

INVITATION TO TENDER BONDS FOR PURCHASE

made by

MASSACHUSETTS SCHOOL BUILDING AUTHORITY

to the Holders or Bondholders described herein of all or any portion of

**Senior Dedicated Sales Tax
Bonds, 2016 Series B**

**Senior Dedicated Sales Tax
Refunding Bonds, 2016 Series C**

**Subordinated Dedicated Sales Tax
Refunding Bonds, 2019 Series B
(Federally Taxable)**

**Senior Dedicated Sales Tax
Refunding Bonds, 2020 Series B
(Federally Taxable) (Social
Bonds)**

**Senior Dedicated Sales Tax
Refunding Bonds, 2020 Series C
(Federally Taxable)**

**Subordinated Dedicated Sales Tax
Refunding Bonds, 2021 Series A
(Federally Taxable)**

of the maturities and corresponding CUSIP numbers listed on pages (i) and (ii) hereof for cash

THIS INVITATION TO TENDER BONDS FOR PURCHASE WILL EXPIRE AT 5:00 P.M., EASTERN TIME, ON SEPTEMBER 2, 2025, UNLESS EARLIER CANCELED OR EXTENDED AS DESCRIBED HEREIN. TENDERED TARGET BONDS MAY BE WITHDRAWN AT ANY TIME PRIOR TO THE EXPIRATION DATE. SEE “TERMS OF THIS INVITATION” HEREIN.

This Invitation to Tender Bonds for Purchase, dated August 15, 2025 (as it may be amended or supplemented, including the cover page, inside cover page and appendices, this “**Invitation**”), is made by the Massachusetts School Building Authority (the “**Authority**”), with the assistance of BofA Securities, Inc. as dealer manager (the “**Dealer Manager**”), to the beneficial owners (the “**Holders**” or “**Bondholders**”) of certain maturities of the following outstanding bonds of the Authority as further set forth on Tables 1 and 2 on pages (i) and (ii) of this Invitation:

- (a) Senior Dedicated Sales Tax Bonds, 2016 Series B (the “Series 2016B Bonds”);
- (b) Senior Dedicated Sales Tax Refunding Bonds, 2016 Series C (the “Series 2016C Bonds” and together with the Series 2016B Bonds, the “**Tax-Exempt Target Bonds**”);
- (c) Subordinated Dedicated Sales Tax Refunding Bonds, 2019 Series B (Federally Taxable) (the “Series 2019B Bonds”);
- (d) Senior Dedicated Sales Tax Refunding Bonds, 2020 Series B (Federally Taxable) (Social Bonds) (the “Series 2020B Bonds”);
- (e) Senior Dedicated Sales Tax Refunding Bonds, 2020 Series C (Federally Taxable) (the “Series 2020C Bonds”); and
- (f) Subordinated Dedicated Sales Tax Refunding Bonds, 2021 Series A (Federally Taxable) (the “Series 2021A Bonds” and together with the Series 2019B Bonds, the Series 2020B Bonds and the Series 2020C Bonds, the “**Taxable Target Bonds**”, and collectively with the Tax-Exempt Target Bonds, the “**Target Bonds**”).

The Authority is providing the Holders of the Target Bonds with the opportunity to tender all or a portion of their Target Bonds to the Authority for cash purchase by the Authority. Should the Authority determine to purchase any Target Bonds of a CUSIP so tendered, there will be a single purchase price (a “**Purchase Price**”) for the Target Bonds of such CUSIP at which all Target Bonds of such CUSIP will be purchased. The Purchase Price for the Target Bonds of a CUSIP which the Authority determines to purchase, if any, will be determined as follows:

- (a) with respect to the *Tax-Exempt Target Bonds* listed in Table 1 on page (i) of this Invitation, the applicable Purchase Prices set forth in Table 1; and

- (b) with respect to the *Taxable Target Bonds* listed in Table 2 on page (ii) of this Invitation, the Purchase Price will be based on a fixed spread (“***Fixed Spread***”) to be added to the yields on certain reference United States Treasury Securities (each a “***Reference Treasury Security***”) as set forth in Table 2.

In each case, the Purchase Price of the Target Bonds will not be deemed to include any Accrued Interest (as defined below). Each Bondholder is invited by the Authority to tender to the Authority (an “***Offer***”), for purchase, in cash, all or part of its beneficial ownership interests in the Target Bonds in Authorized Denominations (as defined herein). The Target Bonds, if any, which the Authority decides to purchase will be purchased on September 18, 2025, unless such date is extended by the Authority, assuming all conditions to this Invitation have then been satisfied or waived by the Authority (the “***Settlement Date***”). Accrued but unpaid interest on the Target Bonds, if any, purchased by the Authority up to but not including the Settlement Date (the “***Accrued Interest***”) will also be paid on the Settlement Date.

The total of each Purchase Price of the Target Bonds of each CUSIP validly tendered and purchased by the Authority pursuant to this Invitation (the “***Aggregate Purchase Price***”), is expected to be funded from a portion of the net proceeds of the Authority’s Subordinated Dedicated Sales Tax Refunding Bonds, 2025 Series B (Social Bonds) (the “***Refunding Bonds***”), intended to be issued on the Settlement Date. The Authority may also, in its sole discretion, determine to apply other available monies to purchase certain Series 2021A Bonds validly tendered as further described herein. The Refunding Bonds will be issued in the manner, on the terms and with the security therefor described in the Preliminary Official Statement, dated August 15, 2025, attached hereto as APPENDIX A (the “***2025 Refunding POS***”). The payment of Accrued Interest on Target Bonds validly tendered and accepted for purchase is expected to be funded from legally available moneys of the Authority and paid on the Settlement Date. **The purchase of any Target Bonds tendered pursuant to this Invitation is contingent on, among other things, the issuance of the Refunding Bonds, and is also subject to certain other conditions, including, without limitation, the Financing Conditions (as defined herein). See “INTRODUCTION – General” herein.**

To make an informed decision as to whether, and how, to tender Target Bonds for purchase pursuant to this Invitation, Bondholders should carefully read this Invitation in its entirety, including APPENDIX A, and are advised to consult with their broker, account executive, financial advisor, attorney and/or other professionals (each a “***Financial Representative***”). For more information about risks concerning this Invitation, please see “ADDITIONAL CONSIDERATIONS” herein.

Any Bondholder wishing to tender Target Bonds must follow the procedures for Offers more specifically described herein. Bondholders and their Financial Representatives with questions about this Invitation should contact the Dealer Manager or the Information and Tender Agent. For more information about risks associated with this Invitation, please see “ADDITIONAL CONSIDERATIONS” herein.

Key Dates and Times

*All of these dates and times are subject to change. All times are Eastern Time.
Notices of changes will be sent in the manner provided for in this Invitation.*

Launch Date and Post Preliminary Official Statement	August 15, 2025
Expiration Date	5:00 P.M. on September 2, 2025
Notice of Results	By 5:00 p.m. on September 3, 2025
Determination of Taxable Purchase Prices	Approximately 10:00 a.m. on September 4, 2025
Notice of Taxable Purchase Prices	By 5:00 p.m. on September 4, 2025
Notice of Final Acceptance	September 5, 2025
Settlement Date	September 18, 2025

The Dealer Manager is:
BofA Securities, Inc.

The Information and Tender Agent is:
Globic Advisors Inc.

TARGET BONDS SUBJECT TO THIS INVITATION*
MASSACHUSETTS SCHOOL BUILDING AUTHORITY
TABLE 1 - TAX-EXEMPT TARGET BONDS

Series	CUSIP[†]	Maturity (November 15)	Interest Rate	Outstanding Principal Amount	Par Call Date	Purchase Price (% of Principal Amount)
Series 2016B Bonds	576000UK7	2028	5.000%	\$12,070,000	11/15/2026	103.380
Series 2016B Bonds	576000UL5	2029	3.000%	285,000	11/15/2026	101.103
Series 2016B Bonds	576000UY7	2029	5.000%	12,405,000	11/15/2026	103.380
Series 2016B Bonds	576000UM3	2030	5.000%	13,335,000	11/15/2026	103.296
Series 2016B Bonds	576000UN1	2031	5.000%	14,020,000	11/15/2026	103.199
Series 2016B Bonds	576000UP6	2032	3.000%	2,635,000	11/15/2026	98.531
Series 2016B Bonds	576000UZ4	2032	5.000%	12,075,000	11/15/2026	103.102
Series 2016B Bonds	576000UQ4	2033	5.000%	15,440,000	11/15/2026	103.075
Series 2016B Bonds	576000UR2	2034	5.000%	16,230,000	11/15/2026	103.035
Series 2016B Bonds	576000US0	2035	5.000%	17,060,000	11/15/2026	103.020
Series 2016B Bonds	576000VA8	2036	5.000%	17,065,000	11/15/2026	103.010
Series 2016B Bonds	576000VC4	2039	5.000%	38,645,000	11/15/2026	102.865
Series 2016B Bonds	576000UU5	2046	4.000%	90,000,000	11/15/2026	88.908
Series 2016B Bonds	576000VB6	2046	5.000%	76,830,000	11/15/2026	100.575
Series 2016C Bonds	576000VD2	2033	5.000%	59,870,000	11/15/2026	103.075
Series 2016C Bonds	576000VE0	2034	5.000%	62,930,000	11/15/2026	103.035
Series 2016C Bonds	576000VF7	2035	4.000%	65,825,000	11/15/2026	101.003

* Preliminary and subject to change.

† CUSIP is a registered trademark of the American Bankers Association. CUSIP information herein is provided by CUSIP Global Services, managed on behalf of the American Bankers Association by FactSet Research Systems Inc. This information is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. CUSIP numbers are provided for convenience of reference only. None of the Authority, the Dealer Manager, or the Information and Tender Agent nor their respective agents or counsel assumes responsibility for the accuracy of such numbers.

TABLE 2 - TAXABLE TARGET BONDS*

Series	CUSIP [†]	Maturity	Interest Rate	Outstanding Principal Amount	Par Call Date	Reference Treasury Security	Fixed Spread (basis points)
Series 2019B Bonds	576000XF5	10/15/2026	2.378%	\$4,935,000		UST 3.875% due 07/31/2027 CUSIP:91282CNP2	-17.5 bps
Series 2019B Bonds	576000XG3	10/15/2027	2.436%	45,280,000		UST 3.875% due 07/31/2027 CUSIP:91282CNP2	-12.5 bps
Series 2019B Bonds	576000XH1	10/15/2028	2.566%	4,115,000		UST 3.625% due 08/15/2028 CUSIP:91282CNU1	-5.0 bps
Series 2019B Bonds	576000XJ7	10/15/2029	2.666%	4,225,000		UST 3.875% due 07/31/2030 CUSIP:91282CNN7	-10.0 bps
Series 2019B Bonds	576000XK4	10/15/2030	2.766%	4,340,000	10/15/2029	UST 3.875% due 07/31/2030 CUSIP:91282CNN7	-5.0 bps
Series 2019B Bonds	576000XL2	10/15/2031	2.866%	50,590,000	10/15/2029	UST 4.000% due 07/31/2032 CUSIP:91282CNR8	-15.0 bps
Series 2019B Bonds	576000XM0	10/15/2032	2.966%	52,090,000	10/15/2029	UST 4.000% due 07/31/2032 CUSIP:91282CNR8	-5.0 bps
Series 2019B Bonds	576000XN8	10/15/2033	3.066%	53,650,000	10/15/2029	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	-20.0 bps
Series 2019B Bonds	576000XP3	10/15/2034	3.166%	55,280,000	10/15/2029	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	-10.0 bps
Series 2019B Bonds	576000XQ1	10/15/2040	3.395%	372,365,000	10/15/2029	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	+30.0 bps
Series 2020B Bonds	576000ZF3	8/15/2026	1.134%	135,615,000		UST 3.875% due 07/31/2027 CUSIP:91282CNP2	-17.5 bps
Series 2020B Bonds	576000ZG1	8/15/2027	1.284%	97,235,000		UST 3.875% due 07/31/2027 CUSIP:91282CNP2	-12.5 bps
Series 2020B Bonds	576000ZH9	8/15/2028	1.503%	67,000,000		UST 3.625% due 08/15/2028 CUSIP:91282CNU1	-5.0 bps
Series 2020B Bonds	576000ZJ5	8/15/2030	1.753%	317,855,000		UST 3.875% due 07/31/2030 CUSIP:91282CNN7	-10.0 bps
Series 2020B Bonds	576000ZK2	8/15/2031	1.773%	8,510,000	8/15/2030	UST 4.000% due 07/31/2032 CUSIP:91282CNR8	-15.0 bps
Series 2020B Bonds	576000ZL0	8/15/2032	1.853%	6,500,000	8/15/2030	UST 4.000% due 07/31/2032 CUSIP:91282CNR8	-5.0 bps
Series 2020B Bonds	576000ZM8	8/15/2033	1.953%	15,845,000	8/15/2030	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	-20.0 bps
Series 2020B Bonds	576000ZN6	8/15/2034	2.053%	21,595,000	8/15/2030	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	-10.0 bps
Series 2020B Bonds	576000ZP1	8/15/2035	2.103%	23,100,000	8/15/2030	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	+0.0 bps
Series 2020C Bonds	576000ZW6	5/15/2043	2.950%	360,655,000	5/15/2030	UST 4.750% due 08/15/2045 CUSIP:912810UN6**	-5.0 bps
Series 2021A Bonds	576000A60	2/15/2027	1.450%	3,190,000		UST 3.875% due 07/31/2027 CUSIP:91282CNP2	-15.0 bps
Series 2021A Bonds	576000A78	2/15/2028	1.600%	3,240,000		UST 3.625% due 08/15/2028 CUSIP:91282CNU1	-7.5 bps
Series 2021A Bonds	576000A86	2/15/2029	1.750%	3,295,000		UST 3.875% due 07/31/2030 CUSIP:91282CNN7	-15.0 bps
Series 2021A Bonds	576000A94	2/15/2030	1.850%	9,170,000		UST 3.875% due 07/31/2030 CUSIP:91282CNN7	-5.0 bps
Series 2021A Bonds	576000B28	2/15/2031	1.950%	11,665,000		UST 4.000% due 07/31/2032 CUSIP:91282CNR8	-20.0 bps
Series 2021A Bonds	576000B36	2/15/2032	2.100%	11,685,000	2/15/2031	UST 4.000% due 07/31/2032 CUSIP:91282CNR8	-10.0 bps
Series 2021A Bonds	576000B44	2/15/2033	2.200%	11,930,000	2/15/2031	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	-25.0 bps
Series 2021A Bonds	576000B51	2/15/2034	2.250%	20,745,000	2/15/2031	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	-15.0 bps
Series 2021A Bonds	576000B69	2/15/2035	2.300%	21,215,000	2/15/2031	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	-5.0 bps
Series 2021A Bonds	576000B77	2/15/2036	2.400%	31,445,000	2/15/2031	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	+5.0 bps
Series 2021A Bonds	576000B85	2/15/2037	2.500%	12,995,000	2/15/2031	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	+15.0 bps
Series 2021A Bonds	576000B93	2/15/2038	2.550%	3,690,000	2/15/2031	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	+25.0 bps
Series 2021A Bonds	576000C27	2/15/2039	2.650%	695,000	2/15/2031	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	+35.0 bps
Series 2021A Bonds	576000C35	2/15/2040	2.700%	715,000	2/15/2031	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	+42.5 bps
Series 2021A Bonds	576000C43	2/15/2041	2.750%	7,885,000	2/15/2031	UST 4.750% due 08/15/2045 CUSIP:912810UN6**	-5.0 bps
Series 2021A Bonds	576000D42	2/15/2049	2.860%	172,845,000	2/15/2031	UST 4.750% due 08/15/2045 CUSIP:912810UN6**	+30.0 bps

* Preliminary and subject to change.

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** UST due 08/15/2045 will be auctioned on August 20, 2025. Coupon subject to change. Illustrative Reference Yield based on bid yield on U.S. Treasury Security 5.000% due 05/15/2045 (CUSIP: 912810UL0)

IMPORTANT INFORMATION

*This Invitation and other information with respect to this Invitation are and will be available from BofA Securities, Inc. as dealer manager (the “**Dealer Manager**”) and Globic Advisors Inc. (the “**Information and Tender Agent**”) at <http://emma.msrb.org> and <https://www.globic.com/msba>. Bondholders wishing to tender their Target Bonds for purchase pursuant to this Invitation must follow the procedures described in this Invitation. The Authority reserves the right to cancel or modify this Invitation at any time on or prior to the Expiration Date, and reserves the right to make a future tender offer at prices different than the prices described herein in its sole discretion. The Authority will have no obligation to accept tendered Target Bonds for purchase or purchase Target Bonds tendered and accepted for purchase if this Invitation is cancelled or modified, the Authority is unable to issue the Refunding Bonds or any of the other conditions set forth herein are not satisfied. The Authority further reserves the right to accept nonconforming Offers or waive irregularities in any Offer of Target Bonds. The sale of the Refunding Bonds is subject to market conditions and conditions to be satisfied on or prior to the Settlement Date. The consummation of this Invitation is also subject to certain other conditions as described herein.*

TARGET BONDS THAT ARE NOT TENDERED FOR PURCHASE IN RESPONSE TO THIS INVITATION, AS WELL AS TARGET BONDS THAT ARE TENDERED BUT WHICH THE AUTHORITY DOES NOT PURCHASE IN RESPONSE TO THIS INVITATION (ALL SUCH TARGET BONDS BEING COLLECTIVELY REFERRED TO HEREIN AS THE “UNPURCHASED BONDS”) WILL REMAIN OUTSTANDING UNDER THE TRUST AGREEMENT. UNPURCHASED BONDS THAT ARE TENDERED BUT NOT PURCHASED BY THE AUTHORITY PURSUANT TO THIS INVITATION WILL BE RETURNED TO THEIR RESPECTIVE HOLDERS. IN ITS SOLE DISCRETION, THE AUTHORITY MAY ON OR ABOUT THE SETTLEMENT DATE USE CERTAIN AVAILABLE MONEYS OF THE AUTHORITY TO DEFEASE TO MATURITY ANY OR ALL OF THE UNPURCHASED BONDS WHICH ARE TAXABLE TARGET BONDS. THE AUTHORITY MAY ALSO AT ANY TIME IN THE FUTURE REFUND, REDEEM, DEFEASE, OFFER TO PURCHASE OR EXCHANGE SOME OR ALL OF THE UNPURCHASED BONDS ACCORDING TO THEIR TERMS.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THIS INVITATION OR PASSED UPON THE FAIRNESS OR MERITS OF THIS INVITATION OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS INVITATION. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THIS INVITATION IS NOT BEING EXTENDED TO, AND TARGET BONDS TENDERED IN RESPONSE TO THIS INVITATION WILL NOT BE ACCEPTED FROM OR ON BEHALF OF, BONDHOLDERS IN ANY JURISDICTION IN WHICH THIS INVITATION OR SUCH OFFER OR SUCH ACCEPTANCE THEREOF WOULD NOT BE IN COMPLIANCE WITH THE LAWS OF SUCH JURISDICTION. IN ANY JURISDICTIONS WHERE THE SECURITIES, “BLUE SKY” OR OTHER LAWS REQUIRE THIS INVITATION TO BE MADE THROUGH A LICENSED OR REGISTERED BROKER OR DEALER, THIS INVITATION SHALL BE DEEMED TO BE MADE ON BEHALF OF THE AUTHORITY THROUGH THE DEALER MANAGER.

References to web site addresses 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 a part of, this Invitation.

No dealer, salesperson or other person has been authorized to give any information or to make any representation not contained in this Invitation, including APPENDIX A, and, if given or made, such information or representation may not be relied upon as having been authorized by the Authority or any of its affiliates.

The delivery of this Invitation shall not under any circumstances create any implication that any information contained herein is correct as of any time subsequent to the date hereof or that there has been no change in the information set forth herein or in any attachments hereto or materials delivered herewith or in the affairs of the Authority or its affiliates, since the date hereof. The information contained in this Invitation is as of the date of this Invitation only and is subject to change, completion, or amendment without notice. None of the Authority, the Dealer Manager and the Information and Tender Agent are responsible (i) for transmitting any offer nor (ii) for the Depository Trust Company (“**DTC**”) process and Holders’ interactions with DTC and the DTC participants.

The Dealer Manager makes no representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein, including APPENDIX A. The Dealer Manager has not independently verified any of the information contained herein and assumes no responsibility for the accuracy or completeness of any such information.

None of the Authority, the Dealer Manager or the Information and Tender Agent makes any recommendation that any Bondholder tender or refrain from tendering all or any portion of such Bondholder's Target Bonds for purchase. Bondholders must make their own decisions and should read this Invitation carefully and consult with their broker, account executive, financial advisor, attorney and/or other appropriate professional (each a "***Financial Representative***") in making these decisions.

Certain statements included or incorporated by reference into this Invitation constitute "forward-looking statements." Such statements are generally identifiable by the terminology used such as "forecast," "plan," "expect," "estimate," "budget" or similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The Authority does not plan to issue any updates or revisions to those forward-looking statements if or when changes to its expectations, or events, conditions or circumstances on which such statements are based, occur.

This Invitation, including APPENDIX A, contains important information which should be read in its entirety before any decision is made with respect to this Invitation.

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MASSACHUSETTS SCHOOL BUILDING AUTHORITY

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Senior Dedicated Sales Tax Bonds, 2016 Series B	Senior Dedicated Sales Tax Refunding Bonds, 2016 Series C	Subordinated Dedicated Sales Tax Refunding Bonds, 2019 Series B (Federally Taxable)
Senior Dedicated Sales Tax Refunding Bonds, 2020 Series B (Federally Taxable) (Social Bonds)	Senior Dedicated Sales Tax Refunding Bonds, 2020 Series C (Federally Taxable)	Subordinated Dedicated Sales Tax Refunding Bonds, 2021 Series A (Federally Taxable)

of the maturities and corresponding CUSIP numbers listed on pages (i) and (ii) hereof for cash

THE INVITATION TO TENDER BONDS FOR PURCHASE WILL EXPIRE AT 5:00 P.M., EASTERN TIME, ON SEPTEMBER 2, 2025, UNLESS EARLIER CANCELED OR EXTENDED AS DESCRIBED HEREIN. TENDERED TARGET BONDS MAY BE WITHDRAWN AT ANY TIME PRIOR TO THE EXPIRATION DATE. SEE “TERMS OF THIS INVITATION” HEREIN.

INTRODUCTION

General

This Invitation to Tender Bonds for Purchase, dated August 15, 2025 (as it may be amended or supplemented, including the cover page, inside cover page and appendices, this “*Invitation*”), is made by Massachusetts School Building Authority (*the “Authority”*), with the assistance of BofA Securities, Inc. as dealer manager (*the “Dealer Manager”*), to the beneficial owners (*the “Holders” or “Bondholders”*) of certain maturities of the following outstanding bonds of the Authority: Senior Dedicated Sales Tax Bonds, 2016 Series B (*the “Series 2016B Bonds”*) and Senior Dedicated Sales Tax Refunding Bonds, 2016 Series C (*the “Series 2016C Bonds”*) set forth on Table 1 on page (i) of this Invitation (collectively, the “*Tax-Exempt Target Bonds*”), Subordinated Dedicated Sales Tax Refunding Bonds, 2019 Series B (Federally Taxable) (*the “Series 2019B Bonds”*), Senior Dedicated Sales Tax Refunding Bonds, 2020 Series B (Federally Taxable) (Social Bonds) (*the “Series 2020B Bonds”*), Senior Dedicated Sales Tax Refunding Bonds, 2020 Series C (Federally Taxable) (*the “Series 2020C Bonds”*), and Subordinated Dedicated Sales Tax Refunding Bonds, 2021 Series A (Federally Taxable) (*the “Series 2021A Bonds”*) set forth on Table 2 on page (ii) of this Invitation (together, the “*Taxable Target Bonds*”, and collectively with the Tax-Exempt Target Bonds, the “*Target Bonds*”). The Authority is providing the Holders of the Target Bonds with the opportunity to tender all or a portion of their Target Bonds to the Authority for cash purchase by the Authority. Should the Authority determine to purchase any Target Bonds of a CUSIP so tendered, there will be a single purchase price (a “*Purchase Price*”) for the Target Bonds of such CUSIP at which all Target Bonds of such CUSIP will be purchased. The Purchase Price for the Target Bonds of a CUSIP which the Authority determines to purchase, if any, will be determined as follows:

- with respect to the *Tax-Exempt Target Bonds* listed in Table 1 on page (i) of this Invitation, the applicable Purchase Prices set forth in Table 1; and
- with respect to the *Taxable Target Bonds* listed in Table 2 on page (ii) of this Invitation, the Purchase Price will be based on a fixed spread (“*Fixed Spread*”) to be added to the yields on certain reference United States Treasury Securities (each a “*Reference Treasury Security*”) as set forth in Table 2.

In each case, the Purchase Price of the Target Bonds will not be deemed to include any Accrued Interest (as defined below). Each Bondholder is invited by the Authority to Offer to the Authority, for purchase, in cash, all or part of its beneficial ownership interests in the Target Bonds in Authorized Denominations (as defined herein). Each Bondholder is invited by the Authority to tender to the Authority (an “*Offer*”), for purchase, in cash, all or part of its beneficial ownership interests in the Target Bonds in Authorized Denominations. The Target Bonds, if any, which the

Authority decides to purchase will be purchased on September 18, 2025, unless such date is extended by the Authority, assuming all conditions to this Invitation have then been satisfied or waived by the Authority (the “**Settlement Date**”). Accrued but unpaid interest on the Target Bonds, if any, purchased by the Authority up to but not including the Settlement Date (the “**Accrued Interest**”) will also be paid on the Settlement Date.

The Authority may decide to purchase less than all (or none) of the Target Bonds tendered to the Authority (see “TERMS OF THIS INVITATION – Acceptance of Tenders for Purchase”). Offers must be submitted by 5:00 P.M., Eastern Time, on September 2, 2025 (or such later date as the Authority may determine, the “**Expiration Date**”). The Authority may extend, amend, waive the terms of or otherwise modify this Invitation at any time on or prior to the Expiration Date. The Authority may also, at any time prior to the Settlement Date, cancel this Invitation for any reason in the Authority’s sole discretion in which case the Authority will have no obligation to purchase Target Bonds. See “TERMS OF THIS INVITATION – Extension, Termination and Amendment of each Offer; Changes to Terms” for a description of the right of the Authority to extend, cancel, amend, waive the terms of or otherwise modify this Invitation.

Bondholders are invited to tender their Target Bonds at the respective Purchase Prices described on pages (i) and (ii) of this Invitation, plus Accrued Interest to but not including the Settlement Date for the offer price. The Purchase Price is subject to change. If there is a change to any Purchase Price, the Authority will provide a notice to Bondholders which shall be provided no less than five (5) business days prior to the Expiration Date, as it may be extended or amended. See “TERMS OF THE INVITATION— Extension, Termination and Amendment of each Offer; Changes to Terms.”

With respect to the Tax-Exempt Target Bonds, the Authority currently anticipates accepting for purchase a portion of Tax-Exempt Target Bonds solicited pursuant to this Invitation in an aggregate principal amount that enables the Authority to retain its current debt service reserve requirement related to the Tax-Exempt Target Bonds. The Authority reserves the right, in its sole discretion and consistent with its internal guidelines, to reject any tender offers in whole or in part to maintain compliance with the debt service reserve requirement. With respect to the Series 2021A Bonds, the Authority may only use proceeds of the Refunding Bonds to purchase the Series 2021A Bonds in an amount up to 36% of the outstanding principal amount of each maturity of the Series 2021A Bonds (the “2021A Refunding Limitation”). The Authority may, in its sole discretion, determine to purchase validly tendered Series 2021A Bonds in excess of the 2021A Refunding Limitation with other available moneys of the Authority.

The total of each Purchase Price of the Target Bonds by CUSIP validly tendered and purchased by the Authority pursuant to this Invitation (the “**Aggregate Purchase Price**”), is expected to be funded from a portion of the net proceeds of the Authority’s Subordinated Dedicated Sales Tax Refunding Bonds, 2025 Series B (Social Bonds) (the “**Refunding Bonds**”), issued on the Settlement Date. In addition, the Authority, in its sole discretion, may use other available moneys to purchase validly tendered Series 2021A Bonds in excess of 2021A Refunding Limitation. The payment of Accrued Interest on Target Bonds validly tendered and accepted for purchase is expected to be funded from legally available moneys of the Authority and paid on the Settlement Date. **The purchase of any Target Bonds tendered pursuant to this Invitation is contingent on, among other things, the issuance of the Refunding Bonds, and is also subject to certain other conditions, including, without limitation, the Financing Conditions (as defined below).**

Financing Conditions

Notwithstanding any other provision of this Invitation, the Authority has no obligation to accept for purchase any Target Bonds, and its obligation to pay the Purchase Price of Target Bonds validly tendered (and not validly withdrawn) and accepted pursuant to this Invitation is subject to the satisfaction of or waiver of the following conditions on or prior to the Settlement Date: (a) the successful completion by the Authority of a debt financing transaction (the “Proposed Financing**”), including the issuance of the Refunding Bonds, the proceeds of which will be sufficient to (x) fund, together with available monies that the Authority determines, in its sole discretion to use to purchase Target Bonds, the Aggregate Purchase Price of all Target Bonds validly tendered and accepted for purchase pursuant to this Invitation and (y) pay all fees and expenses associated with the Proposed Financing and this Invitation; and (b) the Authority obtaining satisfactory and sufficient economic benefit as a result of the consummation of this Invitation when taken together with the Proposed Financing (collectively, the “**Financing Conditions**”), all on terms and conditions that are in the Authority’s best interest in its sole discretion. The Authority reserves the right subject to applicable law, to amend or waive any of the conditions to this Invitation, in whole or in part, at any time prior to the Expiration Date (as defined herein) or**

from time to time, in its sole discretion. This Invitation may be withdrawn by the Authority at any time prior to the Expiration Date.

None of the Authority, the Dealer Manager or the Information and Tender Agent (as defined herein) makes any recommendation that any Bondholder tender or refrain from tendering all or any portion of such Bondholder's Target Bonds for purchase. Bondholders must make their own decisions and should read this Invitation carefully and consult with their broker, account executive, financial advisor, attorney and/or other appropriate professional in making these decisions.

In the event that tendered Target Bonds are not accepted for purchase by the Authority, or all conditions to this Invitation are not satisfied or waived by the Authority, on or prior to the Settlement Date, any such Target Bonds offered pursuant to this Invitation shall be returned to the Bondholder and remain outstanding.

TARGET BONDS THAT ARE NOT TENDERED FOR PURCHASE IN RESPONSE TO THIS INVITATION, AS WELL AS TARGET BONDS THAT ARE TENDERED FOR PURCHASE WHICH THE AUTHORITY DOES NOT PURCHASE IN RESPONSE TO THIS INVITATION (ALL SUCH TARGET BONDS BEING COLLECTIVELY REFERRED TO HEREIN AS THE "UNPURCHASED BONDS") WILL REMAIN OUTSTANDING UNDER THE TRUST AGREEMENT. UNPURCHASED BONDS THAT ARE TENDERED BUT NOT PURCHASED BY THE AUTHORITY PURSUANT TO THIS INVITATION WILL BE RETURNED TO THEIR RESPECTIVE HOLDERS. THE AUTHORITY MAY ALSO, ON OR ABOUT THE SETTLEMENT DATE, USE CERTAIN AVAILABLE MONEYS OF THE AUTHORITY, IN ITS SOLE DISCRETION, TO DEFEASE TO MATURITY ANY OR ALL OF THE REMAINING UNPURCHASED BONDS WHICH ARE TAXABLE TARGET BONDS ("UNPURCHASED TAXABLE BONDS"). THE AUTHORITY MAY ALSO AT ANY TIME IN THE FUTURE REFUND, REDEEM, DEFEASE, OFFER TO PURCHASE OR EXCHANGE SOME OR ALL OF THE UNPURCHASED BONDS ACCORDING TO THEIR TERMS. See "INTRODUCTION -Unpurchased Bonds" herein.

Purpose

This Invitation is being issued as part of a plan of finance to use proceeds from the sale of the Refunding Bonds, that includes the retirement of the Target Bonds by purchasing them pursuant to this Invitation. Further, as described herein, the Authority's purchase of Target Bonds pursuant to this Invitation is contingent upon receipt of sufficient proceeds for such purpose from the issuance of the Refunding Bonds. There can be no assurance that the Refunding Bonds will be issued or when they will be issued, or that the proceeds thereof, will be sufficient to enable the Authority to purchase any or all of the Target Bonds validly tendered for purchase. In addition, the Authority, in its sole discretion, reserves the right to use other available moneys of the Authority to (i) purchase validly tendered Series 2021A Bonds in excess of the 2021A Refunding Limitation and (ii) cash defease to maturity any portion of the Unpurchased Taxable Bonds.

The purpose of the issuance of the Refunding Bonds, among others, is to produce cash flow savings and present value debt service savings. Thus, the final decision to purchase tendered Target Bonds, and, if less than all of the Target Bonds that are tendered are purchased, which Target Bonds will be accepted for purchase by the Authority will be based in part upon market conditions associated with the sale of the Refunding Bonds and other factors outside of the control of the Authority.

Consideration for Invitation

Tax-Exempt Target Bonds. Bondholders are invited to tender their Tax-Exempt Target Bonds for purchase at the Purchase Prices set forth on Table 1 under "TAX-EXEMPT TARGET BONDS" on page (i) hereof, *plus* Accrued Interest on the Tax-Exempt Target Bonds tendered and accepted for purchase to but not including the Settlement Date.

The Purchase Price for Tax-Exempt Target Bonds is subject to change. If there is a change to any Purchase Price, the Authority will provide a notice to Bondholders; *provided, however*, no change to any Purchase Price shall occur less than five (5) business days prior to the Expiration Date, as it may be extended or amended.

Taxable Target Bonds. The Fixed Spread for each CUSIP for the Taxable Target Bonds as set forth on Table 2 on page (ii) of this Invitation represents the yield, expressed as an interest rate percentage, above the yield on the indicated Reference Treasury Security at which the Authority will purchase Taxable Target Bonds.

The Fixed Spread for Taxable Target Bonds is subject to change. If there is a change to any Fixed Spread, the Authority will provide a notice to Bondholders; *provided, however*, no change to any Fixed Spread shall occur less than five (5) business days prior to the Expiration Date, as it may be extended or amended.

The applicable Fixed Spread for a CUSIP will represent the spread which will be added to the yield on the Reference U.S. Treasury Security corresponding thereto to arrive at a yield (the “**Purchase Yield**”) used to calculate the Purchase Price for each maturity and corresponding CUSIP of the Taxable Target Bonds.

The yields on the Reference Treasury Securities (the “**Treasury Security Yields**”) will be determined at approximately 10:00 A.M. Eastern Time on September 4, 2025, based on the bid-side price of the U.S. Reference Treasury as quoted on the Bloomberg Bond Trader FIT1 series of pages and calculated in accordance with standard market practice. The Fixed Spread will be added to the Reference Treasury Security Yield to arrive at a Purchase Yield. The Reference Treasury Security for each CUSIP is identified in Table 2 set forth on page (ii) of this Invitation.

The Purchase Yield will be used to calculate the Purchase Prices for Taxable Target Bonds. The Purchase Prices for Taxable Target Bonds will be equal to: the sum of (i) the present value of all remaining scheduled principal payments, including mandatory sinking fund installments, and interest on the applicable Taxable Target Bonds, discounted at the Purchase Yield to the Settlement Date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months), minus (ii) Accrued Interest up to but not including the Settlement Date. The Authority will publish a Notice of Taxable Purchase Prices on September 4, 2025. In addition to the Purchase Prices of the Taxable Target Bonds accepted for purchase by the Authority, Accrued Interest on such Taxable Target Bonds will be paid by, or on behalf of, the Authority to the tendering Bondholders on the Settlement Date.

The tables in Appendix B provide an example of the Purchase Prices realized by Bondholder that submit an Offer based on the following closing yields as of August 14, 2025 for the Reference Treasury Securities provided below and the Fixed Spreads.

Binding Contract to Sell

If a Bondholder’s Offer is accepted by the Authority by the time specified herein, the Bondholder will be obligated to sell, and the Authority will be obligated to purchase, such Target Bonds on the Settlement Date at the Purchase Price for such Target Bonds, plus Accrued Interest, subject to the conditions described herein.

Allocation Priority

The Authority has advised BofA Securities Inc., as representative of the underwriters (the “**Representative**”) for the Refunding Bonds, that any Holder of Target Bonds who tenders Target Bonds pursuant to this Invitation and who submits an order to purchase any Refunding Bonds may, subject to certain limitations, have a preference of allocation of the Refunding Bonds up to the principal amount of the Bonds that such Bondholder is tendering. The Representative has the discretion to accept orders outside of the Authority’s advised priorities if it determines that it is in the best interests of the underwriters of the Refunding Bonds, as provided in the rules of the Municipal Securities Rulemaking Board. The Authority also has the discretion to alter its advised priorities.

Sources of Funds to Purchase Target Bonds and Pay Accrued Interest

The Aggregate Purchase Price is expected to be funded from a portion of the net proceeds of the Refunding Bonds. In addition, the Authority, in its sole discretion, reserves the right to use other available moneys of the Authority to purchase validly tendered Series 2021A Bonds in excess of 2021A Refunding Limitation. The payment of accrued interest on Target Bonds validly tendered and accepted for purchase pursuant to this Invitation will be funded by legally available moneys of the Authority and paid on the Settlement Date.

THE PURCHASE OF ANY TARGET BONDS TENDERED AND ACCEPTED FOR PURCHASE PURSUANT TO THIS INVITATION IS CONTINGENT ON THE ISSUANCE BY THE AUTHORITY OF THE REFUNDING BONDS. The sale of the Refunding Bonds is subject to market conditions and conditions to be satisfied on or prior to the Settlement Date. The Refunding Bonds are described in the 2025 Refunding POS and are not being offered pursuant to this Invitation.

Brokerage Commissions and Solicitation Fees

Bondholders will not be obligated to pay any brokerage commissions or solicitation fees to the Authority, the Dealer Manager, or the Information and Tender Agent in connection with this Invitation. However, Bondholders

should check with the Financial Representative which maintains the account in which their Target Bonds are held to determine whether it will charge any commissions or fees.

Unpurchased Bonds

Unpurchased Bonds will continue to be outstanding under the Trust Agreement, and payable and secured, pursuant to their terms. Unpurchased Bonds that are offered but not purchased by the Authority will be returned to the respective Holders of such offered Target Bonds. Holders of Unpurchased Bonds will continue to bear the risk of ownership of such Unpurchased Bonds.

Concurrently with the purchase of the Tendered Bonds, the Authority may, in its sole discretion, use up to \$400 million of available moneys of the Authority, to defease to maturity a portion of the Unpurchased Taxable Bonds. The Authority will determine which series and maturities of Unpurchased Taxable Bonds, if any, it will defease on or about the Settlement Date.

The Authority may in the future redeem, refund (on an advance or current basis), or defease, all or any portion of the Unpurchased Bonds or may invite Holders to tender such Target Bonds for purchase by the Authority. See “ADDITIONAL CONSIDERATIONS.”

Dealer Manager, Information and Tender Agent

BofA Securities, Inc. is Dealer Manager for this Invitation. Investors with questions about this Invitation should contact the Dealer Manager or Globic Advisors Inc., which serves as Information and Tender Agent (the “**Information and Tender Agent**”) for this Invitation, at the addresses and telephone numbers set forth on the page preceding the Appendices appending to this Invitation. See “DEALER MANAGER” and “INFORMATION AND TENDER AGENT” herein.

Bondholders must read the entirety of this Invitation, including Appendix A, in order to make an informed decision.

TERMS OF THIS INVITATION

Expiration Date

The Authority’s invitation to submit Offers will expire at 5:00 P.M., Eastern Time, on the Expiration Date, unless earlier terminated or extended, as described herein. Holders tendering Target Bonds must follow the procedures more specifically described herein.

The Authority may extend the Expiration Date, the Acceptance Date or the Settlement Date, or cancel, amend or otherwise modify or waive any conditions of this Invitation. See “– Extension, Cancellation and Amendment; Changes to Terms.”

Offers Only Through The DTC ATOP Account

The Target Bonds are held in book-entry-only form through the facilities of The Depository Trust Company (“**DTC**”), Brooklyn, New York, as bond depository for the Target Bonds. The Authority, through the Information and Tender Agent, will establish an Automated Tender Offer Program (“**ATOP**”) account (the “**DTC ATOP Account**”) at DTC for the Target Bonds to which this Invitation relates promptly after the date of this Invitation.

ALL OFFERS MUST BE MADE THROUGH THE DTC ATOP ACCOUNT. THE AUTHORITY WILL NOT ACCEPT ANY OFFERS THAT ARE NOT MADE THROUGH THE DTC ATOP ACCOUNT. AS A RESULT, HOLDERS WHO ARE NOT DTC PARTICIPANTS CAN ONLY MAKE OFFERS THROUGH THE FINANCIAL INSTITUTION THAT MAINTAINS THE DTC ACCOUNT IN WHICH THEIR TARGET BONDS ARE HELD. LETTERS OF TRANSMITTAL ARE NOT BEING USED IN CONNECTION WITH THIS INVITATION.

Any financial institution that is a participant in DTC may make a book-entry tender of the Target Bonds by causing DTC to transfer such Target Bonds into the DTC ATOP Account relating to this Invitation, and the applicable series, maturity and CUSIP number in accordance with DTC’s procedures for such transfer. Bondholders who are not DTC participants can only tender Target Bonds pursuant to this Invitation by making arrangements with and instructing their Financial Representative to tender the Bondholder’s Target Bonds through the DTC ATOP Account. To ensure a Bondholder’s Target Bonds are tendered to the DTC ATOP Account by 5:00 P.M., Eastern Time, on the Expiration Date, the Bondholder must provide instructions to the Bondholder’s Financial Representative in sufficient

time for the Financial Representative to tender the Target Bonds to the DTC ATOP Account by this deadline. A Bondholder should contact its Financial Representative for information as to when the Financial Representative needs the Bondholder's instructions in order to tender the Bondholder's Target Bonds to the DTC ATOP Account by 5:00 P.M., Eastern Time, on the Expiration Date. See "– Tender of Target Bonds by Financial Institutions; DTC ATOP Account."

