project. Coordination has been maintained with the USACE to ascertain specific permit requirements under Section 10 of the Rivers and Harbors Act of 1899 and Section 404 of the Clean Water Act (CWA). The USACE's Operations Division will perform a Section 408 review of the Project concurrently with the review of the Joint Permit Application. The ALDOT and its consulting engineer (Michael Baker) are confident that all required USACE permits will be obtained prior to NTP for Construction.

Federal Aviation Administration (FAA) Forms 7460-1 and 7460-2

FAA Forms 7460-1 and 7460-2 will be required to obtain permits for permanent project components, such as the main span, main span towers, cables, and lighting, as well as temporary, construction-related project components, such as cranes. Form 7460-1 is a Notice of Proposed Construction or Alteration, which must be submitted during the design phase to obtain input from the FAA that might affect design considerations or requirements. Form 7460-2 is a Notice of Actual Construction or Alteration, which must be submitted and approved prior to commencing construction.

Section 7 Endangered Species Act, Incidental Take Permit for Gulf Sturgeon, and Red-Bellied Turtle

Special coordination and formal consultation activities have been conducted with the United States Fish and Wildlife Service (USFWS) related to the Endangered Species Act. An Incidental Take Permit from USFWS was required because of the possibility of inadvertent harm to Gulf sturgeon and Red-bellied turtles because of construction activities related to the Bayway widening. A Biological Opinion/Incidental Take Permit was granted by USFWS and is included in the Draft Environmental Impact Statement (DEIS).

Section 402 of the Clean Water Act, National Pollutant Discharge Elimination System (NPDES) Construction General Permit

An NPDES Construction General Permit will be obtained from ADEM for construction of the proposed Project. The NPDES permit requires implementation of appropriate Best Management Practices (BMPs) and monitoring that will minimize impacts to water quality throughout the Project. BMPs will be developed as provided in the *Alabama Handbook for Erosion Control, Sediment Control, and Storm Water Management on Construction Sites and Urban Areas.* BMPs and a monitoring plan, including special provisions to adhere to ADEM requirements for a priority construction site that crosses impaired waterbodies listed pursuant to Section 303(d) of the CWA, will be required.

Other Permits Required

The Mobile area is served by six railroads, including five Class-I railroads. The five Class-I railroads converge at the Port of Mobile, providing intermodal service for imports and exports. The Project will directly impact most of the railroads located within the Project study area, but the West High-Level Approach and Main Span Bridge will cross over the tracks of CSX Transportation (CSXT) that run along the west side of the Mobile River. ALDOT and the Design Builder will work with CSXT to make sure the proper construction agreement, flagging agreement, and permits are in place for roadway work near the tracks and for the bridge crossing over the tracks. These agreements and permits will also cover any at-grade rail crossing work, temporary construction access, and the installation of drainage and utilities under the railroad tracks will be required as part of the Project. These agreements and permitting will be

accomplished during the preconstruction and prior to the Notice to Proceed (NTP) for Construction.

In addition to the above-listed Federal and state permits, additional permits from local municipalities may be required for construction-related activities. Coordination with affected municipalities is ongoing and cooperative agreements with ALDOT will be established prior to construction.

Chapter 5 – Project Details

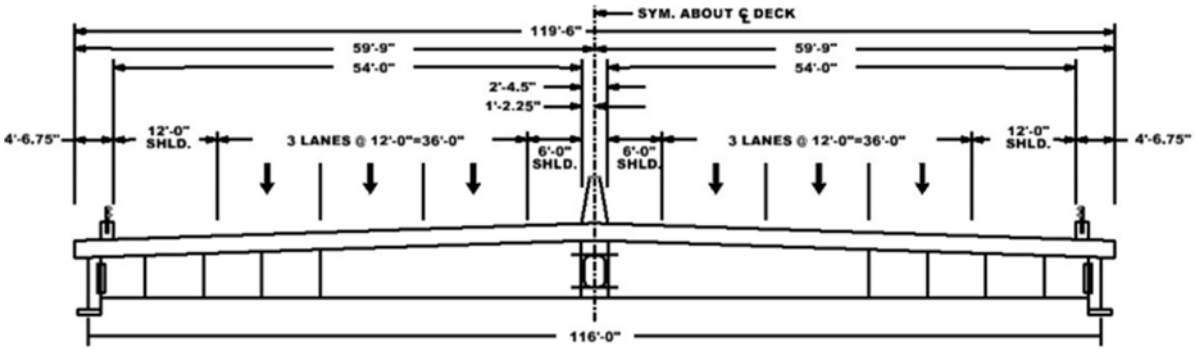
Highway Design-Build Construction

The design criteria for the Project are consistent with the current practices and standards of ALDOT and the American Association of State Highway and Transportation Officials (AASHTO). Design criteria and typical sections were based on existing (2029) and projected (2049) traffic forecasts and the long-range vision of the I-10 corridor, as defined by the Alabama Strategic Highway Corridor program and the Alabama Intrastate Corridor System. Future traffic projections on the facility were based on the design year of 2049 and assume the facility is tolled. Design guidelines were based on the desirable roadway standards from AASHTO's *A Policy on Geometric Design of Highways and Streets* (2018) and the ALDOT Roadway Standard Drawings.

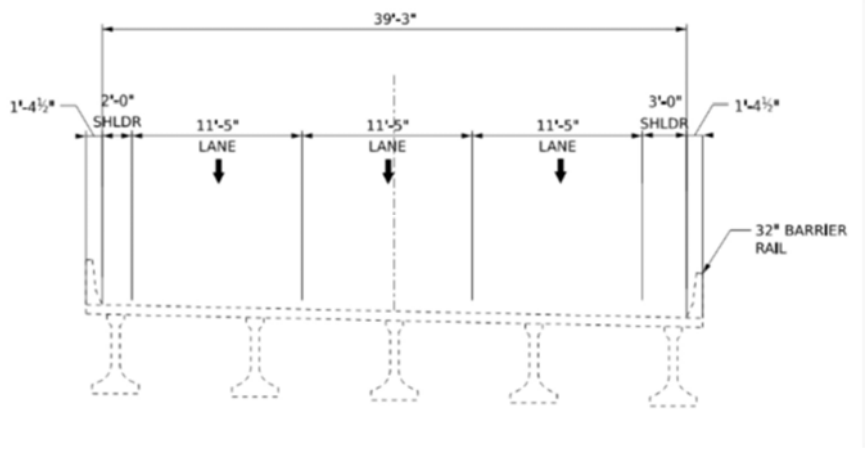
The design and construction of all local crossroads, ramps, widening, and improvements are of sufficient length to tie to existing facilities based upon the current guidelines and standards. The local crossroads were designed for the appropriate speeds based upon the functional classification and for the speed consistent with the current posted speed limits. The posted speed limit for the Project will be 65 MPH.

Typical sections have been developed for the Project. These typical sections are depicted in **Exhibit 5-1**.

Exhibit 5-1: Typical Sections



PROPOSED MOBILE RIVER BRIDGE MAIN SPAN
TYPICAL SECTION



PROPOSED BAYWAY RESTRIPING
TYPICAL SECTION

PAVEMENT

New pavement will be required for the MRBB Project along the I-10 mainline and ancillary roadways from Broad Street in Mobile to portions of the Eastern Shore Interchange in Daphne. The pavement will be designed in accordance with the AASHTO Guide for Design of Pavements and ALDOT 390 "Procedure for Preparing Materials Reports and Conducting Soil Survey." The pavement may consist of either rigid or flexible pavement. Since traffic volumes are relatively consistent on the corridor, the pavement design should contain only minimal differences due to localized soil discrepancies. The flexible pavement can be constructed for a 20-year design with three stage construction consisting of the initial paving and subsequent maintenance paving at 12 years. Local ancillary roadways will be rehabilitated through removing some of the in-place asphalt and placing a new wearing surface layer.

BRIDGE AND WALL STRUCTURES

Bridge design and construction criteria for the Project's bridges conform to the most current versions of the AASHTO *Load and Resistance Factor Design (LRFD) Bridge Design Specification*, ALDOT *Structure Design Manual*, ALDOT *Quality Control Manual for Bridge Plan Detailing*, and ALDOT "Guidelines for Operation." The Design Life and Service Life for the Bayway, Main Span, and High-Level Approaches are 100 years, all other roadway bridges will be 75 years. Construction and materials shall be in accordance with ALDOT Standard Specifications for Highway Construction (2022). Bridge materials include non-prestressed cast-in-place concrete, prestressed precast concrete beams, precast post-tensioned deck panels, and various steel members.

The MRBB Project will add an alternate route across the Mobile River in addition to the Wallace Tunnel, which is the primary interstate route prior to Substantial Completion. The new cable-stay

bridge will provide sufficient clearance for the maritime traffic using the Mobile River. The bridge's High-Level Approaches will begin approximately 5,500 feet west of the navigation channel to achieve the required vertical clearance and to minimize impacts to the shipping industry and environment. The High-Level Approaches will begin just east of Virginia Street in the City of Mobile and end east of the Wallace Tunnel between the East Tunnel Interchange and Tensaw River.

HYDRAULICS

Stormwater conveyance is designed in accordance with criteria provided in the ALDOT *Hydraulic Manual*, ALDOT *Guidelines for Operation*, and ALDOT "Memorandum regarding Departmental Hydrological/Hydraulic Software Programs."

The Design-Builder has completed the preliminary hydraulics design scope of work for the Project. The following milestones have been achieved:

- Preliminary design for all storm drainage systems within the Project limits.
- Preliminary Culvert and Bridge Survey Reports for structures.
- Preliminary design of the Erosion and Sedimentation Control Plans.
- Analyzed existing culverts and cross pipes adjacent to the Project and within the Project.

The completed hydraulic design will include final design of storm drain systems, replacement of any structurally or hydraulicly deficient culverts and, if necessary, Conditional Letter Of Map Revision (CLOMR) packages for Federal Emergency Management Agency (FEMA) regulated streams impacted by the Project.

LIGHTING

The design of all illumination systems will conform to the latest edition of the AASHTO "*Roadway Lighting Design Guide*", the published guidelines of the FHWA and Illuminating Engineering Society of North America (IESNA), and in accordance with any specific requirements of ALDOT and the Alabama Toll Road, Bridge, and Tunnel Authority. Roadway lighting is required along the Project corridor, including interchanges and underpasses, from Virginia Street to the Eastern Shore of Mobile Bay at the US 98 interchange in Spanish Fort / Daphne. Continuous roadway lighting is required along mainline I-10 through the Project. Interchange lighting will be installed or upgraded at each major interchange. Due to the extent of the corridor and the methods of construction, the lighting includes traditional roadway lighting, high-mast lighting, and transitions to tunnel lighting.

Strobe or flashing lighting may be required in accordance with FAA and USCG policies for the main-span bridge, the east and west tower structures of the bridge, and the high-level approaches. The USCG also has requirements for Aids to Navigation for the main crossing of the Mobile River and other navigable waterways through the Project corridor.

Environmental concerns for lighting include Light Trespass, such as spill light (light outside of the roadway right-of-way), sky glow (unwanted light in the atmosphere), and glare. All these concerns have mitigation techniques that coincide with the design and construction of the lighting fixtures, mounting height, head type, illuminance levels, and spacings used. All lighting shall be coordinated with the USFWS and FAA to meet permit requirements.

For the roadway lighting criteria, the safety of drivers and pedestrians (where present) is the primary concern. The IESNA has developed recommended practices for roadway lighting design based on the type of roadway constructed.

The Project includes aesthetic lighting for the main span bridge crossing the Mobile River. An Aesthetic Steering Committee has been developed to provide input into the overall aesthetics on the Project including the aesthetic lighting. As the design process developed, the Aesthetic Steering Committee was asked to provide input on design components which will include, but not be limited to, lighting technology, aesthetic lighting, and light fixtures.

SIGNING and PAVEMENT MARKINGS

Distinctive and adequate signing is a necessity for major highway facilities. Signs are a means by which the user can safely be guided through the I-10 MRBB Project corridor. Large directional signage, regulatory signs and warning signs will be provided. Signs along existing intersecting highways and thoroughfares will be modified as necessary to provide clear directions to the new toll facility. Special roadway guide signs in advance of the toll zones will be used to inform drivers of the various routes and payment options.

The development of signing plans is underway by the Design-Builder. These plans will address all existing and proposed signs including static roadway signs, overhead guide, ground mounted guide, toll related, and ITS dynamic message and fog warning system signing. Signage will be developed in accordance with the latest editions of the Manual on Uniform Traffic Control Devices (MUTCD), AASHTO's Standard Specifications for Structural Supports for Highway Signs, Luminaries, and Traffic Signals, "Guidelines for Preparation of Signing Plans for Design-Build Projects", and ALDOT standard and special drawings for sign structures.

All overhead sign assemblies shall be designed, fabricated, and installed by the Design-Builder and shall meet AASHTO 2013 Standard Specifications for Structural Supports for Highway Signs, Luminaires and Traffic Signals, 6th Edition with 2015, 2019, 2020, and 2022 Interim Revisions, using a minimum wind speed of 150 MPH.

In addition to the signing plans and help with driver awareness, pavement marking plans will be developed to identify edge and lane line striping, stop lines, crosswalks, lane arrows, turn lanes, gore areas, route symbols and markings, raised pavement markers, object markers, delineation, and other required markings in accordance with the FHWA, MUTCD, and ALDOT design standards and drawings. The pavement marking plans will include all temporary pavement marking, as well as existing pavement marking to remain in place, during construction.

TRAFFIC SIGNALS

New traffic signals are included in the MRBB Project. This work includes, but is not limited to, the preparation of Traffic Signal Plans; Electrical, Phasing, and Programming Details; Communications Cable & Conduit Routing Plans; and Project Standard and Special Provisions. These plans are being prepared in accordance with the Design-Build Technical Provisions, the MUTCD, and the ALDOT Traffic Signal Design Guide and Timing Manual, June 2015.

The Design-Builder is responsible for providing the safe and economical traffic signal system design for the public while ensuring that all plans and designs conform to ALDOT design standards and the MUTCD. These plans and associated design material and specifications are being reviewed and approved by ALDOT before installation.

The Project scope of work includes four (4) new or modified traffic signals for the Project. These will be located at the Canal / Water Street Interchange and the Mid-Bay Interchange. In addition, the Design-Builder will install Closed-Circuit Television (CCTV) cameras at each signal. These systems will be connected to ALDOT's Traffic Management Center (TMC), located near the Bankhead Tunnel in downtown Mobile. The signal control will serve as part of the communication system for the connection between existing traffic signals and the new traffic signals that are maintained by ALDOT through the TMC.

The Traffic Signal System must 1) provide traffic movement based on ALDOT's and Design-Builder's signal warrant and traffic analysis; 2) provide communication between traffic signals, the ALDOT TMC, and the City of Mobile traffic operations center; 3) accommodate pedestrians as required by local, state, and federal regulations, and the Contract Documents; 4) include non-invasive pedestrian and vehicle detectors at all traffic signals within the Project limits; 5) provide temporary traffic signals at any location that currently has traffic signals and will be removed for construction, or locations that are required to maintain proper levels of service during construction; 6) provide an uninterruptible power supply for each traffic signal to maintain operation of the traffic signals in the event of a power outage

All electrical installations and coordination are the responsibility of the Design-Builder and must meet the National Electrical Code (NEC), state, and local codes. All electronic equipment and devices must be from ALDOT's approved products list.

INTELLIGENT TRANSPORTATION SYSTEMS

The MRBB Project will include Intelligent Transportation Systems (ITS) infrastructure and operational systems to support the ALDOT TMC with the overall management of traffic flow and performance. The ITS will detect traffic operational conditions throughout the Project limits and assist with a timely response to incidents. Other important operational components of the system will be to monitor and warn of fog related low visibility issues,

communicate travel information to motorists, and connect the Roadside Toll Collection system (RTCS) to the ALDOT TMC.

The Design-Builder will design and construct a fully functional ITS for the Project. The ITS equipment and infrastructure will be compatible with the ALDOT Advanced Traffic Management System. The Design-Builder will coordinate ITS planning and implementation with ALDOT and cooperate with other Governmental entities that have roadways within or intersecting the Project.

The ITS infrastructure will complement similar ALDOT systems in the region and will meet or exceed ALDOT's ITS performance requirements. The Project elements comprising the ITS include:

- A fiber-optic network (backbone), in combination with leased commercial circuits, provides a redundant communication network for the toll systems and the ITS. The communication network will be configured to connect toll locations, ITS devices including cameras and traffic data collectors, traffic signals, dynamic message signs, and the fog warning system to the ALDOT TMC.
- Motorist safety will be enhanced by the inclusion of a low visibility fog warning system that proactively monitors fog and other visibility restricting conditions at deck level on the high-level approaches, main span bridge, and across the bay. This system will be located at locations throughout the Project alignment.
- Traffic count and vehicle detection devices will be located throughout the Project corridor. At a minimum, these will be located on eastbound and westbound I-10 between interchanges and near the RTCS.
- CCTV camera locations will be located at ITS pole locations spaced every ½ mile through the Project corridor to provide sufficient coverage of the Project. Cameras will also be located at signalized intersections to monitor traffic at these interchanges.
- Electronic Dynamic Message Signs (DMS) will be in advance of key decision points relative to major cross routes or alternative routes. These signs will be connected to the ITS backbone and will give the ALDOT TMC the ability to monitor these signs and post urgent messages for motorists.
- Three weather sensors will be provided for atmospheric, temperature, wind speed, and fog monitoring along the Project. Two locations will be for the east and west towers on the main span bridge. A third location will be at the Mid-Bay interchange.

TOLLING INFRASTRUCTURE

Toll Signing

Special roadway signing will be used to inform drivers of the unique characteristics of the toll collection program on the Project. ALDOT toll collection program signing standards have been developed and are being utilized by the Design-Builder for these signs.

Signing on the I-10 corridor, placed in advance of the toll facility, will inform drivers of the upcoming toll, the cost of the toll, and the last opportunity to exit to maintain travel on a toll-free roadway. ALDOT sign standards also include posting signs before each entry to the toll facility, on mainlines or ramps, which identify the facility as a tolled road and present the options for customer payment (transponder or license plate).

Toll Infrastructure

The design and construction of the toll infrastructure is included in the scope of work of the Design-Builder. The installation of the roadside toll collection equipment will be procured under a separate contract and is not included in the Design-Builder's' scope of work.

Major components of the toll infrastructure consist of:

- Toll equipment gantries.
- Tolling loop pavement through the toll sites.
- Communications conduit, power conduit, and junction boxes.
- Toll equipment maintenance pads.
- Toll maintenance vehicle pull-off areas.
- Electrical service and backup generators.

CONSTRUCTION OVERSIGHT

ALDOT is responsible for the construction management of the MRBB. ALDOT, on behalf of the Authority, is procuring professional services to provide Owner Verification services to assist with the oversight of construction inspection, material testing, and fabrication yard oversight. ALDOT will also utilize its Owner's Project Manager Team to monitor the Design-Builder to ensure that the design and construction are in compliance with contract requirements, and federal/state laws and regulations. At the direction of the Authority and ALDOT, the Owner's Project Manager will also be responsible for managing the Owner Verification firms and for oversight of the Design-Build team's Independent Quality Firm (IQF).

The Design-Builder is required by ALDOT to produce and implement a comprehensive Construction Quality Management Plan (CQMP). This plan includes the policies, practices and procedures the Design-Builder will use to satisfy ALDOT's construction standards. With its CQMP, the Design-Builder is responsible for conducting all quality control inspection and testing of its work. ALDOT required the Design-Builder to procure the services of an IQF to provide impartial monitoring services on the Project. The IQF is charged with quality assurance duties

that include construction inspection, materials testing, review of environmental permit monitoring and fabrication yard product inspection.

AESTHETICS

The MRBB is the largest Project the State of Alabama has procured. Pursuant to ALDOT's desires and environmental commitments, landscaping and aesthetic treatments will be provided along the Project corridor.

This segment of I-10 is vital to interstate commerce and is a milestone for many out-of-state drivers traveling to the beaches along the Gulf Coast. Aesthetics has been a major consideration in the development of the MRBB Project since it was originally conceptualized. Furthermore, the Project is unique in that the alignment goes through nearly each major landscape type. Traveling from west to east, the Project begins as a greenbelt, a high-speed interstate roadway leading to a transition area that continues onto the Bayway. The West High-Level Approach structure rises over the urban environment of downtown Mobile, carrying travelers high above the landscape and onto the Main Span Bridge over the Mobile River. The Main Span Bridge will be a new six-lane, state-of-the-art cable-stayed bridge across the Mobile River. The bridge will provide a major route across the Mobile River in addition to the Wallace Tunnel, which is currently I-10's primary route. The two tower pylon locations will support a portion of the bridge (approximately 2,575 feet) that is constructed using cable-stay construction. The west tower pylon will be on land near the west side of the Mobile River, and the east tower pylon will be near the Pinto Pass peninsula, located near the east side of the river. Once across the river, the Project brings travelers back down via the East High-Level Approach structure that connects to the existing Bayway bridges. The high-level approaches for the bridge will begin approximately 5,500 feet east and west of the navigation channel to achieve the required vertical clearance and to minimize impacts to the shipping industry and environment.

To achieve a project that is attractive, functional, and appropriate for its context, and to satisfy commitments made as part of the environmental process, ALDOT developed an Aesthetic Steering Committee (ASC). The ASC, which is comprised of members who represent communities on both sides of Mobile Bay, advises ALDOT on its preferences related to the aesthetic components of the Project. Input from the ASC, along with ALDOT's requirements, is the basis for the Project Aesthetic Guidelines used on the Project. The Design-Builder will design and construct a pedestrian path to the west main tower. The path will include a sidewalk along Eslava Street that will run from Water Street to the West Tower of the Mobile River Bridge. This path will also include an at-grade crossing of the railroad at Eslava Street.

The Project will have a distinctive aesthetic character, making it a distinguishable portion of I-10 within Alabama and the Gulf Coast Region. ALDOT's purposes in setting a high aesthetic standard for the facility are to:

- Encourage the attraction of users, by giving the road an iconic look;

- Provide enhanced travel experience for users who will be paying to use the road; and
- Create community amenities for the Mobile and Baldwin County area with the potential to attract public support and additional investment.

The Aesthetic Design Guidelines, including architectural guidelines for the toll zones, bridges, retaining walls, sound walls, and sign structures, were developed by ALDOT, in close coordination with ALDOT's MRBB Project Management staff. The Aesthetic Steering Committee was consulted to assure that the design is appropriate for the context in which the I-10 MRBB Project will be located. The style and detailing of the aesthetic themes were inspired by regional architectural, cultural, and environmental themes.

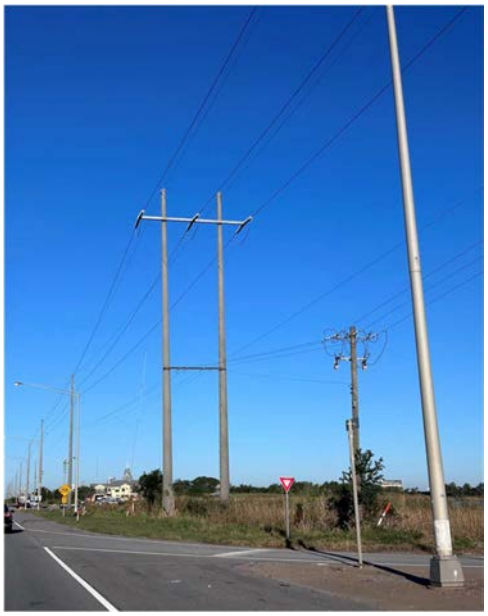
UTILITY ADJUSTMENTS

The Design-Builder will oversee all the utility relocation work for the Project. The Design-Builder will work with ALDOT and the applicable Utility Owners to complete this work.

The Design-Builder will follow the guidelines listed below in the contract documents:

- ALDOT Utilities Manual
- ALDOT Construction Manual
- ALDOT Guide For Operations 3-14
- AASHTO Guide for Accommodating Utilities Within Highway Right-of-Way
- AASHTO Policy on the Accommodation of Utilities Within Freeway Right-of-Way
- American Society of Civil Engineers (ASCE) C-1 38-22 Standard Guideline for Investigating and Documenting Existing Utilities

As with most projects, timely utility relocations are a challenge. The Design-Builder will work to mitigate delays through coordination with ALDOT, local municipalities, and Utility Owners. The Design-Builder will have a utility agreement and hold meetings to communicate with each Utility Owner as necessary to timely accomplish the relocations. Each Utility Agreement will include a master agreement, a Utility conceptual design package, and Utility final task order packages. The Design-Builder shall prepare and maintain a document of cost records and reports which will include daily inspection records, costs for doing relocation work, reimbursement costs, and meeting notes from meetings with Utility Owners.



In addition to municipal water and sanitary sewer ("wet" utilities) within the various municipalities, the impacted "dry" utilities include the following companies:

- AT&T
- Alabama Power Company
- Uniti Fiber
- Comcast Cable
- Spire
- Lumen (CenturyLink/Qwest/Madison River Communications/ASCI)
- MCI/Verizon
- C-Spire
- City of Mobile (Fiber)
- Windstream
- Austal Fiber (private line)



The Design-Builder's price will include the cost of relocating water and sanitary sewer lines. The cost for the relocation of "dry" utilities will be paid by ALDOT if the utility demonstrates compensable interest. In those cases where the utility owner wishes to provide additional capacity or correct existing deficiencies, the utility owner will reimburse ALDOT for these betterment costs.

Chapter 6 – Project Implementation

Highway Construction

HIGHWAY DESIGN-BUILD CONSTRUCTION

The MRBB is being constructed utilizing the progressive Design-Build (PDB) delivery method. The Project will include a new six-lane cable-stay bridge with 215 feet of air draft clearance over the Mobile River, improvements west of the river to the Broad Street interchange, and a portion of new Bayway that will connect to the existing Bayway bridges. Completion of the Project will address the Purpose and Need and will eliminate the major traffic bottleneck on the corridor.

The PDB Model is an alternative delivery model where the PDB team is selected solely based on their qualifications. As the owner, ALDOT has one contract, a Design-Build Agreement with the PDB team. The PDB team includes a contractor(s) responsible for construction along with a consultant(s) responsible for design. The PDB team works collaboratively with the owner to develop a sufficiently detailed design (typically to 60-90% completion) to establish a Guaranteed Maximum Price (GMP). Once the GMP has been negotiated and agreed to by the parties, the owner issues an Amendment/Notice to Proceed for Construction whereby the PDB proceeds with final design and construction. If a GMP cannot be agreed upon by the parties, the owner has the flexibility to dismiss the PDB team with no further contractual commitment to the Project.

The PDB Model provides several benefits. With the early collaboration on the preliminary design, there is a broader understanding and achievement of the owner's Project goals including better certainty of completing the Project on schedule. The PDB model allows the owner flexibility to accept or reject the PDB Team's GMP proposal, thus reducing the risk to the owner of being in an unsatisfactory contract. The owner benefits from working side by side with the PDB team to develop innovative solutions to find improved Project outcomes and cost savings. Project risks are identified and resolved jointly between the PDB team and the owner and can lead to less construction claims. Lastly, the PDB process increases price certainty since the Design-Builder, the owner, and the owner's Independent Cost Estimator (ICE) work together to establish and reconcile Project costs collaboratively.

The Authority issued the Request for Qualifications and Proposals for the Mobile River Bridge portion of the Project on September 2, 2022, and a Request for Qualifications and Proposals for the Bayway portion of the Project was also issued on September 2, 2022. The joint venture team of Kiewit Massman and Traylor (KMT) was selected for the Mobile River Bridge portion, while a separate Design Builder was selected for the Bayway portion. The KMT team was the second-highest rated proposer on the Bayway portion. When the initially selected Bayway proposer officially withdrew their proposal, the Authority subsequently selected the KMT joint venture as the Design-Builder for the entirety of the Project.

KMT is supported by the design team led by Kiewit Engineering Group and Volkert Inc. Kiewit is the joint venture managing partner. The Authority and KMT negotiated and executed a Design-Build Agreement in June of 2024, a Second (Amended) Design Build Agreement in October of 2025, and a Third (Amended) Design Build Agreement in May of 2026.

PAYMENT AND PERFORMANCE BONDS

Prior to the beginning of any construction work, the Design-Builder is required to issue a performance bond and payment bond. The payment and performance bond are each to be in the amount of the Contract Price which equals the combination of the Guaranteed Maximum Price, the sum of all work items delivered by Fixed Price and any other binding price items agreed between the Authority and the Design-Builder, minus Preconstruction costs. The performance bond secures the Design-Builder's guarantee of its faithful performance of its obligations with respect to the Authority-authorized bonded work as set forth in the Contract Documents.

The Payment bond guarantees payment of claims by subcontractors for furnishing materials for or performing labor in the prosecution of the Authority-authorized bonded work as set forth in the Contract Documents.

WARRANTY

The Design-Builder warrants that the design is performed with the Professional Standard of Care called out in the Design-Build Agreement (DBA). The Design-Builder warrants that construction work is free of defects in materials and workmanship and is performed in accordance with Good Industry Practice. The Design-Builder warrants that materials and equipment furnished on the Project are of good quality. The Design-Builder also warrants that construction work shall meet all the requirements of the contract documents.

The DBA defines the term Correction Period, which commences upon Substantial Completion and remains in effect until one year after Final Completion. During the Correction Period, the Authority may determine that if any of the work does not fulfill the Design-Builder warranties, the Design-Builder is responsible for correcting the violation. The Design-Builder will be responsible for all costs of correction of such work.

INCENTIVE FEE AND LIQUIDATED DAMAGES

The DBA for the MRBB Project includes provisions for fee incentive and liquidated damages. Liquidated damages are assessed if the Design-Builder fails to:

- Achieve Substantial Completion on time.
- Complete the Tolling Infrastructure work by the start date of the 120-calendar day period used by the RTCS vendor to install, test, and commission the RTCS.

The Design-Builder has the ability to obtain incentive fees on the Project if the total cost of work is less than the agreed upon GMP. A Cost-Plus Incentive Fee (CPIF) model has been incorporated into the contract, whereby the Design-Builder will earn a minimum fee percentage which has the potential to increase on a proportional basis with the amount of savings on the Project as compared to the GMP. The savings share proportion between ALDOT and the Design-Builder is a negotiated value established by the DBA.

SCHEDULE

ALDOT's current Project schedule includes the following major milestones:

- Notice to Proceed (NTP) for Construction: October 1, 2026
- Substantial Completion: October 1, 2031

Exhibit 6-1 provides further details on the construction Project schedule.

Exhibit 6-1: Construction Project Schedule

Mobile River Bridge			2026										2027										2028										2029										2030										2031									
Activity Name	Start	Finish	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
Construction Start	1-Oct-26										♦																																																			
Detours and Temp Bridges	9-Oct-26	19-Feb-30																																																												
Roadway	24-Aug-27	21-Mar-31																																																												
Land Bridges	23-Oct-27	8-Feb-30																																																												
Main Span	1-Oct-26	1-Oct-31																																																												
HLA - East / Bayway Tie-In	23-Oct-26	13-Feb-31																																																											
HLA - West	26-Nov-26	12-Jun-31																																																											
Construction Complete		1-Oct-31																																																										

The Project's Technical Provisions (TPs) require the Design-Builder to use Primavera version 6.2 software for developing Project schedules. The TPs also specify the level of detail of construction activities required, and requirements for cost and scheduling loading associated with the Project schedule. The TPs require submitting a Preliminary Project Baseline Schedule (PBS-1) during preconstruction; this schedule has already been received and has been reviewed by ALDOT and its technical consultants and ICE firms. The Design-Builder is required to submit updated Project Baseline Schedules (PBS-2) at regular intervals during construction, and ALDOT along with its technical consultants will review each updated schedule. This approach is consistent with industry best practices, and ALDOT and its technical consultants and ICE are confident that the schedules developed to date are reasonable and achievable.

Based on preliminary schedules produced by the Design-Builder, the construction of the cable-stayed bridge portion of the Project is on the critical path. Accordingly, the Design-Builder has scheduled cable-stayed bridge foundation work as the first construction activity after construction notice-to-proceed. ALDOT, the Consulting Engineer (Michael Baker International), and ICE have coordinated closely with the Design-Builder on the anticipated construction of the

cable-stayed bridge and concurs that this element of the Project represents the construction critical path.

RIGHT OF WAY ACQUISITION

ALDOT acquired the right of way for the MRBB Project from 2018 to 2024. Most of the parcels acquired from the 45 tracts were commercial property. All right-of-way necessary for the Project has been acquired.

TOLL COLLECTION PROGRAM

To enable tolling of the MRBB Project, several new individual systems and professional services will be procured and utilized to meet the commencement of tolling milestone by September 2031. These include the RTCS, the Commercial Back Office System (CBOS), Customer Service Operations (OPS), and a Delinquent Back Office System (DBOS). It is the intent of the Toll Authority to provide project management oversight through ALDOT and consultant personnel.

The toll collection program will include the creation of ALGOPass, a new electronic toll collection brand that will be unique to Alabama. Tolls will be collected from customers with transponder based pre-paid accounts (ALGOPass or other interoperable programs) and through a post-paid invoicing process using captured license plate information. The Authority intends to join a regional interoperable HUB and participate in national interoperability efforts to allow seamless travel for customers between various national toll facilities.

Roadside Toll Collection System (RTCS)

The Authority will select a single vendor to design, install, operate, and maintain the RTCS for the MRBB Project. This multi-year contract will include the roadside toll technology, software, and formation and transmitting of fully formed electronic toll transactions to the CBOS.

The selected vendor will provide transponders and roadside technology that will offer a multiprotocol solution. Transponders issued by ALDOT will be procured so that they can be cost-effectively issued to customers and be electronically read by interoperable partners. Roadside equipment located at the toll sites will allow ALDOT to read transponders issued by interoperable partners.

Construction of the toll sites and facilities (Tolling Infrastructure) is required to be completed by the Design-Builder 120 days prior to the commencement of tolling. The toll sites and facilities will then be turned over to the RTCS vendor so that the toll system can be installed, tested, and commissioned prior to the start of toll collection.

It is expected that the Request for Proposals (RFP) for the RTCS will be advertised in late Spring or Summer of 2027. A performance-based contract between the Authority and the RTCS vendor is expected to be executed later in 2028.

Commercial Back Office System (CBOS)

ALDOT will select a vendor to design, install, operate, and maintain the CBOS. The CBOS includes the necessary hardware, systems, and software. This multi-year agreement will include receiving and processing transactions from the RTCS, pre-paid ALGOPass and interoperable transaction processing, customer account management, post-paid transaction invoicing, reporting, commercial website, and customer service facility hardware.

The CBOS will provide post-paid invoice processing through the initial and follow-up customer invoices, after which uncollected transactions will be sent back to ALDOT's DBOS for processing.

The CBOS will provide connectivity to the selected interoperable hub which will allow processing of interoperable pre-paid transactions.

It is expected that the RFP for the CBOS will be advertised in late Spring or early Summer of 2027, and a performance-based contract between the Authority and the CBOS is expected to be executed later in 2027.

Customer Service Operations (OPS)

The Authority will select a single vendor to design, outfit, operate, manage, and maintain an operation center and two walk-in customer service centers. This multi-year contract will include full staffing responsibilities for the three facilities. The vendor will be responsible for the staffing and training of the personnel, including managers, specialists, supervisors, and agents. The scope of work will include establishing and maintaining accounts, as well as overall customer service operations.

The Alabama based operations center will serve as a call center and base of operations for the toll collection program and most of the operations personnel will be based out of this location. Toll system hardware at the operations center will be provided by the CBOS entity.

The walk-in centers will serve as locations for customers to purchase an ALGOPass transponder, pay invoices, or conduct other toll collection related business in-person. Two walk-in centers will be operated, one in Mobile County and one in Baldwin County.

The vendor will be responsible for assisting ALDOT with the public outreach and marketing of the toll collection program. The outreach plan will educate and inform the public about travel time savings associated with the MRBB Project and the toll savings associated with the use of the ALGOPass account. These initiatives consist of outreach programs to local businesses, creative services, branding, interactive marketing, social media, as well as sales and other promotional activities. The activities will include marketing the ALGOPass transponder program with a goal to increase pre-paid transaction payment rates and customer outreach related to the establishment and ongoing operations of the Project toll collection program.

It is expected that the RFP for the OPS will be advertised in late Spring or early Summer of 2027. A performance-based contract between the Authority and the OPS vendor is expected to be

executed in 2028. The customer service program and toll account establishment will begin operations several months prior to the commencement of tolling.

Delinquent Back Office System (DBOS)

The Authority will select one or more vendors to design, install, operate, and maintain a DBOS and provide associated customer service for the MRBB. These multi-year agreements will include receiving and processing unpaid transactions from the CBOS, collections activities, interfacing with the Alabama Department of Revenue for the purposes of applying and removing vehicle registration holds, maintaining a commercial website, reporting, and providing customer service.

If a customer fails to pay post-paid transaction invoices that are issued by the CBOS, the unpaid transactions will no longer be pursued by the CBOS and will be sent to the DBOS for processing. The DBOS vendors will be responsible for all collections activities related to the pursuit of these unpaid transactions including systems and customer service.

It is expected that the RFP for the DBOS will be advertised in 2027. Performance based contracts between ALDOT and the DBOS vendors are expected to be executed in 2028.

PUBLIC INVOLVEMENT

The public has played a key role in the development of the MRBB Project, dating back to the development of the Environmental Assessment in 2003. The public involvement process used for this Project has been comprehensive and used a variety of techniques to reach stakeholders who may be affected by the proposed Project. These techniques included neighborhood and public workshops, public involvement meetings, public hearings, and other meetings with stakeholders and interested parties.

During the NEPA process, input from the public was used to develop alternatives for consideration, identify reasonable alternatives, refine the Build Alternatives, evaluate potential impacts, and develop appropriate mitigation measures to offset or lessen unavoidable impacts on resources.

Federal, state, and local agencies have been involved in this Project since its inception. The U.S. Army Corps of Engineers and the U.S. Coast Guard are Cooperating Agencies on the environmental documentation and have participated in the development of the DEIS, Supplemental DEIS, and Combined FEIS/ROD. Methods used to obtain input from agencies include in-person meetings, conference calls, and written correspondence. Input from the Federal, state, and local agencies has been used to identify appropriate mitigation measures that are listed as environmental commitments in the FEIS/ROD.

PUBLIC OUTREACH

Prior to the Project opening, ALDOT will implement a public outreach plan to inform the public about the benefits of the Project and the functionality of the tolling system for the Project. Utilization of the ALGOPass to obtain the discounted toll rate will be encouraged. The Public

Outreach plan will be assembled after the vendor for the operations center and walk in customer service centers is under contract.

Chapter 7 – Toll Collection Operations

Introduction

Toll collection operations include the collection of the correct toll amounts from customers, in accordance with the established toll rate schedule, accounting of the toll revenue, transfer of the funds into banks and among interoperable agencies and documentation of the toll collection activities.

The MRBB Project will be exclusively operated as an AET facility where vehicles are identified with transponders and license plate information. The toll collection system will construct toll transactions as vehicles pass through the toll sites at highway speeds. See **Exhibit 7-1** for an example of an AET collection site.

Exhibit 7-1: Example of Electronic Toll Zone Site



Toll collection will use pre-paid and post-paid payment methods. For the former, patrons have the option of establishing pre-paid toll accounts and obtaining transponders, which are mounted on vehicle windshields. Tolls are deducted from the customer's account as they pass through a toll site. For customers who do not pre-pay, video tolling camera equipment will process license plate capture, and they will be subsequently billed on a monthly basis for the tolls in accordance with established ALDOT polices pertaining to video toll invoicing or post-paid tolls.

Roadside Toll Collection System (RTCS)

The primary function of the RTCS is to construct a fully formed, accurate, timely, toll transaction and transmit that toll transaction to the Commercial Back Office System (CBOS). The RTCS vendor will be responsible for constructing the transactions and maintaining the RTCS. Regarding the tolling infrastructure at the toll sites and facilities, the RTCS vendor will maintain some elements including electrical systems, the backup generator, critical monitoring systems, etc. and ALDOT will be responsible for maintaining larger elements including the toll gantry, toll loop pavement, etc. The RTCS vendor will also be responsible for providing the ALGOPass transponders that will be issued to customers of the MRBB.

Fully formed transactions will be created using toll collection technology devices and systems that detect, identify, and classify vehicles. Identification will occur through the reading of a transponder, if present, or by capturing front and rear images of the vehicles' license plate and ultimately the plate number. Classification of the vehicle following the ALDOT toll rate schedule categories will take place by using roadside toll equipment that will measure the number of axles and vehicle height.

Contract performance standards will ensure that the fully formed transaction is developed with a very high degree of accuracy and is sent to the CBOS for processing shortly after travel. Accuracy of the transactions is critical, as to avoid incorrectly assigning or invoicing tolls and putting an unnecessary burden on the customer service program. Therefore, throughout the life of the Project, ALDOT will maintain an in-house RTCS project management and audit program, using systems and software provided by the RTCS vendor, which will monitor vendor performance and look to continuously improve the performance of the RTCS.

Commercial Back Office System (CBOS)

The primary function of the CBOS is to receive transactions from the RTCS, manage pre-paid toll accounts, invoice post-paid accounts, provide customer-facing systems, receive and report revenue, and interface with external entities (interoperable agencies, retail partners, financial institutions, Department of Motor Vehicles, Alabama Law Enforcement Agency (ALEA) etc.). The CBOS vendor will be responsible for maintaining all hardware and systems.

Fully formed transactions created by the RTCS and transactions from interoperable agencies will be received and processed by the CBOS. Transactions will be processed, accounts will be managed, invoices will be issued, and revenue will be received following ALDOT toll collection business policies.

The CBOS vendor will provide and maintain all hardware and systems required to operate the ALDOT customer service operations center and walk-in centers. The role of CBOS is to process and invoice post-paid transactions through the initial and second customer invoice. If the transaction is not paid by the second invoice, the transaction will be sent to ALDOT's DBOS where it will be pursued through a separate collection-based process.

Contract performance standards will ensure that the transactions are processed following the ALDOT toll collection business policies and that systems operate with a very high degree of reliability and uptime. Throughout the life of the Project, ALDOT will maintain an in-house CBOS project management and audit program, using systems and software provided by the CBOS vendor, which will monitor vendor performance and look to continuously improve the performance of the CBOS.

Customer Service Operations (OPS)

The primary function of the OPS vendor is to staff, operate, and maintain the ALGOPass operations center and walk-in centers and provide customer service and outreach to ALGOPass customers.

The OPS vendor will maintain and keep current standard operating procedures that will be based on ALDOT toll collection business policies and CBOS functionality. These procedures will define the processes related to customer interactions, account establishment and management, transponder inventory management, quality control, agency reciprocity, and financial controls.

The OPS vendor will provide staff that will from time to time perform public outreach activities at local events, businesses, and other locations with the goal of promoting the ALGOPass brand and educating the public on the MRBB toll collection system.

Contract performance standards will ensure that a customer service program that follows the Project standard operating procedures operates with a very high degree of quality and reliability. Throughout the life of the Project, ALDOT will maintain an in-house OPS project management and audit program, which will monitor vendor performance and look to continuously improve the performance of the CBOS.

Delinquent Back Office System (DBOS)

The primary function of the DBOS is to receive unpaid transactions from the CBOS and pursue the payment of this revenue through skip tracing, collections invoicing, Alabama Department of Revenue vehicle registration holds (using the ALDOT developed portal interface) and other methods. The DBOS vendors will be responsible for maintaining all hardware and systems and providing customer service (online, by phone, and in-person) for customers with delinquent tolls that have not been collected by the CBOS. The purpose of selecting more than one vendor would allow ALDOT to balance work between vendors and incentivize revenue collection efforts.

Transactions will be processed, accounts will be managed, invoices will be issued, and revenue will be received following ALDOT toll collection business policies.

The DBOS vendor will provide and maintain all hardware, systems, and staffing required to operate a fully functioning DBOS program. The DBOS vendor will maintain and keep current standard operating procedures that will be based on ALDOT toll collection business policies and DBOS functionality. These procedures will define the processes related to customer interactions, quality control, and financial controls.

Contract performance standards will ensure that the transactions are processed following the ALDOT toll collection business policies and that systems operate with a very high degree of reliability and uptime. After tolling commences, ALDOT will continuously maintain an in-house DBOS project management and audit program, using systems and software provided by the DBOS vendor, which will monitor vendor performance and look to continuously improve the performance of the DBOS.

Toll Policy, Toll Collection Business Policies, and Operations Standard Operating Procedures

Throughout the life of the Project, ALDOT will maintain key documentation that will be used to develop, operate, and maintain technology systems and customer service activities. These documents, including the Toll Policy, Toll Collection Business Policies, and Operations Standard Operating Procedures, will be based on Alabama Legislation and ALDOT staff input and guidance, and will be maintained and kept current.

Alabama Toll Legislation

Toll collection systems and operations will be based on several pieces of existing Alabama legislation. These include:

- Alabama Act 2019-501. This act created statutory caps on administrative fees associated with tolling and provided a means of enforcement via vehicle registration hold.
- Alabama Code 23-2-168. Presents the ability to collect tolls electronically, provides guidelines for account establishment, and provides the ability to collect tolls using post-paid invoicing.
- Alabama Code 23-2-169. Presents the process of how post-paid transactions are to be pursued, including guidance for toll invoicing, toll citations, allowable fees, and registration hold processes.
- Alabama Code 23-2-170. Presents the ability to purse toll collection through the filing of a civil suit.
- Alabama Code 23-2-171. Presents the owner of a vehicle is responsible and liable for payment of a citation issued for failure to pay a toll unless specified exceptions are met.
- Alabama Code 23-2-173. Presents further guidelines related to the registration hold processes and civil suit process.
- Alabama Code 23-2-174. Presents the ability to enter into agreement with other states or jurisdictions for reciprocal enforcement of toll violations.

Chapter 8 – Project Costs

Costs Expended to Date

ALDOT has incurred the following costs on the Project. These costs are budgeted by ALDOT separately from the Project costs depicted in Chapter 8.

Exhibit 8-1: Project Cost Expended to Date

Cost Expended to Date	Total Cost ($M)	
Right-of-Way	$	72.91
Pre-Construction/Environmental	$	66.80
Prior PE Cost	$	119.54
Total Cost ($M)	**$**	**259.25**

ALDOT has completed the acquisition of the necessary Right of Way for the Project. Pre-Construction and Environmental costs include the completion of project planning and the NEPA process. The Authority and the Design-Builder entered into a Design-Build Early Design Works Agreement which allowed the Design-Builder to conduct preliminary design work and geotechnical investigation before the execution of the Design-Build Agreement. The Early Design Works Agreement saves time on the Project schedule by initiating design work earlier in the progressive Design-Build process.

Cost Estimating Process and Current Design Status

In May of 2026, the Design-Builder submitted a Price Proposal for the Project. At that time, design of the Mobile River Bridge portion of the Project (which represents approximately 75% of the Project) was at or more than 90% completion, and the design of the Bayway portion of was approximately 50% completion. ALDOT anticipates that at financial close, design of the Mobile River Bridge portion will be 100% complete and the Bayway portion will be 60% complete. ALDOT's independent cost estimating firms concur that the level of design for both the bridge and Bayway segments is adequate for establishing a final GMP and in line with industry best practices for Progressive Design-Build project delivery.

Throughout the design development, ALDOT, the ICE firms, ALDOT's Consulting Engineer (Michael Baker International) and the Design-Builder conducted workshops to review anticipated construction means and methods, estimated quantities, construction access and transportation constraints, and commodity pricing trends. As part of their independent estimates, unit rates and pricing were generated by the ICE firms based on a detailed contractor style production-based cost estimate based on actual cost history. In coordination with the DB contractor, the ICE team utilized current Project drawings to develop detailed takeoff quantities

for each specific portion of the scope. Quantity meetings were scheduled between DB contractor and the ICE team to obtain agreed-upon quantities to be used for estimate preparation. Construction means and methods meetings were scheduled as well between the DB contractor and the ICE team to have discussions on how to perform the job for the most critical scopes, for example the main span bridge and high-level approach bridges, etc. With the conclusions from those meetings the ICE team prepared a detailed estimate for each specific scope of work. The estimates were performed using historical knowledge from past jobs regarding production rates, crew sizes, temporary materials, etc. Various internal reviews were performed to ensure that the unit costs for all the scope items were correct, and all major elements were included. As the Owner's Consulting Engineer, Michael Baker International asserts that the cost estimating process was thorough, reasonable, and consistent with industry best practices.

Risk Assessment and Management

Throughout the Preconstruction phase and in support of the development of the GMP, ALDOT and its Project team have focused closely on the identification of Project risks and strategies to mitigate and minimize those risks. ALDOT Project leadership, in cooperation with ALDOT's consultant team, conducted regular risk management meetings and developed an internal risk matrix to track and manage potential risks.

