

VOLUNTARY FILING – Forbearance Agreement

October 1, 2020

Reference is made to that certain Indenture of Trust, dated as of June 1, 2016 (the “Indenture”), by and between the Maryland Economic Development Corporation, as issuer, and U.S. Bank National Association, as trustee, pursuant to which the Series 2016 Purple Line Light Rail Project private activity revenue bonds (the “Bonds”) were issued. Capitalized terms used in this announcement but not defined herein shall have the meanings set forth in the Indenture, and if not defined therein, shall have the meanings set forth in the Collateral Agency Agreement referred to therein.

On September 30, 2020, Purple Line Transit Partners LLC (the “Borrower”) entered into a forbearance agreement (the “Forbearance Agreement”) with the Sponsors and U.S. Bank National Association, in its capacity as Trustee, Intercreditor Agent and Collateral Agent (collectively, the “Agents”). Pursuant to the Forbearance Agreement, during a forbearance period ending on October 30, 2020 or upon the earlier occurrence of certain agreed upon events, among other things:

- the Agents agreed not to declare any Default or Event of Default or take any Enforcement Action;
- the Borrower and the Sponsors agreed not to take any actions to compromise or impair the Collateral or the rights of the Secured Parties;
- the Borrower agreed not to seek to access the remaining Bond proceeds held by the Collateral Agent in the Construction Account; and
- the Borrower agreed not to seek access to disburse the proceeds of any Capital Contributions from the Sponsors (including proceeds of draws upon Equity Letters of Credit) other than for the purpose of (i) funding the September 30, 2020 interest payment on the Bonds in the amount described below, (ii) paying up to \$2.5 million of certain administrative costs and other fees and expenses of the Borrower, and (iii) paying certain fees and expenses of the Agents. The Unused Capital Commitments of the Sponsors under the Equity Contribution Agreement, as well as (in a corresponding amount) the face amount of the Equity Letters of Credit that secure such commitments, will be reduced by the amount of such Capital Contributions.

In accordance with the terms of the Forbearance Agreement, the Sponsors made Capital Contributions pursuant to the Equity Contribution Agreement in the aggregate amount of \$7,825,875 for the purpose of funding the interest payment on the Bonds due on September 30, 2020.