None of the Authority, the Dealer Manager, or the Information and Tender Agent are responsible for the transfer of any tendered Target Bonds to the DTC ATOP Account or for any mistakes, errors or omissions in the transfer of any tendered Target Bonds.

Information to Bondholders

The Authority may give information about this Invitation to the market and Bondholders, including, without limitation, any supplement to the 2025 Refunding POS, by delivery of such information in the following ways: (i) to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access website, currently located at <http://emma.msrb.org> (the "**EMMA Website**"), using the CUSIP numbers for the Target Bonds listed on the tables on pages (i) and (ii) hereof; (ii) to DTC (defined below) and to the DTC participants holding the Target Bonds; and (iii) by posting electronically on the website of the Information and Tender Agent at <https://www.globic.com/msba>. Delivery by or on behalf of the Authority of information in this manner will be deemed to constitute delivery of the information to each Bondholder.

None of the Authority, the Dealer Manager, or the Information and Tender Agent have any obligation to ensure that a Bondholder actually receives any information given to the Information Services.

Bondholders who would like to receive information transmitted by or on behalf of the Authority to the Information Services may receive such information from the Dealer Manager or the Information and Tender Agent by contacting them using the contact information under the heading "MISCELLANEOUS" below.

Any updates to this Invitation, including, without limitation any supplements to the 2025 Refunding POS, will be distributed through the Information Services. The final Official Statement with respect to the Refunding Bonds will be posted to EMMA subsequent to the Acceptance Date and prior to the Settlement Date assuming the sale of the Refunding Bonds.

Minimum Denominations

A Bondholder may submit one or more Offers to tender Target Bonds of a particular CUSIP number that it owns in an amount of its choosing, not to exceed the principal amount of such Target Bonds owned by the Bondholders, and only in a principal amount equal to the minimum denomination of \$5,000 or any integral multiple of \$5,000 in excess thereof only ("**Authorized Denominations**").

Accrued Interest

The Purchase Price of the Target Bonds tendered and accepted for purchase will not be deemed to include any amount representing Accrued Interest on a tendered Target Bond. In addition to the Purchase Prices of the Target Bonds accepted for purchase by the Authority, Accrued Interest on such Target Bonds will be paid by, or on behalf of, the Authority to the tendering Bondholders on the Settlement Date from legally available moneys of the Authority.

Provisions Applicable to All Tenders

Need for Advice. A Bondholder should ask its Financial Representative for help in determining: (a) whether to offer Target Bonds for purchase, and (b) the principal amount of Target Bonds to be offered for purchase. None of the Authority, the Dealer Manager, and the Information and Tender Agent will charge any Bondholder for submitting Offers or tendering Target Bonds.

Need for Specificity of Tender. No Offer of Target Bonds of a CUSIP may exceed the principal amount of Target Bonds of such CUSIP owned by the Bondholder and must include (a) the CUSIP number(s) of the Target Bonds being offered and (b) the principal amount of the Target Bonds being tendered for purchase (such principal amount must be stated in Authorized Denominations and if not so stated, for Offers to sell less than all of the Bondholder's position in the Target Bonds, such principal amount will be reduced to the greatest integral multiple of \$5,000). Any Bondholder located outside of the United States should check with its Financial Representative to determine if there are any additional minimal increments, alternative settlement timing or other limitations. See "– Offers of Target Bonds at an Offer Spread" for additional information.

“All or none” offers are not permitted. A Bondholder also cannot condition its offer for any single CUSIP on the acceptance of its offer for a separate CUSIP.

General. A Bondholder may only offer Target Bonds it owns or controls. By offering Target Bonds pursuant to this Invitation, a Bondholder will be deemed to have represented and agreed with the Authority as set forth below under “– Representations by Tendering Bondholders to the Authority.” All tenders shall survive the death or incapacity of the tendering Bondholder.

Bondholders who would like to receive information furnished by the Authority to the Information Services can review the EMMA Website or the website of the Information and Tender Agent at <https://www.globic.com/msba>, or otherwise must make appropriate arrangements with their Financial Representatives or the Information and Tender Agent.

Representations by Tendering Bondholders to the Authority

By tendering Target Bonds for purchase, each tendering Bondholder will be deemed to have represented to and agreed with the Authority that:

(a) the Bondholder has received this Invitation and the 2025 Refunding POS and has had the opportunity to review this Invitation and the 2025 Refunding POS prior to making its decision to submit and Offer to tender Target Bonds, and agrees if its Offer is accepted by the Authority with respect to any Target Bonds, the purchase of any tendered Target Bonds it will be obligated to sell such Target Bonds on the terms and conditions set forth in this Invitation, and if the purchase of any tendered Target Bonds is consummated, the purchase of such Target Bonds shall be on the terms and conditions set forth in this Invitation;

(b) the Bondholder has full power and authority to offer to tender, sell, assign and transfer the tendered Target Bonds; and if its Offer to tender is accepted by the Authority pursuant to this Invitation, on the Settlement Date, the Authority will acquire good, marketable and unencumbered title thereto, free and clear of all liens, charges, encumbrances, conditional sales agreements or other obligations and not subject to any adverse claims, subject to payment to the Bondholder of the applicable Purchase Price(s), plus Accrued Interest;

(c) the Bondholder has made its own independent decision to Offer and tender its Target Bonds for purchase pursuant to this Invitation, and as to the terms thereof, and such decision is based upon the Bondholder’s own judgment and upon advice from such advisors with whom the Bondholder has determined to consult;

(d) the Bondholder is not relying on any communication from the Authority, the Dealer Manager or the Information and Tender Agent as investment advice or as a recommendation to Offer and tender the Bondholder’s Target Bonds, it being understood that the information from the Authority, the Dealer Manager and the Information and Tender Agent related to the terms and conditions of this Invitation made pursuant to this Invitation shall not be considered investment advice or a recommendation to Offer and tender Target Bonds; and

(e) the Bondholder is capable of assessing the merits of and understanding (on its own and/or through independent professional advice), and does understand, agree and accept, the terms and conditions of this Invitation and the Bondholder’s Offer.

Tender of Target Bonds by Financial Institutions; DTC ATOP Account

The Authority, through the Information and Tender Agent, will establish the DTC ATOP Account for purposes of this Invitation within three Business Days (as defined below) after the date of this Invitation. Tender of Target Bonds in accordance with this Invitation may be made to the Authority through the DTC ATOP Account. Any financial institution that is a participant in DTC may make a book-entry tender of the Target Bonds by causing DTC to transfer the applicable Target Bonds into the DTC ATOP Account in accordance with DTC’s procedures. **Business Day**” means a DTC business day, which is any day other than (i) a Saturday or a Sunday, or (ii) a day on which the offices of the Authority or banking institutions in Boston, Massachusetts, are required or authorized by law to be closed.

Concurrently with the delivery of Target Bonds through book-entry transfer into the DTC ATOP Account, an Agent’s Message (defined below) in connection with such book-entry transfer must be transmitted to and received at the DTC ATOP Account by not later than 5:00 P.M., Eastern Time, on the Expiration Date (as this date may have been changed pursuant to this Invitation). The confirmation of a book-entry transfer into the DTC ATOP Account as described above is referred to herein as a “Book-Entry Confirmation.” The term “Agent’s Message” means a message transmitted by DTC to, and received by, the DTC participant and forming a part of the Book-Entry Confirmation

which states that DTC has received an express acknowledgment from the DTC participant tendering the Target Bonds that are the subject of such Book-Entry Confirmation, stating (1) the CUSIP number, series, and principal amount of the Target Bonds that have been tendered by such participant pursuant to this Invitation, and (2) that such participant on behalf of the related Bondholder agrees to be bound by the terms of this Invitation. By causing DTC to transfer Target Bonds into the DTC ATOP Account, a financial institution warrants to the Authority that it has full authority, and has received from the Bondholder(s) of such Target Bonds all direction necessary, to tender and sell such Target Bonds as set forth in this Invitation.

ALL OFFERS FOR PURCHASE MUST BE MADE THROUGH THE DTC ATOP ACCOUNT. THE AUTHORITY WILL NOT ACCEPT ANY TENDERS FOR PURCHASE THAT ARE NOT MADE THROUGH THE DTC ATOP ACCOUNT. LETTERS OF TRANSMITTAL ARE NOT BEING USED IN CONNECTION WITH THIS INVITATION.

NONE OF THE AUTHORITY, THE DEALER MANAGER, AND THE INFORMATION AND TENDER AGENT ARE RESPONSIBLE FOR THE TRANSFER OF ANY TENDERED TARGET BONDS TO THE DTC ATOP ACCOUNT OR FOR ANY MISTAKES, ERRORS OR OMISSIONS IN THE TRANSFER OF ANY TENDERED TARGET BONDS.

Determinations as to Form and Validity of Offer; Right of Waiver and Rejection

All questions as to the validity (including the time of receipt at the DTC ATOP Account), form, eligibility and acceptance of Offers will be determined by the Authority in its sole discretion, and such determinations will be final, conclusive and binding.

The Authority reserves the right to waive any irregularities or defects in any Offer. None of the Authority, the Dealer Manager, or the Information and Tender Agent are obligated to give notice of any defects or irregularities in Offers and they will have no liability for failing to give such notice.

The Authority reserves the absolute right to reject any and all Offers, whether or not they comply with the terms of this Invitation.

Amendment or Withdrawals of Tenders Prior to an Expiration Date

A Bondholder may amend its Offer by causing a withdrawal message for the Offer to be received at the DTC ATOP Account with a new Offer for the same Target Bonds to be submitted to the DTC ATOP Account by not later than 5:00 P.M., Eastern Time, on the Expiration Date.

A Bondholder may withdraw its Target Bonds tendered for purchase pursuant to this Invitation by causing a withdrawal notice to be transmitted via the DTC ATOP Account to, and received by, the Information and Tender Agent by not later than 5:00 P.M., Eastern Time, on the Expiration Date.

Any amendment or withdrawal must be submitted in substantially the same manner as an Offer in response to this Invitation. *All amendments or withdrawal notices must be made through the DTC ATOP Account.* The Authority *will not accept any amendments or withdrawals that are not made through the DTC ATOP Account.* Holders who are not DTC participants can only amend or withdraw their Offer by making arrangements with and instructing their DTC participant to submit the Bondholder's amended Offer or the Bondholder's notice of withdrawal through the DTC ATOP Account.

Bondholders who have tendered their Target Bonds for purchase will not receive any information from the Authority, the Dealer Manager or the Information and Tender Agent concerning Offers by other Bondholders. Offering Bondholders will not be afforded an opportunity to amend their Offers after 5:00 P.M. Eastern Time on the Expiration Date. An amended or withdrawn offer must specify the applicable CUSIP number, and with respect to amended Offers, the principal amount previously offered and the new amount being offered. All questions as to the validity (including the time of receipt) of an amendment or withdrawal will be determined by the Authority in its sole discretion, and will be final, conclusive and binding.

Target Bonds properly withdrawn will be deemed not validly tendered. However, withdrawn Target Bonds may be re-tendered by again following the procedures described herein at any time on or prior to the Expiration Date.

Irrevocability of Offers; Return of Target Bonds Not Purchased

All Offers will become irrevocable at 5:00 P.M., Eastern Time, on the Expiration Date, subject to change as set forth in “– Extension, Cancellation and Amendment; Changes to Terms”.

Following the publication of the Notice of Final Acceptance, all Target Bonds that were tendered but were not accepted for purchase will be released and returned to the tendering institution in accordance with DTC’s procedures. None of the Authority, the Dealer Manager or the Information and Tender Agent is responsible or liable for the return of Target Bonds to offering institutions or Bondholders or for when such Target Bonds are returned.

Sinking Fund Amortization of Certain Unpurchased Target Term Bonds

Authority’s Series 2016B Bonds maturing on November 15, 2039 (CUSIP 576000VB6) and November 15, 2046 (CUSIP 576000UU5), Series 2019B Bonds maturing on October 15, 2040 (CUSIP 576000XQ1), Series 2020B Bonds maturing on August 15, 2030 (CUSIP 576000ZJ5), Series 2020C Bonds maturing May 15, 2043 (CUSIP 576000ZW6), and Series 2021A Bonds maturing on February 15, 2049 (CUSIP 576000D42) (collectively, the “**Target Term Bonds**”) are subject to mandatory sinking fund redemption in specified annual principal amounts prior to their respective maturity dates. Since fewer than all of such Target Term Bonds may be purchased by the Authority pursuant to this Invitation, if any of such Target Term Bonds are purchased, each of the original principal amounts to be redeemed on each mandatory sinking fund redemption date or paid at maturity of such Target Term Bonds may be reduced. The Authority is permitted to and intends to apply purchases of such Target Term Bonds to any sinking fund redemption requirement of its choosing including, without limit, to the earliest sinking fund requirements. Such application would result in the extension of the average life of such Unpurchased Bonds. As such, those Unpurchased Bonds will continue to be subject to the mandatory sinking fund redemption in annual amounts that will be reflected on a revised mandatory sinking fund redemption schedule.

Acceptance of Tenders for Purchase; Limitations on Purchase of Certain Target Bonds

The Authority shall be under no obligation to accept any Target Bonds tendered for purchase pursuant to this Invitation.

This Invitation is part of a plan by the Authority to refund a portion of its outstanding indebtedness, as described in this Invitation including the 2025 Refunding POS. Among Target Bonds validly tendered for purchase pursuant to this Invitation, the Authority will select which, if any, Target Bonds validly tendered will be accepted for purchase based on its determination of the economic benefit from such purchase and availability of funding, including proceeds of the Refunding Bonds. Based on a number of factors, the Authority may also determine to use its available moneys to fund a portion of the purchase of validly tendered Series 2021A Bonds not otherwise able to be purchased with proceeds of the Refunding Bonds.

As of the Acceptance Date, upon the terms and subject to the conditions of this Invitation, as set forth herein, the Authority will elect to accept for purchase outstanding Target Bonds validly tendered pursuant to this Invitation (or defectively tendered, if such defect has been waived by the Authority), with acceptance subject to the satisfaction or waiver, by the Authority of the conditions to the purchase of tendered Target Bonds. See “– Acceptance of Tenders Constitutes Irrevocable Agreement; Notice of Results.”

The Authority will have no obligation to purchase Target Bonds tendered if cancellation or modification occurs or if the Authority is unable to issue the Refunding Bonds. The Authority, therefore, has the right to purchase none, some or all of the Target Bonds offered, notwithstanding any other statements herein about the Authority’s current intentions for amount of Target Bonds to be purchased. Target Bonds that will be purchased will be indicated by CUSIP. With respect to Unpurchased Bonds, the Authority shall have the right in the future to either refund some or all of the Target Bonds or invite Bondholders to tender their Target Bonds for purchase by the Authority, which right will be exercised by the Authority.

After the Expiration Date, the Authority will determine in its sole discretion the amount (if any) of the tendered Target Bonds that it will purchase based on such factors as the Authority deems relevant.

The Target Bonds that will be purchased will be indicated by CUSIP. The Authority may choose to purchase some but not all of the tendered Target Bonds of a particular CUSIP. Should the Authority decide to only purchase a portion of the Target Bonds tendered for purchase of a particular CUSIP, the Authority will accept those Target Bonds on a pro rata basis. The principal amount of each individual tender will be accepted, pro rata, based upon the ratio of principal amount of the Target Bonds of a certain CUSIP accepted for purchase by the Authority divided by the

aggregate principal amount of the Target Bonds tendered for purchase of that particular CUSIP. The ratio will take into consideration the rounding procedure such that the amount accepted for a particular CUSIP.

In such event, should the principal amount of any individual tender offer for Target Bonds, when adjusted by the pro rata acceptance, result in an amount that is not a multiple of \$5,000, the principal amount of such tender will be rounded up to the nearest multiple of \$5,000. If as a result of such adjustment, the principal amount of a holder's unaccepted Target Bonds is less than the minimum Authorized Denomination, the Authority will reject such holder's tendered Target Bonds in whole. The Authority will determine the amount to accept for each CUSIP in order to maximize the projected or actual financial benefit resulting from the transaction, and reserves the right to accept significantly more or significantly less (or none) of any CUSIP as compared to any other CUSIP.

With respect to the Tax-Exempt Target Bonds, the Authority currently anticipates accepting for purchase a portion of Tax-Exempt Target Bonds solicited pursuant to this Invitation in an aggregate principal amount that enables the Authority to retain its current debt service reserve requirement related to the Tax-Exempt Target Bonds. The Authority reserves the right, in its sole discretion and consistent with its internal guidelines, to reject any tender offers in whole or in part to maintain compliance with the debt service reserve requirement. With respect to the Series 2021A Bonds, the Authority may only use the proceeds of the Refunding Bonds to purchase the Series 2021A Bonds in an amount up to the 2021A Refunding Limitation. The Authority may, in its sole discretion, determine to purchase validly tendered Series 2021A Bonds in excess of the 2021A Refunding Limitation with other available moneys of the Authority.

Notwithstanding any other provision of this Invitation, the consummation of this Invitation and the Authority's obligation to accept for purchase, and to pay for Target Bonds validly tendered (and not validly withdrawn) pursuant to this Invitation are subject to the satisfaction of or waiver of the Financing Conditions (see "INTRODUCTION – General" herein) and the other conditions set forth herein. The Authority reserves the right, subject to applicable law, to amend or waive any of the conditions to this Invitation, in whole or in part, at any time prior to the Expiration Date or from time to time, in its reasonable discretion. This Invitation may be withdrawn by the Authority at any time prior to 5:00 P.M., Eastern Time, on the Expiration Date.

Acceptance of Tenders Constitutes Irrevocable Agreement; Notice of Results

Acceptance by the Authority of Target Bonds tendered for purchase will constitute an irrevocable agreement between the offering Bondholder and the Authority to sell and purchase such Target Bonds, subject to satisfaction of all conditions to the Authority's obligation to purchase tendered Target Bonds and the other terms of this Invitation. See "Conditions to Purchase" and "Minimum Denominations and Consideration" herein.

The acceptance of Target Bonds tendered for purchase is expected to be made by notification to the Information Services no later than 5:00 P.M., Eastern Time, on the Acceptance Date. This notification will state the principal amount of the Target Bonds of each CUSIP number that the Authority has agreed to purchase, in accordance with this Invitation, which may be zero for a particular CUSIP number.

Conditions to Purchase

Notwithstanding any other provision of this Invitation, the Authority has no obligation to accept for purchase any tendered Target Bonds, and the Authority's obligation to pay for Bonds validly tendered (and not validly withdrawn) and accepted pursuant to this Invitation is subject to the satisfaction of or waiver of the following conditions on or prior to the Settlement Date: (a) the successful issuance by the Authority of the Refunding Bonds, the proceeds of which will be sufficient to (i) fund, together with other available moneys of the Authority that it determines, in its sole discretion, the purchase of all Target Bonds validly tendered and accepted for purchase by the Authority pursuant to this Invitation and (ii) provide for the other uses of proceeds described in the 2025 Refunding POS; (b) the satisfaction of the Financing Conditions, which includes the Authority obtaining satisfactory and sufficient economic benefit as a result of the consummation of this Invitation when taken together with the issuance of the Refunding Bonds, and that the consummation of this Invitation is in the Authority's best interest in its sole discretion; and (c) the other conditions set forth below. The Authority reserves the right, subject to applicable law, to amend or waive any of the conditions to this Invitation, in whole or in part, at any time prior to the Expiration Date or from time to time, in its sole discretion. This Invitation may be withdrawn by the Authority at any time prior to the Expiration Date.

In addition to the Financing Conditions, if after the Acceptance Date, but prior to payment for Target Bonds accepted by the Authority on the Settlement Date, any of the following events should occur, the Authority will have the absolute right to cancel its obligations to purchase Bonds without any liability to any Bondholder:

- Litigation or another proceeding is pending or threatened which the Authority reasonably believes may, directly or indirectly, have an adverse impact on this Invitation or the expected benefits of this Invitation to the Authority or the Bondholders;
- A war, national emergency, banking moratorium, suspension of payments by banks, a general suspension of trading by the New York Stock Exchange, or a limitation of prices on the New York Stock Exchange exists and the Authority reasonably believes this fact makes it inadvisable to proceed with the purchase of Target Bonds;
- A material change in the business or affairs of the Authority has occurred which the Authority reasonably believes makes it inadvisable to proceed with the purchase of Target Bonds;
- A material change in the net economics of the transaction has occurred due to a material change in market conditions which the Authority reasonably believes makes it inadvisable to proceed with the purchase of Target Bonds; or
- For any reason, the Refunding Bonds are not issued.

These conditions (including the Financing Conditions) (the “Conditions to Purchase”) are for the sole benefit of the Authority and may be asserted by the Authority, prior to the time of payment of the Target Bonds it has agreed to purchase, regardless of the circumstances giving rise to any of these conditions or may be waived by the Authority in whole or in part at any time and from time to time in its discretion, and may be exercised independently for each CUSIP. The failure by the Authority at any time to exercise any of these rights will not be deemed a waiver of any of these rights, and the waiver of these rights with respect to particular facts and other circumstances will not be deemed a waiver of these rights with respect to any other facts and circumstances. Each of these rights will be deemed an ongoing right of the Authority which may be asserted at any time and from time to time prior to the time of payment of the Target Bonds it has agreed to purchase. Any determination by the Authority concerning the events described in this section will be final and binding upon all parties.

Settlement Date; Purchase of Target Bonds

Subject to satisfaction of all conditions to the Authority’s obligation to purchase Target Bonds offered and accepted for purchase pursuant to this Invitation, as described herein, including, without limitation, the Financing Conditions, on the Settlement Date, the Authority will purchase and pay for all Target Bonds validly tendered for purchase to the Authority pursuant to accepted Offers, at the applicable Purchase Price, plus Accrued Interest and the tendering Bondholders will sell such Target Bonds to the Authority for such consideration.

The Authority may change the Settlement Date by giving notice to the Information Services prior to the change. See “—Extension, Termination and Amendment of each Offer; Changes to Terms.”

If the conditions to the Authority’s obligation to purchase Target Bonds are satisfied or waived, the Authority will pay the Aggregate Purchase Price in immediately available moneys on the Settlement Date by deposit of such amount with DTC. The Authority expects that, in accordance with DTC’s standard procedures, DTC will transmit amounts sufficient to purchase the tendered Target Bonds at the Purchase Price in immediately available moneys to its participant financial institutions that hold such tendered Target Bonds for delivery to the Bondholders. **None of the Authority, the Dealer Manager, and the Information and Tender Agent are responsible or liable for the distribution of the Purchase Prices plus Accrued Interest by DTC to the Bondholders.**

Extension, Termination and Amendment of Each Offer; Changes to Terms

The Authority may extend this Invitation by notice given to the Information Services at any time but no later than the first business day following the previously scheduled Expiration Date, or any prior extension thereof. Notice of an extension of the Expiration Date will be effective when such notice is given.

The Authority may extend the Acceptance Date and/or the Settlement Date by notice given to the Information Services at any time but no later than the first business day following the previously scheduled Acceptance Date and/or Settlement Date, as applicable, or any prior extension thereof. Notice of an extension of the Acceptance Date and/or the Settlement Date will be effective when such notice is given.

The Authority may amend, waive the terms of or otherwise modify this Invitation at any time on or prior to the Expiration Date, by giving notice to the Information Services of such amendment, waiver or other modification. The amendment, waiver or modification will be effective at the time specified in such notice.

The Authority may, at any time prior to the Settlement Date, cancel this Invitation for any reason in the Authority's sole discretion by giving notice to the Information Services of such cancellation. The Authority will have no obligation to purchase Target Bonds if cancellation of this Invitation occurs or if the Authority fails to accept Offers.

If the Authority amends, modifies or waives any of the terms or conditions of this Invitation in any respect, the Authority may (but is not required to) disseminate additional Invitation materials and extend this Invitation to the extent required to allow, in the Authority's judgment, reasonable time for dissemination to Holders and for Holders to respond.

If the Authority amends the terms of this Invitation that relate to the consideration offered for the Target Bonds, in any material respect, notice of such amendment will be given no later than five (5) business days before the Expiration Date, as extended to provide reasonable time for dissemination of such amendment or waiver to Holders and for Holders to respond.

If the Authority amends the terms of this Invitation (other than any term that relates to the consideration offered for the Target Bonds), which amendment may include a waiver of any term, in any material respect, notice of such amendment or waiver will be given no later than three (3) business days before the Expiration Date, as extended to provide reasonable time for dissemination of such amendment or waiver to Holders and for Holders to respond.

No extension or amendment or other modification or waiver of the terms or conditions of this Invitation will change the Authority's right to decline to purchase Target Bonds without liability on the conditions stated herein or give rise to any liability of the Authority or the Information and Tender Agent to any Bondholder or nominee.

None of the Authority, the Dealer Manager or the Information and Tender Agent have any obligation to ensure that a Bondholder actually receives any information given to the Information Services.

AVAILABLE INFORMATION

Certain information relating to the Target Bonds and the Authority may be obtained by contacting the Dealer Manager or Information and Tender Agent at the contact information set forth on the page preceding the Appendices appended to this Invitation. Such information is limited to (i) this Invitation, including the information set forth in the 2025 Refunding POS which is attached hereto as APPENDIX A, and (ii) information about the Authority available through EMMA.

References to website addresses 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 websites and the information or links contained therein are not incorporated into, and are not a part of, this Invitation.

ADDITIONAL CONSIDERATIONS

None of the Authority, the Dealer Manager or the Information and Tender Agent make any recommendation that any Bondholder tender or refrain from tendering all or any portion of the Target Bonds. Each Bondholder must make its decision and should read this Invitation and the 2025 Refunding POS and consult with its Financial Representative in making such decision.

In deciding whether to submit an Offer in response to this Invitation, each Bondholder should consider carefully, in addition to the other information contained in this Invitation, the following:

Limitations on Purchase of Certain Tendered Bonds.

With respect to the Tax-Exempt Target Bonds, the Authority currently anticipates accepting for purchase a portion of Tax-Exempt Target Bonds solicited pursuant to this Invitation in an aggregate principal amount that enables the Authority to retain its current debt service reserve requirement related to the Tax-Exempt Target Bonds. The

Authority reserves the right, in its sole discretion and consistent with its internal guidelines, to reject any tender offers in whole or in part to maintain compliance with the debt service reserve requirement. With respect to the Series 2021A Bonds, the Authority may only use the proceeds of the Refunding Bonds to purchase the Series 2021A Bonds in an amount up to the 2021A Refunding Limitation. The Authority may, in its sole discretion, determine to purchase validly tendered Series 2021A Bonds in excess of the 2021A Refunding Limitation with other available moneys of the Authority.

Unpurchased Bonds. Holders of Unpurchased Bonds will continue to hold such Unpurchased Bonds and such Unpurchased Bonds will remain outstanding. See “INTRODUCTION – Unpurchased Bonds” herein. The average life of those Unpurchased Bonds that are term bonds subject to annual sinking fund redemption may be extended. See “TERMS OF THIS INVITATION - Sinking Fund Amortization of Certain Unpurchased Target Term Bonds” herein. Concurrently with the purchase of the Tendered Bonds, the Authority may, in its sole discretion, use available moneys of the Authority up to \$400 million, to defease to maturity a portion of the Unpurchased Taxable Bonds. The Authority will determine which series and maturities of Unpurchased Taxable Bonds, if any, it will defease on or about the Settlement Date.

Future Refunding or Tender. The Authority may in the future refund (on an advance or current basis), or defease, all or any portion of the Unpurchased Bonds or may invite Holders to tender such Target Bonds for purchase by the Authority. Accordingly, it is possible that such Target Bonds would be redeemed or purchased at a more or less advantageous price than will be available through this Invitation sometime in the future as part of another transaction.

Market for Target Bonds. The Target Bonds are not listed on any national or regional securities exchange. To the extent that the Target Bonds are traded, their prices may fluctuate greatly depending on the trading volume and the balance between buy and sell orders. Bondholders may be able to sell Target Bonds at a price greater than the Purchase Price(s).

Ratings. As of the date of this Invitation, the Target Bonds that are Senior Bonds of the Authority are rated “Aa1” (stable outlook) by Moody’s Investors Service, Inc., “AAA” (stable outlook) by Fitch Ratings Inc. and “AA+” by S&P Global Ratings and the Target Bonds that Subordinated Bonds of the Authority are rated “Aa2” (stable outlook) by Moody’s Investors Service, Inc., “AA+” (stable outlook) by Fitch Ratings Inc. and “AA” by S&P Global Ratings. The ratings of the Target Bonds by each rating agency reflect only the views of such organization and any desired explanation of the significance of such ratings and any outlooks or other statements given by such rating agency with respect thereto should be obtained from such rating agency.

There is no assurance that the current ratings assigned to the Target Bonds will continue for any given period of time or that any of such ratings will not be revised upward or downward, suspended or withdrawn entirely by any rating agency. Any such upward or downward revision, suspension or withdrawal of such ratings may have an effect on the availability of a market for or the market price of the Target Bonds. Each Bondholder should review these ratings and consult with its Financial Representatives concerning them.

Market Conditions for the Refunding Bonds. The purpose of the sale of the Refunding Bonds associated with this Invitation is to produce cash flow savings and present value debt service savings. Thus, the final decision to purchase Target Bonds, and, if less than all of the Target Bonds that are tendered are purchased, which Target Bonds will be accepted for purchase by the Authority will be based upon market conditions associated with the sale of the Refunding Bonds and other factors outside of the control of the Authority.

Financing Timetable. There is currently an approximately four (4) business days period between the Expiration Date and the date on which the Authority will determine the Target Bonds that it will accept for purchase, as required by the timetable for the marketing and sale of the Refunding Bonds. Bondholders that tender their Target Bonds will not be able to sell or otherwise dispose of their Target Bonds so tendered during this time period, even if their Target Bonds are not initially or ultimately accepted for purchase by the Authority.

Certain Potential Effects of this Invitation on Target Bonds Not Purchased pursuant to this Invitation. The purchase of Target Bonds by the Authority may have certain potential adverse effects on Holders of Unpurchased Bonds, including that the principal amount of the Unpurchased Bonds available to trade publicly will be reduced, which could adversely affect the liquidity and market value of the Unpurchased Bonds. The average life of Unpurchased Bonds that are Target Term Bonds is likely to change. In addition, Taxable Target Bonds that are currently considered “index eligible” as they each total at least \$300,000,000 in par may no longer be considered “index eligible” due to their reduced par amount outstanding which could adversely affect their liquidity and market value.

SUMMARY OF CERTAIN FEDERAL INCOME TAX CONSEQUENCES

The following is a general summary of the U.S. federal income tax consequences for tendering Bondholders. No assurances can be given that future changes in U.S. federal income tax laws will not alter the conclusions reached herein. The discussion below does not purport to deal with U.S. federal income tax consequences applicable to all categories of investors. Further, this summary does not discuss all aspects of U.S. federal income taxation that may be relevant to a particular investor in the Target Bonds in light of the investor's particular circumstances or to certain types of investors subject to special treatment under U.S. federal income tax laws. Tendering Bondholders should note that no rulings have been or will be sought from the Internal Revenue Service (the "**IRS**"), and no assurance can be given that the IRS will not take contrary positions, with respect to any of the U.S. federal income tax consequences discussed below. This U.S. federal income tax discussion is included for general information only and should not be construed as a tax opinion nor tax advice by the Authority or any of their advisors or agents, to the Bondholders, and Bondholders therefore should not rely upon such discussion. Bondholders should consult with their own tax advisors regarding the tax consequences of tendering Target Bonds pursuant to this Invitation.

A Bondholder who tenders its Target Bonds for cash pursuant to this Invitation generally will recognize gain or loss for U.S. federal income tax purposes in an amount equal to the difference between the amount realized, which is generally the Purchase Price (not including Accrued Interest) received by the Bondholder, and the Bondholder's adjusted tax basis in its tendered Target Bonds. Any gain or loss arising in connection with a taxable sale pursuant to this Invitation may be capital gain or loss or may be ordinary income or loss, depending on the particular circumstances of the Bondholder. Non-corporate holders may be eligible for reduced rates of U.S. federal income tax on long-term capital gains. The deductibility of capital losses is subject to various limitations. A Bondholder's amount realized and adjusted tax basis are determined as set forth in the Internal Revenue Code of 1986, as amended, and Treasury Regulations promulgated thereunder.

RETAIL SOLICITATION FEES; ELIGIBLE INSTITUTIONS ARE NOT AGENTS

The Authority agrees to pay or cause to be paid to any commercial bank or trust company having an office branch or agency in the United States, and any firm which is a member of a registered national securities exchange or of the Financial Industry Regulatory Authority (an "**Eligible Institution**"), a Retail Solicitation Fee of \$1.25 per \$1,000 on the principal amount of Target Bonds purchased from each of its Retail Customers (as hereinafter defined) by the Authority pursuant to this Invitation. A "**Retail Customer**" is an individual who owns \$250,000 or less of principal amount of Target Bonds and manages his or her own investments or an individual who owns \$250,000 or less of principal amount of Target Bonds whose investments are managed by an investment manager or bank trust department that holds the investments of that individual in a separate account in the name of that individual.

The Retail Solicitation Fee Payment Request Form, attached hereto as APPENDIX C, must be returned to the Information and Tender Agent no later than 5:00 P.M., Eastern Time, on or before the business day following the Expiration Date, unless earlier terminated or extended. No payment of a Retail Solicitation Fee will be made on requests received after this time. No Retail Solicitation Fee will be paid on requests improperly submitted or for Target Bonds not purchased by the Authority.

Eligible Institutions are not agents of the Authority for this Invitation.

DEALER MANAGER

The Authority has retained BofA Securities, Inc. ("**BofA Securities**") as Dealer Manager for this Invitation. The Authority has agreed to pay the Dealer Manager customary fees for its services and to reimburse the Dealer Manager for its reasonable out-of-pocket costs and expenses relating to this Invitation. References in this Invitation to the Dealer Manager is to BofA Securities only in its capacity as the Dealer Manager. The compensation of the Dealer Manager is based upon the amount of Target Bonds tendered to and accepted by the Authority.

The Dealer Manager may contact Bondholders regarding this Invitation and may request brokers, dealers, custodian banks, depositories, trust companies and other nominees to forward this Invitation to beneficial owners of the Target Bonds.

The Dealer Manager, together with its affiliates, comprises a full-service financial institution engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Dealer Manager and its affiliates may have, from time to time, performed and may in the future perform, various investment banking services for the Authority for which they received or will receive customary fees and expenses. In the ordinary course

of their various business activities, the Dealer Manager and its respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities and financial instruments which may include bank loans and/or credit default swaps) for their own account and for the accounts of its respective customers and may at any time hold long and short positions in such securities and instruments. Such investment securities activities may involve securities and instruments of the Authority, including the Target Bonds.

In addition to its role as Dealer Manager for the Target Bonds, BofA Securities is also serving as Senior Managing Underwriter for the Refunding Bonds as described in APPENDIX A, and as such, it will receive compensation in connection with that transaction as well as for acting as Dealer Manager in connection with this Invitation.

The Dealer Manager is not acting as a financial or municipal advisor to the Authority in connection with this Invitation.

INFORMATION AND TENDER AGENT

Globic Advisors Inc. has been retained to serve as Information and Tender Agent for this Invitation. The Authority has agreed to pay the Information and Tender Agent customary fees for its services and to reimburse the Information and Tender Agent for its reasonable out-of-pocket costs and expenses relating to this Invitation.

APPROVAL OF LEGAL PROCEEDINGS

Certain legal matters related to this Invitation and the issuance of the Refunding Bonds will be passed upon by Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Bond Counsel to the Authority, Greenberg Traurig, LLP, Disclosure Counsel to the Authority and Troutman Pepper Locke LLP, counsel to the Dealer Manager and underwriters' counsel. A copy of the form of opinion of Bond Counsel which will be delivered with the Refunding Bonds is set forth in APPENDIX E of the 2025 Refunding POS attached hereto as APPENDIX A.

MISCELLANEOUS

This Invitation is not being made to, and Offers will not be accepted from or on behalf of, Bondholders in any jurisdiction in which this Invitation or the acceptance thereof would not be in compliance with the laws of such jurisdiction. In those jurisdictions whose laws require this Invitation to be made through a licensed or registered broker or dealer, this Invitation is being made on behalf of the Authority by the Dealer Manager.

No one has been authorized by the Authority, the Dealer Manager, or the Information and Tender Agent to recommend to any Bondholder whether to tender Target Bonds pursuant to this Invitation or the amount of Target Bonds to tender. No one has been authorized to give any information or to make any representation in connection with this Invitation other than those contained in this Invitation. Any recommendations, information and representations given or made cannot be relied upon as having been authorized by the Authority, the Dealer Manager or the Information and Tender Agent.

None of the Authority, the Dealer Manager, or the Information and Tender Agent make any recommendation that any Bondholder tender or refrain from tendering all or any portion of the principal amount of such Bondholder's Target Bonds. Bondholders must make their own decisions and should read this Invitation carefully and consult with their broker, account executive, financial advisor, attorney and/or other professional in making these decisions.

Investors with questions about this Invitation should contact the Dealer Manager or the Information and Tender Agent. The contact information for the Dealer Manager and the Information and Tender Agent is as follows:

The Dealer Manager for this Invitation is:

BofA Securities, Inc.

One Bryant Park, 12th Floor

New York, New York 10036

Tel: (646)743-1362

Attn: Contact your BofA Securities representative
or the Municipal Liability Management Group

Email: dg.muni-lm@bofa.com

The Information and Tender Agent for this Invitation is:

Globic Advisors Inc.

Attn: Robert Stevens

477 Madison Ave, 6th Floor

New York, New York 10022

Phone: (212) 227-9698

Email: rstevens@globic.com

APPENDIX A
PRELIMINARY OFFICIAL STATEMENT

PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 15, 2025

NEW ISSUE – BOOK-ENTRY ONLY

Ratings: See “RATINGS” herein

In the opinion of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Bond Counsel, under existing law, and assuming continued compliance with various requirements of the Internal Revenue Code of 1986, as amended (the “Code”) interest on the 2025 Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Code. Interest on the 2025 Bonds is not an item of tax preference for purposes of computation of the federal alternative minimum tax imposed on individuals; however, it may be taken into account for the purpose of computing the federal alternative minimum tax imposed on certain corporations. In the opinion of Bond Counsel, under existing law, interest on the 2025 Bonds and any profit made on the sale thereof are exempt from Massachusetts personal income taxes, and the 2025 Bonds are exempt from Massachusetts personal property taxes. See “TAX EXEMPTION” herein.

MASSACHUSETTS SCHOOL BUILDING AUTHORITY

\$488,845,000*

SUBORDINATED DEDICATED SALES TAX BONDS, 2025 SERIES A (SOCIAL BONDS)

and

\$1,403,605,000*

SUBORDINATED DEDICATED SALES TAX REFUNDING BONDS, 2025 SERIES B (SOCIAL BONDS)

Dated: Date of Delivery

Due: February 15, as shown on inside cover

This Official Statement relates to the issuance by the Massachusetts School Building Authority (the “Authority”) of its \$488,845,000* Subordinated Dedicated Sales Tax Bonds, 2025 Series A (Social Bonds) (the “2025A Bonds”) and its \$1,403,605,000* Subordinated Dedicated Sales Tax Refunding Bonds, 2025 Series B (Social Bonds) (the “2025B Bonds,” and together with the 2025A Bonds, the “2025 Bonds”).

The 2025 Bonds will be issued by the Authority pursuant to the Act (hereinafter defined) and under the Trust Agreement, dated as of August 1, 2005, between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), as amended, restated and supplemented, including as supplemented by the Thirty-second Supplemental Trust Agreement, dated as of September 1, 2025, authorizing the issuance of the 2025 Bonds.

The 2025 Bonds will be issued by means of a book-entry only system evidencing ownership and transfer of the 2025 Bonds on the records of The Depository Trust Company (“DTC”) and its participants. Details of payment of the 2025 Bonds are more fully described in this Official Statement. The 2025 Bonds will bear interest from their date of delivery and interest will be payable on each February 15 and August 15, commencing February 15, 2026, calculated on the basis of a 360-day year consisting of twelve 30-day months. The 2025 Bonds are subject to redemption prior to maturity, at the option of the Authority and from Sinking Fund Payments, as described herein. See “THE 2025 BONDS” herein.

The 2025 Bonds are subordinated special obligations of the Authority. The principal of, premium, if any, and interest on the 2025 Bonds are payable solely from and secured by a subordinate lien on and pledge of (i) moneys deposited directly with the Trustee by The Commonwealth of Massachusetts (the “Commonwealth”) on a monthly basis, without appropriation, allotment or other action, which are derived from a 1.00% statewide sales tax imposed by the Commonwealth (which is drawn from the existing statewide 6.25% sales tax), excluding sales tax revenues on meals and certain additional statutorily exempted revenues from sales, as further described herein, and (ii) certain funds and accounts held under the Trust Agreement, as further described herein. The Authority has no taxing power.

The 2025 Bonds are offered when, as and if issued and received by the Underwriters, subject to prior sale, to withdrawal or modification of the offer without notice, and to the approval of their legality and certain other matters by Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Boston, Massachusetts, Bond Counsel to the Authority. Certain legal matters will be passed upon for the Authority by its Disclosure Counsel, Greenberg Traurig, LLP, Boston, Massachusetts and for the Underwriters by their counsel, Troutman Pepper Locke LLP, Boston, Massachusetts. Settlement of the issue is expected at DTC in New York, New York, or at its custodial agent, on or about September __, 2025.

BofA Securities

Jefferies

Loop Capital Markets

Morgan Stanley

J.P. Morgan

Ramirez & Co., Inc.

Goldman Sachs & Co. LLC

September __, 2025

* Preliminary, subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion, amendment or other change without notice. The securities described herein may not be sold nor may offers to buy be accepted prior to the date the Official Statement is delivered in final form. 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 any such jurisdiction.