The Authority, as Project owner, carries risks associated with differing site conditions, unidentified utilities, and unidentified pre-existing hazardous materials. To mitigate these risks, ALDOT has performed extensive geotechnical investigations, hazardous material assessments, and underground utility surveys. The results of these investigations have been shared with the Design-Builder, and the Design-Builder has performed additional field investigations to supplement these findings and mitigate risks of unforeseen conditions.

The Authority, as Project owner, carries risk associated with changes to requirements associated with governmental approvals and changes in applicable laws and standards. To mitigate governmental risks, extensive agency coordination has taken place between ALDOT and the affected governmental agencies for many years, going back to the Project's environmental phase. ALDOT and the Design-Builder have developed a detailed permitting strategy, which has been coordinated with the permitting agencies, to minimize risks of permitting delays.

The geotechnical, governmental, permitting, and other associated risks, as defined in the Design-Build agreement, have been considered by ALDOT, its technical advisors, and ICE firms, as appropriate and consistent with standard practice for similar projects in similar environments.

The Design-Build Agreement has clearly delineated the extent to which the Authority has assumed each risk. The ICE firms believe that the Design-Builder has accepted a reasonable amount of risk and sufficiently limited the Authority's risk exposure for this stage in the Project. With this contract being Progressive Design-Build, the ICE team has confirmed with ALDOT that risk evaluation has been transparent and fair. As the Owner's Consulting Engineer, Michael Baker International participated in all aspects of risk management for the Project, independently

assessed risks, and concurs with the ICE team's assertion that risk evaluation has been reasonable and transparent.

Construction Costs

The following are the estimated Project costs based on the status of the Project design and estimates. The Indirect costs include commercial cost, preconstruction services, staffing, operational support, design, permitting, Quality Control, Quality Assurance, IQF, insurance and annual escalation.

Exhibit 8-2: Estimated Project Costs

Project Element	Mobile River Bridge ($M)	Bayway ($M)	Total Cost ($M)
Main Span Units	$ 466.27		$ 466.27
High Level Approaches	$ 334.55		$ 334.55
Bayway		$ 143.56	$ 143.56
Civil Items	$ 177.21	$ 52.07	$ 229.28
Maintenance of Traffic	$ 58.88	$ 24.36	$ 83.24
Electrical and ITS	$ 144.36	$ 85.71	$ 230.07
Removals (Bridge & Civil Items)	$ 5.87	$ 1.67	$ 7.54
Indirect Costs	$ 1,059.39	$ 334.70	$ 1,394.09
Total Cost ($M)	**$ 2,246.53**	**$ 642.07**	**$ 2,888.60**

Administrative and Other Costs

The following are ALDOT's additional internal and risk costs for the Project. ALDOT will use consultants to provide construction owner verification and project management services. The Risk Allocation is an estimate of potential costs that ALDOT may incur related to risks. The Estimated Fee represents the fee earned by each Design-Builder on an incentive-based system, whereby the Design-Builder's fee is dependent upon their ability to manage actual costs in comparison to the GMP.

Exhibit 8-3: Internal and Risk Costs

Project Element	Total Cost ($M)
ALDOT Construction Engr. & Inspect.	$ 35.00
Risk Allocation	$ 430.56
ALDOT Labor and Administration	$ 35.00
Utility Relocation	$ 42.00
Total Cost ($M)	**$ 542.56**

Toll Integration Costs

ALDOT has estimated the costs for the toll integration which includes the costs for the RTCS, CBOS, customer service operations, DBOS, and engineering for tolling design. Once tolling begins, the cost to operate and maintain the toll collection program will be covered under the Operations and Management (O&M) budget finance plan.

Exhibit 8-4: Operations and Maintenance Costs

Toll Integration	Capital Cost ($M)	6 months O&M ($M)	Total Cost ($M)
Tolling Equipment	$ 12.93	$ 1.94	$ 14.86
Back Office	$ 15.93	$ 2.39	$ 18.32
Customer Service	$ 8.68	$ 1.30	$ 9.99
Engineering/Design	$ 2.20	$ 0.33	$ 2.53
Total Cost ($M)	**$ 39.74**	**$ 5.96**	**$ 45.70**

Total Project Costs

The table below summarizes the total Project costs.

Exhibit 8-5: Total Project Costs

Project Element	Total Cost ($M)
Mobile River Bridge and Bayway Project Cost	$ 2,888.60
Admin and Other Costs	$ 542.56
Toll Integration	$ 45.70
Preconstruction Phase Cost	$ 311.40
ALDOT Indirect Cost	$ 102.49
Subtotal Cost ($M)	**$ 3,890.75**
Project Cost Expended to Date	$ 259.25
Total Cost ($M)	**$ 4,150.00**

Contractor Replacement Analysis

The Authority considers the probability of default, or other scenarios that would require the replacement of the Design-Build team, to be improbable. Through the Progressive Design-Build procurement process and selection of the Design-Builder, the Authority made the evaluation of the financial stability of the Kiewit/Massman/Traylor team a significant factor in the Joint Venture's selection. All three firms that comprise the Joint Venture are large, well-established transportation construction companies with many decades of doing business on similar projects across the US.

Under the direction of the Authority, Michael Baker International has performed a preliminary analysis of anticipated costs in the unlikely event of needing to replace the Design-Builder, at various stages of project development. The results of that analysis are shown in the table below. The following summarizes the significant costs the Authority would expect to incur should the replacement of the Design-Builder become necessary. For the purposes of this analysis, it was assumed that the process of replacing the Design-Builder would take approximately 12 months, although the Authority believes this timeframe could be accelerated if necessary.

- Additional Authority costs associated with reprocurement – This represents the costs associated with the effort required of ALDOT staff, along with its technical, financial and legal consultants, to engage in a reprocurement process to advertise and select a new Design-Builder and execute a new agreement. The Authority assumes this to be a fixed cost regardless of when the replacement takes place.

- Price escalation associated with the project delay – This represents the anticipated escalation in labor and material prices associated with the extension of the project completion date by one year. Consistent with previous cost estimating, the Authority used an estimated inflation rate of 3.5% per year in this calculation. Since the escalation cost is applied to the expected amount of remaining work to be performed at the time of replacement, this anticipated cost decreases as the occurrence of replacement takes place in later years of the project.

- Remobilization costs – This represents the costs associated with the need for the replacement Design-Builder to mobilize people and equipment to the project site. The Authority estimated this cost as a percentage of overall remaining construction cost; therefore, this anticipated cost decreases as the occurrence of replacement takes place in later years of the project.

- Redesign costs – Different portions and elements of the project are currently at various stages of design completion, with some portions at approximately 30% completion (mostly Bayway portions) and others at approximately 90% completion (mostly Mobile River Bridge portions). The Authority expects overall completion of the design to happen approximately one year after Notice to Proceed for construction. Depending on when replacement of the Design-Builder happens, there could be considerable costs associated with the new Design-Builder's efforts to familiarize themselves with the existing design and potentially make changes to better suit their approach and capabilities. The Authority expects the costs associated with this item to be higher if the replacement occurs early in the project schedule.

- Impact of higher fee – the Authority recognizes that in order to attract a replacement Design-Builder, it may become necessary to agree to a fee that is higher than what is agreed to with the current Design-Build team. The Authority expects this additional fee to be slightly higher if the replacement happens in later years versus early years of the

construction schedule, since the value of the remaining work would be lower and the amount of risk associated with relying upon already-completed construction is higher.

Exhibit 8-6: Contractor Replacement Costs

Construction Year of Default or Departure	Additional ALDOT Cost ($M)	Price Escalation due to Project Delay ($M)	Remobilization Costs ($M)	Additional Costs for Redesign ($M)	Impact of Higher Fee ($M)	Total Cost ($M)	Percent of Overall Cost
0	$ 5.00	$ 136.00	$ 116.00	$ 25.00	$ 39.00	$ 321.00	8.3%
1	$ 5.00	$ 116.00	$ 100.00	$ 25.00	$ 33.00	$ 279.00	7.2%
2	$ 5.00	$ 96.00	$ 83.00	$ 20.00	$ 41.00	$ 245.00	6.3%
3	$ 5.00	$ 62.00	$ 53.00	$ 15.00	$ 27.00	$ 162.00	4.2%
4	$ 5.00	$ 33.00	$ 29.00	$ 5.00	$ 19.00	$ 91.00	2.3%
5	$ 5.00	$ 12.00	$ 11.00	$ 5.00	$ 7.00	$ 40.00	1.0%

As shown in Exhibit 8-6 above, overall anticipated costs of replacing the Design-Builder, expressed as a percentage of overall Project cost, range from approximately 8% early in the Project to 1% near the end of the Project. Michael Baker feels these estimates are conservative, since they do not take into account mitigation strategies that could be employed to reduce the schedule delay, minimize resulting costs, or both.

The Authority's Design-Build Agreement requires that prior to Notice to Proceed for construction, the Kiewit/Massman/Traylor team must furnish to the Authority both a Performance Bond and a Payment Bond, each in the amount of the full contract price. The anticipated costs associated with contractor replacement are significantly lower than the coverage provided by this required bonding.

Michael Baker and the Authority are confident that there would be ample interest from new Design-Builders if a replacement of the existing Design-Builder became necessary. The pool of potential replacement contractors would include Fluor, Skanska, Vinci, Ferrovial, Walsh, Southland Holdings, FCC, and Halmar, all of whom have the necessary capabilities needed for the Project, and all of whom perform similar construction work in North America. Ten different firms with the capacity and expertise to construct this Project were represented at the Industry Form conducted by the Authority at the outset of the current procurement and therefore have awareness and understanding of the Project and motivation to pursue potential future opportunities.

Work Package Authorizations

The Authority and the Design-Builder have initiated eleven (11) Work Package Authorizations (WPA), as detailed per the DBA Section 4.3 Work Package Authorizations. The WPA's are required to procure long lead time material items, lock in current material pricing, establish field offices and batch plants, initiate utility relocations, and mobilize equipment and personnel critical to be mobilized prior to the Notice to Proceed for Construction. These WPA's are critical to maintain the overall Project schedule. The WPA's descriptions and cost are provided in Exhibit 8-7: Work Package Authorizations.

Exhibit 8-7: Work Package Authorizations

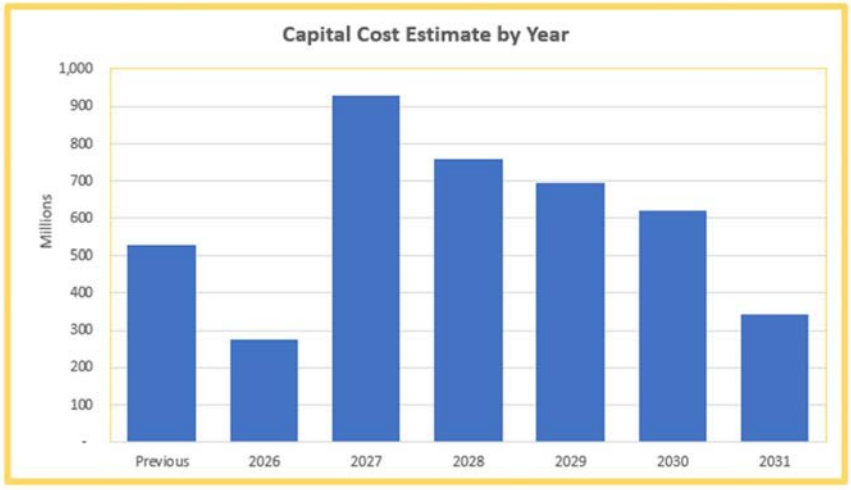
Work Package Authorization (WPA)	Work Package Authorization Description	WPA Cost
WPA-001	MRB Unit Office Complex and Yard	$ 7,993,120.00
WPA-002	Batch Plant and Mix Design Program	$ 17,383,422.57
WPA-003	MRB Critical Pipe Pile Procurement	$ 33,473,027.62
WPA-004	MBR Critical Sheet Pile Procurement	$ 8,783,082.47
WPA-005	MRB Trestle Procurement	$ 12,245,409.74
WPA-006	Mainspan Structural Steel (Raw Materials and Steel Detailing)	$ 27,920,667.62
WPA-007	MRB Early Ramp Up Expenses (Staff and Equipment)	$ 9,602,075.00
WPA-008	Bayway Early Ramp Up Expenses (Staff and Equipment)	$ 1,387,426.65
WPA-009	Critical 3rd Party Utility Relocations	$ 1,124,052.56
WPA-010	Temporary Pipe Pile Procurement	$ 10,166,548.98
WPA-011	Dry Utilities Relocation Support	$ 1,774,712.61
TOTAL COST		**$ 131,853,545.82**

Chapter 9 – Cash Flow Projections

The annual cash flow projections required to construct the MRBB are shown in **Exhibit 9-1**. The cash flow projections are based on the anticipated schedule for the PDB construction and other activities. The Design-Builder will be compensated by utilizing a monthly payment process based upon ALDOT's verification of the progress of the work. If the Design-Builder's monthly progress is slower than scheduled, payment will be made only for work completed during that month.

Tolling is anticipated to commence after Project substantial completion, currently scheduled for October 1, 2031.

Exhibit 9-1: Capital Cost Estimate by Year



Chapter 10 – Implementation Schedule

The implementation schedule for the MRBB is shown in **Exhibit 10-1.**

Exhibit 10-1: Project Implementation and Financing Schedule

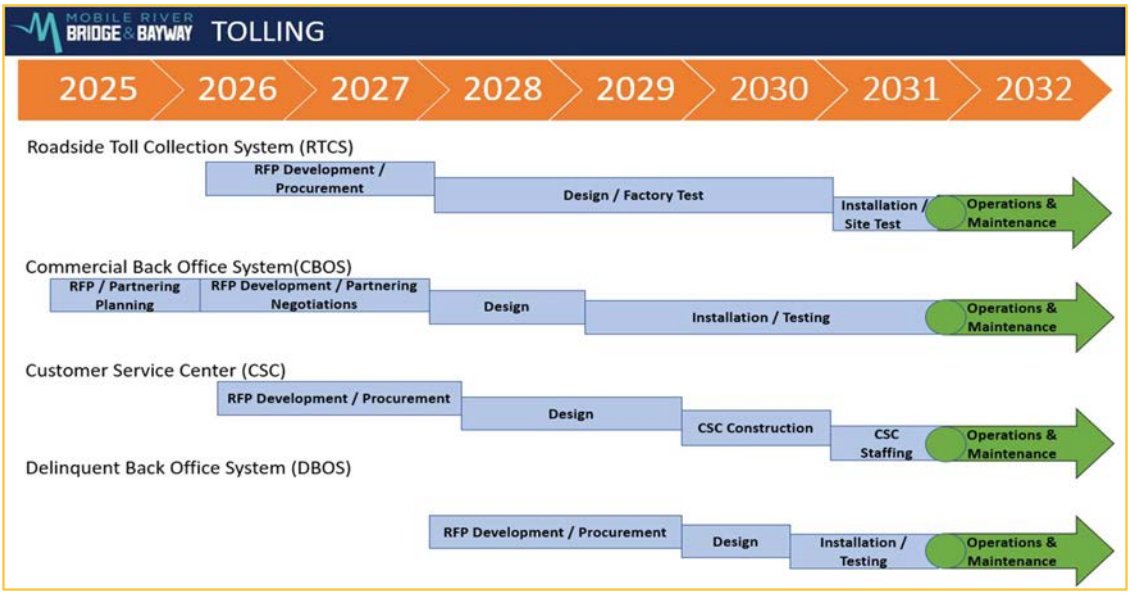
Activity	Anticipated Start	Anticipated Completion
Environmental Re-evaluation	Fall 2024	Approved April 2025
Guaranteed Maximum Price (GMP) Negotiated (Both Projects)	October 2025	May 2026
Financial Close	May 2026	September 2026
Progressive Design-Build Construction	Notice to Proceed for Construction : October 1, 2026	Substantial Completion: October 1, 2031
Roadside Toll Collection System (RTCS)	Issue RFP: Spring 2027 NTP: Fall 2027	Installation and Testing Completion: October 2031 Operations & Maintenance Begins: October 2031
Back Office System (BOS) Contract	Issue RFP: Fall 2027 NTP: Fall 2028	Installation and Testing Completion: October 2031 Operations & Maintenance Begins: October 2031
Customer Service Center Operations	Issue RFP: Spring 2027 NTP: Fall 2027	Construction and Staffing Completion: October 2031 Operations & Maintenance Begins: October 2031
Delinquent Transaction Processing	Issue RFP: Fall 2028 NTP: Summer 2029	Installation and Testing Completion: October 2031 Operations & Maintenance Begins: October 2031
Open to Traffic		October 1, 2031

Chapter 11 - Operations, Maintenance, Renewal and Replacement

Toll Collection System Operations and Maintenance

Estimates for toll collection system operations and maintenance are based on industry standard pricing for labor, processing costs, facility management, and transaction volumes found in the I-10 Mobile Bridge and Bayway Traffic and Revenue Study, August 2026. It is assumed that the Project will open to traffic in October 2031, and the operations and maintenance costs will commence upon toll collection. See **Exhibit 11-1** for the Tolling Schedule.

Exhibit 11-1: Tolling Schedule



Operations and maintenance of the MRB and Bayway will be provided by an RTCS vendor, a CBOS vendor, an OPS vendor, and one or more DBOS vendors, with oversight and project management by ALDOT personnel and ALDOT consultants. The operations and maintenance of the program include:

- ALDOT project management
- Consultant support
- Vendor project management and labor
- Preventative and corrective maintenance of hardware, software, and systems
- RTCS transaction processing fees
- RTCS toll site and facility maintenance
- CBOS / DBOS transaction processing fees

- OPS staffing
- OPS facility maintenance
- Public outreach and marketing
- Interoperable transaction fees
- Credit card processing fees

Since tolls are collected electronically, with no in-lane-based personnel, these activities will ensure the highest level of accuracy and availability as will be required through contractual performance requirements and standards. It is essential that tolls be collected without interruption or impact on the performance of the system.

For all hardware, software, and system maintenance, requirements will include 24/7/365 on-call maintenance services that are managed by independent vendor provided on-line maintenance oversight system.

Toll Collection System Renewal and Replacement

To provide long-term preservation of the toll collection system, major renewal and replacement activities have been identified. Estimates for toll collection system renewal and replacement were based on industry standard pricing of system replacement and overhaul activities that occur in roughly 10-year increments.

Traffic Operations

From its Mobile Regional Traffic Operations Center, ALDOT will monitor video and data feeds for the I-10 corridor for traffic management, maintenance, and safety concerns. ALDOT will coordinate with maintenance personnel and the toll integrators to proactively address operational issues in the corridor. ALDOT will use its existing incident management program, Alabama Service Assistance Patrol (ASAP), to assist with addressing on site issues such as providing aid to stranded motorists, providing temporary traffic control, assisting in incident clearance of disabled vehicles and reporting maintenance and safety concerns. ALDOT will coordinate with local emergency services providers including law enforcement for incident management.

Roadway and Bridge Maintenance

ALDOT Southwest Region will have overall responsibility for the routine maintenance of the I-10 Corridor. Some routine recurring maintenance includes:

- Spot patching/Pothole Repair
- Guardrail, Impact Attenuator and Concrete Barrier Repair
- Pavement Marker Maintenance
- Vegetation Control and Mowing
- Roadway Lighting Repair
- Sign and Roadway lighting Maintenance
- ITS Maintenance

- Deck Cleaning
- Drain and Joint Cleaning
- Slope Protection Repair
- Minor Concrete Repair

Roadway/Bridge Operations and Maintenance will be funded directly from ALDOT's regional budget and will not be funded from tolling revenue or bonds. ALDOT has an excellent understanding of maintenance activities anticipated for this Project, since the past maintenance history of the existing Bayway structures is well known and documented, as is that of the nearby Africatown Bridge, which is a cable-stayed bridge similar to the proposed Mobile River Bridge. ALDOT has taken numerous steps to enhance durability and long-term performance of the structures and roadways on this Project. As described below, these steps will minimize maintenance costs and mitigate future impacts on the traveling public.

Roadway and Bridge Renewal and Replacement

During the initial years of operation, the Mobile River Bridge and Bayway should require minimal service beyond routine maintenance. Over time as the facility ages, elements of the corridor will require repair or replacement. ALDOT has estimated the anticipated repair and replacement items, see **Exhibit 11-2.**

Exhibit 11-2: Anticipated Repair and Replacement Items

Item	Frequency Interval*
Restriping	5 years
Underwater Scour Inspection	5 years
Minor Superstructure / Deck Concrete Repairs	5 years
Clean/Wash Bridge Bearings	10 years
Ladders and Platforms in Towers	10 years
Pavement Resurfacing	10 years
Bridge Expansion Joints	20 years
In-Depth Inspection of Stay Cables	20 years
Substructure Concrete Repairs	25 years
Precast Girder End Treatments	30 years
Bridge Overlay Rehab	30 years
Bridge Bearing Repair/Replacement	40 years

*Some items of work will only be done if needed but are still included in the estimates

ALDOT has taken steps as part of the Project to reduce the number of potential rehabilitation items and increase the life expectancy of some Project elements. Numerous requirements have been included in the technical provisions of the Project that will enhance durability and minimize maintenance costs. These requirements include 100-year service life requirements and extensive use of precast concrete elements.

ALDOT will use its existing practices for maintenance inspections to monitor corridor conditions. Based on findings from its maintenance inspections, ALDOT will use its existing infrastructure improvement programs to replace or rehabilitate those elements that are determined to need upgrades over time. Toll revenue will not be used to fund renewal and replacement work.

APPENDIX G

Summary of DBA

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Summary of

I-10 Mobile River Bridge and Bayway

Design-Build Project

Third Amended and Restated Design-Build Agreement

Alabama Toll Road, Bridge and Tunnel Authority

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CONTRACT COMPONENTS; INTERPRETATION OF CONTRACT DOCUMENTS

Certain Definitions

Exhibit A hereto contains the meaning of various terms used in the Contract Documents.

Order of Precedence

Each of the documents listed below is a "Contract Document", and collectively are the "Contract Documents". In the event of any conflict among the Contract Documents, the order of precedence shall be as set forth below:

A. Supplemental Agreements and amendments to the Design-Build Agreement, including the Amendment/NTP for Construction and executed Work Package Authorization, and any Released for Construction Documents subsequently issued in connection with the foregoing;

B. The Design-Build Agreement, as executed by the Issuer and the Design-Builder, including all exhibits;

C. The River Bridge Technical Provisions with respect to the River Bridge Project and the Bayway Technical Provisions with respect to the Bayway Project, as may be amended by mutual agreement of the parties, other than the Technical Standards; and

D. The Technical Standards,

Subject to the Professional Standard of Care, in the event of conflicting requirements involving any requirement within any single Contract Document, the Design-Builder shall comply with the higher or more stringent standard or manner or method of performing the Work, as reasonably determined by the Issuer, unless otherwise agreed by the parties.

Except to the extent a term is specified and defined in the Contract Documents, the definitions contained in Section 101 of the ALDOT Standard Specifications are incorporated in the Contract Documents. If a term is specified and defined within the Contract Documents, such definition shall control.

Sections 102 through 111 of the ALDOT Standard Specifications are not incorporated by reference in the Contract Documents.

Referenced Standards, Codes, or Criteria

Except to the extent a term is specified and defined in the Contract Documents, the definitions contained in Section 101 of the ALDOT Standard Specifications are incorporated in the Contract Documents. If a term is specified and defined within the Contract Documents, such definition shall control.

Sections 102 through 111 of the ALDOT Standard Specifications are not incorporated by reference in the Contract Documents.

Except as otherwise specified in the Contract Documents, or otherwise directed by the Issuer in writing, references to Applicable Laws, Applicable Standards, or to the latest version of Applicable Laws, Applicable Standards shall mean the version in effect or coming into effect during the performance of the Work.

Federal Requirements

The Project will be funded in part with federal funds.

Notwithstanding anything to the contrary contained in the Design-Build Agreement, in the event of any conflict between any Federal Requirement and the other requirements of the Contract Documents, the Federal Requirements shall prevail, take precedence and be in force over and against any such conflicting provisions.

FHWA will have certain approval rights with respect to the Project (including rights to approve the Project design and certain Supplemental Agreements), as well as the right to provide certain oversight and technical services with respect to the Project. The Design-Builder is required to cooperate with FHWA in the reasonable exercise of FHWA's duties and responsibilities in connection with the Project.

Cooperation

The Issuer and the Design-Builder commit at all times to reasonably cooperate fully with each other, and proceed on the basis of trust and good faith in accordance with the terms of the Contract Documents to permit each party to realize the benefits afforded under the Design-Build Agreement.

Partnering

The Issuer intends to encourage the use of an extensive partnering program among the Issuer, ALDOT, the Design-Builder, its Subcontractors and other stakeholders (as further set forth in this Section 1.10.2, "Partnering"). Partnering will be structured to draw on the strengths of each organization to identify and achieve reciprocal goals. The objectives of Partnering include effective and efficient Project performance and completion on schedule, within budget and in accordance with the Contract Documents.

Partnering includes involvement of the Design-Builder's and the Issuer's and/or ALDOT's executive management, Project management, Project staff, a third-party member as selected by the Issuer and Design-Builder, and others, as appropriate for the matter subject to Partnering. All costs of Partnering shall be a Cost of the Work.

The Design-Builder and the Issuer shall engage in Partnering meetings at least once per calendar quarter, with no more than 120 Calendar Days between each Partnering meeting. Either the Design-Builder or the Issuer may call a Partnering meeting by providing written notice to the other party setting the date and time of a Partnering meeting, which may not be less than 14 Calendar Days prior to such meeting date.

OBLIGATIONS OF DESIGN-BUILDER

Performance Requirements

The Design-Builder shall complete the Project in accordance with the requirements of the Contract Documents. The Design-Builder shall be responsible for all matters required of the Design-Builder under the terms of the Design-Build Agreement.

All materials, services, and efforts necessary to complete the Work in accordance with the Contract Documents and achieve Project Final Acceptance shall be the Design-Builder's responsibility, except for those efforts that the Contract Documents specify will be the responsibility of the Issuer or other Persons that are not Design-Builder Related Entities. Subject to the Relief Event process, the costs of all such materials, services, and efforts are included in the Compensation Cap.

Performance Standards

Design-Builder

The Design-Builder shall (i) design the Project in accordance the Professional Standard of Care and, subject to Alabama Code §41-9A-3(d), comply with Applicable Law in effect at the time the services are performed under the Design-Build Agreement, and (ii) construct the Project as designed, in good quality, free from defects in materials and workmanship and in accordance with Good Industry Practice.

Engineers of Record

The parties acknowledge that design Work shall be performed by the Design-Builder's Subcontractors and/or the Engineers of Record; provided, however, that the Design-Builder is fully responsible for such parties. All such design shall be in accordance with the Professional Standard of Care and, subject to Alabama Code §41-9A-3(d), comply with Applicable Law in effect at the time the services are performed under the Design-Build Agreement.

Performance as Directed

At all times during the Term, including during the course of and notwithstanding the existence of any dispute or Claim, the Design-Builder shall (i) continue to perform the Work as consistent with the Contract Documents in a diligent manner and without delay (unless otherwise permitted under a Contract Document), (ii) abide by the Issuer's decision or order without prejudice to its right, if any, to request a Supplemental Agreement, and (iii) comply with all applicable provisions of the Contract Documents. The Issuer shall continue to satisfy its payment and other obligations to the Design-Builder pursuant to the terms of the Design-Build Agreement pending the final resolution of any dispute or Claim.

General Obligations of Design-Builder

The Design-Builder, in addition to performing all other requirements of the Contract Documents, shall, to the extent Design-Builder has been authorized to perform Work under the Design-Build Agreement:

A. At all times provide a Project Manager, Approved by the Issuer, who: (i) will have full responsibility for the prosecution of the Work; (ii) will act as agent and be a single point of contact in all matters on behalf of the Design-Builder; (iii) will be present at the Site at all times that Work is performed, or be available to appear within a reasonable time period; and (iv) will have or will obtain within a reasonable time the authority to bind the Design-Builder on all matters relating to the day to day management of the Work. If the Project Manager cannot be present at the Site at any time that Work will be performed, the Project Manager shall assign a substitute acceptable to the Issuer to be present in the Project Manager's absence.

B. Obtain all Governmental Approvals that are identified to be the responsibility of the Design-Builder and included in the Responsibility Matrix attached as Exhibit L.

C. Comply with all conditions imposed by and undertake all actions required by and all actions necessary to maintain in full force and effect, all Governmental Approvals, except to the extent that such responsibility is expressly assigned in the Contract Documents to another Person.

D. Provide such assistance as is reasonably requested by the Issuer or ALDOT in dealing with any Person and/or in prosecuting and defending lawsuits in any and all matters relating to the Work, which may include providing information and reports regarding the Work that are not subject to any applicable attorney-client privilege, attorney work product, or other applicable privilege, executing declarations and attending meetings and hearings, and providing factual, non-expert testimony regarding the Work, but which shall in no event be deemed to require the Design-Builder to provide legal services, expert opinions, or expert testimony.

E. Subject to the Professional Standard of Care, comply with all applicable Technical Standards, in accordance with Section 1.2.

F. Reasonably cooperate with the Issuer, ALDOT, and Governmental Persons with jurisdiction over the Project in the review and oversight of the Project and other matters relating to the Work.

G. Comply with the Federal Requirements.

H. Mitigate delay to the Project and mitigate damages due to delay in all circumstances, to the extent possible, including by re-sequencing, reallocating or redeploying the Design-Builder's forces to other work, as appropriate.

I. Pay all applicable federal, State, and local sales and use, consumer, gross receipts, and similar taxes, and any other taxes, fees, charges, or levies imposed by a Governmental Person on the Design-Builder or a Design-Builder-Related Entity, whether direct or indirect, relating to or incurred in connection with the performance of the Work. Notwithstanding the foregoing, the Design-Builder shall be reimbursed (i) for property taxes assessed against the Project ROW and Other ALDOT ROW, and (ii) for personal property taxes assessed against materials delivered to the Site for which title has not passed to the Issuer per Section 10.6 that the Design-Builder is required to pay. If the cost of sales and use taxes or gross receipts tax imposed by the State or a local

government is not included in a Compensation Cap, and through no fault (including the failure to apply for exemptions and/or certificates as required in Section 26.11) of the Design-Builder or a Design-Builder-Related Entity, the Department of Revenue or the local government imposing such tax, as applicable, determines the Project does not qualify for a sales and use tax exemption or a Design-Builder-Related Entity does not qualify for a gross receipts tax exemption, relief for the liability for sales and use taxes or gross receipts tax imposed by the State or local government will be a Relief Event.

J. When so directed by the Issuer, confer with local public agencies, including planning authorities, giving reasonable consideration to suggestions and plans of such agencies, provided, however, nothing in this Section 2.2(J) shall in and of itself give Third Parties rights as a beneficiary or otherwise in the Design-Build Agreement.

K. Collaborate in good faith with the Issuer, ALDOT, and other Governmental Persons.

L. Provide its services in a manner that is in the best interest of the Project, provided, however, that Design-Builder shall not have any fiduciary obligation to the Issuer, ALDOT or any other Governmental Persons.

M. Negotiate all Amendments/NTPs and Work Package Authorizations in good faith and in a commercially reasonably manner.

N. Assist the Issuer, at the Issuer's request, with the development and execution of Third-Party Agreements.

O. Comply with the energy conservation plan of the State of Alabama issued in compliance with the Federal Energy Policy and Conservation Act (42 USC 6321 *et seq*.), if and as applicable to the Design-Builder.

Term

The term of the Design-Build Agreement (the "Term") shall commence on the Effective Date and terminate upon the first to occur of (i) the date the Project achieves Final Acceptance; or (ii) the effective date of an earlier termination of the Design-Build Agreement in accordance with Sections 15 and 16 of the Design-Build Agreement.

Representations, Warranties, and Covenants of Design-Builder

The Design-Builder and its Subcontractor(s) have obtained, and throughout the Term shall maintain, all required authority, qualification, license status, professional ability, skills and capacity to perform the Work, and shall perform the Work in accordance with the requirements of the Contract Documents.

The Design-Builder shall at all times schedule and direct its Work to provide an orderly progression of the Work to achieve all Completion Deadlines and in accordance with the Project Schedule, including furnishing such employees, materials, facilities and equipment and working such hours (including extra shifts, overtime operations, Sundays and Holidays) as may be necessary to achieve such goals.

Representations of the Issuer

The Issuer represents, warrants and covenants for the benefit of the Design-Builder that the Design-Build Agreement constitutes the legal, valid, and binding obligation of the Issuer.

The Issuer has delegated its responsibility to administer the Design-Build Agreement to ALDOT pursuant to (a) Section 23-2-144(b) of the Code of Alabama (1975), (b) resolutions adopted on January 24, 2023, June 26, 2023, November 21, 2023, October 2, 2024, December 18, 2024, April 15, 2025, October 7, 2025, and August 14, 2026, and (c) that certain Lease Agreement effective as of June 26, 2024, by and between the Issuer and ALDOT (as amended). ALDOT does not have the power to act on behalf of the Issuer with respect to the following items:

A. Work Package Authorizations in excess of $15,000,000 individually and in excess of $50,000,000 in the aggregate;

B. The Amendment/NTP for Construction;

C. Certain actions with respect to the Design-Builder settling insurance claims;

D. A Supplemental Agreement that (i) increases the total Compensation Cap by more than $310,000,000 in the aggregate; (ii) extends the Substantial Completion Deadline by more than 120 days in the aggregate; (iii) the scope of the Project is materially altered; (iv) reduces the maximum aggregate delay liquidated damages cap below $134,000,000; or (v) reduces the Design-Builders limitation of liability below 25%.

E. Receipt of certain notices that must be delivered to the Issuer.

The Issuer may revoke the delegation set forth in the Design-Build Agreement by providing written notice to the Design-Builder.

RESPONSIBILITY FOR DESIGN

Except in a circumstance where the Design-Build Agreement is terminated in whole or in part prior to execution of the Amendment/NTP for Construction, (i) the Design-Builder has full responsibility for all design of the Project, except for any portions of the Project designed or altered by the Issuer or the Issuer's separate contractors or unless specifically provided otherwise under a Work Package Authorization or the Amendment/NTP for Construction and (ii) the Design-Builder is responsible for correcting any Errors in its design of the Project, without any increase in any Compensation Cap or extension of a Completion Deadline.

Use of Project Information Documents

Basis for Certain Design

A. The Design-Builder shall conduct any and all studies, analyses and investigations (i) as are required by the Contract Documents and (ii) as it deems advisable using the Professional Standard of Care, to augment, change, recreate, verify, or supplement information provided in the Project Information Documents, taking into account the time and resources available pursuant to the Contract Documents. Nothing in this Section A shall require the Design-Builder to perform Work that the Issuer has specifically excused the Design-Builder from performing as set forth in the Contract Documents.

B. Subject to the Design-Builder conducting the studies, analyses and investigations set forth in subsection A above, the Design-Builder may use (i) the Project Information Documents – Traffic, (ii) the Project Information Documents – Hazardous Materials, (iii) the Project Information Documents – Existing Geotechnical Information, and (iv) the Project Information Documents – Existing Pile Load Test, and (v) the Project Information Documents – Existing Pavement Data in designing the Project.

C. The Design-Builder may use the Project Information Documents – Environmental and the data and test results from the Project Information Documents – Existing Pavement Data in designing the Project. All pavement design recommendations included in the Project Information Documents - Existing Pavement Data are provided for information only.

Except to the extent provided above, the Issuer shall not be responsible or liable in any respect for any loss, damage, injury, liability, cost or cause of action whatsoever suffered by any Design-Builder-Related Entity by reason of any use of any information contained in the Project Information Documents (including all pavement design recommendations included in the Project Information Documents - Existing Pavement Data) or any action or forbearance in reliance thereon. The Design-Builder further acknowledges and agrees that, except to the extent provided otherwise in the Contract Documents: (i) if and to the extent the Design-Builder or anyone on the Design-Builder's behalf uses any of said information in any way, such use is made on the basis that the Design-Builder, not the Issuer, has approved and is responsible for said information; and (ii) any use of said information is entirely at the Design-Builder's own risk and at its own discretion.

Professional Licensing Laws

If at any time during the Term, any professional license or certification shall become inactive, expire, be suspended, or the Design-Builder shall become ineligible therefor, either through its corporate entity or entities, including parent(s) and subsidiary(ies), or through its employees, servants, or agents, the Design-Builder shall stop performing the professional services and take immediate action to rectify the cause of the violation or ineligibility. Design-Builder shall be responsible for all delays and costs resulting from the violation or ineligibility.

It is the intent of the parties that the Design-Builder is fully responsible for furnishing the design of the Project.

PROGRESSIVE DESIGN-BUILD APPROACH

Progressive Design-Build Approach

Project Phases

The Work shall be performed by the Design-Builder in two phases: (a) the Preconstruction Phase; and (b) the Construction Phase.

Preconstruction Phase

The Preconstruction Phase began upon execution of the Mobile River Bridge Early Design Works Agreement and will continue until the earlier of (a) completion of the Preconstruction Phase scope of work; (b) the effective date of the Amendment/NTP for Construction; (c) the date on which the Issuer exercises its right to terminate the Design-Build Agreement; or (d) the effective date of termination in the Design-Builder's Notice of Termination. During the Preconstruction Phase, the Design-Builder shall perform a portion of the Preconstruction Work in accordance with the terms of the Contract Documents.

Construction Phase

The Construction Phase shall begin upon the earliest date Construction Work is authorized to commence in an executed Work Package Authorization or in the Amendment/NTP for Construction and continue until the end of the Term. During the Construction Phase, the Design-Builder shall perform all Construction Work and will complete the remaining Preconstruction Work. If mutually agreed in a Supplemental Agreement or Work Package Authorization, the Construction Phase will begin before the Preconstruction Phase is completed, with the Work of both phases proceeding concurrently.

Risk Register

Development of Risk Register

During the Preconstruction Phase, the Design-Builder and the Issuer shall collaborate in good faith to develop (a) a risk register that contains the Risk Register Events that pertain to the entire Project (the "Risk Register").

The parties shall agree to the list of Risk Register Events and the attributes for each Risk Register Event described in the prior paragraph for the Project Risk Register prior to execution of the Amendment/NTP for Construction.

The Risk Register will not be updated after it is set pursuant to a Work Package Authorization or the Amendment/NTP for Construction, as applicable, except by mutual agreement of the parties through a Supplemental Agreement.

If an event occurs which is neither identified as a Relief Event nor included on the Risk Register as a Risk Register Event, then the Design-Builder may, within 7 Business Days of the date on which the Design-Builder first became aware of the event (or such other period of time as agreed by the parties), request that such event to be added to the Risk Register. If the Issuer determines, in its sole discretion, that such event shall be added to the Risk Register, then such event will be added to the Risk Register by a Supplemental Agreement, and such event shall be treated as if it were a part of the Risk Register as of the first date the event occurred.

Risk Register Notice

If a Risk Register Event occurs, the Design-Builder shall give notice to the Issuer in accordance with the process for Notice of Relief Event.

The mitigation strategy identified for the Risk Register Event in the Risk Register will be employed, unless the parties agree otherwise in writing based on the particular circumstances. If a Risk Register Event is a Design-Builder Risk, then the Design-Builder shall bear the schedule impact and pay all direct costs associated with the Risk Register Event and the mitigation strategy. A Risk Register Event that is an Authority Risk is a Relief Event.

Development of Amendment/NTP for Construction and Work Package Authorizations

Open-Book Negotiations

The development of the Amendment/NTP for Construction and all Work Package Authorizations and Supplemental Agreements shall be on an open-book basis, and, subject to the Issuer (and its agents, representatives and consultants) shall have the right to access and, with the exception of propriety information, copy all records, accounts, and other data used by the Design-Builder in connection with the preparation of any draft or final Price Proposal, the Amendment/NTP for Construction, a Work Package Authorization, or Supplemental Agreement. Each Price included in any Work Package Authorization, the Amendment/NTP for Construction, or any Supplemental Agreement shall be developed in a cooperative manner in accordance with the guidelines and principles described in Exhibit E.

Development of a Price Proposal

Throughout the Preconstruction Phase, the Issuer and the Design-Builder shall work together in good faith to develop iterative versions of a budget for the Project and estimates of probable construction cost at various milestones. Based on such iterative process, the Design-Builder shall prepare and submit a Price Proposal for any Work Package Authorizations, as and when applicable, and for the Amendment/NTP.

With respect to Supplemental Agreements, the Design-Builder may submit a Price Proposal with an RSA (as defined below).

After submission of a Price Proposal, the Issuer and the Design-Builder shall meet to discuss and review the Price Proposal.

A Price Proposal shall include an estimate of the Price for the Work to be performed with respect to such Price Proposal. A Price Proposal shall not include Work for which a Price is already established (for example, executed Supplemental Agreements). Price Proposals may be submitted on a GMP basis or, with respect to Work Packages or Supplemental Agreements, but not with respect to the Amendment/NTP for Construction, on a Fixed Price basis.

Calculation of a GMP

A GMP shall be a guaranteed, not-to-exceed amount computed as the sum of the following:

A. With respect to remaining design, other Preconstruction Work, and other professional services (if any) for the Work Package Authorization or the Amendment/NTP for Construction, but in all events excluding Work for the Bayway Limited Design Scope, an estimated amount payable for such Preconstruction Work and other professional services reflective of the Design-Builder's reasonable, good faith estimate of (i) the

number of hours of such services and (ii) reasonable Reimbursable Expenses expected to be incurred; plus

B. In the case of the Amendment/NTP for Construction, the Price(s) for any relevant Work Package(s) for which a Work Package Authorization was previously executed; plus

C. (1) In the case of a Work Package Authorization, the Design-Builder's Good Faith Estimate for Construction Work authorized in the Design-Build Agreement; or

(2) In the case of the Amendment/NTP for Construction, the Design-Builder's Good Faith Estimate for Construction Work for the balance of the Construction Work in a format developed pursuant to the protocols in Exhibit E; plus

D. Any Provisional Sums mutually agreed by the Issuer and the Design-Builder5; plus

E. (1) In the case of a Work Package Authorization that includes a GMP, any Contingency; or

(2) In the case of the Amendment/NTP for Construction, any Contingency, which amount shall supersede any Contingency from Work Packages and into which any Contingency from any Work Package Authorizations previously executed shall be subsumed; plus

F. (1) In the case of a Work Package Authorization that includes a GMP, the Minimum Fee for the Construction Work authorized in the Design-Build Agreement; or

(2) In the case of the Amendment/NTP for Construction, the Minimum Fee, which shall supersede any Minimum Fee established pursuant to any Work Package Authorization previously executed; plus

G. (1) In the case of a Work Package Authorization, the Assumed G&A Percentage, in a format developed pursuant to the protocols in Exhibit E, multiplied by (C(1) + (D) + (E)(1)); or

(2) In the case of the Amendment/NTP for Construction, the Assumed G&A Percentage, in a format developed pursuant to the protocols in Exhibit E, multiplied by (C(2) + (D) + (E)(2)).

For purposes of clarity, a GMP shall be calculated as set forth below:

Work Package Authorization: (A) + (C(1)) + (D) + (E(1)) + (F(1)) +(G(1))

Amendment/NTP for Construction: (A) + (B) + (C(2)) + (D) + (E(2)) + (F(2)) +(G(2))

Once set forth in a Work Package Authorization or the Amendment/NTP for Construction, a GMP shall not be adjusted except by Supplemental Agreement. Notwithstanding the foregoing, GMPs set forth in Work Package Authorizations shall be subsumed into and superseded by the Amendment/NTP for Construction, if and when executed.

Calculation of a Fixed Price

If a Work Package Authorization or other portion of the Work, including by Supplemental Agreement, will be delivered on a "Fixed Price" basis, as agreed by the parties, the fixed, lump sum amount (the "Fixed Price") shall be the amount payable for the remaining design and other Preconstruction Work (if any) and the Construction Work for such Work Package Authorization or other portion of the Work, inclusive of all Costs of the Work for such Work, overhead, contingency, and profit. The Design-Builder shall include a breakdown of the Fixed Price to show what portion is allocated to the remaining design and other Preconstruction Work, the Construction Work, overhead, contingency, and profit. The Price paid by the Issuer to the Design-Builder for such Work Package Authorization or other portion of the Work shall be equal to the Fixed Price. The costs of the Work included in a Fixed Price shall not be included in the Costs of the Work, the Cost Ceiling, Cost Floor, or Target Cost for purposes of calculating an Incentive Fee that is included in a GMP.

Schedule of Values

With respect to any GMP, a schedule of values allocating the applicable Good Faith Estimate for Construction Work among the various portions of the Construction Work (the "Schedule of Values") authorized in the Design-Build Agreement, shall be prepared by the Design-Builder for information only. Notwithstanding the Schedule of Values, the Design-Builder does not guarantee any amount allocated within the Schedule of Values, and has the sole discretion to apply payment due to overruns on one line item to savings due to underruns on any other line item, provided always that the Design-Builder is responsible for paying Non-Reimbursable Costs of the Work, including costs that would cause a Price to be exceeded.

The Schedule of Values set forth in the Amendment/NTP for Construction, a Work Package Authorization, or otherwise shall not be modified except by Supplemental Agreement.

Provisional Sums

The Design-Builder and the Issuer may agree upon Provisional Sums for portions of the Work. If the parties agree that a portion of the Work should have a Provisional Sum associated with it (each a "Provisional Sum Item"), the baseline price and quantities for such Provisional Sum Item shall be accounted for in the Schedule of Values and the Design-Builder's Good Faith Estimate for Construction Work, but any additional amount (price or quantities) agreed to by the parties as a Provisional Sum for such Provisional Sum Item shall not be included in the Schedule of Values, and instead shall be set forth as a Provisional Sum.

For each Provisional Sum Item, the parties shall agree to a method and amount of compensation and/or other relief that may be provided to the Design-Builder upon the occurrence of a Provisional Sum Event. For purposes of clarity, baseline assumptions for the costs, quantities, and scheduling with respect to each Provisional Sum Item are accounted for in the Schedule of Values and the Design-Builder's Good Faith Estimate for Construction Work and are not within the Provisional Sum.

Contingency

The Design-Builder and the Issuer may agree upon a Contingency to be included in a GMP. Any Contingency agreed by the parties to be included in a GMP shall be limited in use to cover certain unaccounted for costs properly incurred in the performance of the relevant Work during the Construction Phase that do not otherwise provide the basis for a Supplemental Agreement.

Not to Exceed Amount

The Design-Builder and the Issuer may agree upon a NTE Amount with respect to the Work authorized prior to the execution of the Amendment/NTP for Construction (including Work authorized pursuant to Work Package Authorizations). In no event shall the Design-Builder be required to perform Work that is subject to an NTE Amount once such NTE Amount has been exceeded. In the event the Design-Builder stops performance of the Work on the basis of exceeding an NTE Amount, the Design-Builder will provide written notice to the Issuer of the date on which the Design-Builder has ceased the Work.

Work Package Authorizations

The Issuer and the Design-Builder may, prior to execution of the Amendment/NTP for Construction, agree upon one or more packages for Construction Work, including procurement of materials (each such package, a "Work Package"), providing the Design-Builder with written authorization (a "Work Package Authorization") to proceed with the Construction Work as set forth in the Design-Build Agreement. After the parties discuss (a) the scope, (b) the estimated costs of such Work Package, (c) the certainty of such cost estimates, and (d) the method of compensation, the Issuer shall direct the Design-Builder in writing to prepare, as agreed upon by the parties, either (i) a Price Proposal, or (ii) an NTE Amount Estimate. Prior to entering into the Amendment/NTP for Construction, the total NTE Amount(s) plus Price(s) for any Work Package Authorizations outstanding shall not exceed $135,000,000.

If the Issuer and the Design-Builder agree upon a Price and other items comprising a Price Proposal, or an NTE Amount and basis for payment of the NTE Amount, for a Work Package Authorization, then they shall execute a Work Package Authorization that includes each of the items listed below, to the extent applicable to the authorized Work:

Amendment/NTP for Construction

If the Issuer and the Design-Builder agree upon a Price and other items comprising the Price Proposal for the Amendment/NTP for Construction, then they shall execute the Amendment/NTP for Construction, which shall set forth each of the items below:

A. The Price and, for a GMP, its component elements in a spreadsheet format, including, if applicable:

   (i) The Schedule of Values;

   (ii) Any Provisional Sums agreed by the parties;

   (iii) The Minimum Fee;

(iv) Any Contingency agreed by the parties; and

(v) The Assumed G&A Percentage, and a calculation of the Assumed G&A Percentage multiplied by the Good Faith Estimate of the Construction Work.

