



March 28, 2024

CALL AND NOTICE OF A REGULAR MEETING OF THE
EXECUTIVE COMMITTEE
OF THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

NOTICE is hereby given that a regular meeting of the Executive Committee will be held Wednesday, April 3, 2024, at 9:00 a.m., in the Airport Skyroom of Hollywood Burbank Airport, 2627 N. Hollywood Way, Burbank, California 91505.

In addition to attending the meeting in person, members of the public may observe the meeting telephonically and may offer comment in real time through the following number:

*Dial In: (978) 990-5000
Access Code: 880737*

Terri Williams, Board Secretary
Burbank-Glendale-Pasadena Airport Authority

REGULAR MEETING
OF THE
EXECUTIVE COMMITTEE
Airport Skyroom
Wednesday, April 3, 2024
9:00 a.m.

The public comment period is the opportunity for members of the public to address the Committee on agenda items and on airport-related non-agenda matters that are within the Committee's subject matter jurisdiction. At the discretion of the presiding officer, public comment on an agenda item may be presented when that item is reached.

Members of the public are requested to observe the following decorum when attending or participating in meetings of the Committee:

- *Turn off cellular telephones and pagers.*
- *Refrain from disorderly or boisterous conduct, including loud, threatening, profane, or abusive language, clapping, whistling, stamping, or other acts that disrupt or otherwise render unfeasible the orderly conduct of the meeting.*
- *If you desire to address the Committee during the public comment period, fill out a speaker request card and present it to the Board Secretary.*
- *Confine remarks to agenda items or to airport-related non-agenda matters that are within the Committee's subject matter jurisdiction.*
- *Limit comments to three minutes or to such other period of time as may be specified by the presiding officer.*



The following activities are prohibited:

- *Allocation of speaker time to another person.*
- *Video presentations requiring use of Authority equipment.*



Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the Authority to the Committee less than 72 hours prior to that meeting are available for public inspection at Hollywood Burbank Airport (2627 N. Hollywood Way, Burbank) in the administrative office during normal business hours.



In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please call the Board Secretary at (818) 840-8840 at least 48 hours prior to the meeting.

AGENDA

Wednesday, April 3, 2024

1. Roll Call
2. Approval of Agenda
3. Public Comment
4. Approval of Minutes

a. March 6, 2024

[See page 1]

5. Items for Approval

- a. Approval of Task Order 5 – Amendment 1
Replacement Passenger Terminal Project

[See page 4]

Staff seeks a recommendation from the Executive Committee to the Commission to approve an Amendment 1 to Task Order 5 for Holder, Pankow, TEC - A Joint Venture in the amount of \$1,065,691 to amend the following Component Guaranteed Maximum Price item related to the construction of the Replacement Passenger Terminal Project:

1. CGMP – 08b, Exterior Public Art Sculpture \$1,065,691

- b. Resolution and Financing Documents for 2024 Bonds
for Replacement Passenger Terminal Project

[See page 14]

Staff seeks an Executive Committee recommendation to the Commission for the adoption of proposed Resolution No. 511 (“Bond Resolution”) to: (i) authorize the issuance of bonds (“2024 Bonds”) to finance a portion of the cost for the Replacement Passenger Terminal (“RPT”) Project; (ii) approve forms of certain documents relating to the issuance and sale of the 2024 Bonds; and (iii) authorize the execution and delivery of documents for the 2024 Bonds and other related actions.

The current plan of finance for the RPT Project anticipates issuance of the 2024 Bonds this May, with the goal of receiving approximately \$700 million of net proceeds, after funding cost of issuance, required debt service reserve fund deposit, and capitalized interest. During the past year, Staff has been working with the Authority’s finance team to prepare for the sale and issuance of the 2024 Bonds and the development of relevant documents. A combination of Airport Improvement Program (“AIP”) grants, Bipartisan Infrastructure Law (“BIL”) Airport Infrastructure Grants (“AIG”), BIL Airport Terminals Program (“ATP”) grants,

Passenger Facility Charge (“PFC”) revenues, the Authority’s Facility Development Reserve, and additional bonds (expected to be issued in 2026) will finance the remaining costs of the RPT Project.

6. Items for Discussion

a. Commissioner Code of Conduct

[See page 24]

Staff seeks direction from the Executive Committee on a further revised draft Code of Conduct, copy attached as Exhibit A, to formally establish policies on appropriate conduct by Commissioners with the media and at Authority meetings.

7. Items for Information

a. Replacement Passenger Terminal Electrical Power Update

A representative from the Jacobs Project Management team will review with the Committee a presentation, copy attached, the Replacement Passenger Terminal project electrical power requirement, a temporary power solution and a recommended permanent power solution.

b. Committee Pending Items

[See page 47]

8. Adjournment

**MINUTES OF THE REGULAR MEETING OF THE
EXECUTIVE COMMITTEE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY**

WEDNESDAY, MARCH 6, 2024

A regular meeting of the Executive Committee was called to order on this date in the Airport Skyroom, 2627 N. Hollywood Way, Burbank, California, at 9:00 a.m., by Commissioner Williams.

1. ROLL CALL

Present:	Commissioners Williams, Najarian and Talamantes
Absent	None
Also Present:	Staff: Frank Miller, Executive Director; John Hatanaka, Senior Deputy Executive Director Patrick Lammerding, Deputy Executive Director, Planning and Development Authority Counsel: Terence Boga, Esq., Richards, Watson & Gershon; Teresa Ho-Urano. Legal Support Services Roger Johnson, Executive Program Manager, Jacobs Project Management Co.

2. Approval of Agenda

Motion	Commissioner Talamantes moved approval of the agenda; seconded by Commissioner Najarian.
Motion Approved	The motion was approved (3–0).

3. Public Comment

There were no public comments.

4. Approval of Minutes

a. January 24, 2024	Commissioner Najarian moved approval of the Committee minutes of the January 24, 2024 special meeting, seconded by Commissioner Talamantes. There being no objection, the motion was approved (3–0).
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5. Items for Approval

a. Approval of Task Order 5 and Appropriation of Owner's Contingency Funds Replacement Passenger Terminal Project

Staff sought a recommendation from the Executive Committee to the Commission to approve a proposed Task Order 5 for Holder, Pankow, TEC - A Joint Venture in the amount of \$75,385,640 to fund the following Component Guaranteed Maximum Price ("CGMP") items related to the construction of the Replacement Passenger Terminal Project:

1. CGMP – 06, Terminal Building Mechanical, Electrical, and Special Systems ("MEP") (Pt2 – Team Approach Controls & Long Lead Equipment ("LLE")) \$16,088,114
2. CGMP – 07, Terminal Structure (Pt2 – Balance of Trades) \$27,879,874
3. CGMP – 08, Public Art \$1,894,799
4. CGMP – 09, Phase 2 Design Services \$29,522,853

Additionally, Staff sought a recommendation from the Committee to the Commission for approval of partial authorization of Owner's Contingency in the amount \$5 million.

Motion

Commissioner Talamantes motioned for approval, Items 5.a.1, 2, and 4. Commissioner Najarian seconded the motion.

Motion Approved

The motion was approved (3–0).

The Committee reserved the right to vote on Item 5.a. 3 of the agenda, CGMP – 08, Public Art in the amount of \$1,894,799, until after agenda Items for Discussion 6.a., Replacement Passenger Terminal Exterior Artwork.

6. Items for Discussion

a. Replacement Passenger Terminal Exterior Artwork

Staff and consultants from Jacobs discussed with the Committee the selected exterior artwork to be installed at the Replacement Passenger Terminal Plaza along with agenda Item 5.a. 3, CGMP – 08, Public Art in the amount of \$1,894,799.

Due to similarities with another exterior work by the same artist, staff and consultants recommend working with the artist on the uniqueness of exterior sculptures for the Plaza area while maintaining the artwork delivery schedule to not impact the October 2026 RPT opening and remaining within the budget parameters.

Motion

Commissioner Najarian moved approval of the CGMP-08, Public Art in the amount of \$798,000 of the \$1,894,799 Public Art budget, for the interior costs of the project; Commissioner Talamantes seconded the motion.

Motion Approved

The motion was approved (3–0).

7. Items for Information

a. Replacement Passenger Terminal Bond Financing Documentation

Staff and consultants briefed the Committee on the 2024 Series bond documents to be presented to the Committee for its consideration, including an estimated schedule for presentation.

b. Committee Pending Items

Staff informed the Committee of future pending items that will come to the Committee for review.

8. Adjournment

There being no further business, the meeting adjourned at 10:03 a.m.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
EXECUTIVE COMMITTEE
APRIL 3, 2024**

**APPROVAL OF TASK ORDER 5 - AMENDMENT 1
REPLACEMENT PASSENGER TERMINAL PROJECT**

Presented by Patrick Lammerding
Deputy Executive Director, Planning and Development

TASK ORDER 5 AMENDMENT 1 SUMMARY

Staff seeks a recommendation from the Executive Committee (“Committee”) to the Commission to approve an Amendment 1 to Task Order 5 for Holder, Pankow, TEC - A Joint Venture (“HPTJV”), copy attached, in the amount of \$1,065,691 to amend the following Component Guaranteed Maximum Price (“CGMP”) item related to the construction of the Replacement Passenger Terminal (“RPT”) Project:

1. CGMP – 08b, Exterior Public Art Sculpture **\$1,065,691**

BACKGROUND

On December 19, 2022, the Commission awarded HPTJV a design-build agreement for the RPT Project. HPTJV has begun design and preconstruction efforts and has reached several milestones, including the design concept selection by the Commission on April 17, 2023. The design-build agreement includes provisions allowing for the submission of CGMP proposals for incremental elements of the work prior to execution of the final Guaranteed Maximum Price (“GMP”) proposal. Submittal requirements and preparation guidelines for CGMP proposals are addressed in PR-04 of Exhibit H of the design-build agreement.

The RTP Program Management Team has been working with HPTJV in the development of a GMP. HPTJV provides regular updates to the estimated GMP and, currently, the GMP estimate is above the targeted budget for the project. However, the RTP Program Management Team and HPTJV have developed a “roadmap to budget” that will bring the estimated costs down to the targeted budget. It is expected that this effort will be successful because the first five CGMPs approved by the Commission have come in below HPTJV’s estimated budget for those components of work.

To date, the Commission has approved five Task Orders that represent a total commitment of \$281,255,284 for design, preconstruction services, and materials. A summary of these Task Orders is set forth below:

1. Task Order 1 for design and preconstruction services in the amount of \$55,000,000 (approved December 19, 2022)
2. Task Order 2 for preconstruction services and early construction in the amounts of \$76,933,511 (approved November 13, 2023)
3. Task Order 3 for 2024 general conditions in the amount of \$19,280,948 (approved December 18, 2023)
4. Task Order 4 for preconstruction services and early construction in the amount of \$55,750,716 (approved February 20, 2024)

5. Task Order 5 for preconstruction services and early construction in the amount of \$74,290,109 (approved March 18, 2024)

Task Order 1 for design services is funded through an FAA-approved Passenger Facility Charge (“PFC”) application. Task Orders 2, 3, 4, and 5, are initially to be funded through a combination of available grants, and the \$200 million commercial paper program the Authority has available for interim financing until a planned issuance of General Airport Revenue Bonds (“GARBs”) for construction funding is undertaken in late spring 2024.

The commitments for these Task Orders do not reflect the intended cash demands for them.

The initial CGMP-08 approved in Task Order 5 was for the amount of \$799,268 to provide funding for the RPT’s interior art sculpture. The proposed amendment to this CGMP will increase it by \$1,065,691 to fund the exterior art sculpture increasing the CGMP-08 total to \$1,834,959.

The estimated cash flow for the proposed Amendment 1 to CGMP-08 is attached to this report which reflects the cash outlay requirement.

DETAILS

1. CGMP – 08b – Exterior Public Art Sculpture **\$1,065,691**

- a. This scope of work includes the design, fabrication, and installation of a public art sculpture in the plaza.
- b. This subcontract is anticipated to be executed in April 2024.
- c. This CGMP is within the \$4,000,000 allowance allocated for Art in Public places to comply with the City of Burbank’s Art-in-Public Places Ordinance.
- d. Invoice draws for this scope of work are anticipated to be between April 2024 and May of 2026 as outlined in the attached cash flow chart.

FUNDING

If authorized, the proposed Amendment 1 to Task Order 5 increases the total commitments to HPTJV to \$282,320,975 with the majority of these expenditures programmed to be incurred after the construction financing is in place. This financing is anticipated to be through the initial issuance of GARBs scheduled for late May 2024. Current funding sources includes an already approved \$47 million PFC application for design fees, Bipartisan Infrastructure Law (“BIL”) grants received for early works/preconstruction in the amount of \$45.9 million, a recently awarded \$17.3 million BIL grant for terminal construction along with a standby, but not yet utilized, commercial paper program of \$200 million. Other future federal grants are anticipated to be received in subsequent federal fiscal years, such as BIL grants, both terminal and formulaic and Airport Improvement Program grants along with a programed contribution from the Authority’s Facility Development Reserve.

STAFF RECOMMENDATION

Staff recommends that the Committee recommend to the Commission approval of the proposed Amendment 1 to Task Order 5 in the amount \$1,065,691 increasing the total of Task Order 5 to \$75,355,800 for HPTJV, and authorization for the Executive Director to execute same.

Attachments:

- 1) Task Order 5 Amendment 1 Request
- 2) CGMP – 08b, Exterior Public Art Sculpture price proposal
- 3) Task Order 5 – Amendment 1 approval form

CGMP 08b - Exterior Public Art Sculpture

Estimated Cash Flow by Month

03.21.24

2024	January-24	\$	-
	February-24	\$	-
	March-24	\$	-
	April-24	\$	372,992
	May-24	\$	-
	June-24	\$	53,285
	July-24	\$	-
	August-24	\$	53,285
	September-24	\$	53,285
	October-24	\$	-
	November-24	\$	-
	December-24	\$	-
2025	January-25	\$	-
	February-25	\$	-
	March-25	\$	-
	April-25	\$	-
	May-25	\$	-
	June-25	\$	-
	July-25	\$	106,569
	August-25	\$	-
	September-25	\$	-
	October-25	\$	-
	November-25	\$	-
	December-25	\$	106,569
2026	January-26	\$	-
	February-26	\$	106,569
	March-26	\$	-
	April-26	\$	-
	May-26	\$	106,569
	June-26	\$	85,255
	July-26	\$	-
	August-26	\$	-
	September-26	\$	21,314
	October-26	\$	-
	November-26	\$	-
	December-26	\$	-
			\$ 1,065,691

STAFF REPORT\EXECUTIVE\4-3-2024
APPROVAL OF TASK ORDER 5 - AMENDMENT 1
REPLACEMENT PASSENGER TERMINAL PROJECT
2939447.2

TASK ORDER AMENDMENT 1 REQUEST

Task Order Request No.: 005 Date: March 27, 2024Task Order Request Title: CGMP 08bTO No.: 005 Project Name: RPT Project Phase: 1Contractor: Holder, Pankow, TEC - A Joint Venture (HPT) Address: 3300 Riverwood Parkway, Suite 1200CONTRACT NO.: E22-03 Atlanta, GA 30339

Reference Documents: RFI No.: _____ CD No.: _____ CPCN No.: _____

PCO No.: _____ FD No.: _____ Bulletin: _____ Other: Attached**Scope:**

1. CGMP – 08b - Exterior Public Art Sculpture in the amount of \$1,065,691

Cost: For Amendment 1

Describe the schedule and budget of the task order including a schedule of values for payment.

**See Attached Permitting Schedule. Actual costs will be reconciled
against this TO once actual costs/receipts/invoices are available.****\$1,065,691****Total****\$1,065,691****Total Request**

The signatory below certifies that the information in this Task Order Request is a true and accurate representation of the facts or the circumstances and that the requested time and/or compensation is a fair and accurate assessment of the impact to the best of his/her ability to establish at the time of signing.

Contractor

Signature

WILLIAM R. TURAN

Name

Date

Title

03/27/24EVP + COO



Hollywood Burbank Airport Replacement Passenger Terminal
Component Guaranteed Maximum Price Proposal
CGMP 08b
Exterior Public Art Sculpture

Submission Date: March 20, 2024

Tab-3: Project Description and Additional Documents

CGMP 08b

This Component Guaranteed Maximum Price (CGMP) includes the procurement of one (1) artist contract previously approved by the Board of Airport Commissioners for the exterior sculpture as coordinated further with the PMT and BGPAA.

Tab-4: CGMP Price Summary

CGMP Price Summary	Values
Public Art – Exterior	\$1,000,000
Design-Builder P&P Bond	\$8,312
Misc. Insurances	\$21,128
Building Permit	\$0
Gross Receipts Tax	\$213
Design-Builder Fee	\$36,038
TOTAL (b)	\$1,065,691
CGMP Budget (a)	\$1,065,691
<i>Over / Under Budget (b-a)</i>	<i>\$0</i>



TASK ORDER (TO)

To Firm: Holder, Pankow, TEC - A Joint Venture (HPT)	
SA/P.O. A7255	Account No.: 4-07-01 / 9705
T.O. Order No: 005–Amendment 1	Effective Date: April 15, 2024
T.O. Revision No: N/A	Revision Date:
Originator: Patrick Lammerding	Phone No: 818-729-2250

This Task Order (TO) is issued pursuant to the applicable Services Agreement (SA) between the Burbank- Glendale-Pasadena Airport Authority (Authority), owner/operator of Hollywood Burbank Airport and your Firm, pursuant to terms and conditions of the SA indicated, for the services described below.

DESCRIPTION :
1. CGMP – 08b – Exterior Public Art Sculpture - \$1,065,691
Task Order Pricing Basis

COST OF WORK			
<input checked="" type="checkbox"/>	NTE	Lump Sum	\$ <u>1,065,691</u>

This Task Order is also a Notice to Proceed immediately with the services described, with final completion on TBD.
Time shall be of the essence in the performance of this Task Order.

All services are subject to acceptance by the Authority. All required supporting documentation to be included with Invoice Applications for Payment including a copy of the fully executed Task Order.
Except as may be modified herein, all other contract terms and conditions are unchanged.

This Task Order is accepted and agreed by authorized representative(s) of the parties as indicated below:

Burbank-Glendale-Pasadena Airport Authority
Company Name

Authorized Signature

Title

Date

CGMP 08 Summary

1. CGMP – 08b – Exterior Public Art Sculpture **\$1,065,691**

1. This scope of work includes the design, fabrication, and installation of a public art sculpture in the plaza.
2. This subcontract is anticipated to be executed in April 2024.
3. This CGMP is within the \$4,000,000 allowance allocated for Art in Public places to comply with the City of Burbank's Art-in-Public Places Ordinance.
4. Invoice draws for this scope of work are anticipated to be between April 2024 and May of 2026. See attached cash flow.

TOTAL – Task Order 005 including Amendment 1

\$75,355,800

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
EXECUTIVE COMMITTEE
APRIL 3, 2024**

**RESOLUTION AND FINANCING DOCUMENTS FOR 2024 BONDS
FOR REPLACEMENT PASSENGER TERMINAL PROJECT**

Presented by
John T. Hatanaka, Senior Deputy Executive Director, and
Louis Choi, Public Resources Advisory Group

SUMMARY

Staff seeks an Executive Committee recommendation to the Commission for the adoption of proposed Resolution No. 511 ("Bond Resolution") to: (i) authorize the issuance of bonds ("2024 Bonds") to finance a portion of the cost for the Replacement Passenger Terminal ("RPT") Project; (ii) approve forms of certain documents relating to the issuance and sale of the 2024 Bonds; and (iii) authorize the execution and delivery of documents for the 2024 Bonds and other related actions.

The current plan of finance for the RPT Project anticipates issuance of the 2024 Bonds this May, with the goal of receiving approximately \$700 million of net proceeds, after funding cost of issuance, required debt service reserve fund deposit, and capitalized interest. During the past year, Staff has been working with the Authority's finance team to prepare for the sale and issuance of the 2024 Bonds and the development of relevant documents. A combination of Airport Improvement Program ("AIP") grants, Bipartisan Infrastructure Law ("BIL") Airport Infrastructure Grants ("AIG"), BIL Airport Terminals Program ("ATP") grants, Passenger Facility Charge ("PFC") revenues, the Authority's Facility Development Reserve, and additional bonds (expected to be issued in 2026) will finance the remaining costs of the RPT Project.

BACKGROUND

The Authority has issued general airport revenue bonds ("GARBs") in the past and there are currently \$77 million of GARBs (issued in 2012 and 2015) outstanding. The 2012 Bonds were issued to finance the construction of the Regional Intermodal Transportation Center. The 2015 Bonds were issued to refinance previously issued GARBs.

The plan of finance for the RPT Project anticipates the issuance of GARBs to fund approximately \$1 billion of the total costs. This plan was developed by Staff with the assistance of the Authority's finance team. The team consists of: (i) Public Resources Advisory Group, as independent municipal advisor ("Municipal Advisor"); (ii) Orrick Herrington & Sutcliffe, as bond counsel ("Bond Counsel"); (iii) Ricondo & Associates, as airport feasibility consultant ("Airport Feasibility Consultant"); (iv) a syndicate of seven firms as the underwriters ("Underwriters"), with BofA Securities as the lead senior manager, and J.P. Morgan Securities and Ramirez & Co. as co-senior managers; and (v) Stradling Yocca Carlson & Rauth LLP, as underwriters' counsel. The team has been chosen by the Commission through procurement processes and prior Commission actions, including most recently selection of the Underwriters at the March 8, 2024 meeting.

Net proceeds of the 2024 Bonds will comprise approximately 70% of the total costs of the RPT Project expected to be funded by GARBs. The final size (principal amount) of the 2024 Bonds will be based in part on the anticipated draw schedule to pay for the costs of the RPT Project, which is expected to be submitted to the Commission for approval at the May 6, 2024 meeting. The table below presents a breakdown of the current estimates of sources of funding for the RPT Project (which is subject to further value engineering by the Design Build team and the Program Manager).

Source of Funding	Estimate (\$mil)
AIP Grant – entitlement	13.5
AIP Grant – discretionary	42.2
BIL AIG Grant – formulaic	39.9
BIL ATP Grant – competitive	47.3
PFC Revenues	48.4
Facility Development Fund	100.0
Proceeds of Property Sale ¹	2.1
General Airport Revenue Bonds (GARBs)	1,041.5
Total	1,334.9

Additionally, the issuance of the 2024 Bonds will provide the Authority an opportunity to update its current Master Indenture of Trust (“Original Master Indenture”). The Original Master Indenture was written close to 20 years ago. While the currently outstanding GARBs were issued under the Original Master Indenture, Bond Counsel and the Municipal Advisor have advised that more modern provisions could be put into place to provide the Authority with greater financial flexibility. To that end, an Amended and Restated Master Indenture of Trust (“Restated Master Indenture”) has been prepared to replace the Original Master Indenture. The Restated Master Indenture, in substantial form, was presented to the Finance Committee at its March 18, 2024 meeting. The Finance Committee voted unanimously (3-0) to recommend that the Commission authorize the execution of the Restated Master Indenture. The Restated Master Indenture will be submitted to the Commission for approval at the May 6, 2024 meeting, along with the other financing documents that are being presented to the Executive Committee as part of this report.

DETAILS

About the 2024 Bonds. The 2024 Bonds are expected to be issued as fixed rate 30-year bonds and secured on a parity with the Authority’s outstanding GARBs. In addition to proceeds for the RPT Project, the 2024 Bonds are expected to fund: (i) a capitalized interest account used to defer paying debt service until approximately six months after the anticipated opening of the RPT, (ii) a debt service reserve fund required under the indenture as additional security for bondholders, and (iii) the costs of issuing the 2024 Bonds. The 2024 Bonds will be issued in three separate series, based on tax status (tax-exempt non-AMT², tax-exempt AMT, and federally taxable) of the interest paid by the 2024 Bonds, to comply with tax law and IRS regulations due to the use of proceeds.

¹ Amount identified from sale of Kenwood parking lot.

² Alternative Minimum Tax.

The Authority has applied to Fitch Ratings, Inc. (“Fitch”), Moody’s Investors Services (“Moody’s”), and S&P Global Ratings (“S&P”) for credit ratings of the 2024 Bonds. In late March, Staff, members of the finance team, and Commission President Williams made presentations to each rating agency. Mr. Steve Hubbell of Southwest Airlines, the Chair of the Airline Airport Affairs Committee, joined the presentation to express Southwest’s commitment to the Airport and the RPT Project. It is expected that each rating agency will inform the Authority about the rating given to the 2024 Bonds later this month. Staff will provide an update about rating results in the staff report to the Commission.

The finance team is also assisting with the evaluation of whether a municipal bond insurance policy (“Insurance Policy”) should be purchased to insure all or some of the 2024 Bonds. An Insurance Policy is a form of “credit enhancement” and protects bondholders against the risk of a default with respect to scheduled bond principal and interest payments. An Insurance Policy may enhance the marketing of a bond issue and, thereby, lower the net borrowing cost to the Authority. In addition, some Insurance Policy providers may offer a debt service reserve insurance policy or a surety bond (“Reserve Policy”) if the underlying bonds are also insured. The Reserve Policy, if purchased, will be used in lieu of cash (which would have been funded with 2024 Bonds proceeds) to satisfy all or a portion of the debt service reserve requirement under the indenture. In the case of the 2024 Bonds, the procurement of an Insurance Policy or a Reserve Policy will be based on the potential economic benefit to be determined at the time of sale.

The 2024 Bonds will be sold as a negotiated offering. In a negotiated offering, an issuer works with its underwriting team and other advisors to establish the terms of the bonds based on investor feedback. After that process is complete, including a general offering to the public, the Underwriters will make a firm offer to purchase all of the 2024 Bonds. This process reduces underwriting risk and can meaningfully improve borrowing cost. Large and complex bond transactions (especially those with a large amount of tax-exempt bonds subject to AMT), similar to the 2024 Bonds, are frequently issued using this approach. In fact, the negotiated offering approach is used by municipal GARB issuers for all large financings³.

Impact of the 2024 Bonds. The 2024 Bonds will be the Authority’s first new money bond offering in 12 years and are expected to significantly increase the amount of debt owed by the Authority. Additionally, by issuing the 2024 Bonds, the Authority will incur and extend the term of certain responsibilities. These include: (i) paying debt service (see preliminary estimate below); (ii) maintaining funds in certain accounts for bondholder security; (iii) covenants related to setting rates and charges; (iv) covenants on operations and maintenance of the Airport; (v) reporting duties and adherence to certain federal tax rules to maintain tax status of the 2024 Bonds and other outstanding GARBs; and (vi) providing information and paying for credit rating surveillance, among others. These responsibilities are similar in nature to those the Authority is already required to undertake for its currently outstanding GARBs. Not issuing the 2024 Bonds would require the Authority to find other means with which to fund the RPT Project.

Financing Documents. Attached to this report are current drafts of various financing documents related to the issuance of the 2024 Bonds. An executive summary of these

³ The Municipal Advisor identified a total of 102 GARB financings with par amounts of \$100 million or greater issued since March 2020; all 102 were sold in negotiated offerings. During the same time period, there was one \$100 million or greater municipal bond financing for an airport sold using a competitive bidding approach; however, that one transaction was a “double-barreled” general obligation and airport revenue bond financing.

documents is in Exhibit A. Until the closing date (i.e., the issuance date of the 2024 Bonds), these documents will be further modified based on input from the Underwriters, the rating agencies, potential bond insurers and other financing participants, and refinements and updates by Staff. However, to proceed with the bond marketing in a timely manner, it is necessary to obtain Commission approval for these documents, in substantially final form, before they are in final form for execution.

Among the presented documents are irrevocable instructions for the defeasance of the Authority's outstanding 2015 Bonds. The remainder of the 2015 Bonds is scheduled to be repaid very soon, on July 1, 2024. By defeasing the 2015 Bonds (i.e., by remitting the money required for the principal and interest payment early to the bond trustee) before the sale of the 2024 Bonds, the Authority can transition to the Restated Master Indenture without having to obtain approval of the bond insurer of the 2015 Bonds, thereby saving an additional expense and the potential negotiation for such approval. Because the final debt service payment for the 2015 Bonds was already budgeted, no adjustment to the Authority's fiscal year 2023-24 budget is required.

2024 Bond Schedule. Subject to the Executive Committee's recommendation, Staff plans to present the Bond Resolution (and related financing documents) to the Commission for a preview at the April 15, 2024 meeting, and then request the Commission to adopt the Bond Resolution at the May 6, 2024 meeting.

Subject to the Commission's adoption of the Bond Resolution on May 6, 2024, anticipated key dates are as follows:

May 8, 2024	Publication of the Preliminary Official Statement (disclosure and marketing document for 2024 Bonds)
May 22, 2024	Pricing (determination of principal amounts, interest rates, etc.) and signing of Bond Purchase Agreement between the Authority and the Underwriters
May 30, 2024	Closing date – issuance of 2024 Bonds and receipt of proceeds

Delegation of Authority. As noted above, the financing documents are in their substantial final forms without actual specific amounts and rates for the 2024 Bonds. Instead, the Bond Resolution sets forth certain not-to-exceed amounts and authorizes the Executive Director and other designated members of the Senior Staff to negotiate the actual amount and rates of the 2024 Bonds on behalf of the Authority. This delegation of authority reflects the fact that actual amounts and rates for the 2024 Bonds will depend on, among other things, various market-based factors, such as: (i) general interest rates; (ii) yet-to-be-assigned credit ratings, (iii) economic benefit, or lack thereof, for purchasing an Insurance Policy and/or a Reserve Policy; (iv) level of investor interest at the time of sale; and (v) competing investment opportunities, including other municipal bonds, corporate and government bonds, stocks. These factors can and do change rapidly. The delegation of authority allows the final terms (including the decision to procure an Insurance Policy and/or a Reserve Policy) to be set in a timely and efficient manner.

The scope of delegation of authority is intended to facilitate the completion of the financing documents with the actual final results of the sale of the 2024 Bonds. These terms will be negotiated with the assistance of the Municipal Advisor and Bond Counsel. The terms of the 2024 Bonds will be subject to the not-to-exceed parameters set forth in the Bond Resolution. Following the sale of the 2024 Bonds, Staff will report back with the actual results, as compared to those good faith estimates and the not-to-exceed amounts.

Estimated Results. The Municipal Advisor and the Underwriters have provided preliminary estimates (i) based on market conditions as of March 18, 2024, (ii) assuming the credit ratings of the 2024 Bonds will match the current credit ratings of the Authority's outstanding GARBs (that is, "A" from Fitch, "A2" from Moody's, and "A" from S&P), and (iii) targeting funding of approximately \$696 million⁴ of RPT Project proceeds. Additionally, the Municipal Advisor and the Underwriters have provided advice on the not-to-exceed parameters set forth in the Bond Resolution. The differences between the preliminary estimates and the not-to-exceed parameters are intended to account for potential market volatility and other contingencies, from now to sale of the 2024 Bonds. The estimates and the not-to-exceed parameters are summarized in the following table.

	Preliminary Estimates as of March [18], 2024	Not-to-Exceed Parameters pursuant to Bond Resolution
Aggregate Principal Amount	\$808,115,000	\$900,000,000
True Interest Cost ³	5.03%	5.75%
Underwriter Discount	0.23%	0.30%
Total Net Debt Service ⁵	\$1,502,432,000	
Annual Net Debt Service ⁶	\$57,371,000	

Pursuant to Government Code Section 5852.1, good faith estimates of the aggregate principal amount, the true interest cost⁷, the total repayment amount (not paid from the proceeds of the 2024 Bonds), and the total financing costs for implementing the 2024 Bonds must be included as part of the authorization process. Such good faith estimates as March 18, 2024 are set forth in Exhibit B. The Municipal Advisor and Underwriters will provide updates closer to the May 6, 2024 Commission meeting, and the form of Exhibit B will be updated accordingly.

RECOMMENDATION

Staff seeks the Executive Committee's recommendation to the Commission for the adoption of the Bond Resolution to: (i) authorize the issuance of 2024 Bonds to finance cost for the RPT Project, (ii) approve forms of certain documents relating to the issuance and sale of the 2024 Bonds, and (iii) authorize the execution and delivery of documents for the 2024 Bonds and other related actions.

⁴ Based on RPT Project cost estimate as of February 8, 2024.

⁵ Excludes debt service paid from the capitalized interest fund and release of the debt service reserve fund, assuming bond funded.

⁶ For the period starting in fiscal year 2028 through 2054 after the opening of the RPT; a partial year of net debt service is also due during fiscal year 2027, beginning approximately 6 months after opening.

⁷ A measure of the effective borrowing cost to maturity in percentage form.

Attachments:

1. Exhibit A – Executive Summary of Bond Documents Presented
2. Exhibit B – Good Faith Estimates as of March 18, 2024
3. Drafts of the following bond documents:
 - a. Bond Resolution
 - b. Fifth Supplemental Indenture,
 - c. Bond Purchase Agreement,
 - d. Preliminary Official Statement,
 - e. Continuing Disclosure Agreement, and
 - f. Irrevocable Direction Regarding Deposit of Principal and Interest Payments for the 2015 Series B Bonds.

EXHIBIT A
Executive Summary of Financing Documents Presented

- **Bond Resolution**
 - Authorizes the issuance of 2024 Bonds and approves the form of bond documents
 - Defines certain parameters for sale of the 2024 Bonds: Not-to-exceed principal amount, interest rate, underwriter's discount, etc.
 - Delegates authority to complete and execute the final form of the documents and to take any other necessary actions to issue the 2024 Bonds
- **Fifth Supplemental Indenture of Trust**
 - Sets forth the terms of the 2024 Bonds (e.g., principal amount, maturity dates, interest rates, redemption dates)
 - Sets forth the 2024 Bonds purchasers' deemed consent to the Amended and Restated Master Indenture
- **Bond Purchase Agreement**
 - Lists the Underwriters who will buy the 2024 Bonds
 - Sets forth the terms under which the Underwriters will buy the 2024 Bonds from the Authority (e.g., delivery of closing documents on the 2024 Bonds issuance date)
 - * Unlike most of the other financing documents (which will be signed and become final on the 2024 Bonds issuance date), the Bond Purchase Agreement will be signed on the date of pricing – when the terms of the 2024 Bonds (e.g., the principal amounts, the interest rates, maturity dates) are determined and “locked-in.”
- **Preliminary Official Statement (disclosure document; prospectus)**
 - Provides descriptions of the terms of the 2024 Bonds, security and pledge for the 2024 Bonds, and general information about the Authority and the Airport to potential investors
 - Will be published shortly after the Commission's adoption of the Bond Resolution, to allow the marketing of the 2024 Bonds to begin
 - Will be updated to become an “Official Statement” (or sometimes called “Final Official Statement”), based on the actual results of the pricing

- Continuing Disclosure Agreement
 - Sets forth the Authority's continuing disclosure obligations, including annual reports and special notices for enumerated events (such as rating changes)
- Irrevocable Direction Regarding Deposit of Principal and Interest Payments for the 2015 Series B Bonds
 - Provides for the "defeasance" of the Authority's 2015 bonds, within the meaning of the bond indenture.
 - * For the marketing and other purposes, the finance team recommends that the Authority defease the 2015 Bonds before the publication of the preliminary official statement. Once defeased, the 2015 Bonds will not be considered "Outstanding" under the bond indenture. Defeasance is accomplished by the Authority's early remittance to the bond trustee of the final payment for the 2015 bonds, along with written irrevocable instructions to apply the money to the payment of the 2015 bonds and an independent accountant's verification that the money is sufficient for the final payment of the 2015 bonds.

EXHIBIT B
Good Faith Estimates as of March 18, 2024

The following information was obtained from the Municipal Advisor and Underwriters, and is provided in compliance with Government Code Section 5852.1 with respect to the proposed 2024 Bonds:

1. *True Interest Cost of the 2024 Bonds.* Assuming the aggregate principal amount evidenced by the 2024 Bonds estimated to be executed and delivered (\$808,115,000) is sold, based on market interest rates prevailing as of March 18, 2024, and assuming the assigned credit ratings of the 2024 Bonds match the Authority's current credit ratings (that is, "A" from Fitch Ratings, "A2" from Moody's Investors Service, and "A" from S&P Global Ratings), a good faith estimate of the true interest cost of the 2024 Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the 2024 Bonds, is 5.03%.

2. *Finance Charge of the 2024 Bonds.* Assuming the aggregate principal amount evidenced by the 2024 Bonds estimated to be executed and delivered (\$808,115,000) is sold, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the finance charge of the 2024 Bonds, which means the sum of all fees and charges paid to third parties from the proceeds of the 2024 Bonds, is approximately \$2,421,000. This amount does not include the payment of services provided by Bond Counsel, the Municipal Advisor, the Airport Feasibility Consultant, and other consultants not paid from the proceeds of the 2024 Bonds; such amounts have been approved by the Authority through its normal budgeting process. This amount also does not include the purchase price of an Insurance Policy and/or a Reserve Policy, which can be substantial. However, the purchase of such an Insurance Policy and/or a Reserve Policy would only occur if and only if it is determined there would be an economic benefit to the Authority, such that the true interest cost and the total payment amount would be less as a result of such purchase(s).

3. *Amount of Proceeds to be Received.* Assuming the aggregate principal amount evidenced by the 2024 Bonds estimated to be executed and delivered (\$808,115,000) is sold, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the amount of proceeds expected to be received by the Authority for sale of the 2024 Bonds less the finance charge of the 2024 Bonds described in paragraph 2 above and any reserves or capitalized interest paid or funded with proceeds of the 2024 Bonds, is approximately \$669,363,000.

4. *Total Payment Amount.* Assuming the aggregate principal amount evidenced by the 2024 Bonds estimated to be executed and delivered (\$808,115,000) is sold, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the total payment amount, which means the sum total of all payments the Authority will make to pay debt service on the 2024 Bonds plus the finance charge of the 2024 Bonds described in paragraph 2 above not paid with the proceeds of the 2024 Bonds, calculated to the final maturity of the 2024 Bonds, is approximately \$1,502,432,000.