MASSACHUSETTS SCHOOL BUILDING AUTHORITY

\$488,845,000*

SUBORDINATED DEDICATED SALES TAX BONDS, 2025 SERIES A (SOCIAL BONDS)

Maturities, Amounts, Interest Rates, Yields/Prices and CUSIPs†

<u>Maturity</u> <u>(February 15)*</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>Yield/Price</u>	<u>CUSIP†</u>
2040	\$20,495,000			
2041	21,520,000			
2042	22,595,000			
2043	23,725,000			
2044	24,910,000			
2045	26,155,000			

\$152,490,000* ____% Term Bond due February 15, 2050* Price/Yield ____% CUSIP†
\$196,955,000* ____% Term Bond due February 15, 2055* Price/Yield ____% CUSIP†

\$1,403,605,000*

**SUBORDINATED DEDICATED SALES TAX REFUNDING BONDS
2025 SERIES B (SOCIAL BONDS)**

Maturities, Amounts, Interest Rates, Yields/Prices and CUSIPs†

<u>Maturity</u> <u>(February 15)*</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>Yield/Price</u>	<u>CUSIP†</u>
2027	\$42,700,000			
2028	59,065,000			
2029	112,495,000			
2030	98,975,000			
2031	64,500,000			
2032	95,790,000			
2033	99,110,000			
2034	65,355,000			
2035	62,320,000			
2036	103,085,000			
2037	186,115,000			
2038	191,125,000			
2040	29,440,000			
2041	90,030,000			
2042	90,385,000			
2043	13,115,000			

* Preliminary, subject to change.

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (“CGS”) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright © 2025 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CGS. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. The CUSIP numbers listed above are being provided solely for the convenience of Bondowners only at the time of issuance of the 2025 Bonds and no representation is made with respect to the correctness thereof. The CUSIP® number for a specific maturity is subject to being changed after the issuance of the 2025 Bonds as a result of the various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the 2025 Bonds. None of the Authority, the Trustee or the Underwriters has agreed to, nor is there any duty or obligation to, update this Official Statement to reflect any change or correction in the CUSIP® numbers printed above.

MASSACHUSETTS SCHOOL BUILDING AUTHORITY

AUTHORITY MEMBERS

Deborah Goldberg, Chairperson, Treasurer and Receiver-General
Matthew Deninger, Designee of The Commissioner of Elementary and Secondary Education
Sean R. Cronin, Designee of The Secretary of Administration and Finance
Anne Brockelman
Terry Kwan
Cassandra McKenzie
Sheila Vanderhoef

SENIOR MANAGEMENT

James A. MacDonald, *Chief Executive Officer*
Mary Pichetti, *Deputy Chief Executive Officer and Executive Director*
Jennifer Gonzalez, *Deputy Executive Director*
Michael Rodino, *Chief Financial Officer*
Matthew J. Donovan, *Director of Administration and Operations*
Michael McGurl, *Director of Capital Planning*
Christine Nolan, *General Counsel*
Julie Leonard, *Director of Budget and Finance Administration*

The information set forth herein has been obtained from the Authority and other sources that are believed to be reliable, but, as to information from other than the Authority, it is not to be construed as a representation by the Authority. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority since the date hereof, except as expressly set forth herein. The various tables may not add due to rounding of figures.

No dealer, broker, salesperson or other person has been authorized by the Authority 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 Authority. 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 2025 Bonds offered hereby by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

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.

All quotations from and summaries and explanations of provisions of laws, resolutions, trust agreements, the 2025 Bonds and other documents herein do not purport to be complete; reference is made to said laws, resolutions, trust agreements, the 2025 Bonds and other documents for full and complete statements of their provisions. Copies of the above are available for inspection at the offices of the Authority and the Trustee.

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.

This Official Statement contains statements that, to the extent they are not recitations of historical fact, constitute “forward looking statements.” In this respect, the words “estimate,” “anticipate,” “expect,” “intent,” “believe” and similar expressions are intended to identify forward looking statements. A number of important factors affecting the Authority’s financial results could cause actual results to differ materially from those stated in the forward looking statements.

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**OFFICIAL STATEMENT
OF THE
MASSACHUSETTS SCHOOL BUILDING AUTHORITY
RELATING TO**

\$488,845,000*
SUBORDINATED DEDICATED SALES TAX BONDS, 2025 SERIES A (SOCIAL BONDS)
and
\$1,403,605,000*
SUBORDINATED DEDICATED SALES TAX REFUNDING BONDS
2025 SERIES B (SOCIAL BONDS)

INTRODUCTION

The purpose of this Official Statement, which includes the cover page and the Appendices hereto, is to furnish information in connection with the sale by the Massachusetts School Building Authority (the “Authority”) of its \$488,845,000* Subordinated Dedicated Sales Tax Bonds, 2025 Series A (Social Bonds) (the “2025A Bonds”) and its \$1,403,605,000* Subordinated Dedicated Sales Tax Refunding Bonds, 2025 Series B (Social Bonds) (the “2025B Bonds,” and together with the 2025A Bonds, the “2025 Bonds”). Unless otherwise defined herein, certain capitalized terms used herein shall have the meanings set forth in APPENDIX A – “SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT – Definitions.”

General

Chapter 208 of the Acts of 2004 (“Chapter 208,” and together with Chapter 70B of the Massachusetts General Laws, Section 35BB of Chapter 10 of the Massachusetts General Laws, and Chapter 210 of the Acts of 2004, each as amended from time to time, the “Act”) created the Authority to administer and fund a program for grants to cities, towns, and regional school districts for school construction and renovation projects (the “Program”).

Pursuant to the Act, all moneys received by The Commonwealth of Massachusetts (the “Commonwealth”) raised by a 1.00% statewide sales tax (drawn from the existing statewide 6.25% sales tax), excluding sales tax revenues on meals and from certain additional statutorily exempted revenues from sales, as further described herein (the “Dedicated Sales Tax Revenue Amount”), are to be credited to the Massachusetts School Modernization and Reconstruction Trust Fund (the “SMART Fund”), without appropriation, allotment or other action. Such amounts are credited to the SMART Fund pursuant to procedures established in a Memorandum of Understanding (the “MOU”), dated as of August 1, 2005, by and among the Authority, the Treasurer and Receiver-General of the Commonwealth (the “Treasurer”), the Comptroller of the Commonwealth (the “Comptroller”), and the Department of Revenue of the Commonwealth (the “Department of Revenue” or “DOR”). See “SOURCES OF PAYMENT AND SECURITY FOR THE 2025 BONDS – Dedicated Sales Tax Revenue Amount,” and “– SMART Fund – Memorandum of Understanding.”

The Act expressly designates owners of the Authority’s bonds and notes (collectively, “Obligations”) as beneficiaries of the SMART Fund and, together with the Trust Agreement (defined below), provides that the Authority’s obligations to make payment of principal of, and premium, if any, and interest on Obligations are senior to all other claims on the Dedicated Sales Tax Revenue Amount. The Trust Agreement further provides that the Authority’s obligations to make payment of principal of, and premium, if any, and interest on Senior Bonds are senior to claims on the Dedicated Sales Tax Revenue Amount with respect to owners of Subordinated Bonds, including the 2025 Bonds. The Act and the Trust Agreement prohibit the diversion of the Dedicated Sales Tax Revenue Amount from the Authority’s control and further prohibit the reduction of the rate of the taxes from which the Dedicated Sales Tax Revenue Amount is derived as set forth in the Act for as long as any Obligations of the Authority remain

* Preliminary, subject to change.

outstanding. See “SOURCES OF PAYMENT AND SECURITY FOR THE 2025 BONDS – SMART Fund - Statutory Non-Impairment Covenant.”

The 2025 Bonds are subordinated special obligations of the Authority, secured as to the payment of principal, premium, if any, and interest thereon by a subordinate lien on and pledge of certain revenues and other moneys received or derived under the Act, including without limitation, the Dedicated Sales Tax Revenue Amount and certain funds and accounts held under the Trust Agreement. See “SOURCES OF PAYMENT AND SECURITY FOR THE 2025 BONDS – Dedicated Sales Tax Revenue Amount” and “– Pledge under the Trust Agreement.”

The 2025 Bonds are authorized to be issued pursuant to the Act, and will be issued under the Trust Agreement, dated as of August 1, 2005 (as amended and restated by the Sixth Supplemental Trust Agreement, dated as of June 1, 2010, the “Master Trust Agreement”), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), as further supplemented and amended by supplemental indentures, including by the Thirty-second Supplemental Trust Agreement, dated as of September 1, 2025, authorizing the issuance of the 2025 Bonds (the “Thirty-second Supplemental Trust Agreement,” and together with the Master Trust Agreement, as amended and supplemented, the “Trust Agreement”). The Authority has multiple series of Senior Bonds and Subordinated Bonds outstanding under the Trust Agreement. As of June 30, 2025, the Authority had outstanding (i) approximately \$3.4 billion (unaudited) of Senior Bonds, of which approximately \$896.6 million* are expected to be refunded with the proceeds of the 2025B Bonds and of which approximately \$1.6 billion* are subject to the hereinafter described Invitation to tender such Senior Bonds for purchase by the Authority with the proceeds of the 2025B Bonds and other available funds, and (ii) approximately \$1.8 billion (unaudited) of Subordinated Bonds, of which approximately \$116.7 million* are expected to be refunded with the proceeds of the 2025B Bonds and of which approximately \$981.3 million* are subject to the hereinafter described Invitation to tender such Subordinated Bonds for purchase by the Authority with the proceeds of the 2025B Bonds and other available funds.

The 2025 Bonds when issued will constitute Subordinated Bonds under the Trust Agreement. The Trust Agreement provides for the issuance of additional bonds on a parity with any Outstanding Senior Bonds (“Additional Senior Bonds”) and additional bonds on a parity with any Outstanding Subordinated Bonds (“Additional Subordinated Bonds”), as well as notes and other evidences of indebtedness that are subordinate to the Senior Bonds and the Subordinated Bonds. The Authority anticipates that it will issue Additional Senior Bonds and Additional Subordinated Bonds in the future, subject to certain terms and conditions of the Trust Agreement. See “SOURCES OF PAYMENT AND SECURITY FOR THE 2025 BONDS – Additional Bonds, Refunding Bonds and Other Indebtedness.” As used herein, the term “Bonds” means all Outstanding Senior Bonds and Outstanding Subordinated Bonds and all Additional Senior Bonds and Additional Subordinated Bonds hereafter issued under the Trust Agreement.

The proceeds of the 2025A Bonds are expected to be used to (i) fund a portion of the costs of the Program, and (ii) pay the costs of issuing the 2025A Bonds. The proceeds of the 2025B Bonds are expected to be used, together with other funds available under the Trust Agreement, to (i) refund certain Outstanding Senior Bonds and certain Outstanding Subordinated Bonds listed in APPENDIX D (the “Refunded Bonds”), (ii) purchase and cancel certain Outstanding Senior Bonds and certain Outstanding Subordinated Bonds listed in APPENDIX D (the “Target Bonds”) that are tendered for purchase and accepted by the Authority, and (iii) pay the costs of issuing the 2025B Bonds. Contemporaneously with the issuance of the 2025 Bonds, the Authority expects to use other available funds to defease a portion of the Target Bonds not purchased with the proceeds of the 2025B Bonds. See “PLAN OF FINANCE” and “ESTIMATED SOURCES AND USES OF FUNDS.” The list of Bonds included in APPENDIX D to be refunded or purchased and canceled from the proceeds of the 2025B Bonds or defeased from other available funds is not final and is subject to change prior to the sale of the 2025B Bonds. The Authority reserves the right to not refund, purchase and cancel, or defease any or all of the Bonds listed in APPENDIX D, and to refund, purchase and cancel, or defease other Bonds not listed in APPENDIX D. The sale of the 2025A Bonds is not dependent on the sale of the 2025B Bonds and vice versa.

Neither the Commonwealth nor any political subdivision thereof shall be obligated to pay the principal of, or premium, if any, or interest on any 2025 Bonds, and the faith and credit of the Commonwealth or of any

* Preliminary, subject to change.

political subdivision thereof are not pledged to the payment of the principal of, or premium, if any, or interest on any 2025 Bonds. The Authority has no taxing power.

Social Bonds

The Authority has designated the 2025 Bonds as “Social Bonds” to allow investors to invest directly in bonds that provide the Authority with funds to finance and refinance public school facilities in order to provide access to education. The Authority has determined that the school facilities and Program costs to be financed and refinanced with the proceeds of the Series 2025 Bonds are “Social Projects” based on the social benefits of ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all.

The designation of the Series 2025 Bonds as “Social Bonds” is intended to generally comport with The Social Bond Principles promulgated by the International Capital Market Association (“ICMA”), updated as of June 2025. By reference to the ICMA’s “Green, Social and Sustainability Bonds: A High-Level Mapping to the Sustainable Development Goals,” the Authority intends that the proceeds of the 2025 Bonds will be used in a manner that is expected to be generally consistent with the following United Nations Sustainable Development Goals (“UNSDGs”):

- Goal 4: Quality Education, and
- Goal 8: Decent Work and Economic Growth.

The term “Social Bonds” is neither defined in nor related to provisions in the Trust Agreement. Owners of the Series 2025 Bonds do not have any security other than as provided in the Trust Agreement for Subordinated Bonds and described under “SOURCES OF PAYMENT AND SECURITY FOR THE 2025 BONDS.” “Social Projects” and “Social Bonds” are entirely self-designating labels lacking any objective guidelines or criteria. ICMA is a European-based entity with some members from the United States.

No party, including the Authority or the Underwriters, assume any obligation to ensure that the Program complies with any legal or other standards or principles that may related to “Social Projects” or that the 2025 Bonds comply with any legal or other standards or principles that may be related to “Social Bonds.” The designation of the 2025 Bonds as Social Bonds does not entitle the holders of such obligations to any benefit under the Internal Revenue Code of 1986, as amended.

Official Statement

There follows in this Official Statement a description of the Authority, together with summaries of the terms of the 2025 Bonds and certain provisions of the Act, the Trust Agreement, and the MOU. All references herein to the Act, the Trust Agreement, and the MOU are qualified in their entirety by reference to such law, documents and instruments, copies of which are available from the Authority or the Trustee, and all references to the 2025 Bonds are qualified in their entirety by reference to the definitive forms thereof and the information with respect thereto contained in the Trust Agreement.

APPENDIX A is a summary of certain provisions of the Trust Agreement. APPENDIX B sets forth the proposed form of opinion of Bond Counsel. APPENDIX C sets forth the Form of Continuing Disclosure Agreement to be executed by the Authority and the Trustee. APPENDIX D sets forth the Table of Refunded Bonds and Target Bonds.

This Official Statement does not contain general financial and operating information regarding the Authority because the 2025 Bonds do not constitute a general obligation of the Authority and the Dedicated Sales Tax Revenue Amount is not derived from or otherwise related to the Authority’s operations. Accordingly, the payment of principal of, and premium, if any, and interest on the 2025 Bonds is not dependent on the Authority’s operations.

SOURCES OF PAYMENT AND SECURITY FOR THE 2025 BONDS

Dedicated Sales Tax Revenue Amount

General

The Commonwealth currently imposes a 6.25% statewide sales tax on retail sales of certain tangible property (including retail sales of meals) transacted in the Commonwealth and a complementary use tax on the storage, use or other consumption of like tangible properties brought into the Commonwealth (together, the “sales tax”). However, food, clothing up to a certain dollar amount, prescribed medicine, materials, tools and fuel used in food production and for certain industries, as well as property subject to other excises (except for cigarettes) are exempt from the sales tax. Nonresidential and a portion of residential telecommunication services are the only services that are included in the sales tax base. The sales tax is also applied to sales of electricity, gas and steam for certain nonresidential use.

The sales tax became effective in April 1966 at a rate of 3.00%. It was initially enacted as a temporary tax, but was made permanent by legislation effective January 1968. In November 1975, the rate was increased to 5.00%, and effective August 1, 2009 it was increased to 6.25%. Effective August 1, 2009, the exemption of taxes on alcohol sales was eliminated; this legislation, however, was repealed by the voters at the November 2010 statewide election, effective January 1, 2011.

Legislation approved by the Governor in June 2018 established an annual two-day sales tax holiday in August of each year, commencing August 2019 (the “August sales tax holiday”), similar to other limited sales tax holidays established from time to time by legislation. Such sales tax holidays, by reducing overall sales tax receipts, also reduce the Dedicated Sales Tax Revenue Amount (as described below) available to the Authority. The Authority cannot predict the impact that future August sales tax holidays may have on the Dedicated Sales Tax Revenue Amount in Fiscal Year 2026 or future fiscal years. To date, however, no such sales tax holiday has had a material impact on the Dedicated Sales Tax Revenue Amount available to the Authority in any fiscal year.

Additional legislation may be enacted from time to time affecting the Authority and its programs, including the sales tax. See “LEGISLATION.”

Revenues from the sales tax are dependent on economic conditions in the Commonwealth. A downturn in the economy may negatively impact statewide sales tax receipts and, accordingly, the Dedicated Sales Tax Revenue Amount. As shown below in the table under the heading “History of Commonwealth Sales Tax Receipts,” the Dedicated Sales Tax Revenue Amount has varied over time, particularly for the periods 2000 through 2013 and 2021 through 2024.

Dedicated Sales Tax Revenue Amount

The Dedicated Sales Tax Revenue Amount includes all moneys received by the Commonwealth equal to 1.00% of the receipts from sales, as defined by Massachusetts General Laws, Chapter 64H (“Chapter 64H”) and 1.00% of the sales price of purchases, as defined by Massachusetts General Laws, Chapter 64I (“Chapter 64I”), from that portion of the taxes imposed under Chapter 64H and Chapter 64I as excises upon the sale and use at retail of tangible property or of services, and upon the storage, use or other consumption of tangible property or of services, including interest thereon or penalties, but does not include the Statutorily Exempted Revenue (defined below).

Excluded from the Dedicated Sales Tax Revenue Amount (the “Statutorily Exempted Revenue”) are (i) taxes on meals, (ii) taxes from sales at retail by a vendor of meals, beverages and other tangible personal property or services at establishments that were first opened for patronage on or after July 1, 1997 that are located within the Convention Center Finance District in the City of Boston, (iii) taxes from sales at retail by a vendor of meals, beverages and other tangible personal property or services within hotels, motels or other lodging establishments that are located in the City of Boston (but which are outside of the Convention Center Finance District), or the City of Cambridge, that were first opened for patronage on or after July 1, 1997, and (iv) taxes from sales at retail by a vendor of meals, beverages and other tangible personal property or services at establishments within the Springfield Civic and Convention Center and at establishments located within the Springfield Civic and Convention Center Finance District that were first opened

for patronage on or after July 1, 2000. The Convention Center Finance District is an area of the City of Boston located near the Thomas Michael Menino Convention and Exhibition Center (formerly known as the Boston Convention & Exhibition Center). The Springfield Civic and Convention Center Finance District is an area of the City of Springfield located near the Springfield Civic and Convention Center. In Fiscal Year 2025, taxes from sales within the special financing districts in the Cities of Boston and Springfield (excluding the meals tax) totaled approximately \$11.8 million (preliminary, unaudited), compared to approximately \$10.7 million in Fiscal Year 2024.

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History of Commonwealth Sales Tax Receipts

Set forth below is a summary of the Commonwealth's annual sales tax receipts since Fiscal Year 1994, including an estimate for Fiscal Year 2025, net of Statutorily Exempted Revenues, together with an estimate of the Dedicated Sales Tax Revenue Amount for each such year (including prior to the enactment of the Act).

HISTORICAL COMMONWEALTH SALES TAX RECEIPTS¹

Fiscal Year	Sales Tax Receipts ¹	Estimated Dedicated Sales Tax Revenue Amount ²	% Increase/ (Decrease)
1994	\$1,978,773,555	\$395,754,711	8.7%
1995	2,136,971,274	427,394,255	8.0
1996	2,252,083,428	450,416,686	5.4
1997	2,494,701,986	498,940,397	10.8
1998 ³	2,572,447,261	514,489,452	3.1
1999	2,833,016,602	566,603,320	10.1
2000	3,107,166,500	621,433,300	9.7
2001	3,272,953,839	654,590,768	5.3
2002	3,193,946,638	638,789,328	(2.4)
2003 ⁴	3,196,008,691	639,201,738	0.1
2004	3,211,141,238	642,228,248	0.5
2005	3,330,838,208	666,167,642	3.7
2006	3,420,208,843	684,041,769	2.7
2007	3,458,884,551	691,776,910	1.1
2008	3,453,776,709	690,755,342	(0.1)
2009	3,238,994,447	647,798,889	(6.2)

Fiscal Year	Sales Tax Receipts ¹	Estimated Dedicated Sales Tax Revenue Amount ²	% Increase/ (Decrease)
2010 ^{5,6}	\$3,852,057,082	\$637,083,944	(1.7)%
2011 ⁶	4,091,484,725	654,642,631	2.8
2012	4,190,557,744	670,494,063	2.4
2013	4,262,749,824	682,046,396	1.7
2014	4,546,991,713	727,526,289	6.7
2015	4,775,641,191	764,025,764	5.0
2016	4,990,817,063	798,530,730	4.5
2017	5,104,967,013	816,794,722	2.3
2018	5,299,651,919	847,944,307	3.8
2019	5,582,502,388	893,200,382	5.3
2020 ⁷	5,733,167,944	917,306,871	2.7
2021 ⁷	6,883,819,188	1,101,411,070	20.1
2022 ⁷	7,430,654,369	1,188,904,699	7.9
2023	7,900,023,138	1,264,003,702	6.3
2024	7,773,667,975	1,243,786,876	(1.6)
2025 ⁸	8,026,918,756	1,284,307,001	3.3

Source: Massachusetts Department of Revenue.

¹ Total sales tax receipts after reimbursements and abatements, less the Statutorily Exempted Revenue. See "SOURCES OF PAYMENT AND SECURITY FOR THE 2025 BONDS – Dedicated Sales Tax Revenue Amount."

² These data are presented as an estimate of the historical Dedicated Sales Tax Revenue Amount based on historical sales tax receipts, and represent 20% of sales tax receipts for the period from 1994 through August 2009; and 16% of sales tax receipts commencing in September 2009 (and in August 2009, with respect to motor vehicle sales tax receipts only). These data do not account for the phase-in of the Dedicated Sales Tax Revenue Amount, effective Fiscal Year 2006 through Fiscal Year 2010, in which years the SMART Fund was credited with the greater of an applicable statutory minimum dollar amount or a percentage of the Dedicated Sales Tax Revenue Amount for each such Fiscal Year.

³ In January 1998, the payment schedule for businesses with tax liabilities greater than \$25,000 per year was changed to simplify the time period in which such payments are based. While the timing change did not affect the amount of tax owed by the affected businesses, the new payment schedule caused a one-time delay in receipt of tax revenues realized in Fiscal Year 1998. According to DOR, approximately \$105 million less in sales tax revenue was collected in Fiscal Year 1998 as a result of this change.

⁴ A tax amnesty program was in effect for a portion of Fiscal Year 2003, which according to DOR generated approximately \$42 million of sales tax revenues.

⁵ The sales tax rate increased from 5.00% to 6.25% effective August 1, 2009.

⁶ Reflects the elimination of sales tax exemption for alcoholic beverages for the period between August 1, 2009 and January 1, 2011.

⁷ Fiscal 2020, 2021 and 2022 amounts reflect, in part, the impact of extensions, due to the COVID-19 pandemic, for the filing and payment for regular sales tax for certain small businesses during the period beginning March 2020 through May 2021, which were due in October 2021. Fiscal 2021 amounts also reflect the implementation by the Commonwealth of rules requiring advanced sales tax payments, which resulted in a one-time increase in sales and other taxes in April 2021.

⁸ Preliminary, unaudited and subject to change. Includes approximately \$4.5 million in sales tax dedicated to the Authority from the Commonwealth's tax amnesty program and tax enforcement initiatives.

SMART Fund

General

The Dedicated Sales Tax Revenue Amount will be credited, without appropriation, allotment or other action, to the SMART Fund. All such moneys to be credited to the SMART Fund are impressed with a trust for the benefit of the owners of the Bonds. The Treasurer is the trustee of the SMART Fund and holds the funds in the SMART Fund exclusively for the purposes of the Authority. Pursuant to the Act, funds in the SMART Fund shall be disbursed to the Authority or its designee, without appropriation, allotment or other action, upon the request of the Authority's Executive Director. The Trust Agreement contains the Executive Director's irrevocable request to the Treasurer to disburse the Dedicated Sales Tax Revenue Amount in the SMART Fund to the Trustee for deposit in the Revenue Fund established pursuant to the Trust Agreement and further provides for the Treasurer's agreement to disburse the Dedicated Sales Tax Revenue Amount as soon as practicable after identifying amounts as such, but in no event later than two Business Days after such identification. See APPENDIX A – "SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT – Covenant of the Commonwealth."

Certain moneys that are not derived from the Dedicated Sales Tax Revenue Amount may from time to time be credited to the SMART Fund on a non-recurring basis and disbursed to the Authority. Such moneys are to be used for the purposes of the Authority and are not held for the benefit of the owners of the Bonds. Such moneys credited to the SMART Fund to date have been transferred to and expended by the Authority. See "THE AUTHORITY." Under the Act, the Comptroller was obligated to credit (i) \$150 million from the Commonwealth's General Fund to the SMART Fund from Fiscal Year 2004 revenues, which credit was made in 2004, and subsequently repaid by the Authority in Fiscal Year 2010, pursuant to subsequent amendments to the Act, and (ii) \$395.7 million to the SMART Fund from Fiscal Year 2005 revenues of the Commonwealth, which credit was made in monthly installments with the final installment credited in July 2005. In addition, Chapter 201 of the Acts of 2004 authorized the Commonwealth to issue up to \$1 billion of general obligation bonds to fund additional deposits into the SMART Fund, and such amount has been credited to the SMART Fund. Any further credit of funds not constituting Dedicated Sales Tax Revenue Amount to the SMART Fund will not be held as security for the Bonds.

Memorandum of Understanding

In order to implement certain procedural provisions of the Act, the Authority has entered into the MOU with the Treasurer, the Comptroller and the Department of Revenue. The MOU addresses the determination and application of the Dedicated Sales Tax Revenue Amount, the schedule of deposits to the SMART Fund, the timing of the deposits to the SMART Fund, and the timing and amounts of disbursements from the SMART Fund by the Treasurer to, or at the direction of, the Authority.

Under the MOU, by the 15th business day of each month during each Fiscal Year, the Department of Revenue shall identify the Dedicated Sales Tax Revenue Amount received by the Commonwealth for the preceding month and the Comptroller shall credit such amount to the SMART Fund. Within two business days thereafter, the Treasurer shall disburse without appropriation, allotment or other action the entire amount so credited from the SMART Fund to the Trustee for deposit in the Revenue Fund held under the Trust Agreement, except in the case of the amount credited in July of each year on account of revenues received in June (the last month of the immediately preceding Fiscal Year). In accordance with the MOU, the Treasurer shall disburse to the Trustee 90% of the amount identified in each July on account of June receipts and shall disburse the balance, net of any necessary year-end audit adjustments, if any, to the Trustee within two business days after the issuance of the State Auditor's state tax revenue report in September. Upon the issuance of such report, the Comptroller will make any required transfer to or from the SMART Fund to reflect the final audited amount of the Dedicated Sales Tax Revenue Amount for the immediately preceding Fiscal Year. After such transfer, the Treasurer will transfer to the Trustee the adjusted balance, if any, from the amount credited to the SMART Fund in July.

Statutory Non-Impairment Covenant

The Act provides that in accordance with the terms of any bond resolution, trust or security agreement or credit enhancement agreement, surety bond or insurance policy that the Authority has adopted or entered into, the holders of indebtedness and the providers of any such credit enhancement, surety bond or insurance policy shall be

beneficiaries of the SMART Fund. Under the Act, the Commonwealth has covenanted with the purchasers and all subsequent holders and transferees of any of the Authority's bonds or notes that while such bonds or notes shall remain outstanding, and so long as the principal of or interest on such bonds or notes shall remain unpaid, the sums to be credited to the SMART Fund shall not be diverted from the control of the Authority and, so long as the sums are necessary, which determination shall be made by the Authority in accordance with any applicable bond resolution, trust or security agreement or credit enhancement agreement, surety bond or insurance policy related to indebtedness incurred by the Authority, for purposes for which the Dedicated Sales Tax Revenue Amount has been pledged, the rate of the taxes set forth in Chapters 64H and 64I from which the Dedicated Sales Tax Revenue Amount is derived will not be reduced below the rates prescribed by the Act. Pursuant to the Trust Agreement, the Authority has covenanted that, so long as any Bonds remain Outstanding, it will not make any determination that the Dedicated Sales Tax Revenue Amount is unnecessary for the purposes for which it has been pledged, which determination if made would permit a reduction in the rates of the excises imposed by the Act. See APPENDIX A – "SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT – Powers as to Bonds and Pledge."

In the opinion of Bond Counsel, the covenant of the Commonwealth is a valid contract between the Commonwealth and the holders of Obligations that is binding on future legislatures. Furthermore, under current law, enactment of a law that would reduce the rate of the sales tax imposed by Chapters 64H and 64I below the rates prescribed by the Act would result in an unconstitutional impairment of contract rights or taking of property rights with respect to Obligations issued prior to the enactment of such law, including the 2025 Bonds, unless such owners of such Obligations are provided reasonable and adequate compensation, or unless such impairment is both reasonable and necessary to serve legitimate state purposes.

The covenant described herein relates only to the rate of the sales tax comprising the Dedicated Sales Tax Revenue Amount and not to the types of property and services that are taxed.

Additional Revenues and Dedicated Payments

The Authority issued its Dedicated Sales Tax Bonds, 2009 Series B (Federally Taxable-Direct Pay to Issuer-Build America Bonds) (the "2009B Bonds") as "Build America Bonds" under the American Recovery and Reinvestment Act of 2009 and receives cash subsidy payments ("Interest Subsidy Payments") from the United States Department of the Treasury (the "Treasury"), which are to be equal to 35% of the interest payable on the 2009B Bonds. The Authority issued its Subordinated Dedicated Sales Tax Bonds, 2010 Series A (Federally Taxable-Direct Pay to Issuer – Qualified School Construction Bonds) (the "2010A Bonds") and its Subordinated Dedicated Sales Tax Bonds 2011 Series A (Federally Taxable – Direct Pay to Issuer – Qualified School Construction Bonds) (the "2011A Bonds") as "Qualified School Construction Bonds" pursuant to Section 54F of the Internal Revenue Code of 1986, as amended (the "Code") and as "specified tax credit bonds" as defined in Section 6431(f) of the Code, and as such the Authority receives Interest Subsidy Payments from the Treasury, which are to be equal to 100% of the interest payable on the 2010A Bonds and the 2011A Bonds. The Interest Subsidy Payments received by the Authority with respect to the 2009B Bonds and 2010A Bonds constitute Dedicated Payments for purposes of the Trust Agreement and are deposited directly to the Senior Debt Service Fund. The annual amounts of Interest Subsidy Payments expected to be received by the Authority, without regard to any impact of the so-called federal sequestration order discussed below, and deposited to the Senior Debt Service Fund for the 2009B Bonds are approximately \$9 million for each fiscal year through Fiscal Year 2031, declining proportionately thereafter as the 2009B Bonds are redeemed from annual sinking fund installments through their final maturity in Fiscal Year 2040, and for the 2010A Bonds, are approximately \$8 million in each fiscal year that the 2010A Bonds are outstanding. The Interest Subsidy Payments received by the Authority with respect to the 2011A Bonds constitute Additional Revenues under the Trust Agreement and are deposited directly to the Revenue Fund. The annual amount of Interest Subsidy Payments that is expected to be received by the Authority, without regard to any impact due to the federal sequestration order, and deposited to the Revenue Fund in each fiscal year that the 2011A Bonds are outstanding is approximately \$7 million through Fiscal Year 2028, and approximately \$3 million for Fiscal Year 2029.

There can be no assurance as to the receipt, or timing of receipt, of any Interest Subsidy Payments. Federal tax law imposes certain requirements on the Authority in order for the Authority to continue to receive Interest Subsidy Payments. In addition, Interest Subsidy Payments are treated as overpayments of tax, and accordingly are subject to offset against certain amounts that may be owed by the Authority to the federal government or its agencies. It also is possible that the Interest Subsidy Payments could be reduced or eliminated or the timing of the payment thereof altered

as a result of a change in federal law, which has been the case since Fiscal Year 2013, due to the federal sequestration order that resulted in reductions by the Treasury in the Interest Subsidy Payments received by the Authority. The impact of the federal sequestration order has resulted in an aggregate reduction of approximately \$1.38 million in Interest Subsidy Payments in each of Fiscal Years 2021 through 2025, respectively. The Authority estimates that the federal sequestration order will result in an aggregate reduction in Interest Subsidy Payments in Fiscal Year 2026 of approximately \$1.38 million. The Authority also may reverse or modify the pledge or designation of Interest Subsidy Payments received with respect to the 2009B Bonds or the 2010A Bonds, or both, as Dedicated Payments provided that the Authority demonstrates that following such reversal or modification the Authority will meet the test for incurring one dollar of Additional Senior Bonds as set forth in the Trust Agreement. The Authority is obligated, however, to pay the principal of and interest on the 2009B Bonds, the 2010A Bonds and the 2011A Bonds whether or not it receives Interest Subsidy Payments, and the Trustee retains the full amount necessary to pay debt service on the 2009B Bonds in the Senior Debt Service Fund, and on the 2010A Bonds and the 2011A Bonds in the Subordinated Debt Service Fund, in each case without giving any credit to expected receipt of Interest Subsidy Payments. See “Flow of Funds,” below.

Pledge under the Trust Agreement

The 2025 Bonds are subordinated special obligations of the Authority payable solely from, and secured equally and ratably without preference of any Subordinated Bond issued under the Trust Agreement solely by a lien on and pledge of, subordinate to the lien and pledge securing Senior Bonds, (i) the Dedicated Sales Tax Revenue Amount and Additional Revenues (together, “Pledged Receipts”) and all rights to receive the same, whether existing or coming into existence and whether held or hereafter acquired and including any proceeds thereof, (ii) all moneys, securities and any investment earnings with respect thereto, in all Funds established by or pursuant to the Trust Agreement (except the Senior Debt Service Fund, the Senior Debt Service Reserve Fund, and the Senior Redemption Fund), provided that amounts held in each Subordinated Debt Service Reserve Account, if any, within the Subordinated Debt Service Reserve Fund shall only be pledged to the payment of the related Series of Subordinated Bonds, and (iii) all Scheduled Hedge Payments and all Termination Hedge Payments payable to the Authority by a Hedge Provider pursuant to a Qualified Hedge Agreement (collectively, the “Trust Estate”), subject only to the provisions of the Trust Agreement permitting the application of the foregoing for the purposes and on the terms and conditions set forth in the Trust Agreement. Pursuant to the Trust Agreement, in addition to all other Outstanding and Additional Subordinated Bonds, the 2025 Bonds are secured equally and ratably with certain reimbursement obligations due to providers of Credit Enhancement or Liquidity Facilities and certain payments payable by the Authority pursuant to certain hedge agreements in either case entered into with respect to Subordinated Bonds. See APPENDIX A – “SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT – Pledge of the Trust Agreement.” The Authority has issued Senior Bonds and may issue Additional Senior Bonds or notes or create reimbursement obligations with respect to Credit Enhancement or Liquidity Facilities or payment obligations with respect to hedge agreements, in either case entered into with respect to Senior Bonds, under the Trust Agreement which are payable out of or secured by the Trust Estate on a senior basis to the 2025 Bonds. The Authority may issue Additional Subordinated Bonds or notes or create reimbursement obligations with respect to Credit Enhancement or Liquidity Facilities or payment obligations with respect to hedge agreements, in either case entered into with respect to Subordinated Bonds, under the Trust Agreement which are payable out of or secured by the Trust Estate on a parity basis to the 2025 Bonds. See APPENDIX A – “SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT – Creation of Liens; Other Indebtedness.” The Trust Agreement does not provide for a pledge of the proceeds of a Series of Bonds except to the extent that proceeds are deposited in a Debt Service Reserve Account. The Authority has not created a Subordinated Debt Service Reserve Account for the 2025 Bonds. Accordingly, the proceeds of the 2025 Bonds do not secure the Authority’s obligation to make any payments in respect of the 2025 Bonds. See APPENDIX A – “SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT – Pledge of the Trust Agreement.”

Pursuant to the Act and the Trust Agreement, payments with respect to the principal of, premium, if any, and interest on Subordinated Bonds, including the 2025 Bonds, are senior to all grant payments and other expenditures of the Authority payable from Pledged Receipts except payments with respect to the principal of, premium, if any, and interest on Senior Bonds and reimbursement obligations with respect to Credit Enhancements or Liquidity Facilities and payment obligations with respect to hedge payments in either case with respect to Senior Bonds.

2025 Bonds Are Special Obligations of the Authority

The 2025 Bonds are subordinated special obligations of the Authority. Neither the Commonwealth nor any political subdivision thereof shall be obligated to pay the principal of, or premium, if any, or interest on any 2025 Bonds, and the faith and credit of the Commonwealth or of any political subdivision thereof are not pledged to the payment of the principal of, or premium, if any, or interest on any 2025 Bonds. The Authority has no taxing power.

Funds and Accounts

The following Funds have been established pursuant to the Master Trust Agreement, to be held by the Trustee:

- (a) the Revenue Fund,
- (b) the Senior Debt Service Fund,
- (c) the Subordinated Debt Service Fund,
- (d) the Senior Debt Service Reserve Fund,
- (e) the Subordinated Debt Service Reserve Fund,
- (f) the Senior Redemption Fund,
- (g) the Subordinated Redemption Fund, and
- (h) the Bond Related Costs Fund.

All of such Funds are subject to the pledge created by the Trust Agreement. See “SOURCES OF PAYMENT AND SECURITY FOR THE 2025 BONDS – Pledge under the Trust Agreement.”

Debt Service Reserve Fund

Each Series of Senior Bonds and Subordinated Bonds may, but are not required to, be secured by a Senior Debt Service Reserve Account in the Senior Debt Service Reserve Fund or a Subordinated Debt Service Reserve Account in the Subordinated Debt Service Reserve Fund, as applicable. If so secured, a separate Debt Service Reserve Account within the applicable Debt Service Reserve Fund is to be established for each Series of Bonds so secured. Each such Debt Service Reserve Account is pledged solely to the payment of the respective Series of Bonds for which it is established. The Series Debt Service Reserve Fund Requirement, if any, for any Series of Additional Bonds is required to be set forth in the applicable Supplemental Trust Agreement. No Series Debt Service Reserve Fund Requirement or Subordinated Debt Service Reserve Account will be established for the Series 2025 Bonds.

After accounting for releases of amounts in the Senior Debt Service Reserve Accounts in connection with the refunding of the Refunded Bonds and the purchase of the Tendered Bonds, there will only be three Senior Debt Service Reserve Accounts in the Senior Debt Service Reserve Fund remaining: a Senior Debt Service Reserve Account in the Senior Debt Service Reserve Fund for the Series 2009B Bonds in the amount of approximately \$37.2 million, for the Series 2015B Bonds in the amount of approximately \$5.8 million* and a joint account for the Series 2016B Bonds and Series 2016C Bonds in the amount of approximately \$30.6 million. None of the Outstanding Subordinated Bonds are secured by a Subordinated Debt Service Reserve Account.

Flow of Funds

In accordance with the Act and the Trust Agreement, the Treasurer has covenanted to disburse all amounts in the SMART Fund constituting Dedicated Sales Tax Revenue Amounts directly to the Trustee for deposit in the Revenue Fund as soon as practicable after identifying amounts as such, but in no event later than two Business Days after such identification. Additional Revenues and certain additional payments received pursuant to certain hedge agreements shall also be deposited to the Revenue Fund. See APPENDIX A – “SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT – Flow of Funds.”

* Preliminary, subject to change.

On or before the last Business Day of each month, the Trustee shall transfer amounts available in the Revenue Fund to the following Funds and in the following order:

- (i) To the Senior Debt Service Fund, an amount equal to the Senior Debt Service Fund Requirement;
- (ii) To each Senior Debt Service Reserve Account, if any, on a pro-rata basis, the amount, if any, necessary to increase the amount on deposit in each Senior Debt Service Reserve Account to the level required, if any, by the Applicable Supplemental Trust Agreement;
- (iii) To the Bond Related Costs Fund, such amounts, if any, as are set forth in an Applicable Supplemental Trust Agreement or a certificate of an Authorized Officer delivered to the Trustee pursuant to the Trust Agreement as necessary to pay Bond Related Costs with respect to Senior Bonds or to reimburse the Authority for the payment thereof;
- (iv) To the Subordinated Debt Service Fund, an amount equal to the Subordinated Debt Service Fund Requirement;
- (v) To each Subordinated Debt Service Reserve Account, on a pro-rata basis, the amount, if any, necessary to increase the amount on deposit in such Subordinated Debt Service Reserve Account to the level required by the Applicable Supplemental Trust Agreement; and
- (vi) To the Bond Related Costs Fund, such amounts, if any, as are set forth in an Applicable Supplemental Trust Agreement or a certificate of an Authorized Officer delivered to the Trustee pursuant to the Trust Agreement as necessary to pay Bond Related Costs with respect to Subordinated Bonds or to reimburse the Authority for the payment thereof.