B. An updated Project Schedule, including the Completion Deadlines;

C. The parties' respective obligations for obtaining any outstanding Governmental Approvals required for the Construction Work;

D. A list of the Design Documents, including all addenda thereto, used in preparation of the Price Proposal for the Amendment/NTP for Construction, including a list of the clarifications and assumptions made by the Design-Builder in preparing the Price Proposal to supplement the information contained in the Design Documents;

E. The parties' respective right of way acquisition responsibilities, if any, during the Construction Phase and schedule therefor;

F. A list of all studies, plans, and reports submitted as part of the Preconstruction Phase, including any site investigation reports, Utility Maps, Hazardous Materials Reports, Project Management Plan, Quality Management Plan, Safety Plan, and DBE Performance Plan;

G. The contact details for the primary Design-Builder personnel overseeing the Construction Work, which may be provided by the Design-Builder after execution of the Amendment/NTP for Construction, but in any event no later than two weeks prior to commencement of Construction Work;

H. Any mutually agreed-upon updates to the Technical Provisions;

I. The Project Risk Register, which shall be added as a tab to the Risk Register in Exhibit R;

J. The Design-Builder's obligations, if any, to perform work under any Utility Agreements, Railroad Agreements, or Third-Party Agreements;

K. Subject to Section 4.2.1.2, any documentation and information required by the ICE-Design-Builder Coordination Letter delivered to the Design-Builder pursuant to Exhibit E;

L. The Incentive Fee, the Target Fee, the Maximum Fee, the Target Costs, the Cost Floor, and the Cost Ceiling; and

M. Any other documentation and information required by the Issuer.

Authority's Rights

By entering into the Design-Build Agreement and further authorizing the Preconstruction Work, the Issuer is not obligating itself (i) to authorize Construction Work on any component of the Project, (ii) once a Work Package Authorization has been executed in accordance with the terms

hereof, to continue to authorize Construction Work on any additional Work Package, or (iii) if limited Construction Work is authorized pursuant to a Work Package Authorization, to continue to authorize Construction Work for the remainder of the Project, or enter into the Amendment/NTP for Construction for the Project. If the Issuer rejects a Price Proposal with respect to the Amendment/NTP for Construction, or fails to notify the Design-Builder in writing on or before the date specified in a Price Proposal with respect to the Amendment/NTP for Construction (which date cannot be fewer than 150 days after the Price Proposal is delivered to the Issuer) that it accepts such Price Proposal, or the parties are unable to agree on a material term of the Amendment/NTP for Construction, the Price Proposal with respect to the Amendment/NTP for Construction shall be deemed withdrawn and of no effect (a "Withdrawn Price Proposal"). In such event, the Issuer and the Design-Builder shall meet and confer as to how the Project will proceed.

If there is a Withdrawn Price Proposal (or a Price Proposal is never submitted prior to the Issuer terminating), the Issuer shall have the right to take one or more of the following actions:

A. Terminate the Design-Build Agreement for convenience by providing the Design-Builder with notice of termination; provided, however, that if the Issuer terminates the Design-Build Agreement for convenience and proceeds to design and/or construct the Project through designers and/or contractors that are not Design-Builder ("Other Project Contractors"), the Issuer's rights to use any documents or deliverables prepared by any Design-Builder-Related Entity shall be subject to the terms and limitations set forth under (E) below and such rights may not be transferred or assigned by the Issuer to Other Project Contractors without the Design-Builder's express written consent and such Other Project Contractors' agreement to the terms and limitations set forth under Section (E) below;

B. Direct the Design-Builder in writing to (i) cease Preconstruction Work and/or (ii) terminate for convenience any Work Package Authorization (or portion thereof) that includes Construction Work; in each case without suspending or terminating the Design-Builder's Work under other Work Package Authorizations for Construction Work; and in which case, the parties will execute a Supplemental Agreement (a) redefining the scope of the Project to exclude such Work for which the parties have been unable to negotiate the Amendment/NTP for Construction, (b) setting forth Work Package Milestones with Work Package Completion Deadlines for the Work Package Authorizations remaining within the redefined scope of the Project, and (c) redefining the Target Costs, the Cost Floor and the Cost Ceiling to reflect the reduced scope for any Work Package Authorization that includes a GMP that is so terminated;

C. Direct the Design-Builder in writing to continue proceeding under other previously executed Work Package Authorizations, in which case (i) the parties shall amend the respective Work Package Authorizations to set forth Work Package Milestones with Work Package Completion Deadlines for the Work Package Authorizations remaining within the redefined scope of the Project, and (ii) the Design-Builder shall remain obligated to complete such Work Package(s) and be compensated in accordance with the Contract Documents, including with respect to the Incentive Fee for Work Package Authorizations that include a GMP;

D. The Issuer may suggest modifications to a Price Proposal with respect to the Amendment/NTP for Construction, whereupon, if such modifications are accepted in writing by the Design-Builder, such Price Proposal shall be deemed accepted and the parties shall proceed to execute an Amendment/NTP for Construction;

E. After directing ceasing of Work or termination of the Design-Build Agreement or any portion thereof, solicit bids for the balance of the Work from Other Project Contractors, in which case the Issuer shall retain its rights in the Design Documents prepared by the Design-Builder. Notwithstanding the preceding sentence or any other provision in the Design-Build Agreement, the Contract Documents, or otherwise to the contrary, in the event the Issuer elects the option set forth under this Section 4.5(E), the Issuer shall have the rights to use the documents and deliverables subject to the following:

(i) payment to the Design-Builder for all Preconstruction Work performed in accordance with the Contract Documents;

(ii) the Issuer's delivery of a letter to the Design-Builder acknowledging that the use of the documents will be in accordance with the practice of engineering as provided by the State's Board of Licensure for Professional Engineers and Professional Land Surveyors; and

(iii) the Issuer's delivery of a letter to the Design-Builder acknowledging that to the extent that any document, drawing, specification, and/or other design related information has been provided to the Issuer as part of the Preconstruction Work or is not ultimately used for construction performed by the Design-Builder, such an item or information is provided to the Issuer "AS IS" with no warranty or guaranty of any kind, that use of such item or information shall be at the Issuer's sole risk without liability or legal exposure to any Design-Builder-Related Entity, and that the Issuer shall remove any Design-Builder-Related Entity name from all such an item or information prior to providing it to any third-party.

In the event the Issuer elects the option set forth under this subsection (E) and if directed by the Issuer, the Design-Builder shall use commercially reasonable efforts to cause the Lead Designer and any first-tier subcontractors of the Lead Designer performing Preconstruction Work to enter into contracts with the Issuer for the completion of the Preconstruction Work on the same compensation terms set forth in the applicable Subcontract. The Design-Builder shall use commercially reasonable efforts to include in its Subcontract with the Lead Designer provisions stating that (i) the Lead Designer will negotiate in good faith with the Issuer in the event the Issuer directs the Design-Builder to carry out its obligations in this paragraph, and (ii) the Lead Designer will use commercially reasonable efforts to include in its first-tier Subcontracts provisions stating that a first-tier Subcontractor to the Lead Designer will negotiate in good faith with the Issuer in the event the Issuer directs the Design-Builder to carry out its obligations in this paragraph.

If the parties are unable to agree on a material term of the Amendment/NTP for Construction and the Issuer terminates the Design-Build Agreement for convenience by providing the Design-Builder with notice of termination, the Design-Builder shall be compensated for all

completed Work Package(s) in accordance with the Contract Documents, including with respect to any Incentive Fee, if applicable, due under the Design-Build Agreement.

Prerequisites for Start of Construction of Any Portion of the Project

The Design-Builder shall not start construction (or recommence construction following any suspension) of any portion of the Project until all the following events have been fully satisfied with respect to the Construction Work proposed to be constructed:

A. The Issuer and the Design-Builder have executed the Amendment/NTP for Construction or a Work Package Authorization for the Construction Work;

B. All Governmental Approvals necessary for construction of such portion of the authorized Work or the Project have been obtained and all conditions of such Governmental Approvals that are a prerequisite to commencement of such construction have been satisfied or performed;

C. All insurance policies and bonds required to be delivered to the Issuer under the Design-Build Agreement have been submitted to the Issuer as applicable and are in full force and effect;

D. All necessary rights of entry for such portion of the Project have been obtained;

E. Any additional conditions for construction set forth in the Contract Documents have been satisfied; and

F. Design-Builder has issued RFC Documents for such portion of the authorized Work or the Project and the Approval process for such documents has been completed, or the Design-Builder has submitted documents for Review and Comment and the Issuer has conditionally allowed the Design-Builder to continue with the Work related to the documents notwithstanding that the Review and Comment process has not been completed, provided that the Design-Builder addresses any comments provided by the Issuer within the timeframe set by the Issuer.

Completion Deadlines

Substantial Completion

Substantial Completion will be achieved on the date the Work required for the Project is substantially complete, as memorialized in the Letter of Substantial Completion. The Design-Builder shall achieve Substantial Completion by the Substantial Completion Deadline.

Final Completion

Final Completion will be achieved when the Design-Builder has achieved Final Completion. The Design-Builder shall achieve Final Completion by the Final Completion Deadline.

Final Acceptance

Final Acceptance will be achieved when a Letter of Final Acceptance has been issued for the Project.

No Time Extensions

Except as otherwise provided in the Contract Documents, including taking into account any extensions that are specifically permitted under the Contract Documents, including with respect to Relief Events, the Issuer shall have no obligation to extend any Completion Deadline and the Design-Builder shall not be relieved of its obligation to comply with the Project Schedule and the applicable Completion Deadlines.

CONTROL OF WORK

Control and Coordination of Work

The Design-Builder shall be responsible for and have control over its construction means, methods, techniques, sequences, procedures, and Site safety, and shall be solely responsible for coordinating all portions of its Work under the Contract Documents in accordance with the Contract Documents.

Safety

A. The Design-Builder shall at all times comply with the Safety Plan.

B. The Design-Builder shall immediately notify the Issuer if the Design-Builder discovers that any Contract Document requirements create a safety risk.

C. The Design-Builder shall take all reasonable precautions and be responsible for the safety of, and shall provide protection to prevent damage, injury, or loss to, persons within the Site or who would reasonably be expected to be affected by the Work, including individuals performing Work, employees of the Issuer or ALDOT and their consultants, visitors to the Site and members of the public who may be affected by the Work. Notwithstanding the foregoing, the Design-Builder shall not be responsible for the safety operations or protocols of the Issuer's personnel, the Issuer's consultants, or the Other Authority Contractors on the Project or in the Site for conditions created by the Issuer's personnel, the Issuer's consultants, or the Other Authority Contractors on the Project or in the Site.

Process to be Followed for Discovery of Differing Site Conditions

Notification to the Issuer

Upon encountering a Differing Site Condition, the Design-Builder shall promptly provide notice to the Issuer pursuant to the Relief Event process. The Design-Builder shall, to the extent reasonably possible, provide such notice before the Differing Site Condition has been substantially disturbed or altered. The Issuer will investigate the location within 14 Calendar Days of receipt of written notification of such encounter.

Recommence Work

The Issuer shall have the right to require the Design-Builder to recommence Work in the area at any time, even though an investigation may still be ongoing (so long as such Work is not in violation of any Applicable Laws or Governmental Approvals, subject to the Professional Standard of Care), without prejudice to the Design-Builder's entitlement to a Supplemental Agreement for additional Costs of the Work associated therewith to be added to the Compensation Cap and/or schedule relief to address the associated impact. The Design-Builder shall promptly recommence Work in the area upon receipt of notification from the Issuer to do so. On recommencing Work, the Design-Builder shall work promptly and diligently, and follow all applicable procedures contained in the Contract Documents and all other Applicable Laws with respect to such Work in accordance with the Contract Documents, consistent with the Issuer's determination to the nature of the Differing Site Condition.

Entitlement to Cost and Time Changes

It shall be a Relief Event if the Design-Builder encounters a Differing Site Condition.

Hazardous Materials

Hazardous Materials Introduced by the Design-Builder

Notwithstanding the preceding provisions of this Section 5.4, the Issuer is not responsible for remediation of any Design-Builder Release. Any response, removal, cleanup or other remedial action required by applicable Environmental Laws with respect to a Design-Builder Release shall be performed by the Design-Builder at its sole cost and expense. Except as to the Design-Builder's initial response to an emergency, any such remedial action(s) shall require the prior consent of the Issuer.

Pre-Existing Site Contamination

The Design-Builder shall not be responsible for Preexisting Hazardous Materials except to the extent remediation is necessary because of a Design-Builder Release of such Preexisting Hazardous Materials.

Entitlement to Cost and Time Changes

If the Design-Builder discovers a Hazardous Material for which it is not responsible as a Design-Builder Release or otherwise in accordance with the Contract Documents, such discovery shall be a Relief Event.

Quality Management

Design-Builder Quality Management

The Design-Builder shall perform the quality assurance and Quality Control necessary for the Design-Builder to comply with its obligations under the Contract Documents. The Issuer will perform owner verification with respect to the Work.

Oversight, Audit, Inspection, and Testing by the Issuer and Others

All materials and each part or detail of the Work shall also be subject to oversight, audit, inspection and testing by the Issuer and other Persons designated by the Issuer. When any Utility Owner, Railroad, or Third Party is to accept or pay for a portion of the Cost of the Work, its respective representatives have the right to oversee, audit, inspect and Test the Work to the extent set forth in Applicable Law or in the contracts pursuant to which such acceptance of or payment for the Work is being made. Such oversight, audit, inspection and/or testing does not make such Person a party to the Design-Build Agreement nor will it change the rights of the parties hereto. The Design-Builder hereby consents to such oversight, inspection and testing by the Issuer and other Persons. Upon request from the Issuer, the Design-Builder shall furnish information and assistance to such Persons as are designated in such request and shall permit such Persons access within the Site and to the applicable parts of the Work.

Obligation to Uncover Finished Work

If a portion of the Work has been covered contrary to the request of the Issuer or contrary to the requirements of the Contract Documents, it shall be uncovered at the written request of the Issuer for its observation and replaced at the Design-Builder's sole cost and expense, and the Design-Builder shall not be entitled to any Supplemental Agreement in connection therewith. If a portion of the Work has been covered which the Issuer has not specifically requested to observe prior to its being covered or which the Contract Documents do not require to be observed prior to its being covered, the Issuer may request to see such Work and it shall be uncovered by the Design-Builder. **If such Work is in accordance with the Contract Documents, the uncovering and restoring of such Work shall be a Relief Event.** If the Work exposed or examined is not in conformance with the requirements of the Contract Documents, then the cost of uncovering, removing and restoring the Work or making good the parts removed and recovery of any delay to the performance of the Work occasioned thereby shall be at the Design-Builder's expense.

Nonconforming Work

Replacement of Nonconforming Work

The Design-Builder shall notify the Issuer within 48 hours of becoming aware of Nonconforming Work. To the extent not otherwise accepted by the Issuer, the Design-Builder shall correct or remove and replace any Nonconforming Work, whether the result of poor workmanship, use of defective materials, damage through a Design-Builder-Related Entity's misconduct, carelessness or negligence, immediately in a manner acceptable to the Issuer, at the Design-Builder's cost and without any adjustment to the Price or any Completion Deadline or any other relief, and the Design-Builder must promptly take all action necessary to prevent similar Nonconforming Work from occurring in the future.

Any repair of Nonconforming Work done contrary to the written instructions of the Issuer or done without the Issuer's approval will be considered as unauthorized. If the quality of such unauthorized repair is acceptable to the Issuer, the repair may be left in place without payment and such repair and the Design-Builder will include such repair in the applicable set of Record Drawings. If the quality of the unauthorized repair is unacceptable, the work shall be removed and replaced.

Previously installed materials, which are of a temporary nature, may be left in place with the Design-Builder maintaining the failing materials for the duration of their use at the Design-Builder's expense; provided, however, that the Issuer may require such Nonconforming Work of a temporary nature to be removed at its sole discretion.

Nonconforming Work Adjustment

The Issuer may, in its sole discretion, accept any Nonconforming Work without requiring it to be fully corrected, and shall be entitled to a pay adjustment (or reimbursement of a portion of the Construction Compensation for such Nonconforming Work, if applicable). In such event, the Issuer shall be entitled to a pay adjustment or reimbursement of a portion of the Construction Compensation in an amount reasonably determined and evidenced by a documented accounting of such adjustment or reimbursement by the Issuer. In general, the pay adjustment (or reimbursement) shall equal, at the Issuer's election: (i) the amount allocated to the Work reasonably determined by the Issuer to be Nonconforming Work in the Schedule of Values; (ii) the Design-Builder's cost savings associated with its failure to perform the Work in accordance with the Contract Document requirements; or (iii) the amount deemed appropriate by the Issuer to provide compensation for impacts to affected parties such as future maintenance and/or other costs relating to the Nonconforming Work; provided, however, that the pay adjustment (or reimbursement) shall not exceed the Cost of the Work incurred by the Design-Builder in performing Work that was found to be Nonconforming Work.

Process to be Followed for Discovery of a Pre-Existing Structure Condition

It shall be a Relief Event if the Design-Builder encounters a Pre-Existing Structure Condition. Upon encountering a Pre-Existing Structure Condition, the Design-Builder shall stop Work thereon and promptly provide a Notice of Relief Event and a Request for Determination of Relief Event to the Issuer. If the Issuer approves the Request for Determination of Relief Event received for a Pre-Existing Structure Condition, then the Issuer will instruct the Design-Builder via an Authority-Directed Change what, if any, additional Work is required to address the Pre-Existing Structure Condition. The Design-Builder shall promptly commence such additional Work in the area upon receipt of the Issuer-Directed Change. If the Issuer approves the Request for Determination of Relief Event for a Pre-Existing Structure Condition, nothing shall prevent the Design-Builder from seeking a Supplemental Agreement to comply with the Design-Builder's obligations under the Contract Documents associated therewith.

ACCESS TO SITE, UTILITY WORK AND ENVIRONMENTAL COMPLIANCE

Access to Project ROW of Way Identified on Right of Way Drawings

Obligation to Provide Access to Project ROW

The Issuer has provided the Design-Builder with documents setting forth the Project ROW it has acquired for the Project in accordance with the Project Information Documents (the "Planned Project ROW Parcels"). ALDOT has already acquired the Planned Project ROW Parcels, which have been leased to the Issuer.

The Issuer will provide Design-Builder with (i) the Planned Project ROW Parcels vacated of legal occupants, with the exception of Utility Owners, and (ii) the necessary possessory rights secured to construct permanent improvements for the Project, provided the Design-Builder complies with any necessary conditions contained in the deeds, easements, and any other documents providing such possessory rights. The Design-Builder shall not access any Planned Project ROW Parcels prior to receipt of notice from the Issuer that Design-Builder has been granted access to such parcels.

Right of possession of all Project ROW and the improvements made thereon by Design-Builder will remain the property of the Issuer and the Design-Builder's right of entry and use of the Project ROW arises solely from the permission granted by the Issuer under the Design-Build Agreement.

Additional Costs and/or Delay

It shall be a Relief Event if an Other Authority Contractor enters onto (including by placement thereon of equipment or materials including dredge spoil) or fails to timely remove its employees, equipment, or materials (including dredge spoil) from the Project ROW, ALDOT ROW or the Other State-Owned Property owned by ALDOT (i) unless the Other Authority Contractor has express advance written authorization from the Design-Builder or (ii) as otherwise agreed by the Issuer and the Design-Builder pursuant the Design-Build Agreement. Notwithstanding the foregoing, it shall not be a Relief Event if an Other Authority Contractor enters onto or uses the Project ROW, ALDOT ROW or Other State-Owned Property owned by ALDOT in the same manner that a member of the travelling public would be permitted access to the Construction Limits.

Utility Work

The Design-Builder is responsible for management of all Utility Relocations necessary to accommodate the design and construction of the Project. Commensurate with its status as a contractor for the Issuer, the Design-Builder shall verify and identify which Utilities will need to be relocated to accommodate the design and construction of the Project. The Design-Builder will work with each Utility Owner to develop a Utility Agreement that details the responsibility for designing the Utility Relocation and for constructing the Relocation along with potential cost information and schedule durations. The Design-Builder will coordinate with, inform the Issuer as to the progress of, and monitor the Utility Owners performing Utility Relocations to encourage performance such work in a timely manner, in coordination with the Work, and in compliance with the standards applicable to the Work as set forth in the Contract Documents. The Issuer, commensurate with its status as a public corporation of the State and Project ROW lessee shall fully support the Design-Builder's Utility Relocation activities. Subject to Relief Events, the Design-Builder shall be the responsible party to the Issuer for timely performance of all Utility Relocations where the Design-Builder is the party responsible for performing the field construction for the Utility Relocation under the applicable Utility Agreement.

The Design-Builder shall not be responsible for (a) the time or cost necessary for a Utility Owner to perform work under the applicable Utility Agreement where the Utility Owner is the party responsible for performing the work or causing the work to be performed or (b) any other cost or schedule impacts beyond the control of the Design-Builder related to a Utility Relocation,

including but not limited to (i) delays in achieving an executed Utility Agreement, (ii) delays associated with the design and the approval for the design of the Utility Relocation by the Utility Owner, and (iii) delays associated with the field investigation and construction work performed by the Utility Owner. Any cost or schedule impacts to the Design-Builder's performance of Work caused by any delay other than the Design-Builder's self-performance of the field construction relocation shall be a Relief Event.

Utility Agreements

Except with respect to any executed Utility Agreements entered into by the Issuer or ALDOT or provided by the Issuer or ALDOT to the Design-Builder, the Design-Builder is responsible for preparing and negotiating all required Utility Agreements with Utility Owners in accordance with the Contract Documents. The Utility Agreements shall be executed by the Utility Owners and the Design-Builder, and the Issuer or ALDOT shall not be a party to the Utility Agreements, except as provided below. Such Utility Agreements shall not be considered Subcontracts, nor shall Utility Owners be considered Subcontractors for purposes of the Design-Build Agreement.

Any material deviations in a Utility Agreement from the applicable Utility Manual requirements and any prices, reimbursement of costs, and schedule deadlines included in a Utility Agreement, or a task order issued under such Utility Agreement, must be Approved by the Issuer. The Issuer agrees to cooperate and to cause ALDOT to cooperate as reasonably requested by the Design-Builder in pursuing Utility Agreements, including engaging in outreach to Utility Owners and participating in negotiation sessions. The Design-Builder shall not enter into any agreement with a Utility Owner that purports to bind the Issuer or ALDOT in any way.

Utility Relocations Performed by Design-Builder

Where the Design-Builder enters into a Utility Agreement with the Utility Owner that specifies the performance of the Utility Relocation by the Design-Builder, the Design-Builder shall ensure that the Costs of the Work associated with such Utility Relocation Work are in compliance with Applicable Laws for federal reimbursement of Utility Relocation, and the applicable requirements of the Utility Manual. Unless otherwise agreed by the Issuer, any Betterment associated with the Utility Relocation under the Utility Agreement shall be accounted for in the Utility Agreement as a cost to be paid by the Utility Owner to the Design-Builder. Design-Builder-Performed Relocations shall be included in the Price for the Work Package Authorization and/or the Amendment/NTP for Construction authorizing such Work, as applicable.

Notwithstanding that the Issuer is not a party to such Utility Agreement, the Issuer will compensate the Design-Builder for the Professional Design Services and Construction Work associated with the Design-Builder-Performed Relocation under the Utility Agreement as Preconstruction Phase Compensation or as Construction Compensation, as applicable, and such amount shall not include Betterment, which Betterment will be paid to the Design-Builder by the Utility Owner, unless otherwise agreed by the Issuer. If a conflict occurs between the terms of such Utility Agreement and those of the Contract Documents, subject to the Professional Standard of Care, the terms that establish the higher quality, manner or method of performing Utility Relocations, establish better Good Industry Practice, or use more stringent standards shall prevail.

Utility Relocations Performed by Utility Owner

Where the Design-Builder enters into a Utility Agreement that specifies the performance of the Utility Relocation by the Utility Owner, such Utility Agreement shall specify the basis of compensation to the Utility Owner for such work. Such basis of compensation shall be the Reimbursable Utility Expenses for such Utility Relocation. Prior to execution of a task order issued under such Utility Agreement, the Design-Builder shall obtain the Issuer's Approval for such basis of compensation. The Design-Builder shall be paid for its efforts in negotiating Utility Agreements and task orders issued under the Design-Build Agreement as Preconstruction Phase Compensation or as Construction Compensation.

The Design-Builder shall make payments of Reimbursable Utility Expenses to the Utility Owner pursuant to the terms of the applicable Utility Agreement. The Design-Builder shall invoice the Issuer for such amounts paid (the "Utility Reimbursement Compensation") as payment in full for Utility-Performed Relocations. The Design-Builder shall be paid additional amounts with respect to Design-Builder's Work related to Utility-Performed Relocations as negotiated fixed amount(s) within the Price(s) and on the payment schedule set forth in any Work Package Authorization or the Amendment/NTP for Construction, as applicable.

Relief Provided in Connection with Utility Work

A. Delays or increased costs resulting from Unidentified Utilities shall be a Relief Event.

B. If a Utility Agreement is not executed by a Utility Owner within the time frame reasonably scheduled by the Design-Builder for execution of the Utility Agreement, and the Design-Builder demonstrates to the Issuer that it has worked in good faith to negotiate such Utility Agreement and has proposed a Utility Agreement, the Issuer shall (or shall require ALDOT to) undertake, negotiate, and enter into a Utility Agreement with the Utility Owner, and the Design-Builder shall be relieved of its obligation to do so. Such delay shall be a Relief Event.

C. Deadlines for Utility Relocations will be included in the Utility Agreements signed by the Design-Builder, the Issuer, or ALDOT, as applicable. If a Utility Owner fails to Relocate a Utility by a deadline included in a Utility Agreement, it shall be a Relief Event.

Environmental Compliance

In performing the Work, subject to the Professional Standard of Care, the Design-Builder shall comply with all requirements of all applicable Environmental Laws and Environmental Approvals, whether obtained by the Issuer, ALDOT or the Design-Builder. The Design-Builder acknowledges and agrees that it will be financially responsible for all fines and penalties that may be assessed against the Issuer, ALDOT, the State, or the Design-Builder to the extent caused by any failure by the Design-Builder to comply with such requirements.

Design changes that may impact Environmental Approvals must be Approved in advance by the Issuer.

Mitigation Requirements

The Design-Builder shall perform all environmental mitigation measures (which term shall be deemed to include all requirements of the Environmental Approvals and similar Governmental Approvals, regardless of whether such requirements would be considered to fall within a strict definition of the term) for the Work. The Price established pursuant to a Work Package Authorization or the Amendment/NTP for Construction accounts for the Design-Builder's performance of all such mitigation measures required under Environmental Approvals or Governmental Approvals in effect on the Setting Date that apply to the scope of that Work Package Authorization or the Amendment/NTP for Construction.

Railroad Agreements

Design-Builder Agreements

Except as set forth below, Design-Builder shall obtain all required approvals and permits to perform the Work inside a Railroad ROW (the "Design-Builder Railroad Agreements"). Such agreements may include right of entry, construction and maintenance agreements, pipe or wireline crossing permits, grade crossing permits, temporary easements, and construction, maintenance, and use of Railroad ROW.

Authority or ALDOT Agreements

The Issuer shall, or shall cause ALDOT to, enter into with Railroads any necessary preliminary engineering agreements and permanent easements, including aerial easements, and any other agreement which is required by a Railroad for the Work that the Railroad requires the Issuer or ALDOT to be a party to (collectively, the "Authority Railroad Agreements" and together with the Design-Builder Railroad Agreements, the "Railroad License Agreements"). Whenever any such agreement between a Railroad and the Issuer or ALDOT is required, Design-Builder shall prepare the documentation required to obtain the agreement, including preparation of (i) the application on behalf of the Issuer or ALDOT, (ii) the plans and specifications, and the final form of agreement for execution by the Issuer or ALDOT, making necessary modifications to the application or agreement as required by the Issuer, ALDOT, or the Railroad.

Work Within Railroad ROW

Design-Builder shall comply with the requirements of all executed Railroad License Agreements in connection with the performance of the Work on proposed Railroad ROW. Design-Builder shall not enter a Railroad ROW until all Railroad License Agreements required for such entry have been obtained.

Design-Builder shall perform all Railroad Work according to the Applicable Standards and the standards, manuals, and guidelines published by each Railroad.

Design-Builder shall coordinate and schedule with the applicable Railroads all activities that affect the Work associated with such Railroad.

Relief Provided in Connection with Railroads

After the execution of a Work Package Authorization or the Amendment/NTP for Construction, it shall be a Relief Event if:

A. a Design-Builder Railroad Agreement is not executed with a Railroad within the time frame reasonably scheduled by the Design-Builder for execution of the Design-Builder Railroad Agreement in the Project Schedule, and the Design-Builder demonstrates to the Issuer that it has worked in good faith to negotiate such Design-Builder Railroad Agreement;

B. the Issuer or ALDOT does not provide an executed Authority Railroad Agreement within the time frame reasonably scheduled by the Design-Builder for execution of the Issuer Railroad Agreement in the Project Schedule; or

C. a Railroad enforces a work stoppage on the Design-Builder, excluding normal daily track use, and such work stoppage impacts the Critical Path.

SUBCONTRACTS, LABOR, AND KEY PERSONNEL

Subcontracting Requirements

The Design-Builder shall comply with all applicable requirements of the Contract Documents relating to Subcontracts, and shall ensure that all Subcontractors performing Work on the Project comply with all applicable requirements of the Contract Documents relating to subcontracting to the extent applicable to the subcontracted work. Notwithstanding any Subcontract or agreement with any Subcontractor, the Design-Builder shall be fully responsible for all of the Work. The Design-Builder shall not add, delete, or change the role of, any Principal Participant, Affiliate, or Major Participant from the role without the prior written Approval of the Issuer.

Debarment and Suspension

Design-Builder shall not enter into any Subcontracts with any Person disqualified, debarred, or suspended from performing or bidding on work by any agency of the State or the federal government; and in the event that any Subcontractor becomes disqualified, debarred, or suspended after the Design-Builder has entered into such Subcontract, the Design-Builder shall notify the Issuer and terminate such Subcontract with immediate effect without the need to seek or obtain the advance Approval of the Issuer.

Subcontracts for Preconstruction Work

Except with respect to Design-Builder-Related Entities performing Preconstruction Work that were included in the Design-Builder's Proposals, engagement and selection of Subcontractors performing Preconstruction Work shall be coordinated with and Approved by the Issuer. If a Price with respect to Preconstruction Work has been agreed upon and (i) the Issuer does not Approve a Design-Builder-Related Entity (as set forth in Exhibit C) upon which such Price was based, and (ii) such Design-Builder-Related Entity is prequalified with ALDOT as an engineer in the State, the Issuer's disapproval of such Design-Builder-Related Entity shall be a Relief Event.

Subcontracts for Construction Work and Subletting

Subject to the Issuer conducting a reasonableness evaluation of the prices proposed by the Design-Builder, (i) the Design-Builder will self-perform at least 30% of the Construction Work on each of the River Bridge Project and Bayway Project, and (ii) the Lead Designer will self-perform at least 30% of the design Work on each of the River Bridge Project, the Bayway Project, and the portion of the Bayway Limited Design Scope completed. The Design-Builder or a Major Participant will self-perform 50% of the Construction Work for the cable-stay bridge, which percentage counts toward the percentage set forth in (i) above.

Conditional Approval

Except for Subcontractors that are (i) Principal Participants, or (ii) Major Participants, all Subcontractors performing Construction Work valued at $200,000 or more per Subcontract shall be selected in accordance with the terms and conditions of this section. The Design-Builder shall not artificially divide Subcontracts to reduce the value of such Subcontracts in order to avoid the requirements to obtain Subcontractor Conditional Approval. Furthermore, for Subcontracts valued below $200,000, the Design-Builder, when commercially available, shall seek to obtain a minimum of three competitive bids from different subcontractors for such Subcontract.

Selection of Subcontractors performing Construction Work shall be coordinated with and approved by the Issuer as set forth below. Prior to the award of the first Subcontract(s) for the performance of Construction Work, the Design-Builder shall meet with the Issuer to review the Subcontractor selection process and the parties shall agree on protocols for determining when the Design-Builder will self-perform Construction Work as opposed to retaining a Subcontractor for such package.

Prior to soliciting bids, the Design-Builder may also provide the Issuer with a list of potential Subcontractors (each a "Bidder") proposed to conduct Construction Work or provide materials or equipment in connection therewith. The Issuer will notify the Design-Builder within 10 Business Days of any Bidders on the list who are disbarred or otherwise legally prohibited from conducting Construction Work or providing materials or equipment in the State. Any response or information, or lack of a response, provided by the Issuer pursuant to this paragraph shall not excuse the Design-Builder from meeting the requirements of the remainder of this section.

When commercially available, the Design-Builder shall seek to obtain a minimum of three competitive bids from Bidders on the approved list for all Construction Work, including for any materials or equipment supplied in connection with the Work. After evaluating all bids received, the Design-Builder shall notify and submit responsive bids received, along with a letter of recommendation for award of a Subcontract (collectively, a "Bid Recommendation"), to the Issuer. The Bid Recommendation shall include the Design-Builder's rationale for such recommendation, including a reasonableness determination with respect to price. The Issuer shall respond to a Bid Recommendation within 14 Calendar Days with its (i) rejection if such Bidder is debarred, defaulted, or otherwise disqualified or legally prohibited from participating in the Project by the federal government, the State (including ALDOT), or any other Governmental Person or (ii) conditional Approval (a "Subcontractor Conditional Approval") of the Subcontract award.

If the Issuer rejects the Bid Recommendation because it rejects one or more Bidders, the Issuer may provide "Subcontractor Conditional Approval" for other Bidders included in the Bid Recommendation. If the Design-Builder does not wish to proceed with the Bidders that received Subcontractor Conditional Approval in such Bid Recommendation, or if there are no Bidders that received Subcontractor Conditional Approval from the Issuer, the Design-Builder may resubmit a Bid Recommendation for such portion of the Construction Work.

If the selection process does not meet the requirements of the Contract Documents or is otherwise unsatisfactory to the Issuer, the Issuer may direct, within 5 Business Days of the date on which Design-Builder delivers the Bid Recommendation, that no award be made and that a new selection process be undertaken.

Subject to the Subcontractor Final Approval, if applicable, and the other requirements of the Design-Build Agreement, the Design-Builder may negotiate the most favorable price and terms of each Subcontract, having regard for price, capacity, qualifications, schedule compliance, reputation for quality, prior performance, and involvement of DBE Subcontractors (once a Reconsidered Goal has been established by Supplemental Agreement).

Final Approval

The Design-Builder shall not sublet, assign, or otherwise dispose of the Design-Build Agreement or any portion thereof, or of its right, title, or interest in the Design-Build Agreement, or enter into any Subcontract for Construction Work without written consent from the Issuer, in the form of a Subcontractor Final Approval.

After receiving a Subcontractor Conditional Approval (if applicable) and prior to a Subcontractor beginning any Construction Work, the Design-Builder shall request final Approval (a "Subcontractor Final Approval") from the Issuer by submitting a request for Subcontracting approval along with the following documentation, completed and correct (collectively, a "Complete Subcontract Request"): (1) an executed Subcontract, (2) a Certificate of Insurance (COI) demonstrating the required insurances are active, (3) an Employer Information Report (Form EEO-1), if applicable to the Subcontractor, (4) the Affirmative Action Form, and (5) proof of licensure required by the Contract Documents and Applicable Law, if any. Subcontractor Final Approval shall not be processed without a Complete Subcontract Request and subcontracted Work shall not begin until and unless the Design-Builder has received the Issuer's Subcontractor Final Approval. The Issuer shall provide a response to a Complete Subcontract Request within 5 Business Days of its receipt of a Complete Subcontract Request. If the Issuer does not respond to such Complete Subcontract Request within 5 Business Days, such Complete Subcontract Request will be deemed rejected. It shall be a Relief Event if any Complete Subcontract Request is deemed rejected two consecutive times.

Change orders with respect to a Subcontract shall also be submitted to the Issuer as a Complete Subcontract Request, with the executed change order attached to the request, for the Issuer's Subcontractor Final Approval. Notwithstanding the foregoing, the required documentation listed above for a Complete Subcontract Request shall not be required where (1) a change order does not increase the scope and/or value of the Subcontract, and (2) additional or different required insurances or licensures are not required.

Payments to Subcontractors

The Design-Builder shall comply with all Applicable Laws, including Federal Requirements, with respect to prompt payment. The Design-Builder shall not engage in retainage with respect to Subcontractors.

Responsibility for Work by Subcontractors

Notwithstanding any Subcontract or agreement with any Subcontractor, the Design-Builder shall be fully responsible for all of the Work. The Issuer shall not be bound by any Subcontract, and no Subcontract shall include a provision purporting to bind the Issuer.

Employee Performance Requirements and Key Personnel

Employee Performance Requirements

The Design-Builder shall at all times employ sufficient labor and equipment for prosecuting the several classes of Work to full completion in the manner and time required by the Contract Documents. Any person employed by the Design-Builder or by any Subcontractor (a "Work Person") (i) shall have the skill and experience and any licenses or certifications required to perform the Work assigned to them and (ii) shall not have been accused or found to have (a) committed fraud or (b) falsified records in the past. If a Work Person is engaged in special or skilled Work, such person shall have sufficient experience in such Work and in the operation of the equipment to perform all Work properly and satisfactorily.

If the Issuer determines in its reasonable discretion that any Work Person is not performing the Work properly and skillfully or is intemperate or disorderly, then, at the written request of the Issuer, the Design-Builder or such Subcontractor shall remove such Person from the Project and such Person shall not be re-employed on the Project without the prior written Approval of the Issuer. If the Design-Builder or the Subcontractor fails to remove such Person(s) or fails to furnish skilled and experienced personnel for the proper performance of the Work, then the Issuer may, in its sole discretion, suspend the affected portion of the Work by delivery of written notice of such suspension to the Design-Builder. Such suspension shall in no way relieve the Design-Builder of any obligation contained in the Contract Documents or entitle the Design-Builder to a Supplemental Agreement. Once compliance is achieved, the Design-Builder shall be entitled to and shall promptly resume the Work.

Design and Engineering Personnel

All design and engineering Work furnished by the Design-Builder shall be performed by or under the supervision of Persons licensed to practice architecture, engineering or surveying (as applicable) in the State, and by personnel who are skilled, experienced and competent in their respective trades or professions, who are professionally qualified to perform the Work in accordance with the Contract Documents, and who shall assume professional responsibility, in accordance with the Professional Standard of Care, for the accuracy and completeness of the Design Documents, as required in the Technical Provisions.

Key Personnel

The Issuer shall have the right to review the qualifications of each individual to be assigned to a Key Personnel, Additional Key Personnel, or Additional Personnel position (including personnel employed by Subcontractors) and to Approve or disapprove use of such person in such position prior to the commencement of any Work by such individual or during the prosecution of the Work. The Design-Builder shall notify the Issuer in writing of any proposed changes in any Key Personnel, Additional Key Personnel, or Additional Personnel and shall demonstrate to the Issuer's reasonable satisfaction that the qualifications of the replacement Key Personnel, Additional Key Personnel, or Additional Personnel are equal to or better than the individual being replaced. The Design-Builder shall not change any Key Personnel, Additional Key Personnel, or Additional Personnel without the prior Approval of the Issuer. Except to the extent the role of such Key Personnel or Additional Key Personnel for the Project has been completed, as agreed by the Issuer, removal or replacement of Key Personnel or Additional Key Personnel without the prior written Approval of the Issuer as equal or better will be subject to a "Personnel Change Assessment Fee" in the amount set forth on Exhibit C for each such removal or replacement, unless such removal or replacement (i) is due to a death, disability, incapacity, termination for cause, or resignation, or (ii) is otherwise Approved by the Issuer. If the Issuer elects to accept a Personnel Change Assessment Fee for the removal or replacement of Key Personnel or Additional Key Personnel without the prior written Approval of the Issuer as set forth above, the Issuer will not also be entitled to declare that the Design-Builder has breached the Design-Build Agreement. If the Issuer fails to respond to a Design-Builder request to replace a Key Personnel, Additional Key Personnel, or Additional Personnel within 14 Calendar Days of receipt of such request (including all information requested by the Issuer to support such request), the request shall be deemed rejected. If a request to replace a Key Personnel or Additional Key Personnel is deemed rejected two consecutive times, the Design-Builder shall not owe Personnel Change Assessment Fees with respect to such Key Personnel or Additional Key Personnel.

Independent Quality Firm

The Design-Builder shall retain as a Subcontract an independent quality firm ("independent Quality Firm" or "IQF") to perform the Work described in the Contract Documents, as applicable, including the Work assigned to the IQF in the Technical Provisions.

SURETY BONDS

The Design-Builder shall provide to the Issuer and maintain at all times during the Term security for faithful performance and completion of the Work as described below (or other assurance satisfactory to the Issuer in its sole discretion). Each bond required under the Design-Build Agreement shall list the Issuer as obligee and shall be provided by a Surety or Sureties acceptable to the Issuer. Such Surety or Sureties shall be licensed as surety and qualified to do business in the State and shall be rated in the top two categories by two nationally recognized rating agencies or having at least an A minus (A-) or better and Financial Size Category of Class VIII or better rating by A.M. Best and Company. The Surety or Sureties shall be listed in the current United States Department of the Treasury, Fiscal Service, Department Circular 570, *Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies*. Evidence of each Surety's rating must be delivered to the Issuer with delivery of the bonds. Any amount in excess of the cumulative underwriting

limitation listed in the circular of the underwriting capacities of the Design-Builder's Surety or Sureties shall be protected by coinsurance or reinsurance in accordance with Applicable Law.

Performance Bond

Work Package Authorization

Prior to beginning any Construction Work pursuant to the initial Work Package Authorization, the Design-Builder shall deliver to the Issuer a Performance Bond in the amount of the Contract Price.

Each Subsequent Work Package Authorization, Amendment/NTP for Construction or Supplemental Agreement

Prior to beginning any Construction Work associated with a subsequent Work Package Authorization, the Amendment/NTP for Construction, or a Supplemental Agreement entered into after the Work Package Authorization that triggers the delivery of the Performance Bond, the Design-Builder shall cause the aggregate amount of the Performance Bond to increase to equal the new Contract Price in accordance with the Construction Rider, giving effect to such increase and change in scope.

Payment Bond

Work Package Authorization/Amendment/NTP For Construction

Prior to beginning any Construction Work pursuant to a Work Package or the Amendment/NTP for Construction, the Design-Builder shall deliver to the Issuer a Payment Bond in the amount of the Contract Price.

Each Subsequent Work Package Authorization or Amendment/NTP

Prior to beginning any Construction Work associated with a Work Package Authorization or Amendment/NTP entered into after the Work Package Authorization or Amendment/NTP that triggers the delivery of the Payment Bond, the Design-Builder shall cause the aggregate amount of the Payment Bond to increase to equal the new Contract Price in accordance with the Construction Rider, giving effect to such increase and change in scope.

Vegetation Bond

Unless otherwise agreed by the Issuer, the Design-Builder shall provide a vegetation bond for the Project covering sustained growth of permanent vegetation following achievement of Final Completion (the "Vegetation Bond"). The Vegetation Bond shall be in an amount equal to a reasonable estimate of the cost of replacing the permanent vegetation if necessary. Any Vegetation Bond shall remain in full force and effect during the Correction Period for all Work and shall be provided in a form agreed to by the parties. If the Design-Builder provides more than one Vegetation Bond to meet the obligations under the Design-Build Agreement, the

Design-Builder shall maintain a list of all outstanding Vegetation Bonds and shall provide the Issuer a copy of the list upon written request.

No Relief of Liability

Notwithstanding any other requirements of the Contract Documents, performance by a Surety of any of the obligations of the Design-Builder shall not relieve the Design-Builder of any of its obligations under the Design-Build Agreement.

INSURANCE

General Insurance Requirements

The Design-Builder shall procure and keep in effect, or cause to be procured and kept in effect with the Design-Builder as a named insured, as appropriate, the insurance as required on Exhibit I in accordance with the further requirements of this Section 9. The Design-Builder's insurance shall cover all of the Work under the Design-Build Agreement, whether the Work is performed by the Design-Builder or its Subcontractors. The Design-Builder's insurance shall cover the entire Project as negotiated by the Issuer and the Design-Builder, regardless of whether the Design-Builder is performing Work on a structure within the Site.

Qualified Insurers

All insurance companies providing policies obtained to satisfy the insurance requirements in the Design-Build Agreement must be authorized to conduct business in the State and have a current policyholder's management and financial size category rating of not less than A minus (A-) or better and Class VIII or better according to A.M. Best and Company's Insurance Reports Key Rating Guide.

Deductibles and Self-Insured Retentions

A. Deductibles associated with the builder's all risk insurance policy required in the Design-Build Agreement shall be a Cost of the Work.

B. Except as set forth in (A) above or in the definition of Cost of the Work, there shall be no recourse against the Issuer for payment of premiums or payment of deductibles or self-insured retentions or other amounts with respect to the insurance provided by the Design-Builder. The Design-Builder may allocate responsibility and liability for the payment of deductibles or self-insured retentions to a Design-Builder-Related Entity responsible for the matter giving rise to an insurable claim under the applicable policies under which it is a named insured, however the Design-Builder shall remain the party with primary responsibility for payment of any deductible or self-insured retention. Except as set forth in (A) above, in no event will the Issuer be responsible for the failure of a Design-Builder-Related Entity to pay a deductible or self-insured retention.

C. This provision does not affect any rights the Design-Builder is entitled to pursuant to a Supplemental Agreement.

Primary Coverage

Each Insurance Policy specified in the Design-Build Agreement shall provide that the coverage thereof is primary and non-contributory coverage with respect to all named or additional insureds except for coverage that by its nature cannot be written as primary. Any other insurance maintained by an insured or an additional insured shall be excess of and non-contributory with any insurance available to the Project.

Project-Specific Insurance

Except as expressly provided otherwise, all insurance policies required to be procured in the name of the Design-Builder under the Design-Build Agreement shall be purchased specifically and exclusively for the Project with coverage limits, purchased on a Project term basis to include the design and construction and, as appropriate, any required extended discovery or reporting period. The Design-Builder may request the Issuer to approve, in its sole discretion, modifying any requirement for Project-specific insurance within or under a Design-Builder corporate insurance program, so long as the program affords the Project dedicated policy limits and sub-limits, as applicable, under each such insurance policy, with Design-Builder as a named insured. Insurances carried by any other Design-Builder-Related Entity need not be project specific unless specifically denoted as a requirement.

Policies with Insureds in Addition to Design-Builder

All insurance policies that are required to insure Persons (whether as named or additional insureds) in addition to the Design-Builder shall comply or be endorsed to comply with the following provisions:

D. The general liability and builder's risk insurance policies shall be written or endorsed so that no acts or omissions of an insured shall vitiate coverage of the other insureds. Without limiting the foregoing, any failure on the part of a named insured to comply with reporting provisions or other conditions of the insurance policies, any breach of warranty, any action or inaction of a named insured or others, or any change in ownership of all or any portion of the Project or the ownership of the Design-Builder shall not affect coverage provided to the other named insureds or additional insureds (and their respective members, managers, directors, officers, employees, agents and Project consultants).

E. The insurance shall apply separately to each named insured and additional insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability. Such provision shall provide that the interests and protections of each additional insured shall not be affected by any misrepresentation, act or omission of another named insured, or any breach by named insured of any provision in the policy that would otherwise result in forfeiture or reduction of coverage for the other insureds on the policy.

F. All endorsements adding additional insureds to required insurance policies shall contain no limitations, conditions, restrictions, or exceptions to coverage in addition to those that apply under the insurance policy generally.

Additional Terms and Conditions

Each insurance policy shall be endorsed to state that coverage cannot be canceled, or materially reduced in coverage or in limits by the insurance company except after 30 Calendar Days' prior written notice (or 10 Calendar Days' notice in the case of cancellation for non-payment of premium) by registered or certified mail (return receipt requested), or by email (with a physical copy to follow), has been given to the Issuer. A material reduction in coverage or in limits shall not include payments under the policy that by their nature erode or deplete the limits of such policy. Such endorsement shall not include any limitation of liability of the insurer for failure to provide such notice.

Each insurance policy shall provide coverage on an "occurrence" basis and not a "claims made" basis (with the exception of any professional liability and pollution liability insurance policies).

Waivers of Subrogation

The Design-Builder waives all rights against the Indemnified Parties, for any claims to the extent covered by valid and collectible insurance placed by or on behalf of the Design-Builder, including insurance obtained pursuant to the Design-Build Agreement, except such rights as they may have to the proceeds of such insurance. If the Design-Builder is deemed to self-insure a claim or loss, then the Design-Builder's waiver shall apply as if it carried the required insurance. The Design-Builder shall require all Subcontractors to provide similar waivers in writing each in favor of all other parties enumerated above, with the exception of professional liability. Each insurance policy, including workers' compensation if permitted under the applicable workers' compensation insurance laws, shall include an express waiver of any right of subrogation against the Indemnified Parties or a consent to the insured's waiver of recovery in advance of loss, whether by endorsement or otherwise.