Attention is directed to the fact that the foregoing information constitutes good faith estimates only. The actual interest cost, finance charges, amount of proceeds and total payment amount may vary from those presently estimated due to variations from these estimates in the

timing of the sale of the 2024 Bonds, the actual principal amount evidenced by 2024 Bonds sold, the amortization of the 2024 Bonds sold and market interest rates at the time of sale. The actual interest rates at which the 2024 Bonds will be sold will depend on the bond market at the time of sale. Market interest rates are affected by economic and other factors beyond the Authority's control.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
EXECUTIVE COMMITTEE
APRIL 3, 2024**

CODE OF CONDUCT

Presented by Terence Boga
Authority General Counsel

SUMMARY

Staff seeks direction from the Executive Committee (“Committee”) on a further revised draft Code of Conduct, copy attached as Exhibit A, to formally establish policies on appropriate conduct by Commissioners with the media and at Authority meetings.

BACKGROUND

At the October 31, 2023 Committee meeting, President Williams requested that staff agendize a Code of Conduct item for the Committee to address media communications by Commissioners. Commissioner Talamantes supported the request and asked that the item also address Commissioner behavior at Authority meetings.

The Committee discussed drafts of a Code of Conduct at its December 6, 2023 and January 24, 2024 meetings. The first draft was based on sample Codes of Conduct or other similar policies by the Authority’s member cities: (i) Burbank’s “City Council Expectations of Board, Commission, and Committee Members” (from the city’s Boards, Commissions, and Committees Handbook); (ii) Glendale’s “Code of Conduct for Councilmembers and Members of Boards and Commissions”; and (iii) Pasadena’s “Code of Conduct/Ethics” and “Media Policy” (from the city’s Manual of Personnel & Administrative Rules). Those materials were included with the Committee’s December 6, 2023 and January 24, 2024 agenda packets and are not attached to this staff report. The Committee’s January 24, 2024 agenda packet also included a draft “Code of Conduct for Members of City Council” that was considered by the Burbank City Council on December 12, 2023. The Burbank City Council ultimately adopted a modified version of that document on January 30, 2024 and that document is attached as Exhibit C.

In response to the Committee’s feedback at the December 6, 2023 meeting, a revised draft Code of Conduct was prepared. In addition to clerical edits, that draft added a cross-reference to the Authority’s Procurement Communications Policy (Resolution No. 492); encouraged Commissioners to make concise comments and to raise detailed questions with staff in advance; and set more rules for behavior at Authority meetings.

REVISED DRAFT CODE OF CONDUCT

The draft Code of Conduct has been further revised in response to the Committee’s feedback at the January 24, 2024 meeting. A new draft is attached as Exhibit A and a redline showing the changes from the draft presented at the January 24 meeting is attached as Exhibit B. The changes add language to address communications with the stakeholders such as a chamber of commerce.

STAFF RECOMMENDATION

Staff recommends that the Committee provide direction regarding the attached draft Code of Conduct.

Attachments:

Exhibit A: Revised Draft Code of Conduct

Exhibit B: Redline

Exhibit C: Burbank's "Code of Conduct for Members of City Council" (adopted January 30, 2024)

Exhibit A
Revised Draft Code of Conduct



**Hollywood
Burbank
Airport**

DRAFT CODE OF CONDUCT

Date: _____

The Burbank-Glendale-Pasadena Airport Authority (“Authority”) responds to inquiries from the media and disseminates information to the public to keep the public informed on various topics of interest related to the Hollywood Burbank Airport (“Airport”). The purposes of this Code of Conduct are to: (1) improve media relations, protect and enhance the public’s perception of the Authority, and ensure that the Authority provides accurate and appropriate information to the media and stakeholders; (2) improve the efficiency of public meetings of the Commission and its standing committees; and (3) ensure that Authority Commissioners conduct themselves at Authority meetings in a manner that will instill public confidence and trust in the fair operation and integrity of the Authority.

A. MEDIA / STAKEHOLDER COMMUNICATIONS

The following rules apply to Commissioners communicating with the news media and stakeholders (e.g. chambers of commerce) on any matter related to the Authority or the Airport:

1. Spokesperson. All Commissioner communications with the media and stakeholders regarding the Authority or the Airport will be through the President. Inquiries from the news media should be responded to by the President in a timely manner to the extent possible. The President should make every effort to ensure that all information provided to the media is accurate and meets media deadlines.
2. Staff Notification. Commissioners shall promptly notify the following staff of media and stakeholder inquiries regarding the Authority or the Airport: the Executive Director; Senior Deputy Executive Director; and Director, Communications and Air Service.

B. PROCUREMENT COMMUNICATIONS POLICY

Commissioners shall comply with the Authority’s Procurement Communications Policy (Resolution No. 492).

C. CONDUCT AT AUTHORITY MEETINGS

The following rules apply to Commissioners during public meetings of the Commission or its standing committees. At these meetings, Commissioners must:

1. Honor the role of the meeting chair in maintaining order.
2. Prepare themselves for meetings, listen courteously and attentively to all public discussions before the body, and focus on the business at hand.
3. Make comments that concisely address the agenda item under consideration. Detailed inquiries of staff should be raised in advance of the meeting.
4. Refrain from making comments that may be viewed as divisive, unnecessary, or inappropriate.

5. Act with respect and integrity.
6. Be fair and impartial with all decision making.
7. Provide all Commissioners with an equal opportunity to state their opinion or position on an agenda item.
8. Practice civility and decorum in all discussions.
9. Demonstrate effective problem-solving approaches.
10. Make the public feel welcome.
11. Maintain the confidentiality of written materials and verbal information provided to Commissioners that is subject to the attorney-client privilege or otherwise exempt from public disclosure.
12. Abstain from using alcohol, tobacco, marijuana, or other controlled substances during the meeting. Such substances should not be used prior to a meeting if doing so will result in impairment at the meeting.

Exhibit B
Redline
(Changes to Draft Code of Conduct
in January 24, 2024 Committee Meeting Agenda Packet)



**Hollywood
Burbank
Airport**

DRAFT CODE OF CONDUCT

Date: _____

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12. Abstain from using alcohol, tobacco, marijuana, or other controlled substances during the meeting. Such substances should not be used prior to a meeting if doing so will result in impairment at the meeting.

Exhibit C

City of Burbank's "Code of Conduct for Members of City Council"
(From January 30, 2024 Burbank City Council Meeting Agenda Packet)

CITY OF BURBANK CODE OF CONDUCT FOR MEMBERS OF CITY COUNCIL

2023



INTRODUCTION

The citizens of the City of Burbank are entitled to responsible, transparent, fair, and honest city government that operates in an atmosphere of respect and civility. Accordingly, the Burbank City Council has adopted this code to:

1. Describe the standards of behavior to which its leaders aspire;
2. Provide an ongoing source of guidance to elected leaders in their day-to-day service to the city; and
3. Promote and maintain high ethical standards.

The citizens of Burbank are entitled to have fair, ethical and accountable local government, which has earned the public's full confidence for integrity. In keeping with the City of Burbank's commitment to excellence, the effective functioning of democratic government therefore requires that:

- Public officials comply with both the letter and spirit of the laws and policies affecting the operations of government;
- Public officials be independent, impartial and fair in their judgment and actions;
- Public office be used for the public good, not for personal gain; and
- Public deliberations and processes be conducted openly, unless legally confidential, in an atmosphere of respect and civility.

The City of Burbank Code of Conduct for Members of City Council (Code of Conduct) is supported by policies, procedures and guidelines outlined in the Federal and State Constitutions, California Government Code, Fair Political Practices Commission Regulations, Political Reform Act, Burbank Municipal Code, Council Handbook, and Burbank City Policies and Administrative Procedures. Any violation of these regulations constitutes a violation of the Burbank Code of Conduct.

To this end, the Burbank City Council adopts this Code of Conduct for Members of City Council (Members) to assure public confidence in the integrity of local government and its effective and fair operation.

A. ETHICS

The Ethics section of the City's Code of Conduct offers guidance on matters pertaining to ethical considerations, addressing questions of right and wrong.

1. **Act in the Public Interest:** Members will work for the common good of the people of Burbank and not for any private or personal interest, and they will assure fair and equal treatment of all persons, claims and transactions coming before the Burbank City Council.
2. **Comply with both the spirit and the letter of the Law and City Policy:** Members shall comply with the laws of the nation, the State of California, and the City of Burbank in the performance of their public duties.
3. **Conduct of Members:** The professional and personal conduct of Members must be above reproach and avoid even the appearance of impropriety.
4. **Respect for Process:** Members shall perform their duties in accordance with the processes and rules of order established by the City.
5. **Conduct of Public Meetings:** Members shall prepare themselves for public issues; listen courteously and attentively to all public discussions before the body; and focus on the business at hand.
6. **Decisions Based on Merit:** Members shall base their decisions on the merits and substance of the matter at hand, rather than on unrelated considerations.
7. **Communication:** Members shall publicly disclose substantive information that is relevant to a matter under consideration by the City Council, which they may have received from sources outside of the public decision-making process.
8. **Conflict of Interest:** Members are required to adhere to the rules and regulations as stated in the City's Conflict of Interest Code included in the Council Handbook (Appendix 37).
9. **Gifts and Favors:** Members shall not take any special advantage of services or opportunities for personal gain, by virtue of their public office, that are not available to the public in general. Council Members shall obey all applicable laws and requirements of the Political Reform Act relative to the acceptance of gifts. The California Fair Political Practices Commission (FPPC) in interpreting the Political Reform Act has established guidance on limits on and reporting of gifts. For additional information, please request a Statement of Economic Interest Form 700 from the City Clerk's Office.

10. Confidential Information¹: Members shall respect the confidentiality of information concerning the property, personnel, or affairs of the City. They shall neither disclose confidential information without proper legal authorization, nor use such information to advance their personal, financial, or other private interests.
11. Use of Public Resources: Members shall not use public resources not available to the public in general, such as City staff time, equipment, supplies or facilities, for private gain or personal purposes (This includes using public resources for election to the Council or other office).
12. Representation of Private Interests: In keeping with their role as stewards of the public interest, Members shall not appear before the City Council, and/or Boards, Commissions, and Committee (Advisory Bodies) meetings on behalf of the private interests of third parties (i.e., private businesses or contractors, political action committees, legislative advocacy groups, etc).
13. Advocacy: When designated as a representative of the City of Burbank or City Council, Members shall represent the City's official policies or positions to the best of their ability. Statements made by Members about the City's official position should reflect the majority opinion of the City Council, which is defined by current or past official City Council action via City Council vote or consensus. Members may clarify the City and Council views by starting statements with words such as "*The City....*" Or "*The Council....*".

When presenting their individual opinions and positions, Members shall explicitly state that they are presenting on their own behalf and are not representing the City of Burbank or City Council, nor will they allow the inference that they are representing either. Members are expected to clearly identify their comments as individual or personal opinion when attending political rallies, employee union strikes, or other such events. Members may clarify their views by starting statements with words such as "*I support...*" or "*I believe...*". and/or clarify that the City and Council have not taken a position on a particular topic when appropriate.

Members have the right to endorse candidates for all City Council seats or other elected offices, but it is inappropriate to mention or display endorsements during City Council meetings, Advisory Body meetings, or other official City meetings.

Members may use their title when conducting official City business, for informational purposes, or as an indication of background and expertise, carefully considering whether they are exceeding or appearing to exceed their authority.

¹ Refer to Burbank Municipal Code 2-1-204: Closed Sessions; Violation of Confidentiality a Misdemeanor; Members Elect for more detailed information on confidentiality.

Council Members must avoid unintentional influence and/or creating the perception that they are abusing their authority or attempting to obtain special consideration or favors by identifying themselves by their title (i.e. "Mayor," "Mayor Pro Tem," or "Council Member") in circumstances where their City position has no relevance.

14. **Policy Role of Members:** Members shall respect and adhere to the Council-Manager structure of Burbank City government. In this structure, the City Council determines the policies of the City with the advice, information and analysis provided by the public, Advisory Bodies, and City staff. Members shall not interfere with the administrative functions of the City or the professional duties of City staff; nor shall they impair the ability of staff to implement Council policy decisions. Members shall not add or remove agenda items from joint meetings with other official bodies or entities without the consent of the Council.
15. **Positive Workplace Environment:** Members shall support the maintenance of a positive and constructive workplace environment for City employees and for citizens and businesses dealing with the City. Members shall recognize their special role in dealings with City employees and in no way create the perception of inappropriate direction to staff.
17. **Ethics Training:** Members must comply with the ethics training requirement outlined under Assembly Bill 1234 (Government Code section 53235). The City's process for this training is outlined in the Council Handbook.

B. CONDUCT

The Conduct section of the City's Code of Conduct aims to articulate the expected treatment of Members towards one another, City staff, constituents, and other individuals encountered while representing the City of Burbank. "Respect" serves as a pervasive and unwavering theme throughout all the conduct guidelines. Members are tasked with upholding exemplary behavior consistently. The key principle underlying these guidelines is the demonstration of respect for each individual, employing both words and actions. This emphasis on respect serves as a guiding principle, assisting Members in making the right choices, even in the most challenging situations.

1. Members' Conduct with One Another

Members are composed of individuals with a wide variety of backgrounds, personalities, values, opinions, and goals. Despite this diversity, all have chosen to serve in public office to preserve and protect the present and the future of the community. In all cases, this common goal should be acknowledged even though individuals may "agree to disagree" on contentious issues.

2. Members' Conduct in Public Meetings

- a. Practice civility and decorum in discussions and debate: Members should refrain from comments that in any way promote interpersonal conflict or derision.
- b. Honor the role of the Mayor in maintaining order: Members should honor efforts by the Mayor to focus discussion on current agenda items. If there is disagreement about the agenda or the Mayor's actions, those objections should be voiced politely and with reason.
- c. Avoid personal comments that could offend other members: The Mayor will maintain control of discussions in accordance with topics related to the posted agenda.
- d. Demonstrate effective problem-solving approaches: Members have a public stage to show how individuals with disparate points of view can find common ground and seek solutions that benefit the community.
- e. Members should use electronic devices during public meetings only in an official capacity, adhering to Brown Act provisions.

3. Members' Conduct in Private Encounters

- a. Maintain respectful behavior in private.
- b. Be aware of the insecurity of written notes, voicemail messages, text messages, and E-mail. Written notes, voicemail messages, text messages, and e-mail should be treated as potentially "public" communication.
- c. Understand private conversations can have a public presence. Members are always on display – their actions, mannerisms, and language are monitored by people around them.

4. Members' Conduct with City Staff²

Governance of a City relies on the cooperative efforts of Council Members who set policy and City staff who implement and administer the City Council's policies. Therefore, every effort should be made to be cooperative and show mutual respect for the contributions made by each individual for the good of the community.

- a. Treat all staff in a professional manner, using clear, honest communication that respects the abilities, experience, and dignity of each individual.

²Refer to City Council Handbook, Section 7, INTERACTION WITH CITY STAFF/OFFICIALS for additional guidelines regarding interactions with City staff.

Member questions/inquiries to City staff: Members have a responsibility to the community to be knowledgeable of issues affecting the community. The City Manager is responsible to the City Council and therefore Members shall keep the City Manager informed of any substantive communications between themselves and staff.

- c. General: Members' communications with City staff shall occur within normal City business hours except for the City Manager and department Executives unless the circumstances warrant otherwise. Responses to City Council questions posed outside of normal business hours should be expected no earlier than the next business day.
- d. Routine Requests for Information and Inquiries: Members may contact staff directly for information made readily available to the general public on a regular basis (e.g., "What are the Parks' hours of operation?" or "How does one reserve a room at a City facility?"). Under these circumstances staff shall treat the Member no differently than they would the general public, and the Member shall not use their elected/appointed status to secure preferential treatment from subordinate staff. The City Manager should be advised of any such contacts.
- e. Non-Routine Requests for Readily Available Information: Members may also contact staff directly for easily retrievable information not routinely requested by the general public so long as it does not require staff to discuss the issue or express an opinion (e.g., "How many traffic lights are there in the City?" or "Under what circumstances does the City lower its flags to half mast?").
- f. Non-Routine Requests Requiring Special Effort: Any Members' request or inquiry that requires staff to compile information that is not readily available or easily retrievable and/or that requests staff to express an opinion (legal or otherwise) shall be directed to the City Manager or City Attorney (e.g., "How many Study Issues completed over the past five years have required 500 or more hours of staff time?", or "What is the logic behind the City's sign ordinances affecting businesses along a corridor?"). The City Manager shall be responsible for distributing such requests to staff for follow-up. Responses to such requests shall be copied to all Council Members (if originating from a Council Member), the City Manager, and affected department Executives.
- g. Special Requests: Members should not ask staff to deviate from established policies and procedures.
- h. Legal Restrictions: Legal restrictions may limit requests for information regarding operations, negotiations, personnel, or client related matters.
- i. When there are concerns about an individual employee, Members shall direct comments about staff performance to the City Manager.

- j. Refrain from becoming involved in administrative functions: Members shall not attempt to influence City staff while performing administrative functions (i.e. making of appointments, awarding contracts, selecting consultants, processing development applications, or granting City licenses and permits).
- k. Check with City staff on correspondence before taking action: Before sending correspondence, Council Members should check with the City Manager's Office to see if an official City response has already been sent or is in progress.
- l. Limit requests for staff support: Routine clerical support will be provided to all Council Members for City business only.
- m. Do not solicit political support from staff: Members should not solicit any type of political support (financial contributions, display of posters or lawn signs, name on support list, etc.) from City staff as indicated in the California Government Code. City staff may, as private citizens with constitutional rights, support political candidates but all such activities must be done away from the workplace, during non-working hours.

5. Members' Conduct with the Public

- a. Public Meetings - Making the public feel welcome is an important part of the democratic process. No signs of partiality, prejudice or disrespect should be evident on the part of Members toward an individual participating in a public forum. Every effort should be made to be fair and impartial in listening to public testimony.
 - Be welcoming, cordial, and respectful to the public and to each other.
 - Be fair and equitable in allocating public hearing time to individual speakers.
 - Demonstrate active listening skills.
- b. Unofficial Settings - Make no promises or speak on behalf of the City Council or City. Members will frequently be asked to explain a City Council action or to give their opinion about an issue as they meet and talk with constituents in the community. It is appropriate to give a brief overview of City policy and to refer requests for follow up to City staff for further information. It is inappropriate to overtly or implicitly promise City Council action, or to promise City staff will do something specific within a specific time frame (fix a pothole, plant new flowers in the median, consider or grant a permit, etc.).
 - Make no personal comments about other members: It is acceptable to publicly disagree about an issue, but it is unacceptable to make derogatory comments about other members, their opinions, and actions.

- Members are constantly being observed by the community every day that they serve in office. Their behaviors and comments serve as models for proper deportment in the City of Burbank. Honesty and respect for the dignity of each individual should be reflected in every word and action taken by Members, 24 hours a day, seven days a week. It is a serious and continuous responsibility.

6. City Council Conduct with Other Public Agencies

- Be clear about representing the City or personal interests: When representing the City, Council Members must support and advocate the official City position on an issue, not a personal viewpoint. When representing another organization whose position is different from the City, the Council Member should withdraw from voting on the issue if it significantly impacts or is detrimental to the City's interest. Council Members should be clear about which organizations they represent and inform the City Council of their involvement.
- Correspondence should be equally clear about representation: City letterhead may be used when the Council Member is representing the City and the City's official position. City letterhead should not be used for non-City business or for correspondence representing a dissenting point of view from an official City Council position.

7. Council Conduct with Boards, Commissions, and Committees³

The City has established several Boards, Commissions, and Committees (Advisory Bodies) as a means of encouraging community input. Citizens who serve on Advisory Bodies become more involved in government and serve as advisors to the City Council. They are a valuable resource to the City's leadership and should be treated with appreciation and respect. To be most effective, advisory bodies should be free to function independently when considering issues and recommendations. The City Council retains the final authority in all policy matters related to the City. When a Member is serving as a liaison or official representative on Advisory Bodies, statements and positions shall be those representing the City and Council and not those of the individual Member.

- If attending an Advisory Body meeting, Council Members should take caution not to unduly influence the Advisory Body's decision-making process or decision: Council Members may attend any Advisory Body meeting, which are always open to members of the public. However, their presence could be viewed as unfairly affecting the process. In some cases, this could result in limiting their capacity to participate in any future City Council proceedings addressing Advisory Body

³ Refer to City Council Handbook, Appendix-57, CITY COUNCIL LIAISON DEFINITION OF ROLE AND PURPOSE POLICY for more detailed guidelines regarding City Council Liaison roles and Council expectations.

recommendations. Advisory bodies should be allowed to deliberate and act independently to the maximum extent practicable. The City Council, acting as a body, may overturn any decision of an advisory body it deems is not in the interest of the City.

- Limit contact with Advisory Body members to questions of clarification: It is inappropriate for a Council Member to contact an Advisory Body member to lobby on behalf of an individual, business, or developer, and vice versa. It is acceptable for Council Members to contact Advisory Body members to clarify a position taken by the Advisory Body.
- Advisory Bodies serve the community, not individual Council Members: The City Council appoints individuals to serve on Advisory Bodies, and it is the responsibility of Advisory Bodies to follow policy established by the City Council. Advisory bodies are also bound by state law and the Ralph M. Brown Act. Council Members should not threaten Advisory Body members with removal if they disagree about an issue. Appointment and re-appointment to an Advisory Body should be based on such criteria as expertise, ability to work with staff and the public, and commitment to fulfilling official duties in compliance with the letter and spirit of the law and City policy. An Advisory Body appointment should not be used as a political "reward."
- Be respectful of diverse opinions: A primary role of Advisory Bodies is to represent diverse points of view in the community and to provide the Council with advice based on a full spectrum of concerns and perspectives. Council Members may have close working relationships with some individuals serving on Advisory Bodies, but must be fair and respectful of all citizens serving on Advisory Bodies.
- Keep political support away from public forums: Advisory Body members may offer political support to a Council Member, but not in a public forum while conducting official duties. Similarly, Council Members may support Advisory Body members who are running for office, but not in an official forum in their capacity as a Council Member.

8. Running for Re-Election or Another Office⁴

- The law prohibits using public resources for political purposes⁵. Council Members running for higher office or re-election must refrain from using City resources to support or further their campaign.
- Members must establish separate social media accounts for campaigning; official City social media accounts may not be used for campaign purposes. All posts

⁴ Refer to the California Fair Political Practices Commission for additional information (www.fppc.ca.gov)

⁵ Cal. Gov't Code § 8314

made on personal campaign social media accounts shall represent the views of the individual Member as a candidate and shall not infer representation of the Member's position on Council or as representing the City or Council.

- Members shall not campaign or engage in political activities while conducting official City business.

9. Social Media

It is highly advisable that Council Members have separate personal, campaign, and public official accounts on all social media platforms. Council Members must make a clear distinction between official public accounts, campaign accounts, and personal accounts. **Content posted on a Council Member's official public account should be in compliance with the City's Code of Conduct.**

Council Members should not use their official public social media account to post or share information that is obscene, disrespectful, encourages or promotes illegal activity, or depicts the City and/or City property, equipment or personnel in any manner that would be considered offensive or defamatory.

Council Members should consider whether liking, sharing, retweeting or commenting on any social media posts could be perceived as an endorsement of or about the City, its employees, constituents, other public officials, suppliers, vendors, or contractors.

Disclaimers

When using social media, Members must clearly disclose that they are expressing their own personal opinion, and not an official position of the City or, if applicable, the body on which they serve. Where appropriate, posting a disclaimer to this effect is advised.

Examples of Disclaimers:

Please note that this account is a personal space where I share my personal views, opinions, and experiences. Content posted here is not representative of any official government stance or policy. For official statements and updates, please refer to the City of Burbank social media accounts, @BurbankCA, or the City of Burbank Website at www.burbankca.gov.

Welcome to my official social media account as a Burbank [MAYOR/VICE MAYOR/COUNCILMEMBER]. This platform is intended for sharing updates, information, and engaging with the public about matters related to my public role. Content posted here represents my official duties and may reflect the stance and policies of the City of

Burbank. For personal views and opinions, you can visit my personal social media accounts [INSERT TAG HERE].

Ralph M. Brown Act

Council Members may **not** use their social media accounts (personal, campaign, or public official) to discuss public business.

- Informal communication with constituents is generally acceptable, but discussion of public business is risky, especially if it involves other Council Members.
- Council Members should exercise caution with respect to comments they post, particularly those concerning the City and the business of the City. Council Members should be mindful that posting and engaging in a discussion of City-related content/matters on social media may violate the Ralph M. Brown Act.

Packingham vs. North Carolina

On the Council Member's public official social media account, Council Members must include a link back to the City's official website for detailed information. In addition, Council Members may not block any member of the public from participating in their public official social media account.

In *Packingham vs. North Carolina*, the Supreme Court ruled social media as the new public square, allowing users the opportunity to directly address their Council Members. Per the court decision, any elected official who uses social media to promote, discuss, carry out or reference City related business and/or activities may have created an official social media account, which is considered a public forum where Council Members must abide by the First Amendment.

Council Member's public official social media accounts are subject to the following guidelines:

- Prohibited from blocking users because of the person's viewpoints or perspectives (authentication technology may be utilized to verify accounts).
- Deleting any comments
- Content may be considered to be an official public record

Campaign/Candidate Social Media Account

When running for office, Council Members must establish a separate social media account for campaigning and not access that social media through government technology. Council Members who use the same social media account for communicating with constituents as

they do to campaign risk violating the law against using government resources for political purposes.

Council Members should not spend public funds for political advertising on a social media platform. This includes the use of City resources, such as city staff, city time, and city-owned devices to manage campaign social media accounts or to post communications supporting or opposing a candidate for nomination or election to a public office or office of a political party, a political party, a public officer, or a measure.

9. Contact with the Media

Council Members are frequently contacted by the media for background and quotes. The important role of the media in a free society is well documented in history. The City and its residents have an inherent interest in open and honest communications between their public officials and representatives of the media.

Official City responses will be given by the Mayor or Council designee (i.e. Vice Mayor in Mayor's absence), the City Manager or their designee. Media inquiries should be responded to within reasonable timeframes.

When addressing the media, Council Members should follow these guidelines:

- Most members of the media represent the highest levels of journalistic integrity and ethics and can be trusted to keep their word. However, one bad experience can be disruptive and very uncomfortable. Words that are not said cannot be quoted.
- If an individual Council Member is contacted by the media, the Council Member should be clear about whether their comments represent the official City position or a personal viewpoint.
- Comments taken out of context can cause problems. Be especially cautious about humor, sardonic asides, sarcasm, or word play. It is never appropriate to use personal slurs or swear words when talking with the media.
- Council Members should be professional in all situations and circumstances, conducting themselves in a respectful manner. When speaking with the media, Council Members should choose their words carefully to ensure that comments and statements are not taken out of context.
- Council Members should notify the City Manager upon receipt of and prior to participation in media requests related to administrative functions or special circumstances. Council Members will work with the City Manager and the Public

Information Office to ensure that statements include accurate and consistent information pertaining to City and Council policies or positions .

C. IMPLEMENTATION

As an expression of the standards of conduct for Members, the Code of Conduct is intended to be self-enforcing. It therefore becomes most effective when Members are thoroughly familiar with it and embrace its provisions. For this reason, the City Clerk shall ensure that this document be included in the City Council candidate orientation. Members entering office shall receive a hard copy of the Code of Conduct at the Council Member Orientation meeting and sign a statement affirming they read and understood the document.

D. ENFORCEMENT

The City Council has the primary responsibility to assure that ethical standards are understood and met, and that the public can continue to have full confidence in the integrity of government.

The City Council has the authority and responsibility to enforce this code on the City's behalf. Any member of the City Council may raise a question as it applies to the implementation or enforcement of this code and the City Council as a body will decide all such matters referred to it for consideration.

The City Council may impose sanctions on Council Members when it determines that a violation of the Code of Conduct has occurred, including warning, formal censure, or removal from the seat of Mayor and Vice Mayor as stated in Section 400 of the City Charter. Section 400 specifies the method for selecting the Mayor and Vice Mayor and provides "The officials so chosen shall hold their respective offices subject to the pleasure of the Council."

Serious infractions could lead to other sanctions as deemed appropriate by Council.

E. PROCESS

Any Council Member who wishes to bring a complaint against another Council Member for violation of the Code of Conduct may request a future agenda item at a noticed public City Council meeting, citing a concise description of the alleged violation. The future agenda item request must be seconded by another Council Member for placement on the agenda for Council discussion. Any discipline imposed by the City Council shall be determined by a majority vote of the Council Members (3/5ths) at a public meeting. Council Members, however, may only be removed from office by voter recall.

**BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
EXECUTIVE COMMITTEE
APRIL 3, 2024**

COMMITTEE PENDING ITEMS

Future

1. Policy Discussion on Posting of Presentations with Commission Agendas
2. Explorations of Options to Become a Utility Provider

Replacement Passenger Terminal Project Resolution and Financing Documents for 2024 Bonds

Burbank-Glendale-Pasadena Airport Authority
Executive Committee

April 3, 2024

Purpose of 2024 Bonds

- Fund approximately \$700 million of project draws for RPT Project
- Additional future bonds expected to be issued in 2026

Source of Funding	Estimate (\$mil)*
AIP Grant – entitlement	13.5
AIP Grant – discretionary	42.2
BIL AIG Grant – formulaic	39.9
BIL ATP Grant – competitive	47.3
PFC Revenues	48.4
Facility Development Fund	100.0
Proceeds of Property Sale**	2.1
General Airport Revenue Bonds	1,041.5
Total	1,334.9

* Subject to further value engineering by the Design Build team and Program Manager

** Amount identified from sale of Kenwood parking lot

2024 Bonds

- Fixed rate, 30-year bonds
- Secured on parity with Authority's outstanding GARBs
- Expected to fund: (i) \$700 million RPT Project costs, (ii) debt service reserve fund, (iii) capitalized interest, and (iv) costs of issuance
- Ratings from Fitch, Moody's and S&P pending
- Purchase of bond insurance/surety policy to be evaluated based on market conditions
- To be sold in a negotiated offering, similar to other large, complex airport financings

Responsibilities Due to Issuing 2024 Bonds

- Increase of amount of debt owed
- Similar to those for Authority's outstanding GARBs
- Responsibilities include:
 - Debt service payments
 - Maintenance of funds in certain accounts for bondholder security
 - Covenants related to setting rates and charges
 - Covenants on operations and maintenance of the Airport
 - Reporting duties and adherence to certain federal tax rules
 - Provision of information and payment of fees for credit rating surveillance

Estimated Results

	Preliminary Estimates*	Not-to-Exceed Parameters
Aggregate Principal Amount	\$808,115,000	\$900,000,000
True Interest Cost	5.03%	5.75%
Underwriter Discount	0.23%	0.30%
Total Net Debt Service	\$1,502,432,000	--
Annual Net Debt Service	\$57,371,000	--

* Based on market conditions as of 3/18/2024, funding approximately \$695 million of RPT project costs, and 2024 Bonds achieve credit ratings equal to current credit ratings of "A" from Fitch, "A2" from Moody's, and "A" from S&P.

Financing Documents

- **Bond Resolution**
 - Authorizes the 2024 Bonds, delegating authority to complete issuance of 2024 Bonds
- **Fifth Supplemental Indenture of Trust**
 - Describes terms of 2024 Bonds
- **Bond Purchase Agreement**
 - Contract for sale of 2024 Bonds between Authority and Underwriters
- **Preliminary Official Statement**
 - Prospectus describing the 2024 Bonds
- **Continuing Disclosure Agreement**
 - Obliges Authority to provide annual reports and notices of certain events
- **Irrevocable Direction Regarding Deposit of Principal and Interest Payments for 2015 Series B Bonds**
 - Enables defeasance of outstanding 2015 Series B Bonds

Recommendation

- Seeks Executive Committee recommendation for adoption of Bond Resolution
 - Authorize issuance of 2024 Bonds
 - Approve forms of certain documents relating to issuance and sale of 2024 Bonds
 - Authorize execution and delivery of documents for the 2024 Bonds and other related actions

Schedule

Date	Activity
April 15, 2024	Present Bond Resolution to full Commission
May 6, 2024	Commission considers approval of Bond Resolution
May 8, 2024	Publish POS for 2024 Bonds
May 22, 2024	Pricing of 2024 Bonds
May 30, 2024	Closing of 2024 Bonds

OHS DRAFT 3/25/2024

RESOLUTION NO. 511

**A RESOLUTION OF THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY COMMISSION
AUTHORIZING THE ISSUANCE AND SALE OF AIRPORT REVENUE BONDS IN
ONE OR MORE SERIES; PROVIDING THE TERMS AND CONDITIONS FOR THE
ISSUANCE AND SALE OF SAID BONDS; APPROVING THE FORM OF AND
AUTHORIZING THE EXECUTION AND DELIVERY OF SPECIFIED DOCUMENTS IN
CONNECTION THEREWITH; AND AUTHORIZING CERTAIN OTHER MATTERS
RELATING THERETO**

The Commission of the Burbank-Glendale-Pasadena Airport Authority (the "Commission") finds, resolves and determines as follows:

Section 1. Findings.

A. the Burbank-Glendale-Pasadena Airport Authority (the "Authority") is a public entity duly organized and existing pursuant to the Joint Exercise of Powers Act (commencing with Section 6500 of the California Government Code) (the "Act") and that certain Amended and Restated Joint Exercise of Powers Agreement, dated as of September 15, 1991, as amended by the First Amendment to Amended and Restated Joint Exercise of Powers Agreement, dated as of November 25, 2003, as further amended by the Second Amendment to Amended and Restated Joint Exercise of Powers Agreement, dated as of January 10, 2017 (collectively, the "Joint Powers Agreement"), each among the City of Burbank, the City of Glendale and the City of Pasadena.

B. The Authority owns and operates the Bob Hope Airport (commonly known as Hollywood-Burbank Airport, the "Airport") pursuant to the Act and the Joint Powers Agreement.

C. The Authority previously entered into that certain Master Indenture of Trust, dated as of May 1, 2005, between the Authority and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.), as trustee (the "Trustee"), as supplemented and amended (as it has been supplemented and amended to date, the "Original Master Indenture") in connection with the issuance of bonds, notes and other obligations to finance the Costs of Capital Improvements to the Airport and to refund such obligations (except as otherwise specified herein, capitalized undefined terms used herein have the meanings ascribed thereto in the Original Master Indenture).

D. The Authority intends to finance, refinance or reimburse itself for its prior payment of the costs of acquisition, development, improvement, renovation, construction, demolition and reconfiguration of certain facilities, including a replacement passenger terminal and associated support components, at the Airport (the "Project").

E. As part of the Authority's plan of finance for the Project, the Authority proposes to authorize the issuance of one or more series of revenue bonds (the "2024 Bonds") pursuant to Article IV of the Act (commencing with Section 6584 of the

California Government Code) in order to (a) finance, refinance or reimburse itself for its prior payment of the costs for a portion of the Project, including any costs incidental to, or connection with, the Project, (b) refinance all or any portion of the outstanding Commercial Paper Notes, the proceeds of which were used to finance a portion of the Project, (c) pay interest to accrue on the 2024 Bonds for a period determined by the Authorized Representative (as defined herein), (d) fund a deposit to a debt service reserve fund and (e) pay the costs of issuance of the Bonds (collectively, the "Financing Purposes").

F. The 2024 Bonds will be issued under the Original Master Indenture, as supplemented by a Fifth Supplemental Indenture between the Authority and the Trustee (the "Fifth Supplemental Indenture"; the Original Master Indenture, as supplemented by the Fifth Supplemental Indenture is referred to as the "Master Indenture").

G. The Authority has determined to enter into a Bond Purchase Agreement with BofA Securities, Inc., on behalf of itself and as representative of J.P. Morgan Securities LLC, Ramirez & Co., Inc., Barclays Capital Inc., Loop Capital Markets LLC, RBC Capital Markets, LLC and Siebert Williams Shank & Co. LLC (the "Underwriters") providing for the sale of the 2024 Bonds (the "Bond Purchase Agreement").

H. The offer of the 2024 Bonds to the public is to be made pursuant to a Preliminary Official Statement (the "Preliminary Official Statement").

I. In connection with the Underwriters' responsibilities under S.E.C. Rule 15c2-12 with respect to the purchase of the 2024 Bonds, the Authority has agreed to enter into a Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") substantially in the form attached to the Preliminary Official Statement.

J. All requirements under the California Environmental Quality Act with respect to the Project, including the issuance of the 2024 Bonds, have been satisfied.

K. The Authority finds it necessary and desirable to amend and restate the Master Indenture, and the Master Indenture provides that the Master Indenture can be amended and restated as amended and restated by the proposed Amended and Restated Master Indenture (the "Amended and Restated Master Indenture"), between the Authority and the Trustee, if the Authority has received the written consent of each Credit Provider to the Authority and the Authority has filed with the Trustee the written consent to the Amended and Restated Master Indenture of the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding.

L. In connection with the issuance of the 2024 Bonds, the requirements described in the preceding paragraph are expected to be satisfied and accordingly, the Master Indenture will be amended and restated by the Amended and Restated Master Indenture effective the date of issuance of the 2024 Bonds.

M. The Authority finds it necessary and desirable in connection with the Amended and Restated Master Indenture to defease to maturity from available funds of the Authority the Authority's Outstanding Airport Revenue Bonds, 2015 Series B maturing on July 1, 2024 (the "Defeased Bonds") in the principal amount of \$4,350,000 and in connection therewith to execute and deliver an Irrevocable Instruction Letter from the Authority to the Trustee regarding the irrevocable deposit with the Trustee of such available funds of the Authority for the payment of the Defeased Bonds (the "Instruction Letter").

N. The Authority has determined that it may be necessary and desirable to make certain conforming amendments to certain agreements and documents entered into in connection with the Commercial Paper Notes as a result of the Amended and Restated Master Indenture and to supplement the Commercial Paper Offering Memorandum dated June 21, 2023 related to the Commercial Paper Notes (the "Supplement to Offering Memorandum") to reflect such conforming amendments.