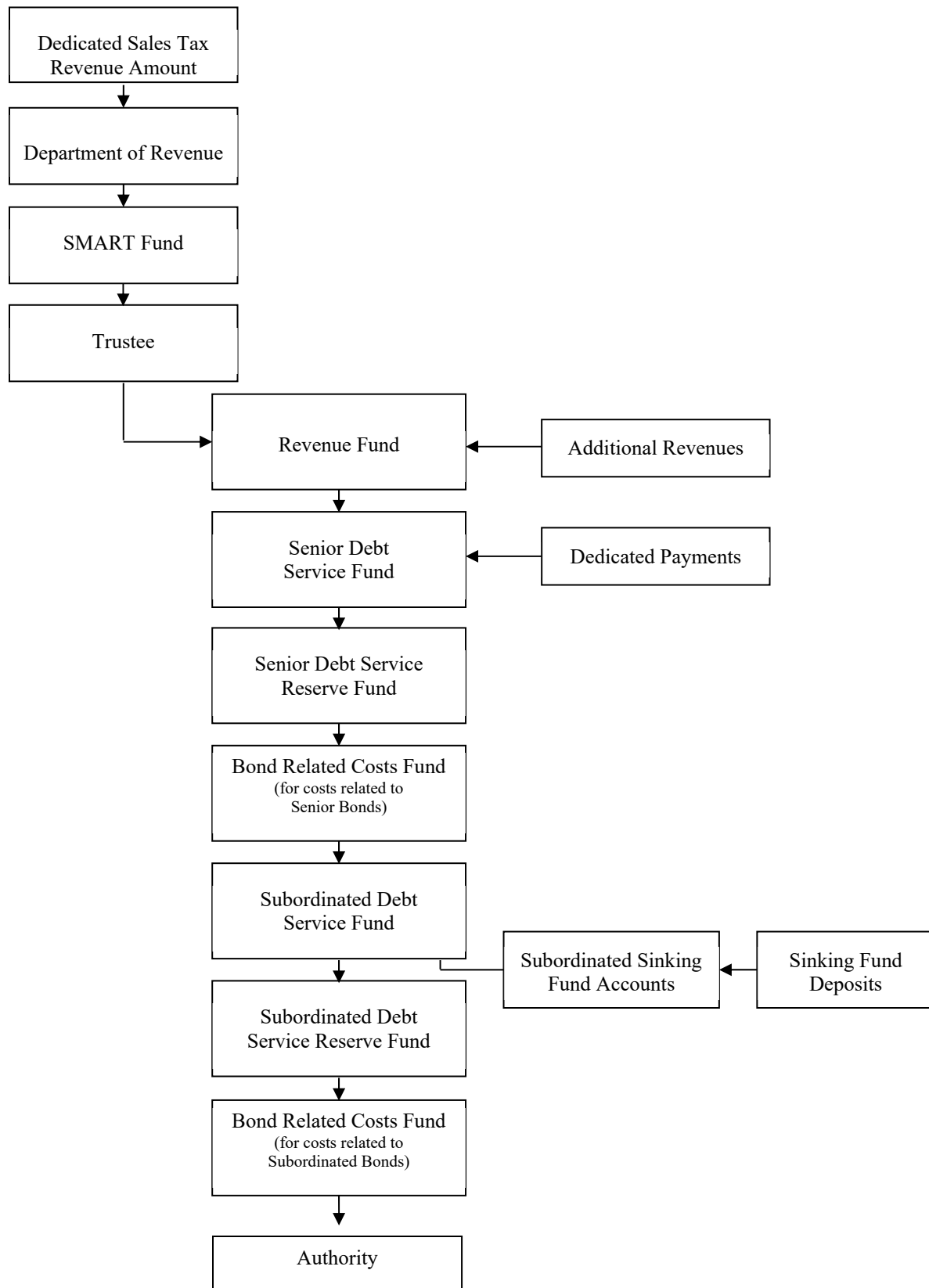
Any balance remaining in the Revenue Fund following the above payments shall be retained in the Revenue Fund to be available for future payments therefrom or, upon the written direction of an Authorized Officer, shall be transferred by the Trustee to the Senior Redemption Fund or the Subordinated Redemption Fund, to the extent permitted under the Trust Agreement, or upon the written direction of any Authorized Officer, shall be transferred by the Trustee to the Authority, free and clear of any trust, lien or pledge or assignment securing the Bonds or otherwise existing under the lien of the Trust Agreement.

Dedicated Payments received by the Trustee on behalf of the Authority are deposited directly in the Senior Debt Service Fund. See “SOURCES OF PAYMENT AND SECURITY FOR THE 2025 BONDS – Additional Revenues and Dedicated Payments.”

Under the Trust Agreement, amounts deposited in the Senior Debt Service Fund are required to be applied to the payment of the principal, premium, if any, and interest payable on the Senior Bonds as the same becomes due at maturity or upon redemption and to certain payments payable by the Authority pursuant to certain hedge agreements entered into with respect to Senior Bonds. Under the Trust Agreement, amounts deposited in the Subordinated Debt Service Fund are required to be applied to the payment of the principal, premium, if any, and interest payable on the Subordinated Bonds as the same becomes due at maturity or upon redemption and to certain payments payable by the Authority pursuant to certain hedge agreements entered into with respect to Subordinated Bonds. See APPENDIX A - “SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT - Senior Debt Service Fund,” and “- Subordinated Debt Service Fund.”

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The following chart illustrates the flow of funds of the Pledged Receipts and other amounts:



Additional Bonds, Refunding Bonds and Other Indebtedness

The Trust Agreement permits one or more Series of Additional Senior Bonds or Additional Subordinated Bonds to be issued for any purpose of the Authority, including without limitation financing the Program, making deposits to one or more Funds, paying Costs of Issuance or refunding Outstanding Bonds or other obligations of the Authority. All such Additional Senior Bonds will be secured by a lien on Pledged Receipts senior to the lien securing Outstanding and Additional Subordinated Bonds, including the 2025 Bonds.

Additional Senior Bonds

Prior to the issuance of any Series of Additional Senior Bonds, the Authority must satisfy certain conditions, including the delivery of a certificate of an Authorized Officer of the Authority that evidences one of the following:

- (i) That the Dedicated Sales Tax Revenue Amount during any 12 consecutive months out of the 24-month period ending with the last full month for which such information is available prior to the issuance of the Additional Senior Bonds was not less than 140% of the maximum Adjusted Senior Bond Debt Service Requirement in the then current or any future Fiscal Year with respect to all Senior Bonds Outstanding including the proposed Additional Senior Bonds; or
- (ii) That the estimated Pledged Receipts expected to be received by the Authority following the issuance of the proposed Additional Senior Bonds for each Fiscal Year is not less than 140% of the Adjusted Senior Bond Debt Service Requirement for such Fiscal Year with respect to all Senior Bonds Outstanding including the proposed Additional Senior Bonds; provided, however, that if the Authority elects to issue Additional Senior Bonds by demonstrating compliance with the financial test described in this subclause (ii), the Authority also shall deliver a Rating Confirmation from each Rating Agency maintaining a rating on Senior Bonds Outstanding.

Additional Subordinated Bonds

Prior to the issuance of any Series of Additional Subordinated Bonds, the Authority must satisfy certain conditions, including the delivery of a certificate of an Authorized Officer of the Authority that evidences one of the following:

- (i) That the Dedicated Sales Tax Revenue Amount during any 12 consecutive months out of the 24-month period ending with the last full month for which such information is available prior to the issuance of the Additional Subordinated Bonds was not less than 130% of the maximum Adjusted Bond Debt Service Requirement in the then current or any future Fiscal Year with respect to all Bonds Outstanding including the proposed Additional Subordinated Bonds; or
- (ii) That the estimated Pledged Receipts expected to be received by the Authority following the issuance of the proposed Additional Subordinated Bonds for each Fiscal Year will be not less than 130% of the Adjusted Bond Debt Service Requirement for such Fiscal Year with respect to all Bonds Outstanding including the proposed Additional Subordinated Bonds. The Authority shall also deliver a Rating Confirmation from each Rating Agency maintaining a rating on Subordinated Bonds Outstanding.

See APPENDIX A – “SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT – Additional Bonds.”

Refunding Bonds

The Trust Agreement also permits the issuance of one or more Series of Refunding Bonds for the purpose of refunding all or any part of the Bonds of one or more Series Outstanding upon satisfaction by the Authority of certain conditions, including the delivery of a certificate of an Authorized Officer of the Authority setting forth the Adjusted Bond Debt Service Requirement for each Fiscal Year in which Bonds are or will be Outstanding (a) computed

immediately prior to the delivery of such Refunding Bonds, and (b) computed immediately after the delivery of such Refunding Bonds. Such certificate must also evidence either that (x) the Adjusted Bond Debt Service Requirement in each Fiscal Year in which Bonds will be Outstanding as computed immediately after the delivery of such Refunding Bonds will not be greater than the Adjusted Bond Debt Service Requirement in each such Fiscal Year as computed immediately prior to the delivery of such Refunding Bonds, or (y) the maximum annual Adjusted Bond Debt Service Requirement as computed immediately after the delivery of such Refunding Bonds will not be greater than the maximum annual Adjusted Bond Debt Service Requirement as computed immediately prior to the delivery of such Refunding Bonds. In lieu of a certificate as described in this paragraph, the Authorized Officer may deliver to the Trustee either (A) a certificate evidencing compliance with the provisions described in paragraphs (i) or (ii) above under “Additional Senior Bonds” treating the Refunding Bonds to be issued as Additional Senior Bonds, or (B) a certificate evidencing compliance with the provisions described in paragraphs (i) or (ii) above under “Additional Subordinated Bonds” treating the Refunding Bonds to be issued as Additional Subordinated Bonds, or (C) a Rating Confirmation. See APPENDIX A – “SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT – Refunding Bonds.”

Creation of Liens; Other Indebtedness

Except as otherwise expressly provided in the Trust Agreement and as described below, the Authority may not issue any bonds, notes or other evidences of indebtedness, other than the Bonds, or enter into any Qualified Hedge Agreement, secured by a pledge of or other lien on the Trust Estate held or set aside by the Authority or by the Trustee under the Trust Agreement, and shall not otherwise create or cause to be created any lien or charge on such Trust Estate.

The Authority may at any time or from time to time issue notes or other evidences of indebtedness (and renewals thereof), in anticipation of the issuance of Bonds (“Bond Anticipation Notes”) to the extent and in the manner permitted by the Trust Agreement, which notes may be payable out of, or secured by a pledge of, the Trust Estate, provided that such payment or pledge shall in all respects be subordinate to the provisions of the Trust Agreement and the pledge created thereby for the benefit of the related Senior Bonds Outstanding or Subordinated Bonds Outstanding thereunder, as applicable.

The Authority may issue bonds (other than Additional Bonds or Refunding Bonds), notes or other evidences of indebtedness, and may enter into Qualified Hedge Agreements, which are payable out of, or secured by a pledge of, the Trust Estate, provided that such payment or pledge shall in all respects be subordinate to the provisions of the Trust Agreement and the pledge created thereby for the benefit of the Senior Bonds Outstanding and Subordinated Bonds Outstanding thereunder.

The Authority may issue bonds, notes or other evidences of indebtedness or enter into any Qualified Hedge Agreement, which are payable out of, or secured by a pledge of, Pledged Receipts to be derived on and after such date as the pledge of the Trust Estate created by the Trust Agreement has been discharged or which have been released from the lien and pledge of the Trust Agreement by its terms.

THE AUTHORITY

The Authority was created by the Act as a body politic and corporate and a public instrumentality of the Commonwealth and is mandated with achieving the effective planning, management and financial sustainability of a school building assistance program. The Authority is an independent public authority not subject to the supervision and control of any other executive office, department, commission, board, bureau, agency or political subdivision of the Commonwealth except as specifically provided in any general or special law. The Act prohibits the Authority from filing for bankruptcy.

Members of the Authority

Under the Act, the Authority shall consist of the Treasurer and Receiver-General of the Commonwealth, the Secretary of Administration and Finance, and the Commissioner of Elementary and Secondary Education, each *ex officio*, or such persons’ designees, and four other members appointed by the Treasurer and Receiver-General, each

of whom shall serve two-year terms and shall be eligible for reappointment. Of the four members appointed by the Treasurer and Receiver-General, two are required to have practical experience in educational facilities planning, school building construction, or architecture and school design, and two are required to be persons in the field of education with demonstrated knowledge of the Commonwealth's curriculum frameworks and other relevant federal and state educational standards. A member continues to serve upon the expiration of his or her term until a successor is appointed and duly qualified. The Treasurer and Receiver-General serves as the Chairperson of the Authority. The Chairperson appoints the Chief Executive Officer of the Authority, and also appoints the Executive Director of the Authority, who also serves as secretary of the Authority, *ex officio*, pursuant to the Act.

The current members of the Authority are:

DEBORAH GOLDBERG. Treasurer and Receiver-General of the Commonwealth – Chairperson of the Authority, *ex officio*.

MATTHEW DENINGER. Designee of the Commissioner of Elementary and Secondary Education of the Commonwealth, *ex officio*.

SEAN R. CRONIN. Designee of the Secretary of Administration and Finance of the Commonwealth, *ex officio*.

ANNE BROCKELMAN. Principal, Director of Sustainability, Perry Dean Rogers Partners Architects (PDR).

TERRY KWAN. Former teacher and Brookline School Committee Member.

CASSANDRA MCKENZIE. Associate Vice President, Real Estate and Capital Projects, Northeastern University.

SHEILA VANDERHOEF. Former Town Administrator, Town of Eastham.

Administration

The Authority's principal officers are as follows:

JAMES A. MACDONALD, *Chief Executive Officer*.

MARY PICHETTI, *Deputy Chief Executive Officer and Executive Director*.

JENNIFER GONZALEZ, *Deputy Executive Director*.

MICHAEL RODINO, *Chief Financial Officer*.

MATTHEW J. DONOVAN, *Director of Administration and Operations*.

MICHAEL MCGURL, *Director of Capital Planning*.

CHRISTINE NOLAN, *General Counsel*.

JULIE LEONARD, *Director of Budget and Finance Administration*.

Background

The Act eliminated the former school building assistance program and created the Authority to administer and fund the Program as a grant program for cities, towns and regional school districts to fund school construction and renovation projects.

The former school building assistance program was created by the Legislature of the Commonwealth in 1948 in response to the post-World War II baby boom to provide financial assistance to municipalities to build and renovate

schools. Under the former program, the Commonwealth funded its share of project costs from annual appropriations through the Commonwealth's operating budget. During its existence, the former school building assistance program expanded in scope, and the rate at which the Commonwealth was reimbursing cities and towns for school construction projects eventually grew to range from 50% to 90% of the borrowing and construction costs of approved projects. By the 1980s, the passage of a statewide local property tax limitation initiative petition, "Proposition 2½," limited cities' and towns' abilities to raise local funds. By the late 1990s, the demand by cities and towns for funding for school construction projects had outpaced the then current funding and management structure.

By the end of Fiscal Year 2004, according to data maintained under the former program and furnished to the Authority, the Commonwealth was reimbursing cities, towns, and regional school districts for 728 previously approved school projects ("Prior Grant Projects"), with the Commonwealth's estimated share of the borrowing and construction costs for the Prior Grant Projects totaling approximately \$5.1 billion ("Prior Grants"). In addition, according to data compiled under the former program and furnished to the Authority, approximately 428 school projects were maintained on a waiting list for funding ("Waiting List Projects"), with the Commonwealth's estimated share of the borrowing and construction costs for the Waiting List Projects totaling approximately \$5.5 billion. The Act provides the Authority with the power to issue its bonds and notes and to use the proceeds of such bonds and notes, together with other available moneys provided by the Act, to make payments on (i) what, under the former program, would have been the Commonwealth's share of the Prior Grant Projects, (ii) the Waiting List Projects, and (iii) other school construction and renovation projects for which applications are accepted and approved by the Authority after July 1, 2007 ("New Projects"). See "School Building Assistance Grant Program," below.

As of June 30, 2025, the Authority had processed over \$18.0 billion (unaudited) in payments, including approximately \$4.7 billion (unaudited) in payments on Prior Grant Projects, \$5.0 billion (unaudited) in payments on Waiting List Projects, and \$8.3 billion (unaudited) in payments on New Projects. As of June 30, 2024, all remaining liability relating to Prior Grant Projects and Waiting List Projects had been paid.

The Authority's payments on New Projects and all other expenditures of the Authority are subordinate to the Authority's obligations to pay principal of, premium, if any, and interest on the Bonds.

School Building Assistance Grant Program

The Authority has promulgated regulations that set forth the requirements and procedures for the Program. Pursuant to the Authority's regulations, the application process for the Program is a collaborative process, during which the Authority works with cities, towns, and regional school districts (each an "applicant") to determine whether there is a need for a school building repair, renovation or construction project and, if so, to develop an appropriate, cost-effective solution. The Authority receives Statements of Interest from applicants that identify perceived deficiencies in their school facilities. To help evaluate these Statements of Interest, the Authority conducts site visits at the facilities for which a Statement of Interest have been received to evaluate and validate the applicants' perceived deficiencies. The site visits involve licensed professionals and other experts who critically assess and evaluate the condition of such facilities to determine whether a particular deficiency identified in a Statement of Interest warrants further attention and meets one or more of the criteria to qualify for a grant from the Authority. The site visits build on school surveys that the Authority has periodically undertaken, the most recent of which was completed in Fall 2016 and provided the Authority with data about the general condition of the Commonwealth's public school facilities. The Authority assessed more than 1,400 schools; 276 schools that were either in the Authority's capital pipeline and/or had been constructed since 2000 were not included in the survey. Of the schools surveyed, approximately 84% received a rating in the top two of four rating categories, indicating that the site and building conditions were generally good. The Authority's next school survey is currently underway and is expected to be completed by the end of calendar year 2025.

The Act placed a moratorium on filing grant applications with the Authority until after July 1, 2007. Based on the Statements of Interest received since July 1, 2007 and that have been evaluated by the Authority to date, the members of the Authority (the "Board") have voted to approve projects for potential funding that range in scope from basic repairs, such as replacement of roofs, boilers or windows, to construction of new school facilities. All such project approvals require the applicant and the Authority to agree on the scope, schedule, and budget of the project and require the applicant to secure funding for its portion of project costs. In 2012 the Authority created an additional program for New Projects focused on limited-scope projects that can be pursued on a shorter project timeline and that

are designed to materially extend the useful life of school facilities that are otherwise capable of supporting the required educational program (the “Accelerated Repair Program”). Beginning in January 2025, the Accelerated Repair Program has a budget of up to \$300 million for roof and window/door repair projects and up to \$250 million for heat pump conversion projects for each two-year application cycle, which amounts are excluded from the annual limit on grants for New Projects described below. As of June 30, 2025, the Authority had entered into feasibility study agreements and project funding agreements with applicants for 960 New Projects, representing approximately \$10.4 billion of grants (“New Project Grants”). As of June 30, 2025, the Board had approved project closeout audits for 713 of these 960 New Projects, representing approximately \$4.6 billion in New Project Grants, and the Authority had paid approximately \$3.7 billion in New Project Grants for the remaining 247 on-going New Projects. The Authority has and expects to continue to fund a portion of such grants from excess amounts remaining in the Revenue Fund after payment of debt service on the Authority’s Bonds; approximately \$3.6 billion of grants have been funded from such amounts through Fiscal Year 2025.

Under the Act, no city, town, regional school district, or independent agricultural and technical school has any entitlement to any funds from the Authority, except at the discretion of the Authority. New Project Grants may range from 31% to 80% of approved project costs, based on a formula set forth in the Act and regulations promulgated by the Authority, and subject to the availability of funds. The base reimbursement rate is calculated based on community income, property wealth, and poverty factors. In addition, the Authority’s regulations delineate certain incentive points that may be added to the base rate, provided that no district receives incentive points of more than 18%, and no category of incentive points exceeds 6%. The aggregate amount of New Project Grants that may be approved in any Fiscal Year is limited to not more than \$1.2 billion beginning in Fiscal Year 2023, which limit increases or decreases annually thereafter by the lesser of (i) 6.50% of the limit for the prior Fiscal Year, or (ii) the percentage increase or decrease of the Dedicated Sales Tax Revenue Amount over the prior Fiscal Year. The limit on New Project Grants does not include payments with respect to the Accelerated Repair Program.

Power to Issue Bonds

The Authority has the power to issue general obligation or revenue bonds for any purpose of the Authority, and may secure its bonds with a pledge of revenues or funds of the Authority, including amounts on deposit in the SMART Fund. The Act currently provides that the aggregate principal amount of all bonds issued by the Authority shall not exceed \$10 billion outstanding at any time; provided, however, that the principal amount of Authority bonds for which refunding bonds have been issued shall be excluded from this limitation. As of June 30, 2025, the Authority had approximately \$5.27 billion (unaudited) of Bonds outstanding. See “INTRODUCTION – General.” The Authority has applied excess amounts remaining in the Revenue Fund after payment of debt service on the Authority’s Bonds to defease approximately \$716.2 million of Bonds through Fiscal Year 2025. Subject to the Trust Agreement, there can be no assurance that the Authority will issue less than the amount of bonds authorized by the Act or that the amount of bonds authorized by the Act to be issued by the Authority will not increase.

PLAN OF FINANCE

The proceeds of the 2025A Bonds are expected to be used to (i) fund a portion of the costs of the Program, and (ii) pay the costs of issuing the 2025A Bonds.

The proceeds of the 2025B Bonds are expected to be used, together with funds available under the Trust Agreement, to (i) refund the Refunded Bonds identified in APPENDIX D, through the deposit of such proceeds in a Refunding Trust Fund established pursuant to a Refunding Trust Agreement, as described below, (ii) purchase and cancel the Target Bonds identified in APPENDIX D that are tendered for purchase and accepted, pursuant to the Invitation described below, and (iii) pay the costs of issuing the 2025B Bonds.

On or after the date of issuance of the 2025 Bonds, the Authority currently expects to use other available funds in the amount of up to \$400 million* to defease a portion of the Target Bonds not purchased with the proceeds of the 2025B Bonds (the “Defeased Bonds”). The Bonds to be defeased from other available funds are not final and are subject to change prior to the sale of the 2025B Bonds. The Authority reserves the right to not defease any or all of the Defeased Bonds, and to defease other Bonds with such available funds.

* Preliminary, subject to change.

Refunding of Refunded Bonds

The Authority and The Bank of New York Mellon Trust Company, N.A., as Refunding Trustee (the “Refunding Trustee”) will enter into a Refunding Trust Agreement establishing a Refunding Trust Fund for the Refunded Bonds. A portion of the proceeds of the 2025B Bonds, together with funds available under the Trust Agreement, will be deposited in the Refunding Trust Fund and used to pay principal and interest on the Refunded Bonds to and including, and to redeem the Refunded Bonds in full on, the redemption dates for the Refunded Bonds, as set forth in APPENDIX D. Amounts on deposit in the Refunding Trust Fund will be invested in Defeasance Obligations. Upon the issuance of the 2025 Bonds, the Refunded Bonds will no longer be outstanding under the Trust Agreement. The sufficiency of the amounts deposited in the Refunding Trust Fund to pay in full the principal and redemption price of and interest on the Refunded Bonds, as and when due, will be verified by American Municipal Tax-Exempt Compliance Corp. (AMTEC). See “VERIFICATION OF MATHEMATICAL COMPUTATIONS.”

Purchase of Tendered Bonds

On August 15, 2025, the Authority released an Invitation to Tender Bonds for Purchase (the “Invitation”) pursuant to which the Authority is inviting the holders of the Target Bonds, described in more detail in the Invitation, to tender such Bonds for purchase by the Authority. The Authority expects to purchase any Target Bonds tendered for purchase and accepted by the Authority (the “Tendered Bonds”) for cash, through application of a portion of the proceeds of the 2025B Bonds, together with funds available under the Trust Agreement, subject to the terms and conditions of the Invitation. The Tendered Bonds, if any, will be purchased and canceled on the Settlement Date set forth in the Invitation (the delivery date of the 2025 Bonds), and shall no longer be outstanding under the Trust Agreement.

This section is not intended to summarize all of the terms of the Invitation and reference is made to the Invitation for a description of the terms and conditions of the Invitation, including the conditions for settlement of the Tendered Bonds, if any. To make an informed decision as to whether, and how, to tender Bonds for purchase pursuant to the Invitation, bondholders must read the Invitation carefully and consult with their broker, account executive, financial advisor, attorney and/or other professionals.

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of 2025 Bond proceeds (rounded to the nearest dollar) are as follows:

Estimated Sources of Funds

Principal Amount of 2025A Bonds
Original Issue Premium/Discount on the 2025A Bonds
Principal Amount of 2025B Bonds
Original Issue Premium/Discount on the 2025B Bonds
Available Funds of the Authority

Total

Estimated Uses of Funds

Deposit to Refunding Trust Fund
Purchase of Tendered Bonds
Cash Defeasance of Defeased Bonds
Deposit to Construction Fund for Program Costs
Costs of Issuance (Including Underwriters’ Discount)

Total

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**AGGREGATE DEBT SERVICE AND SINKING FUND DEPOSIT REQUIREMENTS
(WITHOUT GIVING EFFECT TO ISSUANCE OF THE 2025 BONDS)**

The following table sets forth the debt service and sinking fund deposit schedule on the Authority's Outstanding Bonds, *without giving effect* to the issuance of the 2025 Bonds, refunding of any Refunded Bonds, purchase and cancelation of any Tendered Bonds and defeasance of any Defeased Bonds, for each Fiscal Year (totals may not sum due to rounding):

Fiscal Year Ending June 30	Outstanding Senior Bonds ⁽¹⁾			Outstanding Subordinated Bonds ⁽¹⁾			Aggregate Bond Debt Service and Sinking Fund Deposits	Senior Debt Service Reserve Fund ("DSRF") Releases ⁽²⁾	Aggregate Debt Service and Sinking Fund Deposits Net of Senior DSRF Releases
	Principal	Interest	Total Senior Debt Service	Principal and Sinking Fund Payments ⁽³⁾	Interest	Sub-Total Principal, Sinking Fund and Interest			
2026	\$160,520,000	\$130,569,851	\$291,089,851	\$37,321,585	\$71,290,823	\$108,612,408	\$399,702,258	-	\$399,702,258
2027	173,310,000	127,070,920	300,380,920	28,794,714	70,374,429	99,169,143	399,550,062	-	399,550,062
2028	142,025,000	123,748,609	265,773,609	73,154,101	60,771,806	133,925,907	399,699,516	-	399,699,516
2029	180,630,000	119,752,655	300,382,655	12,410,000	55,759,529	68,169,529	368,552,184	-	368,552,184
2030	185,035,000	115,348,814	300,383,814	13,395,000	51,865,120	65,260,120	365,643,934	-	365,643,934
2031	176,075,000	110,673,003	286,748,003	16,005,000	51,579,134	67,584,134	354,332,136	-	354,332,136
2032	134,895,000	105,238,132	240,133,132	62,275,000	50,566,689	112,841,689	352,974,822	-	352,974,822
2033	188,125,000	97,659,648	285,784,648	64,020,000	48,823,855	112,843,855	398,628,503	-	398,628,503
2034	170,345,000	89,271,151	259,616,151	74,395,000	46,966,446	121,361,446	380,977,597	-	380,977,597
2035	184,130,000	80,881,280	265,011,280	76,495,000	44,802,146	121,297,146	386,308,426	-	386,308,426
2036	192,835,000	72,323,654	265,158,654	88,500,000	42,470,610	130,970,610	396,129,264	-	396,129,264
2037	206,675,000	63,689,101	270,364,101	71,980,000	39,746,151	111,726,151	382,090,252	\$(6,689,686)	375,400,566
2038	356,030,000	50,013,484	406,043,484	64,715,000	37,384,106	102,099,106	508,142,590	(113,583,314)	394,559,276
2039	107,565,000	38,490,795	146,055,795	95,220,000	35,182,395	130,402,395	276,458,190	-	276,458,190
2040	133,340,000	32,996,153	166,336,153	118,755,000	31,728,024	150,483,024	316,819,177	(38,000,000)	278,819,177
2041	100,775,000	28,338,355	129,113,355	129,785,000	27,155,118	156,940,118	286,053,473	-	286,053,473
2042	183,500,000	24,630,795	208,130,795	65,555,000	23,390,667	88,945,667	297,076,462	-	297,076,462
2043	139,175,000	18,183,398	157,358,398	60,420,000	20,639,364	81,059,364	238,417,762	-	238,417,762
2044	58,640,000	13,242,875	71,882,875	74,595,000	17,994,980	92,589,980	164,472,855	-	164,472,855
2045	61,280,000	10,599,675	71,879,675	78,235,000	14,349,037	92,584,037	164,463,712	(11,100,000)	153,363,712
2046	46,975,000	7,834,625	54,809,625	81,520,000	11,069,715	92,589,715	147,399,340	(2,035,677)	145,363,663
2047	49,160,000	5,650,450	54,810,450	75,910,000	7,641,711	83,551,711	138,362,161	(10,569,000)	127,793,161
2048	23,050,000	4,019,000	27,069,000	79,235,000	4,316,554	83,551,554	110,620,554	-	110,620,554
2049	24,130,000	2,939,500	27,069,500	29,225,000	835,835	30,060,835	57,130,335	-	57,130,335
2050	25,265,000	1,804,625	27,069,625	-	-	-	27,069,625	-	27,069,625
2051	26,460,000	611,500	27,071,500	-	-	-	27,071,500	-	27,071,500
2052	-	-	-	-	-	-	-	-	-
2053	-	-	-	-	-	-	-	-	-
2054	-	-	-	-	-	-	-	-	-
2055	-	-	-	-	-	-	-	-	-
Total	\$3,429,945,000	\$1,475,582,048	\$4,905,527,048	\$1,571,915,400	\$866,704,244	\$2,438,619,644	\$7,344,146,690	\$(181,977,677)	\$7,162,169,013

- (1) Includes debt service on the Refunded Bonds, the Tendered Bonds and Defeased Bonds. Not net of Interest Subsidy Payments. See "SOURCES OF PAYMENT AND SECURITY FOR THE 2025 BONDS - Additional Revenues and Dedicated Payments."
- (2) Aggregate debt service on Senior Bonds for Fiscal Years 2037, 2038, 2040, 2045, 2046 and 2047 will be funded in part by releases from the Senior DSRF; amounts shown reflect par amounts of securities held in the respective accounts. Excludes approximately \$16.725 million held in the Debt Service Reserve Account for the 2020C Bonds which is no longer required to be held for the 2020C Bonds by the applicable supplemental trust agreement and may be applied by the Authority to the redemption or purchase of bonds. Certain amounts in the Senior DSRF may be released by the Authority in connection with the refunding of the Refunded Bonds, purchase of the Tendered Bonds and defeasance of the Defeased Bonds.
- (3) Amounts include sinking fund deposits which are annual deposits made by the Authority in accordance with the Supplemental Trust Agreements providing for the issuance of the 2010A Bonds and the 2011A Bonds. The amounts shown reflect the accretion of treasury strip investments purchased with prior fiscal years' sinking fund payments. As of June 30, 2025, the accreted value of the investments in the Subordinated Sinking Fund Accounts for the 2010A Bonds and the 2011A Bonds was approximately \$142.1 million and \$117.3 million (unaudited), respectively.

PRO FORMA AGGREGATE DEBT SERVICE AND SINKING FUND DEPOSIT REQUIREMENTS^(*)
(AFTER GIVING EFFECT TO ISSUANCE OF THE 2025 BONDS)

The following table sets forth the pro forma debt service and sinking fund deposit schedule on the Authority's Outstanding Bonds, *after giving effect^(*)* to the issuance of the 2025 Bonds, refunding of the Refunded Bonds, purchase and cancelation of the Tendered Bonds and defeasance of the Defeased Bonds, for each Fiscal Year (totals may not sum due to rounding):

Fiscal Year Ending June 30	Outstanding Senior Bonds ^(*) (1)			Outstanding Subordinated Bonds ^(*) (1)			Aggregate Bond Debt Service and Sinking Fund Deposits		2025 Bonds ^(*)		Aggregate Debt Service and Sinking Fund Deposits Net of Senior DSRF Releases ^(*)
	Principal	Interest	Total Senior Debt Service	Principal and Sinking Fund Payments ⁽³⁾	Interest	Sub-Total Principal, Sinking Fund and Interest	Debt Service and Sinking Fund Deposits ^(*)	Senior Debt Service Reserve Fund ("DSRF") Releases ^(*) (2)	Principal	Interest	
2026	\$152,730,000	\$88,406,404	\$241,136,404	\$26,961,585	\$56,948,418	\$83,910,003	\$325,046,406	-	-	\$38,994,246	\$364,040,652
2027	108,130,000	65,079,087	173,209,087	18,044,714	52,822,642	70,867,356	244,076,444	-	\$42,700,000	95,496,113	382,272,556
2028	73,870,000	63,991,745	137,861,745	48,154,101	43,829,649	91,983,750	229,845,495	-	59,065,000	93,361,113	382,271,607
2029	66,135,000	62,875,894	129,010,894	10,745,000	39,612,734	50,357,734	179,368,628	-	112,495,000	90,407,863	382,271,491
2030	91,075,000	61,296,479	152,371,479	10,385,000	35,757,866	46,142,866	198,514,344	-	98,975,000	84,783,113	382,272,457
2031	130,030,000	59,079,171	189,109,171	13,295,000	35,530,747	48,825,747	237,934,918	-	64,500,000	79,834,363	382,269,281
2032	71,070,000	55,983,228	127,053,228	48,090,000	34,725,035	82,815,035	209,868,263	-	95,790,000	76,609,363	382,267,625
2033	74,165,000	52,251,837	126,416,837	51,565,000	33,355,757	84,920,757	211,337,594	-	99,110,000	71,819,863	382,267,456
2034	114,945,000	47,483,341	162,428,341	55,725,000	31,899,053	87,624,053	250,052,394	-	65,355,000	66,864,363	382,271,757
2035	124,710,000	41,589,402	166,299,402	59,790,000	30,261,723	90,051,723	256,351,125	-	62,320,000	63,596,613	382,267,738
2036	130,315,000	35,613,531	165,928,531	23,585,000	29,192,389	52,777,389	218,705,920	-	103,085,000	60,480,613	382,271,532
2037	77,120,000	30,565,381	107,685,381	11,210,000	28,626,349	39,836,349	147,521,730	\$(6,689,686)	186,115,000	55,326,363	382,273,407
2038	68,305,000	26,553,434	94,858,434	35,870,000	27,782,614	63,652,614	158,511,048	(13,385,000)	191,125,000	46,020,613	382,271,660
2039	73,695,000	22,765,765	96,460,765	94,525,000	26,079,200	120,604,200	217,064,965	-	-	36,464,363	253,529,327
2040	93,470,000	18,334,188	111,804,188	69,865,000	23,461,017	93,326,017	205,130,205	(38,000,000)	49,935,000	36,464,363	253,529,567
2041	16,650,000	15,458,000	32,108,000	55,045,000	20,860,050	75,905,050	108,013,050	-	111,550,000	33,967,613	253,530,662
2042	17,590,000	14,711,250	32,301,250	57,450,000	18,447,300	75,897,300	108,198,550	-	112,980,000	28,390,113	249,568,663
2043	30,650,000	13,617,351	44,267,351	59,980,000	15,927,800	75,907,800	120,175,151	-	36,840,000	22,741,113	179,756,263
2044	42,855,000	11,954,875	54,809,875	65,840,000	13,296,000	79,136,000	133,945,875	-	24,910,000	20,899,113	179,754,988
2045	44,865,000	9,943,075	54,808,075	43,590,000	9,900,450	53,490,450	108,298,525	-	26,155,000	19,653,613	154,107,138
2046	46,975,000	7,834,625	54,809,625	45,880,000	7,611,975	53,491,975	108,301,600	-	27,460,000	18,345,863	154,107,463
2047	49,160,000	5,650,450	54,810,450	48,290,000	5,203,275	53,493,275	108,303,725	(10,569,000)	28,900,000	16,904,213	143,538,938
2048	23,050,000	4,019,000	27,069,000	50,820,000	2,668,050	53,488,050	80,557,050	-	30,420,000	15,386,963	126,364,013
2049	24,130,000	2,939,500	27,069,500	-	-	-	27,069,500	-	32,015,000	13,789,913	72,874,413
2050	25,265,000	1,804,625	27,069,625	-	-	-	27,069,625	-	33,695,000	12,109,125	72,873,750
2051	26,460,000	611,500	27,071,500	-	-	-	27,071,500	-	35,465,000	10,340,138	72,876,638
2052	-	-	-	-	-	-	-	-	37,330,000	8,478,225	45,808,225
2053	-	-	-	-	-	-	-	-	39,290,000	6,518,400	45,808,400
2054	-	-	-	-	-	-	-	-	41,350,000	4,455,675	45,805,675
2055	-	-	-	-	-	-	-	-	43,520,000	2,284,800	45,804,800
Total	\$1,797,415,000	\$820,413,138	\$2,617,828,138	\$1,004,705,400	\$623,800,091	\$1,628,505,491	\$4,246,333,629	\$(68,643,686)	\$1,892,450,000	\$1,230,788,196	\$7,300,928,139

(*) Preliminary, subject to change. This table assumes the refunding, purchase and cancellation, or defeasance of an aggregate of approximately \$1.554 billion of Senior Bonds and \$498.2 million of Subordinated Bonds. The Bonds to be refunded or purchased and canceled from the proceeds of the 2025B Bonds or defeased from other available funds is not final and is subject to change prior to the sale of the 2025B Bonds. The Authority reserves the right to not refund, purchase and cancel, or defease any or all of the Bonds listed in APPENDIX D, and to refund, purchase and cancel, or defease other Bonds not listed in APPENDIX D.

(1) Excludes debt service on the Refunded Bonds, the Tendered Bonds and Defeased Bonds (in each case, based on the Authority's current expectations; preliminary, subject to change). Not net of Interest Subsidy Payments. See "SOURCES OF PAYMENT AND SECURITY FOR THE 2025 BONDS - Additional Revenues and Dedicated Payments."

(2) Aggregate debt service on Senior Bonds for Fiscal Years 2037, 2038, 2040 and 2047 will be funded in part by releases from the Senior DSRF; amounts shown reflect par amounts of securities held in the respective accounts. Reflects the release of certain amounts in connection with the refunding of the Refunded Bonds, purchase of the Tendered Bonds and defeasance of the Defeased Bonds (in each case, based on the Authority's current expectations; preliminary, subject to change).

(3) Amounts include sinking fund deposits which are annual deposits made by the Authority in accordance with the Supplemental Trust Agreements providing for the issuance of the 2010A Bonds and the 2011A Bonds. The amounts shown reflect the accretion of treasury strip investments purchased with prior fiscal years' sinking fund payments. As of June 30, 2025, the accreted value of the investments in the Subordinated Sinking Fund Accounts for the 2010A Bonds and the 2011A Bonds was approximately \$142.1 million and \$117.3 million (unaudited), respectively.

THE 2025 BONDS

General

The 2025A Bonds will be issued in the aggregate principal amount of \$488,845,000* and the 2025B Bonds will be issued in the aggregate principal amount of \$1,403,605,000*. The 2025 Bonds will be dated their date of delivery, will mature on February 15 in the years and will bear interest from their date at the per annum rates set forth on the inside cover page hereof. Interest on the 2025 Bonds will be payable on each February 15 and August 15, commencing February 15, 2026. Interest on the 2025 Bonds will be calculated on the basis of a 360 day year consisting of twelve 30-day months.

The 2025 Bonds are being issued only as fully-registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository for the 2025 Bonds. Purchases of beneficial interests in the 2025 Bonds will be made in book-entry form, in the denomination of \$5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their interest in 2025 Bonds purchased. So long as DTC or its nominee, Cede & Co., is Bondowner, payments of the principal of and interest on the 2025 Bonds will be made directly to such Bondowner. Disbursement of such payments to the DTC Participants (hereinafter defined) is the responsibility of DTC and disbursement of such payments to Beneficial Owners (hereinafter defined) is the responsibility of the DTC Participants and the Indirect Participants (hereinafter defined). See “Book-Entry Only System” below.

Redemption of the 2025 Bonds

Optional Redemption

The 2025 Bonds maturing on or before February 15, 2035*, are not subject to redemption prior to their stated dates of maturity. The 2025 Bonds maturing after February 15, 2035* are subject to redemption prior to maturity at the option of the Authority, on or after February 15, 2035*, as a whole or in part at any time, and if in part, in such order of maturities or Sinking Fund Payments selected by the Authority, at a Redemption Price equal to the principal amount of each 2025 Bond or portion thereof to be redeemed, plus accrued interest to the redemption date.

Mandatory Sinking Fund Redemption of 2025A Bonds

The 2025A Bonds maturing on February 15, 2050* are subject to mandatory redemption prior to maturity in part on February 15 in the years and in the amounts set forth below through the application of Sinking Fund Payments at a Redemption Price equal to the principal amount of each 2025A Bond or portion thereof to be redeemed, plus accrued interest to the redemption date.

<u>Year*</u>	<u>Amount*</u>
2046	\$27,460,000
2047	28,900,000
2048	30,420,000
2049	32,015,000
2050†	33,695,000

† Maturity

* Preliminary, subject to change.

The 2025A Bonds maturing on February 15, 2055* are subject to mandatory redemption prior to maturity in part on February 15 in the years and in the amounts set forth below through the application of Sinking Fund Payments at a Redemption Price equal to the principal amount of each 2025A Bond or portion thereof to be redeemed, plus accrued interest to the redemption date.

<u>Year*</u>	<u>Amount*</u>
2051	\$35,465,000
2052	37,330,000
2053	39,290,000
2054	41,350,000
2055†	43,520,000

† Maturity

Pursuant to the Trust Agreement, the Authority shall be entitled to reduce its mandatory sinking fund redemption obligation in any year with respect to the aforesaid 2025 Bonds by the principal amount of any such 2025 Bonds of the appropriate maturity theretofore purchased or optionally redeemed.

Selection of Bonds to be Redeemed

If less than all the 2025 Bonds of like maturity and series are to be redeemed, the 2025 Bonds to be so redeemed shall be selected by lot within such maturity of such series, in such manner as the Trustee in its discretion shall deem appropriate and fair, provided that so long as Cede & Co., as nominee of DTC, is the Registered Owner of the 2025 Bonds, the particular 2025 Bonds within a maturity of such series to be redeemed shall be selected by DTC in such manner as DTC may determine.