No Recourse

There shall be no recourse against the Issuer, the State, or any other agency or department thereof, or any of their respective constituents, for payment of premiums, deductibles and self-insured retentions, or other amounts with respect to the insurance policies required under the Design-Build Agreement, except to the extent such expenses are Costs of the Work or are increased premium costs recoverable under Section 12.

Support of Indemnifications

The insurance policies shall support but are not intended to limit the Design-Builder's contractual indemnification obligations under the Contract Documents.

Subcontractor Insurance Requirements

If any Subcontractor fails to procure and keep in effect the insurance required of it by the Design-Build Agreement and the Issuer asserts the same as a Design-Builder Default under the Design-Build Agreement, the Design-Builder may, within the applicable cure period, cure such Design-Builder Default by (i) causing such Subcontractor to obtain the requisite insurance and providing to the Issuer proof of insurance, (ii) procuring the requisite insurance for such

Subcontractor and providing to the Issuer proof of insurance, or (iii) terminating the Subcontractor and removing its personnel from the Site.

Umbrella and Excess Policies

Except as expressly stated otherwise in the Design-Build Agreement, the Design-Builder and its Subcontractors shall have the right to satisfy the requisite insurance coverage amounts for liability insurance through a combination of primary policies and umbrella or excess policies. Umbrella and excess policies shall be "following-form" and comply with all insurance requirements, terms, and provisions set forth in the Design-Build Agreement for the applicable type of coverage.

Defense Costs

No defense costs shall be included within or erode the limits of coverage of any of the insurance policies, except that defense costs may be included within the limits of coverage of professional and pollution liability insurance policies.

Verification of Coverage

At any time the Design-Builder is required to obtain or cause to be obtained any insurance policy, and thereafter not later than 7 Calendar Days prior to the expiration date of each insurance policy, the Design-Builder shall deliver to the Issuer a certificate of insurance evidencing all required insurance coverages. The initial submission shall include all endorsements and/or other information necessary for the Issuer to determine that the insurance policies represented on the certificate of insurance are compliant with the insurance requirements in the Design-Build Agreement.

Within a reasonable time after coverages are initially bound or renewed (but in no event beyond 60 Calendar Days after placement), the Design-Builder shall deliver to the Issuer (i) a complete copy of each Project-specific insurance policy and builder's risk insurance policy and proof and summary of the provisions of each other professional liability insurance policy, or any modification, or renewal, or replacement of such policies and all endorsements thereto, and (ii) satisfactory evidence of payment of (or that financial arrangements have been made for the payment of) the premiums for such policies, modifications, renewals and/or replacements.

If the Design-Builder has not provided the Issuer with the foregoing proof of coverage and payment within 5 Calendar Days after the Issuer delivers to Design-Builder notice of an Event of Default and demand for the foregoing proof of coverage, the Issuer may, in addition to any other available remedy, without obligation or liability and without further inquiry as to whether such insurance is actually in place, (i) obtain such an insurance policy and the Design-Builder shall reimburse the Issuer for the cost thereof upon demand, and (ii) suspend all or any portion of Work and close the Project (or any portion thereof) until the Issuer receives from the Design-Builder such proofs of coverage in compliance with this Section 9 (or until the Issuer obtains the relevant insurance policy, if it elects to do so).

Contesting Denial of Coverage

If any insurer under an insurance policy denies coverage with respect to any claims reported to such insurer, upon the Design-Builder's request, the Issuer and, to the extent necessary, the other Indemnified Parties shall cooperate in good faith to establish whether and to what extent to contest, and how to fund the cost of contesting, the denial of coverage; provided that if the reported claim is a matter covered by an indemnity from the Design-Builder in favor of an Indemnified Party, then Design-Builder shall bear all costs of contesting the denial of coverage.

Additional Insurance Policies

If the Design-Builder carries (or procures) project specific coverage in addition to that required under the Design-Build Agreement that is applicable to this Project, then the Design-Builder shall include the Indemnified Parties as additional insureds under the Design-Build Agreement, if and to the extent they have an insurable interest. If, however, the Design-Builder demonstrates to the Issuer that inclusion of such Persons as additional insureds will increase the premium, the Issuer will elect either to pay the increase in premium or forego additional insured coverage.

Application of Insurance Proceeds

All insurance proceeds received by the Design-Builder for physical property damage to the Project under any insurance policies, other than proceeds related to the Design-Builder's soft cost claims, shall be first applied to repair, reconstruct, rehabilitate, restore, renew, reinstate and replace each part or parts of the Project with respect to which such proceeds were received.

Unavailability of Insurance

To the extent any of the insurance coverage required under the Design-Build Agreement is not available or is available only at a commercially unreasonable price or unreasonable limits or terms, the Design-Builder will provide notice to the Issuer along with supporting documentation. If, after reviewing the supporting documentation, the Issuer agrees that the required insurance is not commercially reasonably available, the Design-Builder shall seek to obtain the most equivalent insurance coverage that is commercially reasonably available. Such alternative insurance coverage shall be reviewed and Approved by the Issuer prior to being obtained by the Design-Builder. If, due to the unavailability of any required insurance coverage and/or the substitution of any alternative insurance coverage, or in the event the cost of the required insurance is less than the Design-Builder's estimate for such coverage contained in any Price, the difference between the Design-Builder's estimate of the cost of such insurance set forth in the Schedule of Values and the actual cost of such insurance (which shall be zero if such insurance is unavailable) shall be deducted from the applicable Price by Supplemental Agreement, to reflect the actual cost of such insurance coverage. **It shall be a Relief Event if the cost of the required insurance is greater than the Design-Builder's estimate for such coverage contained in any Price.**

Design-Builder Liabilities

Except as otherwise provided in the Contract Documents, the Design-Builder assumes all liabilities regarding all Work or other property within the Site owned or controlled by the Issuer,

ALDOT, the Issuer's consultants, or Other Authority Contractors, in each case that is damaged due to any construction or design defect in the Work or any other cause related to the Design-Builder's Work until expiration of the Correction Period, at no additional cost to the Issuer.

RISK OF LOSS

Site Security

The Design-Builder shall provide appropriate security for the Site in use by the Design-Builder during its performance of the Construction Work, including securing any buildings from entry, and shall take all reasonable precautions and provide protection to prevent damage, injury or loss to the Work and materials and equipment to be incorporated in the Design-Build Agreement, as well as the property of the Issuer and its employees, consultants, and representatives at the co-located office space used for Preconstruction Work and Project field offices. The Design-Builder's obligation to provide security for the Site shall, at any given time, only extend to those parts of the Site to which the Design-Builder has been provided access or pursuant to an agreement between the Design-Builder and a Third Party for Additional Non-State Property.

Storage of Materials

Materials shall be stored as to assure the preservation of their quality and fitness for the Work. Stored materials shall be located so as to facilitate their prompt inspection. Approved portions of the Project ROW, Other ALDOT ROW and Other State-Owned Property may be used for storage purposes and for the placing of the Design-Builder's plant and equipment, but any Additional Non-State Property to be used for storage purposes shall be obtained by the Design-Builder. Additional Non-State Property shall not be used for storage purposes except as provided in this section. All storage sites within the Project ROW, Other ALDOT ROW and Other State-Owned Property shall be restored to their original condition by the Design-Builder. This paragraph shall not apply to the stripping and storing of topsoil, or to other materials salvaged from the Work.

Material will not be stored on Additional Non-State Property unless the Issuer is provided access to such Additional Non-State Property.

Maintenance and Repair of Work and On-Site Property

Responsibility of Design-Builder

A. **Prior to Final Completion**

During the Construction Phase, the Design-Builder shall maintain, rebuild, repair, restore, or replace all temporary and permanent Work within the Project ROW, Other ALDOT ROW and Other State-Owned Property (including structures, materials, equipment, supplies, and maintenance equipment that are purchased for installation in, or for use during construction of, the Project, regardless of whether the Issuer has leasehold title thereto under the Contract Documents) that is injured or damaged prior to the date of Final Completion unless otherwise agreed to in an agreement between the Design-Builder and the relevant State Party or such injury or damage constitutes a

Pre-Existing Structure Condition for which the Issuer does not direct Work to be performed via an Authority-Directed Change.

B. **After Achieving Final Completion**

After Final Completion, the Design-Builder shall maintain, rebuild, repair, restore, or replace all temporary and permanent Work that is injured or damaged on that portion of the Site where the relevant Corrective Work is performed until such Corrective Work is completed (including structures, materials, equipment, supplies, and maintenance equipment that are purchased for permanent installation in or for use during the performance of the Corrective Work, regardless of whether the Issuer has leasehold title thereto under the Contract Documents) prior to the end of the Correction Period, unless such injury or damage constitutes a Pre-Existing Structure Condition for which the Issuer does not direct Work to be performed via an Authority-Directed Change.

C. **General**

(i) The Design-Builder shall rebuild, repair, and restore all property that is not temporary or permanent Work damaged within the Project ROW, Other ALDOT ROW and Other State-Owned Property, whether owned by the Design-Builder, the Issuer, or any other Person arising out of the Design-Builder's operations in connection with the Contract Documents, unless otherwise agreed to in an agreement between the Design-Builder and the relevant State Party or such damage constitutes a Pre-Existing Structure Condition for which the Issuer does not direct Work to be performed via an Authority-Directed Change.

(ii) The Design-Builder shall perform the Corrective Work.

(iii) Damage required to be maintained, rebuilt, repaired, restored, or replaced by Design-Builder pursuant to this section **shall be a Relief Event**; provided, however:

a. that if the damage is caused by an item that is identified as a Provisional Risk or Design-Builder Risk on the Risk Register, the relief provided by the Issuer shall be limited to the time, amount, and/or percentage set forth in the Risk Register;

b. any scheduling impacts to the Critical Path resulting from damage caused by the Design-Builder's negligence or willful or intentional misconduct shall be borne by the Design-Builder and the schedule shall not be extended by the Issuer; and

c. damage due to any construction or design defect, until expiration of the Correction Period, will be at no additional cost to the Issuer and without schedule extension.

(iv) The Design-Builder shall at all times keep the property within the Site in a neat and clean condition, including sweeping roadways to prevent excessive

accumulation of dirt/mud, performing litter removal, removal of graffiti, and weed control until Final Completion.

(v) If the Design-Builder fails to satisfy its obligations to maintain, rebuild, repair or restore any Work or other property at the Site as required under this section, the Issuer shall provide notice of such failure to the Design-Builder. If the Design-Builder does not commence and diligently continue to remedy such failure within five Calendar Days following notice, the Issuer shall have the right to take all steps it deems necessary to satisfy such obligations. The Design-Builder shall reimburse the Issuer for any costs directly incurred by the Issuer due to the steps the Issuer takes with respect to the immediately preceding sentence.

Relief from Liability for Maintenance

The Project shall be considered accepted for maintenance purposes as of the date on which Final Completion occurs. Notwithstanding the foregoing, all elements of the Work, which will be owned by Persons other than the Issuer (such as Utility facilities) will be considered accepted for purposes of maintenance responsibility only as of the date of acceptance of maintenance responsibilities by such Persons.

Damage to Off-Site Property

The Design-Builder shall take all reasonable precautions and provide protection to prevent damage, injury, or loss to property adjacent to the Site or likely to be affected by the Work. In the event a Design-Builder-Related Entity exceeds the vibration limits set forth in the Technical Provisions, the costs to restore damaged, injured, or lost property and any schedule impact related thereto shall be borne by the Design-Builder.

Third-Party Agreements and Authority Provided Approvals

The Design-Builder shall comply with all provisions in the Third-Party Agreements which are provided in writing to the Design-Builder prior to the applicable Setting Date and that are applicable to the performance of the Work. The Design-Builder shall also comply with all provisions in Authority Provided Approvals that are provided in writing to the Design-Builder prior to the applicable Setting Date. In the event the Issuer provides the Design-Builder with a Third-Party Agreement and/or Authority Provided Approval after the applicable Setting Date, and the Design-Builder is required to perform according to the terms of such Third-Party Agreement, **such event will be Relief Event**.

Title

The Design-Builder warrants that it owns, or will own, and has, or will have, good and marketable title to all materials, equipment, tools and supplies furnished, or to be furnished, by it and its Subcontractors that become part of the Project or are purchased for the Issuer for the operation, maintenance, or repair thereof, free and clear of all Liens. Title to all of such materials, equipment, tools and supplies that have been delivered to the Site and will be incorporated into the Project or otherwise provided by the Design-Builder to the Issuer shall pass to the Issuer, free and clear of all Liens, upon the sooner of: (i) incorporation into the Project, or (ii)

payment by the Issuer to the Design-Builder of invoiced amounts pertaining thereto. Notwithstanding any such passage of title, the Design-Builder shall retain sole care, custody, control, and risk of loss of such materials, equipment, tools and supplies, and shall exercise due care with respect thereto as part of the Work until the earlier of (a) Final Completion, or (b) termination of the Design-Build Agreement, upon which date risk of loss to such materials, equipment, tools and supplies shall transfer to the Issuer. With respect to Corrective Work, notwithstanding any passage of title, the Design-Builder shall retain sole care, custody, control, and risk of loss of that portion of the Site where the Corrective Work is performed until the Corrective Work is completed, including such materials, equipment, tools and supplies used during the performance of Corrective Work, and shall exercise due care with respect thereto as part of the Work until the Correction Period has ended.

COMPENSATION AND PAYMENT

Preconstruction Phase

Preconstruction Phase Compensation

The Design-Builder's compensation for Preconstruction Work performed during the Preconstruction Phase shall be an amount ("Preconstruction Phase Compensation") equal to (i) the hourly rates for the personnel performing the Preconstruction Work multiplied by number of hours worked by such personnel on the Preconstruction Work, plus (ii) the Preconstruction Phase Fixed Price Expenses.

In no event shall the Preconstruction Phase Compensation exceed the Preconstruction Phase Compensation Cap.

Construction Phase

Construction Phase Compensation

The Design-Builder shall only be entitled to compensation for Construction Work to the extent such Construction Work has been authorized pursuant to an executed Work Package Authorization, the Amendment/NTP for Construction, a subsequently issued Supplemental Agreement or a Force Account Directive.

Compensation for Work authorized under an executed Work Package Authorization, the Amendment/NTP for Construction, or a subsequently issued Supplemental Agreement ("Construction Compensation") shall be as described below:

A. For Work performed under a GMP:

    i. With respect to remaining design and other Preconstruction Work (if any) performed pursuant to a Work Package Authorization (subject to item (iii) below), the Amendment/NTP for Construction, or a subsequently issued Supplemental Agreement, an amount equal to:

1. the hourly rates set forth in Exhibit D-1 for the personnel performing such Preconstruction Work multiplied by number of hours worked by such personnel on such Preconstruction Work, plus

2. other documented Reimbursable Expenses, which shall be paid as set forth in the Work Package Authorization, Amendment/NTP for Construction, or a subsequently issued Supplemental Agreement; and

ii. With respect to Construction Work, an amount equal to:

1. Costs of the Work for the Construction Work performed pursuant to the Design-Build Agreement, plus

2. the Incentive Fee, plus

3. the Final G&A Amount, plus

4. any other amounts specifically included in a Work Package Authorization executed on a GMP basis, the Amendment/NTP for Construction, or Supplemental Agreement, if any.

iii. With respect to Work originally authorized under a Work Package Authorization pursuant to a Fixed Price prior to execution of the Amendment/NTP for Construction has been executed, after such Work Package Authorization is subsumed into the Amendment/NTP for Construction and the GMP for the same, such Work shall continue to be paid in accordance with such Fixed Price, and for purposes of clarity, such Work shall not be paid as set forth in (i) or (ii) above.

Any Construction Compensation to be paid from the Contingency must be approved by the Issuer.

The Design-Builder shall not be entitled to payment by the Issuer for any Non-Reimbursable Costs of the Work.

B. For Work performed under a Fixed Price, the Fixed Price for such Work.

In no event will the Construction Compensation exceed the Contract Price. For purposes of clarity, the Force Account Compensation, Utility Reimbursement Compensation, the Incentive Payment, and interest on late payments are not Construction Compensation and are not included in, and are not subject to, the Contract Price.

Reallocation of Overruns and Underruns

With respect to a Work Package Authorization with a Price or the Amendment/NTP for Construction, the Design-Builder may apply savings due to a Cost underrun on a line item within the Schedule of Values to a payment due to a Cost overrun on another line item within the Schedule of Values without receiving the Issuer's prior approval. The Design-Builder shall provide a monthly accounting to the Issuer of any such Cost reallocation.

Contingency

Each of the following shall be a "Possible Contingency Event": (i) a cost and/or quantity exceeds the amount in the Schedule of Values and/or Provisional Sums (if applicable), or (ii) a Cost of the Work is not included in the Schedule of Values and/or Provisional Sums. If a Possible Contingency Event occurs , the Design-Builder may access the Contingency as further set forth below.

Authority's Approval for Use of Contingency

Except as set forth in Design-Builder's Access to Contingency below, the Design-Builder may access the Contingency as set forth below:

If a Possible Contingency Event occurs, then within 45 Calendar Days of the Design-Builder becoming aware of such Possible Contingency Event, the Design-Builder shall add the Possible Contingency Event to the Possible Contingency Log.

If the Design-Builder fails to add a Possible Contingency Event to the Possible Contingency Log within 45 Calendar Days (or such other period of time as agreed by the parties) of the Design-Builder becoming aware of such Possible Contingency Event, the Design-Builder may not request the use of Contingency to pay for such Possible Contingency Event, unless the Issuer decides otherwise, in its sole discretion.

The Design-Builder shall submit to the Issuer a request for use of Contingency (a "Request for Use of Contingency") no later than the latest to occur of (i) 90 Calendar Days after completing the Work or incurring the Costs of the Work, as applicable, that arose as a result of the Possible Contingency Event, (ii) 90 Calendar Days prior to Final Acceptance, or (iii) such other date mutually agreed upon by the parties in writing. The Request for Use of Contingency shall include a detailed description of the Possible Contingency Event, including the specific amount of Contingency requested by the Design-Builder and how much of such amount relates to the River Bridge Project and the Bayway Project, based on estimates and anticipated design or schedule solutions, or if available, based on actual Costs of the Work.

The Issuer shall notify the Design-Builder if it approves of or denies the use of the Contingency as set forth in a Request for Use of Contingency within 45 Calendar Days of the Issuer's receipt of such complete Request for Use of Contingency. If the Issuer does not approve or deny the Request for Use of Contingency within 45 Calendar Days of the Issuer's receipt of a complete Request for Use of Contingency, such Request for Use of Contingency is deemed rejected.

Except as set forth in in Design-Builder's Access to Contingency below, the Design-Builder shall not be entitled to payment of Construction Compensation from the Contingency prior to receiving the Issuer's Approval, which approval shall not be unreasonably withheld provided the Design-Builder has given the Issuer sufficient information substantiating the Design-Builder's need to use such Contingency.

The Design-Builder shall provide a monthly accounting to the Issuer of all expenses associated with the approved use of such Contingency, including an allocation of each expense to the River Bridge Project or the Bayway Project.

Design-Builder's Access to Contingency

The Design-Builder shall have access to up to 50% of the Contingency (the "Design-Builder's Access to the Contingency") as set forth below:

If a (i) Possible Contingency Event occurs and (ii) the Design-Builder Contingency Threshold has been met, then the Design-Builder may submit to the Issuer a notice with a Construction Progress Payment Request directing the Issuer to pay the Costs of the Work associated with such Possible Contingency Event out of the Contingency.

For purposes of clarity, if the Design-Builder has accessed more than 50% of the Contingency through the process set forth in Authority's Approval for use of Contingency above, the Design-Builder's Access to the Contingency shall only apply to any remainder of the Contingency not accessed pursuant to Authority's Approval for use of Contingency above.

The Design-Builder shall provide a monthly accounting to the Issuer of all expenses associated with the use of such Design-Builder's Access to the Contingency.

Savings and Incentive Fee

Savings

If at Final Acceptance the Construction Compensation is less than the Contract Price, the difference shall be savings, which shall accrue 100% to the Issuer.

Calculation of Incentive Fee

At Final Completion, the Incentive Fee shall be calculated using the schedule and formula set forth in the Work Package Authorization (if applicable) or the Amendment/NTP for Construction. The Design-Builder shall determine the difference calculated by subtracting (i) the Minimum Fee from (ii) the Incentive Fee as of the date of Final Completion. If the difference is more than zero, the Design-Builder shall include such difference in the Construction Progress Payment Request associated with Final Completion. The Parties shall reconcile the accrued Incentive Fee at the time of Final Acceptance with the prior payment of the Incentive Fee as of the date of Final Completion. If when subtracting the Incentive Fee calculated as of the date of Final Completion from the Incentive Fee at the time of Final Acceptance the difference is more than zero, the Design-Builder shall include such difference in its Application for Final Payment request. If the difference is less than zero, the Design-Builder shall offset the difference from the amount being requested in the Application for Final Payment request, or if the amount in the Application for Final Payment is insufficient to cover such difference, the amount of the difference shall be paid to the Issuer.

Withholding of Payment

A. On any Progress Payment Request, the Issuer may withhold amounts otherwise due to Design-Builder for and to the extent of any of the following; provided that at least 10 Calendar Days following receipt of the Progress Payment Request, the Issuer provides the Design-Builder with a written explanation of the reasons and contractual basis for such withholding:

(i) A bona fide, good faith dispute concerning the amount owed under a Progress Payment Request, which arises from missing supporting documentation or material errors, omissions, or other defects discovered in any previous Progress Payment Request;

(ii) Except to the extent arising from the Issuer's failure to make payments to the Design-Builder when properly due, failure of the Design-Builder to make timely payments of amounts received from the Issuer to its Subcontractors for labor, materials or equipment for Work performed or labor or materials furnished;

(iii) The Design-Builder has not timely provided the certification required by Section 7.6;

(iv) Losses (as defined in 18.1.1) that the Issuer has actually incurred for which the Design-Builder owes an obligation of indemnification under the Design-Build Agreement;

(v) The estimated or actual Construction Compensation, as determined by the Issuer in its reasonable discretion, of a party other than the Design-Builder remedying any defective or Nonconforming Work that the Design-Builder has refused to take meaningful steps to remedy promptly after receiving written notice of the same;

(vi) Failure to comply with the Federal Requirements;

(vii) A written request from the Design-Builder's Surety to withhold payment; or

(viii) Any undisputed amount owing and unpaid from the Design-Builder to any Utility Owner under a Utility Agreement.

B. Any amounts withheld as a result of any failure or event described above shall be paid to the Design-Builder once the relevant failure or event has been addressed by the Design-Builder and is no longer in effect. Payment for Work arising from Supplemental Agreements will be made in accordance with the relevant Supplemental Agreement.

C. The Issuer's failure to withhold from a progress payment or final payment any amount that the Issuer is entitled to recover from the Design-Builder under the Contract Documents shall not constitute a waiver of the Issuer's right to such amounts.

Final Payment

Following the Issuer's issuance of the final Letter of Final Acceptance, the Design-Builder shall prepare and submit an "Application for Final Payment" to the Issuer showing the proposed total amount remaining due the Design-Builder, along with an allocation of such amount between (a) the River Bridge Project and (b) Bayway Project. In addition to meeting all other requirements for invoices under the Design-Build Agreement, the Application for Final Payment shall include: (i) the written consent by the Surety to such payment; and (ii) such other documentation as the Issuer may reasonably require. Prior applications and payments shall be subject to correction in the proposed Application for Final Payment.

The Issuer will review the Design-Builder's proposed Application for Final Payment, and changes or corrections will be forwarded to the Design-Builder for correction. If no changes or corrections are required, the Issuer will approve the Application for Final Payment.

The Design-Builder's acceptance of final payment after its submittal of the Application for Final Payment shall constitute a waiver of Claims by the Design-Builder.

For purposes of clarity, the final Progress Payment Request is not the Application for Final Payment and the Design-Builder is permitted to file its final Progress Payment Request in due course when the Work is complete, prior to the Application for Final Payment.

RELIEF EVENTS

Relief Events

Relief Event Defined

The occurrence of any of the events set out below shall constitute a "Relief Event" for which the Design-Builder may submit a Request for Supplemental Agreement for upward adjustments to a Price (and therefore the Contract Price and the Compensation Cap), the Project Schedule, and/or whatever other relief is described in the Risk Register or Contract Documents, pursuant to this Section 12 and Section 13:

A. An Authority-Directed Change, including any change to the scope of the Preconstruction Work during the Construction Phase;

B. Unavoidable delays and associated impacts, arising from a suspension order pursuant to Section 14.1, 14.3, or 14.4;

C. Uncovering, removing, and restoring Work, to the extent additional costs and/or time are provided for in Section 5.6.3;

D. The occurrence of a Risk Register Event that is identified as an Authority Risk or a Provisional Risk on the Risk Register;

E. Discovery of (i) a Differing Site Condition, (ii) an Unidentified Utility, or (iii) an Unidentified Preexisting Hazardous Material or other Hazardous Material to the extent set forth in Section 5.4.4;

F. An event designated as a Relief Event in Section 5.10;

G. An event designated as a Relief Event in Section 6.1.3;

H. An event designated as a Relief Event in Section 6.2.2.2 and Section 6.2.2.3;

I. An event designated as a Relief Event in Section 6.4.4;

J. Force Majeure Events;

K. Changes in Applicable Law or Applicable Standards to the extent provided for in Section 1.5;

L. Changes to Governmental Approvals, new Governmental Approvals, or requirements of New Environmental Approvals, each if due to a Governmental Action;

M. Failure by the Issuer to obtain or cause ALDOT to obtain NWP 27 Aquatic Habitat Restoration, Enhancement, and Establishment Activities, as identified in the Responsibility Matrix attached hereto as Exhibit L, 60 days after the date on which the Design-Builder provides to the Issuer the final portion of information needed in order for the Issuer to be in a position to submit a complete application for such Environmental Approval, in accordance with the Technical Provisions and Contract Documents; provided that if the USACE requests additional information, has follow-up questions or requires additional submittals, such 60 day period shall be extended for the additional time needed for the Design-Builder to provide such additional information, responses and/or submittals to the Issuer for submission;

N. The Issuer disapproving of a Design-Builder-Related Entity to the extent provided for in Section 7.3.3;

O. Additional insurance costs to the extent set forth in Section 9.7.2;

P. Work to the extent set forth in Section 10.3.1; and

Q. The occurrence of any other event or circumstance that is specifically referenced in the Contract Documents as a Relief Event.

Limitations on Relief Events

Risk Register Event

Notwithstanding anything to the contrary in the Design-Build Agreement, if a Risk Register Event occurs that is designated as a Design-Builder Risk pursuant to the Risk Register, the Design-Builder shall bear the schedule and cost impacts associated with such event and the agreed mitigation strategy as set forth more fully in the Risk Register.

Relief Event Notice and Determination

Relief Event Notice

The Design-Builder shall provide notice to the Issuer in writing within 15 Business Days (or such other period of time as agreed by the parties on the Risk Register with respect to the relevant Relief Event) of the date on which the Design-Builder first became aware of an event that is or has become a Relief Event (the "Relief Event Notice"). The Relief Event Notice shall include a reasonably detailed description of the circumstances. The Relief Event Notice may, but is not required to, also include an estimate of additional costs that will be incurred to overcome, mitigate, or remove the Relief Event. Upon delivery of the Relief Event Notice, the Design-Builder shall comply with recordkeeping requirements and shall continue to keep such records until or unless the Design-Builder waives its claims with respect to such Relief Event.

If the Design-Builder fails to deliver the Relief Event Notice within 15 Business Days (or such other period of time as agreed by the parties on the Risk Register with respect to the relevant Relief Event) after the date on which the Design-Builder first became aware of the event that is or has become a Relief Event, the Design-Builder shall have irrevocably and forever waived and released the portion of any Claim or right to relief for the adverse effect attributable to the Relief Event, unless the Issuer decides otherwise, in its sole discretion.

The Design-Builder may commence any portion of Work involving a Relief Event, except for a Relief Event set forth in Relief Event Defined (A) or (F) above, prior to a Supplemental Agreement being entered into or a Force Account Directive being issued by the Issuer pursuant to Section 13.5; provided, however, that if no Force Account Directive has been issued, the Issuer will pay the Construction Compensation prior to a Supplemental Agreement being entered into, but the Compensation Cap will not be increased and the schedule will not be adjusted until a Supplemental Agreement is entered into.

Determination of Relief Event

If the Design-Builder has timely submitted a Relief Event Notice, the Design-Builder may submit a request to the Issuer for a determination of Relief Event (a "Request for Determination of Relief Event"), which must be submitted no later than 60 Calendar Days prior to the deadline to submit a Request for Supplemental Agreement. A Request for Determination of Relief Event shall include a detailed description of the Relief Event, including its nature, the date of its occurrence, its duration, and any other relevant information. The Design-Builder shall provide any additional information requested by the Issuer with respect to the Request for Determination of Relief Event in a timely manner.

The Issuer shall respond to the Design-Builder's Request for Determination of Relief Event within 60 Calendar Days of the Issuer's receipt thereof, which response may be a determination of whether a Relief Event occurred or that the Issuer needs more information to determine whether the Relief Event has occurred before making a decision with respect to the Request for Determination of Relief Event. If the Issuer does not respond within 60 Calendar Days of the Issuer's receipt of the Design-Builder's Request for Determination of Relief Event, the Design-Builder's Request for Determination of Relief Event shall be deemed rejected.

If the Issuer rejects a Request for Determination of Relief Event, including by deemed rejection, and the Design-Builder does not agree with such rejection, the Design-Builder must (i) continue to keep the records required and (ii) initiate Partnering (which may result in a Claim).

Supplemental Agreements and Limitations on Supplemental Agreements

If the Issuer has approved a Request for Determination of Relief Event, and the Design-Builder reasonably anticipates such Relief Event will result in an adjustment in Price or an adjustment in Completion Deadline(s) as set forth below, the Design-Builder may submit to the Issuer a RSA.

Request for Supplemental Agreement

The Design-Builder shall submit to the Issuer a RSA no later than the latest to occur of (i) 90 Calendar Days after completing the Work that arose as a result of the Relief Event, (ii) 90

Calendar Days after the period of impact or delay caused by the Relief Event has ended, (iii) 90 Calendar Days after Final Completion, or (iv) such other date mutually agreed upon by the parties in writing. The RSA shall include (a) a detailed description of the Relief Event, including its nature, the date of its occurrence, and its duration; (b) the effect of the Relief Event on the Design-Builder's ability to perform any of its obligations under the Design-Build Agreement, including the specific effect on each affected obligation and the duration of that effect and an analysis of the effect to the Critical Path; (c) the specific relief requested by the Design-Builder, based on estimates and anticipated design solutions, or if available, based on actual Costs of the Work and actual schedule impacts; (d) a description of mitigation efforts taken by the Design-Builder with respect to the Relief Event and any Costs associated with the same, and (e) if the relief requested includes compensation, the Design-Builder's analysis and estimate of the amount of such compensation, which may include costs of mitigation; provided, however, that any costs and estimate shall not include any Work that constitutes Force Account Work which has already been completed and paid for, or is in the process of being paid for.

If the Design-Builder fails to deliver the RSA within the timeframe set forth in the preceding paragraph, the Design-Builder shall have irrevocably and forever waived and released any Claim or right to relief for the adverse effect attributable to the Relief Event, unless, prior to such deadline, the Issuer agrees to extend the deadline at its sole discretion.

Once a complete RSA is provided, unless otherwise agreed to by the parties, the Issuer shall respond thereto within 21 Calendar Days of delivery of such complete RSA (or such other period of time agreed to by the parties) (the "Authority RSA Response"); provided, however, the Issuer may reject an RSA in writing at any point after the submission of the complete RSA.

If the Issuer and the Design-Builder agree that a RSA has merit, but are unable to agree as to the amount of the requested Compensation Cap increase and/or time extension, the Issuer agrees to include in the Issuer RSA Response a markup of the RSA provided by the Design-Builder to reduce the amount of the increase to the Compensation Cap and/or time extension. In such event, the Issuer may execute and deliver a Supplemental Agreement based on the marked-up RSA to the Design-Builder within a reasonable period, and thereafter the Design-Builder may, but is not required to, execute such Supplemental Agreement.

If the Issuer rejects a completed RSA in whole or in part and the Design-Builder does not agree with such rejection, or if the Design-Builder does not accept the Issuer's reduction in the increase to the Compensation Cap and/or time extension the Design-Builder may file a Claim.

Adjustments in Completion Deadlines

An extension of any relevant Completion Deadline shall only be granted under the following circumstances: (i) a delay occurs in the Critical Path as a result of a Relief Event, (ii) the delay was not commercially reasonably avoidable by a Design-Builder-Related Entity, including by resequencing, reallocating or redeploying its forces to other portions of the Work, and was not caused by the fault or negligence, or act or failure to act of any Design-Builder-Related Entity; and (iii) the Design-Builder has complied with its obligations with respect to Relief Events.

The Issuer and the Design-Builder will use good faith efforts to agree on the extent to which the Critical Path has been delayed on account of any such Relief Event. Once the parties have

mutually agreed as to the extent of such delay, they shall enter into a Supplemental Agreement reflecting their agreement as to the adjustment in the relevant Completion Deadline(s).

Adjustments in Price

An increase in any applicable Price shall only be granted for a Relief Event to the extent: (i) the increased Cost was not commercially reasonably avoidable by a Design-Builder-Related Entity or caused by the Design-Builder or any Design-Builder-Related Entity; and (ii) the Design-Builder has complied with its material obligations with respect to Relief Events.

The Issuer and the Design-Builder will use good faith efforts to agree on the extent to which the Design-Builder is entitled to cost relief as a result of any such Relief Event. Once the parties have mutually agreed as to the Design-Builder's entitlement to cost relief, they shall enter into a Supplemental Agreement reflecting their agreement as to the adjustment in the applicable Price.

If any cost relief granted to the Design-Builder pursuant to a Supplemental Agreement is later paid to the Design-Builder pursuant to an insurance policy or Subcontract, the Design-Builder shall notify the Issuer of such payment within fifteen (15) Business Days of receipt of such payment and such amount shall be owed to the Issuer.

Waiver

The rights and remedies set forth in this RELIEF EVENTS are the Design-Builder's sole and exclusive rights and remedies in the event of an occurrence of a Relief Event, and any adjustment to the Compensation Cap and/or a Completion Deadline constitutes a full and complete settlement and release of any and all Claims for any additional adjustment the Contract Documents on account of the occurrence of the Relief Event.

CHANGES IN THE WORK

This section sets forth the requirements for obtaining all Supplemental Agreements under the Design-Build Agreement for Supplemental Agreements relating to Relief Events, RSAs, Claims, and changes in the scope of the Work.

Supplemental Agreements

The term "Supplemental Agreement" shall mean a written amendment to the terms and conditions of the Contract Documents. A Supplemental Agreement shall not be effective for any purpose unless executed by the Issuer and the Design-Builder. Supplemental Agreements may be issued for the following purposes (or combination thereof):

A. To modify the scope of Work;

B. To revise a Completion Deadline;

C. To revise the Compensation Cap or an element thereof;

D. To revise other terms and conditions of the Contract Documents; and/or

E. To settle RSAs, RCPs and Claims.

The Issuer shall prepare and submit a proposed Supplemental Agreement form to the Design-Builder. After both parties have mutually agreed to the Supplemental Agreement form, both parties shall execute and enter into the Supplemental Agreement in such form.

Contents of Requests for Supplemental Agreement

Each RSA (not including No-Cost Supplemental Agreement proposals) submitted by the Design-Builder shall meet all applicable requirements hereof and shall include a cost analysis to be prepared in a form acceptable to the Issuer.

Each RSA shall include a justification therefore, detailing all causes of the proposed change, making specific reference to the applicable provisions of the Contract Documents which permit a Supplemental Agreement to be executed, and describing the data and documents which establish the necessity of such proposed change.

The Design-Builder shall prepare a scope of work, cost estimate, time impact analysis, if any and other information as required by this Section for each RSA. Unless otherwise agreed by the parties, all Work performed pursuant to Supplemental Agreements shall be compensated on the same basis as the Construction Compensation.

Scope of Work: The scope of work shall describe in detail satisfactory to the Issuer all activities associated with the Supplemental Agreement, including a description of additions, deletions and modifications to the existing Contract Document requirements. Such scope shall note what, if any, work has already been performed or as Force Account Work.

Cost Estimate: The cost estimate shall set out the estimated costs, including an allocation of such costs between the (a) River Bridge Project and (b) Bayway Project, or, if all or a portion of such costs cannot be reasonably allocated, such costs shall be allocated using the River Bridge Share and the Bayway Share, in such a way that a fair evaluation can be made and is acceptable to the Issuer, consistent with the protocols described in Exhibit E and the ICE-Design-Builder Coordination Letter. The estimate shall also include the estimated commercially reasonable costs of mitigating the Relief Event (if any) giving rise to the RSA. The estimate shall also include the changes to be made to the Incentive Fee and estimated G&A applicable to such costs. Such estimate shall note what, if any, costs have already been paid (or are in the process of being paid), if any, as Force Account Compensation, if any, or pursuant to any other provision of the Contract Documents, if any.

Time Impact Analysis: If the Design-Builder claims that a Relief Event affects the Critical Path affecting any Completion Deadline, it shall provide a time impact analysis indicating all activities represented or affected by the Relief Event, including mitigation efforts, with activity numbers, durations, predecessor and successor activities, resources and cost, and with a narrative report, in format satisfactory to the Issuer, which compares the proposed new schedule to the then-current Project Schedule, as appropriate. Except as otherwise provided in this Section, the time impact analysis shall only modify the activities, which have been impacted by the event which justifies the extension. The Design-Builder may reschedule activities not otherwise affected by the event, in order to take advantage of additional float available as a result of the requested time extension. Any such rescheduling shall be reflected in the time impact analysis, and the

costs associated with rescheduling, resequencing or other schedule adjustments to be paid by the Issuer shall be reflected in the cost estimate.

Insurance: To the extent known when the RSA is submitted, if insurance is Recoverable with respect to the Relief Event, the Design-Builder shall include information regarding the amount of costs that are Recoverable from insurance.

Other Supporting Documentation: The Design-Builder shall provide such other supporting documentation as may be required by the Issuer.

Performance of Changed or Extra Work

As a condition precedent to the Design-Builder's right to receive an increase to the Compensation Cap and/or an extension of a Completion Deadline for changed or extra work, the Design-Builder and the Issuer must execute a Supplemental Agreement or the Issuer must issue a Force Account Directive. Except in limited circumstances, to the extent that the Design-Builder undertakes any such work without receiving a Supplemental Agreement executed by the Issuer or a Force Account Directive, the Design-Builder shall be deemed to have performed such work voluntarily and shall not be entitled to a Supplemental Agreement or to pursue a Claim in connection therewith. In addition, except in limited circumstances, the Design-Builder may be required to remove or otherwise undo any such work at its sole cost.

The Force Account Directive

General

Subject to the final paragraph of this section, if (i) the Issuer and the Design-Builder, after working in good faith to address and resolve all issues within the Request for Supplemental Agreement above, disagree as to whether or the extent to which a change, including an Authority-Directed Change, justifies additional compensation and/or time, or disagree as to the amount of any change to be made to the Compensation Cap and/or a Completion Deadline, or (ii) the Design-Builder has delivered a Relief Event Notice to the Issuer and the Design-Builder has not yet submitted an RSA, then:

A. If both parties agree, the Issuer may, in order to maintain progress of the Work, order the Design-Builder in writing to proceed (a "Force Account Directive") with the performance of the Work in question (the "Force Account Work"); or

B. If both parties do not agree, the Issuer and the Design-Builder will work in good faith to resolve the issue without the use of Force Account Work through Partnering; provided, however, if such Partnering is unsuccessful, as determined in the Issuer's sole discretion, the Issuer may, in its sole discretion, notwithstanding such disagreement, and in order to maintain progress of the Work, order the Design-Builder in writing to proceed with the Force Account Work.

The Design-Builder and the Issuer may enter into a Supplemental Agreement with respect to the amount of additional compensation and/or time that is not subject of disagreement.

Any Force Account Work performed as a result of a Force Account Directive will be compensated via Force Account Compensation and shall not be counted against the Compensation Cap or any Contract Price, until or unless a Supplemental Agreement with respect to such work is executed.

The Issuer cannot require the Design-Builder to do Work that is not related to or arising out of Work already authorized by Work Package Authorization or Amendment/NTP for Construction. Further, the Issuer cannot require the Design-Builder to perform Preconstruction Work pursuant to a Force Account Directive unless such Preconstruction Work is in conjunction with Construction Work required to be performed pursuant to such Force Account Directive.

Force Account Work will not be used by the Issuer where the Design-Builder is performing the additional or changed work pursuant to the Design-Builder's election to commence work prior to the issuance of a Force Account Directive or the execution of a Supplemental Agreement.

Force Account Basis

Force Account Compensation

Work performed pursuant to a Force Account Directive shall be compensated as follows ("Force Account Compensation"):

A. Labor

For all labor, foremen, and superintendents employed on the Force Account Work, the Design-Builder shall receive the agreed hourly rates for the number of hours such laborers, foremen, and superintendents were actually engaging in or directly supervising the Force Account Work. No allowance will be made for general superintendence. Hourly wages for salaried employees will be based on a 40-hour work week. Where applicable, the hourly rates shall be comparable to the rates set forth on Exhibit D for work of a like nature and shall be agreed upon in writing by the parties before the Force Account Work is begun. The Design-Builder shall furnish copies of certified payrolls, or similar on projects that do not require such, as satisfactory evidence of labor costs.

The Issuer will pay an additional amount for profit and overhead equal to a percentage of the actual base labor wages paid for the Force Account Work, excluding the labor burden rate associated with such wages (the "Actual Base Labor Wages").

An additive amount equal to the actual labor burden rate, will be paid for all Actual Base Labor Wages paid for the Force Account Work. No additive amount will be provided for overtime payments. The labor burden rate will include costs associated with an employee's actual base labor wages benefits, including Federal Insurance Contributions Act (FICA), unemployment contributions, Social Security and Medicare taxes and company fringe benefits. The actual labor burden rates will be submitted to and approved by the Issuer before beginning the Force Account Work. When the Design-Builder cannot verify actual labor burden rates, an amount equal to a

percentage of the total Actual Base Labor Wage paid to laborers and foremen will be added to the total Actual Base Labor Wages paid. These percentage additives will be full compensation for benefits, contingencies and all other costs associated with labor for the specific Force Account Work.

No additional pay beyond the agreed hourly scale will be allowed for "overtime work" unless such overtime work is authorized in writing by the Issuer.

Labor costs will be allowed for travel time to and from the jobsite when that travel is specifically for the purpose of accomplishing Force Account Work. Travel time shall be established and approved by the Issuer prior to beginning of the Force Account Work. Travel time costs shall be validated with certified payrolls.

Per diem or daily subsistence will be allowed when those costs are directly related to the Force Account Work and a part of the Design-Builder's usual and customary expenses. An additional percentage will be added to the per diem or daily subsistence costs.

B. Bonds, Insurance, and Tax

To the extent the Force Account Work increases the Design-Builder's insurance costs for the insurance policies required to be obtained and maintained under the Design-Build Agreement, the Design-Builder shall be entitled to receive the amount of such actual increase in cost, to which no percent or markup shall be added. The Contractor shall furnish satisfactory evidence of the additional costs incurred for such bonds and insurance as a result of the Force Account Work.

The public liability and property damage insurance rate, Payment Bond and/or Performance Bond rates, and State gross receipt tax shall be applied to the overall total of additional compensation.

C. Materials

For materials accepted by the Issuer and used, the Design-Builder shall receive the actual cost of such materials delivered on the Force Account Work (exclusive of machinery rentals as in the Design-Build Agreement set forth) to which cost a percentage will be added. The Design-Builder shall furnish copies of paid invoices as satisfactory evidence of material costs.

D. Equipment

For rental rates of equipment (other than Small Tools) authorized by the Issuer for use on the Force Account Work, the Issuer will use the latest publication of EquipmentWatch Cost Recovery (formerly Rental Rate Blue Book), by EquipmentWatch, a division of Penton Business Media, Incorporated to determine payment to the Design-Builder. Payment will be made for the actual time that the authorized equipment is in operation on the Force Account Work, including travel time to and

from the jobsite, when that travel is specifically for the purpose of accomplishing the Force Account Work. The hourly rate for each piece of equipment will be the monthly rate shown in the equipment table divided by 176. Weekly and daily rates will not be used. In addition, for equipment solely dedicated to the Force Account Work, consideration will be given to paying standby cost. The Design-Builder shall furnish daily records of equipment hours and identifying information including make, model, and model year. Operating rates and standby rates for computing the equipment payment will be determined as follows:

Operating rates: The hourly rate will be multiplied by the appropriate rate adjustment factor and regional factor shown in the Rate Adjustment Table and on the Regional Adjustment Map, respectively, to obtain the adjusted hourly rate. The estimated operating cost/hour from the equipment table will be added to the adjusted hourly rate to establish the operating rate.

Standby rates: The use of a standby rate is appropriate when equipment has been ordered to be available for force account work but is idle for reasons which are not the fault of the Design-Builder. The standby rate will be determined by multiplying the adjusted hourly rate by 0.50.

Operating rates will be used only when the equipment is actually being used. Standby rates will be used under the following conditions:

1. The equipment must be totally dedicated to the Force Account Work and not used intermittently on other work.

2. Standby cost will not be considered until after the equipment has been operated on the Force Account Work.

3. If the equipment is dedicated for Force Account Work for a full calendar work week, the standby time will be 40 hours minus the operating time for the week. If the difference in these two figures is zero or less, there will be no payment for standby.

4. If the equipment is dedicated for Force Account Work for a partial week, the standby time will be computed on a daily basis. The standby time per day will be 8 hours minus the operating time for the day. If the difference in these two figures is zero or less, there will be no payment for standby.

The above will apply without further adjustment if overtime work is approved by the Issuer.

The above shall be full compensation for all equipment costs except operator cost, which are otherwise payable under (A) above.

If equipment is required that is not listed in the Rental Rate Blue Book, then payment will be made for that equipment based on a certified or paid invoice for the period of time covered by the invoice. In this case, the equipment must be totally dedicated to the force account work and no distinction will be made between operating cost and standby cost. If this equipment is owned by the Design-Builder, then rental rates for operating and standby costs shall be agreed upon between the Design-Builder and the Issuer prior to its use.

E. Transporting Equipment

When it is necessary to transport Authority authorized equipment to the Project Site, payment will be made for these costs and the costs to return equipment to its original location, subject to the following conditions:

(i) The equipment is obtained from the nearest approved source;

(ii) The return charges do not exceed the delivery charges;

(iii) Haul rates do not exceed the established rates of licensed haulers; and

(iv) Such charges are restricted to those units of equipment not already available and not on or near the Project.

If the equipment is transported by the Design-Builder, payment will be by hourly rate, as calculated in accordance with Item 4 above. If the equipment is transported by common carrier, then payment will be the actual invoiced amount with no markup. If equipment is delivered to the Project Site and used for other Work required under the Design-Build Agreement, then the Issuer will not pay for return costs of such equipment.

F. Professional Services

Compensation for professional services shall be on an invoice basis. Labor and equipment costs will not be calculated separately for professional services.

G. Costs Not Allowed

No additional allowance shall be made for general superintendence, the use of Small Tools, or other costs for which no specific allowance is in the Design-Build Agreement provided.

H. Administrative Allowance

When Force Account Work is accomplished by an Approved Subcontractor, the Design-Builder shall receive, as compensation for administration costs, an amount equal to a percentage of the total amount paid under items A, B, C, D, E, and F of this Section 13.5.2.1 for the Force Account Work accomplished by such Approved Subcontractor

Payment of Force Account Compensation

Subject to the following paragraph, the Force Account Compensation shall be received by the Design-Builder as payment in full for Force Account Work. The Force Account Compensation shall cover all work, profit, administrative costs, general superintendence costs, and incidental costs of whatever nature incurred in the Force Account Work whether performed by the Design-Builder or Subcontractor. At the end of each day, the Issuer Representative, or such other individuals as agreed to by the parties, shall compare records of the Force Account Work done and the Force Account Compensation.

To the extent the Design-Builder believes it should be compensated for costs incurred in relation to the Force Account Work that are not otherwise included in this section as costs for which it can seek compensation, the Design-Builder shall provide a written request to the Issuer, explaining and detailing such costs, and shall provide any other documentation as the Issuer may reasonably request in relation to such costs. After the Issuer's receipt and review of such a request and any accompanying documentation, the parties shall meet to discuss such request. The Issuer may reject such request in whole or in part. Any such rejection may be raised by the Design-Builder as a Claim.