O. In order to accomplish the foregoing, it will be necessary for the Authority to enter into and deliver one or more of each of the following documents, instruments and agreements, forms of which have been prepared and presented to the Authority:

- (i) Fifth Supplemental Indenture;
- (ii) Bond Purchase Agreement;
- (iii) Preliminary Official Statement, including the form of the Continuing Disclosure Agreement;
- (iv) Amended and Restated Master Indenture; and
- (v) Instruction Letter.

P. The Authority desires to authorize the issuance and sale of one or more series of the 2024 Bonds on the terms authorized by this Resolution, including the execution of the above-identified documents, instruments and agreements and to authorize the taking of such other actions as shall be necessary to consummate the financing program described in the above-identified documents, instruments and agreements.

Section 2. Authorization of Fifth Supplemental Indenture, Amended and Restated Master Indenture and Instruction Letter. The forms of the Fifth Supplemental Indenture, the Amended and Restated Master Indenture and the Instruction Letter, on file with the Secretary of the Authority (the "Secretary"), are hereby approved. Each of the President, the Vice President, the Secretary, the Assistant Secretary, the Executive Director, the Senior Deputy Executive Director and the Deputy Executive Director - Finance & Administration of the Authority (each, an "Authorized Representative") is hereby authorized, and any one of the Authorized Representatives is hereby directed, for and in the name of the Authority, to execute and deliver the Fifth Supplemental Indenture,

the Amended and Restated Master Indenture and the Instruction Letter in the forms on file with the Secretary, with such changes, insertions and omissions as the Authorized Representative executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Fifth Supplemental Indenture, the Amended and Restated Master Indenture and the Instruction Letter by such Authorized Representative.

Section 3. Authorization of the 2024 Bonds. Subject to the provisions of Section 4 hereof, the issuance of the 2024 Bonds in the combined aggregate principal amount of not to exceed \$900,000,000 on the terms and conditions set forth in the Master Indenture and the Fifth Supplemental Indenture is hereby authorized and approved. The 2024 Bonds are to be issued in one or more series, provided that any Authorized Representative is authorized to determine the designations thereof. The 2024 Bonds of each series will be dated, will bear interest at the rates, will mature on the dates, will be issued in the form, will have such sinking fund installments, will be subject to redemption, and will be as otherwise provided in the Fifth Supplemental Indenture. The proceeds of the sale of the 2024 Bonds will be applied to the Financing Purposes as provided in the Fifth Supplemental Indenture.

Section 4. Determination of Terms of the 2024 Bonds. Any Authorized Representative is hereby authorized to determine the following: (i) the portion of the Project to be paid with the proceeds of each series of the 2024 Bonds; (ii) the series designations, tax status and the aggregate principal amount of each series of the 2024 Bonds, provided that the combined aggregate principal amount of the 2024 Bonds shall not exceed the amount set forth in Section 3 of this Resolution; (iii) the maturity dates of the 2024 Bonds of each series, provided that the final maturity date for any of the 2024 Bonds shall not exceed 40 years from the date of issuance thereof; (iv) the redemption provisions for each series of the 2024 Bonds; (v) whether all or any portion of the 2024 Bonds of each series of the 2024 Bonds shall have credit enhancement (including bond insurance) and, if so, the terms and conditions, including the price thereof, provided that an Authorized Representative determines that such credit enhancement is economically beneficial to the Authority; (vi) the interest rate or rates to be borne by the 2024 Bonds of each series and maturity, provided that the true interest cost of the 2024 Bonds shall not exceed 5.75% per annum; and (vii) which series, if any, of the 2024 Bonds shall be secured by a reserve fund and the terms of such reserve fund.

Section 5. Execution of the 2024 Bonds. The 2024 Bonds shall be executed by the manual or facsimile signature of the President or Vice President of the Authority and attested by the manual or facsimile signature of the Secretary or Assistant Secretary of the Authority, and shall be in the form set forth in the Fifth Supplemental Indenture (with such variations, omissions and insertions as may be required to conform the same to the terms of this Resolution or terms of the Master Indenture); and when so executed, the 2024 Bonds shall be delivered to the Trustee for authentication by the Trustee and delivery by the Trustee to the purchasers thereof in accordance with written instructions executed on behalf of the Authority by any Authorized Representative, which instructions such Authorized Representative is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver to the Trustee and which instructions shall provide

for the delivery of the 2024 Bonds to the purchasers thereof in accordance with the Bond Purchase Agreement upon payment of the purchase price thereof.

Section 6. Sale of the 2024 Bonds. The sale of the 2024 Bonds to the Underwriters pursuant to the Bond Purchase Agreement is hereby approved; provided that the Underwriters' discount (not including any original issue discount) for the 2024 Bonds shall not be more than 0.30% of the aggregate principal amount of the 2024 Bonds. The form of the Bond Purchase Agreement, on file with the Secretary, is hereby approved. Each of the Authorized Representatives is hereby authorized, and any one of the Authorized Representatives is hereby directed, for and in the name of the Authority, to execute and deliver the Bond Purchase Agreement in the form on file with the Secretary, with such changes, insertions and omissions as the Authorized Representative executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Bond Purchase Agreement by such Authorized Representative.

Section 7. Authorization of the Preliminary Official Statement. The form of the Preliminary Official Statement, on file with the Secretary, is hereby approved. Each of the Authorized Representatives is hereby authorized, and any one of the Authorized Representatives is hereby directed, for and in the name of the Authority, to deem the Preliminary Official Statement final for purposes of S.E.C. Rule 15c2-12 and to deliver the Preliminary Official Statement to the Underwriters, in the form on file with the Secretary with such changes, insertions and deletions as the Authorized Representative deeming the Preliminary Official Statement final for purposes of Rule 15c2-12 may require or approve, such requirement or approval to be conclusively evidenced by the deemed final certification. Each of the Authorized Representatives is hereby further authorized, and any one of the Authorized Representatives is hereby directed, for and in the name of the Authority, to supplement, amend, revise, update and/or restate the Preliminary Official Statement from time to time as deemed necessary or advisable by the Authorized Representative.

Section 8. Authorization of the Official Statement. Each of the Authorized Representatives is hereby authorized, and any one of the Authorized Representatives is hereby directed, for and in the name of the Authority, to prepare and deliver to the Underwriters a final Official Statement in connection with the 2024 Bonds (the "Official Statement"). Each of the Authorized Representatives is hereby authorized, and any one of the Authorized Representatives is hereby directed, for and in the name of the Authority, to execute the Official Statement in the name of and on behalf of the Authority. The Official Statement shall be in substantially the form of the Preliminary Official Statement with the terms of the 2024 Bonds included and with such other changes, insertions and deletions as the Authorized Representative executing the Official Statement may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Official Statement by such Authorized Representative.

Section 9. Distribution of the Preliminary Official Statement and the Official Statement. The distribution of the Preliminary Official Statement and the Official Statement by the Underwriters in connection with the offer of the 2024 Bonds to the public, including distribution in electronic form, is hereby authorized and approved.

Section 10. Authorization of the Continuing Disclosure Agreement. The form of the Continuing Disclosure Agreement, on file with the Secretary, is hereby approved. Each of the Authorized Representatives is hereby authorized, and any one of the Authorized Representatives is hereby directed, for and in the name of the Authority, to execute and deliver the Continuing Disclosure Agreement in the form on file with the Secretary, with such changes, insertions and omissions as the Authorized Representative executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Continuing Disclosure Certificate by such Authorized Representative.

Section 11. Administration of the Authority's Commercial Paper Program. Each of the Authorized Representatives is hereby authorized, and any one of the Authorized Representatives is hereby directed, for and in the name of the Authority, to execute and deliver any amendments to the existing agreements and documents relating to the Commercial Paper Notes, including but not limited to, reimbursement agreements, bank notes, master notes and the issuing and paying agent agreement, and any and all other agreements, documents, certificates and instruments related thereto, which the Authorized Representative executing the same may deem necessary or advisable, including for the purposes of conforming such agreements and documents to the terms of the Amended and Restated Master Indenture and to approve the delivery of the Supplement to Offering Memorandum.

Section 12. Electronic Signatures. The Commission hereby approves the execution and delivery of all agreements, documents, certificates and instruments referred to herein with electronic signatures as may be permitted under the California Uniform Electronic Transactions Act and digital signatures as may be permitted under Section 16.5 of the California Government Code using DocuSign.

Section 13. Further Documents and Certificates. The officers and agents of the Authority are, and each of them is, hereby authorized and directed, for and in the name of the Authority, to do any and all things and to execute and deliver any and all agreements, documents, certificates and instruments, which they or any of them deem necessary or advisable in order to consummate the transactions contemplated by this Resolution and the performance of the agreements approved herein and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, including in connection with the ongoing administration of the 2024 Bonds, any investment of proceeds of 2024 Bonds from time to time, the engagement of rebate and other post-issuance compliance services, the designation of all or a portion of the 2024 Bonds as "green bonds", the refunding or defeasance of any Commercial Paper Notes, the removal or replacement of the Trustee or any similar action, which may be given or taken by an Authorized Representative without further authorization or direction by the Commission.

Section 14. Designation of Authorized Authority Representative. Each of the President, the Vice President, the Secretary, the Assistant Secretary, the Executive Director, the Senior Deputy Executive Director and the Deputy Executive Director - Finance & Administration of the Authority is hereby designated as an "Authorized Authority Representative", as that term is defined in the Master Indenture and the Amended and Restated Master Indenture and any such Authorized Authority

Representative, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things, execute and deliver any and all certificates, statements, requests, requisitions, orders, agreements and other documents, and take any and all actions contemplated on the part of the Authority or its Authorized Authority Representatives under the Master Indenture or the Amended and Restated Master Indenture, that are necessary for the ongoing administration of the 2024 Bonds.

Section 15. Actions Approved and Confirmed. All actions heretofore taken by any member of the Commission, any Authorized Representative or any other officer or agent of the Authority with respect to the issuance of the 2024 Bonds or in connection with or related to any of the agreements, documents, certificates and instruments referred to herein, are hereby approved, confirmed and ratified.

Section 16. Effective Date. This Resolution shall take effect from and after its adoption.

Adopted this 6th day of May, 2024

Felicia Williams, President

ATTEST:

Jess Talamantes, Secretary

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

I, Frank R. Miller, do hereby certify that the foregoing resolution was duly and regularly adopted by the Commissioners of the Burbank-Glendale-Pasadena Airport Authority at its regular meeting held on the 6th day of May, 2024 by the following vote:

AYES:

NOES:

ABSENT:

Frank R. Miller, Assistant Secretary

OHS DRAFT 3/25/2024

FIFTH SUPPLEMENTAL INDENTURE OF TRUST

by and between

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,

as Trustee

Dated as of [] 1, 2024

Relating to

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
AIRPORT SENIOR REVENUE BONDS,
2024 SERIES A (NON-AMT), 2024 SERIES B (AMT) AND 2024 SERIES C (TAXABLE)

TABLE OF CONTENTS

	Page
<u>ARTICLE I AUTHORITY, AMENDMENTS AND DEFINITIONS</u>	2
<u>Section 1.01. Supplemental Indenture of Trust</u>	2
<u>Section 1.02. Authority for the Fifth Supplemental Indenture of Trust</u>	2
<u>Section 1.03. Consent to the Amended and Restated Master Indenture</u>	2
<u>Section 1.04. Definitions</u>	3
<u>Section 1.05. Interpretation</u>	5
<u>ARTICLE II THE 2024A BONDS</u>	6
<u>Section 2.01. Principal Amount and Designation; Conditions to Issuance</u>	6
<u>Section 2.02. Terms of the 2024A Bonds</u>	6
<u>Section 2.03. Application of Proceeds of 2024A Bonds</u>	7
<u>ARTICLE III THE 2024B BONDS</u>	8
<u>Section 3.01. Principal Amount and Designation; Conditions to Issuance</u>	8
<u>Section 3.02. Terms of the 2024B Bonds</u>	8
<u>Section 3.03. Application of Proceeds of 2024B Bonds</u>	10
<u>ARTICLE IV THE 2024C BONDS</u>	10
<u>Section 4.01. Principal Amount and Designation; Conditions to Issuance</u>	10
<u>Section 4.02. Terms of the 2024C Bonds</u>	11
<u>Section 4.03. Application of Proceeds of 2024C Bonds</u>	12
<u>ARTICLE V FUNDS AND ACCOUNTS</u>	12
<u>Section 5.01. 2024 Cost of Issuance Fund</u>	12
<u>Section 5.02. 2024 Bonds Construction Fund Accounts</u>	13
<u>Section 5.03. Capitalized Interest in Senior Debt Service Fund</u>	14
<u>ARTICLE VI TAX MATTERS</u>	15
<u>Section 6.01. Tax Covenants</u>	15
<u>Section 6.02. 2024A/B Rebate Account</u>	15
<u>ARTICLE VII MISCELLANEOUS</u>	16
<u>Section 7.01. Continuing Disclosure</u>	16
<u>Section 7.02. Indenture to Remain in Effect</u>	16
<u>Section 7.03. Electronic Signatures</u>	16
<u>Section 7.04. Counterparts</u>	16
<u>EXHIBIT A FORM OF 2024 BONDS</u>	A-1
<u>EXHIBIT B FORM OF AMENDED AND RESTATED MASTER INDENTURE</u>	B-1

FIFTH SUPPLEMENTAL INDENTURE OF TRUST

THIS FIFTH SUPPLEMENTAL INDENTURE OF TRUST, dated as of [] 1, 2024 (this “Fifth Supplemental Indenture”), is entered into by and between the Burbank-Glendale-Pasadena Airport Authority, a public entity of the State of California, and The Bank of New York Mellon Trust Company, N.A., a national banking association duly established and existing under and pursuant to the laws of the United States of America (formerly known as The Bank of New York Trust Company, N.A.).

RECITALS

WHEREAS, the Authority (capitalized terms used in this Fifth Supplemental Indenture shall have the meanings given such terms pursuant to Section 1.04 hereof) has been duly established and is duly existing as a joint exercise of powers agency under the Joint Powers Act and the Joint Powers Agreement; and

WHEREAS, the Authority owns and operates the Airport; and

WHEREAS, the Authority is authorized under the Joint Powers Agreement, the Joint Powers Act and other applicable provisions of State law to issue bonds, notes and other obligations payable from the revenues of the Airport to finance the Costs of Capital Improvements to the Airport and to refund such obligations; and

WHEREAS, the Authority and the Trustee previously entered into the Master Indenture of Trust, dated as of May 1, 2005, as previously supplemented and amended in accordance with its terms (as so supplemented and amended, the “Original Master Indenture”), providing for the terms on which Bonds and other Obligations may be issued and secured thereunder when authorized by Supplemental Indentures or other Issuing Instruments; and

WHEREAS, the Authority has determined to issue three Series of Bonds constituting the 2024 Bonds on the terms and conditions set forth in the Original Master Indenture, as supplemented by this Fifth Supplemental Indenture, for the purpose of providing funds to (a) finance, refinance or reimburse itself for its prior payment of the costs for a portion of the Replacement Passenger Terminal Project, including any costs incidental to, or connection with, the Replacement Passenger Terminal Project, (b) make a deposit to the reserve fund described herein, (c) make a deposit to the debt service fund described herein to pay for [a portion of the] interest to accrue on the 2024 Bonds through April 1, 2027, and (e) pay the Costs of Issuance of the 2024 Bonds (collectively, the “Financing Purposes”); and

WHEREAS, the Authority desires to amend and restate the Original Master Indenture in the form of the Amended and Restated Master Indenture (as defined herein) attached to this Fifth Supplemental Indenture as Exhibit B; and

WHEREAS, pursuant to Section 7.01(a) of the Original Master Indenture, the Original Master Indenture can be amended and restated by the Amended and Restated Master Indenture if the Authority has received the written consent of each Credit Provider and the Authority has filed

with the Trustee the written consent of the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding; and

WHEREAS, pursuant to Section 1.03 of this Fifth Supplemental Indenture and Section 1.01 of the Amended and Restated Master Indenture, the Amended and Restated Master Indenture will become effective on the Effective Date (as defined in the Amended and Restated Master Indenture), which Effective Date is the date of issuance of the 2024 Bonds, following the issuance of the 2024 Bonds, and on and after the Effective Date, the 2024 Bonds shall be subject to the terms of the Amended and Restated Master Indenture; and

WHEREAS, the Authority has determined that all acts and things which are necessary in connection with the authorization, execution and delivery of this Fifth Supplemental Indenture and the issuance of the 2024 Bonds have been done and performed in due time, form and manner;

**NOW, THEREFORE, KNOW ALL PERSONS BY THESE PRESENTS, THIS
FIFTH SUPPLEMENTAL INDENTURE OF TRUST WITNESSETH:**

That, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created and originally created by the Master Indenture, the mutual covenants herein contained and the purchase and acceptance of the 2024 Bonds by the Owners thereof, and for other valuable consideration, the receipt whereof is hereby acknowledged, and in order to secure the payment of the principal of, Redemption Price, if any, and interest on the 2024 Bonds according to their tenor and effect, and the performance and observance by the Authority of all the covenants and conditions in the Master Indenture, and in the 2024 Bonds, contained on its part to be performed, it is agreed by and between the Authority and the Trustee as follows:

ARTICLE I

AUTHORITY, AMENDMENTS AND DEFINITIONS

Section 1.01. Supplemental Indenture of Trust. This Fifth Supplemental Indenture is supplemental to the Original Master Indenture.

Section 1.02. Authority for the Fifth Supplemental Indenture of Trust. This Fifth Supplemental Indenture is entered into pursuant to Article 4 of the Joint Powers Act and the Joint Powers Agreement and in accordance with Article II and Article VII of the Original Master Indenture.

Section 1.03. Consent to the Amended and Restated Master Indenture. By their purchase of the 2024 Bonds, the Owners and Beneficial Owners of the 2024 Bonds (a) are deemed to have irrevocably consented to the Amended and Restated Master Indenture and approved, on behalf of themselves and all subsequent Owners and Beneficial Owners of the 2024 Bonds, the amendments to the Original Master Indenture set forth in the Amended and Restated Master Indenture, (b) pursuant to such consent, have irrevocably directed the Trustee to consent to the Amended and Restated Master Indenture, and (c) have waived, and are deemed to have waived, and to have authorized and directed the Trustee to waive, any and all other formal notice, implementation, execution or timing requirements that may otherwise be required under the Original Master Indenture in order to implement the Amended and Restated Master Indenture.

Such consent and waiver shall be effective on the date of issuance of the 2024 Bonds, shall be binding on any subsequent Owner and Beneficial Owner of any 2024 Bonds, and may not be revoked after the issuance of the 2024 Bonds.

Pursuant to Section 1.01 of the Amended and Restated Master Indenture, the Amended and Restated Master Indenture will become effective on the Effective Date (as defined in the Amended and Restated Master Indenture), and the Effective Date has occurred on the date of issuance of the 2024 Bonds, following the issuance of the 2024 Bonds. On and after the Effective Date, the 2024 Bonds shall be subject to the terms of the Amended and Restated Master Indenture and all references herein to the Original Master Indenture following such Effective Date shall be references to the Amended and Restated Master Indenture

Section 1.04. Definitions.

(a) (i) In connection with the issuance and delivery of the 2024 Bonds and prior to the Effective Date, except as otherwise defined by this Fifth Supplemental Indenture, all terms which are defined in Section 1.01 of the Original Master Indenture shall have the same meanings, respectively, in this Fifth Supplemental Indenture as such terms are given in said Section 1.01 of the Original Master Indenture; and (ii) on and after the Effective Date, except as otherwise defined by this Fifth Supplemental Indenture, all terms which are defined in Section 1.02 of the Amended and Restated Master Indenture shall have the same meanings, respectively, in this Fifth Supplemental Indenture as such terms are given in said Section 1.02 of the Amended and Restated Master Indenture.

(b) Additional Definitions.¹ The following terms shall, with respect to the 2024 Bonds and for all purposes of this Fifth Supplemental Indenture, have the meanings set forth below:

“2024 Bonds” means the 2024A Bonds, the 2024B Bonds and the 2024C Bonds.

“2024 Continuing Disclosure Agreement” means the Continuing Disclosure Agreement, dated [____], 2024, between the Authority and the Trustee, as dissemination agent, relating to the 2024 Bonds, as the same may be supplemented or amended.

“2024 Cost of Issuance Fund” means the Fund so designated and established pursuant to Section 5.01.

“2024 Tax Certificate” means that certain Tax Certificate, dated [____], 2024, with respect to the 2024A Bonds and the 2024B Bonds and signed by an Authorized Authority Representative.

“2024A Bonds” means the Authority’s “Airport Senior Revenue Bonds, 2024 Series A (Non-AMT)” authorized by Article II.

¹ [Add definitions for bond insurance or reserve surety if applicable.]

“2024A Construction Account” means the “Burbank-Glendale-Pasadena Airport Authority Airport Senior Revenue Bonds, 2024 Series A Construction Account” in the Construction Fund established pursuant to Section 5.02(a).

“2024A Cost of Issuance Account” means the Account so designated and established pursuant to Section 5.01. **“2024A/B Rebate Account”** means the “Burbank-Glendale-Pasadena Airport Authority Airport Senior Revenue Bonds, 2024 Series A/B Rebate Account” in the Rebate Fund established pursuant to Section 6.02.

“2024B Bonds” means the Authority’s “Airport Senior Revenue Bonds, 2024 Series B (AMT)” authorized by Article III.

“2024B Construction Account” means the “Burbank-Glendale-Pasadena Airport Authority Airport Senior Revenue Bonds, 2024 Series B Account” in the Construction Fund established pursuant to Section 5.02(b).

“2024B Cost of Issuance Account” means the Account so designated and established pursuant to Section 5.01.

“2024C Bonds” means the Authority’s “Airport Senior Revenue Bonds, 2024 Series C (Taxable)” authorized by Article IV.

“2024C Cost of Issuance Account” means the Account so designated and established pursuant to Section 5.01.

“Amended and Restated Master Indenture” means the Amended and Restated Master Indenture of Trust, dated as of May 1, 2005 and amended and restated as of [_____] 1, 2024, and effective on the Effective Date, between the Authority and the Trustee, which amends and restates the Original Master Indenture, a form of which is attached as Exhibit B hereto.

“Authorized Denominations” means, with respect to the 2024 Bonds, \$5,000 and any integral multiple thereof.

“Dated Date” means, with respect to the 2024 Bonds, [_____] 1, 2024.

“Effective Date” has the meaning given such term in the Amended and Restated Master Indenture.

“Financing Purposes” has the meaning given such term in the recitals to this Fifth Supplemental Indenture.

“Indenture” means, (a) prior to the Effective Date, the Original Master Indenture, as supplemented by this Fifth Supplemental Indenture, and (b) on and after the Effective Date, the Amended and Restated Master Indenture, as supplemented and amended from time to time by Supplemental Indentures.

“Interest Payment Date” means, with respect to the 2024 Bonds, each January 1 and July 1, commencing January 1, 2025.

“Master Indenture” has the same meaning as Indenture.

“Original Master Indenture” means the Master Indenture of Trust, dated as of May 1, 2005, between the Authority and the Trustee, as previously supplemented and amended.

“Terminal Relocation Project” means those Capital Improvements consisting of a portion of the Cost of (a) a 14-gate replacement passenger terminal building at the Airport which will be limited to no more than 355,000 square feet, with a new public parking garage to replace the existing parking structure; (b) associated landside or airside improvements, including but not limited to roadways, employee parking facilities, a replacement air cargo building, a ground service equipment maintenance building, other airline support facilities and associated infrastructure necessary to serve the replacement passenger terminal; and (c) following the opening of the replacement passenger terminal, the demolition of the existing passenger terminal, short-term parking structure, and cargo building at the Airport.

“Rebate Instructions” means those calculations and written directions required to be delivered to the Trustee by the Authority pursuant to Section 6.01.

“Rebate Requirement” means the Rebate Requirement as defined in the 2024 Tax Certificate.

“Record Date” means, with respect to each Interest Payment Date for 2024 Bonds, the fifteenth day of the month, whether or not such day is a Business Day, preceding the month in which such Interest Payment Date falls.

Section 1.05. Interpretation.

(a) Unless the context otherwise indicates, defined terms shall include all variants thereof, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine or feminine gender is for convenience only and shall be deemed to mean and include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(c) References herein to the Securities Depository, as of any time, shall include both the Securities Depository and any Nominee of the Securities Depository in whose name the 2024 Bonds may then be registered.

(d) Unless otherwise indicated, references herein to Articles and Sections shall be to the Articles and Sections of this Fifth Supplemental Indenture. The words “herein,” “hereof,” “hereby,” “hereunder” and other words of similar import refer to this Fifth Supplemental Indenture as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

THE 2024A BONDS

Section 2.01. Principal Amount and Designation; Conditions to Issuance.

(a) Pursuant to the provisions of the Master Indenture and this Fifth Supplemental Indenture and the provisions of Article 4 of the Joint Powers Act and the Joint Powers Agreement, a Series of Bonds (on and after the Effective Date, such Bonds shall constitute Senior Bonds) entitled to the benefit, protection and security of the Master Indenture is hereby authorized in the aggregate principal amount of \$[_____]. Such Bonds shall be designated as, and shall be distinguished from the Bonds of all other Series by the title, "Burbank-Glendale-Pasadena Airport Authority Airport Senior Revenue Bonds, 2024 Series A (Non-AMT)." The 2024A Bonds shall be in substantially the form attached hereto as Exhibit A with such variations and omissions as are necessary to reflect the particular terms of each 2024A Bond.

(b) The 2024A Bonds are issued to provide funds for the Financing Purposes.

(c) All (but not less than all) of the 2024A Bonds shall be executed by the Authority for issuance under the Indenture and delivered to the Trustee and thereupon shall be authenticated by the Trustee and by it delivered to the Authority or upon its order but only upon the satisfaction of the requirements under the Original Master Indenture related to the issuance of the 2024A Bonds under the Original Master Indenture.

Section 2.02. Terms of the 2024A Bonds.

(a) The 2024A Bonds shall be issued as Participating Bonds (on and after the Effective Date, the 2024A Bonds shall constitute Participating Senior Bonds) and the payment of the principal and Redemption Price, if any, of and interest on the 2024A Bonds shall be secured by amounts in the Debt Service Reserve Fund (and on and after the Effective Date, the Senior Debt Service Reserve Fund). The 2024A Bonds shall be issuable as fully registered Bonds without coupons in Authorized Denominations. The 2024A Bonds shall be registered initially in the name of "Cede & Co.," as Nominee of DTC, the initial Securities Depository, and shall be evidenced by one bond certificate of the 2024A Bonds in the total aggregate principal amount of the 2024A Bonds of such maturity. Registered ownership of the 2024A Bonds, or any portion thereof, may not thereafter be transferred except as set forth in Section 3.04 of the Master Indenture.

(b) The 2024A Bonds shall be dated the Dated Date.

(c) The 2024A Bonds shall be Current Interest Obligations and mature on July 1 in the following year and in the following principal amount and shall bear interest from the Dated Date at the following rate per annum:

Maturity July 1	Principal Amount	Interest Rate
[_____]	\$[_____]	[_____]%

(d) The 2024A Bonds maturing in the years 20[] through 20[], inclusive, shall be Serial Obligations, and the 2024A Bonds maturing in 20[] and 20[] shall be Term Obligations.

(e) Interest on the 2024A Bonds shall be payable on each Interest Payment Date as provided in Section 3.01 of the Master Indenture.

(f) The Trustee shall identify all interest, principal, and Redemption Price payments with respect to the 2024A Bonds (whether made by check or by wire transfer) by the CUSIP number(s) of the applicable 2024A Bonds.

(g) The 2024A Bonds maturing on and after July 1, [] are subject to redemption prior to maturity, at the option of the Authority, from any source of funds, in whole or in part (in such amounts as may be specified by the Authority), on any date on and after [] 1, 20[] at a Redemption Price equal to the principal amount of the 2024A Bonds (or portions thereof) to be redeemed, plus unpaid accrued interest thereon to the date fixed for redemption, without premium.

(h) [The 2024A Term Bonds maturing on July 1, 20[] are subject to mandatory redemption prior to their maturity, or payment at maturity, as the case may be, by the Authority, in part by lot on July 1 of each year on and after July 1, 20[] from and in the amount of the Sinking Fund Installments (which are hereby established) due and payable on the dates and in the amounts as set forth in the following schedule (except that if any 2024A Term Bonds maturing on July 1, 20[] have been optionally redeemed pursuant to Section 2.02(g) hereof, the amounts of such Sinking Fund Installments shall be reduced in the manner provided in Section 4.03 of the Master Indenture), at the Redemption Price equal to the principal amount of the 2024A Term Bonds maturing on July 1, 20[] to be redeemed, plus unpaid accrued interest thereon to the date fixed for redemption, without premium:]

Year (July 1)	Principal Amount
[]	\$[]
[]*	[]

* Final Maturity.

Section 2.03. Application of Proceeds of 2024A Bonds. The \$[] proceeds of the sale of the 2024A Bonds (representing the principal amount of \$[], plus an original issue premium of \$[], less \$[] to be retained by the underwriters of the 2024A Bonds as the underwriters' discount) shall be applied simultaneously with the delivery of the 2024A Bonds, as follows:²

(a) There shall be deposited in the Senior Debt Service Fund the sum of \$[], representing Capitalized Interest with respect to [a portion of] the 2024A Bonds;

(b) There shall be deposited in the Senior Debt Service Reserve Fund the sum of \$[], representing the amount required, together with the deposit required by Section 3.03(b), so that the balance on deposit in such Fund shall equal the Senior Debt Service Reserve

² Add provisions to deal with paying bond insurance or purchasing a reserve surety if applicable.

Requirement for the Senior Debt Service Reserve Fund calculated immediately after the authentication and delivery of the 2024 Bonds;

(c) There shall be deposited in the 2024A Bonds Cost of Issuance Account the sum of \$[]; and

(d) The remaining balance of the proceeds of the sale of the 2024A Bonds, in the amount of \$[], shall be deposited in the 2024A Construction Account.

ARTICLE III

THE 2024B BONDS

Section 3.01. Principal Amount and Designation; Conditions to Issuance.

(a) Pursuant to the provisions of the Master Indenture and this Fifth Supplemental Indenture and the provisions of Article 4 of the Joint Powers Act and the Joint Powers Agreement, a Series of Bonds (and on and after the Effective Date, such Bonds shall constitute Senior Bonds) entitled to the benefit, protection and security of such provisions is hereby authorized in the aggregate principal amount of \$[]. Such Bonds shall be designated as, and shall be distinguished from the Bonds of all other Series by the title, "Burbank-Glendale-Pasadena Airport Authority Airport Senior Revenue Bonds, 2024 Series B (AMT)." The 2024B Bonds shall be in substantially the form attached hereto as Exhibit A with such variations and omissions as are necessary to reflect the particular terms of each 2024B Bond.

(b) The 2024B Bonds are issued to provide funds for the Financing Purposes.

(c) All (but not less than all) of the 2024B Bonds shall be executed by the Authority for issuance under the Indenture and delivered to the Trustee and thereupon shall be authenticated by the Trustee and by it delivered to the Authority or upon its order but only upon the satisfaction of the requirements under the Original Master Indenture related to the issuance of the 2024B Bonds under the Original Master Indenture.

Section 3.02. Terms of the 2024B Bonds.

(a) The 2024B Bonds shall be issued as Participating Bonds (and on and after the Effective Date, shall constitute Participating Senior Bonds) and the payment of the principal and Redemption Price, if any, of and interest on the 2024B Bonds shall be secured by amounts in the Debt Service Reserve Fund (and on and after the Effective Date, the Senior Debt Service Reserve Fund). The 2024B Bonds shall be issuable as fully registered Bonds without coupons in Authorized Denominations. The 2024B Bonds shall be registered initially in the name of "Cede & Co.," as Nominee of DTC, the initial Securities Depository, and shall be evidenced by one bond certificate for each maturity of the 2024B Bonds in the total aggregate principal amount of the 2024B Bonds of such maturity. Registered ownership of the 2024B Bonds, or any portion thereof, may not thereafter be transferred except as set forth in Section 3.04 of the Master Indenture.

(b) The 2024B Bonds shall be dated the Dated Date.

(c) The 2024B Bonds shall be Current Interest Obligations and mature on July 1 in the following years and in the following principal amounts and shall bear interest from the Dated Date at the following rates per annum:

Maturity July 1	Principal Amount	Interest Rate
<u> </u>	<u>\$ </u>	<u> </u> %

(d) The 2024B Bonds maturing in the years 20[] through 20[], inclusive, shall be Serial Obligations, and the 2024B Bonds maturing in 20[] and 20[] shall be Term Obligations.

(e) Interest on the 2024B Bonds shall be payable on each Interest Payment Date as provided in Section 3.01 of the Master Indenture.

(f) The Trustee shall identify all interest, principal, and Redemption Price payments with respect to the 2024B Bonds (whether made by check or by wire transfer) by the CUSIP number(s) of the applicable 2024B Bonds.

(g) The 2024B Bonds maturing on and after July 1, 20[] are subject to redemption prior to maturity, at the option of the Authority, from any source of funds, in whole or in part (in such amounts as may be specified by the Authority), on any date on and after [] 1, 20[] at a Redemption Price equal to the principal amount of the 2024B Bonds (or portions thereof) to be redeemed, plus unpaid accrued interest thereon to the date fixed for redemption, without premium.

(h) [The 2024B Term Bonds maturing on July 1, 20[] are subject to mandatory redemption prior to their maturity, or payment at maturity, as the case may be, by the Authority, in part by lot on July 1 of each year on and after July 1, 20[] from and in the amount of the Sinking Fund Installments (which are hereby established) due and payable on the dates and in the amounts as set forth in the following schedule (except that if any 2024B Term Bonds maturing on July 1, 20[] have been optionally redeemed pursuant to Section 3.02(g) hereof, the amounts of such Sinking Fund Installments shall be reduced in the manner provided in Section 4.03 of the Master Indenture), at the Redemption Price equal to the principal amount of the 2024B Term Bonds maturing on July 1, 20[] to be redeemed, plus unpaid accrued interest thereon to the date fixed for redemption, without premium:]

Year
(July 1)
[]

Principal
Amount
\$[]

*

* Final Maturity.

Section 3.03. Application of Proceeds of 2024B Bonds. The \$[] proceeds of the sale of the 2024B Bonds (representing the principal amount of \$[], less \$[] to be retained by the underwriters of the 2024B Bonds as the underwriters' discount) shall be applied simultaneously with the delivery of the 2024B Bonds, as follows³:

(a) There shall be deposited in the Debt Service Fund the sum of \$[], representing Capitalized Interest with respect to [a portion of] the 2024B Bonds;

(b) There shall be deposited in the Senior Debt Service Reserve Fund the sum of \$[], representing the amount required, together with the deposit required by Section 2.03(b), so that the balance on deposit in such Fund shall equal the Senior Debt Service Reserve Requirement for the Senior Debt Service Reserve Fund calculated immediately after the authentication and delivery of the 2024 Bonds;

(c) There shall be deposited in the 2024B Bonds Cost of Issuance Account the sum of \$[]; and

(d) The remaining balance of the proceeds of the sale of the 2024B Bonds, in the amount of \$[], shall be deposited in the 2024B Construction Account.

ARTICLE IV

The 2024C Bonds

Section 4.01. Principal Amount and Designation; Conditions to Issuance.

(a) Pursuant to the provisions of the Master Indenture and this Fifth Supplemental Indenture and the provisions of Article 4 of the Joint Powers Act and the Joint Powers Agreement, a Series of Bonds (and on and after the Effective Date, such Bonds shall constitute Senior Bonds) entitled to the benefit, protection and security of such provisions is hereby authorized in the aggregate principal amount of \$[]. Such Bonds shall be designated as, and shall be distinguished from the Bonds of all other Series by the title, "Burbank-Glendale-Pasadena Airport Authority Airport Senior Revenue Bonds, 2024 Series C (Taxable)." The 2024C Bonds shall be

³ [add provisions to deal with paying bond insurance or purchasing a reserve surety if applicable]

in substantially the form attached hereto as Exhibit A with such variations and omissions as are necessary to reflect the particular terms of each 2024C Bond.

(b) The 2024C Bonds are issued to provide funds for the Financing Purposes.

(c) All (but not less than all) of the 2024C Bonds shall be executed by the Authority for issuance under the Indenture and delivered to the Trustee and thereupon shall be authenticated by the Trustee and by it delivered to the Authority or upon its order but only upon the satisfaction of the requirements under the Original Master Indenture related to the issuance of the 2024C Bonds under the Original Master Indenture.

Section 4.02. Terms of the 2024C Bonds.

(a) The 2024C Bonds shall be issued as Participating Bonds (and on and after the Effective Date, shall constitute Participating Senior Bonds) and the payment of the principal and Redemption Price, if any, of and interest on the 2024C Bonds shall be secured by amounts in the Debt Service Reserve Fund (and on and after the Effective Date, the Senior Debt Service Reserve Fund). The 2024C Bonds shall be issuable as fully registered Bonds without coupons in Authorized Denominations. The 2024C Bonds shall be registered initially in the name of "Cede & Co.," as Nominee of DTC, the initial Securities Depository, and shall be evidenced by one bond certificate for each maturity of the 2024C Bonds in the total aggregate principal amount of the 2024C Bonds of such maturity. Registered ownership of the 2024C Bonds, or any portion thereof, may not thereafter be transferred except as set forth in Section 3.04 of the Master Indenture.

(b) The 2024C Bonds shall be dated the Dated Date.

(c) The 2024C Bonds shall be Current Interest Obligations and mature on July 1 in the following years and in the following principal amounts and shall bear interest from the Dated Date at the following rates per annum:

Maturity July 1	Principal Amount	Interest Rate
<u> </u>	<u>\$ </u>	<u> </u> %

(d) The 2024C Bonds maturing in the years 20[] through 20[], inclusive, shall be Serial Obligations.