Redemption Notices

When 2025 Bonds are to be redeemed, the Trustee shall give notice to the Registered Owners in the name of the Authority, of the redemption of such 2025 Bonds, which notice shall specify the redemption date and the place or places where amounts due upon such redemption will be payable and, if less than all of the Outstanding 2025 Bonds are to be redeemed, the letters and numbers or other distinguishing marks of such 2025 Bonds to be redeemed, and, in the case of registered 2025 Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. The Trustee shall mail a copy of such notice, postage prepaid not less than 30 days or more than 60 days before the redemption date, to the Registered Owners of any 2025 Bonds or portions of 2025 Bonds that are to be redeemed at their last address, if any, appearing upon the registration books of the Trustee, but failure so to mail any such notice to any one Registered Owner shall not affect the validity of the proceedings for the redemption of 2025 Bonds owned by any other Registered Owner to whom such notice has been mailed.

Any notice of optional redemption of the 2025 Bonds may state that it is conditional upon receipt by the Trustee of money sufficient to pay the Redemption Price of such 2025 Bonds or upon the satisfaction of any other condition, or that it may be rescinded upon the occurrence of any other event, and any conditional notice so given may be rescinded at any time before payment of such Redemption Price if any such condition so specified is not satisfied or if any such other event occurs. The Trustee is required to provide notice of any rescission or failure to meet any such condition or other such event as promptly as practicable after the failure of such condition or the occurrence of such other event.

Book-Entry Only System

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the 2025 Bonds. The 2025 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-

* Preliminary, subject to change.

registered 2025 Bond will be issued for each maturity within a series of the 2025 Bonds, and will be deposited with DTC.

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

Purchases of 2025 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2025 Bonds on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2025 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in 2025 Bonds, except in the event that use of the book-entry system for the 2025 Bonds is discontinued.

To facilitate subsequent transfers, all 2025 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 2025 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 2025 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2025 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to 2025 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 Authority 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 2025 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the 2025 Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by

Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC, the Trustee, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

No Responsibility of Authority or the Trustee. Neither the Authority nor the Trustee will have any responsibility or obligations to Direct Participants or the persons for whom they act as nominees with respect to the payments to or the providing of notice for Direct Participants, Indirect Participants, or Beneficial Owners.

So long as Cede & Co. is the Registered Owner of the 2025 Bonds, as nominee of DTC, references herein to the Bondowners or Registered Owners of the 2025 Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the 2025 Bonds.

The information in this section concerning DTC and DTC’s book-entry only system has been obtained from sources that the Authority believes to be reliable, but the Authority takes no responsibility for the accuracy thereof.

Certificated Bonds

DTC may discontinue providing its services as securities depository with respect to the 2025 Bonds at any time by giving reasonable notice to the Authority or the Trustee. In addition, the Authority may determine that continuation of the system of book-entry transfers through DTC (or a successor securities depository) is not in the best interests of the Beneficial Owners of the 2025 Bonds. If for either reason the Book-Entry Only System is discontinued, 2025 Bond certificates will be delivered as described in the Trust Agreement and the Beneficial Owner, upon registration of certificates held in the Beneficial Owner’s name, will become the Bondowner. Thereafter, the 2025 Bonds may be exchanged for an equal aggregate principal amount of 2025 Bonds of the same maturity in other authorized denominations, upon surrender thereof at the principal corporate trust office of the Trustee. The transfer of a 2025 Bond may be registered on the books maintained by the Trustee for such purpose only upon assignment in form satisfactory to the Trustee. For every exchange or registration of transfer of a 2025 Bond, the Authority and the Trustee may make a charge sufficient to reimburse them for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer, but no other charge may be made to the Bondowner for any exchange or registration of transfer of the 2025 Bonds.

Transfer and Exchange

In the event that the Book-Entry Only System is discontinued, the following provisions would apply: 2025 Bonds may be exchanged for an equal aggregate principal amount of 2025 Bonds of the same maturity in other authorized denominations, upon surrender thereof at the principal corporate trust office of the Trustee. The transfer of any 2025 Bonds may be registered on the books maintained by the Trustee for such purpose only upon the surrender thereof by the registered owner or by such owner’s attorney duly authorized in writing to the Trustee with a duly executed assignment in form satisfactory to the Trustee. For every exchange or registration of transfer of 2025 Bonds the Authority and the Trustee may charge the owner an amount sufficient to reimburse them for any tax, fee or other governmental charge required to be paid with respect to such exchange or registration of transfer, and, except for (i) with respect to the delivery of definitive 2025 Bonds in exchange for temporary bonds, (ii) in the case of a bond issued upon the first exchange or transfer of a 2025 Bond surrendered for such purpose within 60 days after the first authentication and delivery of the 2025 Bonds, or (iii) as otherwise provided in the Trust Agreement, the Trustee may charge a sum sufficient to pay the cost of preparing each new 2025 Bond issued upon such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.

Neither the Authority nor the Trustee shall be required to register, transfer or exchange 2025 Bonds for a period of 15 days next preceding a redemption date or maturity date.

LEGAL INVESTMENTS AND SECURITY FOR DEPOSITS

Under the Act, the 2025 Bonds are securities in which all public officers and agencies, insurance companies, financial institutions, investment companies, executors, administrators, trustees and others may properly invest funds, including capital within their control and securities that may be deposited with any public officer or any agency for which the deposit of bonds is authorized by law.

LITIGATION

No material litigation is pending, or to the knowledge of the Attorney General of the Commonwealth, threatened against or affecting the Commonwealth in any way contesting the right of the Commonwealth to collect and apply the Pledged Receipts as set forth in the Act and the Trust Agreement.

There is no litigation now pending or, to the knowledge of the officers of the Authority, threatened against the Authority to restrain or enjoin the issuance or delivery of the 2025 Bonds, or in any way contesting the existence or powers of the Authority relating to the issuance of the 2025 Bonds.

LEGISLATION

It is expected that legislation will be periodically filed in the Legislature relating to or affecting the Authority. Such bills are subject to the legislative process and no prediction can be made as to whether or not such bills will be enacted into law.

Under the Massachusetts constitution, legislation may be enacted in the Commonwealth pursuant to a voter initiative process. Initiative petitions which have been certified by the Attorney General of the Commonwealth as to proper form and as to which the requisite number of voter signatures has been collected are submitted to the Legislature for consideration. If the Legislature fails to enact the measure into law as submitted, the petitioner may place the initiative on the ballot for the next statewide general election by collecting additional voter signatures. If approved by a majority of the voters at the general election, the petition becomes law 30 days after the date of the election. Initiative petitions so approved by the voters do not constitute constitutional amendments and may be subsequently amended or repealed by the Legislature. The Authority cannot predict whether initiative petitions relating to or affecting the Authority, including initiative petitions relating to the sales tax, will be commenced in the future and, if commenced, whether any will become law.

Any such legislation enacted or any law effected by the initiative petition process subsequent to the issuance of the 2025 Bonds would, in the opinion of Bond Counsel, with respect to the 2025 Bonds be subject to the provisions of the federal and Commonwealth constitutions prohibiting any law impairing the obligation of contracts and therefore could not unconstitutionally impair the contract of the owners of the 2025 Bonds. See “SMART Fund – Statutory Non-Impairment Covenant.”

TAX EXEMPTION

Federal Tax Matters

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Bond Counsel to the Authority (“Bond Counsel”) is of the opinion that, under existing law, interest on the 2025 Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”). This opinion is expressly conditioned upon continued compliance with certain requirements imposed by the Code, which must be satisfied subsequent to the date of issuance of the 2025 Bonds in order to ensure that interest on the 2025 Bonds is and continues to be excludable from the gross income of holders of the 2025 Bonds. Failure to comply with certain of such requirements could cause interest on the 2025 Bonds to be included in the gross income of holders of the 2025 Bonds retroactive to the date of issuance of the 2025 Bonds. In particular, and without limitation, these requirements include restrictions on the use, expenditure and investment of 2025 Bond proceeds and the payment of rebate, or penalties in lieu of rebate, to the United States, subject to certain exceptions. The Authority has provided covenants and certificates as to continued compliance with such requirements.

In the opinion of Bond Counsel, under existing law, interest on the 2025 Bonds is not an item of tax preference for purposes of computation of the federal alternative minimum tax imposed on individuals; however, it may be taken into account for the purpose of computing the federal alternative minimum tax imposed on certain corporations. Bond Counsel has not opined as to any other matters of federal tax law relating to the 2025 Bonds. However, prospective purchasers should be aware that certain collateral consequences may result under federal tax law for certain holders of the 2025 Bonds, including but not limited to the requirement that recipients of certain Social Security and railroad retirement benefits take into account receipts or accruals of interest on the 2025 Bonds in determining gross income. The nature and extent of these consequences depends on the particular tax status of the holder and the holder's other items of income or deduction. Holders should consult their own tax advisors with respect to such matters.

Interest paid on tax-exempt obligations such as the 2025 Bonds is generally required to be reported by payors to the Internal Revenue Service ("IRS") and to recipients in the same manner as interest on taxable obligations. In addition, such interest may be subject to "backup withholding" if the Bondholder fails to provide the information required on IRS Form W-9, Request for Taxpayer Identification Number and Certification, or the IRS has specifically identified the Bondholder as being subject to backup withholding because of prior underreporting. Neither the information reporting requirement nor the backup withholding requirement affects the excludability of interest on the 2025 Bonds from gross income for federal tax purposes.

For federal and Massachusetts income tax purposes, interest on the 2025 Bonds includes original issue discount, which with respect to a 2025 Bond is equal to the excess, if any, of the stated redemption price at maturity of such 2025 Bond over the initial offering price thereof to the public, excluding underwriters and other intermediaries, at which price a substantial amount of all such 2025 Bonds with the same maturity was sold. Original issue discount accrues based on a constant yield method over the term of a 2025 Bond. Holders should consult their own tax advisors with respect to the computations of original issue discount during the period in which any such 2025 Bond is held.

An amount equal to the excess, if any, of the purchase price of a 2025 Bond over the principal amount payable at maturity constitutes amortizable bond premium. The required amortization of such premium during the term of a 2025 Bond will result in reduction of the holder's tax basis on such 2025 Bond. Such amortization also will result in reduction of the amount of the stated interest on the 2025 Bond taken into account as interest for tax purposes. Holders of 2025 Bonds purchased at a premium should consult their own tax advisors with respect to the determination and treatment of such premium for federal income tax purposes and with respect to the state or local tax consequences of owning such 2025 Bonds.

Bond Counsel's opinions are based on existing law, which is subject to change. Such opinions are further based on factual representations made to Bond Counsel as of the date hereof. Bond Counsel has not undertaken to update or supplement its opinions in the future to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention, or to reflect any events that occur after the date of issuance of the 2025 Bonds, including legislation, court decisions, or administrative actions, whether at the federal or state level, that may affect the tax exempt status of interest on the 2025 Bonds, the tax consequences of ownership of the 2025 Bonds or the market value or marketability of the 2025 Bonds. Moreover, Bond Counsel's opinions are not a guarantee of a particular result and are not binding on the IRS or the courts; rather, such opinions represent Bond Counsel's professional judgment based on its review of existing law and its reliance on the representations and covenants that it deems relevant to such opinions. No assurance can be given that future legislation, if enacted into law, will not contain provisions which could directly or indirectly reduce or eliminate the benefit of the exclusion of the interest on the 2025 Bonds from gross income for federal income tax purposes or any state tax benefit. Holders should consult their own tax advisors with respect to any of the foregoing tax consequences.

State Tax Matters

In the opinion of Bond Counsel, under existing law, interest on the 2025 Bonds and any profit made on the sale thereof are exempt from Massachusetts personal income taxes, and the 2025 Bonds are exempt from Massachusetts personal property taxes. Bond Counsel has not opined as to the other Massachusetts tax consequences arising with respect to the 2025 Bonds. Prospective purchasers should be aware, however, that the 2025 Bonds are included in the measure of Massachusetts estate and inheritance taxes, and the 2025 Bonds and the interest thereon are included in the measure of Massachusetts corporate excise and franchise taxes. Bond Counsel has not opined as

to the taxability of the 2025 Bonds, their transfer and the income therefrom, including any profit made on the sale thereof, under the laws of any state other than The Commonwealth of Massachusetts.

Opinion of Bond Counsel

The proposed form of opinion of Bond Counsel is set forth in APPENDIX B hereto.

RATINGS

The 2025 Bonds have been assigned ratings by Fitch Ratings and S&P Global Ratings of “AA+” and “AA”, respectively.

Each such rating reflects only the respective view of such organization, and an explanation of the significance of such rating may be obtained from the rating agency furnishing the same. There is no assurance that any rating will continue for any given period of time or that any rating will not be revised or withdrawn entirely by any or all of such rating agencies, if, in its or their judgment, circumstances so warrant. Any downward revision or withdrawal of a rating could have an adverse effect on the market prices of the 2025 Bonds.

FINANCIAL STATEMENTS

Reference is made to the Authority’s audited financial statements for the Fiscal Year ended June 30, 2024, which have been filed with the EMMA system. An electronic copy of the Authority’s audited financial statements can be accessed through the EMMA system at www.emma.msrb.org. RSM US LLP, the Authority’s independent auditor, has not been engaged to perform and has not performed, since the date of its report referenced therein, any procedures on the financial statements addressed in that report. RSM US LLP also has not performed any procedures relating to this Official Statement.

MUNICIPAL ADVISOR

Omnicap Group LLC (“Omnicap”) is acting as independent municipal advisor to the Authority with respect to the 2025 Bonds. Omnicap is not obligated to undertake, and has not undertaken, either to make an independent verification of or to assume responsibility for, the accuracy, completeness, or fairness of the information contained in this Official Statement and the appendices hereto. Omnicap is an independent financial advisory firm and is not engaged in the business of underwriting, trading or distributing securities.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

The arithmetical accuracy of certain computations included in the schedules provided by Omnicap on behalf of the Authority relating to (i) computation of anticipated receipts of principal of and interest on the Defeasance Obligations and the anticipated payments of principal and interest to redeem the Refunded Bonds, and (ii) computation of the yields on the 2025 Bonds and the Defeasance Obligations was examined by American Municipal Tax-Exempt Compliance Corp. (AMTEC) (the “Verification Agent”). Such computations were based solely upon assumptions and information supplied by Omnicap. The Verification Agent has restricted its procedures to examining the arithmetical accuracy of certain computations and has not made any study or evaluation of the assumptions and information upon which the computations are based and, accordingly, has not expressed an opinion on the data used, the reasonableness of the assumptions, or the achievability of future events.

UNDERWRITING

The Underwriters, for whom BofA Securities, Inc. is serving as representative (the “Representative”), have agreed, subject to certain conditions set forth in a bond purchase agreement to be entered into by the Authority and the Representative, to purchase from the Authority the 2025A Bonds at an aggregate price equal to \$ _____ (representing the par amount of the 2025A Bonds, plus/less an original issue premium/discount of \$ _____, less an underwriters’ discount of \$ _____), and the 2025B Bonds at an aggregate price equal to \$ _____ (representing the par amount of the 2025B Bonds, plus/less an original issue premium/discount of

\$ _____, less an underwriters' discount of \$ _____). The Underwriters may offer and sell the 2025 Bonds to certain dealers and others (including dealers depositing 2025 Bonds into investment trusts) at prices lower than the public offering prices (or yields higher than the offering yields) stated on the inside cover page hereof. The principal offering prices (or yields) set forth on the inside cover page hereof may be changed from time to time after the initial offering by the Underwriters. The obligation of the Underwriters to accept delivery of the 2025 Bonds is subject to the terms and conditions set forth in the applicable bond purchase agreement, the approval of legal matters by counsel and other conditions.

In connection with the Invitation, BofA Securities, Inc. is also serving as Dealer Manager pursuant to the terms of a dealer manager agreement with the Authority. For its services as Dealer Manager, the Dealer Manager will be compensated in an amount equal to a percentage of the aggregate principal amount of the Tendered Bonds. The Dealer Manager Fee is expected to be paid from a portion of the proceeds of the 2025 Bonds.

In addition, certain of the Underwriters have entered into distribution agreements with other broker-dealers (some of which may not have been designated by the Authority as Underwriters) for the distribution of the 2025 Bonds at the original issue prices. Such agreements generally provide that the relevant Underwriter will share a portion of its underwriting compensation or selling concession with such broker-dealers.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage services. Certain of the Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for the Authority, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Authority.

The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or public or express independent research views in respect to 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.

CERTAIN LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the 2025 Bonds are subject to the approval of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Boston, Massachusetts, Bond Counsel to the Authority. The approving opinion of Bond Counsel in substantially the form attached hereto as APPENDIX B will be delivered with the 2025 Bonds. Certain legal matters will be passed upon for the Authority by Greenberg Traurig, LLP, Boston, Massachusetts, Disclosure Counsel and for the Underwriters and the Dealer Manager by their counsel, Troutman Pepper Locke LLP, Boston, Massachusetts.

CONTINUING DISCLOSURE

In order to assist the Underwriters of the 2025 Bonds in complying with Rule 15c2-12, the Authority will enter into a Continuing Disclosure Agreement with the Trustee for the benefit of owners of the 2025 Bonds setting forth the undertaking of the Authority regarding continuing disclosure with respect to the 2025 Bonds. The form of the Continuing Disclosure Agreement is set forth in APPENDIX C.

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MISCELLANEOUS

The summaries of the provisions of the Act, the 2025 Bonds, the Trust Agreement, and the MOU contained herein do not purport to be complete and are made subject to the detailed provisions thereof to which reference is hereby made. Copies of the Act, the form of the 2025 Bonds, the Trust Agreement and the MOU are available for inspection at the offices of the Authority and the Trustee.

The execution and delivery of this Official Statement has been duly authorized by the Authority.

MASSACHUSETTS SCHOOL BUILDING AUTHORITY

_____, 2025

By: _____
Mary Pichetti
Executive Director

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SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT

The following is a summary of certain provisions of the Trust Agreement, as supplemented, including certain terms used in the Trust Agreement not used elsewhere in this Official Statement. This summary does not purport to be complete and reference is made to the Trust Agreement for full and complete statements of its terms and provisions.

Definitions

The following are definitions in summary form of certain terms contained in the Trust Agreement:

“Accreted Value” shall mean with respect to any Bonds that are Capital Appreciation Bonds, an amount equal to the principal amount of such Capital Appreciation Bonds (determined on the basis of the initial principal amount per \$5,000 at maturity thereof) plus the amount assuming compounding (as set forth in the Applicable Supplemental Trust Agreement) of earnings which would be produced on the investment of such initial amount, beginning on the dated date of such Capital Appreciation Bonds and ending at the maturity date thereof, at a yield which, if produced until maturity, will produce \$5,000 at maturity.

“Act” shall mean, collectively, Chapter 70B of the Massachusetts General Laws, Section 35BB of Chapter 10 of the Massachusetts General Laws, Chapter 208 of the Acts of 2004 of the Commonwealth and Chapter 210 of the Acts of 2004 of the Commonwealth, in each case as amended from time to time.

“Additional Bonds” shall mean Bonds of the Authority issued pursuant to the Trust Agreement.

“Additional Revenues” shall mean any revenues of the Authority (other than the Dedicated Sales Tax Revenue Amount and the Phase-in Amount) legally available and pledged by resolution of the Authority for its obligations under the Trust Agreement and deposited to the Revenue Fund, provided that (i) if such Additional Revenues are to be received from the United States of America or the Commonwealth, they must automatically recur without appropriation, approval or other similar action for so long as the Authority is relying thereon for the purpose of issuing Bonds or they must constitute a general obligation of the Commonwealth and the manner of determining the amounts to be derived therefrom must not be subject to change or revision during such period, (ii) such Additional Revenues consist of obligations with a rating by each Rating Agency in a category equal to or higher than its unenhanced, published rating on Outstanding Bonds or (iii) the Authority has received a Rating Confirmation with respect to the designation of such revenues as Additional Revenues.

“Adjusted Bond Debt Service Requirement” shall mean, for any period of calculation, the aggregate Bond Debt Service Requirement with respect to all Bonds Outstanding or projected to be Outstanding during such period, as applicable, taking into account the following adjustments:

(i) With respect to Variable Rate Bonds, the aggregate Bond Debt Service Requirement shall be calculated based upon an interest rate equal to the average interest rate of the SIFMA Index over the 15 years immediately prior to the date of calculation, as determined by the Authority, provided, however, if the Authority (1) enters into a Fixed Rate Hedge Agreement as described under the heading “Qualified Hedge Agreements” and (2) has made a determination that such Fixed Rate Hedge Agreement was entered into for the purpose of limiting the potential increase in the interest rate for a particular maturity of such Variable Rate Bonds in a principal amount equal to the notional amount of the Fixed Rate Hedge Agreement, then during the term of such Fixed Rate Hedge Agreement and so long as the Hedge Provider under such Fixed Rate Hedge Agreement is not in default thereunder, the interest rate on such Variable Rate Bonds shall be determined as if such Bonds bore interest at the Fixed Hedge Rate, payable by the Authority under such Fixed Rate Hedge Agreement;

(ii) with respect to Fixed Rate Bonds, if the Authority (1) enters into a Variable Rate Hedge Agreement with a Hedge Provider as described under the heading “Qualified Hedge Agreements” and (2) has made a determination that such Variable Rate Hedge Agreement was entered into for the purpose of providing substitute interest payments for a particular maturity of such Fixed Rate Bonds in a principal amount equal to the notional amount of the Qualified Hedge Agreement, then during the term

APPENDIX A

of such Variable Rate Hedge Agreement and so long as the Hedge Provider under such Qualified Hedge Agreement is not in default under such Variable Rate Hedge Agreement, the interest rate on such Fixed Rate Bonds shall be determined as if such Fixed Rate Bonds bore interest at the Assumed Hedge Rate;

(iii) with respect to Tender Bonds, the aggregate Bond Debt Service Requirement shall not include amounts payable upon mandatory or optional tender; if such Tender Bonds are secured by a Liquidity Facility, the aggregate Bond Debt Service Requirement shall be deemed to include all periodic Bond Related Costs payable to the provider of any Liquidity Facility but shall not be deemed to include any Reimbursement Obligation to such provider except to the extent provided in the Applicable Supplemental Trust Agreement;

(iv) with respect to Bonds that have Credit Enhancement, the aggregate Bond Debt Service Requirement shall be deemed to include all periodic Bond Related Costs payable to the provider of the Credit Enhancement and, except as otherwise provided in the Applicable Supplemental Trust Agreement, any Reimbursement Obligations incurred in connection therewith which are deemed to be Outstanding Bonds or Qualified Hedge Payments as described under the heading “Credit Enhancement and Liquidity Facilities” or, in the case of any Reserve Credit Facility, which are payable from amounts deposited in the Senior Debt Service Reserve Fund or Subordinated Debt Service Reserve Fund as described in paragraph (ii) and (v), respectively, under the heading “Flow of Funds”;

(v) the amount of any investment earnings and return of principal or projected investment earnings and projected return of principal, as the case may be, allocable to amounts in the Senior Debt Service Fund, the Subordinated Debt Service Fund, the Revenue Fund, any applicable Senior Debt Service Reserve Accounts and any applicable Subordinated Debt Service Reserve Accounts shall be deducted from the Adjusted Bond Debt Service Requirement for the applicable period;

(vi) any amounts received or projected to be received as payment of accrued interest from the sale of Bonds and deposited in the Senior Debt Service Fund or the Subordinated Debt Service Fund, as applicable, and the amount of Bond proceeds or other moneys, if any, which will be applied to pay interest on the Bonds in accordance with the Applicable Supplemental Trust Agreement shall be deducted from the Adjusted Bond Debt Service Requirement for the applicable period;

(vii) any additional amounts transferred to the Senior Debt Service Fund or the Subordinated Debt Service Fund, as applicable, at the Authority’s direction shall be deducted from the Adjusted Bond Debt Service Requirement for the applicable period;

(viii) Dedicated Payments deposited or to be deposited in the Senior Debt Service Fund in accordance with the Trust Agreement shall be deducted from the Adjusted Bond Debt Service Requirement for the applicable period; and

(ix) with respect to Balloon Indebtedness, the aggregate Bond Debt Service Requirement shall be calculated as if the Principal Installments with respect to such Bonds amortized over a period of 25 years at an interest rate equal to *The Bond Buyer’s* Revenue Bond Index (or, if such index is no longer published, such other substantially comparable index as may be selected by the Authority) as of the most recent date for which such index was published prior to the date of such calculation.

“Adjusted Senior Bond Debt Service Requirement” shall mean, for any period of calculation, the aggregate Senior Bond Debt Service Requirement with respect to all Senior Bonds Outstanding or projected to be Outstanding during such period, as applicable, taking into account the following adjustments:

(i) With respect to Variable Rate Bonds that are designated Senior Bonds, the aggregate Senior Bond Debt Service Requirement shall be calculated based upon an interest rate equal to the average interest rate of the SIFMA Index over the 15 years immediately prior to the date of calculation, as determined by the Authority, provided, however, if the Authority (1) enters into a Fixed Rate Hedge Agreement as described under the heading “Qualified Hedge Agreements” and (2) has made a determination that such Fixed Rate Hedge Agreement was entered into for the purpose of limiting the

potential increase in the interest rate for a particular maturity of such Variable Rate Bonds in a principal amount equal to the notional amount of the Fixed Rate Hedge Agreement, then during the term of such Fixed Rate Hedge Agreement and so long as the Hedge Provider under such Fixed Rate Hedge Agreement is not in default thereunder, the interest rate on such Variable Rate Bonds shall be determined as if such Bonds bore interest at the Fixed Hedge Rate, payable by the Authority under such Fixed Rate Hedge Agreement;

(ii) with respect to Fixed Rate Bonds that are designated Senior Bonds, if the Authority (1) enters into a Variable Rate Hedge Agreement with a Hedge Provider as described under the heading “Qualified Hedge Agreements” and (2) has made a determination that such Variable Rate Hedge Agreement was entered into for the purpose of providing substitute interest payments for a particular maturity of such Fixed Rate Bonds in a principal amount equal to the notional amount of the Qualified Hedge Agreement, then during the term of such Variable Rate Hedge Agreement and so long as the Hedge Provider under such Qualified Hedge Agreement is not in default under such Variable Rate Hedge Agreement, the interest rate on such Fixed Rate Bonds shall be determined as if such Fixed Rate Bonds bore interest at the Assumed Hedge Rate;

(iii) with respect to Tender Bonds that are designated Senior Bonds, the aggregate Senior Bond Debt Service Requirement shall not include amounts payable upon mandatory or optional tender; if such Tender Bonds are secured by a Liquidity Facility, the aggregate Senior Bond Debt Service Requirement shall be deemed to include all periodic Bond Related Costs payable to the provider of any Liquidity Facility with respect to such Senior Bonds but shall not be deemed to include any Reimbursement Obligation to such provider except to the extent provided in the Applicable Supplemental Trust Agreement;

(iv) with respect to Senior Bonds that have Credit Enhancement, the aggregate Senior Bond Debt Service Requirement shall be deemed to include all periodic Bond Related Costs payable to the provider of the Credit Enhancement and, except as otherwise provided in the Applicable Supplemental Trust Agreement, any Reimbursement Obligations incurred in connection therewith which are deemed to be Outstanding Senior Bonds or Qualified Hedge Payments as described under the heading “Credit Enhancement and Liquidity Facilities” or, in the case of any Reserve Credit Facility, which are payable from amounts deposited in the Senior Debt Service Reserve Fund as described in paragraph (ii) under the heading “Flow of Funds”;

(v) the amount of any investment earnings and return of principal or projected investment earnings and projected return of principal, as the case may be, allocable to amounts in the Senior Debt Service Fund, the Revenue Fund and any applicable Senior Debt Service Reserve Accounts shall be deducted from the Adjusted Senior Bond Debt Service Requirement for the applicable period;

(vi) any amounts received or projected to be received as payment of accrued interest from the sale of Senior Bonds and deposited in the Senior Debt Service Fund and the amount of Senior Bond proceeds or other moneys, if any, which will be applied to pay interest on the Senior Bonds in accordance with the Applicable Supplemental Trust Agreement shall be deducted from the Adjusted Senior Bond Debt Service Requirement for the applicable period;

(vii) any additional amounts transferred to the Senior Debt Service Fund at the Authority’s direction shall be deducted from the Adjusted Senior Bond Debt Service Requirement for the applicable period;

(viii) Dedicated Payments deposited or to be deposited in the Senior Debt Service Fund in accordance with the Trust Agreement shall be deducted from the Adjusted Senior Bond Debt Service Requirement for the applicable period; and

(ix) with respect to Balloon Indebtedness, the aggregate Senior Bond Debt Service Requirement shall be calculated as if the Principal Installments with respect to such Bonds amortized over a period of 25 years at an interest rate equal to *The Bond Buyer’s* Revenue Bond Index (or, if such

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index is no longer published, such other substantially comparable index as may be selected by the Authority) as of the most recent date for which such index was published prior to the date of such calculation.

“Advance Refunded Municipal Bonds” shall mean any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state (i) which are not callable at the option of the obligor or otherwise prior to maturity or as to which irrevocable notice has been given by the obligor to call such bonds or obligations on the date specified in the notice, (ii) which are fully secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash, Government Obligations or Agency Obligations which fund may be applied only to the payment of interest when due, and the principal of and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable notice, as appropriate, and (iii) as to which the principal of and interest on the Government Obligations or Agency Obligations which have been deposited in such fund along with any cash on deposit in such fund is sufficient to pay all interest when due, and all principal of and redemption premium, if any, on the bonds or other obligations described in this definition on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable notice referred to in subclause (i) above, as appropriate.

“Agency Obligations” shall mean obligations issued or guaranteed by the Federal National Mortgage Association, Government National Mortgage Association, Federal Financing Bank, Federal Intermediate Credit Banks, Federal Farm Credit Bank, Banks for Cooperatives, Federal Land Banks, Federal Farm Credit Banks Funding Corporation, Farm Credit System Financial Assistance Corporation, Federal Home Loan Banks, Farmers Home Administration, Export-Import Bank of the United States, Resolution Funding Corporation, Student Loan Marketing Association, United States Postal Service, Tennessee Valley Authority, Federal Home Loan Mortgage Corporation or any other agency or corporation which has been or may hereafter be created pursuant to an act of Congress as an agency or instrumentality of the United States of America.

“Applicable Supplemental Trust Agreement” shall mean, with respect to any Series of Bonds, the Supplemental Trust Agreement authorizing such Series of Bonds.

“Appreciated Value” shall mean, with respect to Bonds that are Deferred Income Bonds, until the Interest Commencement Date thereon, an amount equal to the principal amount of such Deferred Income Bond (determined on the basis of the initial principal amount per \$5,000 at the Interest Commencement Date thereof) plus the amount, assuming compounding (as set forth in the Applicable Supplemental Trust Agreement) of earnings which would be produced as the investment of such initial amount, beginning on the dated date of such Deferred Income Bond and ending on the Interest Commencement Date, at a yield which, if produced until the Interest Commencement Date, will produce \$5,000 at the Interest Commencement Date. As of any Valuation Date, the Appreciated Value of any Bonds that are Deferred Income Bonds shall mean the amount set forth for such date in the Applicable Supplemental Trust Agreement and, as of any date other than a Valuation Date, the sum of (i) the Appreciated Value on the preceding Valuation Date and (ii) the product of (1) a fraction, the numerator of which is the number of days having elapsed from and including the preceding Valuation Date to the Valuation Date and the denominator of which is the number of days from and including such preceding Valuation Date to and including the next succeeding Valuation Date, and (2) the difference between the Appreciated Values for such Valuation Dates.

“Assumed Hedge Rate” shall have the meaning set forth under the heading “Qualified Hedge Agreements.”

“Authorized Newspapers” shall mean no fewer than two newspapers or financial journals of general circulation (or substantial circulation in the financial community), one in the City of Boston, Massachusetts, and one in the Borough of Manhattan, City and State of New York, each customarily published at least once a day for at least five days (other than legal holidays) in each calendar week and printed in the English language.

“Authorized Officer” shall mean the Executive Director, the Chief Financial Officer or the General Counsel of the Authority and, when used in reference to an act or document, shall also mean any other member, officer or employee of the Authority authorized by the Authority to perform such act or sign such document.

“Balloon Indebtedness” shall mean (i) a Series of Bonds with respect to which, upon the issuance thereof, 25% or more of the Principal Installments are due in the same Fiscal Year or (ii) any portion of a Series of Bonds which is so designated by the Authority pursuant to a certificate of an Authorized Officer stating that such portion shall be deemed to constitute a separate issue of Balloon Indebtedness.

“Bond Counsel” shall mean Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Boston, Massachusetts, or any other counsel nationally recognized as experienced in matters relating to bonds issued by states and their political subdivisions and instrumentalities selected by the Authority and satisfactory to the Trustee.

“Bond Debt Service Requirement” shall mean, for any period of calculation, the aggregate of the interest, principal amount and Sinking Fund Payments due or to become due other than by reason of redemption at the option of the Authority or the Registered Owner of any Bonds on all Senior Bonds and Subordinated Bonds Outstanding during such period, provided, however, that for purposes of this definition, the scheduled principal and interest portions of the Accreted Value of Capital Appreciation Bonds and the Appreciated Value of Deferred Income Bonds becoming due at maturity or by virtue of Sinking Fund Payments shall be included in the calculations in such manner and during such period of time as shall be specified in the Applicable Supplemental Trust Agreement authorizing such Capital Appreciation Bonds or Deferred Income Bonds.

“Bond Related Costs” shall mean (i) all costs, fees and expenses, other than Costs of Issuance, incurred for or related to the administration of the Trust Agreement, including without limitation costs, fees and expenses incurred or related to any Liquidity Facility, Credit Enhancement, Reserve Credit Facility, Rating Agency or remarketing or other secondary market transaction, any fees of Bond Counsel, attorneys, financial advisors, the Trustee, remarketing agents, rebate consultants, accountants and others retained by the Authority in connection with the Trust Agreement or the Bonds, and, to the extent provided in the Trust Agreement and the Applicable Supplemental Trust Agreement, any Reimbursement Obligation or other fee, charge and expense that may be lawfully incurred by the Authority to a provider of any Credit Enhancement, Liquidity Facility or Reserve Credit Facility to repay or reimburse any amounts paid by such provider due to a payment under such Credit Enhancement, Liquidity Facility or Reserve Credit Facility, and any interest on such Reimbursement Obligation or other repayment obligation; and (ii) except as otherwise provided in the Applicable Supplemental Trust Agreement, all payments to be made by the Authority on any Qualified Hedge Agreement other than Scheduled Hedge Payments to be made by the Authority on a Parity Hedge Agreement.

“Business Day” shall mean any day other than a Saturday, a Sunday or any other day on which banks doing business in the Commonwealth are authorized or required to be closed for business.

“Capital Appreciation Bonds” shall mean any Bonds as to which interest is payable only at the maturity or prior redemption thereof. For the purposes of (i) receiving payment of the redemption price, if any, of a Capital Appreciation Bond that is redeemed prior to maturity, and (ii) computing the principal amount of Capital Appreciation Bonds held by the Registered Owner thereof in giving any notice, consent, request, or demand pursuant to the Applicable Supplemental Trust Agreement for any purpose whatsoever, the principal amount of a Capital Appreciation Bond as of a specific date shall be deemed to be its Accreted Value as of such date.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and all regulations (final, temporary or proposed) promulgated thereunder which are applicable to the Bonds.

“Costs of Issuance” shall mean all items of expense directly or indirectly payable or reimbursable by or to the Authority and related to the authorization, sale and issuance of Bonds, including but not limited to printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of the Trustee, legal fees and charges, fees and disbursements of consultants and professionals, costs and expenses of refunding, fees, expenses and other amounts payable to any underwriters of the Bonds, accrued interest payable upon the initial investment of the proceeds of Bonds, fees and expenses payable in connection with any Credit Enhancement, Liquidity Facility or Reserve Credit Facility, fees and expenses payable in connection with any remarketing agreements or interest indexing agreements payable in connection with the original issuance of the Bonds and any other cost, charge or fee payable in connection with the original issuance of Bonds.

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“Credit Enhancement” shall mean any agreement, including, but not limited to a policy of bond insurance, surety bond, irrevocable letter of credit, credit agreement, credit facility or guaranty arrangement with a bank, trust company, insurance company, surety bonding company, pension fund or other financial institution that provides increased credit on or security for any Series of Bonds (or portion thereof) or the obligations of the Authority under any Qualified Hedge Agreement and, to the extent authorized by a Supplemental Trust Agreement, may include a Reserve Credit Facility, provided that either the provider or the party guaranteeing the obligations of the provider has, at the time such agreement is entered into, unsecured obligations rated in the highest short-term Rating Category by each Rating Agency then maintaining a rating on the Bonds Outstanding.

“Debt Service” shall mean for any period, as of any date of calculation and with respect to the Outstanding Bonds of any Series, an amount equal to the sum of (i) interest accruing during such period on Outstanding Bonds of such Series and (ii) that portion of each Principal Installment for such Series which would accrue during such period if such Principal Installment were deemed to accrue daily in equal amounts from the next preceding Principal Installment due date for such Series or, if (a) there shall be no such preceding Principal Installment due date for such Series or (b) such preceding Principal Installment due date is more than one year prior to the due date of such Principal Installment, then, from a date one year preceding the due date of such Principal Installment or from the date of issuance of the Bonds of such Series, whichever date is later. Such interest and Principal Installments for such Series shall be calculated on the assumption that no Bonds (except for Tender Bonds actually tendered for payment and not purchased in lieu of redemption prior to the redemption date thereof) of such Series Outstanding at the date of calculation will cease to be Outstanding except by reason of the payment of each Principal Installment on the due date thereof and the principal amount of Tender Bonds tendered for payment and not purchased in lieu of redemption prior to the redemption date thereof shall be deemed to accrue on the date required to be paid pursuant to such tender. For purposes of this definition, the principal and interest portions of the Accreted Value of a Capital Appreciation Bond and the Appreciated Value of a Deferred Income Bond becoming due at maturity or by virtue of a Sinking Fund Installment shall be included in the calculations of accrued and unpaid and accruing interest or Principal Installments only during the year such amounts become due for payment unless otherwise provided in the Applicable Supplemental Trust Agreement.

“Debt Service Payment Date” shall mean any date on which any Principal Installment of or interest on any Bond Outstanding thereunder is payable in accordance with the terms of such Bond.

“Debt Service Reserve Accounts” shall mean the Accounts so designated and created by the Trust Agreement and the Applicable Supplemental Trust Agreement.

“Dedicated Payments” shall mean any revenues of the Authority which are not Pledged Receipts, as defined in the Trust Agreement as initially executed, which the Authority subsequently pledges as additional security for its payment obligations on the Bonds pursuant to a resolution of the Authority and which are specifically designated as Dedicated Payments by the Authority in accordance with the limitations set forth under the heading “Dedicated Payments” and, accordingly, are to be deposited in the Senior Debt Service Fund upon receipt.

“Dedicated Sales Tax Revenue Amount” shall have the meaning set forth in paragraph (a) of Section 35BB of Chapter 10 of the Massachusetts General Laws.

“Defeasance Obligations” shall mean Government Obligations, Agency Obligations or Advance Refunded Municipal Bonds.

“Deferred Income Bonds” shall have the meaning set forth under the heading “Authorization of Bonds.”

“Discount Bonds” shall have the meaning set forth under the heading “Authorization of Bonds.”

“Fiduciary” shall mean the Trustee, any Paying Agent or any Authenticating Agent.

“Fiscal Year” shall mean the period of twelve calendar months ending with June 30 of any year.

“Fixed Rate Bonds” shall have the meaning set forth under the heading “Authorization of Bonds.”

“Fixed Rate Hedge Agreement” shall mean a Qualified Hedge Agreement requiring the Authority to pay a fixed interest rate on a notional amount.

“Fixed Hedge Rate” shall mean the fixed interest rate payable by the Authority on a notional amount under a Fixed Rate Hedge Agreement.

“Funded Series Debt Service Reserve Fund Requirement” shall mean, with respect to a Series of Bonds, as of any particular date of computation, an amount equal to the applicable Series Debt Service Reserve Fund Requirement, if any, less the stated and unpaid amounts of all applicable Reserve Credit Facilities; the Funded Series Debt Service Reserve Fund Requirement shall, to the extent authorized by a Supplemental Trust Agreement, include any amount required to reimburse any provider of a Reserve Credit Facility upon any drawing of amounts thereunder.

“Government Obligations” shall mean direct general obligations of the United States of America or obligations (including obligations of any federal agency or corporation) the full and timely payment of the principal and interest on which, by act of the Congress of the United States or in the opinion of the Attorney General of the United States in office at the time such obligations were issued, are guaranteed by the full faith and credit of the United States of America.

“Hedge Provider” shall mean the counterparty with which the Authority enters into a Qualified Hedge Agreement.

“Interest Commencement Date” shall mean with respect to any Deferred Income Bonds, the date specified in the Applicable Supplemental Trust Agreement (which date must be prior to the maturity date for such Deferred Income Bonds), after which interest accruing on such Deferred Income Bonds shall be payable with the first such payment date being the applicable Debt Service Payment Date immediately succeeding such Interest Commencement Date.

“Liquidity Facility” shall mean any agreement with a bank, trust company, insurance company, surety bonding company, pension fund, investment banking company or other financial institution under which it agrees to purchase Tender Bonds, provided that either the provider or the party guaranteeing the obligations of the provider has, at the time such agreement is entered into, unsecured obligations rated in the highest short-term Rating Category by each Rating Agency then maintaining a rating on the Bonds Outstanding.

“Outstanding,” when used with reference to Bonds, shall mean as of a particular date, all Bonds theretofore and thereupon being authenticated and delivered except (i) any Bond cancelled by the Authority or the Trustee at or before said date, (ii) any Bond in lieu of or in substitution for which another Bond shall have been authenticated and delivered and (iii) Bonds deemed to have been paid as provided as described under the section entitled “Defeasance,” below.

“Parity Hedge Agreement” shall have the meaning set forth under the heading “Qualified Hedge Agreements.”