Certain Limitations for all Supplemental Agreements (excluding No-Cost Changes)

Limitation on Compensation Cap Increases

Any increase in a Compensation Cap shall exclude costs to the extent:

A. caused by a material breach of contract or fault or negligent act or omission of any Design-Builder-Related Entity;

B. such costs could commercially reasonably have been avoided by the Design-Builder, including by resequencing, reallocating, or redeploying its forces to other portions of the Work or to other activities unrelated to the Work (any additional costs reasonably incurred in connection with such resequencing, reallocation, or redeployment or other mitigation shall be considered in determining commercial reasonability); and

C. caused by Nonconforming Work which failed to meet the requirements of the Contract Documents and any necessary remedial Work.

Limitation on Time Extensions

Any extension of a Completion Deadline pursuant to Sections 12 and 13 shall exclude any delay to the extent that it:

A. Did not impact the Critical Path affecting a Completion Deadline;

B. Was due to the fault or negligence, or act or failure to act of any Design-Builder-Related Entity; or

C. Could commercially reasonably have been avoided by the Design-Builder, including by resequencing, reallocating or redeploying its forces to other portions of the Work.

The Design-Builder shall be required to demonstrate to the Issuer's reasonable satisfaction that the change in the Work or other event or situation which is the subject of the Supplemental Agreement request seeking a change in a Completion Deadline has caused or will result in an identifiable and measurable disruption of the Work which has impacted the Critical Path activity affecting a Completion Deadline.

Pricing of Supplemental Agreements (excluding No-Cost Changes)

The Issuer and the Design-Builder (on its own behalf and on behalf of its Subcontractors) shall endeavor to negotiate, in good faith, a reasonable increase in the Compensation Cap for each Supplemental Agreement. If compensation for a particular Relief Event is provided in the Risk Register, then such pricing shall be used to calculate the pricing of the Supplemental Agreement.

No-Cost Supplemental Agreements

The Design-Builder or the Issuer may initiate a Supplemental Agreement for minor no-cost deviations to the Contract Document requirements. If the parties mutually agree on the terms of a Supplemental Agreement, the changes may be implemented without any sharing of the Design-Builder's cost savings (and without any additional cost to the Issuer).

A "No-Cost Supplemental Agreement" is an approved proposal developed and documented by the Design-Builder or the Issuer, which would modify or require a change in any of the Contract Documents in order to be implemented that is a minor deviation to the underlying requirement. No-Cost Supplemental Agreements cannot change a Completion Deadline.

Waiver by Design-Builder

EXCEPT TO THE EXTENT THAT THE CONTRACT DOCUMENTS EXPRESSLY SPECIFY THAT THE DESIGN-BUILDER IS ENTITLED TO REQUEST A SUPPLEMENTAL AGREEMENT OR OTHER COMPENSATION, THE DESIGN-BUILDER EXPRESSLY WAIVES ALL RIGHTS TO ASSERT ANY AND ALL CLAIMS BASED ON ANY CHANGE IN THE WORK, DELAY, OR ACCELERATION (INCLUDING ANY CHANGE, DELAY, SUSPENSION, OR ACCELERATION WHICH, BUT FOR THE EXPRESS TERMS OF THE CONTRACT DOCUMENTS, COULD BE INFERRED OR IMPLIED AT LAW) AND AGREES THAT THE DESIGN-BUILDER SHALL BE ENTITLED TO NO COMPENSATION OR DAMAGES WHATSOEVER IN CONNECTION WITH THE WORK. IF THE CONTRACT DOCUMENTS EXPRESSLY SPECIFY THAT AN EVENT OR CIRCUMSTANCE IS A RELIEF EVENT, THE DESIGN-BUILDER SHALL NOT BE PREJUDICED BY THE CAUSE OF SUCH RELIEF EVENT, INCLUDING ACTS OR OMISSIONS OF THE ISSUER, ALDOT, OR ANY OTHER AUTHORITY CONTRACTOR RELATED TO THE RELIEF EVENT, UNLESS LIMITED BY THE EXPRESS TERMS OF THE RELIEF EVENT ITSELF.

Claims

The failure of the Issuer and the Design-Builder to agree to an increase in the Compensation Cap or extension to the Project Schedule pursuant to a Supplemental Agreement under this Section 13 shall be a Claim to be resolved pursuant to Section 19. Except as otherwise specified in the Supplemental Agreement, execution of a Supplemental Agreement by both parties shall be deemed accord and satisfaction of all Claims by the Design-Builder of any nature, including, but not limited to, a Claim for an increase in the Compensation Cap or a time extension, for the specific Work covered by the Supplemental Agreement.

SUSPENSION OF WORK

Suspension for Convenience

The Issuer may, at any time and for any reason, by written notice, order the Design-Builder to suspend all or any part of the Work required under the Contract Documents for the period of time that the Issuer deems appropriate for the convenience of the Issuer (any such suspension, a "Suspension for Convenience"). The notice of suspension shall state specific details as to which part of the Work is to be suspended, the date the suspension is to begin, and the estimated length of time for the suspension. The Design-Builder shall promptly comply with any such written suspension order. The Design-Builder shall promptly recommence the Work upon receipt of written notice from the Issuer directing the Design-Builder to resume Work as provided in such written notice.

Suspension for Cause

The Issuer has the authority by written order to suspend all or any part of the Work without liability to the Issuer to the extent caused by the Design-Builder's failure to:

A. Correct conditions unsafe for the Project personnel or general public;

B. Comply with any Governmental Approval, Applicable Law, or otherwise carry out the material requirements of the Design-Build Agreement;

C. Carry out written directives or orders of the Issuer, including a Force Account Directive;

D. After a Reconsidered Goal is established by Supplemental Agreement (and subject to revisions necessary to comply with Applicable Law), substitute a DBE Subcontractor and submit a revised DBE Performance Plan or demonstrate good faith efforts to obtain such substitute;

E. Comply with environmental requirements or requirements contained in the Project Management Plan, Quality Management Plan, or the Safety Plan; or

F. Remove an employee whom the Issuer has requested be removed pursuant to the terms of the DBA.

The Design-Builder shall promptly comply with any such written suspension order. The Design-Builder shall promptly recommence the Work upon receipt of written notice from the Issuer directing the Design-Builder to resume Work.

Deemed Suspension Due to Nonpayment

The Design-Builder may send notice to the Issuer of the Issuer's nonpayment after a Progress Payment Due Date. The Design-Builder shall have the right to stop Work if the Issuer fails to make an undisputed payment due under the Design-Build Agreement within 30 Calendar Days after the Issuer's receipt of such notice of nonpayment from by the Design-Builder. Any such Work stoppage shall be deemed a Suspension for Convenience of the Issuer.

Suspension by Other Means

The Work may be suspended in whole or in part due to an order, ruling, or other binding action of a Governmental Entity or court of competent jurisdiction requiring that such Work shall be suspended.

Design-Builder Responsibilities during Suspension

During periods that Work is suspended, the Design-Builder shall continue to be responsible for the Work and shall prevent damage or injury to the Project and other facilities in the Project vicinity, provide for Site security, drainage, obtain and maintain compliance with all Governmental Approvals, maintain all Design-Builder-provided insurance and bonds and erect necessary Temporary Structures, signs or other facilities required to maintain the Project and other facilities in the Project vicinity. During any suspension period, unless otherwise directed by the Issuer, the Design-Builder shall continue to be responsible for maintenance of traffic and maintenance during construction in accordance with requirements of the Contract Documents; provided, however, that if only the Construction Work is suspended, the Design-Builder shall continue Preconstruction Work. During a suspension, the Design-Builder shall continue to maintain, or cause to be maintained, all insurance policies and bonds required under the Design-Build Agreement.

TERMINATION

Notice of Termination

Notice of Termination Issued by the Issuer

Upon 30 Calendar Days' prior written notice to the Design-Builder, the Issuer may terminate the Design-Build Agreement, or any individual Work Package or scope of Work authorized under the Design-Build Agreement or any other Contract Document and the performance of the Work by the Design-Builder in whole or, from time to time, in part, if the Issuer determines, in its sole discretion that a termination is in the best public, State or national interest to do so. The Issuer shall notify the Design-Builder of its decision to terminate by delivering to the Design-Builder a written notice of termination ("Notice of Termination") specifying the extent of termination and its effective date. Termination (or partial termination) of the Design-Build Agreement shall not relieve any Surety of its obligation for any claims arising out of the Work performed prior to the effective date of such termination but may reduce the size of the outstanding Payment Bond and Performance Bond.

Notice of Termination Issued by the Design-Builder

The Design-Builder may terminate the Design-Build Agreement for convenience if (i) the Issuer has suspended all Work pursuant to Suspension for Convenience or Deemed Suspension Due to Nonpayment for more than 120 consecutive Calendar Days, or (ii) all Work has been suspended pursuant to Suspension by Other Means for more than 240 consecutive Calendar Days.

The Design-Builder may terminate the Design-Build Agreement if the Issuer has suspended all Work pursuant to Suspension for Cause more than 120 consecutive Calendar Days, and such

termination shall be treated as a termination pursuant to Events of Default (B) below and the Issuer shall be entitled to the remedies available to it pursuant to Remedies below.

The Design-Builder shall notify the Issuer of its decision to terminate by delivering to the Issuer a Notice of Termination specifying the effective date (which may be no sooner than 30 Calendar Days after delivery of the Notice of Termination). Termination of the Design-Build Agreement shall not relieve any Surety of its obligation for any claims arising out of the Work performed. If the parties mutually agree upon the terms of a Supplemental Agreement to compensate the Design-Builder for direct costs and schedule impacts of the ongoing suspension, the Design-Builder shall withdraw its Notice of Termination upon its execution of such Supplemental Agreement. If the Design-Builder withdraws a Notice of Termination, the Design-Builder will not be permitted to issue another Notice of Termination at a later time in response to the same event(s) that predated the Supplemental Agreement and resulted in the issuance of the initial Notice of Termination.

Payment on Termination

Payment After the Start of Construction Work

If the Design-Build Agreement is terminated after the start of the Construction Phase, then the Issuer shall pay to the Design-Builder the Construction Compensation allocable to the Work performed. The Issuer shall also pay to the Design-Builder, as a termination payment (the "Termination Payment"), Construction Compensation for (i) any actual, documented and reasonable cancellation charges due to Subcontractors pursuant to the terms of their Subcontracts by reason of the termination of this Contract (including costs associated with cancelation of lease agreements) and (ii) the documented and reasonable costs for demobilization of the Site. The compensation described in this paragraph is the Design-Builder's sole and exclusive remedy under the Design-Build Agreement in the event of termination during the Construction Phase.

Notwithstanding the foregoing, in no event shall the Termination Payment exceed the then-current Compensation Cap.

No Payment for Work Not Performed

In no event shall the Design-Builder receive payment (Preconstruction Phase Compensation, Construction Compensation, Force Account Compensation, Utility Reimbursement Compensation, or otherwise) with respect to Work or other services not performed as of the time of termination.

Partial Termination

If a termination under the Design-Build Agreement is partial, the applicable Compensation Cap for the remainder of the Work shall be adjusted as appropriate to account for the change in the overall scope of the Project.

No Unearned Profits or Consequential Damages

Under no circumstances shall the Design-Builder be entitled to profits (including any unpaid amount of Incentive Fee) or the G&A Percentage on Work not performed or consequential or other damages as a result of a termination or partial termination. The Termination Payment to the Design-Builder constitutes the Design-Builder's sole and exclusive remedy for a termination.

No Waiver

Subject to the limitations and waivers set out in the Design-Build Agreement, a termination shall not waive any other right or claim to damages, which the Issuer may have, and the Issuer may pursue any cause of action, which it may have at law or in equity or under the Design-Build Agreement.

DEFAULT

Events of Default

The Design-Builder shall be deemed to be in breach under the Design-Build Agreement upon the occurrence of any one or more of the following events or conditions:

A. The Design-Builder fails to promptly commence (i) the Preconstruction Work under the Contract Documents following execution of the Design-Build Agreement, or (ii) the Construction Work under the Contract Documents following execution of a Work Package Authorization or the Amendment/NTP for Construction within the timeframe specified in the Design-Build Agreement;

B. The Design-Builder materially fails to perform the Work with sufficient resources to ensure the prompt completion thereof and fails to execute remedial action in accordance with the Project Management Plan within 30 Calendar Days after notice from the Issuer;

C. The Design-Builder materially fails to perform the Work in accordance with the Contract Documents, refuses to remove and replace rejected materials or Nonconforming Work, or fails to remove and replace workers as directed by the Issuer;

D. The Design-Builder removes or replaces one or more Key Personnel without demonstrating to the Issuer's reasonable satisfaction that the qualifications of the replacement Key Personnel are equal to or better than the individual being replaced, unless the Issuer has imposed Personnel Change Assessment Fees for such individual(s);

E. The Design-Builder discontinues or suspends the prosecution of the Work (exclusive of Work stoppage due to: (i) suspension or termination by the Issuer; (ii) an excusable delay pursuant to a Relief Event; or (iii) nonpayment by the Issuer not related to a breach by the Design-Builder);

F. The Design-Builder fails to resume performance of Work, which has been suspended or stopped, within a reasonable time after receipt of notice from the Issuer to do so or (if applicable) after cessation of the event precipitating the suspension;

G. Prior to the execution of the Amendment/NTP for Construction, the Design-Builder refuses or repeatedly fails to participate in negotiation communications or meetings;

H. The Design-Builder fails to obtain, provide or maintain, or cause to be obtained, provided or maintained, the required insurance and Payment Bonds, Performance Bonds, guarantees or other performance security as and when required under the Contract Documents;

I. The Design-Builder assigns or transfers the Contract Documents or any right or interest in the Design-Build Agreement, except as expressly permitted;

J. The Design-Builder shall have become insolvent, generally does not pay its debts as they become due, admits in writing its inability to pay its debts, or makes an assignment for the benefit of creditors;

K. Insolvency, receivership, reorganization or bankruptcy proceedings shall have been commenced by or against the Design-Builder and not dismissed within 60 Calendar Days;

L. Any Principal Participant or Affiliate shall have become insolvent, generally does not pay its debts as they become due, admits in writing its inability to pay its debts, or makes an assignment for the benefit of creditors, unless the Design-Builder provides adequate information and/or additional security to assure the Issuer, in its sole discretion, of the Design-Builder's continued solvency, ability to pay debts as they become due, and ability to complete the Work in accordance with the Contract Documents;

M. Insolvency, receivership, reorganization or bankruptcy proceedings shall have been commenced by or against any Principal Participant or Affiliate and not dismissed within 60 Calendar Days, unless the Design-Builder provides adequate information and/or additional security to assure the Issuer, in its sole discretion, of the Design-Builder's continued solvency, ability to pay debts as they become due, and ability to complete the Work in accordance with the Contract Documents;

N. The Design-Builder (1) fails, absent a dispute, to make payment when due to the Issuer or for labor, equipment or materials in accordance with its agreements with Subcontractors and Applicable Law, provided that the Issuer is not in breach of its obligation to make payments to the Design-Builder under the Design-Build Agreement; (2) fails to comply with any Applicable Law or Governmental Approval; or (3) fails reasonably to comply with the written instructions of the Issuer consistent with the Contract Documents;

O. Any material representation or warranty made by the Design-Builder in the Proposals or Contract Documents or in any certificate, schedule, instrument or other document delivered pursuant to the Contract Documents shall have been false or materially misleading when made;

P. The Design-Builder, a Principal Participant, or an Affiliate is a party to fraud;

Q. The Design-Builder fails to appropriately cooperate with the Issuer in accordance with the Contract Documents or is deemed Uncooperative;

R. The Design-Builder fails to provide proper supervision of the Work;

S. The Design-Builder has violated federal immigration law or knowingly employed, hired for employment or continued to employ an unauthorized alien within the State;

T. After a Reconsidered Goal is established by Supplemental Agreement (and subject to revisions necessary to comply with Applicable Law), failure by the Design-Builder to carry out the DBE requirements; or

U. The Design-Builder materially fails to perform any other material obligation under the Contract Documents, other than obligations where payment of (i) liquidated damages (until such time as the maximum amount of liquidated damages have accrued) or (ii) Lane Closure Fees is the specified sole remedy.

Right to Cure

The Issuer agrees to provide the Design-Builder and Surety written notice and reasonable opportunity to commence to cure any breach before declaring an Event of Default, provided that no such notice and opportunity to cure is required for a Noncurable Breach (as defined below). If a breach is curable but by its nature cannot be cured within 30 Calendar Days, as determined in the Issuer's reasonable discretion, the Issuer agrees not to declare an Event of Default provided that the Design-Builder commences such cure within such 30-Calendar Day period and thereafter diligently prosecutes such cure to completion; provided, however, that in no event will such cure period exceed 90 Calendar Days in total, unless another period of time is agreed upon by the parties. Events described in (J), (K), (O) and (P) are not curable (the "Noncurable Breaches").

Remedies

Rights of the Issuer

If an Event of Default occurs, then, in addition to all other rights and remedies provided by law or equity or available under the Design-Build Agreement, including the rights to recover liquidated damages and to seek recourse against the Payment Bond and the Performance Bond, the Issuer shall, subject to any limitations set forth in the Design-Build Agreement, have the following rights and remedies, without further notice, and without prejudice to any of its other rights or remedies and without waiving or releasing the Design-Builder from any obligations:

A. The Issuer may order the Design-Builder to suspend the Work or any portion of the Work;

B. The Issuer may terminate the Design-Build Agreement or any scope of the Work under the Design-Build Agreement or pursuant to a Supplemental Agreement, such as terminating a particular Work Package Authorization or Work authorized pursuant to the Amendment/NTP for Construction;

C. The Issuer shall be entitled to recover any and all damages available at Applicable Law (subject to the duty at Law to mitigate damages and without duplicate recovery and subject to the terms provided in the Contract Documents);

D. If and as directed by the Issuer, the Design-Builder shall withdraw from the Site; and shall remove such materials, equipment, tools and instruments used by, and any debris or waste materials generated by, any Design-Builder-Related Entity in the performance of the Work;

E. The Design-Builder shall deliver to the Issuer possession of the Design Documents, the Site, Project, and subject to the Design-Builder's continuing obligations in case of partial termination, any or all materials and equipment of the Design-Builder for use on or incorporation into the Project;

F. The Design-Builder shall confirm the assignment to the Issuer of the Subcontracts requested by the Issuer, and the Design-Builder shall terminate, at its cost (subject to the dispute process), all other Subcontracts;

G. The Issuer may deduct from any amounts payable by the Issuer to the Design-Builder such amounts payable by the Design-Builder to the Issuer, including liquidated damages that accrued prior to the termination of the Design-Builder, interest at the Late Payment Interest Rate, or other damages payable to the Issuer under the Contract Documents;

H. After termination pursuant to an Event of Default, the Issuer, without exposing the Issuer representatives, agents, officials and/or employees to any liability to the Design-Builder, shall have the rights to: (i) take the performance of all or a portion of the Work from the Design-Builder (either with or without the use of the Design-Builder's materials and specialty equipment) and enter into an agreement with another Person for the completion of such Work; or (ii) use such other methods, as in the opinion of the Issuer, will be required for the completion of the Project; and/or

I. If the Issuer exercises its right to terminate Design-Builder after an Event of Default occurs, the Issuer may, but is not obligated to, among other things: (i) perform or attempt to perform, or cause to be performed, such Work; (ii) spend such sums as the Issuer deems necessary and reasonable to employ and pay such architects, engineers, consultants and contractors and obtain materials and equipment as may be required for the purpose of completing such Work; (iii) execute all applications, certificates and other documents as may be required for completing the Work; (iv) modify or terminate any contractual arrangements; (v) take any and all other actions which it may in its sole discretion consider necessary to complete the Work; and (vi) prosecute and defend any action or proceeding incident to the Work.

Liability of Design-Builder

If an Event of Default has occurred, the Design-Builder shall be liable to the Issuer for all costs reasonably incurred by the Issuer or any party acting on the Issuer's behalf in completing the Work or having the Work completed by another Person (including any re-procurement costs, re-design costs, throw away costs for unused portions of the completed Work and increased

financing costs). Upon the occurrence of an Event of Default, the Issuer shall be entitled to withhold all or any portion of further payments to the Design-Builder until such time as the Issuer is able to determine how much (if any) remains owing to the Design-Builder. Promptly upon such determination, the Issuer shall notify the Design-Builder in writing of the amount, if any, that the Design-Builder shall pay the Issuer or that the Issuer shall pay the Design-Builder with respect thereto. All costs and charges incurred by the Issuer, including reasonable attorneys', accountants' and expert witness fees and costs, together with the cost of completing the Work under the Contract Documents, will be deducted from any moneys due or which may become due to the Design-Builder. If such expense exceeds the sum which would have been payable under the Design-Build Agreement (excluding any sums related to Work that is never authorized on account of the parties failing to enter into the Amendment/NTP for Construction), then the Design-Builder shall be liable and shall pay to the Issuer the amount of such excess.

If the Design-Build Agreement is terminated for grounds, which are later determined not to justify a termination for default, such termination shall be deemed to constitute a termination for convenience.

The exercise or beginning of the exercise by the Issuer of any one or more rights or remedies set forth above shall not preclude the simultaneous or later exercise by the Issuer of any or all other rights or remedies available to it, each of which shall be cumulative.

DAMAGES; INCENTIVES

Liquidated Damages

Failure to Meet Contract Requirements

The Design-Builder understands and agrees that if the Design-Builder fails to achieve a Completion Milestone by a Completion Deadline, the Issuer will suffer substantial losses and damages. The cost to the Issuer of the administration of the contract, including engineering, inspection and supervision, will be increased as the time occupied to achieve any Completion Milestone is lengthened, and the Issuer will not be able to make debt service payments related to debt incurred to finance the Project. Loss will also accrue to the public due to delays in access to the Project.

Liquidated Damages

If the Design-Builder fails to:

(i) achieve Substantial Completion by the Substantial Completion Deadline, the Issuer will be entitled to assess the Daily Liquidated Damages Amount as delay liquidated damages for each day that Substantial Completion remains to be achieved following the Substantial Completion Deadline; or

(ii) complete (a) the Initial Tolling Work by the Initial Tolling Work Completion Deadline, or (b) the Final Tolling Work by the Final Tolling Work Completion Deadline, the Issuer will be entitled to assess the Interim Daily Liquidated Damages Amount as delay liquidated damages for each day that the relevant Work has not been completed following the Initial Tolling Work Completion

Deadline or Final Tolling Work Completion Deadline, as applicable; provided, however, that if;

a. after the Final Tolling Work Completion Deadline, the Initial Tolling Work has not been completed, the Issuer shall only assess delay liquidated damages in an amount equal to the Interim Daily Liquidated Damages Amount per day in accordance with this subsection (ii); and

b. after the Substantial Completion Deadline, the Initial Tolling Work and/or the Final Tolling Work has not been completed, the Issuer shall only assess the Daily Liquidated Damages Amount in accordance with subsection (i) and the remainder of this section (but not subsection (ii)).

The aggregate amount of delay liquidated damages assessed with respect to all failures of the Design-Builder to meet the Substantial Completion Deadline, the Initial Tolling Completion Work Deadline and the Final Tolling Work Completion Deadline shall not exceed $134,000,000. The Design-Builder acknowledges and agrees that delay liquidated damages are intended to compensate the Issuer solely for the Design-Builder's delays in the completion of the Work, including failure to meet Completion Deadlines. The Issuer's right to seek liquidated damages is the Issuer's sole and exclusive remedy for delays in completion of the Work including the Design-Builder's failure to achieve Completion Milestones by the associated Completion Deadlines. Payment of liquidated damages shall not excuse the Design-Builder from liability from any other breach of Contract Document requirements not related to delay, including any failure of the Work to conform to applicable requirements.

1.1.2 Reasonableness of Liquidated Damages

The Design-Builder acknowledges and agrees that the amount of liquidated damages, if any, has been set based on an evaluation by the Issuer of damages, which it will incur in each of the above events, including administrative costs. The Design-Builder and the Issuer agree that the parties have agreed to such charges in order to fix the Design-Builder's costs and to avoid later disputes over which items are properly chargeable to the Design-Builder. The Design-Builder understands and agrees that any liquidated damages payable in accordance with this Section 17.1 are not a penalty and that such sums are reasonable under the circumstances existing as of the date of execution and delivery of the Design-Build Agreement. The Design-Builder further acknowledges and agrees that liquidated damages may be owing even though no Event of Default has occurred. Liquidated damages shall cease to accrue upon termination of the Design-Build Agreement, except for liquidated damages with respect to a Work Package Completion Deadline, which shall not cease to accrue unless the Work authorized in such Work Package Authorization is terminated.

Incentives

A. If the Design-Builder completes the (i) Initial Tolling Work prior to the Initial Tolling Work Completion Deadline and the (ii) Final Tolling Work prior to the Final Tolling Work Completion Deadline, the Design-Builder will be entitled to a lump sum incentive payment after the Final Tolling Work is complete in an amount equal to the Interim

Daily Incentive Amount for (a) each full Calendar Day in between the date the Design-Builder completes the Initial Tolling Work and the Initial Tolling Work Completion Deadline; plus (b) each full Calendar Day in between the date the Design-Builder completes the Final Tolling Work and the Final Tolling Work Completion Deadline.

B. The incentive payment the Design-Builder is entitled to pursuant to (A) above (the "Incentive Payment") shall not exceed $3,375,000.

Offset, Reimbursement, and Other Payments to Authority; Waiver

Offset, Reimbursement, and Other Payments to Authority

The Issuer shall have the right to deduct any amount owed by the Design-Builder to the Issuer under the Design-Build Agreement from any amounts owed by the Issuer to the Design-Builder under the Design-Build Agreement. In certain events, the Issuer shall be entitled to a pay adjustment, reimbursement, or other payment from the Design-Builder as expressly set forth elsewhere in the Contract Documents. Such pay adjustment, reimbursement, or other payment shall be deducted from future payments or, if future payments are insufficient to cover the amount owing, shall be payable to the Issuer within 30 Calendar Days after Design-Builder's receipt of an invoice therefore. If the Design-Builder fails to make an undisputed payment to the Issuer within 30 Calendar Days after Design-Builder's receipt of an invoice therefore, the Issuer shall provide a notice of non-payment to the Design-Builder. If Design-Builder does not pay the Issuer in full within 30 Calendar Days after receipt of a notice of non-payment, such payment due to the Issuer shall accrue interest at the Late Payment Interest Rate from the 31st Calendar Day after the invoice was sent to the Design-Builder until the payment is received by the Issuer.

Payment of Liquidated Damages

To the extent liquidated damages are not deducted from any amount owed to the Issuer by the Design-Builder, the Issuer may send Design-Builder an invoice and the liquidated damages shall be payable by the Design-Builder to the Issuer within 30 Calendar Days after the Design-Builder's receipt of the invoice therefore.

Payment of Incentive Payment

The Design-Builder shall submit request for payment to the Issuer for the Incentive Payment and such request shall identify the allocation of the Incentive Payment between the River Bridge Project and the Bayway Project, using the River Bridge Share and the Bayway Share for such allocation.

INDEMNIFICATION

Indemnifications by Design-Builder

General Indemnities

A. Subject to Losses Caused by Indemnified Parties below, the Design-Builder shall defend, indemnify and hold harmless the State, ALDOT, the Issuer and their respective officers,

directors, agents, and employees (collectively referred to as the "Indemnified Parties") from and against any and all third party claims, causes of action, suits, judgments, investigations, legal or administrative proceedings, penalties, fines, damages, losses, liabilities, costs, and expenses, including for any of the foregoing any bodily injury (including death) of persons or damage to or loss of tangible personal or real property (other than the Work itself), and including reasonable attorneys', fees and costs to the extent caused by or resulting from:

(i) The negligent acts or omissions or willful misconduct of the Design-Builder or any Design-Builder Related Entity;

(ii) Except with respect to Design Documents provided for portions of the Project not constructed by the Design-Builder Errors in the Design Documents (provided, however, that the Design-Builder shall have no obligation for defense of such Losses, except for payment of defense costs upon a final judgment of fault or negligence by the Design-Builder or a Subcontractor providing Professional Services Work);

(iii) Subject to the Professional Standard of Care, the failure by any Design-Builder-Related Entity to comply with any applicable Environmental Laws or other Applicable Laws (including Applicable Laws regarding handling, generation, treatment, storage, transportation and disposal of Hazardous Materials) or Governmental Approvals in performing the Work;

(iv) Except for taxes that are permitted as Costs of the Work, Design-Builder's failure to pay any taxes for which it is responsible, including taxes arising from the Design-Builder's gross receipts, purchases, and sales or use of any property or income of any Design-Builder-Related Entity with respect to any payment for the Work made to or earned by any Design-Builder-Related Entity;

(v) Any Design-Builder Release;

(vi) Negligent use, transportation, or storage of explosives in the performance of the Work; and

(vii) Claims by any Person who is an employee of a Design-Builder Related-Entity that the Issuer, ALDOT, or the State is such Person's employer or that such Person is entitled to employment benefits (i) from the State or (ii) under other Applicable Law.

B. Subject to Losses Caused by Indemnified Parties below, the Design-Builder shall defend, indemnify and hold harmless the Indemnified Parties from and against any and all third party claims, causes of action, suits, judgments, investigations, legal or administrative proceedings, penalties, fines, damages, losses, liabilities, costs, and expenses, including any bodily injury (including death) of persons or damage to or loss of property (other than the Work itself), and including reasonable attorneys', fees and costs to the extent caused by or resulting from patent or copyright infringement or other allegedly improper appropriation or use of trade secrets, patents, proprietary information, know-how, copyright rights or inventions in performance of the Work or use of the Document

Management System, or arising out of any use in connection with the Project (including after Final Acceptance of the Work) of methods, processes, designs, information or other items furnished or communicated to the Issuer or another Indemnified Party pursuant to the Design-Build Agreement; provided, however, that this indemnity, hold harmless and defense obligation shall not apply to any infringement resulting from the Issuer's failure to comply with specific written instructions regarding use provided to the Issuer by the Design-Builder, including any instructions or directives by the Issuer to the Design-Builder that do not comply with specific written instructions regarding use provided by the Design-Builder.

C. The losses set forth in Section (A) and (B) above, collectively referred to as "Losses".

D. For purposes of this section, "third-party" shall mean any Person who is not an Indemnified Party; provided, however, that all agencies and departments of the State, except ALDOT and the Issuer, and employees, agents, consultants, or representatives of Indemnified Parties are included as third-parties for purposes of this section.

E. The Design-Builder shall have the right to defend any claims or lawsuits related to its indemnity obligations under the Design-Build Agreement and to assert the defense of sovereign immunity. The Issuer agrees not to waive the defense of sovereign immunity with respect to any claim or lawsuit. The Issuer shall not settle any Losses to be indemnified under the Design-Build Agreement without the express written consent of the Design-Builder. Any settlement without the Design-Builder's express written consent shall void the Design-Builder's indemnity obligation to the extent the Design-Builder was prejudiced thereby.

Losses Caused by Indemnified Parties

The Design-Builder's indemnity obligation under General Indemnities above shall not extend to any Losses to the extent that such Losses were caused by the negligence, fault, gross negligence or willful misconduct, or breach of contract of such Indemnified Party or its agents, servants or independent contractors or subcontractors who are directly responsible to such Indemnified Party.

Claims by Employees

In claims by an employee of the Design-Builder, a Subcontractor, anyone employed by them or anyone for whose acts they may be liable, the indemnification obligation under this INDEMNIFICATION shall not be limited by any limitation on the amount or type of damages, compensation or benefits payable by or for the Design-Builder or a Subcontractor under workers' compensation, disability benefit or other employee benefits laws.

Reliance on Design-Builder's Performance

It is the Design-Builder's obligation to cause the Project to be designed in accordance with the Professional Standard of Care and to construct the Project in accordance with the Contract Documents and the Indemnified Parties are fully entitled to rely on the Design-Builder's performance of such obligation. Any review, acceptance and/or Approval by the Issuer and/or others under the Design-Build Agreement shall not relieve the Design-Builder of any of its

obligations under the Contract Documents or in any way diminish its liability for performance of such obligations or its obligations to provide indemnities under the Design-Build Agreement.

Comprehensive Environmental Response, Compensation, and Liability Act Agreement

Without limiting their generality, the indemnities set forth in (A)(v) of General Indemnities above are intended to operate as agreements pursuant to Section 107(e) of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9607(e), to insure, protect, hold harmless and indemnify the parties indemnified in said (A)(v).

PARTNERING; CLAIMS FOR ADJUSTMENT AND DISPUTES

Partnering

Requirement for Partnering

The Claim resolution provisions set forth in the DBA shall apply only to Claims arising out of the Work that are not resolved by the parties within 30 Calendar Days after the first date the parties initiated Partnering with respect to the matter giving rise to the Claim. The dispute resolution provisions set forth in the DBA shall apply only to disputes arising out of the Work that are not resolved by the parties within 30 Calendar Days after the first date the parties initiated Partnering with respect to the matter giving rise to the dispute; provided, however, that the Design-Builder and the Issuer need not engage in additional Partnering after receipt of a final decision with respect to a Claim pursuant to Claims Process below.

Exception to Partnering

If the Issuer does not meet its obligations with respect to Partnering, the Design-Builder may proceed to file a Notice of Claim without following the requirements thereof.

Notice of Claim

In any case where the Design-Builder has a Claim, the Design-Builder shall notify the Issuer Procurement Manager in writing, with copy to the Issuer representative appointed under the Design-Build Agreement, of its intention to make Claim for such extra relief (a "Notice of Claim") within 30 Calendar Days after the Design-Builder has determined the Claim will not be resolved through Partnering. Oral notification by the Design-Builder and confirmed in writing by the Design-Builder within three Calendar Days, will be accepted as complying with this requirement. Electronic submission of said notification will be accepted. Design-Builder shall continue to maintain the records required to be kept after a Relief Event Notice is filed until or unless any right to relief related to or arising out of such Relief Event is resolved.

The Notice of Claim shall set forth the reasons the Design-Builder believes additional relief will be due, the nature of cost involved and insofar as possible the total amount of the Claim.

If the Design-Builder decides to rescind the Notice of Claim and voluntarily waive any Claim for additional relief, it shall notify the Issuer Project Manager in writing, with copy to the Issuer.

The Design-Builder hereby agrees to rescind the Notice of Claim and waive any Claim for additional relief if it accepts any alternate resolution outside the Claims process, in whole or in part, including via a Supplemental Agreement.

Claims Process

General Provision

The Notice of Claim shall include any Claim documentation and shall be delivered to the Issuer, with a copy to the Issuer Procurement Manager. The Design-Builder shall submit either an electronic copy of the claim to the Issuer, with a copy to the Issuer Procurement Manager and a copy to the Issuer Project Manager, or seven hard copies (one of which shall be unbound for duplication purposes) to the Issuer Procurement Manager, two hard copies to the Issuer Project Manager, and one hard copy to the Issuer. The Claim shall contain the records required plus, if such Claim is based on Work performed on a Force Account Basis, any applicable supporting documentation. Once the complete Claim is received (including all required records and documents), the Issuer Project Manager will submit to the Issuer and the Issuer Procurement Manager within 30 Calendar Days a copy of their records and recommendation regarding the Design-Builder's Claim. The review of the Claim will be made by the Issuer Procurement Manager, who may request additional information from the Design-Builder within 45 Calendar Days of receipt of the Claim and recommendation, and a written response will be sent to the Design-Builder, with a copy to the Issuer, within 90 Calendar Days of the later of the Issuer Procurement Manager's receipt of (i) the Claim and recommendation or (ii) any additional information requested from the Design-Builder. Subject to Authority Approval of Certain Decisions, if the Design-Builder accepts the Claim review, a Supplemental Agreement shall be processed to make payment for any amount deemed payable or the time deemed extendable by the Issuer.

If the Design-Builder does not agree with the Claim review, it may send a written request to make a presentation to the Claims Committee by certified mail to the Issuer Procurement Manager, with a copy to the Issuer, within 30 Calendar Days from the date of the Design-Builder's receipt of the Issuer Procurement Manager's Claim review. Failure to make the request within the required period shall constitute the Design-Builder's acceptance of the Claim review and waiver of the rights provided in Claims Committee, Project Claims Appeal Board, Authority Approval of Certain Decisions, and Disputes below.

Claims Committee

The Project Claims Committee (the "Project Claims Committee") will be composed of up to five ALDOT employees whose position is at the level of an assistant bureau chief or higher and two representatives of the Design-Builder, none of whom were involved in the design or construction of the Project. Further, the FHWA will be invited to send an observer. ALDOT will notify the Design-Builder in writing of the date and location of the presentation, which shall be no later than 30 Calendar Days after the Issuer Procurement Manager's receipt of the request for review by the Project Claims Committee. The Design-Builder may make request to the Issuer Procurement Manager, with a copy to the Issuer, to reschedule the presentation. Said request must be received by the Issuer Procurement Manager at least one week prior to the scheduled date. If the Claim was submitted on behalf of a Subcontractor, both the Design-Builder and the Subcontractor must have a representative in attendance at the presentation. Issues not

specifically presented in the Claim package acted upon by the Issuer Procurement Manager and the Issuer Project Manager are not subject to consideration by the Project Claims Committee. Within 30 Calendar Days following the presentation, the Project Claims Committee will provide a written recommendation, which must be endorsed by a simple majority of the Project Claims Committee, to the Director.

The Project Claims Committee's recommendation may be accepted, modified or denied by the Director in writing. After receiving the recommendation of the Project Claims Committee, the Director shall consider such recommendation and shall, within 45 Calendar Days of the Director's receipt of the recommendation, report his decision to the Design-Builder in writing, including the reasons for such decision if the recommendation of the Project Claims Committee is modified or denied. If accepted by the Design-Builder, (i) the Director's decision shall be final, non-appealable, and not subject to judicial or other review except as set forth in Authority Approval of Certain Decisions, and (ii) a Supplemental Agreement shall be processed to increase the Compensation Cap deemed increased or extend the Project Schedule deemed extended by the Issuer.

If the Design-Builder does not accept the decision of the Director on the presented Claim, it may send a written request to make a presentation to the Project Claims Appeal Board. This request shall be made in accordance with Project Claims Appeal Board (B) below. Failure to make the request within the required period shall constitute the Design-Builder's acceptance of the Director's decision and waiver of the right to a review by the Project Claims Appeal Board.

If the Project Claims Committee's decision does not resolve the Claim, all records of the Project Claims Committee will be admissible as evidence in any subsequent proceedings.

Project Claims Appeal Board

A. Composition and Appointment.

The Project Claims Appeal Board (the "Project Claims Appeal Board") is a standing committee created to receive a presentation regarding a Claim. The Project Claims Appeal Board consists of three primary members who are appointed for the Term. A three-member pool of alternates will be selected from which to provide a substitute for the primary member in the event that the primary member is unable to serve at a particular time or in the event that the position becomes vacant due to unfitness, death, illness, incapacity, conflict of interest or any other circumstance which would make service on the Project Claims Appeal Board by that member impossible, difficult or not objective. The three primary members of the Project Claims Appeal Board and three alternates are appointed in the following manner. The Director appoints the primary and one alternate for one position. The Design-Builder appoints the primary and one alternate for a second position. The Director and the Design-Builder jointly appoint the primary and one alternate for a third position. The jointly appointed primary member will be the Chair of the Project Claims Appeal Board. The jointly appointed alternate will be the alternate Chair of the Project Claims Appeal Board. At least one member of the Project Claims Appeal Board must be a licensed professional engineer in the State of Alabama.

In the event that an alternate member is elevated to permanently replace a primary member of the Project Claims Appeal Board, then a new alternate shall be appointed in the same manner as was the departing alternate. Such will also be the case if an alternate position becomes

vacant due to unfitness, death, illness, incapacity, conflict of interest or any other circumstance that would make service by such alternate member impossible, difficult, or not objective. In the event that both the primary member and the alternate member are unable to serve or must recuse themselves due to conflict of interest, etc., on a particular Claim(s) hearing, a new member of the Project Claims Appeal Board will be appointed in the same manner as the primary member to sit for that particular hearing.

At least 14 Calendar Days prior to the date of a presentation for a Claim as set forth in (B) below, the Issuer Procurement Manager will notify the Design-Builder in writing of the date of the presentation and the names of the Project Claims Appeal Board members (including alternates). The Design-Builder will have three Business Days from receipt of the letter to file with the Director, by certified mail, an objection as to the composition (actual members or alternates, but not the method of composition) of the Project Claims Appeal Board that specifically details the nature of the objection. The Director shall have final authority in resolving the Design-Builder's objection to the composition of the Project Claims Appeal Board.

Each member of the Project Claims Appeal Board will be paid $150 per hour (which amount shall increase by 5% on each annual anniversary of the Effective Date) plus reimbursable expenses for travel, for actual time spent attending the presentation and preparing the report to the Director and reviewing the plans, the specifications, and the Claim. This payment will fully satisfy all compensation and expenses of the Project Claims Appeal Board. The Design-Builder shall pay for 50 percent of the expenses of the Project Claims Appeal Board.

Within 90 Calendar Days of the formation of the Project Claims Appeal Board, the Project Claims Appeal Board shall adopt procedures for hearing, reviewing, and making a recommendation with respect to Claims.

The Project Claims Appeal Board shall follow the requirements of the Contract Documents and Applicable Law.

B. Presentations.

The Design-Builder may initiate a request for a Project Claims Appeal Board presentation by submission of a written notice by certified mail to the Director within 30 Calendar Days from the date of the Director's decision on the recommendation of the Project Claims Committee. Failure to make the request within the required period shall constitute waiver of the claim by the Design-Builder. The Project Claims Appeal Board presentation will convene at the mutual convenience of the Project Claims Appeal Board, the Issuer, ALDOT, and the Design-Builder within thirty Calendar Days of receipt of the Design-Builder's request for a presentation. Issues not specifically presented in the original Claim package are waived and are not subject to consideration by the Project Claims Appeal Board. None of the Issuer, ALDOT, or the Design-Builder shall contact or have any discussions with members of the Project Claims Appeal Board about the Claim while the Claim is pending, except during the formal presentation.

Further, the FHWA will be invited to send an observer.

Within fifteen Business Days of the conclusion of the presentation to the Project Claims Appeal Board, the Project Claims Appeal Board shall issue findings of fact, conclusions of law, and a decision to the parties.

The Project Claims Appeal Board's decision may be accepted, modified, or denied by the Director. After receiving the decision of the Project Claims Appeal Board, the Director shall consider such decision and shall within 45 Calendar Days report his decision to the Design-Builder in writing, including the reasons for such decision if the decision of the Project Claims Appeal Board is modified or denied.

The Director's decision in the resolution of any and all Claims shall be the final decision of the Issuer, except as provided in Authority Approval of Certain Decisions below. The decision of the Director, unless appealed in accordance with Disputes below, is binding upon all parties including, but not limited to, contractors, subcontractors, and third party beneficiaries. After the final ruling by the Director on a Claim, unless appealed in accordance with Disputes below, a Supplemental Agreement shall be processed to increase the Compensation Cap deemed increased or extend the Project Schedule deemed extended by the Director.

If the Project Claims Appeal Board's decision does not resolve the Claim, all records of the Project Claims Appeal Board will be admissible as evidence in any subsequent proceedings.

Authority Approval of Certain Decisions

Notwithstanding the other provisions of this Claims Process section, if (i) the Issuer will be responsible for payment without reimbursement from ALDOT for an increase in a Compensation Cap or if (ii) there is an extension to the Substantial Completion Deadline beyond 180 Calendar Days past the Substantial Completion Deadline set forth in the Amendment/NTP for Construction, then the Issuer Procurement Manager's decision or the Director's decision in the resolution of a Claim will be treated as a recommendation to the Issuer for its consideration, and will not be deemed a final ruling until the Issuer has made a decision on the resolution of the Claim. After receiving the recommendation of the Director, the Issuer shall consider such recommendation and shall, within 90 Calendar Days, report its decision to the Design-Builder in writing, including the reasons for such decision if the Director's decision on the resolution of the Claim is modified or denied.

The Issuer's decision in the resolution of any and all Claims shall be the final decision of the Issuer. The decision of the Issuer, unless appealed in accordance with Disputes below, is binding upon all parties including, but not limited to, contractors, subcontractors, and third party beneficiaries. After the final ruling by the Issuer on a Claim, unless appealed in accordance with Disputes below, a Supplemental Agreement shall be processed to increase the Compensation Cap deemed increased or extend the Project Schedule deemed extended by the Issuer.

Disputes

The Issuer and the Design-Builder agree to engage in Partnering with respect to any disputes. Unless expressly stated in the Contract Documents, if (i) for a dispute, after engaging in Partnering or (ii) for a Claim, after receipt of a final decision with respect to a Claim pursuant to Claims Process, the Design-Builder still has a dispute, the Design-Builder may pursue any cause of action, right or remedy which it may have at law or in equity or under the Design-Build Agreement.

ACCEPTANCE OF PROJECT

Tolling Work Completion

Initial Tolling Work Completion

Initial Tolling Work Completion Pre-Requisites

As a pre-requisite to the Design-Builder achieving Initial Tolling Work Completion, the following shall have occurred with respect to the Project:

A. The Issuer and the Design-Builder have agreed upon an Initial Tolling Work Punch List of items to be completed for Substantial Completion, which Initial Tolling Completion Punch List shall be jointly developed through a joint walkthrough after the scope is completed at a time agreeable to both parties;

B. The Design-Builder has completed all Initial Tolling Work for the Project (except for Initial Tolling Work Completion Punch List items), including installation of all features, signs and signals necessary to provide a safe environment for the testing of the roadside toll equipment described in the River Bridge Technical Provisions;

C. The Design-Builder represents that the Work in connection with such Initial Tolling Work Completion has been performed in accordance with the requirements of the Contract Documents;

D. The Design-Builder represents that, to the best of Design-Builder's knowledge, information and belief, the Initial Tolling Work is capable of being used safely without injury to any Person or damage to the Project or any other property on or off the Project ROW, and that all features, signs and signals necessary for the testing of the applicable roadside toll equipment described in the River Bridge Technical Provisions are functional;

E. The Design-Builder represents that the approach and departure roadway and striping at the mainline toll sites and the ramp toll sites will be continuously available, unless conditions beyond the Design-Builder's control prevent such access and availability, for the Tolling Systems Integrator to use for testing vehicles in accordance with the River Bridge Technical Provisions; and

F. The Design-Builder has furnished to the Issuer certifications from the Design Manager, in form and substance satisfactory to the Issuer, certifying that the Design Documents for the Initial Tolling Work meet the requirements of the Contract Documents.

Letter of Initial Tolling Work Completion

A. The Design-Builder shall notify the Issuer when it believes all Initial Tolling Work is substantially complete. Within 5 Business Days of the Issuer's receipt of the Design-Builder's notice, the Issuer and the Design-Builder will jointly inspect such Initial Tolling Work to verify that it is substantially complete in accordance with the requirements of the Contract Documents; provided, however, that the Issuer shall have ability to inspect

such Initial Tolling Work without the Design-Builder's presence should the Issuer find it necessary, in its sole discretion. If such Initial Tolling Work is substantially complete, the Issuer shall prepare and issue a Letter of Initial Tolling Work Completion that will set forth the date of Initial Tolling Work Completion. The date of Initial Tolling Work Completion shall be the date of the Design-Builder's notice, if such notice is accepted by the Issuer. The Design-Builder's obligation to pay liquidated damages for delay will be suspended during the initial inspection period, which period shall not exceed 5 Business Days from the date of the Issuer's receipt of the notice delivered pursuant to the first sentence of this section.

B. If such Initial Tolling Work is not substantially complete, the Issuer shall notify the Design-Builder of the Nonconforming Work or other prerequisites to Initial Tolling Work Completion that have yet to be corrected or satisfied. If the Issuer provides notice to the Design-Builder pursuant to the immediately preceding sentence, when the Design-Builder has corrected such Nonconforming Work and satisfied all such prerequisites, the Design-Builder shall again initiate the process set forth in (A) above; provided, however, that (i) the Issuer shall complete its inspection of such Initial Tolling Work and notify the Design-Builder of any Nonconforming Work or other prerequisites to Initial Tolling Work Completion that have yet to be corrected or satisfied within 3 Business Days of the Issuer's receipt of the Design-Builder's subsequent notice(s) under this sentence (such inspection period, and any subsequent inspection period, a "Subsequent Initial Tolling Work Inspection Period"), and (ii) the Design-Builder's obligation to pay liquidated damages for delay during a Subsequent Initial Tolling Work Inspection Period will not be suspended if the Issuer again notifies the Design-Builder that such Work is not substantially complete, and the Design-Builder shall owe any liquidated damages that accrue during any such Subsequent Initial Tolling Work Inspection Period.