(e) Interest on the 2024C Bonds shall be payable on each Interest Payment Date as provided in Section 3.01 of the Master Indenture.

(f) The Trustee shall identify all interest, principal, and Redemption Price payments with respect to the 2024C Bonds (whether made by check or by wire transfer) by the CUSIP number(s) of the applicable 2024C Bonds.

Section 4.03. Application of Proceeds of 2024C Bonds. The \$[] proceeds of the sale of the 2024C Bonds (representing the principal amount of \$[], less \$[] to be retained by the underwriters of the 2024C Bonds as the underwriters' discount) shall be applied simultaneously with the delivery of the 2024C Bonds, as follows⁴:

(a) There shall be deposited in the Debt Service Fund the sum of \$[], representing Capitalized Interest with respect to [a portion of] the 2024C Bonds;

(b) There shall be deposited in the Senior Debt Service Reserve Fund the sum of \$[], representing the amount required, together with the deposit required by Section 2.03(b), so that the balance on deposit in such Fund shall equal the Senior Debt Service Reserve Requirement for the Senior Debt Service Reserve Fund calculated immediately after the authentication and delivery of the 2024 Bonds; and

(c) There shall be deposited in the 2024C Bonds Cost of Issuance Account the sum of \$[].

ARTICLE V

FUNDS AND ACCOUNTS

Section 5.01. 2024 Cost of Issuance Fund.

(a) The Trustee shall establish and maintain in trust a separate Fund designated as the "2024 Cost of Issuance Fund," and within the 2024 Cost of Issuance Fund, the Trustee shall establish and maintain in trust separate accounts designated as the "2024A Bonds Cost of Issuance Account," the "2024B Bonds Cost of Issuance Account" and the "2024C Bonds Cost of Issuance Account. Money deposited in said Fund shall be used to pay Costs of Issuance with respect to the 2024 Bonds as provided in this Section.

(b) The Trustee shall make payments from the Accounts within the 2024 Cost of Issuance Fund, except payments and withdrawals pursuant to subsection (e) of this Section, in the amounts, at the times, in the manner and on the other terms and conditions set forth in this subsection. Before any such payment from the Accounts within the 2024 Cost of Issuance Fund shall be made, there shall be filed with the Trustee a requisition therefor, signed by an Authorized Authority Representative. Each such requisition shall state, in respect of the payment to be made (i) the name and address of the Person to whom payment is due, (ii) the amount of such payment, (iii) the Account within the 2024 Cost of Issuance Fund from which such payment is to be drawn, (iv) the particular item of the Cost of Issuance of the 2024 Bonds to be paid and that such payment in the stated amount is a proper charge against the applicable Account within the 2024 Cost of

⁴ [add provisions to deal with paying bond insurance or purchasing a reserve surety if applicable]

Issuance Fund and that no Cost of Issuance of the 2024 Bonds previously requisitioned from the Accounts within the 2024 Cost of Issuance Fund is included in such requisition. The Trustee shall promptly issue its check to the Authority or to the Person identified in the requisition in the amount or amounts specified in each such requisition or, if requested pursuant to any such requisition, shall by wire transfer, interbank transfer or other method arrange to promptly make each payment required by such requisition. The Authority shall apply, or cause to be applied, all such moneys received from the Accounts within the 2024 Cost of Issuance Fund to the payment of the Costs of Issuance of the 2024 Bonds identified in the requisition relating to such moneys.

Each such requisition shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts.

(c) Upon the receipt by the Trustee of a certificate of an Authorized Authority Representative requesting the Trustee to close the 2024 Cost of Issuance Fund and the Accounts therein, and after payment from the Accounts within the 2024 Cost of Issuance Fund of all amounts included in requisitions submitted by the Authority pursuant to Section 5.01(b) hereof, the Trustee shall transfer any moneys remaining in the 2024 Cost of Issuance Fund to the 2024 Series A Construction Account or, if directed in writing by an Authorized Authority Representative and the Trustee has received a Favorable Opinion of Bond Counsel in connection with such transfer, to any fund or account established under the Indenture. Upon such transfer the Trustee shall close the 2024 Cost of Issuance Fund and the Accounts therein.

(d) Moneys held in the 2024 Cost of Issuance Fund and Accounts therein may, subject to the 2024 Tax Certificate in the case of the 2024A Bonds Cost of Issuance Account and the 2024B Bonds Cost of Issuance Account, be invested and reinvested to the fullest extent practicable in any investment in which the Authority can legally invest its funds, which mature not later than such times as shall be necessary to provide moneys when needed for payments to be made from the Accounts within the 2024 Cost of Issuance Fund. Any investment earnings on moneys on deposit in the Accounts within the 2024 Cost of Issuance Fund shall be deposited in the related Account within the 2024 Cost of Issuance Fund and be used in the same manner as other amounts on deposit in such Account within the 2024 Cost of Issuance Fund.

(e) Notwithstanding any of the other provisions of this Section, to the extent that other moneys are not available therefor, amounts in the Accounts within the 2024 Cost of Issuance Fund shall be applied to the payment of Debt Service on Bonds when due.

Section 5.02. 2024 Bonds Construction Fund Accounts.

(a) For purposes of complying with Section 5.02 of the Master Indenture with respect to the 2024A Bonds, there is hereby established an Account in the Construction Fund designated the "Burbank-Glendale-Pasadena Airport Authority Airport Senior Revenue Bonds, 2024 Series A Construction Account" to be held by the Trustee. Amounts on deposit in the 2024A Construction Account shall be applied (as provided in Section 5.02 of the Master Indenture) to the Costs of a portion of the Replacement Passenger Terminal Project, as further limited by the 2024 Tax Certificate.

(b) For purposes of complying with Section 5.02 of the Master Indenture with respect to the 2024B Bonds, there is hereby established an Account in the Construction Fund designated the "Burbank-Glendale-Pasadena Airport Authority Airport Senior Revenue Bonds, 2024B Construction Account" to be held by the Trustee. Amounts on deposit in the 2024B Construction Account shall be applied (as provided in Section 5.02 of the Master Indenture) to the Costs of a portion of the Replacement Passenger Terminal Project, as further limited by the 2024 Tax Certificate.

Section 5.03. Capitalized Interest in Senior Debt Service Fund. The Trustee shall apply the proceeds of the 2024 Bonds deposited into the Senior Debt Service Fund pursuant to Section 2.03(a), Section 3.03(a) and Section 4.04(a) to pay [a portion of] the amount of interest due on the related Series of 2024 Bonds in accordance with the following schedule:

2024A Bonds

Interest Payment Date	Amount
January 1, 2025	\$[]
July 1, 2025	
January 1, 2026	
July 1, 2026	
January 1, 2027	
July 1, 2027	

2024B Bonds

Interest Payment Date	Amount
January 1, 2025	\$[]
July 1, 2025	
January 1, 2026	
July 1, 2026	
January 1, 2027	
July 1, 2027	

2024C Bonds

Interest Payment Date	Amount
January 1, 2025	\$[]
July 1, 2025	
January 1, 2026	
July 1, 2026	
January 1, 2027	
July 1, 2027	

ARTICLE VI

TAX MATTERS⁵

Section 6.01. Tax Covenants. The Authority shall at all times do and perform all acts and things reasonably within its control which are necessary or desirable in order to assure that interest paid on the 2024A Bonds and the 2024B Bonds will be excluded from gross income for federal income tax purposes and shall take no action reasonably within its control that would result in such interest not being so excluded. Without limiting the generality of the foregoing, the Authority agrees to comply with the provisions of the 2024 Tax Certificate. This covenant shall survive payment in full or defeasance of the 2024A Bonds and the 2024B Bonds.

Section 6.02. 2024A/B Rebate Account. For purposes of complying with tax covenants contained herein and in the Master Indenture, there is hereby established an Account in the Rebate Fund designated the “Burbank-Glendale-Pasadena Airport Authority Airport Senior Revenue Bonds, 2024 Series A/B Rebate Account” to be held by the Trustee. Amounts on deposit in the 2024A/B Rebate Account shall be applied as provided in Section 6.01.

⁵ Add article to address any insurance or reserve surety if applicable.

ARTICLE VII

MISCELLANEOUS

Section 7.01. Continuing Disclosure. The Authority hereby covenants and agrees to comply with the 2024 Continuing Disclosure Agreement as it may from time to time hereafter be amended or supplemented. Notwithstanding any other provision of the Indenture, failure of the Authority to comply with the requirements of the 2024 Continuing Disclosure Agreement, as it may from time to time hereafter be amended or supplemented, shall not be considered an Event of Default and the Trustee shall have no right to accelerate amounts due under the Indenture as a result thereof; provided, however, that the Trustee and the Owners of not less than 25% in principal amount of the Outstanding 2024 Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Authority to comply with its obligations in this Section with respect to the 2024 Continuing Disclosure Agreement.

Section 7.02. Indenture to Remain in Effect. Save and except as supplemented by this Fifth Supplemental Indenture, the Master Indenture, except as amended and restated by the Amended and Restated Master Indenture on and after the Effective Date, shall remain in full force and effect.

Section 7.03. Electronic Signatures. Each of the parties hereto agrees that the transaction consisting of this Fifth Supplemental Indenture may be conducted by electronic means. Each party agrees, and acknowledges that it is such party's intent, that if such party signs this Fifth Supplemental Indenture using an electronic signature, it is signing, adopting, and accepting this Fifth Supplemental Indenture and that signing this Fifth Supplemental Indenture using an electronic signature is the legal equivalent of having placed its handwritten signature on this Fifth Supplemental Indenture on paper. Each party acknowledges that it is being provided with an electronic or paper copy of this Fifth Supplemental Indenture in a usable format.

Section 7.04. Counterparts. This Fifth Supplemental Indenture may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which, when so executed and delivered, shall be an original; but such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the Burbank-Glendale-Pasadena Airport Authority has caused these presents to be signed in its name and on its behalf by the President of the Commission and to evidence its acceptance of the trusts hereby created, the Trustee has caused these presents to be signed in its name and on its behalf by one of its authorized officers, all as of the date first above written.

BURBANK-GLENDALE-PASADENA
AIRPORT AUTHORITY

By: _____
Felicia Williams,
President of the Authority

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee

By: _____
Authorized Officer

EXHIBIT A

FORM OF 2024 BONDS

[language in brace brackets applies only to 2024 Bonds to be registered in the name of CEDE & CO.]

[UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.]

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

AIRPORT SENIOR REVENUE BOND

2024 SERIES [A/B/C] [(NON-AMT)][(AMT)][(TAXABLE)]

No. R-_____ \$ _____

Interest Rate	Dated Date	Maturity Date	CUSIP No.
_____ %	_____, 2024	July 1, ____	_____

Registered Owner: [CEDE & CO.]

Principal Amount:

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY (herein called the “Authority”), a joint exercise of powers agency of the State of California, acknowledges itself indebted to, and for value received, hereby promises to pay (but only out of the Net Revenues (capitalized terms used herein shall have the meanings given such terms pursuant to the Indenture mentioned below) and other funds pledged therefor pursuant to the Indenture) to the Registered Owner specified above or registered assigns, on the Maturity Date specified above (unless this Bond shall have been previously called for redemption in whole or in part and payment of the Redemption Price shall have been duly made), the Principal Amount specified above, in lawful money of the United States of America and to pay interest thereon (but only from said Net Revenues and other funds pledged therefor pursuant to the Indenture) in like lawful money until

payment of such principal sum shall be discharged as provided in the Indenture, at the rate per annum set forth above, payable on each Interest Payment Date.

The term “Interest Payment Date” means, with respect to the 2024[A/B/C] Bonds, each January 1 and July 1, commencing [January 1, 2025]. The term “Record Date” means, with respect to each Interest Payment Date for 2024[A/B/C] Bonds, the fifteenth day of the month (whether or not such day is a Business Day) preceding the month in which such Interest Payment Date falls.

This Bond will bear interest from the Interest Payment Date next preceding the date of authentication thereof unless: (i) this Bond is authenticated on an Interest Payment Date, in which event from such Interest Payment Date; and (ii) unless this Bond is authenticated after a Record Date and before the next succeeding Interest Payment Date for this Bond, in which event from such Interest Payment Date; provided, however, that if the date of authentication of this Bond shall be prior to [] 15, 2024, this Bond shall bear interest from the Dated Date specified above. Notwithstanding the foregoing, if the Authority shall default in the payment of interest, then this Bond shall bear interest from the date to which interest has been paid or if no interest has been paid, from the Dated Date specified above.

The principal or, if applicable, the Redemption Price hereof, is payable upon surrender hereof at the designated corporate trust office of The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.), in Los Angeles, California (together with any successor trustee as provided in the Indenture, the “Trustee”) or such other place as designated by the Trustee or at the designated office of a successor Trustee. Interest hereon is payable by check mailed on each Interest Payment Date to the Owner hereof as of the applicable Record Date at the address appearing on the Bond Register maintained by the Trustee; provided Owners of at least \$1,000,000 aggregate principal amount of 2024[A/B/C] Bonds may, at any time prior to a Record Date, give the Trustee written instructions for payment of such interest on each succeeding Interest Payment Date for such 2024[A/B/C] Bonds by wire transfer or by deposit to any account in the United States. Notwithstanding the foregoing provisions of this paragraph, if this Bond is a Book-Entry Bond, this Bond and the interest hereon will be payable in accordance with the Representation Letter with the Securities Depository for this Bond.

This Bond is one of a duly authorized issue of bonds of the Authority designated as “Burbank-Glendale-Pasadena Airport Authority Airport Senior Revenue Bonds” (the “Bonds”) and of a Series of the Bonds designated as “Burbank-Glendale-Pasadena Airport Authority Airport Senior Revenue Bonds, 2024 Series [A/B/C] [(Non-AMT)][(AMT)][(TAXABLE)]” (the “2024[A/B/C] Bonds”). The 2024[A/B/C] Bonds have been issued in the aggregate principal amount of \$_____. The 2024[A/B/C] Bonds are issued pursuant to Article 4 of the Joint Powers Act. The 2024[A/B/C] Bonds are issued under, and, together with all other Senior Bonds issued and Outstanding under the Indenture, are equally and ratably secured by the Trust Estate and entitled to the protection given by, the Master Indenture of Trust, dated as of May 1, 2005 between the Authority and the Trustee, as amended and supplemented, including as supplemented by the Fifth Supplemental Indenture of Trust, dated as of [] 1, 2024 (the “Fifth Supplemental Indenture”) between the Authority and the Trustee. The Master Indenture of Trust, as amended and supplemented, including as supplemented by the Fifth Supplemental Indenture, is being amended and restated effective on the Effective Date (as defined in the Fifth Supplemental Indenture) by the Amended and Restated Master Indenture (as defined in the Fifth Supplemental

Indenture) and is hereinafter called the "Indenture". In addition, the 2024[A][B] Bonds are Participating Senior Bonds and are secured, together with all other Participating Senior Bonds, by amounts in the Senior Debt Service Reserve Fund established by the Indenture.

As provided in the Indenture, Bonds of the Authority may be issued thereunder from time to time pursuant to Supplemental Indentures in one or more Series, in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as in the Indenture provided. The aggregate principal amount of Bonds which may be issued under the Indenture is not limited except as provided in the Indenture, and all Bonds issued and to be issued under the Indenture are and will be equally secured by the pledge of the Trust Estate and the covenants made therein, except as otherwise expressly provided in or permitted by the Indenture.

Copies of the Indenture are on file at the principal office of the Authority and at the Principal Office of the Trustee and reference is hereby made to the Indenture and to all amendments and supplements thereto for a description of the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Authority, the Trustee and the Owners of the Bonds and the terms upon which the Bonds are secured under the Indenture, the rights and remedies of the Owners of the Bonds, the limitations on such rights and remedies and the terms and conditions upon which Bonds are issued and may be issued thereunder. The Indenture provides that Senior Obligations other than Bonds, secured by a first priority pledge of the Net Revenues and amounts in the Revenue Fund on a parity with the Bonds, may be issued or incurred by the Authority on the terms set forth therein. By acceptance of this Bond, the Registered Owner accepts and agrees to the terms of the Indenture.

This Bond is a special obligation of the Authority and the principal of, Redemption Price, if any, and interest on this Bond are payable solely from the Trust Estate and shall not constitute a charge against the general credit of the Authority. This Bond is not secured by a legal or equitable pledge of, or lien or charge upon, any property of the Authority or any of its income or receipts except the pledge of the Trust Estate pursuant to the Indenture which pledge is subject to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein. Neither the faith and credit nor the taxing power of the State of California, the Authority, any member of the Authority or any other public agency is pledged to the payment of the principal or Redemption Price of, or interest on, this Bond. The issuance of this Bond shall not directly, indirectly or contingently obligate the Authority or any member of the Authority to levy or pledge any form of taxation or to make any appropriation for the payment of this Bond. The payment of the principal, Redemption Price or interest on this Bond does not constitute a debt, liability or obligation of the State of California, any member of the Authority or any public agency (other than the special obligation of the Authority as provided in the Indenture). Neither the members of the Commission of the Authority, nor any person executing this Bond, nor any officer or employee of the Authority shall be individually liable for the principal or Redemption Price of, or interest on, this Bond or be subject to any personal liability or accountability by reason of the issuance of this Bond or in respect of any undertakings by the Authority under the Indenture.

The 2024[A/B/C] Bonds are subject to optional and mandatory redemption as provided in the Indenture.

The Indenture may be amended or supplemented as provided in the Indenture.

The Registered Owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Bonds issued under the Indenture and then Outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon.

It is hereby certified and recited that all conditions, acts and things required by law and the Indenture to exist, to have happened and to have been performed precedent to and in the issuance of this Bond, exist, have happened and have been performed in due time, form and manner and that the 2024[A/B/C] Bonds, together with all other indebtedness of the Authority, comply in all respects with the applicable laws of the State of California and the Joint Powers Agreement.

This Bond shall not be entitled to any benefit under the Indenture or be valid or become obligatory for any purpose until this Bond shall have been authenticated by the execution by the Trustee of the Trustee's Certificate of Authentication hereon.

IN WITNESS WHEREOF, THE BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY has caused this Bond to be signed in its name and on its behalf by the manual or facsimile signature of the President of the Authority and attested by the manual or facsimile signature of the Secretary of the Authority, as of the Dated Date specified above.

**BURBANK-GLENDALE-PASADENA
AIRPORT AUTHORITY**

ATTEST: _____
SECRETARY

BY: _____
PRESIDENT

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the 2024[A/B/C] Bonds delivered pursuant to the within mentioned Indenture.

Date of Authentication: _____

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee**

BY: _____
Authorized Signatory

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto

(Name, Address and Tax Identification or
Social Security Number of Assignee)

the within Bond of the Burbank-Glendale-Pasadena Airport Authority and does hereby irrevocably constitute and appoint

_____ attorney to
transfer the said Bond on the books kept for registration thereof with full power of substitution in
the premises.

Dated: _____

Notice: The Signature of this assignment and
transfer must correspond with the name
as written upon the face of this Bond in
every particular, without alteration or
enlargement or any change whatsoever.

Signature guaranteed by

Notice: Signature guarantee shall be made by a
guarantor institution participating in the
Securities Transfer Agents Medallion
Program or in such other guarantee
program acceptable to the Trustee.

EXHIBIT B

FORM OF AMENDED AND RESTATED MASTER INDENTURE

\$ _____
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
AIRPORT SENIOR REVENUE BONDS

\$ _____
2024 Series A
(NON-AMT)

\$ _____
2024 Series B
(AMT)

\$ _____
2024 Series C
(Taxable)

BOND PURCHASE AGREEMENT

_____, 2024

Burbank-Glendale-Pasadena Airport Authority
2627 North Hollywood Way
Burbank, California 91505

Ladies and Gentlemen

BofA Securities, Inc., on behalf of itself and as representative (the “Representative”) of the underwriters listed on the signature page hereof (collectively with the Representative, the “Underwriters”), hereby offers to enter into this Bond Purchase Agreement with the Burbank-Glendale-Pasadena Airport Authority (the “Issuer”) for the purchase by the Underwriters and the sale by the Issuer of the Burbank-Glendale-Pasadena Airport Authority Airport Senior Revenue Bonds, 2024 Series A (Non-AMT), 2024 Series B (AMT) and 2024 Series C (Taxable) specified below. This offer is made subject to acceptance thereof by the Issuer prior to 5:00 p.m., prevailing time in Los Angeles, California, on the date hereof, and, upon such acceptance, evidenced by the signature of a duly authorized officer of the Issuer in the space provided below and delivery of the Issuer’s signed acceptance to the Representative, this Bond Purchase Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the Issuer and the Underwriters. The Underwriters may withdraw this Bond Purchase Agreement upon written notice delivered by the Representative to the President of the Issuer at any time before the Issuer accepts this Bond Purchase Agreement.

Capitalized terms used but not defined herein shall have the meaning ascribed thereto in the Official Statement (hereinafter defined).

A. Purchase Price. Upon the terms and conditions and upon the basis of the representations and warranties herein set forth, the Underwriters hereby agree to purchase from the Issuer, and the Issuer hereby agrees to sell to the Underwriters all (but not less than all) of the Burbank-Glendale-Pasadena Airport Authority Airport Senior Revenue Bonds, 2024 Series A (Non-AMT) in the principal amount of \$ _____ (the “2024A Bonds”), 2024 Series B (AMT) in the principal amount of \$ _____ (the “2024B Bonds” and collectively with the 2024A Bonds, the “Tax-Exempt Bonds”) and 2024 Series C (Taxable)(the “2024C Bonds” and, together with the Tax-Exempt Bonds, the “2024 Bonds”), at an aggregate purchase price of \$ _____ (the “Purchase Price”; which is equal to the sum of (i) the purchase price of the 2024A Bonds, representing the aggregate principal amount of the 2024A Bonds, less underwriters’ discount of \$ _____, [plus [net] original issue premium] of \$ _____ plus (ii) the purchase price of the 2024B Bonds representing the aggregate principal amount of the 2024B Bonds, less underwriters’ discount of \$ _____ [plus [net] original issue premium] of \$ _____ plus (iii) the purchase price of the 2024C Bonds

representing the aggregate principal amount of the 2024B Bonds, less underwriters' discount of \$_____ [plus [net] original issue premium]. The Bonds shall be dated the date of original issuance thereof, shall mature on the dates (subject to prior redemption as described in Exhibit A) and shall bear interest (from the date of original issuance) at the rates set forth in Exhibit A hereto, and shall be payable at the times and in the manner, and shall otherwise have the terms and provisions, set forth in the Indenture.

The Issuer acknowledges and agrees that: (i) the Underwriters are not acting as a municipal advisor within the meaning of Section 15B of the Securities Exchange Act, as amended, (ii) the primary role of the Underwriters, as underwriters, is to purchase securities, for resale to investors, in an arm's length commercial transaction between the Issuer and the Underwriters and the Underwriters have financial and other interests that differ from those of the Issuer; (iii) the Underwriters are acting solely as principals and are not acting as municipal advisors, financial advisors or fiduciaries to the Issuer and have not assumed any advisory or fiduciary responsibility to the Issuer with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or are currently providing other services to the Issuer on other matters); (iv) the only obligations the Underwriters have to the Issuer with respect to the transaction contemplated hereby expressly are set forth in this Bond Purchase Agreement; and (v) the Issuer has consulted its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it has deemed appropriate.

B. Delivery of and Payment for the 2024 Bonds.

(1) At or prior to 9:00 a.m., prevailing time in Los Angeles, California, on May __, 2024, or at such other time or date as shall have been mutually agreed upon by the Issuer and the Representative (the "Closing Date"), the Issuer will deliver the 2024 Bonds, or cause the 2024 Bonds to be delivered as described in Section B.3 hereof, in definitive form, duly executed and authenticated by the Trustee, together with the other documents hereinafter mentioned, and, subject to the conditions contained herein, the Underwriters will accept such delivery and pay the Purchase Price, by wire transfer, payable to the order of the Trustee or its designee.

(2) The Issuer and the Underwriters agree that there shall be a preliminary closing held [virtually by electronic distribution of documents by] Orrick, Herrington and Sutcliffe LLP ("Bond Counsel"), commencing at least one day prior to the Closing Date (as described herein), or at such other time or place as the Issuer and the Representative shall agree.

(3) Delivery of the definitive 2024 Bonds shall be made at the principal corporate trust office of the Trustee in Los Angeles California, as the authorized agent for The Depository Trust Company ("DTC"), or at such other location as may be designated by the Representative at least two business days prior to the Closing Date. Payment of the Purchase Price for the 2024 Bonds shall be made as set forth in Section B.1 hereof and delivery of the other documents shall be made at the aforementioned offices of Bond Counsel. Such payment and the related delivery is herein called the "Closing" and the date of the closing is herein called the "Closing Date." The 2024 Bonds will be delivered as fully-registered bonds, bearing CUSIP numbers supplied by the Representative, and registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the 2024 Bonds.

(4) After execution by the Issuer and authentication by the Trustee, the 2024 Bonds shall be held in safe custody at DTC or by the Trustee as authorized agent for DTC. The Trustee shall release

or authorize the release of the 2024 Bonds from safe custody at the Closing upon receipt of payment for the 2024 Bonds as aforesaid.

C. Official Statement.

(1) The Issuer hereby consents to and confirms the prior use by the Underwriters of the Preliminary Official Statement (in printed or electronic form) dated May __, 2024 (the “Preliminary Official Statement”), in connection with the public offering of the 2024 Bonds by the Underwriters, and further confirms the authority of the Underwriters to use, and consents to the use of, a final Official Statement (in printed or electronic form) with respect to the 2024 Bonds, to be dated the date hereof, and any amendments or supplements thereto that shall be approved by the Issuer (as so amended and supplemented, the “Official Statement”) in connection with the public offering and sale of the 2024 Bonds. The Issuer hereby represents and warrants that the Preliminary Official Statement previously furnished to the Underwriters was “deemed final” by the Issuer as of its date for purposes of Rule 15c2-12 (“Rule 15c2-12”) promulgated by the Securities and Exchange Commission of the United States (the “SEC”) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), except for the omission of such information as is permitted by Rule-15c2-12.

(2) The Issuer shall provide, or cause to be provided, to the Underwriters within seven business days after the date of this Agreement or three business days prior to the Closing Date, whichever comes first, an electronic form of a final Official Statement to permit the Underwriters to comply with Rule 15c2-12, and other applicable rules of the SEC and the Municipal Securities Rulemaking Board (the “MSRB”).

(3) The Issuer hereby authorizes the Representative to file, and the Representative hereby agrees to file, the Official Statement with the MSRB, through its EMMA system, as soon as practicable following receipt thereof.

D. Amendments to Official Statement. The Issuer shall promptly notify the Representative in writing if, during the Update Period (as defined in Section H(3) hereof), any event shall occur, or information shall come to the attention of the Issuer that would cause the Official Statement (as previously supplemented or amended) to contain, any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and if in the opinion of the Representative such event requires the preparation and distribution of a supplement or amendment to the Official Statement, to prepare and furnish to the Underwriters, at Issuer’s expense, such number of copies of a supplement or amendment to the Official Statement, in form and substance mutually agreed upon by the Issuer and the Representative, as the Underwriters may reasonably request.

E. Public Offering and Establishment of Issue Price.

(1) Public Offering. Except as otherwise disclosed and agreed to by the Issuer, the Underwriters agree to make an initial public offering of the 2024 Bonds at the initial public offering price or prices set forth on the inside cover page of the Official Statement and in Exhibit A; provided, however, that the Underwriters reserve the right to change such initial public offering prices as the Underwriters deem necessary or desirable, in their sole discretion, in connection with the marketing of the 2024 Bonds, and to sell the 2024 Bonds to certain dealers (including dealers depositing the 2024 Bonds into investment trusts) and others at prices lower than the initial offering prices set forth in the Official Statement; subject, in each case, to the provisions of Section E.2 hereof.

(2) Establishment of Issue Price.

(a) The Representative, on behalf of the Underwriters, agrees to assist the Issuer in establishing the issue price of the Tax-Exempt Bonds and shall execute and deliver to the Issuer at Closing an “issue price” or similar certificate, substantially in the form attached hereto as Exhibit D, together with the supporting pricing wires or equivalent communications, with such modifications as may be deemed appropriate or necessary, in the reasonable judgment of the Representative, the Issuer and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Tax-Exempt Bonds. All actions to be taken by the Issuer under this section to establish the issue price of the Tax-Exempt Bonds may be taken on behalf of the Issuer by the Issuer’s municipal advisor, Public Resources Advisory Group (the “Municipal Advisor”), and any notice or report to be provided to the Issuer may be provided to the Issuer’s municipal advisor.

(b) [Except as otherwise set forth in Exhibit A attached hereto,] the Issuer represents that it will treat the first price at which 10% of each maturity of the Tax-Exempt Bonds (the “10% Test”) is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% Test). [If, as of the date hereof, the 10% Test has not been satisfied as to any maturity of the Tax-Exempt Bonds for which the Issuer has elected to utilize the 10% Test, the Representative agrees to promptly report to the Issuer the prices at which Tax-Exempt Bonds of that maturity or maturities have been sold by the Underwriters to the public. That reporting obligation shall continue until the earlier of the date upon which the 10% Test has been satisfied as to the Tax-Exempt Bonds of that maturity or maturities or the Closing Date.]]

(c) The Representative confirms that the Underwriters have offered the Tax-Exempt Bonds to the public on or before the date of this Bond Purchase Agreement at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in Exhibit A attached hereto, except as otherwise set forth therein. Exhibit A also sets forth, as of the date of this Bond Purchase Agreement, the maturities, if any, of the Tax-Exempt Bonds for which the 10% Test has not been satisfied and for which the Issuer and the Representative, on behalf of the Underwriters, agrees that the restrictions set forth in the next sentence shall apply (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Tax-Exempt Bonds, the Underwriters will neither offer nor sell unsold Tax-Exempt Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (i) the close of the fifth (5th) business day after the sale date; or
- (ii) the date on which the Underwriters have sold at least 10% of that maturity of the Tax-Exempt Bonds to the public at a price that is no higher than the initial offering price to the public.]

(d) The Representative confirms that:

- (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the Representative is a party) relating to the initial sale of the Tax-Exempt Bonds to the public, together with the related pricing wires, contains or will

contain language obligating each Underwriter, each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A) (i) to report the prices at which it sells to the public the unsold Tax-Exempt Bonds of each maturity allocated to it until either all Tax-Exempt Bonds of that maturity allocated to it have been sold or it is notified by the Representative that the 10% Test has been satisfied as to the Tax-Exempt Bonds of that maturity and (ii) to comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative and as set forth in the related pricing wires, and

(B) to promptly notify the Representative of any sales of Tax-Exempt Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Tax-Exempt Bonds to the public (each such term being used as defined below),

(C) to acknowledge that, unless otherwise advised by the Underwriter, dealer or broker-dealer, the Representative shall assume that each order submitted by the Underwriter, dealer or broker-dealer is a sale to the public.

(ii) any agreement among underwriters and any selling group agreement relating to the initial sale of the Tax-Exempt Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Tax-Exempt Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Tax-Exempt Bonds of each maturity allocated to it until either all Tax-Exempt Bonds of that maturity allocated to it have been sold or it is notified by the Representative or such Underwriter that the 10% Test has been satisfied as to the Tax-Exempt Bonds of that maturity and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative or the Underwriter and as set forth in the related pricing wires.

The Issuer acknowledges that, in making the representations set forth in this section, the Representative will rely on (i) the agreement of each Underwriter to comply with the requirements for establishing issue price of the Tax-Exempt Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Tax-Exempt Bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Tax-Exempt Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Tax-Exempt Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Tax-Exempt Bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Tax-Exempt Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Tax-Exempt Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the third-party distribution agreement and the related pricing wires. The Issuer further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement to comply with its agreement to comply with the requirements for establishing issue price of the Tax-Exempt Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if

applicable to the Tax-Exempt Bonds, and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Tax-Exempt Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Tax-Exempt Bonds.]

(e) The Underwriters acknowledge that sales of any Tax-Exempt Bonds to any person that is a related party to an underwriter participating in the initial sale of the Tax-Exempt Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) “public” means any person other than an underwriter or a related party to an underwriter,

(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Tax-Exempt Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Tax-Exempt Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Tax-Exempt Bonds to the public),

(iii) a purchaser of any of the Tax-Exempt Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) “sale date” means the date of execution of this Bond Purchase Agreement by all parties.

F. End of Underwriting Period.

(1) For purposes of this Bond Purchase Agreement, the “End of the Underwriting Period” shall mean the earlier of the Closing Date, unless the Issuer has been notified to the contrary by the Representative on or prior to the Closing Date, or the date on which the “end of the underwriting period” for the 2024 Bonds has occurred under Rule 15c2-12. In the event that the Representative notifies the Issuer that the “End of the Underwriting Period will not occur on the Closing Date, the Representative shall notify the Issuer of the date on which the “end of the underwriting period” for the 2024 Bonds has occurred under Rule 15c2-12.

(2) The Representative shall provide to the Issuer upon request such information as may be reasonably required by the Issuer in order to determine whether the “end of the underwriting period” for the 2024 Bonds has occurred under Rule 15c2-12 with respect to the unsold balance of the 2024 Bonds that are held by the Underwriters for sale to the public within the meaning of Rule 15c2-12.

G. Plan of Financing.

(1) The 2024 Bonds shall be as described in, and shall be issued under and secured pursuant to the provisions of the Master Indenture of Trust, dated as of May 1, 2005, by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as successor trustee (the “Trustee”), as amended and supplemented (the “Original Master Indenture”), including as supplemented by the Fifth Supplemental Indenture of Trust, dated as of [May 1, 2024], (the “Fifth Supplemental Indenture”), by and between the Issuer and the Trustee, substantially in the forms delivered to the Representative, with only such changes therein as shall be mutually agreed upon between the Issuer and the Representative prior to Closing. Upon issuance of the 2024 Bonds, the Original Master Indenture will be amended and supplemented by the Amended and Restated Master Indenture of Trust dated as of [May 1, 2024], by and between the Issuer and the Trustee (the “Amended and Restated Master Indenture”). By purchasing the 2024 Bonds, the Owners of the 2024 Bonds will be deemed to have irrevocably consented to and approved the Amended and Restated Master Indenture; such consent and approval will constitute the consent and approval of a majority in aggregate principal amount of the Bonds (defined in the Original Master Indenture) then Outstanding (defined in the Original Master Indenture) and accordingly, the Amended and Restated Master Indenture will become effective on the “Effective Date” as defined in the Amended and Restated Master Indenture, which Effective Date is expected to be the date of issuance of the 2024 Bonds. The Original Master Indenture, as amended and supplemented from time to time, including as amended and supplemented by the Amended and Restated Master Indenture and the Fifth Supplemental Indenture, is referred to herein as the “Indenture.”

(2) The 2024 Bonds are being issued to (i) finance a portion of the Replacement Passenger Terminal Project (the “RPT Project”) at Bob Hope Airport (commonly known as Hollywood Burbank Airport), located in Los Angeles County, California, (ii) pay interest to accrue on the 2024 Bonds to and including April 1, 2027, (iii) [make a deposit to the Senior Debt Service Reserve Fund][purchase a reserve policy to be credited to the Senior Debt Service Reserve Fund] and (iv) pay costs of issuance of the 2024 Bonds.

(3) The 2024 Bonds [[maturing on September 1 in years ____ through ____, inclusive, (collectively, the “Insured Bonds”)] shall be insured under a municipal bond insurance policy (the “Insurance Policy”) from _____ (the “Insurer”). In addition, the Insurer shall provide a municipal bond reserve policy (the “2024 Reserve Guaranty”) which shall be deposited into the Reserve Fund for the Bonds.

H. Representations and Warranties of the Issuer. The Issuer hereby agrees with, and makes the following representations and warranties to the Underwriters, as of the date hereof and as of the Closing Date, which representations and warranties shall survive the Closing:

(1) The Issuer is a joint exercise of powers agency and public entity duly created and existing under the laws of the State of California (the “State”), and has, and at the Closing Date will have, full legal right, power, and authority to adopt its Resolution No. ____ adopted on [May 6, 2024] (the “Resolution”), to enter into this Bond Purchase Agreement, to execute and deliver the Indenture, and the Continuing Disclosure Agreement between the Issuer and the Trustee, dated as of May __, 2024, a substantially final form of which is attached to the Preliminary Official Statement (the “Continuing Disclosure Agreement”), to issue, sell, and deliver the 2024 Bonds as provided herein, and to carry out and to consummate the transactions

contemplated by this Bond Purchase Agreement, the Indenture, the Continuing Disclosure Agreement, and the Official Statement.

(2) The Preliminary Official Statement as of its date and as of the date hereof (excluding any information relating to DTC or the book entry system, as to which no view need be expressed, and excluding information permitted to be omitted therefrom pursuant to Rule 15c2-12) did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(3) On and as of the date hereof and, unless an event of the nature described in Section D hereof subsequently occurs, at all times during the period from the date hereof to and including the date which is 25 days following the End of the Underwriting Period (the "Update Period"), the information in the Official Statement (excluding any information relating to DTC or the book entry system, as to which no view need be expressed) does not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(4) By official action of the Issuer prior to or concurrently with the acceptance hereof, the Issuer has duly authorized and approved the distribution of the Preliminary Official Statement and the execution, delivery, and distribution of the Official Statement, and has duly authorized and approved the issuance and sale of the 2024 Bonds upon the terms set forth herein and in the Indenture and the Official Statement, and the execution and delivery of, and the performance by the Issuer of the obligations on its part contained in, the 2024 Bonds, the Indenture, the Continuing Disclosure Agreement, and this Bond Purchase Agreement.