“Permitted Investments,” except as otherwise limited in a Supplemental Trust Agreement, shall mean and include any of the following, if and to the extent the same are at the time legal for investment of Authority funds:

(i) Government Obligations;

(ii) Certificates or receipts representing direct ownership of future interest or principal payments on Government Obligations or any obligations of agencies or instrumentalities of the United States of America which are backed by the full faith and credit of the United States, which obligations are held by a custodian in safekeeping on behalf of the registered owners of such receipts;

(iii) Agency Obligations;

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(iv) Obligations of, or obligations unconditionally guaranteed by, the World Bank (International Bank for Reconstruction and Development and International Finance Corporation), European Bank for Reconstruction and Development, European Investment Bank, Asian Development Bank, Inter-American Development Bank, African Development Bank and the Nordic Investment Bank, provided that such obligations are rated at the time of purchase hereunder in one of the two highest rating categories by each Rating Agency;

(v) Interest-bearing time or demand deposits, certificates of deposit, or other similar banking arrangements with any government securities dealer, bank, trust company, savings and loan association, national banking association or other savings institution (including the Trustee or any affiliate of the Trustee), provided that such deposits, certificates, and other arrangements are fully insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation or (b) interest-bearing time or demand deposits or certificates of deposit with any bank, trust company, national banking association or other savings institution (including the Trustee or any affiliate of the Trustee), provided such deposits and certificates are in or with a bank, trust company, national banking association or other savings institution whose long-term unsecured debt is rated in one of the two highest long-term Rating Categories by each Rating Agency then maintaining a rating on any Bonds;

(vi) Repurchase agreements collateralized by securities described in subparagraphs (i), (ii) or (iii) above with any registered broker/dealer or with any commercial bank, provided that (a) a specific written repurchase agreement governs the transaction, (b) the securities are held, free and clear of any lien, by the Trustee or an independent third party acting solely as agent for the Trustee, and such third party is (1) a Federal Reserve Bank, or (2) a bank which is a member of the Federal Deposit Insurance Corporation and which has combined capital, surplus and undivided profits of not less than \$25 million, and the Trustee shall have received written confirmation from such third party that it holds such securities, free and clear of any lien, as agent for the Trustee, (c) the repurchase agreement has a term of thirty days or less, or the Trustee or the third-party custodian will value the collateral securities no less frequently than weekly and will liquidate the collateral securities if any deficiency in the required collateral percentage is not restored within five Business Days of such valuation, and (d) the fair market value of the collateral securities in relation to the amount of the repurchase obligation, including principal and interest, is equal to at least 102%;

(vii) Forward purchase agreements providing for delivery of securities described in subparagraphs (i), (ii) or (iii) above or subparagraph (ix) below with banks or other financial institutions (including the Trustee or any affiliate of the Trustee) whose long-term unsecured debt or claims-paying ability is rated in one of the two highest Rating Categories by each Rating Agency then maintaining a rating on any of the Bonds Outstanding, provided that any such agreement must be accompanied by an opinion of counsel to the effect that the securities delivered will not be considered a part of the estate of such bank or other financial institution in the event of a declaration of bankruptcy or insolvency by such bank or institution;

(viii) Money market funds rated in the highest short term Rating Category by each Rating Agency then maintaining a rating on any Bonds, including, without limitation, the JPMorgan Money Market Mutual Funds, or any other mutual fund rated in the highest short term Rating Category by each Rating Agency then maintaining a rating on any Bonds, for which the Trustee or an affiliate of the Trustee serves as investment manager, administrator, shareholder servicing agent, and/or custodian or sub custodian, notwithstanding that (A) the Trustee or an affiliate of the Trustee receives fees from such funds for services rendered, (B) the Trustee charges and collects fees for services rendered pursuant to this Trust Agreement, which fees are separate from the fees received from such funds, and (C) services performed for such funds and pursuant to this Trust Agreement may at times duplicate those provided to such funds by the Trustee or its affiliates.

(ix) Commercial paper rated in the highest short term Rating Category by each Rating Agency then maintaining a rating on any Bonds;

(x) Advanced-Refunded Municipal Bonds;

(xi) Short-term or long-term obligations, whether tax exempt or taxable, of any state or local government or authority or instrumentality thereof or any other entity that has the ability to issue obligations

the interest on which is excludable from gross income for federal income tax purposes, provided that any such obligations are rated at the time of purchase in one of the two highest rating categories by each Rating Agency then maintaining a rating on any Bonds Outstanding;

(xii) Investment contracts with banks or other financial institutions (including the Trustee or any affiliate of the Trustee) whose long-term unsecured debt or claims-paying ability is rated in one of the two highest Rating Categories by each Rating Agency then maintaining a rating on any of the Bonds Outstanding; and

(xiii) Any other investment in which moneys of the Authority may be legally invested, provided that the Authority receives a Rating Confirmation in connection with such investment from each Rating Agency then maintaining a rating on any Bonds Outstanding.

“Phase-in Amount” shall mean, with respect to Fiscal Years 2006, 2007, 2008, 2009 and 2010, the greater of the applicable dollar amount or percentage of the Dedicated Sales Tax Revenue Amount for such Fiscal Year set forth in the table in the section of the Official Statement “DEDICATED SALES TAX REVENUE AMOUNT - Phase-in Amount” in accordance with Section 4 of Chapter 210 of the Acts of 2004 of the Commonwealth.

“Pledged Receipts” shall mean and include (i) for Fiscal Years 2006, 2007, 2008, 2009 and 2010, the Phase-in Amount, (ii) for Fiscal Years 2011 and thereafter, the Dedicated Sales Tax Revenue Amount and (iii) Additional Revenues, if any.

“Principal Installment” shall mean, as of any particular date of computation and with respect to Bonds of a particular Series, an amount of money equal to the aggregate of (i) the principal amount of Outstanding Bonds of said Series which mature on a single future date, reduced by the aggregate principal amount of such Outstanding Bonds which would at or before said future date be retired by reason of the payment when due and application in accordance with the Trust Agreement of Sinking Fund Payments payable at or before said future date for the retirement of such Outstanding Bonds, plus (ii) the amount of any Sinking Fund Payment payable on said future date for the retirement of any Outstanding Bonds of said Series.

“Qualified Hedge Agreement” shall mean an interest rate exchange, cap, floor or collar agreement between the Authority and a Hedge Provider based upon a notional amount, where either (a) the Hedge Provider, or the party guaranteeing the obligation of the Hedge Provider to make any payments due to the Authority, has unsecured long-term obligations rated, or the hedge agreement itself is rated, in each case as of the date the hedge agreement is entered into, by each Rating Agency then maintaining a rating on the Bonds Outstanding, in one of the two highest Rating Categories of such Rating Agency or (b) the Authority received a Rating Confirmation with respect to such hedge agreement prior to entering into such hedge agreement.

“Qualified Hedge Payments” shall mean, collectively, all Scheduled Hedge Payments and all Termination Hedge Payments payable by the Authority or a Hedge Provider, as the case may be, under a Qualified Hedge Agreement.

“Rating Agency” shall mean Fitch Ratings, Moody’s Investors Service and Standard & Poor’s and their successors or assigns, but shall not include any rating agency maintaining a rating on Outstanding Bonds which has not been solicited by the Authority.

“Rating Categories” shall mean rating categories as published by a Rating Agency in its written compilations of ratings and any written supplement or amendment thereto and any such Rating Category shall be determined on the generic rating without regard to any modifiers and, unless otherwise specified in the Trust Agreement or in an Applicable Supplemental Trust Agreement, shall be long term ratings.

“Rating Confirmation,” with respect to any action taken or to be taken thereunder, shall mean a letter (or other evidence satisfactory to the Trustee) from a Rating Agency to the effect that it will not lower, suspend or otherwise adversely affect any underlying rating then maintained on any Bonds Outstanding, without regards to any Credit Enhancement, as a result of such action.

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“Redemption Price” shall mean, with respect to any Bond, the principal amount thereof plus the premium, if any, payable upon redemption thereof.

“Refunding Bonds” shall mean any of the Bonds authorized for the purpose of refunding all or any part of the Bonds Outstanding under the Trust Agreement.

“Registered Owner” or “Owner,” when used with reference to Bonds, shall mean the registered owner of the Bonds as shown on the registration books of the Authority held by the Trustee.

“Reimbursement Obligations” shall have the meaning set forth under the heading “Credit Enhancement and Liquidity Facilities.”

“Reserve Credit Facility” shall mean one or more of the following:

- (i) an irrevocable, unconditional and unexpired letter of credit or other financial commitment or guarantee issued by a banking institution, insurance company or other financial institution the unsecured long-term obligations of which are rated by each Rating Agency then maintaining a rating on the Bonds Outstanding in one of the two highest Rating Categories by such Rating Agency, or, if any such Rating Agency does not maintain a rating on such banking institution, insurance company or other financial institution, it has provided a Rating Confirmation to the Trustee with respect to the applicable Series of Bonds, or
- (ii) an irrevocable and unconditional policy of insurance, surety bond or other similar commitment in full force and effect issued by an insurer having a rating from each Rating Agency then maintaining a rating on the Bonds Outstanding in one of the two highest Rating Categories by such Rating Agency, or, if any such Rating Agency does not maintain a rating on such insurer, it has provided a Rating Confirmation to the Trustee with respect to the applicable Series of Bonds,

in each case providing for the payment of sums for the payment of Principal Installments and interest on Senior Bonds or Subordinated Bonds, as applicable, in the manner provided under the Trust Agreement.

“Scheduled Hedge Payments,” except as otherwise provided in the Applicable Supplemental Trust Agreement, shall mean the scheduled, periodic payments to be made by the Authority or a Hedge Provider, as the case may be, under a Qualified Hedge Agreement with respect to a notional amount.

“Senior Bond Debt Service Requirement” shall mean, for any period of calculation, the aggregate of the interest, principal amount and Sinking Fund Payments due or to become due other than by reason of redemption at the option of the Authority or the Registered Owner of any Senior Bonds on all Senior Bonds Outstanding during such period, provided, however, that for purposes of this definition, the scheduled principal and interest portions of the Accreted Value of Capital Appreciation Bonds and the Appreciated Value of Deferred Income Bonds becoming due at maturity or by virtue of Sinking Fund Payments shall be included in the calculations in such manner and during such period of time as shall be specified in the Applicable Supplemental Trust Agreement authorizing such Capital Appreciation Bonds or Deferred Income Bonds.

“Senior Bonds” shall mean any Bonds designated as such by the Authority.

“Senior Debt Service Fund Requirement” shall mean the amount of Debt Service on all Senior Bonds Outstanding accrued or accruing prior to the last Business Day of the next succeeding month, provided that the payments to be made under this definition shall be appropriately adjusted to reflect the date of original issue of a Series of Senior Bonds, any accrued interest, investment earnings and other available moneys deposited in the Senior Debt Service Fund, any Dedicated Payments deposited in the Senior Debt Service Fund in accordance with the applicable Supplemental Trust Agreement and any amounts applied from any Senior Debt Service Reserve Account, including investment earnings thereon, and any purchase or redemption of Senior Bonds so that there will be available on each Debt Service Payment Date in the Senior Debt Service Fund the amount necessary to pay the interest and principal or Sinking Fund Payment due or coming due on the Senior Bonds and so that

accrued interest and capitalized interest will be applied to the installments of interest to which they are applicable, and provided, further, that, if the Authority (1) has entered into a Parity Hedge Agreement as described under the heading “Qualified Hedge Agreements” and (2) has made a determination that such Parity Hedge Agreement was entered into for the purpose of providing substitute interest payments or limiting the potential increase in the interest rate for a particular maturity of Senior Bonds in a principal amount equal to the notional amount of such Parity Hedge Agreement and (3) the Scheduled Hedge Payments payable by the Hedge Provider under such Parity Hedge Agreement are equal in amount and fall on the same dates as the payment of interest on such Senior Bonds, then during the term of such Parity Hedge Agreement and so long as the Hedge Provider under such Parity Hedge Agreement is not in default thereunder, the interest payable on such Senior Bonds shall be determined at the Fixed Hedge Rate or the Variable Hedge Rate, as the case may be, applicable to payments to be made by the Authority under such Parity Hedge Agreement, provided, however, that if such Parity Hedge Agreement does not satisfy the foregoing requirements, the principal and interest requirements allocable to such Parity Hedge Agreement and the Series of Senior Bonds or portions thereof subject to such Parity Hedge Agreement shall be determined in the manner set forth in the Applicable Supplemental Trust Agreement.

“Series” when used with respect to less than all of the Senior Bonds or Subordinated Bonds, shall mean such Senior Bonds or Subordinated Bonds designated as a Series of Bonds pursuant to a Supplemental Trust Agreement.

“Series Debt Service Reserve Fund Requirement” shall mean, with respect to a Series of Senior Bonds, the amount, if any, required to be deposited in the applicable Senior Debt Service Reserve Account pursuant to the Applicable Supplemental Trust Agreement and with respect to a Series of Subordinated Bonds, the amount, if any, required to be deposited in the applicable Subordinated Debt Service Reserve Account pursuant to the Applicable Supplemental Trust Agreement.

“SIFMA Index” shall mean, on any day, The Securities Industry and Financial Markets Association Municipal Swap Index as of the most recent date for which such index was published by Municipal Market Data, Inc., provided that, if such index is no longer published by Municipal Market Data, Inc. or its successor, then “SIFMA Index” shall mean such other reasonably comparable index selected by the Authority.

“Sinking Fund Payment” shall mean, as of any particular date of computation and with respect to Bonds of a particular Series, the amount of money required by any Supplemental Trust Agreement to be paid by the Authority on a single future date for the retirement of any Outstanding Bonds of said Series which mature after said future date, but does not include any amount payable by the Authority by reason of the redemption of Bonds at the election of the Authority.

“SMART Fund” shall mean the School Modernization and Reconstruction Trust Fund established by Section 35BB of Chapter 10 of the Massachusetts General Laws or any other fund or account of the Commonwealth created in replacement thereof.

“Subordinated Bonds” shall mean any Bonds designated as such by the Authority.

“Subordinated Debt Service Fund Requirement” shall mean the amount of Debt Service on all Subordinated Bonds Outstanding accrued or accruing prior to the last Business Day of the next succeeding month, provided that the payments to be made under this definition shall be appropriately adjusted to reflect the date of original issue of a Series of Subordinated Bonds, any accrued interest, investment earnings and other available moneys deposited in the Subordinated Debt Service Fund and any amounts applied from any Subordinated Debt Service Reserve Account, including investment earnings thereon, and an purchase or redemption of Subordinated Bonds so that there will be available on each Debt Service Payment Date in the Subordinated Debt Service Fund the amount necessary to pay the interest and principal or Sinking Fund Payment due or coming due on the Subordinated Bonds and so that accrued interest and capitalized interest will be applied to the installments of interest to which they are applicable, and provided, further, that, if the Authority (1) has entered into a Parity Hedge Agreement as described under the heading “Qualified Hedge Agreements” and (2) has made a determination that such Parity Hedge Agreement was entered into for the purpose of providing substitute interest payments or limiting the potential increase in the interest rate for a particular maturity of Subordinated Bonds in a principal amount equal to the notional amount of such Parity Hedge Agreement and (3)

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the Scheduled Hedge Payments payable by the Hedge Provider under such Parity Hedge Agreement are equal in amount and fall on the same dates as the payment of interest on such Subordinated Bonds, then during the term of such Parity Hedge Agreement and so long as the Hedge Provider under such Parity Hedge Agreement is not in default thereunder, the interest payable on such Subordinated Bonds shall be determined at the Fixed Hedge Rate or the Variable Hedge Rate, as the case may be, applicable to payments to be made by the Authority under such Parity Hedge Agreement, provided, however, that if such Parity Hedge Agreement does not satisfy the foregoing requirements, the principal and interest requirements allocable to such Parity Hedge Agreement and the Series of Subordinated Bonds or portions thereof subject to such Parity Hedge Agreement shall be determined in the manner set forth in the Applicable Supplemental Trust Agreement.

“Supplemental Trust Agreement” shall mean any Trust Agreement of the Authority amending or supplementing the Trust Agreement adopted and becoming effective in accordance with the terms of the Trust Agreement.

“Tax Exempt Bonds” shall mean any Bonds accompanied by a Bond Counsel’s opinion upon the original issuance thereof that the interest on such Bonds is not includable in the gross income of the Registered Owner thereof for Federal income tax purposes.

“Tender Bonds” shall have the meaning set forth under the heading “Authorization of Bonds.”

“Termination Hedge Payments,” except as otherwise provided in an Applicable Trust Agreement, shall mean all payments, other than Scheduled Hedge Payments, to be made by the Authority or a Hedge Provider, as the case may be, under a Qualified Hedge Agreement.

“Valuation Date” shall mean (i) with respect to any Bonds that are Capital Appreciation Bonds, the date or dates set forth in the Applicable Supplemental Trust Agreement on which specific Accreted Values are assigned to such Bonds and (ii) with respect to any Bonds that are Deferred Income Bonds, the date or dates prior to the Interest Commencement Date set forth in the Applicable Supplemental Trust Agreement on which specific Appreciated Values are assigned to such Bonds.

“Variable Hedge Rate” shall mean the variable interest rate payable by the Authority on a notional amount under a Variable Rate Hedge Agreement.

“Variable Rate Bonds” shall have the meaning set forth under the heading “Authorization of Bonds.”

“Variable Rate Hedge Agreement” shall mean a Qualified Hedge Agreement requiring the Authority to pay a variable interest rate on a notional amount.

Pledge of the Trust Agreement

There are pledged in the Trust Agreement for the payment of the principal and Redemption Price of and interest on Senior Bonds, for the payment of Reimbursement Obligations (as described under “Credit Enhancement and Liquidity Facilities” below) and for the payment of Scheduled Hedge Payments payable by the Authority on any Parity Hedge Agreement (as described under “Qualified Hedge Agreements” below), in either case entered into with respect to Senior Bonds, subject only to the provisions of this Trust Agreement permitting the application thereof for the purposes and on the terms and conditions set forth in this Trust Agreement, (i) the Pledged Receipts and all rights to receive the same, whether existing or coming into existence and whether held or hereafter acquired and including any proceeds thereof, (ii) all moneys, securities and any investment earnings with respect thereto in all Funds established by or pursuant to this Trust Agreement (except for the Subordinated Debt Service Fund, the Subordinated Debt Service Reserve Fund and the Subordinated Redemption Fund), provided that amounts held in each Senior Debt Service Reserve Account within the Senior Debt Service Reserve Fund shall only be pledged to the payment of the related Series of Senior Bonds and (iii) all Scheduled Hedge Payments and all Termination Hedge Payments payable to the Authority by a Hedge Provider pursuant to a Qualified Hedge Agreement (collectively, the “Senior Trust Estate”). Subject only to the foregoing prior pledge created for the payment of the Senior Bonds, and on the terms and conditions set forth herein with respect to such prior pledge, there are hereby pledged for the payment of the principal and Redemption Price of and interest on

Subordinated Bonds, for the payment of Reimbursement Obligations (as described under “Credit Enhancement and Liquidity Facilities” below) and for the payment of Scheduled Hedge Payments payable by the Authority on any Parity Hedge Agreement (as described under “Qualified Hedge Agreements” below), in either case entered into with respect to Subordinated Bonds, subject only to the provisions of this Trust Agreement permitting the application thereof for the purposes and on the terms and conditions set forth in this Trust Agreement, (i) the Pledged Receipts and all rights to receive the same, whether existing or coming into existence and whether held or hereafter acquired and including any proceeds thereof, (ii) all moneys, securities and any investment earnings with respect thereto in all Funds established by or pursuant to this Trust Agreement (except for the Senior Debt Service Fund, the Senior Debt Service Reserve Fund and the Senior Redemption Fund), provided that amounts held in each Subordinated Debt Service Reserve Account within the Subordinated Debt Service Reserve Fund shall only be pledged to the payment of the related Series of Subordinated Bonds, and (iii) all Scheduled Hedge Payments and all Termination Hedge Payments payable to the Authority by a Hedge Provider pursuant to a Qualified Hedge Agreement (collectively, the “Subordinate Trust Estate, and together with the Senior Trust Estate, the “Trust Estate”).

In accordance with the Act, the foregoing pledge shall be valid and binding and shall be deemed continuously perfected for all purposes of Chapter 106 of the General Laws of the Commonwealth and other applicable laws upon the filing of a copy of the Trust Agreement in the records of the Authority. The Trust Estate so pledged shall immediately be subject to the lien of such pledge without any physical delivery or segregation thereof or further act, and the lien of such pledge shall be valid and binding against any and all parties having a claim of any kind, in tort, contract or otherwise against the Authority, irrespective of whether such parties have notice thereof.

The Bonds and any Qualified Hedge Agreement thereunder shall be special obligations of the Authority payable solely from the Trust Estate to the extent provided in the Trust Agreement.

Trust Agreement to Constitute Contract

The Trust Agreement constitutes a contract between the Authority, the Fiduciaries and the Registered Owners from time to time of the Bonds, and the pledge made in the Trust Agreement and the covenants and agreements therein set forth to be performed by or on behalf of the Authority shall be for the equal benefit, protection and security of the Registered Owners of any and all of the Bonds, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof, except as otherwise expressly provided in or permitted by the Trust Agreement.

Authorization of Bonds

The Authority is authorized to issue Bonds to be issued from time to time in one or more Series without limitation as to amount except as provided in the Trust Agreement or as may be limited by law. All such Bonds shall be entitled “Dedicated Sales Tax Bonds” and shall be further designated as either “Senior” or as “Subordinated”.

The Bonds shall not be general obligations of the Authority or a pledge of its full faith and credit, but shall be special obligations of the Authority secured solely as provided in the Trust Agreement and payable solely from the funds, amounts and other rights and property available and pledged to such payments pursuant to the Trust Agreement and the Applicable Supplemental Trust Agreement.

The Bonds may be issued as Fixed Rate Bonds, Variable Rate Bonds, Tender Bonds, Capital Appreciation Bonds, Deferred Income Bonds or Discount Bonds or any combination thereof subject to the provisions and limitations provided in the Trust Agreement and in the applicable Supplemental Trust Agreement.

The Authority may issue bonds (“Fixed Rate Bonds”) which bear a fixed rate or rates of interest during the term thereof.

The Authority may issue bonds (“Variable Rate Bonds”) which provide for a variable, adjustable, convertible or other similar rates of interest, not fixed as to percentage at the date of issue for the term thereof.

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The Authority may provide that any Series of Bonds may include an option exercisable by the Registered Owners thereof to have such Bonds ("Tender Bonds") either repurchased or redeemed prior to the maturity thereof.

The Authority may issue Capital Appreciation Bonds which provide for the addition of accrued and unpaid interest to the principal due thereon upon such terms with respect thereto determined by an Applicable Supplemental Trust Agreement.

The Authority may issue Bonds ("Discount Bonds") which either bear a zero stated rate of interest or bear a stated rate of interest such that such Bonds are sold at a price less than the aggregate principal amount thereof in order to provide such yield thereon as deemed appropriate and desirable thereon by the Authority.

The Authority may issue Bonds ("Deferred Income Bonds") which provide for the deferral of interest on such Bonds until the Interest Commencement Date.

Additional Bonds

One or more Series of Additional Bonds may be issued for any purpose of the Authority, including without limitation financing the school building assistance program contemplated by the Act, making deposits to one or more Funds, paying Costs of Issuance or refunding Outstanding Bonds or other obligations of the Authority.

A Series of Additional Bonds may be issued and delivered to the Trustee but only upon receipt by the Trustee, among other items, of the following:

- (i) An opinion of Bond Counsel with respect to the validity of the Additional Bonds and the enforceability of the pledge under the Trust Agreement.
- (ii) A certificate of an Authorized Officer stating that, as of the delivery of such Additional Bonds and application of their proceeds, no Event of Default under the Trust Agreement will have happened and will then be continuing and no outstanding Reimbursement Obligations will then be due and unpaid (unless the providers of the Credit Enhancement or Liquidity Facility to which such Reimbursement Obligations pertain have consented to the issuance of such Additional Bonds);
- (iii) An amount of cash, Permitted Investments, Reserve Credit Facilities in a stated amount or other moneys, including proceeds of Bonds, such that following the issuance of such Additional Bonds and application of their proceeds, the amount on deposit in the applicable Senior Debt Service Reserve Account or Subordinated Debt Service Reserve Account, if any, shall at least equal the applicable Series Debt Service Reserve Fund Requirement, if any;
- (iv) If the Additional Bonds are to be issued as Senior Bonds, one of the following certificates as determined by the Authority:
 - (A) A certificate of an Authorized Officer showing that the Dedicated Sales Tax Revenue Amount during any 12 consecutive months out of the 24-month period ending with the last full month for which such information is available prior to the issuance of the Additional Senior Bonds was not less than 140% of the maximum Adjusted Senior Bond Debt Service Requirement in the then current or any future Fiscal Year with respect to all Senior Bonds Outstanding including the proposed Additional Senior Bonds, provided that if any of the proposed Additional Senior Bonds will be Outstanding prior to July 1, 2010, such certificate shall also demonstrate that the applicable Dollar Amount or Percentage of Dedicated Sales Tax Revenue Amount (using the foregoing 12-month Dedicated Sales Tax Revenue Amount) for each Fiscal Year during which the Authority will be receiving the Phase-in Amount will be not less than 140% of the Adjusted Senior Bond Debt Service Requirement for such Fiscal Year

with respect to all Senior Bonds Outstanding including the proposed Additional Senior Bonds, or

(B) a certificate of an Authorized Officer setting forth the estimated Pledged Receipts expected to be received by the Authority in each Fiscal Year following the issuance of the proposed Additional Senior Bonds and showing for each Fiscal Year that the estimated Pledged Receipts for such Fiscal Year will be not less than 140% of the Adjusted Senior Bond Debt Service Requirement for such Fiscal Year with respect to all Senior Bonds Outstanding including the proposed Additional Senior Bonds;

(v) If the Additional Bonds are to be issued as Subordinated Bonds, one of the following certificates as determined by the Authority:

(A) a certificate of an Authorized Officer showing that the Dedicated Sales Tax Revenue Amount during any 12 consecutive months out of the 24-month period ending with the last full month for which such information is available prior to the issuance of the Additional Subordinated Bonds was not less than 130% of the maximum Adjusted Bond Debt Service Requirement in the then current or any future Fiscal Year with respect to all Bonds Outstanding including the proposed Additional Subordinated Bonds, provided that if any of the proposed Additional Subordinated Bonds will be Outstanding prior to July 1, 2010, such certificate shall also demonstrate that the applicable Dollar Amount or Percentage of Dedicated Sales Tax Revenue Amount (using the foregoing 12-month Dedicated Sales Tax Revenue Amount) for each Fiscal Year during which the Authority will be receiving the Phase-in Amount will be not less than 130% of the Adjusted Bond Debt Service Requirement for such Fiscal Year with respect to all Bonds Outstanding including the proposed Additional Subordinated Bonds, or

(B) a certificate of an Authorized Officer setting forth the estimated Pledged Receipts expected to be received by the Authority in each Fiscal Year following the issuance of the proposed Additional Subordinated Bonds and showing for each Fiscal Year that the estimated Pledged Receipts for such Fiscal Year will be not less than 130% of the Adjusted Bond Debt Service Requirement for such Fiscal Year with respect to all Bonds Outstanding including the proposed Additional Subordinated Bonds;

(vi) A certificate of an Authorized Officer showing that the total principal amount of Outstanding Bonds issued by the Authority under the Act, after giving effect to the issuance of such Series of Additional Bonds, will not exceed the limits, if any, imposed by the Act;

(vii) If the Authority shall deliver a certificate pursuant to subparagraphs (iv)(B) or (v)(B) above, a Rating Confirmation from each Rating Agency maintaining a rating on Bonds Outstanding; and

(viii) If applicable, the certificate of an Authorized Officer required by paragraph (c) under the heading "Qualified Hedge Agreements."

Refunding Bonds

One or more Series of Refunding Bonds may be issued in accordance for the purpose of refunding all or any part of the Bonds of one or more Series Outstanding and delivered to the Trustee, but only upon receipt by the Trustee, among other items of the following:

- (i) An opinion of Bond Counsel as described above under the section "Additional Bonds";
- (ii) A certificate of an Authorized Officer stating that, as of the delivery of such Refunding Bonds and application of their proceeds, (a) no Event of Default under the Trust Agreement will have happened and will then be continuing, (b) the amount on deposit in the Senior Debt Service Reserve Account or Subordinated Debt Service Reserve Account applicable to such Refunding Bonds, if any, is at least equal to the applicable Series Debt Service Reserve Fund Requirement,

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if any, and (c) the total principal amount of Outstanding Bonds issued by the Authority under the Act, after giving effect to the issuance of such Series of Refunding Bonds, and treating the Bonds to be refunded as no longer Outstanding, in accordance with the Act, will not exceed the limits, if any, imposed by the Act;

- (iii) A certificate of an Authorized Officer setting forth the Adjusted Bond Debt Service Requirement for each Fiscal Year in which Bonds are or will be Outstanding (a) computed immediately prior to the delivery of such Refunding Bonds and (b) computed immediately after the delivery of such Refunding Bonds, and showing either that (x) the Adjusted Bond Debt Service Requirement in each Fiscal Year in which Bonds will be Outstanding as computed in (b) of this paragraph will not be greater than the Adjusted Bond Debt Service Requirement in each such Fiscal Year as computed in (a) of this paragraph or (y) the maximum annual Adjusted Bond Debt Service Requirement for all such Fiscal Years as computed in (b) of this paragraph will not be greater than the maximum annual Adjusted Bond Debt Service Requirement for all such Fiscal Years as computed in (a) of this paragraph, provided that, in lieu of such certificate, the Authorized Officer may deliver to the Trustee either (A) a certificate satisfying the conditions of described above under “Additional Bonds” treating the Refunding Bonds to be issued as Additional Senior Bonds (if such Refunding Bonds are being issued as Senior Bonds) or (B) a certificate satisfying the conditions of described above under “Additional Bonds” treating the Refunding Bonds to be issued as Additional Subordinated Bonds (if such Refunding Bonds are being issued as Subordinated Bonds) or (C) a Rating Confirmation;
- (iv) A certificate of an Authorized Officer specifying the Bonds to be refunded and designating the Refunding Bonds as either Senior Bonds or Subordinated Bonds;
- (v) If any Bonds are to be redeemed prior to maturity, irrevocable instructions to the Trustee, satisfactory to it, to give due notice of redemption of the Bonds to be redeemed on a redemption date specified in the instructions;
- (vi) If the Bonds to be refunded are not by their terms due to mature or subject to redemption within the next succeeding 60 days, irrevocable instructions to the Trustee, satisfactory to it, to give due notice as provided under the Trust Agreement to the Registered Owners of the Bonds to be refunded;
- (vii) An amount of money or Defeasance Obligations sufficient to effect payment at maturity or redemption of the Bonds to be refunded;
- (viii) If applicable, the certificate of an Authorized Officer required by paragraph (c) under the heading “Qualified Hedge Agreements.”

Bond Anticipation Notes

Whenever the Authority shall authorize the issuance of a Series of Bonds, the Authority may, to the extent authorized by the Act or any other law, issue notes (and renewals thereof) in anticipation of such Series. The principal of and interest on notes authorized hereunder and renewals thereof shall be payable from any moneys of the Authority lawfully available therefor, from the proceeds of such notes or from the proceeds of the sale of the Series of Bonds in anticipation of which such notes are issued. The proceeds of such Bonds may be pledged for the payment of the principal of and interest on such notes. Notes issued in anticipation of a Series of Senior Bonds may be paid from the proceeds of the sale of a Series of Subordinated Bonds, if the Authority so determines, and the proceeds of such Subordinated Bonds may be pledged for the payment of the principal of and interest on such notes. The Authority may also pledge the Pledged Receipts to the payment of such notes on a subordinated basis, provided that prior to the issuance of any notes secured by such a pledge, the Authority shall (i) certify to the Trustee that it reasonably expects that all applicable requirements pertaining to the issuance of the Series of Bonds in anticipation of which such notes are to be issued can be satisfied and (ii) deliver a Rating Confirmation to the Trustee.

Creation of Liens; Other Indebtedness

Except as otherwise set forth in the Trust Agreement, the Authority shall not issue any bonds, notes or other evidences of indebtedness, other than the Bonds, or enter into any Qualified Hedge Agreement, secured by a pledge of or other lien on the Trust Estate held or set aside by the Authority or by the Trustee under the Trust Agreement, and shall not otherwise create or cause to be created any lien or charge on such Trust Estate.

The Authority may at any time or from time to time issue notes or other evidences of indebtedness (and renewals thereof) in anticipation of Bonds, which notes, if so determined by the Authority and to the extent permitted by law, may be payable out of, or secured by a pledge of, the Trust Estate, provided that such payment or pledge shall in all respects be subordinate to the provisions of the Trust Agreement and the pledge created thereby for the benefit of the related Senior Bonds Outstanding or Subordinated Bonds Outstanding, as applicable, thereunder.

The Authority may issue bonds (other than Additional Bonds or Refunding Bonds), notes or other evidences of indebtedness, and may enter into Qualified Hedge Agreements, which are payable out of, or secured by a pledge of, the Trust Estate, provided that such payment or pledge shall in all respects be subordinate to the provisions of the Trust Agreement and the pledge created thereby for the benefit of the Senior Bonds Outstanding and Subordinated Bonds Outstanding thereunder.

The Authority may issue bonds, notes or other evidences of indebtedness, and may enter into any Qualified Hedge Agreement, which are payable out of, or secured by a pledge of, Pledged Receipts to be derived on and after such date as the pledge of the Trust Estate created by the Trust Agreement has been discharged or which have been released from the lien and pledge thereof.

Credit Enhancement and Liquidity Facilities

The Authority may obtain or cause to be obtained Credit Enhancement or a Liquidity Facility providing for the payment of all or a portion of the principal, premium, or interest due or to become due on any Series of Bonds or any Qualified Hedge Payments payable by the Authority on a Qualified Hedge Agreement or providing for the purchase of such Bonds or a portion thereof by the issuer of any such Credit Enhancement or Liquidity Facility. The Authority may agree with the issuer of any Credit Enhancement or Liquidity Facility to reimburse such issuer from amounts held under the Trust Agreement or otherwise legally available to the Authority for amounts paid under the terms of such Credit Enhancement or Liquidity Facility together with interest thereon ("Reimbursement Obligations"). Any Reimbursement Obligation may be secured by a lien on the Trust Estate on a parity with the lien created under the Trust Agreement for the benefit of the related Series of Senior Bonds Outstanding or Subordinated Bonds Outstanding, as applicable, and as set forth below under the heading "Qualified Hedge Agreements" for the benefit of any Hedge Provider of any Parity Hedge Agreement.

To the extent provided in the Applicable Supplemental Trust Agreement, upon the payment of amounts under any Credit Enhancement, other than a Reserve Credit Facility, which is secured by a lien on the Trust Estate on a parity with the lien created by the Trust Agreement for the related Series of Senior Bonds or Subordinated Bonds, any Reimbursement Obligation arising therefrom may be deemed a Senior Bond Outstanding or Subordinated Bond Outstanding, as applicable, under the Trust Agreement or, in the case of any Reimbursement Obligation arising from Credit Enhancement on any Parity Hedge Agreement, a Scheduled Hedge Payment thereon payable in either case from the Senior Debt Service Fund on a parity with the Senior Bonds or the Subordinated Debt Service Fund on a parity with the Subordinated Bonds. Except as otherwise provided in the Applicable Supplemental Trust Agreement, any Reimbursement Obligation arising upon the payment of amounts under any Reserve Credit Facility shall be payable from amounts deposited in the Senior Debt Service Reserve Fund or the Subordinated Debt Service Reserve Fund as set forth in paragraph (b) under the heading "Flow of Funds".

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Qualified Hedge Agreements

(a) The Authority may from time to time enter into Qualified Hedge Agreements with a Hedge Provider with respect to all or a portion of the Bonds of any Series Outstanding. Prior to the effective date of any Qualified Hedge Agreement, the Authority shall deliver to the Trustee the following:

- (i) A fully executed copy of the Qualified Hedge Agreement, together with a certificate of an Authorized Officer stating that such agreement and the Hedge Provider meet the requirements of a Qualified Hedge Agreement and Hedge Provider thereunder; and
- (ii) A certificate of an Authorized Officer designating the Series of Senior Bonds or Subordinated Bonds or portions thereof subject to the Qualified Hedge Agreement.

(b) To the extent provided in a Supplemental Trust Agreement, the obligations of the Authority under a Qualified Hedge Agreement (herein referred to as a “Parity Hedge Agreement”) to make all or any portion of the Scheduled Hedge Payments required to be made by the Authority thereunder may be secured by a pledge of the Trust Estate on a parity with the pledge thereof created thereunder for the benefit of the Registered Owners of the related Series of Senior Bonds or Subordinated Bonds. If such Parity Hedge Agreement is entered into with respect to Senior Bonds, all Scheduled Hedge Payments to be made by the Authority under any Parity Hedge Agreement shall be payable from amounts deposited in the Senior Debt Service Fund on a parity with all other payments therefrom with respect to the Senior Bonds and if such Parity Hedge Agreement is entered into with respect to Subordinated Bonds, all Scheduled Hedge Payments to be made by the Authority under any Parity Hedge Agreement shall be payable from amounts deposited in the Subordinated Debt Service Fund on a parity with all other payments therefrom with respect to the Subordinated Bonds. The obligations of the Authority to make all or any portion of any Termination Hedge Payments under any Parity Hedge Agreement, and the obligation of the Authority to make any Qualified Hedge Payments under any other Qualified Hedge Agreement, may be secured by a pledge of the Trust Estate, provided that such pledge shall in all respects be subordinate to the pledge created by the Trust Agreement for the benefit of the related Senior Bonds or Subordinated Bonds Outstanding thereunder.

(c) Upon the issuance of any Variable Rate Bonds under the Trust Agreement which are subject to a Fixed Rate Hedge Agreement, an Authorized Officer shall deliver to the Trustee a certificate setting forth the Fixed Hedge Rate payable by the Authority during the term of such Fixed Rate Hedge Agreement on a notional amount of such Variable Rate Bonds.

(d) Upon the issuance of any Fixed Rate Bonds under the Trust Agreement which are subject to a Variable Rate Qualified Hedge Agreement, an Authorized Officer shall deliver to the Trustee a certificate setting forth the interest rate (the “Assumed Hedge Rate”) which such Authorized Officer reasonably determines will be the average interest rate which will be payable during the term of such Variable Rate Hedge Agreement then in effect on a notional amount of such Fixed Rate Bonds.

Establishment of Funds and Accounts

The following Funds shall be established and shall be held by the Trustee and are subject to the pledge created under the Trust Agreement:

- (i) Revenue Fund,
- (ii) Senior Debt Service Fund,
- (iii) Subordinated Debt Service Fund,
- (iv) Senior Debt Service Reserve Fund
- (v) Subordinated Debt Service Reserve Fund,
- (vi) Senior Redemption Fund,
- (vii) Subordinated Redemption Fund, and
- (viii) Bond Related Costs Fund.

Flow of Funds

The Authority shall, following the execution of the Trust Agreement, transfer to the Trustee for payment into the Revenue Fund all Pledged Receipts as received. Without limiting the generality of the foregoing, the Authority, pursuant to the Trust Agreement, irrevocably requests the Treasurer and Receiver-General of the Commonwealth, pursuant to Section 35BB of Chapter 10 of the Massachusetts General Laws, to disburse all amounts in the SMART Fund constituting Pledged Receipts to the Trustee for deposit in the Revenue Fund as soon as practicable after identifying amounts as such, but in no event later than two Business Days after such identification, provided, however, that in the case of Pledged Receipts identified in July of each year on account of the preceding June, the Treasurer and Receiver-General shall so disburse 90% of the amount identified as such and shall disburse the balance, net of any necessary year-end audit adjustments, as soon as practicable after issuance of the State Auditor's report on state tax revenues pursuant to paragraph (b) of Section 5 of Chapter 62F of the Massachusetts General Laws, but in any event within two Business Days after the issuance of such report. There shall also be deposited in the Revenue Fund any Scheduled Hedge Payments and any Termination Hedge Payments payable to the Authority by a Hedge Provider pursuant to a Qualified Hedge Agreement and any other moneys so directed by the Trust Agreement or by any Supplemental Trust Agreement and any other moneys of the Authority which it may in its discretion determine to so apply unless required to be otherwise applied by the Trust Agreement or any Supplemental Trust Agreement.

On or before the last Business Day of each month, the Trustee shall transfer amounts available in the Revenue Fund to the following Funds in the following order:

- (i) to the Senior Debt Service Fund, an amount equal to the Senior Debt Service Fund Requirement, to be further applied to the Senior Debt Service Accounts of the Senior Debt Service Fund as required by the Applicable Supplemental Trust Agreements;
- (ii) to each Senior Debt Service Reserve Account, on a pro-rata basis, the amount, if any, necessary to increase the amount on deposit in each Senior Debt Service Reserve Account to the level required by the Applicable Supplemental Trust Agreement;
- (iii) to the Bond Related Costs Fund, such amounts, if any, as may be set forth in an Applicable Supplemental Trust Agreement or in a certificate of an Authorized Officer delivered to the Trustee as necessary to pay Bond Related Costs with respect to Senior Bonds or to reimburse the Authority for the payment thereof;
- (iv) to the Subordinated Debt Service Fund, an amount equal to the Subordinated Debt Service Fund Requirement, to be further applied to the Subordinated Debt Service Accounts of the Subordinated Debt Service Fund as required by the Applicable Supplemental Trust Agreements;
- (v) to each Subordinated Debt Service Reserve Account, on a pro-rata basis, the amount, if any, necessary to increase the amount on deposit in each Subordinated Debt Service Reserve Account to the level required by the Applicable Supplemental Trust Agreement; and
- (vi) to the Bond Related Costs Fund, such amounts, if any, as may be set forth in an Applicable Supplemental Trust Agreement or in a certificate of an Authorized Officer delivered to the Trustee as necessary to pay Bond Related Costs with respect to Subordinated Bonds or to reimburse the Authority for the payment thereof.