Final Tolling Work Completion

Final Tolling Work Completion Pre-Requisites

As a pre-requisite to the Design-Builder achieving Final Tolling Work Completion, the following shall have occurred with respect to the Project:

A. The Design-Builder has completed all Final Tolling Work for the Project;

B. The Design-Builder represents that the Work in connection with such Final Tolling Work Completion has been performed in accordance with the requirements of the Contract Documents;

C. The Design-Builder represents that, to the best of Design-Builder's knowledge, information and belief, the Final Tolling Work is capable of being used safely without injury to any Person or damage to the Project or any other property on or off the Project ROW, and that any features, signs and signals necessary for the testing of the applicable roadside toll equipment described in Section 26 of the River Bridge Technical Provisions that were not already completed as part of the Initial Tolling Work are functional; and

D. The Design-Builder represents that the approach and departure roadway and striping at the applicable mainline toll site will be continuously available, unless conditions beyond the Design-Builder's control prevent such access and availability, for the Tolling Systems Integrator to use for testing vehicles in accordance with the River Bridge Technical Provisions.

Letter of Final Tolling Work Completion

A. The Design-Builder shall notify the Issuer when it believes all Final Tolling Work is substantially complete. Within 5 Business Days of the Issuer's receipt of the Design-Builder's notice, the Issuer and the Design-Builder will jointly inspect such Final Tolling Work to verify that it is substantially complete in accordance with the requirements of the Contract Documents; provided, however, that the Issuer shall have ability to inspect such Final Tolling Work without the Design-Builder's presence should the Issuer find it necessary, in its sole discretion. If such Final Tolling Work is substantially complete, the Issuer shall prepare and issue a Letter of Final Tolling Work Completion that will set forth the date of Final Tolling Work Completion. The date of Final Tolling Work Completion shall be the date of the Design-Builder's notice, if such notice is accepted by the Issuer. The Design-Builder's obligation to pay liquidated damages for delay with respect to the Final Tolling Work will be suspended during the initial inspection period, which period shall not exceed 5 Business Days from the date of the Issuer's receipt of the notice delivered pursuant to the first sentence of this section. In no event shall the Design-Builder's obligation to pay liquidated damages for any delay with respect to completing the Initial Tolling Work be suspended during the initial inspection period for the Final Tolling Work if such Initial Tolling Work is not yet complete in accordance with the requirements of the Contract Documents.

B. If such Final Tolling Work is not substantially complete, the Issuer shall notify the Design-Builder of the Nonconforming Work or other prerequisites to Final Tolling Work Completion that have yet to be corrected or satisfied. If the Issuer provides notice to the Design-Builder pursuant to the immediately preceding sentence, when the Design-Builder has corrected such Nonconforming Work and satisfied all such prerequisites, the Design-Builder shall again initiate the process set forth in (A) above; provided, however, that (i) the Issuer shall complete its inspection of such Final Tolling Work and notify the Design-Builder of any Nonconforming Work or other prerequisites to Final Tolling Work Completion that have yet to be corrected or satisfied within 3 Business Days of the Issuer's receipt of the Design-Builder's subsequent notice(s) under this sentence (such inspection period, and any subsequent inspection period, a "Subsequent Final Tolling Work Inspection Period"), and (ii) the Design-Builder's obligation to pay liquidated damages for delay with respect to the Final Tolling Work during a Subsequent Final Tolling Work Inspection Period will not be suspended if the Issuer again notifies the Design-Builder that such Work is not substantially complete, and the Design-Builder shall owe any liquidated damages that accrue during any such Subsequent Final Tolling Work Inspection Period.

Substantial Completion

Substantial Completion Pre-Requisites

As a pre-requisite to the Design-Builder achieving Substantial Completion, the following shall have occurred with respect to the Project:

A. The Issuer and the Design-Builder have agreed upon a Punch List of items to be completed for Final Acceptance, which Punch List shall be jointly developed through a joint walkthrough after the scope is completed at a time agreeable to both parties;

B. The Design-Builder has completed all Work for the Project (except for Punch List items, final cleanup and other items only included in the requirements for Final Completion or Final Acceptance), including installation of all required safety features and signs and signals;

C. The Design-Builder represents that the Work in connection with such Substantial Completion has been performed in accordance with the requirements of the Contract Documents;

D. The Design-Builder represents that, to the best of Design-Builder's knowledge, information and belief, the Project is capable of being used safely without injury to any Person or damage to the Project or any other property on or off the Project ROW, and that all safety features, and required signs and signals for the Project are functional;

E. The Design-Builder represents that all lanes of traffic set forth in the relevant RFC Documents for the Project are in their final configuration and the Project is ready to be opened for traffic and pedestrians, as applicable, and that no further work is required (other than work to be performed by the Issuer or its separate contractors) which would involve any traffic controls, lane or shoulder closure;

F. The Design-Builder has received all applicable Governmental Approvals (other than any Authority Provided Approvals) required for the Project; and

G. The Design-Builder has furnished to the Issuer certifications from the Design Manager, in form and substance satisfactory to the Issuer, certifying that the Design Documents for the Project meet the requirements of the Contract Documents.

Letter of Substantial Completion

A. The Design-Builder shall notify the Issuer when it believes all Work is substantially complete. Within 15 Business Days of the Issuer's receipt of the Design-Builder's notice, the Issuer and the Design-Builder will jointly inspect such Work to verify that it is substantially complete in accordance with the requirements of the Contract Documents; provided, however, that the Issuer shall have ability to inspect such Work without the Design-Builder's presence should the Issuer find it necessary, in its sole discretion. If such Work is substantially complete, the Issuer shall prepare and issue a Letter of Substantial Completion that will set forth (i) the date of Substantial Completion, and (ii) the remaining items of Work that have to be completed before Final Completion can

be achieved. The date of Substantial Completion shall be the date of the Design-Builder's notice, if such notice is accepted by the Issuer. The Design-Builder's obligation to pay liquidated damages for delay will be suspended during the initial inspection period, which period shall not exceed 15 Business Days from the date of the Issuer's receipt of notice.

B. If such Work is not substantially complete, the Issuer shall notify the Design-Builder of the Nonconforming Work or other prerequisites to Substantial Completion that have yet to be corrected or satisfied. If the Issuer provides notice to the Design-Builder pursuant to the immediately preceding sentence, when the Design-Builder has corrected such Nonconforming Work and satisfied all such prerequisites, the Design-Builder shall again initiate the process set forth above; provided, however, that (i) the Issuer shall complete its inspection of such Work and notify the Design-Builder of any Nonconforming Work or other prerequisites to Substantial Completion that have yet to be corrected or satisfied within five Business Days of the Issuer's receipt of the Design-Builder's subsequent notice(s) under this sentence (such inspection period, and any subsequent inspection period, a "Subsequent Inspection Period"), and (ii) the Design-Builder's obligation to pay liquidated damages for delay during a Subsequent Inspection Period will not be suspended if the Issuer again notifies the Design-Builder that such Work is not substantially complete, and the Design-Builder shall owe any liquidated damages that accrue during any such Subsequent Inspection Period.

Final Completion

Promptly after achieving Substantial Completion, the Design-Builder shall do the following in order to achieve Final Completion:

A. Perform all remaining Work, including all Punch List items, to the reasonable satisfaction of the Issuer, as determined by final inspection;

B. Demobilize the Site, including removing all of the Design-Builder's and Subcontractors' personnel, supplies, equipment, waste materials, rubbish, and temporary facilities not incorporated into the Work, and restoring all damage or injury arising from such removal so that the Project ROW, Other ALDOT ROW, and Other State-Owned Property is in good working order and condition;

C. Deliver to the Issuer all Design Documents, Project ROW record maps, surveys, test data, and other deliverables required under the Contract Documents for the Design-Builder to achieve Final Acceptance;

D. Perform all of the Design-Builder's other obligations under the Contract Documents (other than obligations that by their nature are required to be performed after Final Completion as determined by the Issuer) that have not yet been satisfied in full or waived in writing by the Issuer; and

E. Deliver a certification to the Issuer representing that, to the best of the Design-Builder's knowledge, information and belief, and subject to the Professional Standard of Care, all Work is complete, and there exists no defect in such Work and no uncured Design-Builder default.

Once the Design-Builder has completed the items listed in subclauses (A)-(E) above, it shall provide written notice to the Issuer representing that it has achieved Final Completion ("Notice of Final Completion").

Within 5 Business Days of receipt of a Notice of Final Completion and provided the Issuer has no reasonable basis to believe that such Final Completion has not been achieved, the Issuer shall issue to the Design-Builder a notice acknowledging receipt of such Notice of Final Completion (an "Acknowledgement of Final Completion") which shall provisionally accept that Final Completion has occurred as of the date of the Notice of Final Completion.

Final Acceptance

The Issuer will issue a Letter of Final Acceptance within 60 Calendar Days following the date the Issuer has determined that the following conditions precedent have been completed:

A. The Issuer has issued a Letter of Substantial Completion and an Acknowledgement of Final Completion;

B. Public notice of Project completion has been advertised and proof of publication delivered to the Issuer;

C. The Issuer has received the Record Drawings;

D. All manufacturers' warranties, guarantees, instruction sheets, parts lists, and other product data have been submitted to the Issuer;

E. The Design-Builder has delivered to the Issuer a signed affidavit attesting that there are no claims, obligations or liens outstanding or unsatisfied for labor, services, material, equipment, taxes or other items performed, furnished or incurred for or in connection with the Work which will in any way affect the Issuer's interests;

F. The Design-Builder has delivered to the Issuer a certification representing that to the best of the Design-Builder's knowledge and belief there exists no uncured Design-Builder default, and no such defaults exist in the Issuer's determination;

G. If a non-resident contractor, the Design-Builder has delivered to the Issuer a certified "statement of good standing" from the State Department of Revenue and any appropriate county and/or city authority, certifying that it has paid all taxes due and payable;

H. The Design-Builder has obtained all applicable third party approvals relating to the Work for the Project (including Utility Owners as required under any applicable Utility Agreements), and all third parties have completed all work related to the Project that involves obligations by the Design-Builder (including Utility Owners under any applicable Utility Agreements); and

I. All of the Design-Builder's other obligations under the Contract Documents have been satisfied in full, bonded over (as in the case of a vegetation bond described in Section 8.3), or waived.

If all conditions precedent listed in subclauses (A)-(I) above have not been satisfied within 365 Calendar Days of the issuance of the Notice of Final Completion, the Issuer will notify the Design-Builder of the conditions precedent that have yet to be satisfied. The notice shall indicate the specific conditions not met and the specific measures the Design-Builder must take to rectify the Issuer's concerns. If the Issuer provides such notice to the Design-Builder, the Design-Builder shall provide written notification to the Issuer after it has satisfied any outstanding conditions precedent to Final Acceptance.

The Project shall achieve Final Acceptance on the date set forth in the Letter of Final Acceptance.

No Waiver

Opening of portions of the Project to the public prior to Final Acceptance does not constitute acceptance of the Work or a waiver of any provisions of the Contract Documents.

WARRANTIES

Warranties by Design-Builder

Project Warranties

J. All design Work furnished by the Design-Builder pursuant to the Contract Documents shall be performed in accordance with the Professional Standard of Care;

K. The Design-Builder warrants that construction Work shall be free of defects in materials and workmanship and shall be performed in a good and workmanlike manner in accordance with Good Industry Practice;

L. The Design-Builder warrants that materials and equipment furnished under the Contract Documents shall be of good quality and, except as otherwise permitted by the Contract Documents, shall be new; and

M. The Design-Builder warrants that Construction Work shall meet all requirements of the Contract Documents.

Correction Period

The "Correction Period" for the Project shall commence upon Substantial Completion and shall remain in effect until one year after Final Completion. If the Issuer determines that any of the Work has not met the standards set forth above at any time within the Correction Period, the Issuer shall promptly give the Design-Builder notice of such failure after the Issuer's discovery of the same. The Design-Builder shall correct such Work as specified below, even if the performance of such corrective Work extends beyond the Correction Period, and the Correction Period shall be extended for an additional year from correction with respect to such corrected Work.

Corrective Work

Within 7 Calendar Days of receipt by the Design-Builder of notice from the Issuer specifying a failure of any of the Work to satisfy the Design-Builder's Warranties, or of any Subcontractor

representation, warranty, guarantee, or obligation which the Design-Builder is responsible to enforce, the Design-Builder and the Issuer shall meet to try to mutually agree when and how the Design-Builder shall remedy such violation; provided, however, that in case of an emergency as indicated by the Issuer in its notice requiring immediate curative action, the Design-Builder and the Issuer shall agree on a remedy immediately upon notice by the Issuer of such emergency. If the Design-Builder does not use commercially reasonable efforts to proceed to effectuate such remedy within the agreed time, then the Issuer, after additional notice to the Design-Builder, shall have the right, but not the obligation, to perform or have performed by Third Parties the necessary remedy, and the reasonable costs thereof shall be borne by the Design-Builder. The Issuer may agree to accept Nonconforming Work.

The Issuer and the Design-Builder shall conduct a walkthrough of the Project ROW prior to expiration of the Correction Period and shall produce a punch list of those items requiring corrective Work. The Design-Builder shall commence correcting all items on such punch list within 7 Calendar Days and work diligently to complete all such corrections.

Costs of Correction of Work

The Design-Builder will bear all costs of correcting such rejected Work, including, but not limited to, additional testing and inspections and replacement or removal of the Nonconforming Work. The Design-Builder shall reimburse the Issuer and pay the Issuer's expenses made necessary by the Issuer's performing or having performed by Third Parties any necessary remedy.

Lane Closure Fees

In the event the Design-Builder's Corrective Work after Substantial Completion but prior to the end of the Correction Period causes the closure of one or more lanes of travel in either direction to be Closed to Traffic for more than the number of hours described below in the aggregate in any 30 day period (a "Lane Closure Event"), the Design-Builder shall owe the Issuer a lane closure fee (a "Lane Closure Fee") as set forth below:

A. 1 lane Closed to Traffic in one direction for 121 or more hours in a 30-day period: $700 per hour of closure, applied to the 121st hour and beyond during such 30-day period,

B. 2 lanes Closed to Traffic in one direction for 37 or more hours in a 30-day period: $4,200 per hour of closure, applied to the 37th hour and beyond during such 30-day period, and

C. 3 lanes Closed to Traffic in one direction for 1 or more hours in a 30-day period: $6,300 per hour of closure, applied to every hour of closure during such 30-day period,

For any Lane Closure Events that also fall in a Tolling Peak Season, the Lane Closure Fees above shall be multiplied by 2.

Warranty of Corrected Work

The Warranties shall apply to all Work redone, repaired, corrected, or replaced pursuant to the terms of the Design-Build Agreement. Except with respect to the obligation regarding the design Work, the Warranties as to each redone, repaired, corrected, or replaced element of the Work shall extend for a one-year period following acceptance thereof by the Issuer, and the Correction Period for such redone, repaired, corrected, or replaced element of the Work shall be extended for the same period of time. The obligation regarding the design Work shall remain in effect until it expires in accordance with State law.

Subcontractor Warranties

Without in any way derogating the Design-Builder's own representations and warranties (including the Warranties) and other obligations with respect to all of the Work, the Design-Builder shall require all First-Tier Subcontractors to extend to the Issuer warranties to the extent applicable to the subcontracted work, and any additional warranties, representations, guarantees or other obligations required by the Contract Documents with respect to the design, materials, workmanship, equipment, tools and supplies furnished by them. The Design-Builder shall require by contract with its First-Tier Subcontractors that all subcontracts below the First-Tier Subcontractors level are required to include language extending to the Issuer the warranties, representations, guarantees or other obligations required by the Contract Documents with respect to the design, materials, workmanship, equipment, tools and supplies furnished by them. Without diminishing its rights under the Design-Build Agreement, the Design-Builder hereby assigns to the Issuer the joint right to enforce all of the Design-Builder's rights and interest in all extended warranties that last for periods exceeding the applicable Correction Period and which are received by the Design-Builder from any of its Subcontractors. All representations, warranties, guarantees, and obligations of Subcontractors shall: (i) be written so as to survive all the Issuer and the Design-Builder inspections, tests, and approvals; and (ii) run directly to and be enforceable by the Design-Builder and/or the Issuer and their respective successors and assigns. Without diminishing its rights under the Design-Build Agreement, the Design-Builder hereby assigns to the Issuer the joint right to enforce all of the Design-Builder's rights and interest in all extended warranties that last for periods exceeding the applicable Correction Period and which are received by the Design-Builder from any of its Subcontractors.

No Limitation of Liability

The foregoing Warranties are in addition to all rights and remedies available under the Contract Documents or Applicable Law, and shall not limit the Design-Builder's liability or responsibility imposed by the Contract Documents or Applicable Law with respect to correction of Work, including liability for design defects, latent construction defects, strict liability, negligence or fraud.

Limitations on Liability

Limitation on the Design-Builder's Liability

Notwithstanding anything to the contrary contained in the Contract Documents, the aggregate liability of the Design-Builder to the Issuer and anyone else claiming by, through or under the

Issuer for any claims, losses, Losses, costs, or damages whatsoever arising out of, resulting from or in any way related to the Design-Build Agreement, whether such liability arises out of breach of contract or warranty, tort, product liability, indemnity, contribution, strict liability or other legal theory, shall not exceed an amount equal to twenty-five percent (25%) of the aggregate of:

A. the Preconstruction Phase Compensation Cap; plus

B. the Price(s) for executed Amendment(s)/NTP(s) for Construction; plus

C. if an Amendment/NTP for Construction has not yet been issued, the Price(s) established pursuant to each executed Work Package Authorization(s); plus

D. any increase in a Price or any additional compensation to which the Design-Builder is entitled pursuant to all executed Supplemental Agreement(s); plus

E. any amount paid to the Design-Builder for Force Account Work.

Nothing in this section shall be construed as a limitation on any portion of the obligations required under the Design-Build Agreement of (i) the Design-Builder to perform and complete the Work under the Design-Build Agreement prior to termination of the Design-Build Agreement, or (ii) the Surety under the Payment Bonds or Performance Bonds; provided, however, that the Surety's liability under such Payment Bond or Performance Bond shall not exceed the Bonded Sum (as defined in the Payment Bond or the Performance Bond, respectively).

The foregoing limitations on Design-Builder's liability shall not apply to or limit any right of recovery the Issuer may have respecting the following:

A. Losses to the extent covered by the proceeds of insurance required to be carried pursuant to the Design-Build Agreement, in each case not to exceed the amount of coverages required by the Design-Build Agreement;

B. Losses arising out of fraud, criminal conduct, or intentional misconduct (which does not include any intentional Event of Default), on the part of any Design-Builder, Principal Participant, or Affiliate;

C. The Design-Builder's indemnities set forth in the Contract Documents for third-party bodily injury (including death) and property damage (other than to the Work itself); and

D. Losses arising out of any Design-Builder Release.

Limitation on Consequential Damages

Notwithstanding any other provision of the Contract Documents, to the fullest extent permitted by Applicable Law, the Design-Builder-Related Entities shall not be liable to the Issuer, ALDOT, or the State, and the Issuer, ALDOT, and the State shall not be liable to the Design-Builder-Related Entities (i) for loss of profits or toll revenues; loss of use; cost of capital financing; or

claims from Other Authority Contractors, regardless of whether any of the foregoing are found to be direct or indirect, or (ii) for punitive damages or indirect, incidental, special, exemplary or consequential Losses or damages, whether arising out of breach of the Design-Build Agreement, contract, tort (including negligence), or any other theory of liability, and each party hereby releases the other party from any such liability. Provided, however, that this waiver is not intended to affect the payment of liquidated damages, Personnel Change Assessment Fees, and Lane Closure Fees, which the parties recognize have been established, in part, to reimburse the Issuer for some damages that might otherwise be deemed to be consequential.

The foregoing limitations on Design-Builder's liability in (ii) above shall not apply to or limit any right of recovery the Issuer may have respecting the following:

A. Losses arising out of fraud, criminal conduct, or intentional misconduct (which does not include any intentional Event of Default), on the part of any Design-Builder, Principal Participant, Affiliate, or Major Participant;

B. The Design-Builder's indemnities set forth in the Contract Documents for third-party bodily injury (including death) and property damage (other than to the Work itself); and

C. Losses to the extent covered by the proceeds of insurance required to be carried pursuant to the Design-Build Agreement, in each case not to exceed the amount of coverages required by the Design-Build Agreement.

COORDINATION WITH OTHERS

Coordination with Other Authority Contractors

General

The Issuer and ALDOT each reserve the right to perform and to contract with Other Authority Contractors to perform other or additional work near the Project ROW, Other ALDOT ROW and Other State-Owned Property, or, on the Project ROW, Other ALDOT ROW and Other State-Owned Property owned by ALDOT, and the Issuer shall facilitate reasonable cooperation and coordination between Other Authority Contractors and the Design-Builder in a manner to avoid interference with the Work of the Design-Builder.

The Design-Builder shall conduct the Work so as not to interfere with or hinder the progress or completion of work being performed by Other Authority Contractors.

The Design-Builder shall reasonably cooperate and coordinate, and shall cause its employees, agents, officers, and Design-Builder-Related Entities to so coordinate, with the Issuer, ALDOT, Other Authority Contractors, and Governmental Persons to the extent reasonably necessary for the performance by the Issuer, ALDOT, and such Other Authority Contractors of their work, and shall coordinate with the Issuer, ALDOT, and such Other Authority Contractors in good faith to facilitate completion of the Project in accordance with the Contract Documents.

Development of Schedule

The Design-Builder shall include in the Price Proposal a statement containing the following information:

A. The date the Design-Builder expects to have the Tolling Work completed;

B. A description of all of the Design-Builder's planned lane closures and/or road closures that may impact the Toll Systems Integrator; and

C. Any other assumptions or expectations of the Design-Builder regarding the Tolling Work.

Cooperation and Coordination with the Toll Systems Integrator

General

The Design-Builder acknowledges that the Issuer will be entering into an agreement for services with respect to, among other things, the tolling design for the Project with a tolling system specialist (the "Toll Systems Integrator"). The Design-Builder shall coordinate and cooperate with the Issuer and the Toll Systems Integrator in the incorporation of tolling infrastructure into the scope of the Work.

Notwithstanding the above, prior to the Setting Date for the Amendment/NTP for Construction, the Issuer will provide the Design-Builder with the design and technical information necessary for the Design-Builder to complete the Tolling Work. If the Issuer makes changes to such information or provides additional information that results in a change to the Tolling Work after the Amendment/NTP for Construction, such change shall be an Authority Directed Change.

Meetings and Completion Deadlines

A. The Issuer may schedule meetings, jointly and/or individually, with the Design-Builder and the Toll Systems Integrator to facilitate cooperation and coordination with respect to the incorporation of the tolling components of the Project.

B. The Initial Tolling Work shall be completed no later than 120 Calendar Days prior to the Substantial Completion Deadline (the "Initial Tolling Work Completion Deadline").

C. The Final Tolling Work shall be completed no later than 60 Calendar Days prior to the Substantial Completion Deadline (the "Final Tolling Work Completion Deadline").

Cooperation and Coordination with Ancillary Authority Contractors

The Design-Builder acknowledges that the Issuer may contract with other entities. The Design-Builder recognizes that the Ancillary Authority Contractors may require cooperation and coordination with each other in order to avoid interference with the completion of the Project. The Issuer may schedule meetings, jointly and/or individually, with the Design-Builder and the Ancillary Authority Contractors to facilitate cooperation and coordination.

Design-Builder-Related Entity Deemed Uncooperative

The Design-Builder shall be deemed uncooperative ("Uncooperative") if:

A. The Design-Builder fails to meet its obligations with respect to coordination or does not provide other information reasonably requested by the Issuer in a timely manner; or

B. The Design-Builder, Principal Participants, Major Participants, the Lead Designer, or any Subcontractor that employs a Key Personnel fails to attend and meaningfully participate in meetings called by the Issuer.

Interference by Other Authority Contractors

If the Issuer receives notice from an Other Authority Contractor that such Other Authority Contractor believes the Design-Builder has interfered with or hindered the progress or completion of such Other Authority Contractor's work, the Issuer shall provide notice to the Design-Builder within 5 Business Days of the Issuer's receipt thereof.

MISCELLANEOUS PROVISIONS

Gross Receipts and Sales and Use Taxes

In accordance with Section 23-2-153 of the Code of Alabama (1975), as amended, the Project will not be subject to the gross receipts tax imposed on the Design-Builder or any Subcontractors by the Alabama Department of Revenue pursuant to Section 40-23-50 of the Code of Alabama (1975), as amended. The Design-Builder shall not be entitled to include gross receipts tax estimates or liabilities in calculating a Price or, except as otherwise provided in the Design-Build Agreement, seek relief or recovery from the Issuer under of the Design-Build Agreement for any tax liability.

Elements of the Project may be subject to sales and use tax imposed by the State. Except as set forth in Section 2.2(I) above, the Design-Builder shall not be entitled to include sales and use tax estimates or liabilities in calculating a Price or seek relief or recovery from the Issuer under of the Design-Build Agreement in relation to any sales and use tax liability incurred by the Design-Builder or any of its Subcontractors should the Design-Builder fail to receive an exemption from the Alabama Department of Revenue for any sales and use tax imposed by the State associated with the Project.

Elements of the Project may be subject to sales and use tax imposed by local taxing authorities. The Design-Builder shall apply for sales and use tax exemption for itself and its Subcontractors with the local taxing authorities in the vicinity of the Project. In the event the Design-Builder obtains confirmation of a resolution exempting certain costs of Construction Work from sales and use tax imposed by a local taxing authority (a "Local Tax Resolution") on or before 14 Calendar Days prior to the effective date of any Work Package Authorization, the Amendment/NTP for Construction, or a Supplemental Agreement, the Design-Builder shall not include the sales and use tax that is specifically exempted by such resolution in calculating the Price of such Work Package Authorization, the Amendment/NTP for Construction, or a Supplemental Agreement, nor seek relief or recovery from the Issuer under of the Design-Build

Agreement for any tax liability for such sales and use tax. If the Design-Builder has not obtained a Local Tax Resolution on or before 14 Calendar Days prior to the effective date of any Work Package Authorization, the Amendment/NTP for Construction, or a Supplemental Agreement or the Local Tax Resolution does not fully exempt certain costs of Construction Work from the imposition of sales and use taxes imposed by such local taxing authority, the Design-Builder shall include the applicable amount of tax liability in calculating the Price associated with such Work Package Authorization, the Amendment/NTP for Construction, or a Supplemental Agreement. In no event may the Design-Builder seek relief for any penalty incurred by the Design-Builder or any of its Subcontractors in relation to a sales and use tax imposed by local taxing authorities incurred in connection with the Project. The reasonable costs of pursuit of such exemptions shall be paid by the Issuer to the Design-Builder as Preconstruction Phase Compensation.

The Design-Builder shall, and shall require its Subcontractors to, obtain such certificates as are necessary to evidence any sales and use tax exemptions that are applicable pursuant to this Section 26.11. The Design-Builder shall include the foregoing requirement, and require its Subcontractors to include this requirement, in all Subcontracts.

Federal Requirements

Design-Builder acknowledges that the Project is being funded with federal funds and that the Federal Requirements are applicable to the Design-Build Agreement and the Project. The Design-Builder agrees to comply with the Federal Requirements set forth in Exhibit N. The Design-Builder also acknowledges and agrees that, notwithstanding any other section of the Design-Build Agreement, the federal government, including FHWA, may have the right to audit the Design-Build Agreement and any records of the Design-Builder with respect thereto.

Exhibit A

Acronyms, Definitions, and Submittals

As used in the Design-Build Agreement to which this Exhibit is attached, and in the other Contract Documents (unless otherwise specified in the Design-Build Agreement), the following acronyms shall have the meanings set forth below.

ACRONYMS	
Abbreviation	**Title or Description**
CFR	Code of Federal Regulations
DBE	Disadvantaged Business Enterprise
EEO	Equal Employment Opportunity
EPA	(U.S.) Environmental Protection Agency
FAR	Federal Acquisition Regulation
FEMA	Federal Emergency Management Agency
FHWA	Federal Highway Administration
FTA	Federal Transit Administration
ISO	International Organization for Standards
ITP	Instructions to Proposers
NEPA	National Environmental Policy Act (42 U.S.C. §§ 4321 et seq.)
OSHA	United States Occupational Safety and Health Administration
RCP	Request for Change Proposal
RSA	Request for Supplemental Agreement
RFC	Released for Construction
ROW	Right of Way
USACE	United States Army Corps of Engineers
U.S.C.	United States Code
USDOT	United States Department of Transportation

As used in the Summary of the Design-Build Agreement to which this Exhibit is attached, and in the other Contract Documents (unless otherwise specified in the Summary of the Design-Build Agreement), the following terms shall have the meanings set forth below.

DEFINITIONS	
Term	**Meaning**
Abandonment	The Work necessary for each Utility (including appurtenances) to decommission a Utility which Utility is not removed using proper Utility Owner and/or industry procedures (e.g., flushing, capping, filling with grout or sand) or other procedures Approved by the Issuer.
Acceleration Costs	Those fully documented increased costs reasonably incurred by the Design-Builder (i.e., costs over and above what the Design-Builder would otherwise have incurred), which are directly attributable to increasing the performance level of the Work in an attempt to complete necessary activities of the Work earlier than otherwise anticipated, such as for additional equipment, additional crews, lost productivity, overtime and shift premiums, increased supervision, and any unexpected movement of materials, equipment, or crews necessary for resequencing in connection with acceleration efforts.
Additional Non-State Property	Any temporary right or interest in real property that is not owned by a State Party and is acquired by the Design-Builder for the performance of the Work.
Adjusted G&A Percentage	The FAR compliant audited general and administrative rate that accounts for overhead and general expenses of the Design-Builder, which for this Project is the FAR compliant audited general and administrative rate that applies to Kiewit Infrastructure South Co. The Adjusted G&A Percentage shall be updated annually upon submission by the Design-Builder to the Issuer of the relevant financial information demonstrating the new Adjusted G&A Percentage (which may or may not be different from the prior year's Adjusted G&A Percentage).
Affiliate	With respect to a Principal Participant, any of the following entities, to the extent they are not already identified on Exhibit C: 1. any person or firm holding (directly or indirectly) a 15% or greater interest in the Design-Builder; or 2. parent company or affiliate of the Design-Builder or another Principal Participant providing financial support to the Design-Builder to meet the financial obligations of the Design-Build Agreement.
ALDOT	Alabama Department of Transportation, acting directly or through a representative authorized in writing, who is responsible for administrative supervision of the Project, whichever the context requires.
ALDOT Compliance System	The system for compliance with Federal Requirements used by ALDOT from time to time, as set forth in the Technical Provisions.

DEFINITIONS	
Term	**Meaning**
ALDOT Standard Specifications	The 2022 edition of the ALDOT Standard Specifications for Highway Construction.
ALDOT's DBE Program Plan	ALDOT's DBE Program Plan, approved by FHWA.
Amendment No. 3 Date	The meaning set forth in the first page of the Design-Build Agreement.
Amendment/NTP for Construction	The amendment, in the form mutually agreed by the parties.
Ancillary Authority Contractors	Other Authority Contractors except the Toll Systems Integrator.
Applicable Laws	All applicable federal, state and local laws, codes, ordinances, rules, regulations, judgments, decrees, directives, guidelines, policy requirements, orders and decrees of any Governmental Authority having jurisdiction over the Work, the Project, the Project ROW, Other ALDOT ROW and Other State-Owned Property, the Construction Limits, or the Site, the practices involved in the Work or the Project, or any Utility Work being performed by a Utility Owner. The term "Applicable Law" does not include Governmental Approvals or tax laws.
Applicable Standards	The standards included in the Technical Provisions.
Assumed G&A Percentage	An estimated average G&A Percentage for Construction Phase agreed to by the Issuer and the Design-Builder and to be used for the development of a GMP.
Authority-Directed Changes	Any changes in the Work (including changes in the standards applicable to the Work) that the Issuer has directed the Design-Builder to perform.
Authority Procurement Manger	Clay McBrien, ALDOT Assistant Chief Engineer, Policy and Planning, or such other individual as the Issuer may designate by providing written notice to the Design-Builder.
Authority Project Manger	Edwin Perry, ALDOT Mobile River Bridge and Bayway Project Director, or such other individual as the Issuer may designate by providing written notice to the Design-Builder.
Authority Provided Approvals	The Governmental Approvals listed as the responsibility of the Issuer on Exhibit L and any other Governmental Approvals agreed to by the parties pursuant to a Supplemental Agreement.
Authority Risk	A risk to be borne by the Issuer as specified in the Risk Register.
Bayway Share	35%. The Bayway Share may be updated by the Amendment/NTP for Construction.

DEFINITIONS	
Term	**Meaning**
Bayway Technical Provisions	The Bayway Technical Provisions, as may be amended by a Work Package Authorization, Amendment/NTP for Construction, or a Supplemental Agreement.
Betterment	Any upgrading of the facility being relocated that is not attributable to the highway construction and is made solely for the benefit of and at the election of the Utility Owner.
Business Day	A day that ALDOT is open for business.
Calendar Day	Each and every day shown on the calendar, including Saturdays and Sundays, beginning and ending at midnight.
Claim	A (i) request by the Design-Builder for a time extension that is disputed by the Issuer, (ii) request by the Design-Builder for an increase in the Contract Price arising from Work done by or on behalf of the Design-Builder in connection with the Design-Build Agreement that is disputed by the Issuer, and/or (iii) Request for Determination of Relief Event that is disputed by the Issuer. A claim will cease to be a Claim upon reaching a mutually agreeable resolution thereof, including resolution by delivery of a Supplemental Agreement signed by all parties.
Closed to Traffic	The closure of a lane to the traveling public, whether such lane is closed in its entirety or reduced in width or otherwise such that the traveling public cannot use such lane. Any shoulder closure that is within two feet of a lane requires the closure of that lane.
Compensation Cap	The Preconstruction Phase Compensation Cap plus the Contract Price plus any other NTE Amount with respect to a Work Package Authorization or Supplemental Agreement.
Complete Submittal	A submittal that conforms with the requirements of the Technical Provisions.
Completion Deadline	Each Work Package Completion Deadline (once effective pursuant to Section 4.5), the Initial Tolling Work Completion Deadline, the Final Tolling Work Completion Deadline and the Substantial Completion Deadline.
Completion Milestone	Substantial Completion and Tolling Work Completion. Completion Milestones shall not include Work Package Completion Milestones.
Construction Limits	The portion of the Project ROW that is available to the Design-Builder for the performance of the Construction Work then authorized pursuant to the Amendment/NTP for Construction or a Work Package Authorization, as set forth in the RFC Documents for such Construction Work.

DEFINITIONS	
Term	**Meaning**
Construction Phase	The Project phase beginning and ending as set forth in Section 4.1.1 during which all Construction Work will be completed.
Construction Work	All Work other than the Preconstruction Work. In no event shall the Construction Work include construction of the Bayway Limited Design Scope.
Contract Price	The sum of all Prices, excluding the Preconstruction Phase Fixed Price and any Price with respect to the Preconstruction Phase. For the avoidance of doubt, "Contract Price" excludes all components of the Preconstruction Phase Compensation Cap.
Contingency	The amount set forth in a Work Package Authorization or the Amendment/NTP for Construction available as contingency.
Corrective Work	The Work required to be performed pursuant to WARRANTIES.
Cost Ceiling	As set forth in the Amendment/NTP for Construction or any subsequent Supplemental Agreement. The Cost Ceiling expected at Amendment/NTP for Construction is set forth in Table 4 under "THE MOBILE RIVER BRIDGE AND BAYWAY PROJECT – Description of Design-Build Agreement".
Cost Floor	As set forth in the Amendment/NTP for Construction or any subsequent Supplemental Agreement. The Cost Floor expected at Amendment/NTP for Construction is set forth in Table 4 under "THE MOBILE RIVER BRIDGE AND BAYWAY PROJECT – Description of Design-Build Agreement".
Critical Path	The longest path of activities, in terms of time, of logically connected activities on a Project Schedule ending with Substantial Completion.
Daily Liquidated Damages Amount	An amount equal to $367,124.
day	A Calendar Day.
DBE Subcontractor	A Subcontractor that is a DBE.
Design-Build Agreement or Agreement or DBA	The Third Amended and Restated Design-Build Agreement executed by the Issuer and the Design-Builder (to which this Exhibit A is attached), and any and all amendments thereto.
Design-Builder Contingency Threshold	The point at which the Construction Compensation accrued equals 90% of the sum of the Contract Price less (i) unused Contingency Amount, and (ii) Unused Provisional Sums.
Design-Builder-Performed Relocation	A Utility Relocation performed by the Design-Builder pursuant to a Utility Agreement as part of the Work.

DEFINITIONS	
Term	**Meaning**
Design-Builder-Related Entities	Design-Builder, Principal Participants, Major Participants, Subcontractors, their employees, agents and officers and all other Persons for whom Design-Builder may be legally or contractually responsible.
Design-Builder Release	Any actual or threatened release, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, abandonment, disposing, or allowing to escape or migrate into or through the environment, including ambient air (indoor or outdoor), surface water, groundwater, land surface, or subsurface strata or within any building, structure, facility, or fixture: 1) of Hazardous Materials brought onto the Site by a Design-Builder-Related Entity; 2) due to the negligence or willful or intentional misconduct of a Design-Builder-Related Entity arising out of the performance of the Work, of Hazardous Materials brought onto the Site by a third party; 3) due to Design-Builder's failure to follow the applicable Hazardous Materials Plan, of Preexisting Hazardous Materials on the applicable Hazardous Materials Report; or 4) due to the Design-Builder's failure to immediately stop Work and notify the Issuer upon discovery of Unidentified Preexisting Hazardous Materials.
Design-Builder Risk	A risk borne by the Design-Builder as specified in the Risk Register.
Design Documents	All drawings (including plans, elevations, sections, details, and diagrams), specifications, designs, "architectural work" (as such term is defined in the Architectural Works Copyright Protection Act of 1990), reports, calculations and records, at any stage of development or revision necessary for design of the Project in accordance with the Contract Documents, including shop drawings, the RFC Documents and the Final Design prepared by or on behalf of the Design-Builder.
Design Manager	The individual identified as the Design Manager, who has the lead responsibility for managing the design on the Project, or such other individual as the Issuer may approve in accordance with the Design-Build Agreement.
Differing Site Condition	A condition that is a subsurface or latent condition encountered within the Project ROW (i) differing materially from those identified in the Project Information Documents – Existing Geotechnical and Project Information Documents – Existing Pile Load Test, geotechnical, and other reports produced as part of the Preconstruction Work, or otherwise indicated in a Contract Document; or (ii) if unknown physical conditions of an unusual nature, differing materially from those ordinarily encountered and generally recognized as inherent in the Work to be provided under the Design-Build

DEFINITIONS	
Term	**Meaning**
	Agreement. The foregoing definition specifically excludes (a) Utility facilities, (b) Hazardous Materials, (c) non-contaminated water, and (d) any other conditions that would otherwise constitute a specifically detailed and enumerated Relief Event or Provisional Sum.
Director	The ALDOT Transportation Director.
Disadvantaged Business Enterprise or DBE	Has the meaning set forth in 49 CFR Part 26.
Effective Date	June 26, 2024.
Electronic Means	Telecopy, facsimile transmission, e-mail transmission or other similar electronic means of communication providing evidence of transmission, but excluding the Document Management System.
Employee Fee	A fee owed by the Design-Builder to the Issuer in an amount equal to the annual salary (or if not a salaried employee, the annualized hourly pay) that would have been earned by such employee if such employee were in the employ of the Issuer or ALDOT for the full year such employee was hired by the Design-Builder, a Principal Participant, or the Lead Designer.
Engineer	A professional engineer registered with the Alabama State Board of Licensure for Professional Engineers and Land Surveyors who is responsible for any portion of the engineering and administrative supervision of the Project on behalf of the Design-Builder, who is either an employee of the Design-Builder or a Design-Builder-Related Entity.
Engineers of Record	Engineers licensed in the State responsible for the final design of an element of the Work for the Design-Builder. The Engineers of Record are responsible to seal and sign the design plans in accordance with the requirements of the State Board.
Environmental Approval	All Governmental Approvals arising from or required by any Environmental Law in connection with the Project, and includes, for the avoidance of doubt, any New Environmental Approval.
Environmental Laws	All Applicable Laws now or hereafter in effect relating to the environment or to emissions, discharges, releases, or threatened releases of Hazardous Materials into the environment, including into the air, surface water or groundwater, or onto land, or relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of Hazardous Materials or otherwise relating to the protection of public health, public welfare, or the natural environmental (including protection of nonhuman forms of life, land, surface water, groundwater, and air), including

DEFINITIONS	
Term	**Meaning**
	the statutes listed in the definition of Hazardous Materials; the National Environmental Policy Act, 42 U.S.C. §§ 4321 et seq.; the Occupational Safety and Health Act, as amended, 29 U.S.C. §§ 651 et seq.; and the Hazardous Materials Transportation Act, 49 U.S.C. §§ 5101 et seq.; the Endangered Species Act, 16 U.S.C. §§ 1531 et seq.; the Clean Water Act, 33 U.S.C. §§ 1251 et seq.; the Safe Drinking Water Act, 42 U.S.C. §§ 300f et seq.; the Migratory Bird Treaty Act, 16 U.S.C. §§ 703 et seq.; the Eagle Protection Act, 16 U.S.C. § 668; the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq.; and 23 U.S.C. §138, each as amended.
Error	Any failure of the Professional Services to conform to the Professional Standard of Care.
Event of Default	A default, following notice and opportunity to cure to the extent permitted and issuance by the Issuer of notice that an Event of Default has occurred.
Existing Bayway	The existing twin two-lane bridges across the Mobile Bay existing as of the effective date of the Amendment/NTP.
Facility	The I-10 Mobile River Bridge facility and the I-10 Bayway facility.
FAR Audited Overhead Rate	The ratio of indirect costs to direct labor costs as calculated according to the Federal Acquisition Regulation and Cost Accounting Standards.
Federal Acquisition Regulation	The Federal Acquisition Regulation contained in 48 CFR § 1.101 *et seq*. and all related regulations that implement or supplement the FAR.
Federal Requirements	All Applicable Laws applicable to work financed with federal funds and the provisions required to be included in FHWA-assisted contracts, including the provisions set forth in Exhibit N.
Final Acceptance	Acceptance as described in Final Acceptance above.
Final Completion	Completion of the activities described in Section 20.3 with respect to the Construction Phase.
Final Design	Depending on the context: (i) the final complete version of the construction drawings prepared by or on behalf of the Design-Builder, (ii) the design concepts set forth in the Design Documents, as amended during construction, which shall be substantially consistent with the Contract Documents, or (iii) the process of development of the Design Documents which includes interim submittals required by the Technical Provisions, Final Design submittals and RFC Documents.
Final G&A Amount	The total amount of G&A owed to Design-Builder, which shall be equal to the aggregate of the Yearly G&A Amounts.

DEFINITIONS	
Term	**Meaning**
Final Tolling Work	The Work required to be complete in order for three lanes of live traffic to travel at design speed at least 5,000 feet prior to and 5,000 feet past the mainline gantries near Texas Street, as more specifically described in Section 26 of the River Bridge Technical Provisions.
Final Tolling Work Completion	The Final Tolling Work meets the requirements set forth in Final Tolling Work Completion above.
First-Tier Subcontract	A subcontract executed by (i) the Design-Builder and a Subcontractor, or (ii) a Principal Participant and a Subcontractor.
First-Tier Subcontractor	A Subcontractor that has a direct contractual relationship with the Design-Builder or a Principal Participant.
Force Majeure Event	Any of the following acts, events, conditions or occurrences to the extent they are beyond the Design-Builder's reasonable control, which could not have been either reasonably foreseen or avoided by the exercise of due diligence, and which has an adverse impact on the Design-Builder's ability to perform its obligations under the Design-Build Agreement: 1. Fire; 2. Earthquake, tornado, hurricane, tropical storm, or other natural disaster that (i) causes direct physical damage to the Project and (ii) has been proclaimed a disaster or state of emergency by the President of the United States or the Governor of the State; 3. Earthquake, tornado, hurricane, tropical storm, or other natural disaster that (i) causes direct physical damage to major prefabricated elements of the Project or specialty equipment for the Project and (ii) has been proclaimed a disaster or state of emergency by the President of the United States or the Governor of the respective state; 4. Any epidemic or quarantine restrictions occurring within the vicinity of the Project (but excluding those impacts of diseases or endemics that are known as of the Effective Date of the Design-Build Agreement); 5. A blockade or freight embargos; 6. War or terrorism, whether foreign or domestic; 7. Acts of the public enemy; or

DEFINITIONS	
Term	**Meaning**
	8. Work stoppages, work slowdowns, or other labor disruptions, unless caused by or otherwise under the control or influence of the Design-Builder occurring within the vicinity of the Project.
G&A	A component of the Construction Compensation that accounts for overhead and general administrative expense of the Design-Builder, which for the Project is based on the FAR-compliant costs of Kiewit Infrastructure South Co.
G&A Percentage	A provisional rate equal to the most recent Adjusted G&A Percentage available to be used for the purpose of making progress payments to the Design-Builder. The G&A Percentage shall be updated annually as the most recent Adjusted G&A Percentage is available.
Geotechnical Plan	The plan for geotechnical work, including a schedule for such work, required by the River Bridge Technical Provisions or Bayway Technical Provisions, as applicable.
GMP	Guaranteed maximum price, computed in accordance with the Design-Build Agreement.
Good Faith Estimate for Construction Work	For a Work Package Authorization or the Amendment/NTP for Construction, the amount agreed to by the parties through the process outlined in 4.2 and Exhibit E and based on the Schedule of Values agreed to by the parties pursuant to that process.
Good Industry Practice	The exercise of the degree of skill, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced design-build contractor seeking in good faith to comply with its contractual obligations engaged in the same type of undertaking under circumstances and conditions similar to those within the same geographic area as the Project and which complies with Applicable Law. Good Industry Practice includes, without limitation, taking reasonable steps to assure sufficient personnel are employed and available to perform the work and such personnel are adequately skilled, experienced and trained to complete the Work.
Governmental Action	An act of a Governmental Authority or Governmental Entity with respect to a Governmental Approval.
Governmental Approval	Any approval, authorization, certification, consent, decision, exemption, filing, lease, license, permit, agreement, concession, grant, franchise, registration or ruling, required by or with any Governmental Authority in order to design and construct the Project.

DEFINITIONS	
Term	**Meaning**
Governmental Authority or Governmental Entity	Any court or any federal, State or local government, department, commission, board, bureau, agency or other regulatory or governmental authority, but not including ALDOT or the Issuer.
Governmental Person	Any federal, state, local or foreign government and any political subdivision or any governmental, quasi-governmental, judicial, public or statutory instrumentality, administrative agency, authority, body or entity. The term includes the State of Alabama and agencies and subdivisions thereof, other than ALDOT and the Issuer.
Hazardous Materials	Any of the following: 1. Substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601 et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. §§ 5101 et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq. ("RCRA"); the Toxic Substances Control Act, 15 U.S.C. §§ 2601 et seq.; the Clean Water Act, 33 U.S.C. §§ 1251 et seq.; the Clean Air Act, 42 U.S.C. §§ 7401 et seq.; all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; 2. Any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court or any regulatory limits issued by the Alabama Department of Environmental Management; 3. Petroleum or crude oil excluding de minimis amounts and excluding petroleum and petroleum products contained within regularly operated motor vehicles; and 4. Asbestos or asbestos-containing materials in structures and or other improvements (other than mineral asbestos naturally occurring in the ground).
Hazardous Materials Plan	Each of the plans developed by the Design-Builder as part of the Preconstruction Work, as required by the River Bridge Technical Provisions or Bayway Technical Provisions, as applicable.