(5) Except as disclosed in the Official Statement, the Issuer is not, in any material respect, in breach of or in default under the Joint Exercise of Powers Act, California Government Code §§ 6500 et seq. (the "Act"), or any applicable law or administrative regulation of the State or the United States or any applicable judgment or decree or any loan agreement, note, resolution, agreement, or other instrument to which the Issuer is a party or is otherwise subject, or by which it or its properties may be bound, and the issuance and sale of the 2024 Bonds upon the terms set forth herein and in the Indenture and the Official Statement, and the execution and delivery by the Issuer of the Continuing Disclosure Agreement, and this Bond Purchase Agreement, and its compliance with the provisions of each thereof, will not, in any material respect, conflict with or constitute a material breach of or material default under the Act, or any other law, administrative regulation, judgment, decree, indenture, loan agreement, note, resolution, agreement, or other instrument to which the Issuer is a party or is otherwise subject. As used in this Bond Purchase Agreement, the term "material" shall be limited to matters having a material adverse effect on the operations or financial condition of the Issuer.

(6) All approvals, consents, and orders of any governmental authority, board, agency, or commission having jurisdiction that would constitute a condition precedent to the performance by the Issuer of its obligations hereunder, the issuance of the 2024 Bonds, and the execution and delivery and performance by the Issuer of the Indenture and the Continuing Disclosure Agreement, have been obtained or will be obtained prior to the Closing, except for

such approvals, consents, and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the 2024 Bonds.

(7) The 2024 Bonds, when issued, authenticated, and delivered in accordance with the Indenture and sold to the Underwriters as provided herein, will be the legal, valid, and binding obligations of the Issuer, issued in conformity with and entitled to the benefit and security of the Indenture.

(8) The terms and provisions of the Indenture will comply in all respects with the requirements of the Act and, when duly authorized, executed and delivered by the parties thereto, the Indenture, and the Continuing Disclosure Agreement will constitute the legal, valid, and binding obligations of the Issuer enforceable in accordance with their terms except as the same may be limited by (i) bankruptcy, insolvency, reorganization, and other laws affecting creditors' rights generally from time to time in effect, (ii) the enforcement of rights of acceleration, indemnity, and contribution, (iii) equitable principles that may limit the availability of equitable remedies, and (iv) the exercise of judicial discretion.

(9) Except as disclosed in the Preliminary Official Statement and the Official Statement, there is no action, suit, proceeding, inquiry, or investigation, at law or in equity, before or by any court, public board or body, pending and served on the Issuer or, to the knowledge of the Issuer, threatened against the Issuer, affecting the existence of the Issuer or the title of any of its officers to their respective offices or seeking to prohibit, restrain, or enjoin the issuance, sale, or delivery of the 2024 Bonds or the collection of the revenues or assets of the Issuer pledged or to be pledged to pay the principal of and interest on the 2024 Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the 2024 Bonds, the Indenture, the Continuing Disclosure Agreement, this Bond Purchase Agreement, the Airport Use Agreements, any executed AUA Amendments, and any executed Replacement Airport Use Agreements, or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or any amendment or supplement thereto, or contesting the power or authority of the Issuer to issue the 2024 Bonds or to execute and deliver the Indenture, the Continuing Disclosure Agreement, this Bond Purchase Agreement, the Airport Use Agreements, any executed AUA Amendments, and any executed Replacement Airport Use Agreements, or wherein an unfavorable decision, ruling, or finding would materially adversely affect the validity or enforceability of the 2024 Bonds, the Indenture, the Continuing Disclosure Agreement, this Bond Purchase Agreement, the Airport Use Agreements, any executed AUA Amendments, and any executed Replacement Airport Use Agreements.

(10) The proceeds received from the sale of the 2024 Bonds shall be used in accordance with the Act and the Indenture and described in the Official Statement.

(11) The Issuer has reviewed the Report of the Airport Consultant prepared by Ricondo & Associates, Inc. (the "Airport Consultant"), dated _____, 2024 (the "Airport Consultant Report"), which is attached to the Preliminary Official Statement and will be attached to the Official Statement as Appendix A. The Issuer believes that the assumptions of the Airport Consultant set forth in the Airport Consultant Report are reasonable.

(12) The Issuer has entered into an Airport Use Agreement, AUA Amendment, and Replacement Airport Use Agreement (as such terms are defined in the Preliminary Official

Statement) with Southwest Airlines and such Airport Use Agreement, AUA Amendment, and Replacement Airport Use Agreement between the Issuer and Southwest Airlines are in full force and effect as of the date of this Bond Purchase Agreement and will be in full force and effect as of the Closing Date.

(13) Any certificate signed by an authorized officer of the Issuer and delivered to the Underwriters shall be deemed a representation and warranty of the Issuer to the Underwriters as to the statements made therein.

(14) Except as described in the Preliminary Official Statement and the Official Statement, the Issuer has not failed during the previous five years to comply in all material respects with any previous undertakings in a written continuing disclosure contract or agreement under Rule 15c2-12.

I. Covenants of the Issuer. The Issuer hereby covenants with the Underwriters that:

(1) Prior to the End of the Underwriting Period, the Issuer shall not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without the prior written approval of the Representative, which approval shall not be unreasonably withheld.

(2) Prior to the Closing Date, the Issuer shall not amend, terminate, or rescind, and will not agree to any amendment, termination, or rescission of, the Resolution, the Indenture, the Continuing Disclosure Agreement, or this Bond Purchase Agreement without the prior written consent of the Representative.

(3) Except as described in the Preliminary Official Statement and the Official Statement with respect to the Commercial Paper Notes, prior to the Closing Date, the Issuer shall not create, assume, or guarantee any indebtedness payable from, or pledge or otherwise encumber, the revenues or funds that will be pledged pursuant to the Indenture.

(4) The Issuer will undertake, pursuant to the Indenture and the Continuing Disclosure Agreement, to provide annual reports and notices of certain events in compliance with Rule 15c2-12. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement.

J. Certain Conditions to Underwriters' Obligations. The Underwriters have entered into this Bond Purchase Agreement in reliance upon the representations, warranties, and agreements of the Issuer contained herein and upon the accuracy of the statements to be contained in the documents and instruments to be delivered at the Closing. Accordingly, the Underwriters' obligations under this Bond Purchase Agreement to purchase, accept delivery of, and pay for the 2024 Bonds are subject to the performance by the Issuer of its obligations hereunder required to be performed at or prior to the Closing Date, and to the following additional conditions precedent:

(1) On the Closing Date, the representations and warranties of the Issuer contained herein shall be true and correct in all material respects as if made on and as of the Closing Date; the Official Statement shall have been executed and delivered by the Issuer; the Indenture and the Continuing Disclosure Agreement shall have been duly executed and delivered by the appropriate parties thereto, shall be in full force and effect, and shall not have been materially

amended, modified, or supplemented from the forms thereof previously delivered to the Representative; and the Issuer shall have adopted and there shall be in full force and effect such resolutions as, in the opinion of Bond Counsel and counsel for the Underwriters', shall be necessary in connection with the transactions contemplated hereby;

(2) The Underwriters shall have the right to cancel their obligations to purchase the 2024 Bonds if between the date hereof and the Closing:

(a) legislation shall be introduced in, enacted by, reported out of committee, or recommended for passage by the State of California, either House of the Congress, or recommended to the Congress or otherwise endorsed for passage (by press release, other form of notice or otherwise) by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation is proposed for consideration by either such committee by any member thereof or presented as an option for consideration by either such committee by the staff or such committee or by the staff of the Joint Committee on Taxation of the Congress of the United States, or a bill to amend the Code (which, if enacted, would be effective as of a date prior to the Closing) shall be filed in either House, or a decision by a court of competent jurisdiction shall be rendered, or a regulation or filing shall be issued or proposed by or on behalf of the Department of the Treasury or the Internal Revenue Service of the United States, or other agency of the federal government, or a release or official statement shall be issued by the President, the Department of the Treasury or the Internal Revenue Service of the United States, in any such case with respect to or affecting (directly or indirectly) the taxation of interest received on obligations of the general character of the 2024 Bonds which, in the reasonable judgment of the Representative, materially adversely affects the market for the 2024 Bonds or the sale, at the contemplated offering prices (or yields), by the Underwriters of the 2024 Bonds; or

(b) there shall exist any event or circumstance that in the Representative's reasonable judgment either makes untrue or incorrect in any material respect any statement or information in the Official Statement or is not reflected in the Official Statement but should be reflected therein in order to make any statement of material fact therein not misleading in any material respect; or

(c) there shall have occurred (1) an outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war; or (2) the occurrence of any other physical or political calamity or crisis in the United States or elsewhere, if the effect of any such event specified in clause (1) or (2), in the Representative's reasonable judgment, materially adversely affects the market for the 2024 Bonds, or the market price generally of obligations of the general character of the 2024 Bonds, or the ability of the Underwriters to enforce contracts for the sale of the 2024 Bonds; or

(d) there shall be in force a general suspension of trading on the New York Stock Exchange, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and

be in force on the New York Stock Exchange, whether by virtue of determination by that Exchange or by order of the SEC or any other governmental authority having jurisdiction that, in the Representative's reasonable judgment, materially adversely affects the market for the 2024 Bonds or the ability of the Underwriters to enforce contracts for the sale of the 2024 Bonds; or

(e) a general banking moratorium shall have been declared by federal or state authorities having jurisdiction and be in force that, in the Representative's reasonable judgment, materially adversely affects the market for the 2024 Bonds or the ability of the Underwriters to enforce contracts for the sale of the 2024 Bonds; or

(f) legislation shall be enacted or be proposed or actively considered for enactment, or a decision by a court of the United States shall be rendered, or a ruling, regulation, proposed regulation, or statement by or on behalf of the SEC or other governmental agency having jurisdiction of the subject matter shall be made, to the effect that the 2024 Bonds or any comparable securities of the Issuer, any obligations of the general character of the 2024 Bonds are not exempt from the registration, qualification or other requirements of the Securities Act of 1933, as amended and as then in effect (the "Securities Act"), or the Indenture is not exempt from the qualification requirements of the Trust Indenture Act of 1939, as amended and as then in effect (the "Trust Indenture Act"); or

(g) there shall have been any material adverse change in the affairs of the Issuer that in the Representative's reasonable judgment will materially adversely affect the market for the 2024 Bonds or the ability of the Underwriters to enforce contracts for the sale of the 2024 Bonds; or

(h) there shall be established any new restriction on transactions in securities materially affecting the free market for securities (including the imposition of any limitation on interest rates) or the extension of credit by, or a change to the net capital requirements of, underwriters established by the New York Stock Exchange, the SEC, any other federal or State agency or the Congress of the United States, or by Executive Order; or

(i) a stop order, release, regulation, or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made to the effect that the issuance, offering, or sale of the 2024 Bonds, or any document relating to the issuance, offering or sale of the 2024 Bonds is or would be in violation of any provision of the federal securities laws at the Closing Date, including the Securities Act, the Exchange Act, and the Trust Indenture Act; or

(j) there shall have occurred, after the signing hereof, either a financial crisis or a default with respect to the debt obligations of the Issuer or proceedings under the bankruptcy laws of the United States or of the State shall have been instituted by the Issuer, in either case the effect of which, in the reasonable judgment of the Representative, is such as to materially and adversely affect the marketability of the 2024 Bonds or the ability of the Underwriters to enforce contracts of the sale of the 2024 Bonds; or

(k) After the date hereof, (i) Moody's Investors Service, Inc. ("Moody's"), S&P Global Ratings ("S&P"), or Fitch Ratings ("Fitch") shall downgrade or suspend any rating (without regard to credit enhancement) of any debt securities issued by the Issuer, or (ii) there shall be any official statement as to a possible downgrading (such as being placed on "credit watch" or "negative outlook" or any similar qualification) of any rating by Moody's, S&P or Fitch of any debt securities issued by the Issuer, including the 2024 Bonds.

(3) At or prior to the Closing, the Representative shall receive the following:

(a) the unqualified approving opinion of Bond Counsel, addressed to the Issuer and the Underwriters (or accompanied by a reliance letter addressed to the Underwriters), dated the Closing Date and in substantially the form attached as Appendix F to the Preliminary Official Statement, with only such changes thereto as are satisfactory to the Representative;

(b) a supplemental opinion of Bond Counsel, addressed to the Underwriters, dated the Closing Date, in substantially the form attached hereto as Exhibit B;

(c) the opinion of Disclosure Counsel to the Issuer, addressed to the Underwriters and the Issuer, dated the Closing Date, in substantially the form attached hereto as Exhibit C;

(d) the opinion of counsel to the Issuer, addressed to the Underwriters and the Issuer, dated the Closing Date, and in form and substance satisfactory to the Representative, in substantially the form attached hereto as Exhibit D;

(e) an opinion of counsel to the Trustee, addressed to the Underwriters and the Issuer, in form and substance satisfactory to the Representative and Bond Counsel;

(f) An opinion of Stradling Yocca Carlson & Rauth LLP, addressed to the Underwriters, in form and substance satisfactory to the Representative;

(g) a certificate dated the Closing Date by the President or Vice President of the Issuer to the effect that: the representations and warranties of the Issuer contained herein are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date; and the Issuer has complied with all agreements hereunder and satisfied all the conditions hereunder on its part to be performed or satisfied at or prior to the Closing.

(h) the Tax Certificate, executed by a duly authorized officer of the Issuer in form and substance satisfactory to the Representative and Bond Counsel;

(i) a certificate of an officer of the Trustee, acceptable to the Representative, dated the Closing Date, to the effect that the Indenture has been duly authorized, executed and delivered by the Trustee and, assuming due authorization, execution and delivery thereof by the Issuer, constitutes a valid and binding agreement of the Trustee enforceable against the Trustee in accordance with its terms, and the

2024 Bonds have been authenticated in accordance with the Indenture by duly authorized officers or signatories of the Trustee; and an incumbency certificate of the Trustee, in form and content acceptable to the Representative and Bond Counsel, dated the Closing Date, with respect to the officers or other signatories of the Trustee who have executed, authenticated and delivered the 2024 Bonds, and executed and delivered the Indenture and all other financing documents to be signed by the Trustee;

(j) letters from [Standard & Poor's Rating Services, Moody's Investors Service and Fitch Ratings Inc., rating the 2024 Bonds "____," "____" and "____", respectively,] which ratings shall be in effect on the Closing Date;

(k) executed counterparts of the Indenture and the Continuing Disclosure Agreement, executed by the parties thereto, and specimens of the 2024 Bonds;

(l) the Official Statement, executed on behalf of the Issuer by a duly authorized officer thereof;

(m) [Executed copies of the Existing Airport Use Agreements, any executed AUA Amendments, and any executed Replacement Airport Use Agreements (as such terms are defined in the Official Statement)];

(n) An executed copy of the Airport Consultant Report;

(o) a certificate of the Airport Consultant dated the date of the Closing, addressed to the Issuer and the Underwriters, in form and substance acceptable to the Representative, (i) certifying as to the accuracy of (A) the information contained in APPENDIX A—"AIRPORT CONSULTANT REPORT" attached to the Official Statement, and the information in the Official Statement under the captions "INTRODUCTION—Airport Consultant Report" and "PROJECTED NET REVENUES AND DEBT SERVICE COVERAGE— Airport Consultant Report," (ii) consenting to the inclusion of such firm's Airport Consultant Report in the Preliminary Official Statement and the Official Statement, and (iii) stating that, to the best of such firm's knowledge, but without having conducted any investigation with respect thereto, nothing has come to such firm's attention between the date of such report and the date hereof which would materially alter any of the conclusions set forth in the Airport Consultant Report;

(p) [A certificate of [the Green Bond Verifier] confirming that, with respect to the information set forth in its Green Bonds Second Party Opinion, which is attached to the Preliminary Official Statement and the Official Statement as Appendix H, nothing has occurred that would lead [the Green Bond Verifier] to conclude that the assumptions in its Green Bonds Second Party Opinion are no longer reasonable or that the information, conclusions and forecasts in its Green Bonds Second Party Opinion should not be relied upon;]

(q) [an executed copy of the Insurance Policy];

(r) [an executed copy of the 2024 Reserve Guaranty];

(s) [an opinion of counsel to the Insurer, addressed to the Issuer and the Underwriters, in form and substance satisfactory to the Issuer and the Representative;]

(t) [a certificate of the Insurer;]

(u) an Information Return for Tax-Exempt Bond Issues (the Internal Revenue Service Form 8038-G and 8038), in a form satisfactory to Bond Counsel for filing, executed by a duly authorized officer of the Issuer; and

(v) copies of the resolutions of the Issuer authorizing the execution and delivery of the 2024 Bonds, the Fifth Supplemental Indenture, the Continuing Disclosure Agreement, and this Bond Purchase Agreement, certified as of the Closing Date as being true and correct, and in full force and effect, by the Secretary or Assistant Secretary of the Issuer.

If the Issuer shall be unable to satisfy the conditions to the obligations of the Underwriters contained in this Bond Purchase Agreement, or if the obligations of the Underwriters shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement shall terminate and neither the Underwriters nor the Issuer shall have any further obligations hereunder, except as provided in Section K hereof. However, the Representative may in its sole discretion waive one or more of the conditions imposed by this Bond Purchase Agreement for the protection of the Underwriters and proceed with the Closing.

K. Payment of Expenses.

(1) The Underwriters shall be under no obligation to pay, and the Issuer shall pay from available funds or direct the Trustee under the Indenture to pay from the proceeds of the 2024 Bonds (to the extent permitted under applicable law) or from other funds of the Issuer, certain expenses set forth in this Section that are incidental to the performance of the Issuer's obligations hereunder, including but not limited to: all expenses in connection with the printing of the Preliminary Official Statement, the Official Statement, and any amendment or supplement to either thereof; all expenses in connection with the printing, issuance, and delivery of the 2024 Bonds; the fees and disbursement of Bond Counsel, Disclosure Counsel, Issuer's Counsel, the Airport Consultant and auditors; the fees and disbursements of the Trustee, and its counsel; all expenses in connection with obtaining ratings for the 2024 Bonds; all expenses of the Issuer in connection with the preparation, printing, execution, and delivery of the Indenture, the Continuing Disclosure Agreement, and this Bond Purchase Agreement; the Issuer's administrative fees; and all other expenses and costs of the Issuer incident to its obligations in connection with the authorization, issuance, sale, and delivery of the 2024 Bonds, including meals, transportation and lodging of employees of the Issuer in connection with the foregoing.

(2) The Underwriters shall pay fees of the California Debt and Investment Advisory Commission, CUSIP subscription and DTC fees, [the fees of Digital Assurance Certification, L.L.C. for a continuing disclosure undertaking compliance review,] **[Confirm]** the costs of qualifying the 2024 Bonds for sale in various states chosen by the Underwriters, all advertising expenses in connection with the public offering of the 2024 Bonds, and all other expenses incurred by the Underwriters in connection with the public offering and distribution of the 2024 Bonds, including the fees and disbursements of their counsel. The Underwriters

are required to pay fees to the California Debt and Investment Advisor Commission in connection with the sale of the 2024 Bonds. Notwithstanding that such fees are solely the legal obligation of the Underwriters, the Issuer agrees to reimburse the Underwriters for such fees through inclusion in the underwriters' discount.

L. Blue Sky Qualification. The Issuer agrees to cooperate with the Underwriters and their counsel in qualifying the 2024 Bonds for offering and sale under the securities or blue sky laws of such jurisdictions of the United States as the Underwriters may request; provided that the Issuer shall not be required to qualify as a foreign corporation in, or submit to the general jurisdiction of, any state other than the State. The Issuer consents to the use of the Preliminary Official Statement and the Official Statement by the Underwriters in obtaining such qualification.

M. Notices. All notices provided for in this Bond Purchase Agreement shall be made in writing either by actual delivery of the notice into the hands of the parties entitled thereto, by confirmed facsimile transmission, or by sending the notice by air courier or mailing by certified or registered mail, return receipt requested, in the United States mail to the address as stated below (or at such other address as may have been designated by written notice) of the party entitled thereto. The notice shall be deemed to be received in case of actual delivery on the date of its actual receipt by the party entitled thereto, in case of delivery by facsimile, on the date receipt is confirmed if receipt is confirmed by 5:00 p.m. prevailing California time on a business day or, if not so confirmed, on the next succeeding business day of the recipient, in case of delivery by air courier on the date of delivery, and in case of mailing on the date of receipt.

All communications hereunder, except as herein otherwise specifically provided, shall be in writing and mailed or delivered to the Issuer at the address set forth above, Attention: Executive Director, and to the Representative at the following address:

BofA Securities, Inc.
333 South Hope Street, Suite 3820
Los Angeles, CA 90071
Attention: Robert Demichiel

N. Governing Law. This Bond Purchase Agreement shall be governed by and construed in accordance with the laws of the State of California without reference to conflict any laws principles.

O. Miscellaneous. This Bond Purchase Agreement is made solely for the benefit of the signatories hereto (including the successors or assigns of the Underwriters) and no other person shall acquire or have any right hereunder or by virtue hereof. The term "successor" shall not include any holder of any 2024 Bonds merely by virtue of such holding. All representations, warranties, and agreements contained in this Bond Purchase Agreement shall remain operative and in full force and effect, regardless of delivery of and payment for the 2024 Bonds.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

P. Counterparts. This Bond Purchase Agreement may be executed in counterparts with the same force and effect as if all signatures appeared on a single instrument but all such counterparts shall constitute but one and the same agreement.

Very truly yours,

BofA Securities, Inc.,
J.P. Morgan Securities LLC
Ramirez & Co.
Barclays Capital
Loop Capital Markets
RBC Capital Markets
Siebert Williams Shank & Co.

By: BofA Securities, Inc.,
as Representative

By: _____
Authorized Representative

ACCEPTED:

Burbank-Glendale-Pasadena Airport Authority

By: _____
Authorized Issuer Representative

EXHIBIT A

MATURITY SCHEDULE

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
AIRPORT SENIOR REVENUE BONDS

\$ _____
2024 SERIES A
(NON-AMT)

\$ _____ Serial Bonds due as shown below

<i>Maturity (July 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Price</i>	<i>10% Test Used</i>	<i>Hold-the- Offering- Price Maturities</i>
	\$	%	%			

\$ _____
2024 SERIES B
(AMT)

\$ _____ Serial Bonds due as shown below

<i>Maturity (July 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Price</i>	<i>10% Test Used</i>	<i>Hold-the- Offering- Price Maturities</i>
	\$	%	%			

**2024 SERIES C
(Taxable)**

\$ _____ Serial Bonds due as shown below

<i>Maturity (July 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Price</i>	<i>10% Test Used</i>	<i>Hold-the- Offering- Price Maturities</i>
	\$	%	%			

REDEMPTION PROVISIONS

Optional Redemption of the 2024 Bonds. The 2024A Bonds maturing on and after July 1, _____, will be subject to redemption prior to maturity at the option of the Issuer and from any source of funds, in whole or in part (in such amounts as are specified by the Issuer) on any date on and after July 1, _____ at a Redemption Price equal to the principal amount of the 2024A Bonds to be redeemed, plus unpaid accrued interest thereon to the date fixed for redemption, without premium.

The 2024B Bonds maturing on and after July 1, _____, will be subject to redemption prior to maturity at the option of the Issuer and from any source of funds, in whole or in part (in such amounts as are specified by the Issuer) on any date on and after July 1, _____ at a Redemption Price equal to the principal amount of the 2024B Bonds to be redeemed, plus unpaid accrued interest thereon to the date fixed for redemption, without premium.

Mandatory Redemption of the 2024 Bonds. The 2024A Bonds maturing on July 1, _____ are subject to mandatory sinking fund redemption prior to their stated maturity, in part by lot, at a Redemption Price equal to the principal amount of such 2024A Bonds to be redeemed, without premium, on each July 1 commencing July 1, 20____, in the following principal amounts which are the Sinking Fund Installments for such 2024A Bonds:

2024A Bonds Maturing July 1, _____

<i>Year (July 1)</i>	<i>Principal Amount</i>
	\$

†

† Maturity Date.

The 2024A Bonds maturing on July 1, ____ are subject to mandatory sinking fund redemption prior to their stated maturity, in part by lot, at a Redemption Price equal to the principal amount of such 2024A Bonds to be redeemed, without premium, on each July 1 commencing July 1, 20__, in the following principal amounts which are the Sinking Fund Installments for such 2024A Bonds:

2024A Bonds Maturing July 1, ____

<i>Year (July 1)</i>	<i>Principal Amount</i>
	\$

†

† Maturity Date.

The 2024B Bonds maturing on July 1, ____ are subject to mandatory sinking fund redemption prior to their stated maturity, in part by lot, at a Redemption Price equal to the principal amount of such 2024B Bonds to be redeemed, without premium, on each July 1 commencing July 1, 20__, in the following principal amounts which are the Sinking Fund Installments for such 2024B Bonds:

2024B Bonds Maturing July 1, ____

<i>Year (July 1)</i>	<i>Principal Amount</i>
	\$

†

† Maturity Date.

The 2024B Bonds maturing on July 1, ____ are subject to mandatory sinking fund redemption prior to their stated maturity, in part by lot, at a Redemption Price equal to the principal amount of such 2024B Bonds to be redeemed, without premium, on each July 1 commencing July 1, 20__, in the following principal amounts which are the Sinking Fund Installments for such 2024B Bonds:

2024B Bonds Maturing July 1, ____

*Year
(July 1)*

*Principal
Amount*

\$

†

† Maturity Date.

2024C Bonds Not Subject to Optional Redemption. The 2024C Bonds are not subject to redemption prior to maturity.

EXHIBIT B

FORM OF SUPPLEMENTAL OPINION

_____, 2024

BofA Securities, Inc.,
as Representative of the Underwriters
Los Angeles, California, 90071

Burbank-Glendale-Pasadena Airport Authority
Airport Revenue Bonds
2024 Series A, 2024 Series B, 2024 Series C
(Supplemental Opinion)

Ladies and Gentlemen:

This letter is addressed to you, as Representative of the Underwriters (the “Underwriters”), pursuant to Section J(3)(b) of the Bond Purchase Agreement, dated _____, 2024 (the “Purchase Agreement”), between you and the Burbank-Glendale-Pasadena Airport Authority (the “Authority”) providing for the purchase of \$_____ aggregate principal amount of Burbank-Glendale-Pasadena Airport Authority Senior Airport Revenue Bonds, 2024 Series A (the “2024A Bonds”), \$_____ aggregate principal amount of Burbank-Glendale-Pasadena Airport Authority Senior Airport Revenue Bonds, 2024 Series B (the “2024B Bonds”) and \$_____ aggregate principal amount of Burbank-Glendale-Pasadena Airport Authority Senior Airport Revenue Bonds, 2024 Series C (the “2024C Bonds”), together with the 2024A Bonds and the Series 2024B Bonds, the “2024 Bonds”). The 2024 Bonds are being issued pursuant to the Master Indenture of Trust, dated as of May 1, 2005 (the “Original Master Indenture”), by and between the Authority and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.) (the “Trustee”), as amended and supplemented, including as amended and supplemented by the Amended and Restated Master Indenture of Trust dated as of [May 1, 2024], between the Authority and the Trustee, and the Fifth Supplemental Indenture of Trust, dated as of May __, 2024, between the Authority and the Trustee. The Master Indenture, as so amended and supplemented, is referred to herein as the “Indenture.” Capitalized terms used herein and not otherwise defined shall have the meaning given such terms in the Indenture, or if not defined therein, in the Bond Purchase Agreement.

We have delivered our final legal opinion as bond counsel to the Authority concerning the validity of the 2024 Bonds and certain other matters, dated the date hereof and addressed to the Authority (the “Bond Opinion”). You may rely on such opinion as though the same were addressed to you.

In connection with our role as bond counsel to the Authority, we have reviewed the Bond Purchase Agreement, the Indenture, the 2024 Tax Certificate, the 2024 Continuing Disclosure Agreement, opinions of counsel to the Authority and the Trustee, certificates of the Authority, the Trustee and others, and such other documents, opinions and matters to the extent we deemed necessary to provide the opinions set forth below.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than the Authority. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents and certificates, and of the legal conclusions contained in the opinions, referred to in the third paragraph hereof. We have further assumed compliance with all covenants and agreements contained in such documents. In addition, we call attention to the fact that the rights and obligations under the 2024 Bonds, the Indenture, the 2024 Tax Certificate, the 2024 Continuing Disclosure Agreement and the Bond Purchase Agreement, and their enforceability, may be subject to bankruptcy, insolvency, reorganization, receivership, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against public entities in the State of California. We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the foregoing documents. Finally, we undertake no responsibility for the accuracy, except as expressly set forth in numbered paragraph 3 below, completeness or fairness of the Official Statement dated _____, 2024 (the "Official Statement") or other offering material relating to the Bonds and express no opinion relating thereto.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The 2024 Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended. [No opinion is expressed with respect to the Insurance Policy or the 2024 Reserve Guaranty.]

2. The Bond Purchase Agreement and the 2024 Continuing Disclosure Agreement have been duly authorized, executed and delivered by, and constitute the valid and binding agreements of, the Authority. No opinion regarding the adequacy of the 2024 Continuing Disclosure Agreement for purposes of S.E.C. Rule 15c2-12 may be inferred from this opinion.

3. The statements contained in the Official Statement under the captions entitled "THE 2024 BONDS," "SECURITY FOR THE 2024 BONDS," "SOURCES OF REVENUES," "TAX MATTERS," "CONTINUING DISCLOSURE," " " excluding any material that may be treated as included under such captions by cross-reference or reference to other documents or sources, insofar as such statements expressly summarize certain provisions of the Indenture and the form and content of our Bond Opinion, are accurate in all material respects.

This letter is furnished by us as bond counsel to the Authority. No attorney-client relationship has existed or exists between our firm and you in connection with the 2024 Bonds or by virtue of this letter. Our engagement with respect to the 2024 Bonds has concluded with their issuance. We disclaim any obligation to update this letter. This letter is delivered to you as Representative of the Underwriters

of the 2024 Bonds, is solely for the benefit of the Underwriters in such capacity, and is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to, and may not, be relied upon by owners of 2024 Bonds or by any other party to whom it is not specifically addressed.

Very truly yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP

EXHIBIT C

FORM OF DISCLOSURE COUNSEL OPINION

[TO COME]

EXHIBIT D

OPINION OF AUTHORITY COUNSEL

May __, 2024

Burbank-Glendale-Pasadena Airport Authority
Burbank, California

BofA Securities, Inc.,
as Representative of the Underwriters
Los Angeles, California

Opinion of Authority Counsel
with reference to

Burbank-Glendale-Pasadena Airport Authority
Senior Airport Revenue Bonds
2024 Series A, 2024 Series B and Series C

Ladies and Gentlemen:

This letter is being delivered to you pursuant to Section J(3)(d) of the Bond Purchase Agreement, dated May __, 2024 (the "Bond Purchase Agreement"), by and between the Burbank-Glendale-Pasadena Airport Authority (the "Authority") and BofA Securities, Inc., as Representative (the "Representative") of the underwriters listed therein. Capitalized terms used but not defined herein have the meanings ascribed to them in the Bond Purchase Agreement. In our capacity as General Counsel to the Authority in connection with the transaction described in the Bond Purchase Agreement relating to the above-captioned bonds (the "2024 Bonds"), we have reviewed such documents, certificates, and records as we have deemed relevant and necessary as the basis for the opinions set forth herein. Relying on such examination and subject to the limitations and qualifications set forth herein, we are of the following opinions:

(1) The Authority is a joint powers agency and public entity duly created and existing under the provisions of the State of California's Joint Exercise of Powers Act (California Government Code Section 6500 *et seq.*).

(2) Burbank-Glendale-Pasadena Airport Authority Commission Resolution No. _____ was duly adopted at a meeting held on [May 6], 2024, pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and such Resolution is in full force and effect and has not been modified, amended or rescinded.

(3) Except as disclosed in the Official Statement, there is no action, suit, or proceeding or investigation at law or in equity before or by any court, public board, or body pending and served on the Authority or, to the best of our knowledge, threatened against or affecting the Authority to restrain or enjoin the issuance or delivery of any of the 2024 Bonds or the collection

of Revenues pledged to the 2024 Bonds under the Indenture, or in any way contesting or affecting the power of the Authority relating to the issuance or validity of the 2024 Bonds or the execution, delivery, and performance by the Authority of its obligations under the Indenture, the Continuing Disclosure Agreement, this Bond Purchase Agreement, the Airport Use Agreements, any executed AUA Amendments, or any executed Replacement Airport Use Agreements.

(4) The statements in the Preliminary Official Statement and the Official Statement under the captions “INTRODUCTION – Airport Use Agreement” and “AIRPORT USE AGREEMENTS” (excluding any financial or statistical data with respect thereto, statements regarding the effect of formulas for rents and fees, and rate-setting methodologies, and excluding any material that may be treated as included under such captions by cross-reference or reference to other documents or sources), insofar as such statements expressly summarize certain provisions of the AUA Amendments and the Replacement Airport Use Agreements, are fair and accurate in all material respects.

The opinions stated in this letter are based on such examination of the law of the State of California as we deemed relevant for the purposes of this letter. We have not considered the effect, if any, of the laws of any other jurisdiction upon matters covered by these opinions. We have assumed the genuineness of all documents and signatures, presented to us. We express no opinion as to the status of the 2024 Bonds or the interest thereon, or any of the financing documents relating to the 2024 Bonds under any federal securities laws or any state securities or “Blue Sky” law or any federal, state or local tax law. No opinion is expressed herein with respect to the validity of the 2024 Bonds or the power of the Authority to issue the 2024 Bonds under state or federal law, for which the Authority is relying on the opinion given by Bond Counsel. We express no opinion with respect to any indemnification, contribution, penalty, liquidated damages, penalty (including any remedy deemed to constitute or to have the effect of a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severality provisions contained in any of the financing documents. Without limiting any of the foregoing, we express no opinion as to any matter other than as expressly set forth above.

Whenever a statement herein is qualified by “to the best of our knowledge,” it shall be deemed to indicate that, during the course of our representation of the Authority in connection with the financing described herein, no information that would give us current, actual knowledge of the inaccuracy of such statement has come to our attention. We have not, however, undertaken any independent investigation to determine the accuracy of such statements, and any limited inquiry undertaken by us during the preparation of this opinion letter should not be regarded as such investigation. No inference as to our knowledge of any matters bearing upon the accuracy of any such statement should be drawn from the fact of our representation of the Authority.

This letter is furnished by us as General Counsel to the Authority. Other than the Authority, no attorney-client relationship has existed or exists between our firm and any addressees hereof except for the Authority, in connection with the 2024 Bonds or by virtue of this letter. This letter is rendered solely in connection with the financing described herein and may not be relied upon by you for any other purpose. We disclaim any obligation to update this letter. This letter shall not extend to, and may not be used, quoted, referred to, or relied upon by any other person, firm, corporation or other entity without our prior written consent.

Very truly yours,

RICHARDS, WATSON & GERSHON,
A PROFESSIONAL CORPORATION

by

EXHIBIT E

FORM OF ISSUE PRICE CERTIFICATE

\$ _____
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
AIRPORT SENIOR REVENUE BONDS

\$ _____
2024 Series A
(NON-AMT)

\$ _____
2024 Series B
(AMT)

The undersigned, on behalf of BofA Securities, Inc., acting as representative (the "Representative") of itself and _____ and _____ (collectively, the "Underwriting Group"), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (collectively, the "Bonds").

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) The Underwriting Group offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. If there is a Hold-the-Offering Price Maturity, a copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Bond Purchase Agreement, the Representative has agreed in writing that, for each Maturity of the Hold-the-Offering-Price Maturities: (i) it would neither offer nor sell any of the unsold Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "Hold-the-Offering-Price Rule"); and (ii) any agreement among underwriters shall contain the agreement of each underwriter, and any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the Hold-the-Offering-Price Rule. Pursuant to such agreement, the Representative has not offered or sold unsold Bonds of any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms.***

(a) ***General Rule Maturities*** means those Maturities of the Bonds that are not "Hold-the-Offering-Price Maturities."

(b) ***Hold-the-Offering-Price Maturities*** means those Maturities of the Bonds listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."

(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which the Representative has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at one or more prices, each of which is no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Issuer* means the Burbank-Glendale-Pasadena Airport Authority

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is _____, 2024.

(h) *Underwriter* means: (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public; and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Representative's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate to which this certificate is included as Exhibit A and with respect to compliance with the federal income tax rules affecting the Bonds, and by Orrick, Herrington & Sutcliffe LLP, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the Issuer from time to time relating to the Bonds. The representations set forth herein are not necessarily based on personal knowledge and, in certain cases, the undersigned is relying on representations made by the other members of the Underwriting Group.

BofA Securities, Inc.

By: _____

Name: _____

Dated: _____, 2024

SCHEDULE A

**SALE PRICES OF THE GENERAL RULE MATURITIES AND
INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES**

**BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
AIRPORT SENIOR REVENUE BONDS**

**\$ _____
2024 SERIES A
(NON-AMT)**

\$ _____ Serial Bonds due as shown below

<i>Maturity (July 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Price</i>	<i>10% Test Used</i>	<i>Hold-the- Offering- Price Maturities</i>
	\$	%	%			

**\$ _____
2024 SERIES B
(AMT)**

\$ _____ Serial Bonds due as shown below

<i>Maturity (July 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Price</i>	<i>10% Test Used</i>	<i>Hold-the- Offering- Price Maturities</i>
	\$	%	%			

SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION
(To Be Attached)

PRELIMINARY OFFICIAL STATEMENT DATED [_____] , 2024

NEW ISSUE – BOOK-ENTRY ONLY

RATINGS: See “RATINGS” herein.

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Authority, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the 2024A Bonds and the 2024B Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes, except that no opinion is expressed as to the status of interest on any 2024B Bond for any period that such 2024B Bond is held by a “substantial user” of the facilities financed or refinanced by the 2024B Bonds or by a “related person” within the meaning of Section 147(a) of the Code. In the further opinion of Bond Counsel, interest on the 2024A Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel observes that interest on the 2024B Bonds is a specific preference item for purposes of the federal individual alternative minimum tax and that interest on the 2024A Bonds and 2024B Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. In the opinion of Bond Counsel, interest on the 2024C Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Code. In the further opinion of Bond Counsel, interest on the 2024 Bonds is exempt from State of California personal income taxes. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the 2024 Bonds. See “TAX MATTERS.”



BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY AIRPORT SENIOR REVENUE BONDS

\$[_____] *
2024 Series A
(Non-AMT)

\$[_____] *
2024 Series B
(AMT)

\$[_____] *
2024 Series C
(Taxable)

Dated: Date of Delivery

Due: [July 1], as shown on the inside cover page

This cover page is not intended to be a summary of the terms of, or the security for, the 2024 Bonds, and is qualified by further description in this Official Statement. Investors are advised to read the Official Statement in its entirety to obtain information essential to the making of an informed investment decision. Capitalized terms not defined below shall have the meanings given to such terms in the Official Statement.

The Burbank-Glendale-Pasadena Airport Authority (the “Authority”) is issuing its Airport Senior Revenue Bonds, 2024 Series A (Non-AMT) (the “2024A Bonds”), Airport Senior Revenue Bonds, 2024 Series B (AMT) (the “2024B Bonds”) and its Airport Senior Revenue Bonds, 2024 Series C (Taxable) (the “2024C Bonds” and, together with the 2024A Bonds and the 2024B Bonds, the “2024 Bonds”) under the Indenture (defined below). The 2024 Bonds are being issued to (i) finance a portion of the cost of the Terminal Relocation Project at Bob Hope Airport (commonly known as Hollywood Burbank Airport), located in Los Angeles County, California, (ii) pay interest to accrue on the 2024 Bonds to and including April 1, 2027; (iii) [make a deposit to the Senior Debt Service Reserve Fund][purchase a reserve policy to be credited to the Senior Debt Service Reserve Fund] and (iv) pay costs of issuance of the 2024 Bonds. See “PLAN OF FINANCE.” The Bank of New York Mellon Trust Company, N.A. (formerly, The Bank of New York Trust Company, N.A.) serves as the trustee (the “Trustee”) under the Indenture.

The 2024 Bonds will be issuable as fully registered bonds and, when issued, will be registered in the name of Cede & Co., the nominee of The Depository Trust Company, New York, New York (“DTC”), the securities depository for the 2024 Bonds. The 2024 Bonds will be available for purchase in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof. Purchasers of ownership interests in the 2024 Bonds will not receive physical bond certificates. As long as Cede & Co. is the registered owner as nominee of DTC, amounts due on the 2024 Bonds will be paid directly to such registered owner with such payment to be subsequently disbursed to the Beneficial Owners of the 2024 Bonds. Interest on the 2024 Bonds is payable on each January 1 and July 1 commencing January 1, 2025. See “THE 2024 BONDS.”

The 2024 Bonds will be subject to redemption as provided in this Official Statement.

The 2024 Bonds will be secured by the Trust Estate, subject to the terms of the Indenture. The Trust Estate consists primarily of Net Revenues. The 2024 Bonds, when issued, will constitute Senior Obligations under the Indenture. See “SECURITY FOR THE 2024 BONDS.” There are other outstanding Senior Obligations secured and payable from the Trust Estate on a parity basis with the 2024 Bonds. The Authority may issue additional Senior Obligations in the future, subject to the terms and conditions of the Indenture. See “SECURITY FOR THE 2024 BONDS – ADDITIONAL SENIOR OBLIGATIONS.”

[Payment of the principal of and interest on the 2024 Bonds when due will be insured by a financial guaranty insurance policy to be issued simultaneously with the delivery of the 2024 Bonds by _____. See “[BOND INSURANCE.]”]

* Preliminary, subject to change.

[INSURER LOGO]

Previously, the Authority and the Trustee entered into a Master Indenture of Trust (the “Original Master Indenture”) and various supplemental indentures. The Authority and the Trustee are executing a Fifth Supplemental Indenture (the “Fifth Supplemental Indenture”) to provide for the issuance of the 2024 Bonds. The Authority and the Trustee are also executing an Amended and Restated Master Indenture (the “Restated Master Indenture”), which will become effective upon satisfying the terms and conditions of the Original Master Indenture, including the consent by the Owners of a majority in aggregate principal amount of the Outstanding Bonds. **Purchasers of the 2024 Bonds will be deemed to have consented to the Restated Master Indenture. See “INTRODUCTION – Purchasers’ Consent to Restated Master Indenture.”** Upon the issuance of the 2024 Bonds, Owners of the 2024 Bonds will constitute the Owners of a majority in aggregate principal amount of the Outstanding Bonds and the Restated Master Indenture will therefore become effective. The Restated Master Indenture, upon becoming effective, will amend, restate and supersede the Original Master Indenture, as amended (except for (i) the Fifth Supplemental Indenture and (ii) certain provisions of a Third Supplemental Indenture relating to Bonds issued in 2012, which will remain outstanding after the issuance of the 2024 Bonds).

The 2024 Bonds will not constitute a general obligation of the Authority but shall constitute and evidence special obligations of the Authority payable as to principal, Redemption Price, interest and other payments solely from the Trust Estate. The 2024 Bonds will not be secured by a legal or equitable pledge of, or charge or lien upon, any property of the Authority or any of its income or receipts except the Trust Estate. Neither the faith and credit nor the taxing power of the State of California or any public agency thereof, including the Cities of Burbank, Glendale and Pasadena, will be pledged to the payment of the 2024 Bonds. The payment of the 2024 Bonds will not constitute a debt, liability or obligation of the State of California or any public agency thereof, including the Cities of Burbank, Glendale and Pasadena, other than the special obligation of the Authority as provided in the Indenture. The Authority has no taxing power.

Maturity Schedule on Inside Front Cover

The 2024 Bonds are offered when, as and if issued, subject to the approval of validity by Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Authority. Certain legal matters will be passed upon by Orrick, Herrington & Sutcliffe LLP as Disclosure Counsel to the Authority, and by Richards, Watson & Gershon, A Professional Corporation, General Counsel to the Authority. Certain legal matters will be passed upon for the Underwriters by their counsel, Stradling Yocca Carlson & Rauth LLP. It is anticipated that the 2024 Bonds in definitive form will be available for delivery through the facilities of DTC on or about [____], 2024.

BOFA SECURITIES

J.P. MORGAN

RAMIREZ & CO., INC.

BARCLAYS

LOOP CAPITAL MARKETS

RBC CAPITAL MARKETS

**SIEBERT WILLIAMS SHANK
& CO. LLC**

Dated: [____], 2024

MATURITY SCHEDULE

\$[_____] *
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
AIRPORT SENIOR REVENUE BONDS
2024 SERIES A
(NON-AMT)

Maturity ([July] 1)	Principal Amount*	Interest Rate	Yield	Price	CUSIP†
	\$	%	%		

\$ _____ % 2024A Term Bonds due [July] 1, 20 __, Yield _____ %, Price _____, CUSIP No. _____ †

\$[_____] *
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
AIRPORT SENIOR REVENUE BONDS
2024 SERIES B
(AMT)

Maturity ([July] 1)	Principal Amount*	Interest Rate	Yield	Price	CUSIP†
	\$	%	%		

\$ _____ % 2024B Term Bonds due [July] 1, 20 __, Yield _____ %, Price _____, CUSIP No. _____ †

* Preliminary, subject to change.

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\$[]^{*}
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
AIRPORT SENIOR REVENUE BONDS
2024 SERIES C
(TAXABLE)

Maturity ([July] 1)	Principal Amount [*]	Interest Rate	Yield	Price	CUSIP [§]
	\$	%	%		

^{*} Preliminary, subject to change.

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[Rendering of Replacement Passenger Terminal]



BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
2627 North Hollywood Way, Burbank, California 91505

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Ara Najarian, *Vice President*
Jess Talamantes, *Secretary*
Tyron Hampton, *Treasurer*
Andy Wilson, *Auditor*
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Robert Ovrom
[Paula Devine]
Frank Quintero

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Airport Consultant

The Bank of New York Mellon
Trust Company, N.A.
Trustee, Bond Registrar and Paying Agent

This Official Statement is provided in connection with the initial offering and sale of the Burbank-Glendale-Pasadena Airport Authority Airport Senior Revenue Bonds, 2024 Series A (Non-AMT), 2024 Series B (AMT) and Series 2024C (Taxable) (together, the “2024 Bonds”) and may not be reproduced or be used, in whole or in part, for any other purpose. The information contained in this Official Statement has been derived from information provided by the Authority and other sources which are believed to be reliable. This Official Statement is not to be construed as a contract or agreement between the Authority or the Underwriters and purchasers or owners of any of the 2024 Bonds.

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

The information and expressions of opinion herein speak as of their date unless otherwise noted and are subject to change without notice. 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 or the Airport since the date hereof.

Certain statements contained in this Official Statement do not reflect historical facts but are forecasts and “forward-looking statements.” No assurance can be given that the future results discussed herein will be achieved, and actual results may differ materially from the forecasts described herein. In this respect, the words “estimate,” “forecast,” “project,” “anticipate,” “expect,” “intend,” “plan,” “believe” and similar expressions are intended to identify forward-looking statements. All projections, forecasts, assumptions and other forward-looking statements are expressly qualified in their entirety by the cautionary statements set forth in this Official Statement. The Authority disclaims any obligation to update any forward-looking statements, including to reflect occurrences or unanticipated events or circumstances after the date of this Official Statement, except to the extent expressly required by the Authority’s continuing disclosure agreement described in this Official Statement.

No dealer, broker, salesperson or other person has been authorized by the Authority or the Underwriters to give any information or to make any representations other than those contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized by any of the foregoing. 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, 2024 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The 2024 Bonds have not been registered under the Securities Act of 1933, as amended, in reliance upon an exemption contained in such Act. The 2024 Bonds have not been registered or qualified under the securities laws of any state.

The Authority undertakes no responsibility for and makes no representation as to the accuracy, timeliness or completeness of information contained on websites referenced in this Official Statement, including but not limited to, such information or links to other internet sites accessed through such websites. No information contained on such websites or the Authority’s social media accounts are incorporated in this Official Statement, except as expressly noted.

TABLE OF CONTENTS

	Page
INTRODUCTION 1	
Use of Proceeds	1
The Authority	2
2024 Bonds Authorization.....	2
Purchasers’ Consent to Restated Master Indenture	2
The Airport.....	3
Airport Use Agreements.....	4
Airport Consultant’s Report	5
2024 Bonds.....	6
Outstanding Senior Obligations	6
Security for the 2024 Bonds	6
[Bond Insurance]	7
Continuing Disclosure.....	7
Certain Investment Considerations.....	7
Miscellaneous.....	7
TERMINAL RELOCATION PROJECT	8
History of the Airport and the Terminal Relocation Project	10
Developments from 2015 to 2017; Measure B.....	10
City of Burbank Substation	11
Environmental Reviews	11
Project Management, Design and Construction	12
Status of Construction of the Terminal Relocation Project and Key Permits.....	15
Terminal Relocation Project Participants	15
California High-Speed Rail Authority Settlement.....	17
PLAN OF FINANCE	18
AIRPORT USE AGREEMENTS.....	18
Existing Airport Use Agreement	18
Amendment to Existing Airport Use Agreement	20
Replacement Airport Use Agreement	20
Information Concerning Airlines	22
ESTIMATED SOURCES AND USES OF FUNDS FOR 2024 BONDS	23
DEBT SERVICE SCHEDULE	24
THE 2024 BONDS	25
General	25
Book-Entry Only System	25
Redemption	25
SECURITY FOR THE 2024 BONDS.....	28
Amendment and Restatement of the Master Indenture	28
Pledge of Trust Estate; Net Revenues	29
Released Revenues	31
Obligations Issued or Incurred under the Indenture	32
Flow of Funds.....	33
Rate Covenant	36
Senior Debt Service Reserve Fund.....	37
Additional Senior Obligations.....	38
Additional Subordinate Obligations	40
Junior Subordinate Obligations, Special Facility Obligations and Other Indebtedness	41

TABLE OF CONTENTS

(continued)

	Page
Limitation on Remedies	41
[BOND INSURANCE]	41
THE AUTHORITY	43
Organization and Powers.....	43
Authority Commission Members	43
Joint Powers Agreement.....	43
Employees; Employee Retirement Plans.....	44
Contractors	45
THE AIRPORT 45	
Description of the Airport and Existing Terminal Building	45
Regional Intermodal Transportation Center	46
Accessibility	46
Airport Manager and the Airport Management Services Agreement.....	47
Senior Management.....	48
Insurance	49
Capital Improvements	50
Outstanding Debt.....	50
AIRPORT OPERATIONS STATISTICS	52
Airport Traffic	52
Passenger Demand	53
Nearby Airports.....	53
Passenger Airline Operations and Market Share	55
Cargo and Other Non-Airline Services	57
SOURCES OF REVENUES	58
General	58
Parking Fees	60
Tenant Rent	60
Concession Fees	61
Landing Fees	62
Customer Facility Charges	62
Passenger Facility Charges.....	63
HISTORICAL FINANCIAL INFORMATION	63
Historical Operating Results	63
Investment of Airport Funds	66
Historical Debt Service Coverage	67
ENVIRONMENTAL MATTERS AFFECTING AIRPORT OPERATIONS.....	69
Noise Restrictions	69
Noise Abatement Programs.....	70
Regulated and Hazardous Substances	70
Emission Standards	72
AIRPORT CONSULTANT REPORT	72
Overview	72
Projected Net Revenues and Debt Service Coverage	73
Projected Revenue From Rent and Fees, and Cost Per Enplanement.....	77
ENVIRONMENTAL, SOCIAL AND GOVERNANCE FACTORS	78

TABLE OF CONTENTS
(continued)

	Page
Environmental Sustainability Initiatives	78
Social Equity	78
Governance	79
CERTAIN INVESTMENT CONSIDERATIONS	79
General	79
2024 Bonds Special Obligations of Authority	80
Uncertainties of Projections and Assumptions	80
Expiration and Possible Termination of Airport Use Agreements	81
Certain Factors Affecting the Terminal Relocation Project	81
Availability of Electrical Utility Services	82
Certain Factors Affecting the Airline Industry and Air Travel	83
Competition	83
Economic Conditions of Air Trade Area	84
Effects of Airline Bankruptcy	84
Effects of Bankruptcy of Tenant, Concessionaire, or other Contracting Party	85
Effects of Bankruptcy of Project Manager or Design-Builder	85
Effect of Authority Bankruptcy	85
Bankruptcy of the Airport Manager	87
Investment Losses	87
Credit Risk of Financial Institutions Providing Credit Enhancement and Other Financial Products	
Relating to Airport Bonds	87
Availability of Pledged Customer Facility Charges	88
Risks Related to the Authority's Capital Projects	88
Operations at the Airport	89
Certain Factors Particular to the Airport	89
Technological Innovations	90
Seismic and other Natural Disasters or Emergencies	91
Environmental Matters and Climate Change	91
Cyber and Data Security	92
Regulatory Uncertainties	93
Regulation of Rates and Charges	93
Aviation Security	94
Effect of COVID Pandemic and Other Worldwide Health Concerns	95
Initiative and Referenda	95
Initiative 1935	95
Limitations on Remedies	96
Potential Limitations of Tax Exemption of Interest on the 2024 Bonds	96
LITIGATION 97	
LEGAL MATTERS	97
TAX MATTERS 97	
2024A Bonds and 2024B Bonds (Non-AMT/AMT)	97
2024C Bonds (Taxable)	99
UNDERWRITING	101
RATINGS 	102
CONTINUING DISCLOSURE	102
MUNICIPAL ADVISOR	103
AIRPORT CONSULTANT	103

TABLE OF CONTENTS
(continued)

	Page
FINANCIAL STATEMENTS.....	103
MISCELLANEOUS.....	103
APPENDIX A AIRPORT CONSULTANT REPORT	1
APPENDIX B FINANCIAL STATEMENTS.....	1
APPENDIX C-1 FORM OF AMENDED AND RESTATED MASTER INDENTURE.....	1
APPENDIX C-2 FORM OF FIFTH SUPPLEMENTAL INDENTURE.....	1
APPENDIX D-1 SUMMARY OF CERTAIN PROVISIONS OF THE EXISTING AIRPORT USE AGREEMENT	1
APPENDIX D-2 SUMMARY OF CERTAIN PROVISIONS OF AMENDMENT TO AIRPORT USE AGREEMENT	1
APPENDIX D-2 SUMMARY OF CERTAIN PROVISIONS OF REPLACEMENT AIRPORT USE AGREEMENT	1
APPENDIX E DTC BOOK-ENTRY ONLY SYSTEM.....	1
APPENDIX F PROPOSED FORM OF BOND COUNSEL OPINION.....	1
APPENDIX G PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT	1
APPENDIX H [SPECIMEN FINANCIAL GUARANTY INSURANCE POLICY].....	1

OFFICIAL STATEMENT

relating to

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY AIRPORT SENIOR REVENUE BONDS

\$[_____] *
2024 SERIES A
(NON-AMT)

\$[_____] *
2024 SERIES B
(AMT)

\$[_____] *
2024 SERIES C
(TAXABLE)

INTRODUCTION

This Introduction does not purport to be complete, and reference is made to this Official Statement, appendices and the documents referred to for more complete information with respect to matters concerning the 2024 Bonds. Potential investors are encouraged to read the entire Official Statement. Capitalized terms used but not defined in the forepart of this Official Statement have the meanings set forth in the Indenture. See APPENDIX C-1: "FORM OF AMENDED AND RESTATED MASTER INDENTURE" and APPENDIX C-2: "FORM OF FIFTH SUPPLEMENTAL INDENTURE."

This Official Statement, including the cover page, inside cover pages and appendices hereto, is furnished in connection with the offering by the Burbank-Glendale-Pasadena Airport Authority (the "Authority") of \$[_____] * aggregate principal amount of Airport Senior Revenue Bonds, 2024 Series A (Non-AMT) (the "2024A Bonds"), \$[_____] * aggregate principal amount of Airport Senior Revenue Bonds, 2024 Series B (AMT) (the "2024B Bonds"), and \$[_____] * aggregate principal amount of Airport Senior Revenue Bonds, 2024 Series C (Taxable) (the "2024C Bonds" and, together with the 2024A Bonds and the 2024B Bonds, the "2024 Bonds").

The 2024 Bonds are being issued to finance a portion of the cost of the hereinafter defined Terminal Relocation Project at Bob Hope Airport (commonly known as Hollywood Burbank Airport) (the "Airport"). The Airport is owned by the Authority and located approximately 12 miles northwest of downtown Los Angeles. The Authority is undertaking the Terminal Relocation Project to, among other things, replace an existing 14-gate 232,000-square-foot passenger terminal (a portion of which was originally built in 1930), with a new 14-gate 355,000-square-foot terminal building that will meet modern safety and design standards (the "Replacement Passenger Terminal"). The Terminal Relocation Project will also provide a higher level of passenger service. The Authority anticipates that the new terminal building will be completed and will open by October 13, 2026. Upon completion of the Replacement Passenger Terminal, all passenger operations will move from the existing passenger terminal to the new terminal building. The Terminal Relocation Project also includes the demolition of the existing passenger terminal. Once the Replacement Passenger Terminal is open, the existing passenger terminal will be closed for demolition.

The 2024 Bonds will be secured by the Trust Estate, as defined in the Indenture, on a parity with other Senior Obligations. The Bank of New York Mellon Trust Company, N.A. (formerly, The Bank of New York Trust Company, N.A.) serves as the trustee (the "Trustee") under the Indenture.

Use of Proceeds

Proceeds of the 2024 Bonds will be used to (i) finance a portion of the cost of the Terminal Relocation Project; (ii) pay interest to accrue on the 2024 Bonds to and including April 1, 2027; (iii) [make a deposit to the Senior Debt Service Reserve Fund][purchase a reserve policy to be credited to the Senior Debt Service Reserve Fund]; and (iv) pay costs of issuance of the 2024 Bonds. See "PLAN OF FINANCE" and "ESTIMATED SOURCES AND USES OF FUNDS."

* Preliminary, subject to change.

The Authority

The Authority is a joint powers agency created in June 1977 pursuant to the Joint Exercise of Powers Act (commencing with Section 6500 of the California Government Code) (the “Joint Powers Act”) and an agreement (the “Joint Powers Agreement”) among the Cities of Burbank, Glendale and Pasadena, California (the “Cities”). It was formed for the purpose of acquiring and operating the Airport. The Authority is governed by a nine-member Commission (the “Authority Commission”). Each City appoints three members of the Authority Commission. See “THE AUTHORITY.”

2024 Bonds Authorization

The Authority is issuing the 2024 Bonds under the authorization of Article 4 of the Joint Powers Act and a resolution adopted by the Authority Commission on [May 6], 2024.

Purchasers’ Consent to Restated Master Indenture

Previously, the Authority and the Trustee entered into a Master Indenture of Trust, dated as of May 1, 2005 (the “Original Master Indenture”), and various supplemental indentures. The Authority and the Trustee are executing a Fifth Supplemental Indenture, dated as of May 1, 2024 (the “Fifth Supplemental Indenture”) to provide for the issuance of the 2024 Bonds.

The Authority and the Trustee are also executing an Amended and Restated Master Indenture, dated as of May 1, 2024 (the “Restated Master Indenture”), which will become effective on the date of issuance of the 2024 Bonds as described below and will amend and restate the Original Master Indenture in its entirety. See APPENDIX C-1: FORM OF AMENDED AND RESTATED MASTER INDENTURE.

By purchasing the 2024 Bonds, the Owners of the 2024 Bonds:

- (i) will be deemed to have irrevocably consented to the Restated Master Indenture and approved, on behalf of themselves and all subsequent Owners and Beneficial Owners of the 2024 Bonds, the Restated Master Indenture,**
- (ii) pursuant to such consent, will have irrevocably directed the Trustee to consent to the Restated Master Indenture, and**
- (iii) will have waived, and be deemed to have waived, and to have authorized and directed the Trustee to waive, any and all other formal notice, implementation, execution or timing requirements that may otherwise be required under the Original Master Indenture in order to implement the Restated Master Indenture.**

Upon the issuance of the 2024 Bonds, Owners of the 2024 Bonds will constitute the Owners of a majority in aggregate principal amount of the Bonds Outstanding. On the issuance date of the 2024 Bonds, after giving effect to the issuance of the 2024 Bonds, the consent of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding under the Original Master Indenture will have been obtained. The Authority has also received the written consent of the Credit Providers. Therefore, the Restated Master Indenture is expected to become effective on the issuance date of the 2024 Bonds.

Upon the issuance of the 2024 Bonds, the Restated Master Indenture will amend, restate and supersede the Original Master Indenture and its various prior amendments, except for (i) the Fifth Supplemental Indenture, and (ii) certain provisions of a Third Supplemental Indenture relating to the Authority’s Airport Revenue Bonds 2012 Series A (AMT) (the “2012A Bonds”) and Airport Revenue Bonds 2012 Taxable Series B (the “2012B Bonds” and together with the 2012A Bonds, the “2012 Bonds”) that will remain Outstanding after the issuance of the 2024 Bonds. See APPENDIX C-1: FORM OF AMENDED AND RESTATED MASTER INDENTURE.

Unless the context clearly requires otherwise, the use of the term “Indenture” in this Official Statement refers to the Restated Master Indenture (as of the Effective Date), as supplemented by the Third Supplemental Indenture (as amended) and the Fifth Supplemental Indenture, and any additional supplemental indenture that the Authority may execute from time to time pursuant to the terms of the Restated Master Indenture.

The Airport

Overview

The Airport is owned by the Authority and located approximately 12 miles northwest of downtown Los Angeles. It is on a 555-acre site (the “Site”), 445 acres of which is within the City of Burbank and the remaining portion of the Site is within the City of Los Angeles. It is a medium hub airport by Federal Aviation Administration (“FAA”) classification. Its primary service area is Los Angeles County and Ventura County (the “Air Trade Area”). By population, the Air Trade Area is larger than most metropolitan regions in the United States. According to U.S. Department of Transportation reports, approximately 3 million revenue passengers enplaned at the Airport in Fiscal Year (“FY”) 2023.

As of the date of this Official Statement, eight commercial airlines currently offer daily flights at the Airport: Alaska Airlines (“Alaska”), American Airlines (“American”), Avelo Airlines (“Avelo”), Delta Air Lines, Inc. (“Delta”), JetBlue Airways (“JetBlue”), Southwest Airlines (“Southwest”), Spirit Airlines (“Spirit”) and United Airlines (“United”). Together, these airlines provide non-stop service to 31 destinations throughout the United States. For FY 2023, Southwest passengers constituted over 65% of all enplaned passengers at the Airport. In October 2023, Southwest announced that it will launch daily nonstop service to five new mid-continent domestic destinations in June 2024, including Boise Airport, Kansas City International Airport, Louis Armstrong New Orleans International Airport, San Antonio International Airport and St. Louis Lambert International Airport. These new destinations expand the scope of Southwest’s service from the Airport to the middle of the country, which historically focused on the West Coast. Alaska launched nonstop service to San Francisco International Airport in December 2023, Avelo launched nonstop service to McNary Field in Salem, Oregon and Delta announced its plan to resume nonstop service to Hartsfield-Jackson Atlanta International Airport in June 2024.

In addition, there are also cargo planes, fixed base operators and military aircraft that operate out of the Airport.

Existing Facilities

The Airport’s current passenger terminal facilities are comprised of three connected buildings aggregating approximately 232,000 square feet, with two concourses (Terminal A and Terminal B) and administration offices (the “Existing Terminal Building”). The Existing Terminal Building has 14 aircraft gates and is located in the southeast quadrant of the Airport. In addition to the Existing Terminal Building, the Airport’s facilities include two runways, an intermodal transportation center, parking facilities (in addition to those provided in the intermodal transportation center), general aviation facilities, and other supporting facilities.

Terminal Relocation Project

Terminal A of the Existing Terminal Building was originally constructed in 1930. Terminal B was added to the Existing Terminal Building in 1974. There have been many renovations and improvements over the years, but major changes are necessary to bring the Airport up to modern safety and design standards, in particular to address the fact that the Existing Terminal Building is situated too close to the runways for modern federal safety standards. The FAA has determined, however, that the Authority can continue to operate the Airport safely given the special operating procedures in place. The FAA has long advocated for the relocation of the Airport’s terminal facilities in order to meet current airfield design standards. For many years, however, the City of Burbank and the Authority could not reach an agreement regarding whether or how the Authority could reconfigure the Airport facilities to bring them into compliance with the FAA’s airfield design standards. The Authority and the City of Burbank entered into a Development Agreement, dated January 10, 2017 (the “Development Agreement”) for a replacement passenger terminal, which had previously been approved by voters of the City of Burbank in November 2016. Under the

Development Agreement, the Authority has obtained a contractual vested right to all discretionary approvals needed from the City of Burbank for completion of the Terminal Relocation Project. The Development Agreement also sets parameters for the Replacement Passenger Terminal, such as the maximum square footage (355,000 square feet) and the maximum number of gates (14 gates).

The “Terminal Relocation Project” includes the design, construction, improvement and equipping of: (a) the Replacement Passenger Terminal to replace the Existing Terminal Building, along with a new public parking garage (currently anticipated to have 2,039 spaces) to replace the existing parking structure, to be located in the northeast quadrant of the Site; (b) associated landside or airside improvements, including roadways, employee parking facilities, airline support facilities, and associated infrastructure necessary to serve the Replacement Passenger Terminal; and (c) the demolition of the Existing Terminal Building and certain other structures in the southeast quadrant of the Airport. The Terminal Relocation Project also includes the construction of a community electric utility substation located on the Site (the “Substation”) by Burbank Water & Power (“BWP”) to support the operation of the Replacement Passenger Terminal and other Airport facilities. The Authority’s total estimated cost for the Terminal Relocation Project (including the Authority’s share of the cost of the Substation) is approximately \$1.3 billion.

The Authority expects the Replacement Passenger Terminal to open by October 13, 2026. Pursuant to the Development Agreement, when the Replacement Passenger Terminal opens, all passenger operations will move from the Existing Terminal Building to the Replacement Passenger Terminal and the Existing Terminal Building will close for demolition. The Authority currently expects the Existing Terminal Building to be demolished within twelve months of the opening of the Replacement Passenger Terminal.

In addition to proceeds of the 2024 Bonds and the Anticipated Future Bonds (defined below), the Authority expects the sources for the funding of the Terminal Relocation Project to include federal grants, revenue from Passenger Facility Charges and a portion of the Authority’s existing available cash held in the Authority’s Facility Development Fund, which was established to provide for the eventual development of facilities to replace the Existing Terminal Building. The Authority has also established a commercial paper program (the “CP Program”), to provide interim financing for the Terminal Relocation Project, as needed. Under the CP Program, the Authority may issue up to \$200 million of commercial paper notes (the “Commercial Paper Notes”). As of the date hereof, the Authority has not issued any Commercial Paper Notes under the CP Program.

See “TERMINAL RELOCATION PROJECT” and “PLAN OF FINANCE.”

Airport Use Agreements

Significant to the Airport’s operations and the Authority’s revenues are the Authority’s contracts with the commercial airlines that operate at the Airport. The Authority has entered into substantially identical Airport Use Agreements with all eight commercial airlines that offer daily flights at the Airport (the “Existing Airport Use Agreements”). An airline’s rents and fees under each Existing Airport Use Agreement are currently calculated based on rates set by the Authority before the start of each Fiscal Year; provided that the Authority may make certain extraordinary adjustments if its revenues are insufficient to satisfy operating expenses during that Fiscal Year. The Authority has not raised the rates under the Existing Airport Use Agreements (nor has it invoked the extraordinary adjustment provisions) since July 2012. The current expiration date of all eight Existing Airport Use Agreements is June 30, 2025 (which date is before the expected opening date of the Replacement Passenger Terminal on October 13, 2026).

Any commercial airline that currently operates at the Airport without an Existing Airport Use Agreement does so pursuant to an Airport Use and Facilities Operating Permit (“Operating Permit”). Each Operating Permit has, effectively, a month-to-month term. The rent and fees under an Operating Permit are higher than those under the Existing Airport Use Agreements. FedEx Corporation and United Parcel Service, Inc. operate aircraft at the Airport under Operating Permits.

On March 4, 2024, the Authority Commission approved templates for: (i) an amendment to the Existing Airport Use Agreements (the “AUA Amendment”) and (ii) a new Airport Use Agreement (the “Replacement Airport Use Agreement”). Pursuant to their terms, the effectiveness of each of the AUA Amendment and the Replacement Airport Use Agreement is conditioned on the airline’s execution of both documents. Under the AUA Amendment, the

expiration date for the airline's Existing Airport Use Agreement will be extended to the earlier of: (a) the Commencement Date, or (ii) June 30, 2030. Upon signing a Replacement Airport Use Agreement, an airline will agree, with respect to its operations at the Airport, to be governed by the terms of the Replacement Airport Use Agreement starting on the "Commencement Date." The Commencement Date is the date on which the Authority allows the airline to begin revenue-generating operations at the Replacement Passenger Terminal. Execution copies of the AUA Amendment and the Replacement Airport Use Agreement were distributed to the airlines in March 2024. The Airlines will now have the opportunity to process the documents through their respective company procedures, a process that may take three to six months. See "CERTAIN INVESTMENT CONSIDERATIONS – Expiration and Possible Termination of Airport Use Agreements."

The Replacement Airport Use Agreement will have an expiration date of June 30, 2035 (which may be extended to June 30, 2040 by mutual agreement). Under the Replacement Airport Use Agreement, the airline's rent and fees will be calculated differently from those under the Existing Airport Use Agreement. The Replacement Airport Use Agreement will follow a "residual" rate-setting method (in contrast to the Existing Airport Use Agreement which follows a hybrid-residual model). The formulas under the Replacement Airport Use Agreement are designed so that the rent and fees will be adjusted each Fiscal Year to sufficiently cover the Authority's expenditures and expenses to operate the Airport (including amounts to be paid or set aside by the Indenture, such as debt service payments on Obligations issued by the Authority, debt service reserve deposits and operating reserve deposits required by the Indenture) for such Fiscal Year. See "AIRPORT USE AGREEMENTS – Replacement Airport Use Agreement."

In this Official Statement, each commercial airline that has executed an Existing Airport Use Agreement or, as applicable, a Replacement Airport Use Agreement, is called a "Signatory Airline." An airline that operates at the Airport pursuant to an Operating Permit (i.e., without an Existing Airport Use Agreement or a Replacement Airport Use Agreement) is called a "Non-Signatory Airline."

Airport Consultant's Report

Ricondo & Associates, Inc. ("Ricondo") has served as consultant to the Authority with respect to the issuance of the 2024 Bonds. Ricondo has provided consulting services to the Authority for over twenty years. In Ricondo's capacity as consultant to the Authority with respect to the 2024 Bonds, Ricondo prepared and provided the Report of the Airport Consultant attached to this Official Statement as APPENDIX A (the "Airport Consultant Report"). The Airport Consultant Report has been included in this Official Statement in reliance on the authority of Ricondo and its subconsultants as experts in traffic matters and financial projections relating to airports such as the Airport.

In the Airport Consultant Report, Ricondo concludes that Net Revenues in each year during the projection period of FY 2024-2032 (the "Projection Period") will be sufficient to satisfy the Authority's obligations under the Indenture while maintaining reasonable levels of passenger airline cost per enplaned passenger. Among other assumptions, the projections in the Airport Consultant Report assume that the Replacement Passenger Terminal will begin operation by October 13, 2026, that the rent and fees paid by the commercial airlines serving the Airport will follow the methodologies set forth in the Replacement Airport Use Agreement starting in FY 2027 and that all current Signatory Airlines will execute the AUA Amendment and the Replacement Airport Use Agreement. While the Authority has provided certain historical information as to Airport operations and financial results included in the Airport Consultant Report and believes that the assumptions, conclusions and projections in the Airport Consultant Report are reasonable, the Authority assumes no responsibility for the conclusions or projections found in the Airport Consultant Report.

As stated in the Airport Consultant Report, all projections are subject to uncertainties. There will likely be differences between projected and actual results, and those differences may be material and adverse. The Airport Consultant Report has not been updated to reflect the final terms of the 2024 Bonds or other changes occurring after the date of such report.

See "AIRPORT CONSULTANT REPORT – Projected Net Revenues and Debt Service Coverage" and " – Projected Revenues from Rent and Fees, and Cost per Enplanement" and the Airport Consultant Report in APPENDIX A.

[PLACEHOLDER FOR DISCUSSION REGARDING SW]

2024 Bonds

The 2024 Bonds will be dated their date of delivery and will bear interest from that date, payable on each January 1 and July 1, commencing January 1, 2025, at the interest rates, and will mature on July 1 in the years and principal amounts, set forth on the inside cover page of this Official Statement. The 2024 Bonds will be issuable as fully registered bonds and, when issued, will be registered in the name of Cede & Co., the nominee of The Depository Trust Company, New York, New York, the securities depository for the 2024 Bonds. The 2024 Bonds will be available for purchase in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof. The 2024 Bonds will be subject to redemption prior to maturity. See “THE 2024 BONDS.”

Outstanding Senior Obligations

Senior Obligations which rank on a parity with the 2024 Bonds with respect to the pledge of the Trust Estate that are currently Outstanding include the 2012 Bonds. (See “ – Security for 2024 the Bonds” below). The Authority’s Airport Revenue Bonds, 2015 Series B (the “2015B Bonds”) were issued pursuant to a Fourth Supplemental Indenture. On May [], 2024, the Authority defeased all of the outstanding 2015B Bonds.

The outstanding 2012 Bonds are comprised of: (i) \$6,715,000 in principal amount 2012 Series A (AMT) Bonds, and (ii) \$60,215,000 in principal amount 2012 Taxable Series B Bonds (of which \$2,055,000 will be subject to a mandatory sinking fund redemption on July 1, 2024). Pursuant to the Third Supplemental Indenture, the Authority elected to pledge certain Customer Facility Charges (“Pledged Customer Facility Charges”) as part of the security for the 2012 Bonds. No Customer Facility Charges are pledged as security for the 2024 Bonds or the Commercial Paper Notes. Historically, except for FY 2021 (due to the impact of COVID-19 on passenger traffic at the Airport), the Pledged Customer Facility Charges have been sufficient to pay a significant portion, though not all, of the principal and interest payment due on the 2012 Bonds each Fiscal Year (See “SOURCES OF REVENUE – Customer Facility Charges”). The Third Supplemental Indenture also established a 2012 Series Debt Service Reserve Fund, which secures only the 2012 Bonds.

To provide for interim financing as needed for the Terminal Relocation Project, the Authority Commission approved the CP Program. Pursuant to an Issuing and Paying Agent Agreement, dated as of June 1, 2023 (the “CP Issuing and Paying Agent Agreement”), the Authority may issue up to \$200 million of Commercial Paper Notes. The Authority has entered into reimbursement agreements with two banks in connection with the banks’ issuance of irrevocable direct-pay letters of credit to support the Commercial Paper Notes. Certain Authority payment obligations (for reimbursement of draws under the letters of credit) pursuant to these agreements constitute “Commercial Paper Reimbursement Obligations” under the Indenture.

Security for the 2024 Bonds

The 2024 Bonds are secured by the Trust Estate, subject to the terms of the Indenture. The Trust Estate consists primarily of Net Revenues. Net Revenues, for any period of time, consist of the Revenues for such period less the Operating Expenses for such period.

The Indenture defines “Bonds” as bonds issued under the Indenture, which may be Senior Bonds, Subordinate Bonds or Junior Subordinate Bonds. The 2012 Bonds are, and the 2024 Bonds will be, Senior Bonds.

In addition to the Senior Bonds, the Commercial Paper Notes and the Commercial Paper Reimbursement Obligations, the Indenture permits the Authority to incur other “Senior Obligations” pursuant to one or more Issuing Instruments, subject to the terms and conditions set forth in the Indenture. Similarly, other than the Subordinate Bonds and Junior Subordinate Bonds, the Authority may incur additional “Subordinate Obligations” and additional “Junior Subordinate Obligations” pursuant to Issuing Instruments, subject to the terms and conditions set forth in the Indenture.

With respect to the pledge of the Trust Estate, Senior Obligations rank senior in payment and priority to all Subordinate Obligations and Junior Subordinate Obligations. Subordinate Obligations rank senior in payment and

priority to Junior Subordinate Obligations. There are no Subordinate Obligations or Junior Subordinate Obligations outstanding, and the Authority has no plan to issue any at this time.