Any balance remaining in the Revenue Fund following the above payments shall be retained in the Revenue Fund to be available for future payments therefrom or, upon the written direction of an Authorized Officer, shall be transferred by the Trustee to the Senior Redemption Fund or Subordinated Redemption Fund, to the extent permitted by the Trust Agreement, or upon the written direction of an Authorized Officer, shall be transferred by the Trustee to the Authority, free and clear of any trust, lien, pledge or assignment securing the Bonds or otherwise existing under the lien of the Trust Agreement.

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As long as no Event of Default shall have occurred and be continuing, the Trustee shall be entitled to rely without inquiry on a certificate of an Authorized Officer as to the proper amounts to be deposited in or withdrawn from any Fund as required by the Trust Agreement. The Authority shall furnish the Trustee with such a certificate prior to each time the Trustee is required or directed to deposit amounts in or withdraw amounts from any Fund thereunder. The Trustee shall retain copies of such certificates while any of the Bonds remain Outstanding.

Notwithstanding anything in this Section to the contrary, so long as there shall be held in the Senior Debt Service Fund an amount sufficient to fully pay all Outstanding Senior Bonds in accordance with their terms (including Principal Installments or Redemption Price and interest) no deposits shall be required to be made into the Senior Debt Service Fund and so long as there shall be held in the Subordinated Debt Service Fund an amount sufficient to fully pay all Outstanding Subordinated Bonds in accordance with their terms (including Principal Installments or Redemption Price and interest) no deposits shall be required to be made into the Subordinated Debt Service Fund.

Senior Debt Service Fund

The Trustee shall pay out of the applicable Senior Debt Service Account of the Senior Debt Service Fund (i) on or before each Debt Service Payment Date for a Series of Senior Bonds the amount required for the interest and Principal Installments payable on such date (ii) on or before each redemption date for a Series of Senior Bonds, other than a redemption date on account of Sinking Fund Payments, the amount required for the payment of interest and Redemption Price on such Series of Senior Bonds then to be redeemed and (iii) on or before each Debt Service Payment Date for a Series of Senior Bonds the amount, if any, required for all Scheduled Hedge Payments payable by the Authority on such date under any Parity Hedge Agreement with respect to such Series of Senior Bonds; provided that in each case the Authority may direct the Trustee to make such payments on such date prior to the due date as the Authority determines to the extent amounts are available therefor in such Fund. Amounts accumulated in the applicable Senior Debt Service Account of the Senior Debt Service Fund with respect to any Sinking Fund Payment (together with amounts accumulated therein with respect to interest on the Senior Bonds for which such Sinking Fund Payment was established) may, and if so directed by an Authorized Officer shall, be applied by the Trustee prior to the 45th day preceding the due date of such Sinking Fund Payment, to (i) the purchase of Senior Bonds of the Series and maturity for which such Sinking Fund Payment was established, at prices not exceeding the applicable sinking fund Redemption Price plus interest on such Senior Bonds to the first date on which such Senior Bonds could be redeemed (or, in the case of a Sinking Fund Payment due on the maturity date, the principal amount thereof plus interest to such date), such purchases to be made in such manner as the Authority shall arrange, or (ii) the redemption of such Senior Bonds then redeemable by their terms. The applicable Redemption Price or principal amount (in the case of maturing Senior Bonds) of any Senior Bonds so purchased or redeemed shall be deemed to constitute part of the applicable Senior Debt Service Account of the Senior Debt Service Fund until such Sinking Fund Payment date for the purpose of calculating the amount of such Fund.

In satisfaction, in whole or in part, of any amount required to be paid into the applicable Senior Debt Service Account of the Senior Debt Service Fund which is attributable to a Sinking Fund Payment, there may be delivered on behalf of the Authority to the Trustee Senior Bonds of the Series and maturity entitled to such payment. All Senior Bonds so delivered to the Trustee in satisfaction of a Sinking Fund Payment shall reduce the amount thereof by the amount of the aggregate of the sinking fund Redemption Prices of such Senior Bonds.

Senior Debt Service Reserve Fund

The Trustee shall establish a Senior Debt Service Reserve Account within the Senior Debt Service Reserve Fund for each Series of Senior Bonds, if and as directed by the Applicable Supplemental Trust Agreement.

If at any time the amounts on deposit and available therefor in the Senior Debt Service Fund and the Senior Redemption Fund are insufficient to pay (i) the principal or the Redemption Price of, and interest on, a Series of Senior Bonds then due and (ii) all Scheduled Hedge Payments then payable by the Authority under any Parity Hedge Agreement relating to such Series of Senior Bonds, the Trustee shall withdraw amounts on deposit

in the Senior Debt Service Reserve Account, if any, applicable to such Series of Senior Bonds, solely to pay the principal of and interest on such Series of Senior Bonds and Scheduled Hedge Payments relating to such Series of Senior Bonds. Amounts so withdrawn from a Senior Debt Service Reserve Account shall be derived, first, from cash or Permitted Investments on deposit therein and, second, from draws or demands on Reserve Credit Facilities held as a part thereof upon the terms and conditions set forth in any such Reserve Credit Facility or as set forth in the Applicable Supplemental Trust Agreement providing for such Reserve Credit Facility. If the Trustee shall draw on any cash or Permitted Investments and Reserve Credit Facilities in a Senior Debt Service Reserve Account, any amounts deposited in such Account to replenish the amounts drawn shall be paid, first, pro rata to the providers of the Reserve Credit Facilities as authorized under a Supplemental Trust Agreement and, second, shall be deposited therein as a cash deposit.

Subject to the provisions set forth in the first paragraph under the heading “Investments,” if on any Debt Service Payment Date for a Series of Senior Bonds, the amount on deposit in a Senior Debt Service Reserve Account is in excess of the Series Debt Service Reserve Fund Requirement applicable thereto (calculated by an Authorized Officer as of such Debt Service Payment Date after the payment of the amount due on such date for the interest and Principal Installments on the related Series of Senior Bonds Outstanding), such excess may be, in the discretion of the Authority, transferred by the Trustee to the Senior Debt Service Fund or, if approved by an opinion of Bond Counsel, to any Fund specified by the Authority.

Except as otherwise provided in the Applicable Supplemental Trust Agreement, whenever the Trustee shall determine that the amount of cash and Permitted Investments on deposit in a Senior Debt Service Reserve Account, together with all other funds available for the purpose, is equal to or in excess of the Redemption Price of the related Series of Senior Bonds Outstanding, the Trustee, at the direction of an Authorized Officer, shall transfer the balance of such cash and Permitted Investments from such Senior Debt Service Reserve Account to the Senior Debt Service Fund or the Senior Redemption Fund, as directed by an Authorized Officer, in connection with the payment or redemption of all of the Outstanding Senior Bonds of such Series.

Except as otherwise provided in the Applicable Supplemental Trust Agreement, at any time, the Trustee shall, upon the written direction of an Authorized Officer, transfer any amount in a Senior Debt Service Reserve Account to the Authority upon receipt by the Trustee of one or more Reserve Credit Facilities with aggregate stated and unpaid amounts not less than the amount so transferred, but, in no event, more than the amount required by the applicable Series Debt Service Reserve Fund Requirement.

With respect to the 2020A/B Debt Service Reserve Account, on or after August 15, 2020, upon written notice from the Authority, the Trustee shall transfer the amounts on deposit in the 2020A/B Senior Debt Service Reserve Account in excess of the 2020A/B Senior Debt Service Reserve Requirement as the Authority may direct, upon receipt of an opinion of Bond Counsel to the effect that such transfer will not adversely affect the exclusion from tax exemption of interest on the 2020A Bonds.

Subordinated Debt Service Fund

The Trustee shall pay out of the applicable Subordinated Debt Service Account of the Subordinated Debt Service Fund (i) on or before each Debt Service Payment Date for such Series of Subordinated Bonds the amount required for the interest and Principal Installments payable on such date (ii) on or before each redemption date for such Series of Subordinated Bonds, other than a redemption date on account of Sinking Fund Payments, the amount required for the payment of interest and Redemption Price on such Series of Subordinated Bonds then to be redeemed and (iii) on or before each Debt Service Payment Date for a Series of Subordinated Bonds the amount, if any, required for all Scheduled Hedge Payments payable by the Authority on such date under any Parity Hedge Agreement with respect to such Series of Subordinated Bonds; provided that in each case the Authority may direct the Trustee to make such payments on such date prior to the due date as the Authority determines to the extent amounts are available therefor in such Fund. Amounts accumulated in the applicable Subordinated Debt Service Account of the Subordinated Debt Service Fund with respect to any Sinking Fund Payment (together with amounts accumulated therein with respect to interest on the Subordinated Bonds for which such Sinking Fund Payment was established) may, and if so directed by an Authorized Officer shall, be applied by the Trustee prior to the 45th day preceding the due date of such Sinking Fund Payment, to (i) the purchase of Subordinated Bonds of the Series and maturity for which such Sinking Fund Payment was

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established, at prices not exceeding the applicable sinking fund Redemption Price plus interest on such Subordinated Bonds to the first date on which such Subordinated Bonds could be redeemed (or, in the case of a Sinking Fund Payment due on the maturity date, the principal amount thereof plus interest to such date), such purchases to be made in such manner as the Authority shall arrange, or (ii) the redemption of such Subordinated Bonds then redeemable by their terms. The applicable Redemption Price or principal amount (in the case of maturing Subordinated Bonds) of any Subordinated Bonds so purchased or redeemed shall be deemed to constitute part of the applicable Subordinated Debt Service Account of the Subordinated Debt Service Fund until such Sinking Fund Payment date for the purpose of calculating the amount of such Fund.

In satisfaction, in whole or in part, of any amount required to be paid into the applicable Subordinated Debt Service Account of the Subordinated Debt Service Fund which is attributable to a Sinking Fund Payment, there may be delivered on behalf of the Authority to the Trustee Subordinated Bonds of the Series and maturity entitled to such payment. All Subordinated Bonds so delivered to the Trustee in satisfaction of a Sinking Fund Payment shall reduce the amount thereof by the amount of the aggregate of the sinking fund Redemption Prices of such Subordinated Bonds.

Subordinated Debt Service Reserve Fund

The Trustee shall establish a Subordinated Debt Service Reserve Account within the Subordinated Debt Service Reserve Fund for each Series of Subordinated Bonds, if and as directed by the Applicable Supplemental Trust Agreement.

If at any time the amounts on deposit and available therefor in the Subordinated Debt Service Fund and the Subordinated Redemption Fund are insufficient to pay (i) the principal or the Redemption Price of, and interest on, a Series of Subordinated Bonds then due and (ii) all Scheduled Hedge Payments then payable by the Authority under any Parity Hedge Agreement relating to such Series of Subordinated Bonds, the Trustee shall withdraw amounts on deposit in the Subordinated Debt Service Reserve Account, if any, applicable to such Series of Subordinated Bonds, solely to pay the principal of and interest on such Series of Subordinated Bonds and Scheduled Hedge Payments relating to such Series of Subordinated Bonds. Amounts so withdrawn from a Subordinated Debt Service Reserve Account shall be derived, first, from cash or Permitted Investments on deposit therein and, second, from draws or demands on Reserve Credit Facilities held as a part thereof upon the terms and conditions set forth in any such Reserve Credit Facility or as set forth in the Applicable Supplemental Trust Agreement providing for such Reserve Credit Facility. If the Trustee shall draw on any cash or Permitted Investments and Reserve Credit Facilities in a Subordinated Debt Service Reserve Account, any amounts deposited in such Account to replenish the amounts drawn shall be paid, first, pro rata to the providers of the Reserve Credit Facilities as authorized under a Supplemental Trust Agreement and, second, shall be deposited therein as a cash deposit.

Subject to the provisions set forth in the first paragraph under the heading "Investments," if on any Debt Service Payment Date for a Series of Subordinated Bonds, the amount on deposit in a Subordinated Debt Service Reserve Account is in excess of the Series Debt Service Reserve Fund Requirement applicable thereto (calculated by an Authorized Officer as of such Debt Service Payment Date after the payment of the amount due on such date for the interest and Principal Installments on the related Series of Subordinated Bonds Outstanding), such excess may be, in the discretion of the Authority, transferred by the Trustee to the Subordinated Debt Service Fund or, if approved by an opinion of Bond Counsel, to any Fund specified by the Authority.

Except as otherwise provided in the Applicable Supplemental Trust Agreement, whenever the Trustee shall determine that the amount of cash and Permitted Investments on deposit in a Subordinated Debt Service Reserve Account, together with all other funds available for the purpose, is equal to or in excess of the Redemption Price of the related Series of Subordinated Bonds Outstanding, the Trustee, at the direction of an Authorized Officer, shall transfer the balance of such cash and Permitted Investments from such Subordinated Debt Service Reserve Account to the Subordinated Debt Service Fund or the Subordinated Redemption Fund, as directed by an Authorized Officer, in connection with the payment or redemption of all of the Outstanding Subordinated Bonds of such Series.

Except as otherwise provided in the Applicable Supplemental Trust Agreement, at any time, the Trustee shall, upon the written direction of an Authorized Officer, transfer any amount in a Subordinated Debt Service Reserve Account to the Authority upon receipt by the Trustee of one or more Reserve Credit Facilities with aggregate stated and unpaid amounts not less than the amount so transferred, but, in no event, more than the amount required by the applicable Series Debt Service Reserve Fund Requirement.

Senior Redemption Fund

The Authority may deposit in the Redemption Fund any moneys, including Pledged Receipts, not otherwise required by the Trust Agreement to be deposited or applied. Subject to the next to last paragraph of the section "Flow of Funds," above, if at any time the amount on deposit and available therefor in the Senior Debt Service Fund is insufficient to pay the Redemption Price of and interest on the Senior Bonds then due the Trustee shall withdraw from the Senior Redemption Fund and deposit in the Senior Debt Service Fund the amount necessary to meet the deficiency (other than amounts held therein for the redemption of Senior Bonds for which a notice of redemption shall have been given). Subject to the foregoing, amounts in the Senior Redemption Fund may be applied by the Authority to the redemption of Senior Bonds to the purchase of Senior Bonds at prices not exceeding the applicable Redemption Prices (plus accrued interest) had such Senior Bonds been redeemed (or, if not then subject to redemption, at the applicable Redemption Prices when next subject to redemption), such purchases to be paid for by the Trustee at such times and in such manner as arranged and directed by an Authorized Officer.

Subordinated Redemption Fund

The Authority may deposit in the Redemption Fund any moneys, including Pledged Receipts, not otherwise required by the Trust Agreement to be deposited or applied. Subject to the next to last paragraph of the section "Flow of Funds," above, if at any time the amount on deposit and available therefor in the Subordinated Debt Service Fund is insufficient to pay the Redemption Price of and interest on the Subordinated Bonds then due the Trustee shall withdraw from the Subordinated Redemption Fund and deposit in the Subordinated Debt Service Fund the amount necessary to meet the deficiency (other than amounts held therein for the redemption of Subordinated Bonds for which a notice of redemption shall have been given). Subject to the foregoing, amounts in the Subordinated Redemption Fund may be applied by the Authority to the redemption of Subordinated Bonds to the purchase of Subordinated Bonds at prices not exceeding the applicable Redemption Prices (plus accrued interest) had such Subordinated Bonds been redeemed (or, if not then subject to redemption, at the applicable Redemption Prices when next subject to redemption), such purchases to be paid for by the Trustee at such times and in such manner as arranged and directed by an Authorized Officer.

Bond Related Costs Fund

Except as otherwise provided in a Supplemental Trust Agreement, amounts deposited in the Bond Related Costs Fund shall be applied by the Trustee to pay Bond Related Costs or to reimburse the Authority for the prior payment thereof in the manner, at the times and in the amounts as directed from time to time by an Authorized Officer.

Upon the certification of an Authorized Officer that all Bond Related Costs for a Series of Senior Bonds have been paid, any balance in the Bond Related Costs Fund allocable to such Series, or any portion thereof as directed by such Authorized Officer may be applied to Bond Related Costs for a Series of Subordinated Bonds. Upon the certification of an Authorized Officer that all Bond Related Costs related to Subordinated Bonds have been paid, any balance in the Bond Related Costs Fund shall be withdrawn therefrom and paid to the Authority to be used for any lawful corporate purpose of the Authority.

Investments

Except as otherwise provided under "Defeasance" below, money held for the credit of any Fund under the Trust Agreement shall, to the fullest extent practicable, be invested, either alone or jointly with moneys in any other Fund, by or at the direction of an Authorized Officer, in Permitted Investments which shall mature or be redeemable at the option of the owner thereof, on such dates and in such amounts as may be necessary to provide

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moneys to meet the payments required to be made from such Funds, provided that if moneys in two or more funds or accounts are commingled for purposes of investments, the Trustee shall maintain appropriate records of the Permitted Investments or portions thereof which it makes and which are held for the credit of such Fund. Except as otherwise provided by an Applicable Supplemental Trust Agreement, Permitted Investments purchased as an investment of moneys in any Fund shall be deemed at all times to be a part of such Fund and all income thereon shall accrue to and be deposited in such Fund and all losses from investment shall be charged against such Fund, provided that all income earned on investment or deposit of the Senior Debt Service Reserve Fund shall be credited to and deposited upon receipt in the Senior Debt Service Fund and all income earned on investment or deposit of the Subordinated Debt Service Reserve Fund shall be credited to and deposited upon receipt in the Subordinated Debt Service Fund.

In computing the amount in any Fund thereunder for any purpose, Permitted Investments shall be valued at amortized cost. As used herein the term “amortized cost,” when used with respect to an obligation purchased at a premium above or a discount below par, means the value as of any given time obtained by dividing the total premium or discount at which such obligation was purchased by the number of days remaining to maturity on such obligation at the date of such purchase and by multiplying the amount thus calculated by the number of days having passed since purchase; and (i) in the case of an obligation purchased at a premium by deducting the product thus obtained from the purchase price, and (ii) in the case of an obligation purchased at a discount by adding the product thus obtained to the purchase price. Unless otherwise provided in the Trust Agreement, Permitted Investments in any Fund thereunder shall be valued at least once in each Fiscal Year on the last day thereof. Notwithstanding the foregoing, Permitted Investments in a Senior Debt Service Reserve Account or Subordinated Debt Service Reserve Account shall be valued at amortized cost for all purposes of the Trust Agreement unless and until a withdrawal from such Account shall be required, in which event such investments shall thereafter be valued at amortized cost or market, whichever is lower, until the balance in such Fund, on the basis of such valuation, shall equal the Funded Series Debt Service Reserve Fund Requirement. So long as no default shall have occurred and be continuing thereunder, any Reserve Credit Facility held for the account of a Debt Service Reserve Account thereunder shall be valued at the stated and unpaid amount thereof.

Powers as to Bonds and Pledge

The Authority represents that it is duly authorized under the Act and all applicable laws to create and issue Bonds thereunder and enter into the Trust Agreement and to pledge the Trust Estate purported to be pledged by the Trust Agreement in the manner and to the extent provided in the Trust Agreement. The Trust Estate so pledged is and will be free and clear of any pledge, lien, charge or encumbrance thereon with respect thereto prior to, or of equal rank with, the pledge created by the Trust Agreement except to the extent expressly permitted by the Trust Agreement. The Authority shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Trust Estate pledged under the Trust Agreement and all the rights of the Registered Owners and, to the extent provided therein, each Hedge Provider under the Trust Agreement against all claims and demands of all persons whomsoever. Without limiting the generality of the foregoing, the Authority agrees, so long as any Bonds remain Outstanding or any Reimbursement Obligations, Qualified Hedge Payments or Bond Related Costs remain unpaid or not provided for, (i) not to authorize the transfer of any excess amount from the SMART Fund to the Commonwealth if any portion of such amount was derived from the Dedicated Sales Tax Revenue Amount or the Phase-in Amount or if such transfer would in any way diminish the Authority’s right or ability to receive Pledged Receipts and (ii) not to make any determination pursuant to paragraph (f) of Section 35BB of Chapter 10 of the Massachusetts General Laws that Pledged Receipts are unnecessary for the purposes for which they have been pledged so as to permit a reduction in the rate of the excises imposed by Chapter 64H and Chapter 64I of the Massachusetts General Laws below the rate prescribed by said Section 35BB.

Accounts and Reports

The Authority shall keep proper books of record and account in which complete and correct entries shall be made of the Funds established by the Trust Agreement, and which shall at all times be subject to the inspection of the Trustee, the Owners of an aggregate of not less than 25% in principal amount of the Senior Bonds then Outstanding and the Owners of an aggregate of not less than 25% in principal amount of the Subordinated Bonds then Outstanding or their representatives duly authorized in writing. The Authority shall cause such books and accounts to be audited annually after the end of its Fiscal Year by an independent public accountant selected by

the Authority and shall furnish to the Trustee a copy of the report of such audit. The reports, statements and other documents required to be furnished by the Authority to the Trustee pursuant to any provisions of the Trust Agreement shall be available for the inspection of Bondowners at the office of the Trustee.

Tax Covenant

The Authority shall take, or require to be taken, such action as may from time to time be required to assure the continued exclusion from the federal gross income of Registered Owners of any Series of Tax Exempt Bonds. The Authority shall not permit the investment or application of the proceeds of any Series of Tax Exempt Bonds, including any funds considered proceeds within the meaning of Section 148 of the Code, to be used to acquire any investment property the acquisition of which, would cause such indebtedness to be “arbitrage bonds” within the meaning of said section 148.

Dedicated Payments

In the Authority’s discretion, revenues of the Authority which are not Pledged Receipts as defined in the Trust Agreement as initially executed may be pledged and designated as Dedicated Payments thereunder by resolution of the Authority, provided that the conditions in one of the three following sentences are satisfied. If such Dedicated Payments are to be received from the United States of America or any agency or instrumentality thereof, (a) they must automatically recur without appropriation, approval or other similar action by the United States of America or any agency or instrumentality thereof for so long as the Authority is relying thereon for the purpose of securing Bonds and (b) the manner of determining the amounts to be derived therefrom must not be subject to change or revision during such period. If such Dedicated Payments are to be received from the Commonwealth, they must consist of a payment obligation payable to the Authority pursuant to a statutory or contractual arrangement with the Commonwealth which, in the opinion of Bond Counsel, constitutes a general obligation of the Commonwealth, provided that at the time of entering into such an arrangement (a) such arrangement, by its terms, will not terminate so long as the Authority is relying thereon for the purpose of securing Bonds and (b) the manner of determining the amounts to be derived from such arrangement is not subject to change or revision during such period. If such Dedicated Payments are to be received in a manner not described in one of the two preceding sentences, the Authority may, in its sole discretion, designate any revenues which are not Pledged Receipts as Dedicated Payments, provided that either (i) such revenues consist of obligations with a rating by each Rating Agency in a category equal to or higher than its unenhanced, published rating on Outstanding Bonds or (ii) the Authority has received a Rating Confirmation from each Rating Agency then maintaining a rating on Outstanding Bonds. Without limiting the generality of the foregoing, payments made by the United States Treasury pursuant to Section 6431 of the Code are hereby deemed to satisfy the conditions of this section to qualify as Dedicated Payments. All Dedicated Payments shall be deposited upon receipt in the Senior Debt Service Fund. The Authority may in its discretion reverse or modify any pledge and designation of Dedicated Payments by a further resolution, and any determination to deposit Dedicated Payments in the Senior Debt Service Fund may be reversed or modified by written direction to the Trustee from an Authorized Officer, provided that such Authorized Officer shall certify to the Trustee that following such reversal or modification the Authority will meet the test for incurring one dollar of Additional Senior Bonds set forth in the Trust Agreement.

Events of Default

One or more of the following events shall constitute an Event of Default under the Trust Agreement:

- (i) If default shall be made in the payment of the principal or Redemption Price of any Bond when due, whether at maturity or by call for mandatory redemption or redemption or purchase at the option of the Authority or any Registered Owner, or otherwise, or in the payment of any Sinking Fund Payment when due; or
- (ii) If default shall be made in the payment of any installment of interest on any Bond when due; or
- (iii) If default shall be made by the Authority in the performance or observance of any of the covenants, agreements or conditions on its part provided in the Trust Agreement or in the Bonds and such default shall continue for a period of 90 days after written notice thereof shall be given

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to the Authority by the Trustee, having received written notice of such default, or to the Authority and the Trustee by the Registered Owners of a majority in principal amount of the Bonds Outstanding; provided that if such default cannot be remedied within such 90-day period, it shall not constitute an Event of Default under the Trust Agreement if corrective action is instituted by the Authority within such period and diligently pursued until the default is remedied.

No Right of Acceleration

Neither the Registered Owners nor the Trustee shall have any right to accelerate the payment of principal or interest due on any Bonds Outstanding upon the occurrence of any Event of Default.

Application of Revenues and Other Moneys after Default

The Authority covenants in the Trust Agreement that if an Event of Default shall happen and shall not have been remedied, the Authority, upon demand of the Trustee, shall pay over to the Trustee to the extent permitted by law forthwith, all Pledged Receipts not otherwise held by the Trustee thereunder upon receipt thereof by the Authority.

During the continuance of an Event of Default, the Trustee shall apply the moneys, securities and funds held by the Trustee and such Pledged Receipts and the income therefrom as follows and in the following order:

- (i) to the payment of the reasonable and proper charges and expenses of the Trustee and of any counsel selected by a Trustee;
- (ii) then, as follows:
 - (a) unless the principal amount of all of the Bonds shall have become due and payable,

First: To the payment to the persons entitled thereto to all installments of interest then due on the Senior Bonds in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full all installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference;

Second: To the payment to the persons entitled thereto of the unpaid principal amount or Redemption Price of any Senior Bonds which shall become due, whether at maturity or by call for redemption, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full all the Senior Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal or Redemption Price due on such date, to the persons entitled thereto, without any discrimination or preference;

Third: To the payment of any person entitled to the payment of any Bond Related Costs related to Senior Bonds ratably in accordance with the amount of such Bond Related Costs;

Fourth: To the payment to the persons entitled thereto to all installments of interest then due on the Subordinated Bonds in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full all installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference;

Fifth: To the payment to the persons entitled thereto of the unpaid principal amount or Redemption Price of any Subordinated Bonds which shall become due, whether at maturity or by call for redemption, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full all the Subordinated Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal or Redemption Price due on such date, to the persons entitled thereto, without any discrimination or preference; and

Sixth: To the payment of any person entitled to the payment of any Bond Related Costs related to Subordinated Bonds ratably in accordance with the amount of such Bond Related Costs.

(b) if the principal of all of the Bonds shall have become due and payable,

First: To the payment of the principal amount and interest then due and unpaid upon the Senior Bonds without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Senior Bond over any other Senior Bond, ratably, according to the amounts due respectively for principal amount and interest, to the persons entitled thereto, without any discrimination or preference;

Second: To the payment of any person entitled to the payment of any Bond Related Costs related to Senior Bonds ratably in accordance with the amount of such Bond Related Costs;

Third: To the payment of the principal amount and interest then due and unpaid upon the Subordinated Bonds without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Subordinated Bond over any other Subordinated Bond, ratably, according to the amounts due respectively for principal amount and interest, to the persons entitled thereto, without any discrimination or preference; and

Fourth: To the payment of any person entitled to the payment of any Bond Related Costs related to Subordinated Bonds ratably in accordance with the amount of such Bond Related Costs.

Notwithstanding anything in this section to the contrary, amounts on deposit in the Senior Debt Service Fund, the Senior Debt Service Reserve Fund and the Senior Redemption Fund and the investment earnings on such amounts shall be applied solely to the payment of amounts due on the respective Series of Senior Bonds and amounts on deposit in the Subordinated Debt Service Fund, the Subordinated Debt Service Reserve Fund and the Subordinated Redemption Fund and the investment earnings on such amounts shall be applied solely to the payment of amounts due on the respective Series of Subordinated Bonds.

The proceeds of any Credit Enhancement or Liquidity Facility shall be applied by the Trustee in the manner provided in the Supplemental Trust Agreement authorizing such Credit Enhancement or Liquidity Facility.

Proceedings Brought by Trustee

If an Event of Default shall happen and shall not have been remedied, then and in every such case, the Trustee may proceed to protect and enforce its rights and the rights of the Registered Owners of the Bonds under the Trust Agreement by a suit or suits in equity or at law. The Registered Owners of a majority in principal amount of the Senior Bonds then Outstanding, or if no Senior Bonds are Outstanding, a majority in principal amount of the Subordinated Bonds then Outstanding, may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, provided that the Trustee shall have the right to decline to follow any such direction if the Trustee in good faith shall determine that the action or proceeding so directed

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would involve the Trustee in personal liability or be unjustly prejudicial to the Registered Owners not parties to such direction.

Regardless of the happening of an Event of Default, the Trustee shall have power to, but unless requested in writing by the Registered Owners of a majority in principal amount of the Senior Bonds then Outstanding, or if no Senior Bonds are Outstanding, a majority in principal amount of the Subordinated Bonds then Outstanding, and furnished with security and indemnity reasonably satisfactory to the Trustee, shall be under no obligation to, institute and maintain such suits and proceedings as it may deem necessary or expedient to prevent any impairment of the security under the Trust Agreement by any acts which may be unlawful or in violation of the Trust Agreement, or necessary or expedient to preserve or protect its interests and the interests of the Registered Owners.

Nothing contained in the Trust Agreement is intended to preclude the Trustee upon the occurrence of an Event of Default thereunder from asserting any and all remedies it may have at law or equity with respect to the Pledged Receipts and other amounts held as security thereunder, including asserting any rights it may have as Trustee thereunder as a secured party with respect to all security granted thereunder.

Restrictions on Registered Owners' Action

No Registered Owner of any Bond shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of any provision of the Trust Agreement or for any remedy under the Trust Agreement, unless such Registered Owner shall have previously given to the Trustee written notice of the happening of any Event of Default and the Registered Owners of at least a majority in principal amount of the Senior Bonds then Outstanding, or if no Senior Bonds are Outstanding, of a majority in principal amount of the Subordinated Bonds then Outstanding, shall have filed a written request with the Trustee, and shall have offered it reasonable opportunity to exercise the powers granted in this Article in its own name, and unless such Registered Owners shall have offered to the Trustee adequate security and indemnity against the costs, expenses and liabilities to be incurred thereby, and the Trustee shall have refused to comply with such request within a reasonable time.

Responsibility of Fiduciaries

The duties and obligations of the Fiduciaries shall be determined by the express provisions of the Trust Agreement and any Applicable Supplemental Trust Agreement and the Fiduciaries shall not be liable except for their respective performance of such duties and obligations as are specifically set forth therein or in any Applicable Supplemental Trust Agreement and no further duties or obligations shall be implied. No Fiduciary shall be under any responsibility or duty with respect to the issuance of the Bonds for value or the application of the proceeds thereof or the application of any moneys paid to the Authority.

No Fiduciary shall be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect of the Trust Agreement, or to advance any of its own moneys, unless properly indemnified. No Fiduciary shall be liable in connection with the performance of its duties under the Trust Agreement except for its own negligence or bad faith nor shall any Fiduciary be liable for the action taken or omitted by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by the Trust Agreement.

Resignation and Removal

The Trustee may at any time resign and be discharged of the duties and obligations created by the Trust Agreement by giving not less than 30 days' written notice to the Authority and each Registered Owner specifying the date when such resignation shall take effect, and such resignation shall take effect upon the day specified in such notice provided a successor shall have been appointed. If there exists an Event of Default hereunder and the Trustee determines that it is a conflict of interest to serve as Trustee for both the Senior Bonds and the Subordinated Bonds, the Trustee may resign and a successor Trustee may be appointed for the Subordinated Bonds by the Registered Owners of a majority in principal amount of the Subordinated Bonds then Outstanding and pending such appointment, as further set forth in the section entitled "Appointment of Successor Fiduciary".

The Trustee may be removed at any time by an instrument or concurrent instruments in writing, filed with the Trustee, and signed by the Registered Owners of a majority in principal amount of the Senior Bonds then Outstanding, or if no Senior Bonds are Outstanding, of a majority in principal amount of the Subordinated Bonds then Outstanding, or their attorneys-in-fact duly authorized, excluding any Bonds held by or for the account of the Authority. Except during the existence of an Event of Default, the Authority may remove the Trustee at any time for cause or upon not less than 30 days' prior written notice to the Trustee for such other reason as shall be determined in the sole discretion of the Authority.

Appointment of Successor Fiduciary

In case at any time a Fiduciary shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of such Fiduciary, or of its property, shall be appointed, or if any public officer shall take charge or control of such Fiduciary, or of its property or affairs, a successor may be appointed (i) in the case of the Trustee, by the Registered Owners of a majority in principal amount of the Senior Bonds then Outstanding, or if no Senior Bonds are Outstanding, of a majority in principal amount of the Subordinated Bonds then Outstanding, excluding any Bonds held by or for the account of the Authority, by an instrument or concurrent instruments in writing signed and acknowledged by such Registered Owners or by their attorneys-in-fact duly authorized and delivered to such successor Trustee, notification thereof being given to the Authority and the predecessor Trustee and any other Fiduciary, and (ii) in the case of the Paying Agent, by the Authority, notification thereof being given to the predecessor Paying Agent and any other Fiduciary. Pending the appointment of a successor Trustee by the Registered Owners of a majority in principal amount of the Senior Bonds then Outstanding, or if no Senior Bonds are Outstanding, of a majority in principal amount of the Subordinated Bonds then Outstanding, the Authority by a written instrument signed by an Authorized Officer and delivered to the predecessor Trustee shall forthwith appoint a Trustee to fill such vacancy until a successor Trustee shall be appointed by the Registered Owners as authorized in the Trust Agreement. Any Trustee appointed in succession to the Trustee shall be a bank or trust company or a national banking association authorized to do business in the Commonwealth, having a capital and surplus aggregating at least \$50,000,000, if there be such a bank or trust company or national banking association willing and able to accept the office on reasonable and customary terms and authorized by law to perform all duties imposed upon it by the Trust Agreement.

Supplemental Trust Agreement Effective upon Filing

The Authority and the Trustee may at any time and from time to time enter into supplements or amendments to the Trust Agreement for any one or more of the following purposes:

- (i) to cure any ambiguity, inconsistency or formal defect or omission in the Trust Agreement;
- (ii) to close the Trust Agreement against, or provide limitations and restrictions contained in the Trust Agreement on, the original issuance of Bonds;
- (iii) to add to the covenants and agreements of the Authority contained in the Trust Agreement other covenants and agreements thereafter to be observed for the purpose of further securing the Bonds;
- (iv) to surrender any right, power or privilege reserved to or conferred upon the Authority by the Trust Agreement;
- (v) to authorize Bonds of a Series for any purpose permitted under the Trust Agreement or authorized by law and, in connection therewith, to specify and determine any matters and things relative to such Bonds not contrary to or inconsistent with the Trust Agreement;
- (vi) to authorize any Credit Enhancement, Liquidity Facility or Reserve Credit Facility;
- (vii) to exercise any provision in the Trust Agreement or to make such determinations thereunder as expressly provided therein to be exercised or determined in a Supplemental Trust Agreement;

APPENDIX A

- (viii) to confirm, as further assurance, any pledge under and the subjection to any lien or pledge created or to be created by the Trust Agreement of the Trust Estate; and
- (ix) for any other purpose, provided that such Supplemental Trust Agreement does not prejudice in any material respect the rights of the Registered Owner of any Bonds Outstanding at the date such Supplemental Trust Agreement becomes effective.

Powers of Amendment

Except as provided in the section entitled “Supplemental Trust Agreement Effective Upon Filings,” any modification or amendment of the Bonds or of the Trust Agreement may be made by a Supplemental Trust Agreement with the written consent (i) of the Registered Owners of at least a majority in the principal amount of all Senior Bonds Outstanding, or if no Senior Bonds are Outstanding, all Subordinated Bonds Outstanding, at the time such consent is given, or (ii) in case less than all of the several Series of Bonds then Outstanding are affected by the modification or amendment, of the Registered Owners of at least a majority in principal amount of each class by lien and priority of the Bonds of each Series so affected and Outstanding at the time such consent is given, and (iii) in case the modification or amendment changes the amount or date of any Sinking Fund Payment, of the Registered Owners of the Bonds of the particular Series and maturity entitled to such Sinking Fund Payment Outstanding at the time such consent is given, provided, however, that, if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like Series and maturity remain Outstanding, the vote or consent of the Registered Owners of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section. No modification or amendment of the Trust Agreement made by any Supplemental Trust Agreement executed by the Authority and the Trustee shall permit a change in the terms of redemption or maturity of the principal amount of any Outstanding Senior Bond or Subordinated Bond or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or the rate of interest thereon or the method for determining such rate or, except as otherwise provided in the Applicable Supplemental Trust Agreement, the terms of any Credit Enhancement or Liquidity Facility relating to a Bond, without the consent of the Registered Owner of such Senior Bond or Subordinated Bond, as applicable, or shall have a materially adverse affect on any of the rights or obligations of the Trustee or any Hedge Provider without its written assent thereto, or shall reduce the percentages of the principal amount of Bonds the consent of which is required to effect any such modification or amendment.

Defeasance

(a) If the Authority shall pay or cause to be paid, or there shall otherwise be paid, to the Registered Owners of the Bonds then Outstanding, the principal amount and interest and Redemption Price, if any, to become due thereon, at the times and in the manner stipulated therein and in the Trust Agreement, and if no Reimbursement Obligations, Qualified Hedge Payments or Bond Related Costs then due and payable remain unpaid or payment of such Reimbursement Obligations, Qualified Hedge Payments or Bond Related Costs have been provided for, then the pledge of any Pledged Receipts or other moneys and securities pledged by the Trust Agreement and all other rights granted by the Trust Agreement shall be discharged and satisfied. In such event, the Trustee shall, upon request of the Authority, execute and deliver to the Authority all such instruments as may be desirable to evidence such release and discharge and shall pay over or deliver to the Authority all moneys or securities held by it pursuant to the Trust Agreement which are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption or for the payment of Reimbursement Obligations or Qualified Hedge Payments or Bond Related Costs.

(b) Bonds or interest installments for the payment or redemption of which moneys shall be held by a Fiduciary (through deposit by the Authority of funds for such payment or redemption or otherwise), whether at or prior to the maturity or the redemption date of such Bonds, shall be deemed to have been paid within the meaning and with the effect expressed in paragraph (a) of this heading. All Outstanding Bonds of any Series or any part of a Series shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in paragraph (a) of this heading if (i) in case any of said Bonds are to be redeemed on any date prior to their maturity, an Authorized Officer shall have given to the Trustee, in form

satisfactory to it, irrevocable instructions to provide, notice of redemption on said date of such Bonds, (ii) there shall have been deposited with a Fiduciary either (x) moneys in an amount which shall be sufficient or (y) Defeasance Obligations (A) not subject to redemption at the option of the issuer thereof prior to the due date thereof or (B) as to which an irrevocable notice of redemption of such securities on a specified redemption date has been given and such securities are not otherwise subject to redemption prior to such specified date other than at the option of the owner thereof or (C) upon compliance with the provisions of paragraph (e) of this heading which are subject to redemption prior to maturity at the option of the issuer thereof on a specified date or dates, in each case the principal of and interest on which when due will provide moneys which, together with the moneys, if any, deposited with a Fiduciary at the time of deposit of such Defeasance Obligations, shall be sufficient (without reference to any forward purchase agreement as hereinafter provided), as certified by a firm of independent public accountants, to pay when due the principal amount or Redemption Price, if applicable, and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and in the event said Bonds do not mature and are not by their terms subject to redemption within the next succeeding 60 days, an Authorized Officer shall have given the Trustee in form satisfactory to it irrevocable instructions to provide, as soon as practicable, written notice to the Registered Owners of such Bonds that the deposit required by clause (ii) above has been made with a Fiduciary and that said Bonds are deemed to have been paid in accordance with paragraph (a) of this heading and stating the maturity or redemption date upon which moneys are to be available for the payment of the principal amount or Redemption Price, if applicable, on said Bonds. Neither Defeasance Obligations nor moneys deposited with a Fiduciary pursuant to this heading nor principal or interest payments on any such Defeasance Obligations shall be withdrawn or used for any purpose other than, and all of the same shall be held in trust for, the payment of the principal amount or Redemption Price, if applicable, and interest on said Bonds, provided, however that any cash received from the principal or interest payments on such Defeasance Obligations deposited with a Fiduciary, if not then needed for such purpose, may, to the extent practicable be reinvested in Defeasance Obligations as directed by an Authorized Officer or, in lieu of such direction at the time of receipt, an Authorized Officer may authorize and direct such Fiduciary to enter into one or more forward purchase agreements providing for the purchase of Defeasance Obligations at future dates, provided, further, that if such amounts shall have been derived from the proceeds of any Tax Exempt Bonds or bonds not issued thereunder which shall have been issued on the basis that the interest thereon is not includable in the gross income of the Registered Owner thereof for federal income tax purposes, any such amounts may be reinvested, or any such forward purchase agreement may be executed only upon receipt by the Trustee of a Bond Counsel's opinion that such reinvestment or forward purchase agreement shall not adversely affect the exclusion of the interest on such Tax Exempt Bonds or other bonds from gross income for federal income tax purposes. In the event of any conflict between the terms of such forward purchase agreement and the Trust Agreement, the provisions of the Trust Agreement shall apply. After the making of the payments for which such Defeasance Obligations or moneys were held, any surplus shall be promptly paid over to the Authority, as received by such Fiduciary, free and clear of any trust, lien or pledge or assignment securing the Bonds or otherwise existing under the Trust Agreement.