DEFINITIONS	
Term	**Meaning**
Hazardous Materials Report	Each of the hazardous materials site assessments produced by the Design-Builder for the River Bridge Project and the Bayway Project, if applicable, as part of the Preconstruction Work (further requirements for which are set forth in the River Bridge Technical Provisions or Bayway Technical Provisions, as applicable), which shall include any information regarding Hazardous Materials that the Issuer provided to the Design-Builder as a Project Information Documents – Hazardous Materials with respect to the Project or Work Package and any additional information regarding Hazardous Materials that the Design-Builder discovers while undertaking geotechnical work. Nothing in this definition in and of itself required the Design-Builder to perform Hazardous Materials tests with respect to its geotechnical work.
Holidays	Any day ALDOT is closed for a holiday.
ICE	The independent cost estimator retained by ALDOT or the Issuer.
Incentive Fee	A fee based on the total Costs of the Work calculated as set forth in a schedule to a Work Package Authorization or the Amendment/NTP for Construction, as applicable. The schedule shall include the Minimum Fee, a Target Fee, a Maximum Fee, the Cost Floor, the Cost Ceiling, and the Target Cost. The formula to calculate the Incentive Fee shall be based on the Incentive Ratio and shall be further set forth in the Work Package Authorization or the Amendment/NTP for Construction, as applicable. The Incentive Fee may be amended by Supplemental Agreement.
Incentive Payment	The meaning set forth in Section 17.2(B).
Incentive Ratio	A ratio of 65/35.
Including, or including, includes, included	All references in the Contract Documents to "Including", "includes" or "included" shall mean "including, but not limited to".
Independent Quality Manager	The individual identified on Exhibit C as the Independent Quality Manager or such other individual as the Issuer may approve in accordance with the Design-Build Agreement.
Initial Tolling Work	Work required to be complete in order for the Toll Systems Integrator to begin (i) the installation, integration, and testing period, as more specifically described in Section 26 of the River Bridge Technical Provisions at the East Tunnel Interchange and the Midbay Interchange, and (ii) the installation and integration, as more specifically described in in Section 26 of the River Bridge Technical Provisions at the mainline gantries near Texas Street.
Initial Tolling Work Completion	The Initial Tolling Work meets the requirements set forth in Initial Tolling Work Completion above.

DEFINITIONS	
Term	**Meaning**
Initial Tolling Work Completion Punch List	The list of Initial Tolling Work items which remain to be completed after achievement of Initial Tolling Work Completion, generally limited to minor incidental items of Work necessary to correct imperfections that will not interfere with or hinder the progress or completion of Tolling Systems Integrator's work.
Intellectual Property Rights	All patents, copyrights, trademarks, service marks, trade secrets, know-how, proprietary information and all similar and related intellectual property rights protected under any Applicable Law.
Interim Daily Incentive Amount	An amount equal to $75,000.00.
Interim Daily Liquidated Damages Amount	An amount equal to $100,000.00.
Key Personnel	The persons identified on Exhibit C as key personnel, subject to revision in accordance with the Contract Documents.
Kiewit Project Burdens Rate	The rate equal to a percentage representing allowable payroll tax, liability insurance, and employee benefits costs not included in the FAR Audited Overhead Rate of Peter Kiewit Sons', Inc., and submitted annually to the Issuer with such FAR Audited Overhead Rate.
Late Payment Interest Rate	The annual rate then charged by the State Department of Revenue on underpayments of State taxes.
Lead Designer	Kiewit Engineering Group Inc., or such other entity as the Issuer may approve in accordance with the Design-Build Agreement.
Lead Geotechnical Engineer	The individual identified on Exhibit C as the Lead Geotechnical Engineer for the River Bridge Project or the Bayway Project who has responsibility for overseeing the geotechnical exploration and design for the overall River Bridge Project or Bayway Project, as applicable, or such other individual as the Issuer may approve in accordance with the Design-Build Agreement.
Lead Independent Check Engineer	The individual identified on Exhibit C as the Lead Independent Check Engineer for the River Bridge Project, or such other individual as the Issuer may approve in accordance with the Design-Build Agreement.

DEFINITIONS	
Term	**Meaning**
Letter of Final Tolling Work Completion	The letter delivered to the Design-Builder under Section 20.1.1.2 stating that Final Tolling Work Completion has occurred.
Letter of Initial Tolling Work Completion	The letter delivered to the Design-Builder under Section 20.1.2.2 stating that Initial Tolling Work Completion has occurred.
Letter of Substantial Completion	The letter delivered to the Design-Builder under Section 20.2.2 stating that Substantial Completion has occurred.
Letter of Final Acceptance	The letter delivered to the Design-Builder under Section 20.6 stating that Final Acceptance has occurred.
Lien	Any pledge, lien, security interest, mortgage, deed of trust or other charge or encumbrance or attempt to make such an encumbrance of any kind, or any other type of preferential arrangement (including any agreement to give any of the foregoing, any conditional sale or other title retention agreement, any lease in the nature of a security instrument, and the filing of or agreement to file any financing statement or other instrument intended to perfect a security interest).
Major Participant	Each of the Persons identified on as a major participant.
Massman Project Burdens Rate	The rate equal to a percentage representing allowable additional overhead costs not included in the FAR Audited Overhead Rate of Massman Construction Co., and submitted annually to the Issuer with such FAR Audited Overhead Rate.
Maximum Fee	The maximum fee set forth in the Work Package Authorization or Amendment/NTP for Construction, as applicable. The Maximum Fee is the Incentive Fee earned if the total Costs of the Work are less than or equal to the Cost Floor.
Minimum Fee	The minimum fee set forth in the Work Package Authorization or Amendment/NTP for Construction, as applicable. The Minimum Fee is the Incentive Fee earned if the total Costs of the Work equals or exceeds the Cost Ceiling.
Mobilization	The preparatory Work and operations including, but not limited to, those necessary for (i) the movement of personnel, equipment, supplies, and incidentals to the Site, (ii) the establishment of all offices, buildings, and other facilities necessary for Work on the Project, and (iii) all other Work and operations which must be performed or costs incurred in the early stages of the Work on the Site.
Mobilization Costs	The Costs of the Work associated with Mobilization.

DEFINITIONS	
Term	**Meaning**
New Environmental Approval	Any of the following: 1. a new Environmental Approval; and 2. a renewal, revision, modification or amendment to one or more of the Environmental Approvals. New Environmental Approval does not include the first re-evaluation of ALDOT's Combined Final Environmental Impact Statement/Record of Decision (FEIS/ROD) in place as of the Effective Date because such FEIS/ROD is required to be resubmitted pursuant to changes to the Project that the Issuer has required.
Nonconforming Work	Work performed that does not meet the requirements of the Contract Documents.
Notice of Termination	A notice issued by the Issuer or the Design-Builder to terminate the Design-Build Agreement pursuant to Section 15.
NTE Amount	A not-to-exceed amount applicable to a specific portion of Work, as may be adjusted in accordance with the Contract Documents, including by Supplemental Agreement.
NTE Amount Estimate	An estimated NTE Amount for a Work Package Authorization.
NTE Demobilization Amount	With respect to the Preconstruction NTE Amount, the Preconstruction NTE Demobilization Amount, and with respect to any other NTE Amount established under the Design-Build Agreement, the amount set forth in the Supplemental Agreement, Work Package Authorization, or Amendment/NTP for Construction pursuant to which such NTE Amount is established.
Other ALDOT ROW	Right of way owned by ALDOT other than the Project ROW that is made available for the Design-Builder to use in connection with the Project, however no permanent Work will be constructed on such right of way.
Other Authority Contractors	Other contractors of the Issuer or ALDOT authorized to be performing work by Authority or ALDOT, including Other Project Contractors and the Toll Systems Integrator.
Other State-Owned Property	Real property owned or otherwise controlled by a State Party other than Project ROW and Other ALDOT ROW and made available for the Design-Builder to use in connection with the Project, however no permanent Work will be constructed on such real property.
Party or party	The Issuer or the Design-Builder, as the context requires (and collectively, the "Parties" or "parties").

DEFINITIONS	
Term	**Meaning**
Person	Any individual, corporation, company, voluntary association, partnership, trust, unincorporated organization, or Governmental Person, including the Issuer and ALDOT.
Possible Contingency Log	A log maintained by the Issuer on which Possible Contingency Events are set forth as and when provided by the Design-Builder.
Preconstruction Phase	The Project phase beginning and ending as set forth in Preconstruction Phase above during which a portion of the Preconstruction Work will be performed.
Preconstruction Phase Compensation Cap	The Preconstruction Phase NTE Amount plus the Preconstruction Phase Fixed Price, plus the Preconstruction Phase NTE Demobilization Amount.
Preconstruction Phase Fixed Price	The Fixed Price applicable to the Preconstruction Phase Fixed Price Expenses.
Preconstruction Phase NTE Amount	The NTE Amount applicable to the Preconstruction Phase Compensation (but not including the Preconstruction Phase Compensation for the Preconstruction Phase Fixed Expenses).
Preconstruction Work	All work necessary in connection with the preparation and finalization of the Released for Construction Documents and any other documentation or requirements set forth in the DBA.
Preexisting Hazardous Materials	Hazardous Materials existing on the Project ROW prior to the Effective Date.
Pre-Existing Structure	The 1) twin two-lane Bayway bridges across the Mobile Bay; and 2) east and west tunnel interchange bridges, existing as of the commencement of Construction Work.
Pre-Existing Structure Condition	A physical condition at a Pre-Existing Structure that was in existence prior to the commencement of Construction Work that was not identified in (1) through (3) below, or if identified, the actual condition differs from: 1) what is identified in the Project Information Documents; 2) what is identified in reports or other documentation produced as part of the Preconstruction Work prior to the Setting Date of the applicable Work Package Authorization or the Amendment/NTP for Construction; and 3) what is indicated in a Contract Document, including the information provided by ALDOT pursuant to the Technical Provisions.
Price	A (i) GMP, (ii) Fixed Price, or (iii) any other binding price (but not an NTE Amount) agreed to by the Issuer and Design-Builder, as each may be adjusted

DEFINITIONS	
Term	**Meaning**
	in accordance with the Contract Documents, including by Supplemental Agreement.
Price Proposal	A proposed Price for the Amendment/NTP for Construction or a Work Package Authorization.
Principal Participant	Each of the Persons identified as a principal participant for either River Bridge Project or the Bayway Project.
Professional Services Work	Work that is professional services performed by design professionals, each as defined in Alabama Code § 41-9A-3(a).
Professional Standard of Care	The standard of care in accordance with Alabama Code § 41-9A-3(d)(1) requiring the design professional to perform the services with the professional skill and care ordinarily provided by a competent design professional practicing under the same or similar circumstances and professional licenses as expeditiously as is prudent considering the ordinary professional skill and care of a competent design professional. The Professional Standard of Care applies only to Professional Services Work.
Progress Payment Request	A Preconstruction Progress Payment Request, a Construction Progress Payment Request, or a Force Account Payment Request, as the context requires.
Project Burdens Rate	The (i) Kiewit Project Burdens Rate for Peter Kiewit Sons', Inc., or any affiliate thereof, (ii) Massman Project Burdens Rate for Massman Construction Co. or any affiliate thereof, or (iii) Traylor Project Burdens Rate for Traylor Bros. Inc. or any affiliate thereof, as applicable.
Project Compensation	The Preconstruction Phase Compensation plus the Construction Compensation.
Project Information Documents	The (1) Project Information Documents – Environmental, (2) Project Information Documents – Existing Geotechnical Information, (3) Project Information Documents – Existing Pile Load Test, (4) Project Information Documents – Hazardous Materials, (5) Project Information Documents – Traffic, and (6) Project Information Documents – Existing Pavement Data.
Project Information Documents - Environmental	The following report(s) provided by the Issuer: 07-18-2023 Mobile River Bridge Wetlands & SAV Shapefiles.zip
Project Information Documents – Existing Geotechnical Information	The documents identified as "Project Information Documents – Existing Geotechnical Information".

DEFINITIONS	
Term	**Meaning**
Project Information Documents – Existing Pavement Data	The documents identified as "Project Information Documents – Existing Pavement Data".
Project Information Documents – Existing Pile Load Test	The documents identified as "Project Information Documents – Existing Pile Load Test".
Project Information Documents – Hazardous Materials	The following report(s) or data provided by the Issuer: 1) Haz Mat Preliminary Investigation, Project DPI-0030(005), January 31, 2017; and 2) Haz Mat Preliminary Investigation, Project DPI-0030(005), June 8, 2012
Project Information Documents - Traffic	Traffic data collected by ALDOT as part of an Interchange Modification Report with respect to the Project and any additional traffic data provided to the Design-Builder by the Issuer or ALDOT as a response to a specific request from Design-Builder for traffic data. Provided, however, that the Issuer has no obligation to provide such data to Design-Builder.
Project Management Plan	The project management plan required under the River Bridge Technical Provisions and the Bayway Technical Provisions, developed by the Design-Builder as part of the Preconstruction Work related to the Project, as applicable, and Approved by the Issuer.
Project Manager	The individual identified on Exhibit C as the Project Manager, who has the lead responsibility for managing the design on the Project, or such other individual as the Issuer may approve in accordance with the Design-Build Agreement.
Project Records	All books, documents, data, studies, reports, correspondence, and other records relating to the Project, Utility Agreements, the Work, and the Site, and further including copies of all original documents delivered to the Issuer, including the Proposals.
Project ROW	The right of way leased to the Issuer as set forth in Right of Way Map Project No. ST-049-I10-006 Rev 26 in the ROW MAP Plan Rolls included in the Project Information Documents, which map shall be updated from time to time to account for Additional ROW Parcels acquired by ALDOT, on which the permanent Work for the Project shall be constructed.
Project Schedule	The initial Approved Project schedule included in the Amendment/NTP for Construction and any subsequent Approved Project schedule, determined based on context and in accordance with the requirements of the Technical Provisions.

DEFINITIONS	
Term	**Meaning**
Proposals or Proposal Documents	Those documents constituting the Design-Builder's (i) proposal in response to the River Bridge RFQ/RFP, including any supplements to proposals as may have been requested by the Issuer, and (ii) proposal in response to the Bayway RFQ/RFP, including any supplements to proposals as may have been requested by the Issuer.
Protection of Existing Utilities	Any activity undertaken to avoid damaging a Utility which does not involve removing or relocating that Utility, including staking the location of a Utility, avoidance of a Utility's location by construction equipment, installing steel plating or concrete slabs, encasement in concrete, temporarily de-energizing power lines, and installing physical barriers. For example, temporarily lifting power lines without cutting them would be considered Protection of Existing Utilities; whereas temporarily moving power lines to another location after cutting them would be considered a temporary Relocation.
Provisional Sum	For any Provisional Sum Item, an amount in excess of the amount set forth in the Schedule of Values.
Provisional Sum Event	An event set forth as triggering the ability to use all or a portion of a Provisional Sum with respect to a Provisional Sum Item.
Provisional Risk	A risk to be shared by the parties as specified in the Risk Register.
Punch List	The list of Work items which remain to be completed after achievement of Substantial Completion, generally limited to minor incidental items of Work necessary to correct imperfections that have no adverse effect on the safety or operability of the Project and will not require lane closures to complete.
Quality Control	The activities performed by the Design-Builder, designer, producer or manufacturer to ensure and document that a product meets the requirements of the Contract Documents. Activities may include checking, materials handling and construction procedures, calibrations and maintenance of equipment, design review, shop drawing review, document control, production process control, and any sampling, testing, and inspection done for these purposes.
Quality Management Plan	The quality management plan required under the River Bridge Technical Provisions and the Bayway Technical Provisions, developed by the Design-Builder as part of the Preconstruction Work related to the Project and Approved by the Issuer.
Railroad(s)	CSX Transportation and Illinois Central.
Railroad ROW	Any land use rights owned by a Railroad.

DEFINITIONS	
Term	**Meaning**
Record Drawings	Documents that depict the final completed Project, including all changes from RFC Documents and data showing all items such as the electrical systems, drainage systems, lighting systems, underground utilities, traffic controls, intelligent transportation system, signing placement, highway alignment and grade revisions, bridge detail changes, bridge settlement reference elevations and joint seal measurements, typical sections, cross sections, and all other relevant data, including any operations and maintenance manuals for mechanical and electrical systems.
Recoverable	Until a final payment is made of proceeds or other amounts pursuant to an insurance policy or Subcontract, the maximum amount that is available pursuant to the terms of an insurance policy, subcontract, or at law. Once a final payment of proceeds or other amounts pursuant to an insurance policy or Subcontract is made, the actual proceeds or other amounts paid out pursuant to such insurance policy or Subcontract.
Reimbursable Expenses	The reasonable portion of the cost of travel, accommodations and meals for Design-Builder's personnel necessarily and directly incurred in connection with the performance of the Preconstruction Work, to the extent not prohibited by FAR cost principles and State law.
Reimbursable Utility	A Utility for which the relevant Utility Owner is entitled to reimbursement for the relinquishment of related Utility Easements or for Utility Relocation costs.
Reimbursable Utility Expense	Expenses incurred by a Utility Owner for a Utility Relocation of a Reimbursable Utility in compliance with Applicable Laws for federal reimbursement of Utility Relocation, and the applicable requirements of the Utility Manual.
Released for Construction Documents or RFC Documents	All drawings, specifications, revisions thereto, and any other items necessary to construct a specified portion of the Project, signed and sealed by Engineer(s) of Record.
Removal	Work necessary to remove any Utilities for which leaving the Utilities in-place is not feasible or not permitted, or which the Design-Builder otherwise proposes to be removed in order to accommodate or permit construction of the Project, regardless of whether or not replacements for such Utilities are being installed in other locations.
Request for Supplemental Agreement or RSA	A Design-Builder initiated request for a Supplemental Agreement.
Risk Register Event	An event, condition, or circumstance set forth on the Risk Register.
Risk Register Occurrence Log	The log utilized by the Design-Builder and Authority to track the occurrence of Risk Register Events.

DEFINITIONS	
Term	**Meaning**
River Bridge Share	65%. The River Bridge Share may be updated by the Amendment/NTP for Construction.
River Bridge Technical Provisions	The River Bridge Technical Provisions as further amended by a Work Package Authorization, Amendment/NTP for Construction, or a Supplemental Agreement.
Safety Plan	The Safety Management Plan required under the River Bridge Technical Provisions and the Bayway Technical Provisions, developed by the Design-Builder as part of the Preconstruction Work and Approved by the Issuer.
Setting Date	Unless otherwise agreed by the parties and memorialized in the Amendment/NTP, Work Package Authorization or Supplemental Agreement, as applicable, with respect to (i) Work performed during the Preconstruction Phase, the Effective Date, (ii) (A) Work authorized pursuant to the Amendment/NTP for Construction, February 2, 2026, and (B) the 60th day prior to the date the Design-Builder submits a Price Proposal related to each Work Package Authorization, or (iii) Work authorized pursuant to a Supplemental Agreement, the 60th day prior to the date the Design Builder submits an RSA related to such Supplemental Agreement.
Site	The Project ROW, Other ALDOT ROW, Other State-Owned Property, and Additional Non-State Property.
Small Tools	Tools with a value of $2,000.00 or less.
State	The State of Alabama.
State Board	The Alabama State Board of Licensure for Professional Engineers and Land Surveyors that has the responsibility to regulate, license, and monitor the practices of professional engineers in the State.
State Parties	The Issuer and the State and any other agency or department thereof, including ALDOT.
Structures	Bridges, culverts, catch basins, drop inlets, retaining walls, cribbing, manholes, endwalls, buildings, storm drains, service pipes, underdrains, foundation drains, fences, guardrail, signs, end sections, traffic signals, light standards, tolling gantries, and other features that may be encountered in the Work and not otherwise classified.
Subcontract	Any subcontract or purchase order to perform any part of the Work or provide any materials, equipment or supplies for any part of the Work between the Design-Builder and a Subcontractor, or between any Subcontractor and its lower tier Subcontractor, at any tier.

DEFINITIONS	
Term	**Meaning**
Subcontractor or Subconsultant	Any Person with whom the Design-Builder has entered into any Subcontract, including Suppliers, and any other Person with whom any Subcontractor has further subcontracted any part of the Work, at any tier.
Substantial Completion	The Work meets the criteria set forth in Substantial Completion above.
Substantial Completion Deadline	The date specified as such in the Project Schedule included in the Amendment/NTP for Construction, as extended or otherwise adjusted in accordance with the terms of the Design-Build Agreement.
Substructure	That part of a bridge structure below the bearings of simple and continuous spans; all buttresses and piers below the skewbacks of arches; all parts of rigid frames, or integral bents below tops of footings or tops of caissons; and also, all parts of the abutments, backwalls and wingwalls, except handrails and handrail posts.
Superstructure	All parts of a bridge structure not defined as Substructure.
Supplier	Any Person other than employees of the Design-Builder not performing work at the Site that supplies machinery, equipment, materials or systems to the Design-Builder or any Subcontractor in connection with the performance of the Work; Persons who merely transport, pick up, deliver, or carry materials, personnel, parts, or equipment or any other items or persons to or from the Site shall not be deemed to be performing Work at the Site.
Surety	A corporate body duly authorized to do business in the State of Alabama, and which has issued one or more of the Payment and Performance Bonds.
Target Costs	As set forth in the Amendment/NTP for Construction or any subsequent Supplemental Agreement. The Target Costs expected at Amendment/NTP for Construction is set forth in Table 4 under "THE MOBILE RIVER BRIDGE AND BAYWAY PROJECT – Description of Design-Build Agreement".
Target Fee	The target fee set forth in the Work Package Authorization or Amendment/NTP for Construction, as applicable. The Target Fee is the Incentive Fee earned if the total Costs of the Work equals the Target Costs. The Target Fee may be amended by Supplemental Agreement.
Technical Provisions	The River Bridge Technical Provisions and the Bayway Technical Provisions, collectively.
Technical Standards	The standards for performance of work included by reference in the River Bridge Technical Provisions and Bayway Technical Provisions (which may by reference incorporate the ALDOT Standard Specifications).

DEFINITIONS	
Term	**Meaning**
Test	The procedure and method of acquiring and recording physical data and comparing it to set standards and submitting a statement to such conditions or operations as will lead to its acceptance or rejection (deficiency, defect, Nonconforming Work) of the item.
Third Party	Any Governmental Person, property owner or other third party having regulatory jurisdiction or property rights over or in any aspect of the Project, Work or the Site, but excluding a Utility Owner or a Railroad.
Third-Party Agreement	An agreement between the Issuer and any Third Party related to the Project.
Tolling Peak Season	Any federal holiday and Thursday through Sunday in each of the months from March through August.
Traylor Project Burdens Rate	The rate equal to a percentage representing allowable additional overhead costs not included in the FAR Audited Overhead Rate of Traylor Bros. Inc., and submitted annually to the Issuer with such FAR Audited Overhead Rate.
Unidentified Preexisting Hazardous Materials	Preexisting Hazardous Materials not included on the applicable Hazardous Materials Report.
Unidentified Utility	Any Utility, other than a service line, present within the Project ROW that was, after undertaking due diligence pursuant to Good Industry Practice, not identified in the Utility Map, was not discovered during records research, and for which there is no prior knowledge by a Design-Builder-Related Entity by the Setting Date related to the Amendment/NTP for Construction or a Work Package Authorization, as applicable.
Unused Provisional Sum	The difference between the amount of a Provisional Sum with respect to a Provisional Sum Item and the amount of such Provisional Sum expended by the Issuer because of the occurrence of a Provisional Sum Event with respect to such Provisional Sum Item. No Provisional Sum with respect to a Provisional Sum Item can become an Unused Provisional Sum until it is no longer possible for a Provisional Sum Event to occur with respect to such Provisional Sum Item.

DEFINITIONS	
Term	**Meaning**
Utility or utility	A privately, publicly or cooperatively owned line, facility and/or system for producing, transmitting or distributing communications, power, cable television, electricity, light, heat, gas, oil, crude products, water, steam, waste, and other products that directly or indirectly serve the public. The necessary appurtenances to each utility facility shall be considered part of such utility. Without limitation, any service line connecting directly to a utility shall be considered an appurtenance to that utility, regardless of the ownership of such service line. The term "Utility" shall specifically exclude privately owned irrigation facilities, existing storm water facilities, traffic signals and street lights, without regard to whether or not such items are included in the definition of "Utility" in the Utility Agreements.
Utility Agreement	An agreement entered into by the Design-Builder, the Issuer, or ALDOT with a Utility Owner, including a master agreement or task order under such master agreement.
Utility Easements	All permanent easements and/or other permanent interests in real property owned by Utility Owners in connection with existing Utilities.
Utility Map	The utility map and related documents developed by the Design-Builder as part of the Preconstruction Work.
Utility Owner	The owner of any Utility.
Utility-Performed Relocation	A Utility Relocation performed by the Utility Owner's own forces or contractors.
Utility Relocation or Relocate	As related to Utilities, each Removal, transfer of location, Abandonment and/or Protection of Existing Utilities as necessary to ensure their continued safe operation and structural integrity (including provision of temporary services as necessary) of any and all Utilities that is necessary or advisable in order to accommodate or permit construction of the Project.

DEFINITIONS	
Term	**Meaning**
Work	All duties and services to be furnished and provided by the Design-Builder as required by the Contract Documents, including the administrative, design, engineering, quality control, quality assurance, Relocation, procurement, legal, professional, manufacturing, supply, installation, construction, supervision, management, testing, verification, labor, materials, equipment, documentation and other efforts necessary or appropriate to achieve completion of the Bayway Limited Design Scope (in accordance with the terms of the Amendment/NTP for Construction) and Final Acceptance except for those efforts which the Contract Documents specify will be performed by the Issuer or other Persons. In certain cases the term is also used to mean the products of the Work.
Yearly G&A Amount	For any year in which Work is performed, the (i) Adjusted G&A Percentage applicable to that year times (ii) the Cost of the Work for that year.
Yearly Progress Payment G&A Amount	For any year in which Work is performed, the provisional amount paid for G&A pursuant to Construction Progress Payment Requests prior to any adjustment.

Costs of the Work

Section 1. Cost of the Work.

The term "Cost" or "Cost of the Work" shall mean costs reasonably, properly, and actually incurred by Design-Builder in the proper performance of the Work and the fulfillment of the Design-Builder's obligations under the Design-Build Agreement. All costs incurred by the Design-Builder shall be Costs of the Work unless specifically excluded as Non-Reimbursable Costs of the Work. In calculating the Cost of the Work, the following shall be applicable:

1. The Project Burdens Rate shall be applied to the wages and salaries of the employees of Design-Builder or of a Principal Participant, except those covered under Section 1 hereof.

2. Payments properly made by Design-Builder to Subcontractors pursuant to the Subcontracts with such Subcontractors for performance of portions of the Work, including any reimbursable expenses and insurance and bond premiums incurred by Subcontractors.

3. Any costs of materials, supplies, temporary facilities, machinery, equipment and tools (except Small Tools) that are not fully consumed in the performance of the Work and which remain the property of Design-Builder, at the option of the Issuer, shall be less salvage or resale value.

4. Equipment will be paid in accordance with a schedule agreed by the Parties.

5. Mobilization Costs will be paid in accordance with a schedule agreed by the Parties.

Section 2. Non-Reimbursable Costs of the Work.

The term "Non-Reimbursable Cost of the Work" shall mean the following:

1. Compensation for Design-Builder's personnel stationed at Design-Builder's, Principal Participants', Affiliates', or Major Participants' principal or branch offices (which does not include the required collocation office or other offices specifically established and utilized for the Project), except (a) to the extent such personnel are actually performing, engaging in, or supervising the Work and (b) Key Personnel or Additional Key Personnel (that are not required to be collocated).

2. Overhead and general expenses already accounted for in the G&A Percentage.

3. The cost of Design-Builder's capital used in performance of the Work.

4. If the parties have agreed on a Price, costs that would cause the Price, as adjusted in accordance with the Contract Documents, to be exceeded.

5. Any costs incurred by Design-Builder in uncovering, repairing or correcting defective or Nonconforming Work (including any warranty or corrective Work), or in uncovering Work that was improperly covered, but not including (i) costs incurred to, at the Issuer's request, uncover Work that was properly covered if such work is found to be conforming after it is uncovered or (ii) costs incurred if the Issuer requires the Design-Builder to remove Nonconforming Work that is part of a temporary structure.

6. Any costs associated with Work that are Recoverable from insurance, including, except as otherwise provided in the DBA, the Design-Builder's obligations to pay any deductibles or self-insurance.

7. Any costs associated with Work that are Recoverable from Subcontractors.

8. Any costs that are the responsibility of the Design-Builder with respect to "Gross Receipt and Sales and Use Taxes above.

9. Any costs with respect to dues and community support not approved in advance by the Issuer.

10. Legal expenses except those related to matters advancing the Work and not adversarial to the Issuer or the State or any of its agencies or departments.

11. Any costs the Issuer is prohibited from paying the Design-Builder on this Project by Applicable Law.

12. Any costs incurred by the Design-Builder due to a Design-Builder-Related Entity's negligence or willful or intentional misconduct.

13. Fines and penalties resulting from Design-Builder's failure to obtain, renew, or replace Governmental Approvals for which it is responsible, as identified in the Responsibility Matrix attached as Exhibit L, and costs incurred by Design-Builder in obtaining, or causing the Issuer or ALDOT to obtain, New Environmental Approvals that the Issuer is not responsible for obtaining or causing ALDOT to obtain, including costs related to complying with resulting requirements and any litigation arising in connection therewith.

14. Any costs arising out of a claim for workers' compensation against a Design-Builder-Related Entity.

15. Any costs otherwise paid for pursuant to this Agreement, including Force Account Compensation, Utility Reimbursement Compensation, Construction Compensation, the Incentive Payment, and interest on late payments. Each of the foregoing are not "Costs of the Work" as they are paid for pursuant to other sections of the Design-Build Agreement.

16. Any other costs specifically prohibited by the Agreement.

Form Of Performance Bond

Bond No. _____

WHEREAS, the Alabama Toll Road, Bridge and Tunnel Authority ("**Obligee**"), has awarded to Kiewit Massman Traylor, a Joint Venture ("**Principal**"), a Design-Build Agreement for the I-10 Mobile River Bridge and Bayway Design-Build Project (the "**Design-Build Agreement**"), on the terms and conditions set forth in the Design-Build Agreement; and

WHEREAS, Principal is required to furnish a performance bond for the Work performed during the Construction Phase, as defined in the Design-Build Agreement (this "**Performance Bond**") guaranteeing the faithful performance of its obligations with respect to the Issuer-authorized Work (the "**Bonded Work**");

NOW, THEREFORE, Principal and [*Surety's name*], a [*Surety's legal organization*] ("**Surety**"), an admitted surety insurer in the State of Alabama, are held and firmly bound unto Obligee in the amount of $[●][1] (the "**Bonded Sum**"), for payment of which sum Principal and Surety jointly and severally firmly bind themselves and their successors and assigns.

THE CONDITION OF THIS BOND IS SUCH THAT, if Principal shall promptly and faithfully perform all of the Bonded Work, including any and all amendments and supplements thereto, then the obligations under this Performance Bond shall be null and void; otherwise this Performance Bond shall remain in full force and effect.

The following terms and conditions shall apply with respect to this Performance Bond:

1. The Contract Documents are incorporated by reference in the Design-Build Agreement. Capitalized terms not separately defined in the Design-Build Agreement have the meanings assigned such terms in the Design-Build Agreement.

2. This Performance Bond specifically guarantees the performance of all Bonded Work during the Construction Phase by the Principal, as may be amended and supplemented, including, but not limited to, its liability for warranties and liquidated damages as specified in the Contract Documents, but not to exceed the Bonded Sum.

3. Whenever Principal shall be, and is declared by Obligee to be, in default under the Contract Documents, provided that Obligee is not then in default under the Design-Build Agreement, Surety shall promptly:

    (a) arrange for Principal to perform and complete the Bonded Work obligations per the Contract Documents; or

    (b) complete the Bonded Work obligations in accordance with the terms and conditions of the Contract Documents then in effect, through its agents or through independent contractors; or

    (c) obtain bids or negotiated proposals from qualified contractors acceptable to Obligee for a contract for performance and completion of the Bonded Work, through a procurement

[1] NTD: Insert the Price of the first executed Work Package Authorization or Amendment/NTP.

process approved by Obligee, arrange for a contract to be prepared for execution by Obligee and the contractor selected with the Obligee's concurrence, to be secured with performance and payment bonds equivalent to the original Performance Bonds executed by a qualified surety and pay to Obligee the amount of damages incurred by the Obligee as described in Paragraph 5 of this Performance Bond, up to the full amount of the unpaid balance of the Bonded Sum; or

(d) waive their right to perform and complete, arrange for completion, or obtain a new contractor and with reasonable promptness under the circumstances, (i) after investigation, determine the amount for which they may be liable to Obligee and, as soon as practicable after the amount is determined, tender payment therefore to Obligee, or (ii) deny liability in whole or in part and notify Obligee citing reasons therefore.

4. If Surety does not proceed as provided in Paragraph 3 of this Performance Bond with reasonable promptness, Surety shall be deemed to be in default on this Performance Bond fifteen days after receipt of an additional written notice from Obligee to Surety demanding that Surety perform its obligations under this Performance Bond, and Obligee shall be entitled to enforce any remedy available to Obligee. If Surety proceeds as provided in Subparagraph 3(d) of this Performance Bond, and the Obligee refuses the payment tendered or Sureties has denied liability, in whole or in part, without further notice, Obligee shall be entitled to enforce any remedy available to Obligee.

5. After Obligee has terminated Principal's right to complete the Bonded Work, and if Surety elects to act under Subparagraph 3(a), 3(b) or 3(c) of this Performance Bond, then the responsibilities of Surety to Obligee shall not be greater than those of Principal under the Contract Documents, and the responsibilities of Obligee to Surety shall not be greater than those of Obligee under the Contract Documents. To the limit of the Bonded Sum and subject to the commitment by the Obligee to pay the balance of the Contract Price (the balance of the Contract Price means the total amount payable to Principal under the Design-Build Agreement for Bonded Work after all proper adjustments, including allowance to the Principal of amounts received or to be received by the Obligee in settlement of insurance or other claims for damages to which the Principal is entitled, reduced by all valid payments made to the Principal under the Design-Build Agreement), the Surety is obligated without duplication for:

(a) the responsibilities of Principal for correction of defective work and completion of the Bonded Work;

(b) actual damages, including additional legal, design, engineering, professional, and delay costs resulting from Principal's default, and resulting from the actions or failure to act of Surety under Paragraph 3 of this Performance Bond; and

(c) liquidated damages under the Contract Documents.

6. The Surety shall not be liable under this Performance Bond to Obligee, unless Obligee shall make payments to Principal (or in the case Surety arranges for completion of the Bonded Work, to Surety) in accordance with the terms of the Contract Documents as to payments and shall perform all other obligations to be performed under the Contract Documents in all material respects at the time and in the manner in the Design-Build Agreement set forth such that no material default by Obligee shall have occurred and be continuing under the Contract Documents.

The aggregate liability of Surety under this Performance Bond, to any or all of the obligees, is limited to the Bonded Sum. The total liability of Surety shall in no event exceed the amount recoverable from Principal by Obligee under the Contract Documents.

7. No alteration, modification, or supplement to the Contract Documents or the nature of the work to be performed under the Design-Build Agreement, including without limitation any extension of time for performance, shall in any way affect the obligations of Surety under this Performance Bond provided that the Bonded Sum does not increase without the Surety's prior written consent thereto having been obtained. Surety waives notice of any alteration, modification, supplement, or extension of time other than Work Package Authorizations, Amendment/NTPs and/or Supplemental Agreements in excess of such amount.

8. This Performance Bond shall be governed by the laws of the State of Alabama.

9. Correspondence or claims relating to this Performance Bond should be sent to Surety at the following address: [●]

10. No right of action shall accrue on this Performance Bond to or for the use of any entity other than Obligee or its successors and assigns.

Signature Page Immediately Follows

IN WITNESS WHEREOF, Principal and Surety have caused this Performance Bond to be executed and delivered as of [●].

Principal	**Surety**
[●]	**[●]**
By: _____	By: _____
Name: [●]	Name: [●]
Title: [●]	Title: [●]
(Seal)	(Seal)

Form Of Payment Bond

Bond No. _____

WHEREAS, the Alabama Toll Road, Bridge and Tunnel Authority ("**Obligee**"), has awarded to Kiewit Massman Traylor, a Joint Venture ("**Principal**"), a Design-Build Agreement for the I-10 Mobile River Bridge and Bayway Design-Build Project (the "**Design-Build Agreement**"), on the terms and conditions set forth in the Design-Build Agreement; and

WHEREAS, Principal is required to furnish a payment bond for the Work performed during the Construction Phase, as defined in the Design-Build Agreement (this "**Payment Bond**") guaranteeing payment of claims by Subcontractors with respect to the Issuer-authorized Work (the "**Bonded Work**");

NOW, THEREFORE, Principal and [*Surety's name*], a [*Surety's legal organization*] ("**Surety**"), an admitted surety insurer in the State of Alabama, are held and firmly bound unto Obligee in the amount of $[●][2] (the "**Bonded Sum**"), for payment of which sum Principal and Surety jointly and severally firmly bind themselves and their successors and assigns.

THE CONDITION OF THIS BOND IS SUCH THAT, if Principal shall fail to pay any valid claims by Subcontractors for furnishing materials for or performing labor in the prosecution of the Bonded Work, then Surety shall pay for the same in an amount not to exceed the Bonded Sum.

The following terms and conditions shall apply with respect to this Payment Bond:

1. The Contract Documents are incorporated by reference in the Design-Build Agreement. Capitalized terms not separately defined in the Design-Build Agreement have the meanings assigned such terms in the Design-Build Agreement.

2. The aggregate liability of Surety under this Payment Bond is limited to the Bonded Sum.

3. No alteration, modification, or supplement to the Contract Documents or the nature of the work to be performed under the Design-Build Agreement, including without limitation any extension of time for performance, shall in any way affect the obligations of Surety under this Payment Bond provided that the Bonded Sum does not increase without the Surety's prior written consent thereto having been obtained. Surety waives notice of any alteration, modification, supplement, or extension of time other than Work Package Authorizations, Amendment/NTPs and/or Supplemental Agreements in excess of such amount.

4. This Payment Bond shall be governed by the laws of the State of Alabama.

5. Correspondence or claims relating to this Payment Bond should be sent to Surety at the following address: [●]

6. This Payment Bond shall inure to the benefit of Subcontractors with respect to the Bonded Work so as to give a right of action to such persons and their assigns in any suit brought upon this Payment Bond.

---

[2] NTD: Insert the Price of the first executed Work Package Authorization or Amendment/NTP.

IN WITNESS WHEREOF, Principal and Surety have caused this Payment Bond to be executed and delivered as of [●].

Principal	**Surety**
[●]	**[●]**
By: _____	By: _____
Name: [●]	Name: [●]
Title: [●]	Title: [●]
(Seal)	(Seal)

Form of Construction Rider

To be attached to and form a part of:

Bond No. _____

Type of Bond: [Performance Bond and Payment Bond]

Dated Effective: _____

Executed By: Kiewit Massman Traylor, a Joint Venture, as Principal

And by: [*Surety's name*], as Surety

In favor of: Alabama Toll Road, Bridge and Tunnel Authority, as Obligee

In consideration of the mutual agreements in the Design-Build Agreement contained the Principal and the Surety hereby consent to the following change(s):

The Bonded Sum under the Design-Build Agreement is hereby increased

From: [Insert Current Bond Amount]

To: [Insert Revised Bond Amount]

The increase relates to the following Work Package Authorization, Amendment/NTP or Supplemental Agreement: _____.

Nothing in the Design-Build Agreement contained shall vary, alter, or extend any provision or condition of this bond except as in the Design-Build Agreement expressly stated.

This rider is effective as of

Signed and Sealed:

Principal **Surety**

[●]	[●]
By: _____	By: _____
Name: [●]	Name: [●]
Title: [●]	Title: [●]
(Seal)	(Seal)

Required Insurances

At minimum, the Design-Builder shall procure and maintain, or cause to be procured and maintained, the insurance policies set forth in the below table. Each such insurance policy shall satisfy the applicable requirements of Section 9 and the below table.

Builder's Risk Insurance	
Coverage Requirements	If directed in writing by the Issuer in a Work Package Authorization, but no later than the Amendment/NTP for Construction, the Design-Builder shall procure and maintain builder's risk insurance in accordance with the requirements noted below. The builder's risk insurance policy shall cover "all risk" (including the perils of earthquake, earth movement, flood, tempest, windstorm, hurricane, tornado, certified acts of terrorism to the extent commercially available, and subsidence) of physical loss, destruction, or damage, on a replacement cost basis, to all or a portion of the Work, including all property, roads, buildings, structures, fixtures, materials, supplies, foundations, pilings, machinery, and equipment that are part of the permanent or temporary works, including goods intended for incorporation into the Project located at the Site, in storage or in the course of transit to the Site, and existing roadway, structures and improvements that are within the Site or are or will be incorporated into the Project for each Work Package and the Project. In addition, coverage shall be provided for delay in start-up/loss of toll revenue. The policy shall contain extensions of coverage that are typical for a project of the nature of the Project; and shall contain only those exclusions that are typical for a project of the nature of the Project.
Limits	The policy shall provide coverage per occurrence sufficient to repair/replace the property for a sum not less than $1,000,000,000, including professional fees, demolition and debris removal, without risk of co-insurance. Limits for delay in start-up/loss of toll revenue shall be in an amount equal to the lesser of (i) 100% of the projected toll revenues for 12 months of toll operations and (ii) $120,000,000, with a monthly sublimit of $10,000,000, and shall include, in addition, soft cost coverage noted below. The Issuer agrees to provide information and/or documentation requested by underwriters to substantiate this limit. The policy shall allow for submits of $550,000,000 for flood, windstorm, hurricane, tornado, earth movement and named storm. Reasonable sublimits equivalent to those carried on similar projects shall also be allowed for the following coverages: professional fees, demolition and debris removal, change in building codes, plans and blueprints, soft costs for Design-Builder, LEG2 defective work and extra expense. The policy shall also include a sublimit of $2 million for soft cost expenses incurred by the Issuer as a result of a covered builder's risk loss during a period not to exceed 12 months. Coverage shall be provided for damage to adjacent ALDOT roadways and

	structures with a minimum sublimit of $2,000,000 for damages arising out of Design-Builder operations. Coverage shall be project-specific.
Other Insureds	The Issuer, ALDOT, the State, and Subcontractors shall each be insureds on the policy as their respective interests appear. The Issuer shall also be named as a "Loss Payee" under the policy with Design-Builder.
Duration	The policy shall be in place at all times from commencement of Construction Work through Final Completion; provided, however, that the Design-Builder shall no longer be required to maintain such policy once Final Completion is achieved.
Builders' Risk/Property Insurance – Post Final Completion	
Coverage Requirements	Design-Builder agrees to maintain builders' risk / property insurance during the Correction Period while performing Corrective Work, in the event the Corrective Work has an estimated cost at or above $500,000. The insurance policy shall provide "all risk" protection on a replacement cost basis covering the Corrective Work. The policy shall cover all property, roads, buildings, structures, fixtures, materials, supplies, foundations, pilings, machinery, and equipment that are part of the Corrective Work.
Limits	The policy shall provide coverage per occurrence sufficient to repair/replace the property for a sum not less than the value of the Corrective Work, not to exceed $10,000,000. The policy shall allow for commercially reasonable sublimits for flood, windstorm, hurricane, tornado, earth movement and named storm. Coverage shall be provided for damage to ALDOT roadways and structures adjacent to the Corrective Work directly arising from the Corrective Work with a minimum sublimit of $2,000,000. Coverage shall be project-specific or be placed with project-specific limits.
Other Insureds	The Issuer, ALDOT, the State, and Subcontractors shall each be insureds on the policy as their respective interests appear. The Issuer shall also be named as a "Loss Payee" under the policy with Design-Builder.
Duration	The policy shall be in place at all times during the Correction Period, after expiration of the Builder's Risk Insurance procured for the Construction Phase, and while Design-Builder is performing Corrective Work, but not exceed three (3) years after Substantial Completion. Design-Builder reserves the right to extend builders' risk during the Correction Period or procure a separate builders' risk / property policy during the Correction Period.

Commercial General Liability Insurance	
Coverage Requirements	The commercial general liability insurance shall insure against the legal liability of the insureds relating to claims by third parties for accidental death, bodily injury or illness, personal injury; property damage and advertising injury. Coverage shall be extended to include claims arising from acts of terrorism (to the extent available); explosion, collapse, and underground; incidental medical malpractice; broad form property damage; and broad form contractual liability. The policy will be written on the most recent ISO coverage form and shall cover premises and operations, independent contractors, and product and completed operations. There also shall be no exclusion for fellow employees and for work performed within 50 feet of a railroad. The policy shall contain extensions of coverage that are typical for a project of the nature of the Project; and shall contain only those exclusions that are typical for a project of the nature of the Project.
Limits	The policy shall have limits of at least $1,000,000 per occurrence and $2,000,000 in the aggregate annually, applicable on a per project basis. Coverage need not be project-specific; provided the aggregate limit applies on a per project basis as noted above.
Other Insureds	The Indemnified Parties shall be included as additional insureds on a primary, non-contributory basis utilizing ISO forms CG 20 10 04 13 and ISO 20 37 04 13 or recent versions.
Duration	The policy shall be in place at all times from the Effective Date through seven years after the date of Project Final Acceptance (or if a project-specific policy, include a completed operations/extended reporting period for seven years after Project Final Acceptance).
Automobile Liability Insurance	
Coverage Requirements	The automobile liability insurance shall insure against accidental death, bodily injury, and property damage liability arising from the ownership, maintenance, or use of all owned, non-owned, hired, and hired vehicles connected with performance of the Work, including loading and unloading, on or off site. The policy shall be endorsed to include MCS-90 coverage for liability under the Motor Carrier Act if activities involve transportation of Hazardous Materials.
Limits	The policy shall have a combined single limit of at least $1,000,000 for bodily injury and property damage. Coverage need not be project-specific.
Other Insureds	The Indemnified Parties shall be included as additional insureds on a primary, non-contributory basis.
Duration	The policy shall be in place at all times from the Effective Date through the date of Project Final Acceptance.

Umbrella / Excess Liability Insurance	
Coverage Requirements	The umbrella / excess liability insurance shall provide coverage in excess of the underlying limits of employer's liability, commercial general liability, and automobile liability policies kept in force under the Design-Build Agreement. Such coverage shall be at least as broad as that provided in the underlying policies noted in the Design-Build Agreement.
Limits	The policy shall have a limit of at least $100,000,000 per occurrence and in the aggregate.
Other Insureds	The Indemnified Parties shall be included as additional insureds on a primary, non-contributory basis.
Duration	The policy shall be in place at all times from the Effective Date through seven years after the date of Project Final Acceptance (or if a project-specific policy, include a completed operations/extended reporting period for seven years after Project Final Acceptance).

Contractor's Pollution Liability Insurance	
Coverage Requirements	The pollution liability insurance shall cover sums that the insured becomes liable to pay to a third party or that are incurred by the order of a regulatory body consequent upon a pollution incident, including to indemnify for bodily injury, property damage, or amounts which the Design-Builder, its employees, its agents, or its Subcontractors are obligated to pay for clean-up and remediation work (including emergency responses) arising out of the Work. The policy coverage shall extend to transit and off-site disposal.
Limits	The policy shall have a limit of at least $5,000,000 per claim and in the aggregate, and may be written on a claims-made basis. The policy shall be Project-specific.
Other Insureds	Each Subcontractor performing work at the Site may be named insured. The Indemnified Parties shall be included as additional insureds on a primary, non-contributory basis. The "insured versus insured" exclusion shall be modified to provide coverage for claims by the Issuer against the Design-Builder.
Duration	The policy shall be in place at all times from the commencement of any on-site Preconstruction Work (including performing test borings and test pits) through the date of Project Final Acceptance and, if written on a claims-made basis, include a three-year extended reporting period.

Workers' Compensation and Employer's Liability Insurance	
Coverage Requirements	The workers' compensation and employer's liability insurance policy shall be kept in force as required by Applicable Law. The policy coverage shall be extended, if needed, to cover any claims under the United States Longshore and Harbor Workers' Compensation Act and the Jones Act. The policy shall contain endorsements for voluntary compensation and an alternate employer, naming the Issuer and ALDOT as an alternate employer.
Limits	The policy shall have limits for statutory workers' compensation coverage (Coverage A) and employer's liability coverage (Coverage B) of at least $1,000,000 for bodily injury by accident, each accident, and $1,000,000 for bodily injury by disease, each employee. Coverage need not be project-specific.
Other Insureds	None.
Duration	The policy shall be in place at all times from the Effective Date through the date of Project Final Acceptance.
Aircraft / Unmanned Aircraft Liability Insurance	
Coverage Requirements	Should aircraft be utilized in relation to the Project, appropriate aircraft liability insurance shall be procured and kept in force. For any work undertaken via use of unmanned aircraft systems (UASs), a stand-alone unmanned aircraft systems (UASs) policy or an endorsement (CG 24 50 or equivalent) to the commercial general liability policy shall be obtained and kept in effect for any such Work..
Limits	The aircraft liability insurance policy shall have a limit of at least $5,000,000 per occurrence and in the aggregate for bodily injury and property damage liability. The unmanned aircraft systems (UASs) policy (or an endorsement) shall have a limit of at least $1,000,000 per occurrence and in the annual aggregate for bodily injury and property damage liability. Coverage need not be project-specific.
Insureds	The Indemnified Parties shall be included as additional insureds on a primary, non-contributory basis.
Duration	The policies shall be in place at all times aircraft and/or UASs are in use.