The Indenture establishes a Senior Debt Service Reserve Fund, which secures the Senior Bonds issued under the Indenture, unless otherwise specified (for example, a separate debt service reserve fund was established for the 2012 Bonds, see “ – Outstanding Senior Obligations” above). A portion of the proceeds of the 2024 Bonds will be used to [purchase of a reserve policy to be credited to the Senior Debt Service Reserve Fund][make a deposit into the Senior Debt Service Reserve Fund].

The 2024 Bonds will be special obligations of the Authority payable from, and secured by a pledge of, the Trust Estate. The 2024 Bonds will not constitute a general obligation of the Authority but shall constitute and evidence special obligations of the Authority payable as to principal, Redemption Price, interest and other payments solely from the Trust Estate. The 2024 Bonds will not be secured by a legal or equitable pledge of, or charge or lien upon, any property of the Authority or any of its income or receipts except the Trust Estate. Neither the faith and credit nor the taxing power of the State of California or any public agency thereof, including the Cities of Burbank, Glendale and Pasadena, will be pledged to the payment of the 2024 Bonds. The payment of the 2024 Bonds will not constitute a debt, liability or obligation of the State of California or any public agency thereof, including the Cities of Burbank, Glendale and Pasadena, other than the special obligation of the Authority as provided in the Indenture. The Authority has no taxing power.

See “SECURITY FOR THE 2024 BONDS,” APPENDIX C-1: “FORM OF AMENDED AND RESTATED MASTER INDENTURE” and APPENDIX C-2: “FORM OF FIFTH SUPPLEMENTAL MASTER INDENTURE.”

[Bond Insurance]

[TO COME]

Continuing Disclosure

In connection with the issuance of the 2024 Bonds, the Authority will covenant for the benefit of the Owners and the Beneficial Owners of the 2024 Bonds to provide certain financial information and operating data annually and to provide notices of the occurrence of certain enumerated events. This is to assist the underwriters of the 2024 Bonds named on the cover of this Official Statement (the “Underwriters”) in complying with Securities and Exchange Commission (“SEC”) Rule 15c2-12(b)(5). See “CONTINUING DISCLOSURE” and APPENDIX G: “PROPOSED FROM OF CONTINUING DISCLOSURE AGREEMENT.”

Certain Investment Considerations

The 2024 Bonds may not be suitable for all investors. Prospective purchasers of the 2024 Bonds should read this Official Statement in its entirety, including its appendices and the information under the section “CERTAIN INVESTMENT CONSIDERATIONS” before making an investment in the 2024 Bonds.

Miscellaneous

This Official Statement contains brief descriptions of, among other things, the 2024 Bonds, the Indenture, the Authority and the Airport. Such descriptions do not purport to be comprehensive or definitive. All references in this Official Statement to documents are qualified in their entirety by reference to such documents, and references to the 2024 Bonds are qualified in their entirety by reference to the form of the 2024 Bonds included in the Fifth Supplemental Indenture.

The Authority maintains a website to provide information concerning itself and the Airport, and a dedicated website for the Terminal Relocation Project. No information on such websites or the Authority’s social media accounts is included or incorporated by reference as part of this Official Statement. No information on any other website referenced in this Official Statement is part of or incorporated into this Official Statement except as expressly noted. No assurance is given as to the accuracy or timeliness of information on any website or social media account.

TERMINAL RELOCATION PROJECT

The Terminal Relocation Project includes the design, construction, improvement and equipping of: (a) the Replacement Passenger Terminal to replace the Existing Terminal Building, along with a new public parking garage (currently anticipated to have 2,039 spaces) to replace the existing parking structure, to be located in the northeast quadrant of the Site; (b) associated landside or airside improvements, including roadways, employee parking facilities, airline support facilities, and associated infrastructure necessary to serve the Replacement Passenger Terminal; and (c) the demolition of the Existing Terminal Building and certain other structures in the southeast quadrant of the Airport. The Terminal Relocation Project also includes the construction of the Substation by BWP to support the operation of the Replacement Passenger Terminal and other Airport facilities. The Authority's total estimated cost for the Terminal Relocation Project (including the Authority's share of the cost of the Substation) is approximately \$1.3 billion.

The following page contains a map showing the boundaries of the Airport, the location of existing Airport facilities, and the location of the Replacement Passenger Terminal and new parking garage.

LEGEND:

1. TERMINAL BUILDING A
2. TERMINAL BUILDING B
3. CURRENT PARKING LOTS
4. RITC
5. CARGO / GSE FACILITY
6. FEDEX CARGO FACILITY
7. ARFF STATION
8. HANGARS
9. POLICE AIR SUPPORT FACILITY
10. FBO - ATLANTIC
11. FBO - MILLION AIR
12. MAINTENANCE FACILITY
13. FUEL FACILITY
14. FAA ATCT
15. RPT SITE
16. RPT PARKING GARAGE
17. METROLINK / AMTRAK SOUTH STATION
18. METROLINK NORTH STATION



[Map of Airport Boundaries, Existing Facilities, Replacement Passenger Terminal and New Parking Garage]

History of the Airport and the Terminal Relocation Project

The Site (excluding the B-6 Site portion later acquired as described below) originally became an airport in 1930. It was built by United Aircraft and Transport Corporation, an affiliate of Boeing Airplane and Transport Corporation and a predecessor of United Airlines. It was originally named United Airport, and later Union Air Terminal. In 1940, the airport was acquired by Lockheed Air Terminal, Inc. (“LAT”), a wholly owned subsidiary of Lockheed Martin Corporation (“Lockheed”). When LAT announced plans in 1976 to close the airport, the Authority was formed by the Cities of Burbank, Glendale and Pasadena, to acquire the Site for operation as a public airport pursuant to the Federal Aviation Act of 1958 and the Airport and Airway Development Act of 1970. The Authority purchased from LAT the runways, taxiways, passenger terminal, certain hangars and other improvements totaling approximately 440 acres in June 1978. At that time, Lockheed retained property adjacent to the Airport for other operations.

One concourse (Terminal A) of the Existing Terminal Building was originally built in 1930. The other concourse (Terminal B) was added to the Existing Terminal Building in 1974. Over the years, renovations and improvements have been made to maintain the Existing Terminal Building, including a \$30 million enhancement project in 2003 to accommodate security equipment and procedures mandated by federal regulations after the September 11, 2001 terrorist attacks.

While the FAA has determined that the Authority can continue to operate the Airport safely given the special operating procedures in place, the Existing Terminal Building is situated too close to the runways to be compliant with current FAA airfield design standards and is not compliant with current California seismic standards. The Existing Terminal Building is located approximately 125 feet from the centerline of an active runway, which conflicts with the FAA’s commonly designated runway safety area and object free area of 250 feet from the runway centerline. Additionally, the central section of the Existing Terminal Building has been operational since 1930 and does not meet current California seismic building standards. In addition to the safety concerns, the interior spaces of the Existing Terminal Building, such as the holdrooms, concession space and baggage make-up areas are undersized and inefficient for the Airport’s current level of passenger activity.

To address these safety issues, in 1980 the FAA and the Authority initiated discussions regarding relocating the terminal facilities. An adjacent property (known as the “B-6 Site” because of Lockheed’s B-6 Plant then located there), then still owned by Lockheed, was identified as a suitable location. The Authority purchased 49 acres (out of the total 130 acres) of the B-6 Site in 1999, despite prior opposition by the City of Burbank.

Developments from 2015 to 2017; Measure B

The Authority’s primary motivation in undertaking the Terminal Relocation Project has been to bring the Airport into compliance with modern safety standards. However, dating back to the period when the current Airport facilities were owned by LAT, the City of Burbank has expressed concerns about airport operations at the Site, primarily regarding noise control, and has taken various actions over the years to oppose a replacement terminal project at the Airport.

In November 2015, the Authority Commission and the Burbank City Council approved a conceptual term sheet for a long-term solution for the Authority and the City of Burbank to address their respective concerns regarding the Terminal Relocation Project. This solution was memorialized in two documents: (i) the Development Agreement, and (ii) a second amendment to the Authority’s Joint Powers Agreement (the “Second JPA Amendment”).

At an election held on November 6, 2016, the following question was submitted to the City of Burbank voters, as “Measure B”: “Shall Ordinance No. 16-3,882 be approved allowing no more than a 14-gate, 355,000 square foot replacement terminal and ancillary improvements to be built at the Bob Hope Airport meeting current safety, seismic standards and improving disabled access; demolishing the existing terminal; and modifying Adjacent Property easement and authorizing future agreements necessary to implement the project; in exchange for governance changes that provide Burbank a greater voice in the future of the airport?” Approximately 70% of the voters approved Measure B.

The Development Agreement has a 20-year term that began on February 7, 2017. Pursuant to California Government Code Section 65864 et seq., under the Development Agreement, the Authority has obtained a contractual vested right to all discretionary approvals needed from the City of Burbank for completion of the Terminal Relocation Project and the City of Burbank has agreed to hold in abeyance certain disputes affecting the development of the Terminal Relocation Project. This vested right generally allows the Authority to develop the Terminal Relocation Project in accordance with the City of Burbank's project approvals, and with the City of Burbank's development regulations in effect on February 7, 2017, regardless of any conflicting new laws that may be enacted by the City of Burbank or its voters. Among other things, this vested right protects the Authority against a conflicting new law that would do any of the following: limit the density or timing of the development of the Terminal Relocation Project, impose new development impact fees, or impose new discretionary review processes. The Development Agreement requires the City of Burbank to process the Authority's demolition permit, grading permit, building permit, and occupancy certificate applications for the Terminal Relocation Project on a ministerial basis. If the City of Burbank fails to do so, then the Authority has a right to pursue nonbinding mediation through a building official from the City of Santa Ana, City of Santa Clarita, or City of Thousand Oaks. If mediation does not resolve the dispute, then the Authority can require the City of Burbank to transfer building official duties for the Terminal Relocation Project to the County of Los Angeles. The Development Agreement also sets parameters for the Replacement Passenger Terminal, such as the maximum square footage (355,000 square feet) and the maximum numbers of gates (14 gates).

Under the Joint Powers Agreement, each of the member Cities (i.e., Burbank, Glendale, and Pasadena) appoints three members to the Authority Commission. Generally, actions by the Authority Commission require the affirmative vote of a simple majority of Authority Commission members. However, the affirmative vote of a majority of the appointees of each member City (a "Supermajority Vote") is needed for some categories of actions. The Second JPA Amendment adds categories of actions that require a Supermajority Vote (and hence, the action could not be taken without the vote of at least two of the Authority Commissioners appointed by the City of Burbank). See "THE AUTHORITY – Joint Powers Agreement."

City of Burbank Substation

The Terminal Relocation Project also includes the construction by BWP of the Substation, a new 33MVA 2-bank community substation on the Site, to support the increased long-term electrical load required to operate the Replacement Passenger Terminal and other Airport facilities. The Substation is expected to be completed in 2028. Provision of electric supply facilities in addition to those currently powering the Existing Terminal Building (located in the southeast quadrant of the Site) is necessary to complete the construction of the Terminal Relocation Project and operate the Replacement Passenger Terminal (located in the northeast quadrant of the Site) when it opens.

To address the additional electric power supply needs, the Authority is currently negotiating with BWP to provide interim electrical supply facilities to provide power for the construction of the Terminal Relocation Project and the operation of the Replacement Passenger Terminal until the BWP is completed. As of the date hereof, the Authority and the City of Burbank are negotiating a contract (the "BWP Substation Contract"), under which the City of Burbank will: (i) build the Substation, to be completed in 2028, and that is expected deliver sufficient power for Airport operations after the Replacement Passenger Terminal opens, and (ii) in the interim, provide facilities for additional power that are expected to allow the Authority to construct the Replacement Passenger Terminal and operate the Airport until the Substation is complete. These negotiations include the addition of two new distribution lines to the Substation providing redundant power supplies and increasing the system reliability. The facilities to be constructed and provided by BWP under the BWP Substation Contract are separate from those currently supplying power to the Existing Terminal Building. While the Authority will be obligated to contribute to the construction cost, the Substation will be built, owned and operated by the City of Burbank through BWP. The proposed payment by the Authority under the BWP Substation Contract, estimated to be approximately \$50 million, will be subject to FAA approval.

Environmental Reviews

The Terminal Relocation Project has been reviewed pursuant to the California Environmental Quality Act ("CEQA") and the federal National Environmental Policy Act ("NEPA"). As to CEQA, in July 2016 the Authority Commission certified a Final Environmental Impact Report for a Replacement Airline Passenger Terminal at Burbank Bob Hope Airport (State Clearinghouse No. 2015121095) ("FEIR"). The appeals period for the FEIR has expired.

As to NEPA, in May 2021 the FAA issued its Final Environmental Impact Statement for Proposed Replacement Passenger Terminal Project at Bob Hope “Hollywood Burbank” Airport with Record of Decision (the “2021 FEIS”). The City of Los Angeles contested the 2021 FEIS in litigation, but in March 2023, the U.S. Court of Appeals for the Ninth Circuit rejected the vast majority of the challenges. The court directed the FAA to perform an additional, limited environmental review of noise impact from simultaneous operation of construction equipment associated with the Terminal Relocation Project, and to consider whether the results of that review affect the cumulative impacts analysis or the environmental justice analysis. In response to the court’s decision, the FAA has issued its Final Written Re-Evaluation of FAA’s May 21, 2021 Combined Final Environmental Impact Statement and Record of Decision dated December 29, 2023 (the “2023 Re-Evaluation” and, together with the 2021 FEIS, the “FEIS”). There have been no further legal challenges to the FEIS and the appeals period for the FEIS has expired. With the expiration of the appeals period for the FEIR and the FEIS, all environmental approvals required for the Terminal Relocation Project have been received and all appeals periods for such approvals have expired.

Project Management, Design and Construction

The Authority expects the Replacement Passenger Terminal to open by October 13, 2026. Operations at the Existing Terminal Building are expected to continue uninterrupted during construction of the Replacement Passenger Terminal. Pursuant to the Development Agreement (see “– Developments from 2015 to 2017: Measure B” above), when the Replacement Passenger Terminal opens, passenger operations will move from the Existing Terminal Building to the Replacement Passenger Terminal and the Existing Terminal Building will be closed for demolition.

Between March 27, 2019 and October 26, 2019, the Authority conducted a series of workshops open to the public in the Cities of Burbank, Glendale, Pasadena and Los Angeles, and received community input on safety improvements, design features and amenities for the Terminal Relocation Project.

The Authority Commission approved a progressive design-build project delivery method for the Terminal Relocation Project in May 2019 and approved the engagement of Jacobs Project Management Co. (a wholly-owned subsidiary of Jacobs Engineering Group, a Delaware Corporation), as the Terminal Relocation Project program manager (“Jacobs” or the “Program Manager”) in April 2022. As the Program Manager, Jacobs supports the planning, procurement, program administration, design, and construction oversight activities for the Terminal Relocation Project. See – Terminal Relocation Project Participants.”

The Authority conducted a procurement process for design-build services, which process was required to meet FAA requirements. In a letter dated November 16, 2022, the FAA affirmed its approval of the selection criteria used by the Authority. At the end of the procurement process, the Authority Commission selected a joint venture consisting of three firms (collectively, “HPTJV” or the “Design-Builder”): (i) Holder Construction Group, LLC, a Georgia limited liability company, (ii) Charles Pankow Builders, Ltd., a California limited partnership, and (iii) TEC Management Consultants, Inc., a California corporation. In addition to those firms, the HPTJV team includes Corgan Associates, Inc. (architect) and Burns & McDonnell (engineering subconsultant), among others. See “– Terminal Relocation Project Participants.”

The Authority and HPTJV executed a Design-Build Agreement, dated December 19, 2022 (the “Design-Build Agreement”). Pursuant to the Design-Build Agreement, the Authority is required to make progress payments to the Design-Builder, according to task orders and fee applications approved by the Authority Commission. The Authority has the ability to terminate the Design-Build Agreement for default or, at any time, for convenience subject to the terms of the Design-Build Agreement. The Design-Builder’s responsibilities, and therefore pricing under the Design-Build Agreement, do not include construction of the Substation (see “– City of Burbank Substation” above).

Under the Design-Build Agreement, the Design-Builder is required to furnish all labor, materials and equipment required for the work to be performed by the Design-Builder under the Design-Build Agreement. The Design-Builder’s services include study and report services, drafting preliminary technical documents, preparation of construction drawings and construction specifications, construction planning services, construction of the Terminal Relocation Project, and start-up, testing, commissioning and final corrections of the Terminal Relocation Project.

The Design-Build Agreement generally provides that the Authority’s costs under the contract (including costs for design, engineering, materials and construction) would not exceed a guaranteed maximum price (“GMP”)

approved by the Authority Commission. As described in more detail below, on May 6, 2024, the Authority Commission approved a GMP in the amount of \$[] covering the entire cost of the Terminal Relocation Project, except costs related to the demolition of certain existing facilities and the BWP Substation Contract. The GMP includes contingency amounts, the use of which require the Authority's approval pursuant to the Design-Build Agreement, and schedule contingencies.

As permitted by the Design-Build Agreement, the Design-Builder has further implemented a Component Guaranteed Maximum Price ("CGMP") strategy. Under this strategy, the overall project is divided into several components. For each component, when construction drawings and specifications and other work relating to cost estimates reach a substantial level, the Design-Builder submits a CGMP proposal to the Authority Commission for approval. Once the CGMP is approved, the Design-Builder then proceeds with the completion of the drawings and specifications for, and the construction of, such component. The sum of the all CGMPs will constitute the GMP for the Design-Build Agreement.

Over 60% of the design services for the preparation of construction drawings and specifications have been completed on schedule. The Design-Builder has agreed to achieve substantial completion of the Replacement Passenger Terminal by October 13, 2026 pursuant to the Design-Build Agreement. Substantial completion of the portion of the Terminal Relocation Project that the Design-Builder is responsible for is required to be completed on or before October 1, 2027 (which includes the demolition of the Existing Terminal Building), and final completion of the portion of the Terminal Relocation Project that the Design-Builder is responsible for is required to be completed on or before December 15, 2027.

The Design-Build Agreement provides for "excusable delays" and "compensable delays." Excusable delays are those delays that meet all of the following requirements: (1) it was not the responsibility of the Design-Builder under the Design-Build Agreement and was beyond the reasonable control of the Design-Builder; (2) it could not have been foreseen or avoided by the Design-Builder; (3) it could not have been reasonably mitigated by the Design-Builder; (4) it was not caused by the Design-Builder, its subcontractors or agents; and (5) the Design-Builder provided written notice to the Authority of the delay act or event within seven calendar days of its occurrence and thereafter satisfied all requirements in the Design-Build Agreement for making a request for extension to the project schedules and milestones. While the date of completion can be extended due to an excusable delay, any cost increases remain the responsibility of the Design-Builder, unless they are also compensable delays.

A compensable delay is required to be an excusable delay and must meet all of the following requirements: (1) the costs of delay could not be reasonably mitigated by the Design-Builder; (2) it is the result of a change directed by the Authority, breach of contract or active negligence of the Authority, its employees, or separate contractors, or the cause of the delay was beyond the Design-Builder's control; (3) such delay may not be concurrent with a delay caused in whole or in part by the Design-Builder; (4) it may not otherwise be precluded by the Design-Build Agreement; and (5) the Design-Builder is required to have otherwise satisfied the requirements for making a claim of compensation, including complying with the Design-Build Agreement's notice provisions. The Design-Build Agreement provides that the Design-Builder has the burden of proving that a delay is excusable and compensable. If an excusable delay is found to be a compensable delay, the Authority will by change order extend the work completion time for the increase in the time of performance and will adjust the total Contract Price. The Design-Build Agreement provides that the change order will be Design-Builder's sole remedy arising out of a compensable delay.

Force majeure events under the Design-Build Agreement are excusable, non-compensable delays to the extent that the force majeure event delays the progress of critical path activities for the Terminal Relocation Project, are beyond the Design-Builder's control, were not anticipated by the Design-Builder and could not be mitigated by the Design-Builder regardless of the cost of mitigation. Force majeure events include acts of God (except as excluded in the Design-Build Agreement), certain types of labor or industrial disturbances, certain acts of violence, terrorism or war, certain extreme, orders by any court, board, department, commission or city of the United States or of any State, civil disturbances, explosions, rain and other adverse weather conditions.

Force majeure events are excusable, compensable delays if a force majeure event is a single event natural occurrence with delay impacts exceeding 30 days, then any delay beyond the 30th day after such force majeure shall be an excusable compensable delay in the amount that Design-Builder's actual costs attributed to the delay beyond

that point. The Design-Build Agreement provides that the Authority makes any final determinations as to whether any force majeure events qualify as excusable and non-compensable or compensable delays.

If either the Authority or the Design-Builder is unable to fulfill its obligations under the Design-Build Agreement due to a force majeure event, the obligations of such party to perform are only suspended during the continuance of the force majeure event. Any extensions of time to the completion dates under the Design-Build Agreement, when granted, will be based upon the effect of a force majeure event (whether compensable or not), Authority caused delays or actual time impact of an excusable and/or compensable delay.

Under the Design-Build Agreement, the Authority and the Design-Builder recognize that the construction industry is currently in a highly volatile state with escalation and supply chain logistics challenges. The Authority and the Design-Builder under the Design-Build Agreement also recognize that various markets providing essential materials for the Terminal Relocation Project are experiencing and are anticipated to continue to experience significant, industry-wide volatility during the performance of the Design-Build Agreement due to the COVID-19 pandemic and current geopolitical conflicts that may impact price, availability, and delivery time frames. To the extent that these issues are outside of the control of the Design-Builder, they may be treated as excusable and compensable delays under the terms of the Design-Build Agreement.

Due to the long period between the establishment of the GMP and the commencement of work to demolish the Existing Terminal Building and existing parking garage, costs related to such demolition have been excluded from the GMP. The Authority expects that closer in time to the completion of the Replacement Passenger Terminal, the Design-Builder will submit a proposal (currently expected to be approximately \$[20] million) for the demolition of the Existing Terminal Building and the existing parking garage. The Authority expects to pay such remaining amount with money from FAA grants and not bond proceeds.

In sum, the total costs of the Terminal Relocation Project are estimated to be \$1.3 billion. These costs include the Design-Builder's costs associated with the planning, design and construction of the Terminal Replacement Project and such costs are included in the GMP. The following costs are included in the estimated \$1.3 billion total cost for the Terminal Relocation Project, but are not included in the GMP: costs for the Authority's project management, approximately \$60 million budgeted for contingencies (the "Contingency Amount"), approximately \$20 million for the demolition of the Existing Terminal Building and existing parking garage, and \$50 million for the Substation. The Contingency Amount is intended to cover additional cost in case of any change orders or unforeseen circumstances. In addition to the 2024 Bonds, the Authority anticipates issuing the Anticipated Future Bonds to finance a portion of the costs of the Terminal Relocation Project. See "AIRPORT CONSULTANT REPORT – Projected Net Revenues and Debt Service Coverage." Except as provided in the Design-Build Agreement, the Design-Builder bears the risk of delivering the Terminal Relocation Project (to final completion) for the GMP. As described above, any changes in material costs or other construction cost increases, other than those related to unforeseen conditions or Authority requested changes as provided in the Design-Build Agreement, are the Design-Builder's responsibility.

Liquidated damages may be assessed by the Authority for each missed milestone under the Design-Build Agreement, and may be cumulative. Pursuant to a CGMP proposal approved by the Authority Commission, the Design-Builder must achieve substantial completion of the Replacement Passenger Terminal (i.e., the stage where work is sufficiently and suitably complete so that the Authority can take beneficial occupancy) by October 13, 2026, or be subject to liquidated damages of \$10,000 per day past October 13, 2026. The Design-Build Agreement further requires the Design-Builder to achieve substantial completion of the Terminal Relocation Project (including demolition of the Existing Terminal Building and the parking garage in the southeast quadrant of the Site after the completion of the Replacement Passenger Terminal) on or before October 1, 2027, and final completion of the full Terminal Relocation Project on or before December 15, 2027.

The Design-Builder is required to procure at the Design-Builder's sole expense the following insurance coverage types and policy limits: worker's compensation at statutory levels; aircraft operations area automobile liability covering any automobile with a \$10 million combined single limit; non-aircraft operations area automobile liability covering any automobile with a \$1 million combined single limit, aviation/airport liability with a limit of \$10 million per occurrence, commercial general liability with a limit of \$10 million per occurrence, professional liability with a limit of \$10 million per claim, employer's liability with a limit of \$1 million per accident or occupational illness and builder's risk as required per CGMP package. Insurance policy limits are required to be reviewed for adequacy

annually by the Authority throughout the term of the Design-Build Agreement. The Authority may adjust the insurance coverage amounts to the amount that the Authority deems to be adequate.

A Contractor Controlled Insurance Program (“CCIP”) policy has been procured through the Design-Builder. The CCIP policy protects the Authority, the Design-Builder and the Design-Builder’s subcontractors from worker’s compensation and third-party general liability claims. Through this program, the Design-Builder will be able to provide subcontractor opportunities to disadvantaged business enterprise (“DBE”), minority-owned business enterprise (“MBE”), women-owned enterprise (“WBE”), and veteran-friendly business enterprise (“VBE”) – including firms that might not qualify on their own – to participate in the Terminal Relocation Project. The Design-Builder is in the process of procuring builder’s risk insurance under a separate policy, which will include business interruption coverage to insure against project delays.

See “CERTAIN INVESTMENT CONSIDERATIONS—Certain Factors Affecting the Terminal Relocation Project” in this Official Statement.

Status of Construction of the Terminal Relocation Project and Key Permits

In April 2023, the Authority Commission selected a conceptual design for the Replacement Passenger Terminal, called the “The Icon” (a rendering of which is shown in the front pages of this Official Statement). The first round of permits from the City of Burbank were received in December 2023 and mass grading began in January 2024. A groundbreaking ceremony for the Terminal Relocation Project took place on January 25, 2024. Rough excavation and site balancing at the site of the Replacement Passenger Terminal were completed in [April] 2024. Mass excavation for the basement of the Replacement Passenger Terminal is expected to be completed in May 2024, and mass excavation for the basement of the new parking garage is expected to be completed in July 2024. As of the date hereof, no material subsurface issues have been discovered as a result of the mass grading activities. [PROVIDE ADDITIONAL UPDATES IF MATERIAL THROUGH POSTING THE POS].

The Authority, the Program Manager and the Design-Builder have worked collaboratively with the City of Burbank for the necessary permits required for the Terminal Relocation Project, and has received certain permits required to begin construction of the Terminal Relocation Project. A summary showing the status of the certain critical required permits, approvals and authorizations required for the continued construction of the Terminal Relocation Project (including the demolition of existing facilities) are shown below. As such permits are critical path items, a delay in the delivery of the permits may result in a delay in the construction and delivery of the Terminal Replacement Project. All such permits are to be provided by the City of Burbank. See “– Developments from 2015-2017; Measure B” for a discussion of the permits to be granted by the City of Burbank related to the Terminal Relocation Project, as provided by the Development Agreement.

Permit Type	Expected Date of Receipt	Status
Grading – work and crane pads (Site 2)	[N/A]	[Received]
Foundation and Structural Frame (Terminal)	[N/A]	[Received]
Foundation and Structural Frame (New Parking Structure)	7/12/2024	Pending
Demolition of Existing Terminal Building and other legacy facilities	1/2/2027	Expected to submission date []

Terminal Relocation Project Participants

Jacobs – Project Manager

Jacobs is an international technical professional service firm headquartered in Texas. Jacobs is currently supporting every commercial service airport in Southern California. In its 70+ years of providing aviation services,

Jacobs has provided project management services in connection with over 25 major programs with a total construction cost of over \$500 billion. Notable airport projects include:

- Seattle-Tacoma International Airport – North Satellite Expansion and Renovation
- Eppley Airfield (Omaha Airport) – Terminal Development
- Chicago O’Hare International Airport – 21 Terminal Expansion
- LaGuardia Airport – Redevelopment
- Pittsburgh International Airport – Terminal Modernization
- Hartsfield-Jackson Atlanta International Airport – NEXT
- Salt Lake City International Airport – Terminal Replacement Complex
- Los Angeles International Airport – Landside Access Modernization
- Denver International Airport – Great Hall and Concourse Expansion Program
- Tampa International Airport – Master Plan Implementation

Holder Construction Group, LLC – Design-Builder

Holder Construction Group, LLC is a national commercial construction services firm with experience related to new terminals and transportation hubs, concourse expansions, airline clubs and live renovations. It was established in 1960 and has annual revenues of approximately \$5 billion. Notable airport projects include:

- Salt Lake City International Airport – Redevelopment Program Phase 1A
- Hartsfield-Jackson Atlanta International Airport – International Terminal F, Terminal Pedestrian Bridges and West Parking Deck
- Charlotte Douglas International Airport – Terminal Lobby Expansion
- Denver International Airport – Concourse B&C Expansion
- Nashville International Airport – Satellite Concourse

Charles Pankow Builders, Ltd – Design-Builder

Charles Pankow Builders, Ltd. was established in 1963 and has annual revenues of approximately \$400 million. It provides design-build, design-assist, general contracting and tenant improvement services. It is recognized as one of the premier parking structure and office building contractors in California. Notable airport projects include:

- Bob Hope Airport, commonly known as Hollywood Burbank Airport – Terminal B Security Checkpoint Renovations

TEC Management Consultants, Inc. – Design-Builder

TEC Management Consultants, Inc. was established in 1988 and has annual revenues of approximately \$35 million. It is a multidisciplinary professional services firm specializing in engineering and construction project management. Notable airport projects include:

- Los Angeles International Airport – Tom Bradley International Terminal
- Los Angeles International Airport – Central Utility Plant
- Los Angeles International Airport – United Airlines East Aircraft Maintenance and GSE Complex
- Los Angeles International Airport – Terminal Cores and APM Interface Project

Corgan Associates, Inc. – Architect

Corgan Associates Inc. has over 80 years’ experience working across multiple sectors, and over 70 years’ experience in the aviation sector, with expertise in master planning, terminal design and interior design. Notable airport projects include:

- Sacramento International Airport – Central Terminal D

- Dallas Fort Worth International Airport – International Terminal D
- George Bush Intercontinental Airport (Houston) – International Terminal E
- John F. Kennedy International Airport – Terminal 6 Redevelopment
- Phoenix Sky Harbor International Airport – Terminal 3 Modernization Program
- Los Angeles International Airport – Midfield Satellite Concourse
- Long Beach Airport – Terminal Redevelopment Program
- Hartsfield-Jackson Atlanta International Airport – International Terminal
- San Antonio International Airport – New Terminal Development
- Eppley Airfield (Omaha Airport) – Terminal Modernization
- LaGuardia Airport – Terminal C

Burns & McDonnell – Engineering Subconsultant

Burns & McDonnell was established in 1898 and offers integrated construction and design services, with a team of over 14,000 engineers, construction and craft professionals in over 75 offices. Its airport experience includes aviation support infrastructure and facilities, technology and security services, deicing, fueling and ramp services, hangars, passenger terminals and other facilities. Notable airport projects include:

- LaGuardia Airport – Terminal C
- Louis Armstrong New Orleans International Airport – Program Management Program
- Ontario International Airport – Runway 8R-26L Reconstruction
- Los Angeles International Airport – Midfield Satellite Concourse
- Los Angeles International Airport – Terminal 4/5 Modernization Program
- Los Angeles International Airport – Terminal 6 Modernization Program
- Bob Hope Airport, commonly known as Hollywood Burbank Airport – Airfield Electrical Vault

California High-Speed Rail Authority Settlement

The California High-Speed Rail Authority (“CHSRA”) is pursuing a high-speed rail project in the State of California. A 14-mile segment between the Airport and Los Angeles Union Station, with stops at both locations (the “Burbank-LA HSR Project”), has been proposed as part of the overall project. CHSRA certified a final environmental impact report/environmental impact statement (the “HSR EIR”) for the Burbank-LA HSR Project pursuant to CEQA and NEPA. The Burbank-LA HSR Project would involve work at various locations adjacent to, and underneath, the grounds of the Airport, including underground tracks that would cross underneath one of the Airport’s runways and the foundation of the Airport’s Regional Intermodal Transportation Center (the “RITC”). The commencement of the Burbank-LA HSR Project will be subject to CHSRA’s procurement of funding, and is not expected to occur before the completion of the Terminal Relocation Project.

In February 2021, the Authority filed a lawsuit to challenge the adequacy of the HSR EIR and in November 2023 the Authority and CHSRA reached a settlement for the lawsuit. For the November 2023 settlement, the Authority and CHSRA entered into a framework agreement intended to facilitate the design and construction of the Burbank-LA HSR Project in a manner that does not negatively impact the safe operation of the Airport or the completion of the Terminal Relocation Project. The framework agreement affords the Authority numerous protections including: (i) CHSRA is prohibited from accessing the Airport for the Burbank-LA HSR Project unless authorized by an access agreement with the Authority or by a court order; and (ii) CHSRA must compensate the Authority for revenue losses that directly result from any Airport inoperability caused by the construction of the Burbank-LA HSR Project. The framework agreement contemplates that additional contracts will be negotiated upon the funding and advancement of the Burbank-LA HSR Project, including a reimbursement agreement, access agreements, an inoperability compensation agreement, and an operations and maintenance agreement.

PLAN OF FINANCE

The Authority anticipates paying for the Terminal Relocation Project cost using a combination of bond proceeds, funds held in the Authority's Facility Development Reserve, revenues from the FAA's Passenger Facility Charge Program ("PFC") (see "SOURCES OF REVENUES – Passenger Facility Charges"), and grants from various FAA programs, including: (i) the Airport Improvement Program ("AIP"), (ii) the Airport Infrastructure grants program ("AIG") and (iii) the Airport Terminals Program ("ATP"). As described above, from time to time, the Authority may also issue up to \$200 million of Commercial Paper Notes to be used for interim financing for a portion of the Terminal Relocation Project, as needed.

In addition to the 2024 Bonds, the Authority anticipates issuing Senior Bonds in FY 2027 (the "Anticipated Future Bonds") for the Terminal Relocation Project in an expected principal amount of \$[_____]. Table 1 below shows the expected cost of various components of the Terminal Relocation Project.

Table 1
Plan of Finance for Terminal Relocation Project

	Expected Cost
Terminal	\$
Sitework	\$
Parking Facilities	\$
Roadways	\$
Airside	\$
Demolition - Existing Terminal & Garage	\$
Support Facilities	\$
Total	\$

Source: Table 1-2 of the Airport Consultant Report.

AIRPORT USE AGREEMENTS

This section contains a summary of certain provisions of the Existing Airport Use Agreement, the AUA Amendment and the Replacement Airport Use Agreement. Capitalized terms used and not otherwise defined below or elsewhere in this Official Statement have the meanings ascribed to them in the Existing Airport Use Agreement or the Replacement Airport Use Agreement, as applicable. See APPENDIX D-1: "SUMMARY OF CERTAIN PROVISIONS OF THE EXISTING AIRPORT USE AGREEMENTS," APPENDIX D-2: "SUMMARY OF CERTAIN PROVISIONS OF AMENDMENT TO AIRPORT USE AGREEMENT" and APPENDIX D-3: "SUMMARY OF CERTAIN PROVISIONS OF REPLACEMENT AIRPORT USE AGREEMENT."

Existing Airport Use Agreement

All eight commercial passenger airlines that currently offer daily flights at the Airport are currently parties to substantially identical Existing Airport Use Agreements with the Authority. Therefore, all eight are Signatory Airlines.

The Existing Airport Use Agreements set forth the business arrangement between the Authority and the Signatory Airlines including, but not limited to, the use of space in the Existing Terminal Building, insurance, indemnification, environmental compliance, maintenance of Airport facilities, security deposit and the Authority's rate-setting mechanism. A Signatory Airline can, however, in extraordinary circumstances (e.g., where because of FAA action the Signatory Airline is unable to operate at the Airport as a passenger airline, and where the Signatory Airline is not in default in its payments or other obligations to the Authority), terminate its Existing Airport Use Agreement with advance written notice (the length of which varies depending on the circumstances), subject to a termination payment in accordance with the terms of the Existing Airport Use Agreement. The Existing Airport Use Agreements are subject and subordinate to the Indenture, and other bond-related trust agreements and resolutions of

the Authority. If there are any conflicts between the Existing Airport Use Agreements and the Indenture, the Indenture governs. Upon expiration or termination of an Existing Airport Use Agreement, the airline would have to vacate and cease operations at the Airport, or would have to execute an Operating Permit to continue operating at the Airport as a Non-Signatory Airline. If any airline elects not to execute the Replacement Airport Use Agreement, it can continue to serve the Airport under an Operating Permit after July 1, 2025 (the expiration date of the Existing Airport Use Agreement) as a Non-Signatory Airline and pay a 35% premium as compared to the rate for the Signatory Airlines. If none of the current Signatory Airlines execute the AUA Amendment and the Replacement Airport Use Agreement by July 1, 2025, the Authority has the option of establishing rates for the rents and fees pursuant to a resolution (the “Rate Resolution”). The rates under the Rate Resolution will be sufficient to enable the Authority to meet the coverage requirements of the Indenture, and is also expected to take into account provisions for set-asides and extraordinary operating reserves. See “CERTAIN INVESTMENT CONSIDERATIONS – Expiration and Possible Termination of Airport Use Agreements” and “ – Initiatives and Referenda.”

Under the Existing Airport Use Agreements, the Signatory Airlines agree to pay Rental (for Exclusive Use Space), Joint Use Fees (for use of Joint Use Space) and Landing Fees. The Existing Airport Use Agreements provide for adjustments to the Rental, Joint Use Fees and Landing Fees rates according to the Authority’s Annual Budget, adopted before the start of the Fiscal Year, with respect to, generally, the costs of the Existing Terminal Building and the Airport’s airfield areas. The Existing Airport Use Agreements also provide for extraordinary increases in Landing Fee rates if the Authority’s revenues are insufficient to satisfy expenses of operating the Airport or that are incidental to, or arise out of, the operations of the Airport.