(c) For purposes of determining whether Variable Rate Bonds shall be deemed to have been paid prior to the maturity or redemption date thereof, as the case may be, by the deposit of moneys, or Defeasance Obligations and moneys, if any, in accordance with paragraph (b)(ii) of this heading, the interest to come due on such Variable Rate Bonds on or prior to the maturity date or redemption date thereof, as the case may be, shall be calculated at the Variable Rate Ceiling if in effect with respect to such Bonds, provided that if on any date, as a result of such Variable Rate Bonds having borne interest at less than such Variable Rate Ceiling for any period, the total amount of moneys and Defeasance Obligations on deposit with the Fiduciary for the payment of interest on such Variable Rate Bonds is in excess of the total amount which would have been required to be deposited with the Fiduciary on such date in respect of such Variable Rate Bonds in order to satisfy the provisions of paragraph (b)(ii) above, the Fiduciary shall, if requested by the Authority, pay promptly the amount of such excess to the Authority free and clear of any trust, lien, pledge or alignment securing the Bonds or otherwise existing under the Trust Agreement.

(d) Tender Bonds shall be deemed to have been paid in accordance with paragraph (b)(ii) of this heading only if, in addition to satisfying the requirements thereof, there shall have been deposited with a Fiduciary moneys in an amount which shall be sufficient to pay when due the maximum amount of principal of and premium, if any, and interest on such Bonds which could become payable to the Registered Owners of such Bonds upon the exercise of any options provided to the Registered Owners of such Bonds, provided that if, at the

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time a deposit is made with a Fiduciary pursuant to the provisions of paragraph (b)(ii) above, the options originally exercisable by the Registered Owner of Tender Bonds are no longer exercisable, such Bonds shall not be considered Tender Bonds for purposes of this paragraph (d). If any portion of the moneys deposited with a Fiduciary for the payment of the principal amount of and premium, if any, and interest on Tender Bonds is not required for such purpose, the Fiduciary shall, if requested by the Authority, pay promptly the amount of such excess to the Authority free and clear of any trust, lien, pledge or assignment securing said Bonds or otherwise existing under the Trust Agreement.

(e) Defeasance Obligations described in paragraph (b)(ii) above may be included in the Defeasance Obligations deposited with a Fiduciary in order to satisfy the requirements of paragraph (b)(ii) above only if the determination as to whether moneys and Defeasance Obligations to be deposited with a Fiduciary in order to satisfy the requirements of such paragraph (b)(ii) above would be sufficient to pay when due either on the maturity date thereof or, in the case of any Bonds to be redeemed prior to the maturity date thereof, on the redemption date or dates specified in any notice of redemption to be made by the Trustee or in the instructions to give a notice of redemption provided to the Trustee in accordance with paragraph (b)(ii) above, the principal of or Redemption Price, if applicable, and interest on the Bonds which will be deemed to have been paid as provided in paragraph (b)(ii) above is made both (i) on the assumption that the Defeasance Obligations described in paragraph (b)(ii) above were not redeemed at the option of the issuer prior to the maturity date thereof and (ii) on the assumption that such Defeasance Obligations would be redeemed by the issuer thereof at its option on each date on which such option could be exercised, that as of such date or dates interest ceased to accrue on such Defeasance Obligations and that the proceeds of such redemption would not be reinvested by the Fiduciary.

(f) Anything in the Trust Agreement to the contrary notwithstanding, any moneys held by a Fiduciary in trust for the payment and discharge of any Bonds which remain unclaimed for three years after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Fiduciary at such date, or for six months less than the applicable statutory escheat period (as determined by an Authorized Officer) if such moneys were deposited with the Fiduciary after the date when such Bonds become due and payable, shall, upon written direction from the Authority, be paid to the Authority as its absolute property and free from trust, and such Fiduciary shall thereupon be released and discharged with respect thereto and the Registered Owners shall look only to the Authority for the payment of such Bonds, provided that before being required to make any such payment to the Authority, such Fiduciary shall, at the expense of the Authority, cause to be published at least twice, at an interval of not less than seven days between publications, in Authorized Newspapers, a notice that said moneys remain unclaimed it and that, after a date named in said notice, which date shall not be less than 30 days after the date of the first publication of such notice, the balance of such moneys then unclaimed will be returned promptly to the Authority.

No Recourse on the Bonds

No recourse shall be had for the payment of the principal or Redemption Price of or the interest on the Bonds or for any Reimbursement Obligation or any Qualified Hedge Payment thereunder or for any claim based thereon or on the Trust Agreement against any official, agent, representative or employee of the Authority or any person executing the Bonds or the applicable Qualified Hedge Agreement. No official, agent, representative or employee of the Authority shall be held personally liable to any purchaser or Registered Owner of any Bond under or upon such Bond, or under or upon the Trust Agreement or any Supplemental Trust Agreement, or to any Hedge Provider or the issuer of any Credit Enhancement or any Liquidity Facility, or, to the extent permitted by law, because of the sale or issuance or attempted sale or issuance of Bonds, or because of any act or omission in connection with the investment or management of the Pledged Receipts, funds or moneys of the Authority, or otherwise in connection with the management of its affairs, excepting solely for things willfully done or omitted to be done with an intent to defraud.

Covenant of the Commonwealth

Pursuant to paragraph (a) of Section 3B of Chapter 70B of the Massachusetts General Laws, the Treasurer and Receiver-General of the Commonwealth covenants in the Trust Agreement on behalf of the Commonwealth as set forth below:

(a) The Treasurer and Receiver-General agrees to hold and disburse Pledged Receipts in the SMART Fund in compliance with all covenants and provisions relating thereto in the Trust Agreement. Without limiting the generality of the foregoing, the Treasurer and Receiver-General agrees, in accordance with Section 35BB of Chapter 10 of the Massachusetts General Laws, to disburse all amounts in the SMART Fund constituting Pledged Receipts to the Trustee for deposit in the Revenue Fund under the Trust Agreement as soon as practicable after identifying amounts as such, but in no event later than two Business Days after such identification, provided, however, that in the case of Pledged Receipts identified in July of each year on account of the preceding June, the Treasurer and Receiver-General agrees to disburse 90% of the amount identified as such and to disburse the balance, net of any necessary year-end audit adjustments, as soon as practicable after issuance of the State Auditor's report on state tax revenues pursuant to paragraph (b) of Section 5 of Chapter 62F of the Massachusetts General Laws, but in any event within two Business Days after the issuance of such report. The Treasurer and Receiver-General acknowledges, in accordance with said Section 35BB, that by affixing her signature to the Trust Agreement the Executive Director of the Authority has duly and irrevocably requested the Treasurer and Receiver-General to disburse all amounts in the SMART Fund constituting Pledged Receipts to the Trustee as aforesaid, so long as the Authority shall remain liable under the Trust Agreement on any Bonds or Qualified Hedge Agreements.

(b) So long as any Bonds are Outstanding under the Trust Agreement or any Reimbursement Obligations, Qualified Hedge Payments or Bond Related Costs then due and payable remain unpaid or payment of such Reimbursement Obligations, Qualified Hedge Payments or Bond Related Costs shall not have been provided for, the Pledged Receipts shall not be diverted from the SMART Fund except to be transferred to the Revenue Fund as provided in the Trust Agreement, and the rates of the excises the revenues from which constitute the Dedicated Sales Tax Revenue Amount shall not be reduced below 1%.

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One Financial Center
 Boston, MA
 617 542 6000
 617 542 2241 fax



PROPOSED FORM OF OPINION OF BOND COUNSEL

[Dated Closing Date]

Massachusetts School Building Authority
 10 Post Office Square, Suite S400
 Boston, Massachusetts 02109

Re: \$_____ Massachusetts School Building Authority Subordinated Dedicated Sales Tax Bonds, 2025 Series A (Social Bonds) and \$_____ Subordinated Dedicated Sales Tax Refunding Bonds, 2025 Series B (Social Bonds)

We have acted as bond counsel to the Massachusetts School Building Authority (the “Authority”) in connection with the issuance by the Authority of its \$_____ Subordinated Dedicated Sales Tax Bonds, 2025 Series A (Social Bonds) and its \$_____ Subordinated Dedicated Sales Tax Refunding Bonds, 2025 Series A (Social Bonds) (together, the “2025 Bonds”). The 2025 Bonds are being issued pursuant to Chapter 70B of the Massachusetts General Laws, as amended (the “Act”), and the Trust Agreement, dated as of August 1, 2005 (as amended, restated and supplemented, the “Trust Agreement”), between the Authority and J.P. Morgan Trust Company, N.A., as trustee, as supplemented by the Thirty-second Supplemental Trust Agreement, dated as of September 1, 2025 between the Authority and the Bank of New York Mellon Trust Company, N.A., as successor trustee (the “Trustee”). In such capacity, we have examined such law and such certified proceedings and other documents as we have deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation. Unless otherwise defined herein, certain capitalized terms used herein shall have the meanings set forth in the Trust Agreement.

Based upon the foregoing, we are of the opinion that, under existing law:

(a) The Authority is duly created and validly existing as a body politic and corporate and public instrumentality of The Commonwealth of Massachusetts (the “Commonwealth”) with the corporate power to enter into the Trust Agreement, perform the obligations on its part contained therein and issue the 2025 Bonds.

(b) The 2025 Bonds have been duly authorized, executed and delivered by the Authority and are valid and binding special obligations of the Authority enforceable in accordance with their terms. The 2025 Bonds are secured by the Trust Agreement and a pledge of the Pledged Receipts and Dedicated Payments received by or for the account of the Authority and amounts on deposit in the funds and accounts pledged as security therefor under the Trust Agreement. The Trust Agreement creates the valid pledge and lien which it purports to create for the benefit of the holders of the 2025 Bonds, subject to the application

of such Pledged Receipts, Dedicated Payments and amounts to the purposes and on the conditions permitted by the Trust Agreement.

(c) The Trust Agreement has been duly and lawfully authorized, executed and delivered, is in full force and effect and is a valid and binding agreement of the Authority enforceable upon the Authority in accordance with its terms.

(d) (i) Under existing law, interest on the 2025 Bonds, including any accrued original issue discount, is excludable from the gross income of the holders of the 2025 Bonds for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). This opinion is expressly conditioned upon continued compliance by the Authority with certain requirements of the Code which must be satisfied subsequent to the issuance of the 2025 Bonds in order to ensure that interest on the 2025 Bonds is and continues to be excludable from gross income for federal income tax purposes under Section 103 of the Code. Failure to comply with certain of such requirements may cause interest on the 2025 Bonds to be includable in the gross income of holders of the 2025 Bonds retroactive to the date of issuance of the 2025 Bonds.

(ii) Interest on the 2025 Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax imposed on some individuals; however, it may be taken into account for the purpose of computing the federal alternative minimum tax imposed on certain corporations.

(iii) We express no opinion as to any other matters of federal tax law relating to the 2025 Bonds.

(e) Under existing law, interest on the 2025 Bonds and any profit on the sale thereof are exempt from Massachusetts personal income taxes, and the 2025 Bonds are exempt from Massachusetts personal property taxes. We express no opinion as to any other Massachusetts tax consequences arising with respect to the 2025 Bonds nor as to the taxability of the 2025 Bonds, their transfer and the income therefrom, including any profit made on the sale thereof, under the laws of any state other than the Commonwealth.

It should be understood that the rights of the holders of the 2025 Bonds, and the enforceability of the 2025 Bonds and the Trust Agreement may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases. This opinion is given as of the date hereof, and we assume no obligation to 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.

MINTZ, LEVIN, COHN, FERRIS, GLOVSKY AND POPEO, P.C.

PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement dated as of September __, 2025 (the “Disclosure Agreement”) is executed and delivered by the Massachusetts School Building Authority (the “Authority”) and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), in connection with the issuance of the Massachusetts School Building Authority’s Subordinated Dedicated Sales Tax Bonds, 2025 Series A (Social Bonds) and Subordinated Dedicated Sales Tax Refunding Bonds, 2025 Series B (Social Bonds) (collectively, the “Bonds”). The Bonds are being issued pursuant to Chapter 70B of the Massachusetts General Laws and the Trust Agreement, dated as of August 1, 2005 (as amended, restated and supplemented, the “Trust Agreement”), between the Authority and J.P. Morgan Trust Company, N.A., as supplemented by the Thirty-second Supplemental Trust Agreement, dated as of September 1, 2025, between the Authority and the Trustee, as successor trustee. The Authority and the Trustee covenant and agree as follows:

Section 1. Purpose; Beneficiaries. This Disclosure Agreement is entered into solely to assist the Participating Underwriter (as defined below) of the Bonds in complying with subsection (b)(5) of the Rule (defined below). This Disclosure Agreement constitutes a written undertaking for the benefit of the registered owners and beneficial owners (within the meaning of the Rule) of the Bonds (such registered owners and beneficial owners being sometimes called herein collectively “owners”).

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

(a) “Annual Report” shall mean any Annual Report provided by the Authority to the Trustee, and consistent with the requirements of Sections 3 and 4 of this Disclosure Agreement.

(b) “EMMA” means the MSRB’s Electronic Municipal Market Access system currently located at <http://emma/msrb.org>, or its successor as designated by the MSRB.

(c) “MSRB” means the Municipal Securities Rulemaking Board.

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

(e) “Rule” means Rule 15c2-12 promulgated by the SEC under the Securities and Exchange Act of 1934, as amended (17 CFR Part 240, 240.15c2-12), as in effect on the date of this Disclosure Agreement, including any official interpretation thereof.

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

All capitalized words and terms used in this Disclosure Agreement and not otherwise defined herein shall have the meaning ascribed to such words and terms in the Official Statement dated September __, 2025 pertaining to the Bonds (the “Official Statement”).

Section 3. Provision of Annual Reports. Not later than January 15 of each year, the Trustee shall deliver a written notice to the Authority requesting that the Authority deliver to the Trustee by February 1 of such year, an Annual Report for the fiscal year ended the preceding June 30. If said Annual Report does not contain the Authority’s audited financial statements for the fiscal year of the Annual Report, then the Authority shall, in any event, deliver to the Trustee (i) with the Annual Report unaudited financial statements for the fiscal year of the Annual Report and (ii) said audited financial statements as soon as practicable after the audited financial statements become available (but in no event later than April 30).

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By February 15 of each year, the Trustee shall forward to EMMA the Authority's Annual Report, with the Authority's audited financial statements (or unaudited financial statements, if the audited financial statements are not then available) or notice of the Authority's failure to provide said Annual Report. If the Authority elects not to provide the Trustee with its audited financial statements as part of its Annual Report by February 1, the Trustee shall forward to EMMA the Authority's audited financial statements as soon as practicable after the audited financial statements become available. If the Trustee has not received an Annual Report by February 1 of any year, it shall notify the Authority of its failure to provide the Annual Report to the Trustee.

Upon its forwarding of the Annual Report and financial statements, the Trustee shall file a report with the Authority certifying that the Annual Report and financial statements have been forwarded to EMMA pursuant to this disclosure agreement, stating the date of such filing.

Section 4. Content of Annual Reports. The Annual Report shall contain (i) the quantitative information for the preceding fiscal year of the type presented in the tables titled "HISTORICAL COMMONWEALTH SALES TAX RECEIPTS" and "AGGREGATE DEBT SERVICE AND SINKING FUND DEPOSIT REQUIREMENTS" in the Official Statement and (ii) the audited financial statements of the Authority for such fiscal year if audited financial statements are then available (or unaudited financial statements if audited financial statements are not then available), or (iii) notice of the Authority's failure if any, to provide such information.

Any or all of the items listed above may be included by reference to other documents, including official statements pertaining to debt issued by the Authority, which have been submitted to EMMA. The Authority's annual financial statements for each fiscal year shall consist of the balance sheet of the Authority and a statement of revenues, expenditures and changes in fund balance prepared in accordance with generally accepted accounting principles in effect from time to time, or as applicable law may otherwise provide. Such financial statements shall be audited by a firm of certified public accountants appointed by the Authority. The Trustee is agent of the Authority in the dissemination of the Annual Report and the other notices referenced herein and has no duty or responsibility as to the legal correctness or accuracy of the form or content of said Annual Report or notices. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

Section 5. Reporting of Significant Events. Upon the occurrence of any of the following listed events with respect to the Bonds, the Authority shall direct the Trustee to provide to EMMA in a timely manner not in excess of ten business days after the occurrence of the event, notice of such occurrence (numbered in accordance with the provisions of the Rule):

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;

- (vii) modifications to rights of any owners of the Bonds, if material;
- (viii) bond calls, if material, and tender offers;
- (ix) defeasances;
- (x) release, substitution or sale of property securing repayment of the Bonds, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership or similar event of the Authority;
- (xiii) the consummation of a merger, consolidation, or acquisition involving the Authority or the sale of all or substantially all of the assets of the Authority, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material.
- (xv) incurrence of a financial obligation¹ of the Authority, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation¹ of the Authority, any of which affects holders of the Bonds, if material; and
- (xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation¹ of the Authority, any of which reflect financial difficulties.

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

Section 6. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Authority from providing any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, in addition to that which is required by this Disclosure Agreement. If the Authority chooses to provide any information in addition to that which is specifically required by this Disclosure Agreement, the Authority and the Trustee shall have no obligation under this Disclosure Agreement to update such information in the future.

¹ As noted in the Rule, the term “financial obligation” means (i) a debt obligation, (ii) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation or (iii) a guaranty of an instrument described in (i) or (ii). The term does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Rule 15c2-12.

APPENDIX C

Section 7. Enforceability of This Disclosure Agreement; Termination. To the extent permitted by law, the provisions of this Disclosure Agreement are enforceable against the Authority and the Trustee in accordance with the terms hereof by any owner of a Bond, including any beneficial owner acting as a third party beneficiary (upon proof of its status as a beneficial owner reasonably satisfactory to the Trustee). To the extent permitted by law, any such owner shall have the right, for the equal benefit and protection of all owners of the Bonds, by mandamus or other suit or proceeding at law or in equity, to enforce its rights against the Authority and the Trustee and to compel the Authority and the Trustee and any of their officers, agents or employees to perform and carry out their duties under such provisions of this Disclosure Agreement; provided, however, that the sole remedy for a violation of this Disclosure Agreement shall be limited to an action to compel specific performance of the obligations of the Authority and the Trustee under this Disclosure Agreement and shall not include any rights to monetary damages. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Trust Agreement. This Disclosure Agreement shall terminate if no Bonds remain outstanding (without regard to an economic defeasance) or if the provisions of the Rule concerning continuing disclosure are no longer in effect, whichever occurs first.

Section 8. Amendments. This Disclosure Agreement may be amended, changed or modified by the parties hereto, without the consent of, or notice to, any owners of the Bonds, (a) to comply with or conform to the provisions of the Rule or any amendments thereto or authoritative interpretations thereof by the SEC or its staff (whether required or optional), (b) to add a dissemination agent for the information required to be provided by such undertakings and to make any necessary or desirable provisions with respect thereto, (c) to add to the covenants of the Authority or the Trustee for the benefit of the owners of the Bonds, (d) to modify the contents, presentation and format of the annual financial information from time to time as a result of a change in circumstances that arises from a change in legal requirements, or (e) to otherwise modify the undertaking of the Authority in this Disclosure Agreement or otherwise responding to the requirements of the Rule concerning continuing disclosure; provided, however, that in the case of any amendment pursuant to clause (d) or (e), (i) the undertaking, as amended, would have complied with the requirements of the Rule at the time of the offering of the Bonds, after taking into account any amendments or authoritative interpretations of the Rule, as well as any change in circumstances, and (ii) the amendment does not materially impair the interests of the owners of the Bonds, as determined either by a party unaffiliated with the Authority or the Trustee (such as the firm serving at the time as bond counsel to the Authority) or by the vote or consent of the Registered Owners of a majority in outstanding principal amount of the Bonds affected thereby at or prior to the time of such amendment. Any amendment, change or modification to this Disclosure Agreement shall be in writing and shall be agreed to by the Authority and Trustee.

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

Section 9. Disclaimer. No information provided by or on behalf of the Authority under this Disclosure Agreement shall obligate the Authority to file any information regarding matters other than those specifically described in Sections 3, 4 and 5 hereof, nor shall any such filing constitute a representation by the Authority or raise any inference that no other material events have occurred with respect to the Authority or the Bonds or that all material information regarding the Authority or the Bonds has been disclosed. The Authority shall have no obligation under this Disclosure Agreement to update information provided pursuant to this Disclosure Agreement except as specifically stated herein.

Section 10. Duties, Immunities and Liabilities of the Trustee. The Trustee shall have only such duties under this Disclosure Agreement as are specifically set forth in this Disclosure Agreement, and the Authority hereby agrees to indemnify and save the Trustee, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the cost and expenses (including attorney's fees) of defending against any claim of liability, but excluding all losses, expenses and liabilities due to the Trustee's negligence or willful misconduct in the performance of its duties hereunder. The obligations of the Authority under this Section 10 shall survive resignation or removal of the Trustee and payment of the Bonds.

Section 11. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 12. Governing Law. This Disclosure Agreement shall be governed by and construed in accordance with the laws of the Commonwealth and applicable law of the United States of America.

Section 13. Titles of Sections. The titles of sections in this Disclosure Agreement shall have no effect in construing this Disclosure Agreement.

Section 14. Actions to be Performed on Non-Business Days. Any action required by this Disclosure Agreement to be taken on a Saturday, Sunday or holiday within the Commonwealth may be taken on the next business day with the same force and effect as if taken on the day so required.

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TABLE OF REFUNDED BONDS AND TARGET BONDS*

The following list of Bonds to be refunded or purchased and canceled from the proceeds of the 2025B Bonds or defeased from other available funds is not final and is subject to change prior to the sale of the 2025B Bonds. The Authority reserves the right to not refund, purchase and cancel, or defease any or all of the Bonds listed below, and to refund, purchase and cancel, or defease other Bonds not listed below.

*Refunded Bond Candidates:***Senior Dedicated Sales Tax Bonds, 2015 Series B**

<u>CUSIP[†]</u>	<u>Maturity (January 15)</u>	<u>Interest Rate</u>	<u>Outstanding Principal Amount</u>
576000QR7	2026	5.000%	\$7,790,000
576000QS5	2027	5.000	3,105,000
576000QT3	2028	5.000	8,425,000
576000QX4	2032	4.000	9,860,000
576000QY2	2033	4.000	10,255,000
576000QZ9	2034	4.000	10,665,000
576000RA3	2035	4.000	11,090,000
576000RB1	2036	4.000	11,535,000
576000RC9	2037	4.000	11,995,000
576000RE5	2039	4.000	12,975,000
576000RF2	2040	4.000	13,490,000
576000RG0	2045	4.000	76,000,000

Senior Dedicated Sales Tax Refunding Bonds, 2015 Series C

<u>CUSIP[†]</u>	<u>Maturity (August 15)</u>	<u>Interest Rate</u>	<u>Outstanding Principal Amount</u>
576000RS4	2026	5.000%	\$30,950,000
576000RT2	2027	5.000	32,535,000
576000RU9	2028	3.050	26,810,000
576000SH7	2029	5.000	17,655,000
576000RV7	2029	3.125	10,090,000
576000SK0	2030	5.000	15,695,000
576000RW5	2030	3.375	13,215,000
576000ZY2	2031	5.000	30,705,000
576000RY1	2032	4.000	78,620,000
576000SC8	2036	4.000	40,000,000
576000SE4	2037	5.000	134,470,000
576000SD6	2037	3.750	2,570,000

Senior Dedicated Sales Tax Refunding Bonds, 2015 Series D

<u>CUSIP[†]</u>	<u>Maturity (August 15)</u>	<u>Interest Rate</u>	<u>Outstanding Principal Amount</u>
576000YH0	2032	4.750%	\$56,245,000
576000YJ6	2037	5.000	191,560,000

* Preliminary, subject to change.

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APPENDIX D

Senior Dedicated Sales Tax Bonds, 2016 Series A

<u>CUSIP[†]</u>	<u>Maturity (November 15)</u>	<u>Interest Rate</u>	<u>Outstanding Principal Amount</u>
576000TJ2	2026	5.000%	\$3,640,000
576000TK9	2027	5.000	3,830,000
576000TL7	2028	5.000	4,025,000
576000TM5	2029	5.000	4,230,000
576000TN3	2030	5.000	4,450,000
576000TZ6	2042	5.000	8,105,000

Subordinated Dedicated Sales Tax Bonds, 2018 Series A

<u>CUSIP[†]</u>	<u>Maturity (February 15)</u>	<u>Interest Rate</u>	<u>Outstanding Principal Amount</u>
576000VQ3	2026	5.000%	\$10,360,000
576000VR1	2027	5.000	8,790,000
576000VS9	2028	5.000	12,570,000

Subordinated Dedicated Sales Tax Bonds, 2018 Series B

<u>CUSIP[†]</u>	<u>Maturity (February 15)</u>	<u>Interest Rate</u>	<u>Outstanding Principal Amount</u>
576000WF6	2039	4.000%	\$15,695,000
576000WG4	2040	4.000	16,320,000
576000WH2	2041	4.000	16,975,000
576000WJ8	2042	4.000	17,650,000
576000WK5	2043	4.000	18,360,000

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*Target Bonds:***Senior Dedicated Sales Tax Bonds, 2016 Series B**

<u>CUSIP[†]</u>	<u>Maturity (November 15)</u>	<u>Interest Rate</u>	<u>Outstanding Principal Amount</u>
576000UK7	2028	5.000%	\$12,070,000
576000UL5	2029	3.000	285,000
576000UY7	2029	5.000	12,405,000
576000UM3	2030	5.000	13,335,000
576000UN1	2031	5.000	14,020,000
576000UP6	2032	3.000	2,635,000
576000UZ4	2032	5.000	12,075,000
576000UQ4	2033	5.000	15,440,000
576000UR2	2034	5.000	16,230,000
576000US0	2035	5.000	17,060,000
576000VA8	2036	5.000	17,065,000
576000VC4	2039	5.000	38,645,000
576000VB6	2046	5.000	76,830,000
576000UU5	2046	4.000	90,000,000

Senior Dedicated Sales Tax Refunding Bonds, 2016 Series C

<u>CUSIP[†]</u>	<u>Maturity (November 15)</u>	<u>Interest Rate</u>	<u>Outstanding Principal Amount</u>
576000VD2	2033	5.000%	\$59,870,000
576000VE0	2034	5.000	62,930,000
576000VF7	2035	4.000	65,825,000

Subordinated Dedicated Sales Tax Refunding Bonds, 2019 Series B (Federally Taxable)

<u>CUSIP[†]</u>	<u>Maturity (October 15)</u>	<u>Interest Rate</u>	<u>Outstanding Principal Amount</u>
576000XF5	2026	2.378%	\$4,935,000
576000XG3	2027	2.436	45,280,000
576000XH1	2028	2.566	4,115,000
576000XJ7	2029	2.666	4,225,000
576000XK4	2030	2.766	4,340,000
576000XL2	2031	2.866	50,590,000
576000XM0	2032	2.966	52,090,000
576000XN8	2033	3.066	53,650,000
576000XP3	2034	3.166	55,280,000
576000XQ1	2040	3.395	372,365,000

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APPENDIX D

Senior Dedicated Sales Tax Refunding Bonds, 2020 Series B (Federally Taxable) (Social Bonds)

<u>CUSIP[†]</u>	<u>Maturity (August 15)</u>	<u>Interest Rate</u>	<u>Outstanding Principal Amount</u>
576000ZF3	2026	1.134%	\$135,615,000
576000ZG1	2027	1.284	97,235,000
576000ZH9	2028	1.503	67,000,000
576000ZJ5	2030	1.753	317,855,000
576000ZK2	2031	1.773	8,510,000
576000ZL0	2032	1.853	6,500,000
576000ZM8	2033	1.953	15,845,000
576000ZN6	2034	2.053	21,595,000
576000ZP1	2035	2.103	23,100,000

Senior Dedicated Sales Tax Refunding Bonds, 2020 Series C (Federally Taxable)

<u>CUSIP[†]</u>	<u>Maturity (May 15)</u>	<u>Interest Rate</u>	<u>Outstanding Principal Amount</u>
576000ZW6	2043	2.950%	\$360,655,000

Subordinated Dedicated Sales Tax Refunding Bonds, 2021 Series A (Federally Taxable)

<u>CUSIP[†]</u>	<u>Maturity (February 15)</u>	<u>Interest Rate</u>	<u>Outstanding Principal Amount</u>
576000A60	2027	1.450%	\$3,190,000
576000A78	2028	1.600	3,240,000
576000A86	2029	1.750	3,295,000
576000A94	2030	1.850	9,170,000
576000B28	2031	1.950	11,665,000
576000B36	2032	2.100	11,685,000
576000B44	2033	2.200	11,930,000
576000B51	2034	2.250	20,745,000
576000B69	2035	2.300	21,215,000
576000B77	2036	2.400	31,445,000
576000B85	2037	2.500	12,995,000
576000B93	2038	2.550	3,690,000
576000C27	2039	2.650	695,000
576000C35	2040	2.700	715,000
576000C43	2041	2.750	7,885,000
576000D42	2049	2.860	172,845,000

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APPENDIX B

ILLUSTRATIVE PURCHASE PRICE

THIS EXAMPLE IS BEING PROVIDED FOR CONVENIENCE ONLY AND IS NOT TO BE RELIED UPON BY A BONDHOLDER AS AN INDICATION OF THE PURCHASE YIELD OR PURCHASE PRICES THAT MAY BE ACCEPTED BY MSBA.

Based on these Reference Treasury Security yields as of August 14, 2025, the following Purchase Prices of Taxable Target Bonds would be derived:

Series	CUSIP	Maturity Date	Reference Treasury Security	Illustrative Reference Yield	Fixed Spreads	Illustrative Purchase Yield	Illustrative Offer Purchase Price (% of Principal Amount)
Series 2019B Bonds	576000XF5	10/15/2026	UST 3.875% due 07/31/2027 CUSIP:91282CNP2	3.735%	-17.5 bps	3.560%	98.762
Series 2019B Bonds	576000XG3	10/15/2027	UST 3.875% due 07/31/2027 CUSIP:91282CNP2	3.735%	-12.5 bps	3.610%	97.671
Series 2019B Bonds	576000XH1	10/15/2028	UST 3.625% due 08/15/2028 CUSIP:91282CNU1	3.700%	-5.0 bps	3.650%	96.872
Series 2019B Bonds	576000XJ7	10/15/2029	UST 3.875% due 07/31/2030 CUSIP:91282CNN7	3.815%	-10.0 bps	3.715%	96.065
Series 2019B Bonds	576000XK4	10/15/2030	UST 3.875% due 07/31/2030 CUSIP:91282CNN7	3.815%	-5.0 bps	3.765%	95.422
Series 2019B Bonds	576000XL2	10/15/2031	UST 4.000% due 07/31/2032 CUSIP:91282CNR8	4.026%	-15.0 bps	3.876%	94.577
Series 2019B Bonds	576000XM0	10/15/2032	UST 4.000% due 07/31/2032 CUSIP:91282CNR8	4.026%	-5.0 bps	3.976%	93.822
Series 2019B Bonds	576000XN8	10/15/2033	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	4.287%	-20.0 bps	4.087%	93.035
Series 2019B Bonds	576000XP3	10/15/2034	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	4.287%	-10.0 bps	4.187%	92.354
Series 2019B Bonds	576000XQ1	10/15/2040	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	4.287%	+30.0 bps	4.587%	88.683
Series 2020B Bonds	576000ZF3	8/15/2026	UST 3.875% due 07/31/2027 CUSIP:91282CNP2	3.735%	-17.5 bps	3.560%	97.849
Series 2020B Bonds	576000ZG1	8/15/2027	UST 3.875% due 07/31/2027 CUSIP:91282CNP2	3.735%	-12.5 bps	3.610%	95.746
Series 2020B Bonds	576000ZH9	8/15/2028	UST 3.625% due 08/15/2028 CUSIP:91282CNU1	3.700%	-5.0 bps	3.650%	94.125
Series 2020B Bonds	576000ZJ5	8/15/2030	UST 3.875% due 07/31/2030 CUSIP:91282CNN7	3.815%	-10.0 bps	3.715%	92.633
Series 2020B Bonds	576000ZK2	8/15/2031	UST 4.000% due 07/31/2032 CUSIP:91282CNR8	4.026%	-15.0 bps	3.876%	88.988
Series 2020B Bonds	576000ZL0	8/15/2032	UST 4.000% due 07/31/2032 CUSIP:91282CNR8	4.026%	-5.0 bps	3.976%	87.283
Series 2020B Bonds	576000ZM8	8/15/2033	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	4.287%	-20.0 bps	4.087%	85.701
Series 2020B Bonds	576000ZN6	8/15/2034	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	4.287%	-10.0 bps	4.187%	84.266
Series 2020B Bonds	576000ZP1	8/15/2035	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	4.287%	+0.0 bps	4.287%	82.517
Series 2020C Bonds	576000ZW6	5/15/2043	UST 4.750% due 08/15/2045 CUSIP:912810UN6*	4.851%	-5.0 bps	4.801%	79.973
Series 2021A Bonds	576000A60	2/15/2027	UST 3.875% due 07/31/2027 CUSIP:91282CNP2	3.735%	-15.0 bps	3.585%	97.092
Series 2021A Bonds	576000A78	2/15/2028	UST 3.625% due 08/15/2028 CUSIP:91282CNU1	3.700%	-7.5 bps	3.625%	95.368
Series 2021A Bonds	576000A86	2/15/2029	UST 3.875% due 07/31/2030 CUSIP:91282CNN7	3.815%	-15.0 bps	3.665%	93.915
Series 2021A Bonds	576000A94	2/15/2030	UST 3.875% due 07/31/2030 CUSIP:91282CNN7	3.815%	-5.0 bps	3.765%	92.286
Series 2021A Bonds	576000B28	2/15/2031	UST 4.000% due 07/31/2032 CUSIP:91282CNR8	4.026%	-20.0 bps	3.826%	90.911
Series 2021A Bonds	576000B36	2/15/2032	UST 4.000% due 07/31/2032 CUSIP:91282CNR8	4.026%	-10.0 bps	3.926%	89.741
Series 2021A Bonds	576000B44	2/15/2033	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	4.287%	-25.0 bps	4.037%	88.336
Series 2021A Bonds	576000B51	2/15/2034	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	4.287%	-15.0 bps	4.137%	86.711
Series 2021A Bonds	576000B69	2/15/2035	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	4.287%	-5.0 bps	4.237%	85.096
Series 2021A Bonds	576000B77	2/15/2036	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	4.287%	+5.0 bps	4.337%	83.911
Series 2021A Bonds	576000B85	2/15/2037	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	4.287%	+15.0 bps	4.437%	82.803
Series 2021A Bonds	576000B93	2/15/2038	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	4.287%	+25.0 bps	4.537%	81.302
Series 2021A Bonds	576000C27	2/15/2039	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	4.287%	+35.0 bps	4.637%	80.321
Series 2021A Bonds	576000C35	2/15/2040	UST 4.250% due 08/15/2035 CUSIP:91282CNT4	4.287%	+42.5 bps	4.712%	79.125
Series 2021A Bonds	576000C43	2/15/2041	UST 4.750% due 08/15/2045 CUSIP:912810UN6*	4.851%	-5.0 bps	4.801%	77.843
Series 2021A Bonds	576000D42	2/15/2049	UST 4.750% due 08/15/2045 CUSIP:912810UN6*	4.851%	+30.0 bps	5.151%	70.944

* UST due 08/15/2045 will be auctioned on August 20, 2025. Coupon subject to change. Illustrative Reference Yield based on bid yield on U.S. Treasury Security 5.000% due 05/15/2045 (CUSIP: 912810UL0).

APPENDIX C

RETAIL SOLICITATION FEE PAYMENT REQUEST FORM

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RETAIL SOLICITATION FEE PAYMENT REQUEST FORM

with respect to the
Invitation to Tender Bonds for Purchase dated August 15, 2025
by

MASSACHUSETTS SCHOOL BUILDING AUTHORITY
to the Holders or Bondholders described herein of all or any portion of

Senior Dedicated Sales Tax Bonds, 2016 Series B	Senior Dedicated Sales Tax Refunding Bonds, 2016 Series C	Subordinated Dedicated Sales Tax Refunding Bonds, 2019 Series B (Federally Taxable)
Senior Dedicated Sales Tax Refunding Bonds, 2020 Series B (Federally Taxable) (Social Bonds)	Senior Dedicated Sales Tax Refunding Bonds, 2020 Series C (Federally Taxable)	Subordinated Dedicated Sales Tax Refunding Bonds, 2021 Series A (Federally Taxable)

The Massachusetts School Building Authority (*the “Authority”*) has agreed to pay or caused to be paid to any commercial bank or trust company having an office, branch or agency in the United States, and any firm which is a member of a registered national securities exchange or of the Financial Industry Regulatory Authority (an “**Eligible Institution**”), a solicitation fee of \$1.25 per \$1,000 on the principal amount of Bonds purchased from each of its Retail Customers by the Authority pursuant to the Invitation to Tender Bonds for Purchase dated May 30, 2025 (the “**Invitation**”). A “**Retail Customer**” is an individual who owns \$250,000 or less of principal amount of Bonds and manages his or her own investments or an individual who owns \$250,000 or less of principal amount of Bonds whose investments are managed by an investment manager or bank trust department that holds the investments of that individual in a separate account in the name of that individual.

Eligible Institutions must submit to the Information and Tender Agent requests for payment of solicitation fees on a Retail Solicitation Fee Payment Request Form no later than 5:00 P.M. on the next business day following the Expiration Date (the Expiration Date is presently set for September 2, 2025), unless earlier terminated or extended. No solicitation fee will be paid on requests received after this time.

No solicitation fee will be paid on requests submitted on an improperly completed Solicitation Fee Payment Request Form. Electronic copies of the completed Solicitation Fee Payment Request Forms may be submitted via email to the Information and Tender Agent at rstevens@globic.com. FAILURE TO COMPLETE ALL SECTIONS WILL RESULT IN NONPAYMENT. EACH SOLICITATION FEE PAYMENT REQUEST FORM MUST BE ELECTRONICALLY SIGNED BY A REGISTERED REPRESENTATIVE.

Each completed Solicitation Fee Payment Request Form constitutes a representation by the registered representative completing such form that such representative is a registered employee of their firm, which is a financial institution described in the first paragraph, that such representative personally solicited the offer from their firm’s retail customer and, with respect to any tender offer, such representative has reviewed this transaction with their customer, and on behalf of their firm, such representative requests payment of the resulting solicitation fee.

Each completed Solicitation Fee Payment Request Form constitutes a representation that (i) in making solicitations, I and my firm did not use any materials other than the Invitation, (ii) my firm is entitled to this solicitation fee under the terms and conditions described above, and (iii) if my firm is a foreign broker or dealer not eligible for membership in the NASD, it has agreed to conform to the NASD’s Rules of Fair Practice in making a solicitation outside the United States to the same extent as though it was a NASD member.

All questions as to the validity, form and eligibility (including the time of receipt) of the Solicitation Fee Payment Request Form will be determined by the Authority in its sole discretion, which determination will be final, conclusive and binding. None of the Authority, the Dealer Manager, the Information and Tender Agent or any other person is under any duty to give notification of any defects or irregularities in any Solicitation Fee Payment Request Form or incur any liability for failure to give this notification.

SOLICITATION FEE PAYMENT REQUEST FORM

As described in the Invitation, the Authority will pay a soliciting dealer fee of \$1.25 per \$1,000 of up to the first \$250,000 of principal amount of Bonds that is validly tendered and accepted for payment to soliciting dealers that are appropriately designated by their clients to receive this fee. *The soliciting dealer fee will only be paid to each designated soliciting dealer for each Bondholder that owns and submits Bonds with an aggregate principal amount of no more than \$250,000.* In order to be eligible to receive the soliciting dealer fee, this form, properly completed, must be received by the Information and Tender Agent no later than 5:00 P.M., Eastern Time, on the next business day following the Expiration Date of the Invitation. The Authority reserves the right to audit any soliciting dealer to confirm bona fide submission of this form. The Authority shall, in its sole discretion, determine whether a soliciting dealer has satisfied the criteria for receiving a soliciting dealer fee (including, without limitation, the submission of the appropriate documentation without defects or irregularities and in respect of bona fide tenders). Such soliciting dealer fee will be paid within a reasonable amount of time after the Settlement Date. The Authority will not reimburse a soliciting dealer for any expenses it incurs in connection with the Invitation. No brokerage commissions are payable by Bondholders to the Dealer Manager, the Information and Tender Agent or the Authority. Capitalized terms used and not defined herein shall have the respective meanings ascribed to them in the Invitation.

Name of Firm: _____

DTC Participant: _____

Authorized
Contact: _____

Telephone Number of
Broker: _____

Address of Broker: _____

E-Mail: _____

Signature: _____ Date: _____

MEDALLION STAMP BELOW

Deliver this executed Solicitation Fee Payment Request Form to the Information and Tender Agent prior to the next business day following the Expiration Date.

SCHEDULE OF BONDS SUBJECT TO THE SOLICITATION TERMS

Please complete the following.

****If available, please submit your schedule as formatted below in MS Excel****

Please follow the same line headers as listed below. Schedules may be e-mailed to rstevens@globic.com with the completed Solicitation Fee Payment Request Form attached or to follow.

CUSIP	Par Amount	VOI Number	Client Name/Account # (<i>Optional</i>)
	TOTAL		

SOLICITATION FEE PAYMENT INSTRUCTIONS

Please choose payment delivery method.

Delivery Via Check

Issue Check to: _____

Name of Firm: _____

Attention: _____

Address: _____

Phone Number: _____

Taxpayer
Identification: _____

Delivery Via Wire

Bank Name: _____

City, State: _____

ABA or Bank Number: _____

Swift Code: _____

Account Name: _____

Account Number _____

Re: _____

Taxpayer ID Number: _____

The acceptance of compensation by such soliciting dealer will constitute a representation by it that (1) it has complied with applicable requirements of the Securities Exchange Act of 1934, as amended, and the applicable rules and regulations thereunder, in connection with such solicitation; (2) it is entitled to such compensation for such solicitation under the terms and conditions of the Invitation; (3) in soliciting a tender of Bonds, it has used no solicitation materials other than the Invitation furnished by the Authority; (4) it has complied with all instructions from the Dealer Manager in connection with the Invitation; and (5) if it is a foreign broker or dealer not eligible for membership in the Financial Industry Regulatory Authority ("*FINRA*"), it has agreed to conform to FINRA's Rules of Fair Practice in making solicitations.