Railroad Protective Liability Insurance	
Coverage Requirements	Railroad protective liability insurance shall be kept in force as required by any agreement with a railroad in connection with Work across, under, or adjacent to the railroad's tracks or railroad right-of-way.
Limits	The policy shall have limits as provided in the agreement with the railroad.
Insureds	The railroad shall be the named insured on the policy.
Duration	The policy shall be in place at all times required by the agreement with the railroad.
Marine Protection & Indemnity Insurance	
Coverage Requirements	Should any activities involve marine activities or use of work boats and/or barges, the Design-Builder and/or any subcontractors undertaking such work shall maintain marine protection and indemnity insurance covering such marine operations and providing coverage for bodily injury and property damage including any damage to piers, wharves, other fixed or movable structures, and loss or damage to any other vessel, craft, or other property. Such coverage shall also include marine pollution.
Limits	$4 million per occurrence and aggregate during the Preconstruction Phase, including the test borings scope of work, unless otherwise directed by the Issuer in writing. During the Construction Phase: • $20 million per occurrence and aggregate including vessel pollution for any vessels owned or chartered by the Design-Builder; • $5 million per occurrence and aggregate including vessel pollution for any vessels owned or chartered by Subcontractors who utilize owned or chartered marine vessels, with the exception of Subcontractors with contract values less than $1.0 million who are only using workboats and/or airboats; and • For Subcontractors with contract values less than $1.0 million who are only using workboats and/or airboats, the Design-Builder shall determine appropriate limits of coverage to be carried by such Subcontractors. Coverage need not be project-specific.
Insureds	As outlined above and to include the Indemnified Parties as additional insured.
Duration	At any time such work or activities is taking place on the Project.

<table>
<tr><th colspan="2">Professional Liability – Prior to Construction Phase</th></tr>
<tr><td>Coverage Requirements</td><td>Until the Design-Builder has procured the insurance required by Exhibit I - Professional Liability Insurance – Construction Phase, the Design-Builder shall maintain professional liability insurance in accordance with the requirements noted below.

Design-Builder and Lead Designer shall maintain in the aggregate professional liability insurance with a per claim and aggregate limit of not less than $15,000,000. Note that such coverage need not be project specific.

To the extent not directly covered as insureds by the policy described above, the Design-Builder will cause each other Subcontractor providing professional services to procure and keep in force professional liability insurance as specified below, which coverage must be maintained for 3 years after completion of the relevant professional service:
<table>
<tr><th>Initial Contract Value</th><th>Minimum Limits of Liability</th></tr>
<tr><td>Equal to or above $5,000,000</td><td>$5,000,000 Each Claim and Aggregate</td></tr>
<tr><td>Greater than $2,000,000 but less than $5,000,000</td><td>$2,000,000 Each Claim and Aggregate</td></tr>
<tr><td>Equal to or less than $2,000,000</td><td>$1,000,000 Each Claim and Aggregate</td></tr>
</table>
</td></tr>
<tr><td>Limits</td><td>As outlined above.</td></tr>
<tr><td>Insureds</td><td>In addition to the insureds noted above, the Indemnified Parties shall be included as “indemnified parties” via an indemnified party endorsement on the policy.</td></tr>
<tr><td>Duration</td><td>The policy shall be in place at all times from the Effective Date through the earlier of (i) the beginning of the Construction Phase at which point it shall be replaced by the policies required pursuant to this Exhibit I - Professional Liability Insurance – Construction Phase or (ii) 3 years after the date of termination of the DBA pursuant to Section 4.</td></tr>
</table>

<table>
<tr><th colspan="2">Professional Liability Insurance – Construction Phase</th></tr>
<tr><td>Coverage Requirements</td><td>If directed in writing by the Issuer in a Work Package Authorization, but no later than the Amendment/NTP for Construction, the Design-Builder shall procure and maintain professional liability insurance in accordance with the requirements noted below.

(a) Design-Builder shall procure and maintain project-specific professional liability insurance with a per claim and aggregate limit of not less than $50,000,000. Such policy must include the Lead Designer, and shall include the Design-Builder, as named insureds, and such policy shall also include coverage for all subcontractors and others performing professional services; and

(b) Design-Builder shall maintain contractor's professional liability insurance with a per claim and aggregate limit of not less than $15,000,000. Such coverage shall be in the form of a contractor's protective professional indemnity (CPPI) policy that covers both the professional liability of the Design-Builder and provides protective coverage excess of the professional liability insurance required of subconsultants other than the Lead Designer. Note that such coverage need not be project specific.

To the extent not directly covered as insureds by the project-specific professional liability policy required of the Lead Designer as described above, the Design-Builder will cause each other Subcontractor providing professional services to procure and keep in force professional liability insurance as specified below, which coverage must be maintained for 3 years after completion of the relevant professional service:

<table>
<tr><th>Initial Contract Value</th><th>Minimum Limits of Liability</th></tr>
<tr><td>Equal to or above $5,000,000</td><td>$5,000,000 Each Claim and Aggregate</td></tr>
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<tr><td>Equal to or less than $2,000,000</td><td>$1,000,000 Each Claim and Aggregate</td></tr>
</table>
</td></tr>
<tr><td>Limits</td><td>As outlined above.</td></tr>
<tr><td>Insureds</td><td>In addition to the insureds noted above, the Indemnified Parties shall be included as "indemnified parties" via an indemnified party endorsement on each of the Design-Builder's and the Lead Designer's policies.</td></tr>
<tr><td>Duration</td><td>The policy shall be in place at all times from the earliest date Construction Work is authorized to commence in an executed Work Package Authorization or in the Amendment/NTP for Construction through seven years after the date of Project Final Acceptance (or if a project-specific policy, include an extended reporting period for seven years after Project Final Acceptance), provided however, that in no event will</td></tr>
</table>

	the total policy period (including the extended reporting period) be required to be longer than twelve (12) years. The policy will include a retroactive date back to the date of the initial advertisement.

Subcontractor Insurance	
Coverage Requirements and Limits	Except to the extent a Subcontractor is covered as named insured under a policy maintained by the Design-Builder, each such Subcontractor performing work at the Site or at an off-Site fabrication facility (or providing professional services) shall be required to provide proof of the following minimum insurance coverages: a) Workers' compensation and employer's liability insurance with statutory workers' compensation (Coverage A) limits and employer's liability (Coverage B) limits of at least $500,000 for bodily injury by accident, each accident, and $500,000 bodily injury by disease, each employee, and aggregate. Coverage will be extended, if needed, to cover any claims under the United States Longshore and Harbor Workers' Compensation Act (33 U.S.C. §§ 901-950) and the Jones Act (46 U.S.C. § 30104). b) Commercial general liability insurance including coverage for premises and operations, independent contractors, personal injury, product and completed operations, explosion, collapse and underground, and contractual liability, with limits of at least $1,000,000 per occurrence and in the aggregate annually. c) Automobile liability insurance with a limit of at least $500,000 combined single limit for bodily injury and property damage covering all owned (if any), non-owned, hired, or borrowed vehicles on or off site. d) For subcontracts with an initial contract value of more than $1,000,000, a Subcontractor shall maintain additional liability insurance limits in excess of the minimum underlying limits such that the combined total limits available are not less than (i) Employer's Liability – $1,500,000 per accident and disease, aggregate; (ii) Commercial General Liability – $2,000,000 per occurrence and in the aggregate; and (iii) Automobile Liability – $1,500,000 per accident. For subcontracts with an initial contract value at or in excess of $5,000,000 (as of the Effective Date), the combined total limits available shall not be less than $4,500,000 for Employer's Liability, $5,000,000 per occurrence and in the aggregate for Commercial General Liability, and $4,500,000 for Automobile Liability. e) The insurance limits required under this Exhibit may be satisfied through primary insurance policies, umbrella or excess liability insurance policies, or any combination thereof, consistent with Section 9.1.11 of the Design-Build Agreement, provided that any umbrella or excess liability insurance is written on a following-form basis and applies in excess of the applicable underlying required limits.

	Should Design-Builder implement a contractor-controlled insurance program ("CCIP") providing compliant insurance for all participants with regard to on-Site activities, all Contractors enrolled in the CCIP shall still be responsible for procuring and maintaining automobile liability insurance and the other insurance coverages noted above with regard to off-Site work or any other coverages not included in the CCIP.
Other Insureds	The Indemnified Parties shall be included as additional insureds on a primary, non-contributory basis for the coverages set forth in clauses b), c), and d) above, and a waiver of subrogation shall apply to the Indemnified Parties under all policies listed in clauses a) through d), inclusive.
Duration	Coverage shall be maintained at all times the Subcontractor is performing work on the Project. Commercial General Liability coverage under b) above shall be continued for a period of three years after the contractor's work is complete.

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APPENDIX H

Book-Entry Only System

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The information contained in this section concerning The Depository Trust Company and its book-entry only system has been obtained from materials furnished by The Depository Trust Company to the Issuer. The Issuer and the Underwriters do not make any representation or warranty as to the accuracy or completeness of such information.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Series 2026 Bonds. The Series 2026 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 Series 2026 Bond certificate will be issued for each maturity of the Series 2026 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount and an additional certificate will be issued with respect to any remaining principal amount of such issue.

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

Purchases of Series 2026 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2026 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2026 Bond (a "Beneficial Owner") is in turn to be recorded on the Direct Participants' 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 Participant or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2026 Bonds are to be accomplished by entries made on the books of Direct Participants and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2026 Bonds, except in the event that use of the book-entry system for the Series 2026 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2026 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 Series 2026 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 Series 2026 Bonds. DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2026 Bonds are credited, which may or may not be the Beneficial Owners. The Direct Participants 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 Series 2026 Bonds may wish to take certain steps

to augment the transmission to them of notices of significant events with respect to the Series 2026 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the documents governing the terms of the Series 2026 Bonds. For example, Beneficial Owners of Series 2026 Bonds may wish to ascertain that the nominee holding the Series 2026 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee and request that copies of notices be provided to them directly.

Redemption notices shall be sent to DTC. If less than all of the Series 2026 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2026 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 Series 2026 Bonds are credited on the record date (identified in a listing attached to the "Omnibus Proxy").

Principal, premium and interest payments on the Series 2026 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 receipt of funds and corresponding detail information, in accordance with their respective holdings shown on DTC's records. Payments by Direct Participants and Indirect 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 Direct Participants and Indirect Participants 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. Payments of principal, premium (if any) and interest to Cede & Co. (or such other DTC nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct Participants and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2026 Bonds at any time by giving reasonable notice to the Issuer and the Trustee. Under such circumstances, in the event that a successor depository is not obtained, certificates for the Series 2026 Bonds are required to be printed and delivered. The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, certificates for the Series 2026 Bonds will be printed and delivered to DTC.

The Issuer, the Trustee and the Underwriters cannot and do not give any assurances that DTC, the Direct Participants or the Indirect Participants will distribute to the Beneficial Owners of the Series 2026 Bonds (1) payments of principal, redemption price or interest on the Series 2026 Bonds; (2) certificates representing an ownership interest or other confirmation of beneficial ownership interests in Series 2026 Bonds; or (3) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Series 2026 Bonds, or that they will do so on a timely basis or that DTC, Direct Participants or Indirect Participants will serve and act in the manner described in this Official Statement. The current "rules" applicable to DTC are on file with the United States Securities and Exchange Commission, and the current "procedures" of DTC to be followed in dealing with DTC participants are on file with DTC.

Neither the Issuer, the Trustee nor the Underwriters will have any responsibility or obligation to any Direct Participant, Indirect Participant or any Beneficial Owner or any other person with respect to: (1) the Series 2026 Bonds; (2) the accuracy of any records maintained by DTC or any Direct Participant or Indirect Participant; (3) the payment by DTC or any Direct Participant or Indirect Participant of any amount due to any Beneficial Owner in respect of the principal or redemption price of or interest on the Series 2026 Bonds; (4) the delivery by DTC or any Direct Participant or Indirect Participant of any notice to any Beneficial Owner which is required or permitted under the terms of the Indenture to be given to holders of the Series 2026 Bonds; (5) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Series 2026 Bonds; or (6) any consent given or other action taken by DTC as a holder of the Series 2026 Bonds.

APPENDIX I

Proposed Opinions of Bond Counsel

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_____ ___, 2026

Holders of the Series 2026A Bonds
referred to below

Re: **$_____ First Lien Toll Revenue Bonds, Series 2026A, issued by Alabama Toll Road, Bridge, and Tunnel Authority**

We have acted as bond counsel in connection with the issuance of the above-referenced bonds (the "Series 2026A Bonds") by the Alabama Toll Road, Bridge, and Tunnel Authority, a public corporation organized under the laws of the State of Alabama (the "Issuer"). In such capacity, we have examined such law and such certified proceedings, certifications, and other documents as we have deemed necessary to render this opinion.

The Series 2026A Bonds are being issued pursuant to a Trust Indenture dated September 1, 2026 (as supplemented and amended, the "Indenture") between the Issuer and Computershare Trust Company, N.A., a national banking association (the "Trustee"). Capitalized terms not otherwise defined in this opinion shall have the meaning assigned in the Indenture.

In connection with the issuance of the Series 2026A Bonds, the Issuer is entering into a TIFIA Loan Agreement dated September ___, 2026 (as supplemented and amended, the "TIFIA Loan Agreement") with the United States Department of Transportation, an agency of the United States of America, acting by and through the Executive Director of the Build America Bureau.

The State of Alabama, acting by and through the Alabama Department of Transportation ("ALDOT"), is coordinating with the Issuer in connection with the issuance of the Series 2026A Bonds. Simultaneously with the issuance of the Series 2026A Bonds, the Issuer will lease the facilities being financed, in part, with the Series 2026A Bonds to ALDOT pursuant to a Lease Agreement dated September 1, 2026 (the "Lease Agreement") between the Issuer and ALDOT. Pursuant to the Lease Agreement, ALDOT will agree to undertake certain obligations describe more particularly in the Lease Agreement.

As to various questions of fact material to our opinion, we have relied upon the certified proceedings and other certificates of public officials and others furnished to us without undertaking to verify the same by independent investigation. In connection with the rendering of this opinion, we have served as counsel to the Issuer.

Based on the foregoing, we are of the opinion that, under existing law:

1. The Issuer is validly existing as a public corporation under Article 5 of Chapter 2 of Title 23 (Sections 23-2-140 et seq.) of the Code of Alabama (1975).

2. The Issuer has corporate power and authority to enter into and perform its obligations under the Indenture, the Lease Agreement, and the TIFIA Loan Agreement and to issue and deliver the Series 2026A Bonds. The execution, delivery and performance by the Issuer of its obligations under the Indenture, the Lease Agreement, and the TIFIA Loan Agreement and the issuance and delivery of the Series 2026A Bonds by the Issuer have been duly authorized by all requisite corporate action, and the Indenture, the Lease Agreement, the TIFIA Loan Agreement, and the Series 2026A Bonds have been duly executed and delivered by the Issuer.

3. The Series 2026A Bonds constitute legal, valid and binding limited obligations of the Issuer payable as to principal, premium (if any) and interest solely out of the Trust Estate referred to in the Indenture.

4. The Indenture, the Lease Agreement, and the TIFIA Loan Agreement constitute legal, valid and binding obligations of the Issuer and are enforceable against the Issuer in accordance with the terms of such instruments.

5. Interest on the Series 2026A Bonds is excludable from gross income for federal income tax purposes. The opinion set forth in the preceding sentence is subject to the condition that the Issuer and ALDOT comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Series 2026A Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer and ALDOT have covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Series 2026A Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2026A Bonds.

6. Interest on the Series 2026A Bonds is not an item of tax preference for purposes of the federal alternative minimum tax. However, interest on the Series 2026A Bonds may be taken into account for purposes of the alternative minimum tax imposed on applicable corporations pursuant to Section 55(b)(2) of the Internal Revenue Code, as amended by the Inflation Reduction Act of 2022.

7. Interest on the Series 2026A Bonds is exempt from State of Alabama income taxation.

We express no opinion regarding any federal or state tax consequences of acquiring, carrying, owning, or disposing of the Series 2026A Bonds, other than the opinions expressed in paragraphs 5, 6, and 7 above. Owners of the Series 2026A Bonds should consult their tax advisors regarding the applicability of any collateral tax consequences of owning the Series 2026A Bonds, which may include original issue discount, original issue premium, purchase at a market discount or at a premium, taxation upon sale, redemption or other disposition, and various withholding requirements.

The rights of the holders of the Series 2026A Bonds and the enforceability of the Series 2026A Bonds, the Indenture, the Lease Agreement, and the TIFIA Loan Agreement may be limited by (1) bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights, (2) general principles of equity, including the exercise of judicial discretion in appropriate cases, and (3) the valid exercise of the constitutional powers of the United States of America and the sovereign and police powers of the State of Alabama.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Series 2026A Bonds.

This opinion is rendered solely for your benefit. It is not to be relied upon by any other person or for any other purpose. This opinion is given as of the date hereof and we assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Faithfully yours,

_____ ___, 2026

Holders of the Series 2026-1 Notes
referred to below

Re: **$_____ Second Lien Toll Revenue Bond Anticipation Notes, Series 2026-1, issued by Alabama Toll Road, Bridge, and Tunnel Authority**

We have acted as bond counsel in connection with the issuance of the above-referenced bonds (the "Series 2026-1 Notes") by the Alabama Toll Road, Bridge, and Tunnel Authority, a public corporation organized under the laws of the State of Alabama (the "Issuer"). In such capacity, we have examined such law and such certified proceedings, certifications, and other documents as we have deemed necessary to render this opinion.

The Series 2026-1 Notes are being issued pursuant to a Trust Indenture dated September 1, 2026 (as supplemented and amended, the "Indenture") between the Issuer and Computershare Trust Company, N.A., a national banking association (the "Trustee"). Capitalized terms not otherwise defined in this opinion shall have the meaning assigned in the Indenture.

In connection with the issuance of the Series 2026-1 Notes, the Issuer is entering into a TIFIA Loan Agreement dated September ___, 2026 (as supplemented and amended, the "TIFIA Loan Agreement") with the United States Department of Transportation, an agency of the United States of America, acting by and through the Executive Director of the Build America Bureau.

The State of Alabama, acting by and through the Alabama Department of Transportation ("ALDOT"), is coordinating with the Issuer in connection with the issuance of the Series 2026-1 Notes. Simultaneously with the issuance of the Series 2026-1 Notes, the Issuer will lease the facilities being financed, in part, with the Series 2026-1 Notes to ALDOT pursuant to a Lease Agreement dated September 1, 2026 (the "Lease Agreement") between the Issuer and ALDOT. Pursuant to the Lease Agreement, ALDOT will agree to undertake certain obligations describe more particularly in the Lease Agreement.

As to various questions of fact material to our opinion, we have relied upon the certified proceedings and other certificates of public officials and others furnished to us without undertaking to verify the same by independent investigation. In connection with the rendering of this opinion, we have served as counsel to the Issuer.

Based on the foregoing, we are of the opinion that, under existing law:

1. The Issuer is validly existing as a public corporation under Article 5 of Chapter 2 of Title 23 (Sections 23-2-140 et seq.) of the Code of Alabama (1975).

2. The Issuer has corporate power and authority to enter into and perform its obligations under the Indenture, the Lease Agreement, and the TIFIA Loan Agreement and to issue and deliver the Series 2026-1 Notes. The execution, delivery and performance by the Issuer of its obligations under the Indenture, the Lease Agreement, and the TIFIA Loan Agreement and the issuance and delivery of the Series 2026-1 Notes by the Issuer have been duly authorized by all requisite corporate action, and the Indenture, the Lease Agreement, the TIFIA Loan Agreement, and the Series 2026-1 Notes have been duly executed and delivered by the Issuer.

3. The Series 2026-1 Notes constitute legal, valid and binding limited obligations of the Issuer payable as to principal, premium (if any) and interest solely out of the Trust Estate referred to in the Indenture.

4. The Indenture, the Lease Agreement, and the TIFIA Loan Agreement constitute legal, valid and binding obligations of the Issuer and are enforceable against the Issuer in accordance with the terms of such instruments.

5. Interest on the Series 2026-1 Notes is excludable from gross income for federal income tax purposes. The opinion set forth in the preceding sentence is subject to the condition that the Issuer and ALDOT comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Series 2026-1 Notes in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer and ALDOT have covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Series 2026-1 Notes to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2026-1 Notes.

6. Interest on the Series 2026-1 Notes is not an item of tax preference for purposes of the federal alternative minimum tax. However, interest on the Series 2026-1 Notes may be taken into account for purposes of the alternative minimum tax imposed on applicable corporations pursuant to Section 55(b)(2) of the Internal Revenue Code, as amended by the Inflation Reduction Act of 2022.

7. Interest on the Series 2026-1 Notes is exempt from State of Alabama income taxation.

We express no opinion regarding any federal or state tax consequences of acquiring, carrying, owning, or disposing of the Series 2026-1 Notes, other than the opinions expressed in paragraphs 5, 6, and 7 above. Owners of the Series 2026-1 Notes should consult their tax advisors regarding the applicability of any collateral tax consequences of owning the Series 2026-1 Notes, which may include original issue discount, original issue premium, purchase at a market discount or at a premium, taxation upon sale, redemption or other disposition, and various withholding requirements.

The rights of the holders of the Series 2026-1 Notes and the enforceability of the Series 2026-1 Notes, the Indenture, the Lease Agreement, and the TIFIA Loan Agreement may be limited by (1) bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights, (2) general principles of equity, including the exercise of judicial discretion in appropriate cases, and (3) the valid exercise of the constitutional powers of the United States of America and the sovereign and police powers of the State of Alabama.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Series 2026-1 Notes.

This opinion is rendered solely for your benefit. It is not to be relied upon by any other person or for any other purpose. This opinion is given as of the date hereof and we assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Faithfully yours,

_____ ___, 2026

Holders of the Series 2026C Bonds
referred to below

Re: **$_____ Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026C, issued by Alabama Toll Road, Bridge, and Tunnel Authority**

We have acted as bond counsel in connection with the issuance of the above-referenced bonds (the "Series 2026C Bonds") by the Alabama Toll Road, Bridge, and Tunnel Authority, a public corporation organized under the laws of the State of Alabama (the "Issuer"). In such capacity, we have examined such law and such certified proceedings, certifications, and other documents as we have deemed necessary to render this opinion.

The Series 2026C Bonds are being issued pursuant to a Trust Indenture dated September 1, 2026 (as supplemented and amended, the "Indenture") between the Issuer and Computershare Trust Company, N.A., a national banking association (the "Trustee"). Capitalized terms not otherwise defined in this opinion shall have the meaning assigned in the Indenture.

In connection with the issuance of the Series 2026C Bonds, the Issuer is entering into a TIFIA Loan Agreement dated September ___, 2026 (as supplemented and amended, the "TIFIA Loan Agreement") with the United States Department of Transportation, an agency of the United States of America, acting by and through the Executive Director of the Build America Bureau.

The State of Alabama, acting by and through the Alabama Department of Transportation ("ALDOT"), is coordinating with the Issuer in connection with the issuance of the Series 2026C Bonds. Simultaneously with the issuance of the Series 2026C Bonds, the Issuer will lease the facilities being financed, in part, with the Series 2026C Bonds to ALDOT pursuant to a Lease Agreement dated September 1, 2026 (the "Lease Agreement") between the Issuer and ALDOT. Pursuant to the Lease Agreement, ALDOT will agree to undertake certain obligations describe more particularly in the Lease Agreement.

As to various questions of fact material to our opinion, we have relied upon the certified proceedings and other certificates of public officials and others furnished to us without undertaking to verify the same by independent investigation. In connection with the rendering of this opinion, we have served as counsel to the Issuer.

Based on the foregoing, we are of the opinion that, under existing law:

1. The Issuer is validly existing as a public corporation under Article 5 of Chapter 2 of Title 23 (Sections 23-2-140 et seq.) of the Code of Alabama (1975).

2. The Issuer has corporate power and authority to enter into and perform its obligations under the Indenture, the Lease Agreement, and the TIFIA Loan Agreement and to issue and deliver the Series 2026C Bonds. The execution, delivery and performance by the Issuer of its obligations under the Indenture, the Lease Agreement, and the TIFIA Loan Agreement and the issuance and delivery of the Series 2026C Bonds by the Issuer have been duly authorized by all requisite corporate action, and the Indenture, the Lease Agreement, the TIFIA Loan Agreement, and the Series 2026C Bonds have been duly executed and delivered by the Issuer.

3. The Series 2026C Bonds constitute legal, valid and binding limited obligations of the Issuer payable as to principal, premium (if any) and interest solely out of the Trust Estate referred to in the Indenture.

4. The Indenture, the Lease Agreement, and the TIFIA Loan Agreement constitute legal, valid and binding obligations of the Issuer and are enforceable against the Issuer in accordance with the terms of such instruments.

5. Interest on the Series 2026C Bonds is excludable from gross income for federal income tax purposes. The opinion set forth in the preceding sentence is subject to the condition that the Issuer and ALDOT comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Series 2026C Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer and ALDOT have covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Series 2026C Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2026C Bonds.

6. Interest on the Series 2026C Bonds is not an item of tax preference for purposes of the federal alternative minimum tax. However, interest on the Series 2026C Bonds may be taken into account for purposes of the alternative minimum tax imposed on applicable corporations pursuant to Section 55(b)(2) of the Internal Revenue Code, as amended by the Inflation Reduction Act of 2022.

7. Interest on the Series 2026C Bonds is exempt from State of Alabama income taxation.

We express no opinion regarding any federal or state tax consequences of acquiring, carrying, owning, or disposing of the Series 2026C Bonds, other than the opinions expressed in paragraphs 5, 6, and 7 above. Owners of the Series 2026C Bonds should consult their tax advisors regarding the applicability of any collateral tax consequences of owning the Series 2026C Bonds, which may include original issue discount, original issue premium, purchase at a market discount or at a premium, taxation upon sale, redemption or other disposition, and various withholding requirements.

The rights of the holders of the Series 2026C Bonds and the enforceability of the Series 2026C Bonds, the Indenture, the Lease Agreement, and the TIFIA Loan Agreement may be limited by (1) bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights, (2) general principles of equity, including the exercise of judicial discretion in appropriate cases, and (3) the valid exercise of the constitutional powers of the United States of America and the sovereign and police powers of the State of Alabama.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Series 2026C Bonds.

This opinion is rendered solely for your benefit. It is not to be relied upon by any other person or for any other purpose. This opinion is given as of the date hereof and we assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Faithfully yours,

_____ ___, 2026

Holders of the Series 2026D Bonds
referred to below

Re: **$_____ Taxable Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026D, issued by Alabama Toll Road, Bridge, and Tunnel Authority**

We have acted as bond counsel in connection with the issuance of the above-referenced bonds (the "Series 2026D Bonds") by the Alabama Toll Road, Bridge, and Tunnel Authority, a public corporation organized under the laws of the State of Alabama (the "Issuer"). In such capacity, we have examined such law and such certified proceedings, certifications, and other documents as we have deemed necessary to render this opinion.

The Series 2026D Bonds are being issued pursuant to a Trust Indenture dated September 1, 2026 (as supplemented and amended, the "Indenture") between the Issuer and Computershare Trust Company, N.A., a national banking association (the "Trustee"). Capitalized terms not otherwise defined in this opinion shall have the meaning assigned in the Indenture.

In connection with the issuance of the Series 2026D Bonds, the Issuer is entering into a TIFIA Loan Agreement dated September ___, 2026 (as supplemented and amended, the "TIFIA Loan Agreement") with the United States Department of Transportation, an agency of the United States of America, acting by and through the Executive Director of the Build America Bureau.

The State of Alabama, acting by and through the Alabama Department of Transportation ("ALDOT"), is coordinating with the Issuer in connection with the issuance of the Series 2026D Bonds. Simultaneously with the issuance of the Series 2026D Bonds, the Issuer will lease the facilities being financed, in part, with the Series 2026D Bonds to ALDOT pursuant to a Lease Agreement dated September 1, 2026 (the "Lease Agreement") between the Issuer and ALDOT. Pursuant to the Lease Agreement, ALDOT will agree to undertake certain obligations describe more particularly in the Lease Agreement.

As to various questions of fact material to our opinion, we have relied upon the certified proceedings and other certificates of public officials and others furnished to us without undertaking to verify the same by independent investigation. In connection with the rendering of this opinion, we have served as counsel to the Issuer.

Based on the foregoing, we are of the opinion that, under existing law:

1. The Issuer is validly existing as a public corporation under Article 5 of Chapter 2 of Title 23 (Sections 23-2-140 et seq.) of the Code of Alabama (1975).

2. The Issuer has corporate power and authority to enter into and perform its obligations under the Indenture, the Lease Agreement, and the TIFIA Loan Agreement and to issue and deliver the Series 2026D Bonds. The execution, delivery and performance by the Issuer of its obligations under the Indenture, the Lease Agreement, and the TIFIA Loan Agreement and the issuance and delivery of the Series 2026D Bonds by the Issuer have been duly authorized by all requisite corporate action, and the Indenture, the Lease Agreement, the TIFIA Loan Agreement, and the Series 2026D Bonds have been duly executed and delivered by the Issuer.

3. The Series 2026D Bonds constitute legal, valid and binding limited obligations of the Issuer payable as to principal, premium (if any) and interest solely out of the Trust Estate referred to in the Indenture.

4. The Indenture, the Lease Agreement, and the TIFIA Loan Agreement constitute legal, valid and binding obligations of the Issuer and are enforceable against the Issuer in accordance with the terms of such instruments.

5. Interest on the Series 2026D Bonds is not excludable from gross income for federal income tax purposes.

6. Interest on the Series 2026D Bonds is exempt from State of Alabama income taxation.

We express no opinion regarding any federal or state tax consequences of acquiring, carrying, owning, or disposing of the Series 2026D Bonds, other than the opinions expressed in paragraphs 5 and 6 above. Owners of the Series 2026D Bonds should consult their tax advisors regarding the applicability of any collateral tax consequences of owning the Series 2026D Bonds, which may include original issue discount, original issue premium, purchase at a market discount or at a premium, taxation upon sale, redemption or other disposition, and various withholding requirements.

The rights of the holders of the Series 2026D Bonds and the enforceability of the Series 2026D Bonds, the Indenture, the Lease Agreement, and the TIFIA Loan Agreement may be limited by (1) bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights, (2) general principles of equity, including the exercise of judicial discretion in appropriate cases, and (3) the valid exercise of the constitutional powers of the United States of America and the sovereign and police powers of the State of Alabama.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Series 2026D Bonds.

This opinion is rendered solely for your benefit. It is not to be relied upon by any other person or for any other purpose. This opinion is given as of the date hereof and we assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Faithfully yours,

APPENDIX J-1

Form of Continuing Disclosure Agreement

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CONTINUING DISCLOSURE AGREEMENT
(Alabama Toll Road, Bridge, and Tunnel Authority)

This Continuing Disclosure Agreement (this "Agreement") is executed and delivered _____ ___, 2026, by the Alabama Toll Road, Bridge, and Tunnel Authority, a public corporation organized under the laws of the State of Alabama (the "Issuer"), in connection with the issuance of its First Lien Toll Revenue Bonds, Series 2026A, Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026C, Taxable Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026D, Second Lien Toll Revenue Bond Anticipation Notes, Series 2026-1 (collectively, the "Series 2026 Bonds/Notes"). An Official Statement dated _____ ___, 2026 (the "Official Statement") has been prepared for distribution to prospective purchasers of the Series 2026 Bonds/Notes. The Issuer covenants and agrees as follows:

SECTION 1. Purpose of the Agreement. This Agreement is being executed and delivered by the Issuer for the benefit of the Holders and Beneficial Owners of the Series 2026 Bonds/Notes and in order to assist the Participating Underwriters in complying with the Rule (defined below).

SECTION 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Agreement.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2026 Bonds/Notes (including persons holding Series 2026 Bonds/Notes through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Series 2026 Bonds/Notes for federal income tax purposes.

"Bridge and Bayway Facilities" shall mean the meaning stated in the Indenture.

"Construction Progress Report" shall mean any Construction Progress Report provided by the Issuer pursuant to, and as described in, Section 6 of this Agreement.

"Dissemination Agent" shall mean any third party designated in writing by the Issuer for the purposes of making filings in compliance with the Rule and which has filed with the Issuer a written acceptance of such designation.

"EMMA" shall mean the Electronic Municipal Market Access system, as described in Release No. 34-59062 of the United States Securities and Exchange Commission, this is maintained by the Municipal Securities Rulemaking Board for purposes of such designation.

"Financial Obligation" means a: (1) debt obligation; (2) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (3) guarantee of a debt obligation or such a derivative instrument. The term "Financial Obligation" shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with Rule.

"Indenture" means the Trust Indenture dated as of September 1, 2026, between the Issuer and the Trustee, as amended and supplemented, with respect to the Series 2026 Bonds/Notes.

"Listed Events" shall mean any of the events listed in Section 5 of this Agreement.

"Participating Underwriters" shall mean Wells Fargo Bank, National Association, BofA Securities, Inc., Piper Sandler & Co., PNC Capital Markets LLC, Raymond James & Associates, Inc., Siebert Williams Shank & Co., LLC, and Stifel Nicolaus & Company, Incorporated.

"Repository" shall mean the Municipal Securities Rulemaking Board through its EMMA website at www.emma.msrb.org, any other Nationally Recognized Municipal Securities Information Repository designated by the United States Securities and Exchange Commission for purposes of the Rule, and any public or private repository designated by the State of Alabama as a state repository for purposes of the Rule.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"Trustee" shall mean Computershare Trust Company, N.A., a national banking association.

SECTION 3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, on or prior to March 31 after the end of the Issuer's fiscal year (presently September 30), commencing with the report for the fiscal year ending September 30, 2027, provide to each Repository an Annual Report which is consistent with the requirements of Section 4 of this Agreement. The Annual Report shall be made to EMMA as word-searchable PDF files configured to permit the documents to be saved, viewed, printed or retransmitted by electronic means. In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package and may cross-reference other information as provided in Section 4 of this Agreement. If the Issuer's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5, which notice shall also include the new date on which the Annual Report shall be provided (which date shall be approximately 180 days after the end of such new fiscal year).

(b) Not later than fifteen (15) Business Days prior to the date specified in subsection (a) for providing the Annual Report to the Repository, the Issuer shall provide the Annual Report to the Dissemination Agent (if other than the Issuer).

(c) The Dissemination Agent, if any, shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of each Repository; and

(ii) file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Agreement, stating the date it was provided, and listing each Repository to which it was provided.

(d) The Issuer shall provide or cause to be provided, in a timely manner, to each Repository notice of any failure by it to provide the annual financial information described in Section 3(a), on or prior to the dates respectively set forth in said section.

SECTION 4. Content of Annual Reports.

(a) Unless included in the audited financial statements referred to below, the Issuer's Annual Report shall contain or include by reference financial information and operating data with respect to the Issuer of the following type:

(i) Toll Schedule. Information concerning any changes in the toll schedule for the Bridge and Bayway Facilities;

(ii) Toll Revenue Data. Information respecting the toll revenue (A) from the Bridge and Bayway Facilities and (B) by vehicle classification, and the totals thereof, including comparisons with data for the previous fiscal year;

(iii) Revenue and Expenses. Information respecting the operating revenues, expenses, and net income of the Issuer, including comparisons with data for the previous fiscal year;

(iv) Operating Results and Debt Service Coverage. Information respecting operating revenues and expenses, net revenues available for debt service and coverage of debt service, calculated in accordance with the provisions of the Indenture and the TIFIA Loan Agreement (2026), including comparisons with the data for the previous fiscal year; and

(v) Events of Default under TIFIA Loan Agreement (2026). Events of Defaults that have occurred and are continuing under the TIFIA Loan Agreement (2026) as of the date of the filing of the continuing disclosure information.

In addition, the Issuer will provide, when and if available, audited financial statements, prepared in accordance with generally accepted accounting principles as applicable to the State of Alabama and Government Auditing Standards issued by the Comptroller General of the United States, as such standards may be modified from time to time.

(b) The Issuer may, solely as a matter of administrative convenience, provide the Annual Report in a format that includes other information in addition to the items identified in the preceding sentence, but the provision of any such additional information one year shall not result in an obligation to provide such additional information in any subsequent year. Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the Issuer is an "obligated person" (as defined by the Rule), which have been filed with each of the Repositories or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The Issuer shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events. Pursuant to the provisions of this Section 5, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Series 2026 Bonds/Notes, in a timely manner not in excess of 10 days after the occurrence of the event:

1. Principal and interest payment delinquencies;

2. Non-payment related defaults, if material;

3. Unscheduled draws on any reserve funds reflecting financial difficulties;

4. Unscheduled draws on credit enhancements reflecting financial difficulties;

5. Substitution of credit or liquidity providers, or their failure to perform;

6. Adverse tax opinions, 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 Series 2026 Bonds/Notes, or other material events affecting the tax status of the Series 2026 Bonds/Notes;

7. Modifications to rights of Bondholders, if material;

8. Bond calls, if material, or tender offers;

9. Defeasances;

10. Release, substitution or sale of property securing repayment of the Series 2026 Bonds/Notes, if material;

11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event with respect to the Issuer;

13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, 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;

14. Appointment of a successor or additional trustee or the change of the name of a trustee, if material;

15. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material;

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties; and

17. Notice of a failure of the Issuer to provide required Annual Report, on or before the date specified in this Agreement.

In addition, the Issuer must give notice within a reasonable time of any failure to file its required Annual Report on or before the date specified in this Agreement.

SECTION 6. Construction Progress Reports. The Issuer shall, or shall cause the Dissemination Agent to, within 60 days after the end of each of the Issuer's fiscal quarters (ending March 31, June 30, September 30, and December 31), commencing with the report for the fiscal quarter ending March 31, 2027, provide to each Repository a Construction Progress Report which is consistent with the requirements of this Section 6. The Issuer's Construction Progress Report shall contain or include by reference a construction progress report providing (a) an assessment of the overall progress of the design and construction work on the Bridge and Bayway Facilities under the Design-Build Agreement (the "Work") since the date of the last report (or, with respect to the first such report, the date hereof) and setting forth a reasonable estimate of the completion date for the Work, and the occurrence of the Substantial Completion Date and (b) a reasonably detailed description of any material delays encountered or anticipated in connection with the Work and a reasonably detailed description of the proposed course of action with respect to such delay.

SECTION 7. Termination of Reporting Obligation. The Issuer's obligations under this Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2026 Bonds/Notes, except that the Issuer's obligations under Section 6 of this Agreement (Construction Progress Reports) shall terminate on the Substantial Completion Date.

SECTION 8. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Issuer hereby appoints the Alabama Department of Transportation as the initial Dissemination Agent.

SECTION 9. Amendment; Waiver.

(a) Notwithstanding any other provision of this Agreement, the Issuer may amend this Agreement and any provision of this Agreement may be waived, if such amendment or would not, in and of itself, in the opinion of counsel expert in the requirements of the Rule, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof, after taking into account any subsequent amendments or interpretations of the Rule, as well as any change in circumstances.

(b) In the event of any amendment or waiver of a provision of this Agreement, the Issuer shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer.

SECTION 10. Additional Information. Nothing in this Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Agreement, the Issuer shall have no obligation under this Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. Default. In the event of a failure of the Issuer to comply with any provision of this Agreement, any Holder or Beneficial Owner of the Series 2026 Bonds/Notes may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed a default under the Series 2026 Bonds/Notes or the Indenture and the sole remedy under this Agreement in the event of any failure of the Issuer to comply with this Agreement shall be an action to compel performance.

SECTION 12. Duties of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Agreement or in a separate agreement between the Issuer and the Dissemination Agent.

SECTION 13. Beneficiaries. This Agreement shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters, and Holders and Beneficial Owners from time to time of the Series 2026 Bonds/Notes, and shall create no rights in any other person or entity.

SECTION 14. Counterparts. This 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.

Dated as of the first date written above.

ALABAMA TOLL ROAD, BRIDGE, AND TUNNEL AUTHORITY

By:_____
Title: Secretary

ACCEPTANCE OF INITIAL DISSEMINATION AGENT

The undersigned hereby accepts appointment as Dissemination Agent under the foregoing Continuing Disclosure Agreement, until such appointment shall be terminated by written notice given either by or to the undersigned.

STATE OF ALABAMA, ACTING BY AND THROUGH THE ALABAMA DEPARTMENT OF TRANSPORTATION

By: _____
Title: State Director of Transportation

APPENDIX J-2

Form of Continuing Disclosure Agreement

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CONTINUING DISCLOSURE AGREEMENT
(Alabama Department of Transportation)

This Continuing Disclosure Agreement (this "Agreement") is executed and delivered _____ ___, 2026, by the State of Alabama, acting by and through the Alabama Department of Transportation ("ALDOT"), in connection with the issuance by the Alabama Toll Road, Bridge, and Tunnel Authority, a public corporation organized under the laws of the State of Alabama (the "Issuer"), of its First Lien Toll Revenue Bonds, Series 2026A, Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026C, Taxable Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026D, Second Lien Toll Revenue Bond Anticipation Notes, Series 2026-1 (collectively, the "Series 2026 Bonds/Notes"). An Official Statement dated _____ ___, 2026 (the "Official Statement") has been prepared for distribution to prospective purchasers of the Series 2026 Bonds/Notes. ALDOT covenants and agrees as follows:

SECTION 1. Purpose of the Agreement. This Agreement is being executed and delivered by ALDOT for the benefit of the Holders and Beneficial Owners of the Series 2026 Bonds/Notes and in order to assist the Participating Underwriters in complying with the Rule (defined below).

SECTION 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by ALDOT pursuant to, and as described in, Sections 3 and 4 of this Agreement.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2026 Bonds/Notes (including persons holding Series 2026 Bonds/Notes through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Series 2026 Bonds/Notes for federal income tax purposes.

"Dissemination Agent" shall mean any third party designated in writing by ALDOT for the purposes of making filings in compliance with the Rule and which has filed with ALDOT a written acceptance of such designation.

"EMMA" shall mean the Electronic Municipal Market Access system, as described in Release No. 34-59062 of the United States Securities and Exchange Commission, this is maintained by the Municipal Securities Rulemaking Board for purposes of such designation.

"Financial Obligation" means a: (1) debt obligation; (2) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (3) guarantee of a debt obligation or such a derivative instrument. The term "Financial Obligation" shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with Rule.

"Indenture" means the Trust Indenture dated as of September 1, 2026, between the Issuer and the Trustee, as amended and supplemented, with respect to the Series 2026 Bonds/Notes.

"Listed Events" shall mean any of the events listed in Section 5 of this Agreement.

"Participating Underwriters" shall mean Wells Fargo Bank, National Association, BofA Securities, Inc., Piper Sandler & Co., PNC Capital Markets LLC, Raymond James & Associates, Inc., Siebert Williams Shank & Co., LLC, and Stifel Nicolaus & Company, Incorporated.

"Repository" shall mean the Municipal Securities Rulemaking Board through its EMMA website at www.emma.msrb.org, any other Nationally Recognized Municipal Securities Information Repository designated by the United States Securities and Exchange Commission for purposes of the Rule, and any public or private repository designated by the State of Alabama as a state repository for purposes of the Rule.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"Trustee" shall mean Computershare Trust Company, N.A., a national banking association.

SECTION 3. Provision of Annual Reports.

(a) ALDOT shall, or shall cause the Dissemination Agent to, on or prior to March 31 after the end of ALDOT's fiscal year (presently September 30), commencing with the report for the fiscal year ending September 30, 2027, provide to each Repository an Annual Report which is consistent with the requirements of Section 4 of this Agreement. The Annual Report shall be made to EMMA as word-searchable PDF files configured to permit the documents to be saved, viewed, printed or retransmitted by electronic means. In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Agreement. If ALDOT's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5, which notice shall also include the new date on which the Annual Report shall be provided (which date shall be approximately 180 days after the end of such new fiscal year).

(b) Not later than fifteen (15) Business Days prior to the date specified in subsection (a) for providing the Annual Report to the Repository, ALDOT shall provide the Annual Report to the Dissemination Agent (if other than ALDOT).

(c) The Dissemination Agent, if any, shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of each Repository and

(ii) file a report with ALDOT certifying that the Annual Report has been provided pursuant to this Agreement, stating the date it was provided, and listing each Repository to which it was provided.

(d) ALDOT shall provide or cause to be provided, in a timely manner, to each Repository notice of any failure by it to provide the annual financial information described in Section 3(a), on or prior to the dates respectively set forth in said section.

SECTION 4. Content of Annual Reports.

(a) Unless included in the ACFR referred to below, ALDOT's Annual Report shall contain or include by reference financial information and operating data with respect to ALDOT of the type contained

in the Official Statement in the following table(s): "Table 1. MRB Designated Revenues". In addition, ALDOT will provide, when and if available, the State of Alabama's Annual Comprehensive Financial Report ("ACFR"), which includes the State of Alabama's audited financial statements, prepared in accordance with generally accepted accounting principles as applicable to the State of Alabama and Government Auditing Standards issued by the Comptroller General of the United States, as such standards may be modified from time to time.

(b) ALDOT may, solely as a matter of administrative convenience, provide the Annual Report in a format that includes other information in addition to the items identified in the preceding sentence, but the provision of any such additional information one year shall not result in an obligation to provide such additional information in any subsequent year. Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which ALDOT is an "obligated person" (as defined by the Rule), which have been filed with each of the Repositories or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. ALDOT shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events. Pursuant to the provisions of this Section 5, ALDOT shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Series 2026 Bonds/Notes, in a timely manner not in excess of 10 days after the occurrence of the event:

1. Principal and interest payment delinquencies;

2. Non-payment related defaults, if material;

3. Unscheduled draws on any reserve funds reflecting financial difficulties;

4. Unscheduled draws on credit enhancements reflecting financial difficulties;

5. Substitution of credit or liquidity providers, or their failure to perform;

6. Adverse tax opinions, 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 Series 2026 Bonds/Notes, or other material events affecting the tax status of the Series 2026 Bonds/Notes;

7. Modifications to rights of Bondholders, if material;

8. Bond calls, if material, or tender offers;

9. Defeasances;

10. Release, substitution or sale of property securing repayment of the Series 2026 Bonds/Notes, if material;

11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event with respect to ALDOT;

13. The consummation of a merger, consolidation, or acquisition involving ALDOT or the sale of all or substantially all of the assets of ALDOT, 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;

14. Appointment of a successor or additional trustee or the change of the name of a trustee, if material;

15. Incurrence of a Financial Obligation of ALDOT, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of ALDOT, any of which affect security holders, if material;

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of ALDOT, any of which reflect financial difficulties; and

17. Notice of a failure of ALDOT to provide required Annual Report, on or before the date specified in this Agreement.

In addition, ALDOT must give notice within a reasonable time of any failure to file its required Annual Report on or before the date specified in this Agreement.

SECTION 6. Termination of Reporting Obligation. ALDOT's obligations under this Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2026 Bonds/Notes.

SECTION 7. Dissemination Agent. ALDOT may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent.

SECTION 8. Amendment; Waiver.

(a) Notwithstanding any other provision of this Agreement, ALDOT may amend this Agreement and any provision of this Agreement may be waived, if such amendment or would not, in and of itself, in the opinion of counsel expert in the requirements of the Rule, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof, after taking into account any subsequent amendments or interpretations of the Rule, as well as any change in circumstances.

(b) In the event of any amendment or waiver of a provision of this Agreement, ALDOT shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by ALDOT.

SECTION 9. Additional Information. Nothing in this Agreement shall be deemed to prevent ALDOT from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Report

or notice of occurrence of a Listed Event, in addition to that which is required by this Agreement. If ALDOT chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Agreement, ALDOT shall have no obligation under this Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of ALDOT to comply with any provision of this Agreement, any Holder or Beneficial Owner of the Series 2026 Bonds/Notes may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause ALDOT to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed a default under the Series 2026 Bonds/Notes or the Indenture and the sole remedy under this Agreement in the event of any failure of ALDOT to comply with this Agreement shall be an action to compel performance.

SECTION 11. Duties of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Agreement or in a separate agreement between ALDOT and the Dissemination Agent.

SECTION 12. Beneficiaries. This Agreement shall inure solely to the benefit of ALDOT, the Dissemination Agent, the Participating Underwriters, and Holders and Beneficial Owners from time to time of the Series 2026 Bonds/Notes, and shall create no rights in any other person or entity.

SECTION 13. Counterparts. This 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.

Dated as of the first date written above.

STATE OF ALABAMA, ACTING BY AND THROUGH THE ALABAMA DEPARTMENT OF TRANSPORTATION

By: _____
Title: State Director of Transportation

ALABAMA TOLL ROAD, BRIDGE AND TUNNEL AUTHORITY • First Lien Toll Revenue Bonds, Series 2026A, Second Lien Toll Revenue Bond Anticipation Notes, Series 2026-1, Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026C and Taxable Enhanced Third Lien Toll and Project Revenue Bonds, Series 2026D

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