Before undertaking a Capital Improvement, the Authority must provide certain relevant information to the Signatory Airlines. With limited exceptions (for example, if the project cost is under \$1 million but this exception may not be applied to more than \$2 million in aggregate in a single Fiscal Year), the Authority must obtain the Signatory Airlines’ approval before adjusting rent and fees to fund a Capital Improvement. A “Majority-In-Interest” of the Signatory Airlines may withhold approval in writing in accordance with the Existing Airport Use Agreements. A “Majority-In-Interest” is defined as: “As of any date, a numerical majority of Signatory Airlines, which numerical majority shall have landed more than 75% of the Total Landed Weight at the Airport during the immediately preceding Fiscal Year.”

An Airline Airport Affairs Committee (the “AAAC”) has been established pursuant to the Existing Airport Use Agreements. Each Signatory Airline is permitted to appoint a person to be a member of the AAAC. Such appointee acts on the airline’s behalf in all matters required or allowed to be approved by the Signatory Airlines. Authority staff meets with the AAAC representatives regularly. A 2022 amendment to the Existing Airport Use Agreement with each Signatory Airline contains an acknowledgment that the Signatory Airline (or its designated consultant) would be an active participant with the Authority, the Authority’s program manager and the design-builder with regard to the design and cost for the Terminal Relocation Project. Furthermore, if the Signatory Airlines cease support for the Terminal Relocation Project (whether such cessation occurs before or after GMP determination), then all associated non-capitalized expenses and interim financing costs are within the scope of elements to be taken into account for the calculation of rents and fees under the Existing Airport Use Agreement. See “TERMINAL RELOCATION PROJECT – Project Management, Design and Construction.”

The Existing Airport Use Agreements expire on June 30, 2025, and have many provisions that were written for the Existing Terminal Building which are not applicable to the new Replacement Passenger Terminal after it commences operations. On March 4, 2024, the Authority Commission approved templates for: (i) the Replacement Airport Use Agreement, which will govern terms under which an airline operates at the Airport once the Replacement Passenger Terminal opens, and (ii) the AUA Amendment, as described below. The March 2024 Authority Commission approval authorized minor changes to these templates before execution. Execution copies of the AUA Amendment and the Replacement Airport Use Agreement were distributed to the airlines in March 2024. The Airlines will now have the opportunity to process the documents thorough their respective company procedures, and the process may take three to six months. Pursuant to their terms, the effectiveness of each of the AUA Amendment and the Replacement Airport Use Agreement is conditioned on the airline’s execution of both documents. Summaries of certain provisions of the execution copies of the AUA Amendment and the Replacement Airport Use Agreement are set forth in Appendices D-1 and D-2 of this Official Statement.

Amendment to Existing Airport Use Agreement

Under the AUA Amendment, the expiration date for a Signatory Airline's Existing Airport Use Agreement will be extended to the earlier of: (a) the Commencement Date, as defined in the Replacement Airport Use Agreement, or (b) June 30, 2030. "Commencement Date" is the date on which the Authority provides the airline beneficial occupancy of the Replacement Passenger Terminal. Beneficial occupancy occurs on the date that the Authority, pursuant to a City of Burbank-issued occupancy permit (including a temporary certificate of occupancy), allows the airline to use space in the Replacement Passenger Terminal for revenue-generating operations.

The AUA Amendment clarifies that, before the Commencement Date, the Authority will continue to calculate rents and fees pursuant to the Existing Airport Use Agreement, unless adjustments are necessary to: (i) meet requirements relating to the bonds issued by the Authority to finance the Terminal Relocation Project, (ii) pay costs for the Terminal Relocation Project that cannot be capitalized, or (iii) adjust for any significant Airport activity disruption resulting in revenue decrease.

The AUA Amendment provides that, once the Authority accepts the GMP for the Terminal Relocation Project (see "TERMINAL RELOCATION PROJECT – Project Management, Design and Construction"), a Majority-In-Interest approval will be required for any scope modification (other than a legally required modification) that would necessitate a change order to amend the GMP amount.

Replacement Airport Use Agreement

The Replacement Airport Use Agreement will govern the terms under which a Signatory Airline will operate at the Airport starting on the Commencement Date (i.e., the date of beneficial occupancy of the Replacement Passenger Terminal).

The Replacement Airport Use Agreement and the Existing Airport Use Agreement have similar provisions with respect to insurance, indemnification, environmental compliance, compliance with certain standards for operation at the Airport, security deposit and Majority-In-Interest approval for Capital Improvements. Some definitions have been updated. For example, the term "Common Use Space" is used in lieu of "Joint Use Space." The termination provisions have been modified to allow the Signatory Airline the possibility of continuing to pay Rental for Exclusive Space and Common Use Fees until one or more alternative Signatory Airlines takes the Exclusive Use Space leased under the agreement, instead of paying a lump-sum termination payment; provided that, just as in the Existing Airport Use Agreement, the Signatory Airline and the Authority could agree to an alternative termination payment amount. The Replacement Airport Use Agreement continues to provide that it is subject and subordinate to the Indenture, and other bond-related trust agreements and resolutions of the Authority. If there are any conflicts between the Replacement Airport Use Agreements and the Indenture, the Indenture will govern.

As discussed under "AIRPORT CONSULTANT REPORT – Projected Net Revenues and Debt Service Projections," the methodologies under which the Authority will calculate the Rental (rent for Exclusive Use Space), Common Use Fees (compensation for use of Common Use Space) and Landing Fees pursuant to the Replacement Airport Use Agreements will be different from those under the Existing Airport Use Agreements. The Replacement Airport Use Agreement follows a "residual" rate-setting method (in contrast to the Existing Airport Use Agreement which follows a hybrid-residual model).

Under the Replacement Airport Use Agreement, before the start of each Fiscal Year, the Authority will estimate the "Replacement Passenger Terminal Requirement" for that Fiscal Year to determine the Rental and the Common Use Fees. Generally, the Replacement Passenger Terminal Requirement will be calculated by summing all Authority costs and expenses for, or allocable to, the Replacement Passenger Terminal (including amounts necessary to comply with the Indenture), plus any deficit from the Parking and Roadway Cost Center (relating to access roads to the Replacement Passenger Terminal and the portions of the Airport devoted to automobile parking) (or, if there is a surplus from the Parking and Roadway Cost Center, the surplus would be a credit), less Non-Airline Revenue from the Replacement Passenger Terminal. "Non-Airline Revenue" refers to revenue received by the Authority from sources other than Signatory Airlines and includes PFC revenue.

Using the Replacement Passenger Terminal Requirement, the Authority will determine the “RPT Base Rate.” The RPT Base Rate is, for each Fiscal Year, a dollar amount per square foot that equals the Replacement Passenger Terminal Requirement divided by the sum of: (i) the aggregate square feet of Exclusive Use Space leased to all Signatory Airlines; and (ii) the square feet of Common Use Space.

For any Fiscal Year, a Signatory Airline’s monthly Rental will equal: the number of square feet of Exclusive Use Space leased by the Signatory Airline, multiplied by the applicable RPT Base Rate, and then divided by 12 (i.e., the number of months in a year).

The Common Use Fees each month will equal: the total number of square feet of Common Use Space, multiplied by the RPT Base Rate, and then divided by 12 (i.e., the number of months in a year). The Common Use Fees will be allocated among all of the Signatory Airlines based on the Common Use Formula. The Common Use Formula: (i) equally allocates among all Signatory Airlines 20% of the fees for the use of the Common Use Space; and (ii) allocates 80% of such fees among all Signatory Airlines according to the ratio of (A) the number of each Signatory Airline’s enplaning passengers at the Airport during each month of the Fiscal Year to (B) the total number of enplaning passengers of all Signatory Airlines for that month.

The Authority will also estimate the “Airfield Area Requirement” before the start of each Fiscal Year to determine the Landing Fee Rate for that Fiscal Year. Generally, the Airfield Area Requirement is all Authority costs and expenses for, or allocable to, the Airfield Cost Center (including amounts necessary to comply with the Indenture), plus any expense of services to be provided by the Authority’s member Cities to the Airfield Cost Center, plus any deficiency in any Special Fund of the Authority, including for the accumulation to (and maintenance of) an amount of unencumbered cash (or cash equivalents) equal to 540 days of the Airport Daily Operating Requirement, but net of the Non-Airline Revenue from the Airfield Cost Center and net revenue from the Estimated Other Buildings and Area Cost Center. “Airport Daily Operating Requirement” is the dollar amount necessary for the Authority to maintain operation of the Airport for one full day, assuming no revenue.

The Authority will calculate the Landing Fee Rate for each Fiscal Year by dividing the Airfield Area Requirement by the estimated composite Maximum Gross Landing Weight of all Aircraft Arrivals of all Signatory Airlines during such Fiscal Year, based upon estimates of use provided by the Signatory Airlines. In any event, the Landing Fee Rate shall not be less than \$0.50 per 1,000 pounds. A Signatory Airline’s Landing Fees for any month will be the product of the then applicable Landing Fee Rate multiplied by Airline’s Total Landed Weight for the month.

After the close of each Fiscal Year, the Authority will make recalculations based on actual operating results. If the Recalculated Total (i.e., sum of the Recalculated Rent, Recalculated Common Use Fees and the Recalculated Landing Fees) is greater than the Total Received (i.e., the sum of Rental, Common Use Fees and Landing Fees actually paid by Signatory Airline) for such Fiscal Year, then the Signatory Airline will pay the difference within 30 days of the Authority’s delivery of the Year-End Statement, which is required to be delivered by November 15 following the end of such Fiscal Year. If the Total Received is greater than the Recalculated Total, the Signatory Airline will receive a credit memo on any payment within the 12 months after the credit memo was issued.

A contrast between the “hybrid residual” rate-setting method under the Existing Airport Use Agreement and the “residual” rate-setting method under the Replacement Airport Use Agreement lies in the Authority’s ability to accumulate excess revenues from year to year. Under the Existing Airport Use Agreement, a Signatory Airline’s rent and fees are based on established fixed rates (subject to the Authority’s right to adjust rates each Fiscal Year). If the rent and fees collected exceed the Authority’s expenses in any Fiscal Year, the excess can be accumulated for future use. In contrast, the rent and fees under the Replacement Airport Use Agreement will be calculated based on requirements for the same Fiscal Year. If the rent and fees collected during a Fiscal Year exceed the requirements based on actual operating results, the excess will be credited to the Signatory Airline through the Fiscal Year-end reconciliation described above. Therefore, the Authority will not be able to accumulate the excess revenues in the same way as it has done under the Existing Airport Use Agreement. It should be noted that the formulas for calculating rent and fees each Fiscal Year under the Replacement Airport Use Agreement take into account the debt service coverage requirement under the Indenture and any other applicable bond agreement. The Authority intends to retain, in the Surplus Fund established under the Indenture, an amount equal to 25% of the Accrued Debt Service on the Senior Bonds for debt service coverage purposes (see footnote 5 to the table under “AIRPORT CONSULTANT REPORT – Projected Net Revenues and Debt Service Coverage”). Furthermore, the Replacement Airport Use

Agreement provides for the establishment of a set-aside fund to be used for routine capital expenditures and other expenditures as deemed necessary by the Authority's Executive Director, and use of this fund will not be subject to Signatory Airline approval. The amount of this set-aside fund will initially equal \$3 million and will be increased by 3% each Fiscal Year. Replenishment of this set-aside fund each Fiscal Year, as necessary, will be included in the rate base for the Signatory Airlines under the Replacement Airport Use Agreement. In addition to this set-aside fund, as described above in the paragraph pertaining to the calculation for "Airfield Area Requirement," the Replacement Airport Use Agreement permits the Authority to accumulate, and then maintain, sufficient cash (or cash equivalent) to allow the Airport to continue operation for 540 days in the event of an unforeseen revenue interruption (such as the one caused by the COVID-19 pandemic).

As in the Existing Airport Use Agreements, the Authority will commit in the Replacement Airport Use Agreements to not grant any Non-Signatory Airline more favorable terms than those granted under the Replacement Airport Use Agreements. The Replacement Airport Use Agreement provides that the rent and landing fees for a Non-Signatory Airline will be at least 135% of the rates payable by the Signatory Airlines, and in any event, the landing fees payable by a Non-Signatory Airline will not be less than \$1.56 per 1,000 pounds of Maximum Gross Landing Weight.

Information Concerning Airlines

While the rent and fees under paid by the airlines are an important revenue source, it should also be noted that the activity of airlines at the Airport is reasonably correlated with the total number of passengers at the Airport. It follows that these passengers pay for parking and concessions which account for an important share of the Authority's other revenues. Thus, the financial condition of the airlines serving the Airport is reasonably expected to affect Authority operations and finances. The Authority, however, cannot predict the extent of this impact or the financial condition of the airlines serving the Airport. See "CERTAIN INVESTMENT CONSIDERATIONS."

The Authority makes no representation as to the business operations, financial condition or future viability of Southwest or of any other airline and makes no representation about the filings referred to below. The principal domestic airlines, or their respective parent corporations, including each current Signatory Airline, are subject to the information reporting requirements of the Securities Exchange Act of 1934, as amended, and in accordance therewith file reports and other information, including financial information, with the SEC. The SEC maintains an Internet site that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC. Copies of such reports and statements can be obtained from the SEC website at <http://www.sec.gov>. The Authority has no responsibility for the completeness or accuracy of information available from the SEC, including, but not limited to, updates of information on the SEC's website or links to other websites accessed through the SEC's website. None of the information filed by the airlines or on the SEC's website is incorporated into this Official Statement.

ESTIMATED SOURCES AND USES OF FUNDS FOR 2024 BONDS

Table 2 below sets forth the estimated sources and uses of funds in connection with the 2024 Bonds.

Table 2
Estimated Sources and Uses of Funds for 2024 Bonds

	<u>2024A Bonds</u>	<u>2024B Bonds</u>	<u>2024C Bonds</u>	<u>Total</u>
Sources of Funds:				
Principal Amount	\$	\$		\$
Original Issue [Premium][Discount]				
Total Sources	<u>\$</u>	<u>\$</u>	<u></u>	<u>\$</u>
Uses of Funds:				
Deposit to 2024 Bonds Construction Account	\$	\$		\$
Deposit to 2024 Bonds Capitalized Interest Account				
[Deposit to Senior Debt Service Reserve Fund]				
Costs of Issuance ⁽¹⁾				
Total Uses	<u>\$</u>	<u>\$</u>	<u></u>	<u>\$</u>

⁽¹⁾ Includes Underwriters' discount, rating agency fees, legal and other professional fees[, purchase of [bond insurance and] debt service reserve policy,] and other costs of issuing the 2024 Bonds.

DEBT SERVICE SCHEDULE

Table 3 below sets forth for each Fiscal Year the annual debt service requirements for the 2024 Bonds and the 2012 Bonds.

Table 3
Debt Service Schedule

Fiscal Year Ended June 30	2024A Bonds		2024B Bonds		2024C Bonds		2012 Bonds ⁽¹⁾	Total Debt Service ⁽²⁾
	Principal*	Interest	Principal*	Interest	Principal*	Interest	Total	
2024	-	\$		\$			\$ 5,832,433	\$
2025	\$		\$		\$		5,833,134	
2026							5,832,439	
2027	-	-					5,835,069	
2028	-	-					5,835,469	
2029	-	-					5,833,360	
2030	-	-					5,833,464	
2031	-	-	-	-	-	-	5,835,225	
2032	-	-	-	-	-	-	5,833,087	
2033	-	-	-	-	-	-	5,831,771	
2034	-	-	-	-	-	-	5,832,360	
2035	-	-	-	-	-	-	5,836,615	
2036	-	-	-	-	-	-	5,833,665	
2037	-	-	-	-	-	-	5,833,219	
2038	-	-	-	-	-	-	5,834,406	
2039	-	-	-	-	-	-	5,836,353	
2040							5,833,189	
2041							5,834,333	
2042							5,838,000	
2043								
2044								
2045								
2046								
2047								
2048								
2049	-	-	-	-	-	-		
2050								
2051								
2052								
2053								
2054	-	-	-	-	-	-		
Total ⁽¹⁾	\$	\$	\$	\$	\$	\$	\$ 105,015,158	\$

* Preliminary, subject to change.

⁽¹⁾ Expected to be paid primarily from Available CFC Revenues. See table 6-5 in the Airport Consultant Report in APPENDIX A.

⁽²⁾ Numbers may not sum due to rounding.

THE 2024 BONDS

General

The 2024 Bonds will be dated their date of delivery and will bear interest from that date, payable on each January 1 and July 1, commencing January 1, 2025, at the interest rates, and will mature on July 1 in the years and principal amounts, set forth on the inside cover page of this Official Statement. Interest on the 2024 Bonds will be calculated on the basis of a 360-day year of twelve 30-day months.

Book-Entry Only System

The 2024 Bonds will be issued by means of The Depository Trust Company (“DTC”) book-entry system with no distribution of physical bond certificates made to the public. One bond certificate for each maturity of each Series will be issued to DTC, and immobilized in its custody. The book-entry system will evidence ownership of the 2024 Bonds in the principal amount of \$5,000 or any integral multiple thereof, with transfers of ownership effected on the records of DTC and its Participants.

When issued, the 2024 Bonds will be registered in the name of Cede & Co., as nominee of DTC. So long as DTC, or its nominee, is the registered Owner of all 2024 Bonds, all payments on the 2024 Bonds will be made directly to DTC, or its nominee, and disbursements of such payments to the DTC Participants will be the responsibility of DTC and disbursements of such payments to the Beneficial Owners of the 2024 Bonds will be the responsibility of the DTC Participants. For information on the DTC book-entry system, see APPENDIX E: “DTC BOOK-ENTRY ONLY SYSTEM.”

NEITHER THE AUTHORITY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DTC PARTICIPANTS, INDIRECT DTC PARTICIPANTS, OR ANY BENEFICIAL OWNER WITH RESPECT TO (A) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, CEDE & CO., ANY DTC PARTICIPANT, OR ANY INDIRECT DTC PARTICIPANT; (B) ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO THE OWNERS OF THE 2024 BONDS; (C) THE SELECTION BY DTC OR ANY DTC PARTICIPANT OR INDIRECT DTC PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF EITHER SERIES OF THE 2024 BONDS; (D) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OR INDIRECT DTC PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OR REDEMPTION PREMIUM, IF ANY, OR INTEREST DUE WITH RESPECT TO ANY 2024 BONDS; (E) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNER OF THE 2024 BONDS; OR (F) ANY OTHER MATTER RELATING TO DTC OR THE DTC BOOK-ENTRY ONLY SYSTEM.

Redemption*

Optional Redemption of the 2024A Bonds and 2024B Bonds. The 2024A Bonds maturing on and after July 1, ____, will be subject to redemption prior to maturity at the option of the Authority and from any source of funds, in whole or in part (in such amounts as are specified by the Authority) on any date on and after July 1, ____ at a Redemption Price equal to the principal amount of the 2024A Bonds to be redeemed, plus unpaid accrued interest thereon to the date fixed for redemption, without premium.

The 2024B Bonds maturing on and after July 1, ____, will be subject to redemption prior to maturity at the option of the Authority and from any source of funds, in whole or in part (in such amounts as are specified by the Authority) on any date on and after July 1, ____ at a Redemption Price equal to the principal amount of the 2024B Bonds to be redeemed, plus unpaid accrued interest thereon to the date fixed for redemption, without premium.

No Optional Redemption of 2024C Bonds. The 2024C Bonds are not subject to optional redemption prior to maturity.

* Preliminary, subject to change.

Mandatory Redemption of the 2024 Bonds. The 2024A Bonds maturing on July 1, _____ are subject to mandatory sinking fund redemption prior to their stated maturity, in part by lot, at a Redemption Price equal to the principal amount of such 2024A Bonds to be redeemed, without premium, on each July 1 commencing July 1, 20____, in the following principal amounts which are the Sinking Fund Installments for such 2024A Bonds:

2024A Bonds Maturing July 1, _____

Year (July 1)	Principal Amount
_____	_____
	\$

†

† Maturity Date

The 2024A Bonds maturing on July 1, _____ are subject to mandatory sinking fund redemption prior to their stated maturity, in part by lot, at a Redemption Price equal to the principal amount of such 2024A Bonds to be redeemed, without premium, on each July 1 commencing July 1, 20____, in the following principal amounts which are the Sinking Fund Installments for such 2024A Bonds:

2024A Bonds Maturing July 1, _____

Year (July 1)	Principal Amount
_____	_____
	\$

†

† Maturity Date

The 2024B Bonds maturing on July 1, _____ are subject to mandatory sinking fund redemption prior to their stated maturity, in part by lot, at a Redemption Price equal to the principal amount of such 2024B Bonds to be redeemed, without premium, on each July 1 commencing July 1, 20____, in the following principal amounts which are the Sinking Fund Installments for such 2024B Bonds:

2024B Bonds Maturing July 1, _____

Year (July 1)	Principal Amount
_____	_____
	\$

†

† Maturity Date

The 2024B Bonds maturing on July 1, _____ are subject to mandatory sinking fund redemption prior to their stated maturity, in part by lot, at a Redemption Price equal to the principal amount of such 2024B Bonds to be redeemed, without premium, on each July 1 commencing July 1, 20____, in the following principal amounts which are the Sinking Fund Installments for such 2024B Bonds:

2024B Bonds Maturing July 1, ____

Year (July 1)	Principal Amount
_____	\$ _____

†

† Maturity Date

Method of Selecting the 2024 Bonds for Redemption. In the event that less than all of a Series of the Outstanding 2024A Bonds or 2024B Bonds are to be redeemed at the option of the Authority, the principal amount of each Series of 2024A Bonds or 2024B Bonds, and the principal amount of each maturity within a Series of 2024A Bonds or 2024B Bonds, to be redeemed will be determined by the Authority. In the event that less than all of the 2024A Bonds or 2024B Bonds of a Series and maturity are to be redeemed, the particular 2024A Bonds or 2024B Bonds of such Series and maturity to be redeemed will be selected by lot in such manner as the Trustee determines.

Upon surrender of any 2024A Bonds or 2024B Bonds to be redeemed in part only, the Authority will execute and the Trustee will authenticate and deliver to the Owner of such 2024A Bond or 2024B Bond, at the expense of the Authority, a new 2024A Bond or 2024B Bond, or 2024A Bonds or 2024B Bonds of Authorized Denominations equal in aggregate principal amount to the unredeemed portion of the 2024A Bond or 2024B Bond surrendered, of the same Series, maturity and terms as the surrendered 2024A Bonds or 2024B Bonds.

Notice of Redemption. Notice of redemption of 2024A Bonds or 2024B Bonds will be sent by the Trustee not less than 20 nor more than 60 days prior to the date set for redemption by first class mail, postage prepaid, at the address shown on the Bond Register, to the Owner of each 2024A Bond or 2024B Bond to be redeemed in whole or in part. During any period that a Securities Depository or its nominee is the registered Owner of the 2024A Bonds or 2024B Bonds to be redeemed, notices will be sent to such Securities Depository or its nominee. During such period, the Trustee will not be responsible for mailing notices of redemption to anyone other than such Securities Depository or its nominee.

Each notice of redemption of 2024A Bonds or 2024B Bonds will specify the Series and maturity date of the 2024A Bonds or 2024B Bonds to be redeemed, the redemption date and the place or places where amounts due upon such redemption will be payable and, if less than all of the 2024A Bonds or 2024B Bonds of any like Series and maturity are to be redeemed, the letters and numbers or other distinguishing marks of such 2024A Bonds or 2024B Bonds to be redeemed, and, in the case of 2024A Bonds or 2024B Bonds to be redeemed in part only, such notice will also specify the respective portion of the principal amount of such 2024A Bonds or 2024B Bonds to be redeemed. Such notice will further state: (i) that on such redemption date there will become due and payable upon each 2024A Bond or 2024B Bond (or portion thereof) to be redeemed the Redemption Price thereof (or the Redemption Price of the specified portions of the principal amount thereof to be redeemed in the case of 2024A Bonds or 2024B Bonds to be redeemed in part only); except that in the case of a redemption at the option of the Authority, such notice will state that such Redemption Price will become due and payable on such redemption date only if the Trustee holds sufficient funds to pay the Redemption Price of the 2024A Bonds or 2024B Bonds to be redeemed; and (ii) that on such redemption date if the Trustee holds sufficient funds to pay the Redemption Price of the 2024A Bonds or 2024B Bonds (or the portions thereof) to be redeemed, from and after such redemption date interest on such 2024A Bonds or 2024B Bonds (or the portion of such 2024A Bonds or 2024B Bonds to be redeemed) will cease to accrue and be payable.

Receipt of notice of redemption will not be a condition precedent to the redemption of the 2024A Bonds or 2024B Bonds. The failure of any Owner of any 2024A Bond or 2024B Bond to receive any such notice or any insubstantial defect in such notice will not affect the validity of the proceedings for the redemption of the 2024A Bonds or 2024B Bonds.

Notice of redemption of the 2024A Bonds or 2024B Bonds is also to be sent by the Trustee at least 20 days before the redemption date to the Securities Depository, to the Municipal Securities Rulemaking Board (the “MSRB”)

(through the Electronic Municipal Market Access website of the MSRB), unless otherwise designated by the MSRB or the SEC.

If at the time notice of any optional redemption of the 2024A Bonds or 2024B Bonds is given, there has not been deposited with the Trustee sufficient moneys to redeem all of the 2024A Bonds or 2024B Bonds called for redemption, the notice will state that such redemption is conditioned upon the receipt by the Trustee, on or prior to the date fixed for such redemption, of sufficient moneys to pay the Redemption Price of the 2024A Bonds or 2024B Bonds to be redeemed, and if the Trustee does not receive such moneys, the redemption notice will be of no force and effect and the Authority will have no obligation to redeem such 2024A Bonds or 2024B Bonds.

SECURITY FOR THE 2024 BONDS

The 2024 Bonds will be special obligations of the Authority payable solely from, and secured solely by a pledge of, the Trust Estate. The 2024 Bonds will not constitute a general obligation of the Authority. The 2024 Bonds will not be secured by a legal or equitable pledge of, or charge or lien upon, any property of the Authority or any of its income or receipts except the Trust Estate. Neither the faith and credit nor the taxing power of the State of California or any public agency thereof, including the Cities of Burbank, Glendale and Pasadena, will be pledged to the payment of the 2024 Bonds, and the payment of the 2024 Bonds will not constitute a debt, liability or obligation of the State of California or any public agency thereof, including the Cities of Burbank, Glendale and Pasadena, other than the special obligation of the Authority as provided in the Indenture.

Amendment and Restatement of the Master Indenture

In connection with the issuance of the 2024 Bonds, the Original Master Indenture will be amended and restated, in its entirety, by the Restated Master Indenture. See APPENDIX C-1 – FORM OF AMENDED AND RESTATED MASTER INDENTURE.

The Original Master Indenture provides that the Original Master Indenture can be amended and restated by the Restated Master Indenture if the Authority has received the written consent of each Credit Provider and the Authority has filed with the Trustee the written consent to the Restated Master Indenture of the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding. The current Credit Providers relate to the letters of credit supporting the Commercial Paper Notes.

By purchasing the 2024 Bonds, the Owners of the 2024 Bonds:

- (i) will be deemed to have irrevocably consented to the Restated Master Indenture and approved, on behalf of themselves and all subsequent Owners and Beneficial Owners of the 2024 Bonds, the Restated Master Indenture,
- (ii) pursuant to such consent, will have irrevocably directed the Trustee to consent to the Restated Master Indenture, and
- (iii) will have waived, and be deemed to have waived, and to have authorized and directed the Trustee to waive, any and all other formal notice, implementation, execution or timing requirements that may otherwise be required under the Original Master Indenture in order to implement the Restated Master Indenture.

Upon the issuance of the 2024 Bonds, Owners of the 2024 Bonds will constitute the Owners of a majority in aggregate principal amount of the Bonds Outstanding. On the date of issuance of the 2024 Bonds, after giving effect to the issuance of the 2024 Bonds, the consent of the Owners of a majority in aggregate principal amount of the Bonds (as defined in the Original Master Indenture) then Outstanding (as defined in the Original Master Indenture) under the Original Master Indenture will have been obtained. The Authority expects to receive the written consent of the Credit Providers to the Restated Master Indenture in connection with the issuance of the 2024 Bonds. The Restated Master Indenture will become effective on the “Effective Date” as defined in the Restated Master Indenture, which Effective Date is expected to be the date of issuance of the 2024 Bonds.

All references to the “Restated Master Indenture” herein refer to the Restated Master Indenture upon the Effective Date, and all references to the “Indenture” refer to the Restated Master Indenture, as supplemented by the Third Supplemental Indenture (as amended) and the Fifth Supplemental Indenture.

Pledge of Trust Estate; Net Revenues

Trust Estate. To secure the payment of all the Bonds (including the 2024 Bonds) and other Obligations at any time issued and Outstanding under the Indenture and to secure the performance and observance by the Authority of all of the covenants, agreements and conditions contained in the Bonds and other Obligations and the Indenture and any Issuing Instrument, the Authority under the Indenture pledges to the Trustee for the benefit of the Owners from time to time of all of the Bonds authenticated under the Indenture and issued by the Authority and Outstanding and the Owners from time to time of all other Obligations issued or incurred by the Authority and Outstanding, all with the respective priorities set forth in the Indenture, and grants to the Trustee for the benefit of the Owners from time to time of all the Bonds authenticated under the Indenture and issued by the Authority and Outstanding and the Owners from time to time of all other Obligations issued or incurred by the Authority and Outstanding, all with the respective priorities set forth in the Indenture, a security interest in and lien on, all of its right, title and interest, whether now owned or thereafter acquired, in, to and under the Trust Estate.

Under the Indenture, “Trust Estate” means subject to the provisions of the Indenture and any applicable Issuing Instrument permitting the application thereof for the purposes and on the terms and conditions set forth therein and subject to the rights of the Authority to release categories of Revenues from the Trust Estate as provided in the Indenture and described below under “Released Revenues”: (i) the Net Revenues; (ii) each Credit Support Instrument, including all payments thereunder; (iii) each Reserve Guaranty, including all payments thereunder; (iv) the Construction Fund, the Net Proceeds Fund, the Revenue Fund, the Senior Debt Service Fund, the Senior Debt Service Reserve Fund, the Subordinate Debt Service Fund, the Subordinate Debt Service Reserve Fund, the Junior Subordinate Fund, the Surplus Fund, each Senior Series Debt Service Reserve Fund and each Subordinate Series Debt Service Reserve Fund, including all Accounts in any of the foregoing, all money, instruments, investment property, and other property on deposit in or credited to any such Fund or Account, and all property, including Permitted Investments, purchased with money on deposit in or credited to any such Fund or Account; (v) any additional property that may from time to time, by delivery or by writing of any kind, be subjected to the lien hereof by the Authority or by anyone on its behalf which additional property the Trustee is authorized and directed to accept as part of the Trust Estate and any additional property in which a security interest is granted pursuant to a Supplemental Indenture or an Issuing Instrument to the extent provided in such Supplemental Indenture or Issuing Instrument; and (vi) all proceeds of the foregoing.

Notwithstanding any other provision of the Indenture or any Issuing Instrument, (i) the Senior Debt Service Fund shall secure only the Senior Bonds, (ii) the Senior Debt Service Reserve Fund shall secure only the Participating Senior Bonds, (iii) the Subordinate Debt Service Fund shall secure only the Subordinate Bonds, (iv) the Subordinate Debt Service Reserve Fund shall secure only the Participating Subordinate Bonds, (v) each Senior Series Debt Service Reserve Fund shall secure only the Senior Bonds that are specified in the applicable Supplemental Indenture to be secured thereby, (vi) each Subordinate Series Debt Service Reserve Fund shall secure only the Subordinate Bonds that are specified in the applicable Supplemental Indenture to be secured thereby, (vii) the Junior Subordinate Fund shall secure only the Junior Subordinate Obligations, (viii) each Credit Support Instrument, including the payments thereunder, shall secure or enhance only the Bonds or Obligations that are specified in the applicable Supplemental Indenture or Issuing Instrument to be secured or enhanced thereby, (ix) each Reserve Guaranty, including the payments thereunder, shall secure or enhance only the Bonds or Obligations that are specified in the applicable Supplemental Indenture or Issuing Instrument to be secured or enhanced thereby, and (x) each Account in the Construction Fund shall secure only the Bonds that are specified in the applicable Supplemental Indenture to be secured thereby.

Net Revenues. Under the Indenture, “Net Revenues” for any period of time, consist of Revenues for such period less Operating Expenses for such period. The pledge of the Net Revenues to the payment of the 2024 Bonds will be on a parity with other Senior Obligations issued in accordance with the Indenture.

Revenues. Under the Indenture, “Revenues” mean all income, receipts, earnings and revenues (including, but not limited to, any Subsidy) received by or accrued to the Authority, excluding the following (except to the extent deposited in the Revenue Fund): (a) gifts, grants and other funds otherwise included in the definition of “Revenues”

which are restricted by their terms to purposes inconsistent with the payment of Operating Expenses or Debt Service on Obligations (including any security deposits provided to the Authority from airline companies); (b) Net Proceeds and other insurance proceeds, to the extent the use of such Net Proceeds or other proceeds are restricted by the terms of the policy under which they are paid to a use inconsistent with the payment of Operating Expenses or Debt Service on Obligations; (c) except as and to the extent included in calculations made pursuant to the Rate Covenant (as defined herein), any Transfer; (d) except for any Special Facility Revenue that constitutes Revenues as provided in the Indenture, any Special Facility Revenue; (e) any gain or loss from the sale, exchange or other disposition of capital assets of the Authority; (f) any Released Revenues; (g) any unrealized gains on securities held for investment by or on behalf of the Authority; (h) any gains or losses resulting from changes in valuation of any Swap; (i) any unrealized gains or losses from the write-down, reappraisal or revaluation of assets; (j) the proceeds of Obligations; (k) any Termination Payments paid to the Authority upon the termination of a Swap; (l) Facilities Construction Credits; (m) Passenger Facility Charges; (n) Customer Facility Charges; (o) Grant Funds; (p) investment income derived from any moneys or securities which may be placed in escrow or trust to defease Obligations; (q) any arbitrage earnings which are required to be paid to the United States of America pursuant to Section 148 of the Internal Revenue Code; and (r) interest earnings or other investment earnings in the Net Proceeds Fund and any Account in the Construction Fund established by any Supplemental Indenture unless otherwise provided in such Supplemental Indenture.

The Indenture provides that for purposes of testing compliance with the Rate Covenant and the limitations contained in the Indenture on the issuance of Obligations, Revenues will be calculated based on Generally Accepted Accounting Principles, except that such calculation will include and exclude those items specifically included or excluded above or in the definition of Accrued Debt Service or Aggregate Adjusted Annual Debt Service, as applicable.

In addition, the Indenture provides that for purposes of meeting any of the tests prescribed by the Indenture, including the Rate Covenant and the limitations contained in the Indenture on the issuance of Obligations, any transfers from the Surplus Fund to the Revenue Fund are deemed to be "Revenues."

Operating Expenses. Under the Indenture, "Operating Expenses" means the reasonable and necessary costs and expenses of operating, maintaining and administering the Airport, determined in accordance with Generally Accepted Accounting Principles, including (among other things), charges under management agreements for the operation and maintenance of the Airport, salaries and wages and payments for associated benefits including payments in connection with medical, pension and post-retirement medical plans, fees for services, costs of materials, supplies and fuel, reasonable expenses of management, repairs and other expenses necessary to maintain and preserve the Airport in good repair and working order, reasonable amounts for administration, overhead, insurance, taxes (if any) and other similar costs, legal fees and expenses, the costs of Capital Improvements to the extent said Capital Improvements are budgeted to be paid from the Operating Fund, the fees and expenses of the Fiduciaries, the fees and expenses of remarketing agents, auction agents and dealers, the regularly scheduled fees to be paid pursuant to any Credit Support Agreement, expenses incurred in connection with the purchase or redemption of Obligations, and all other costs (including overhead of officers and employees of the member cities of the Authority) properly allocable to the operation, maintenance or administration of the Airport, but excluding in all cases (a) amortization of intangibles or other bookkeeping entries of a similar nature; (b) amortization and depreciation of Airport facilities and assets; (c) charges for the payment of principal, Redemption Price, Purchase Price, interest or other payments on any Obligations; (d) any items chargeable to a capital account; (e) any loss from the sale, exchange or other disposition of capital assets of the Airport; (f) any unrealized losses on securities held for investment by or on behalf of the Authority; (g) any losses resulting from changes in valuation of any Swap; (h) any unrealized losses from the write-down, reappraisal or revaluation of assets including investments for "other than temporary" declines in book value; (i) any extraordinary losses; (j) any loss resulting from extinguishment of indebtedness; (k) the costs and expenses of operating, maintaining and administering any Special Facility; (l) any costs and expense paid or expected to be paid, or for which the Authority (or an entity controlled by the Authority) is or is expected to be reimbursed, from or through any source (including Released Revenues) that is not included or includable in the definition of "Revenues", as determined by the Authority and described in a certificate of an Authorized Authority Representative delivered to the Trustee; and (m) any costs and expenses to the extent such costs and expenses are directly related or reasonably allocable to a category of Released Revenues, as determined by the Authority and described in a certificate of an Authorized Authority Representative delivered to the Trustee.

The Indenture provides that for purposes of testing compliance with the Rate Covenant and the limitations contained in the Indenture on the issuance of Senior Obligations (including the limitations described in “—Additional Senior Obligations”), Subordinate Obligations and Junior Subordinate Obligations, Operating Expenses will be calculated based upon Generally Accepted Accounting Principles, except that such calculation will include and exclude those items specifically included or excluded above.

Available Revenues. Under the Indenture, Passenger Facility Charges, Customer Facility Charges and Grant Funds are excluded from the definition of “Revenues” and the pledge of the Trust Estate under the Indenture unless the Authority, in its discretion, elects to deposit all or any part of the Passenger Facility Charges, Customer Facility Charges or Grant Funds received by the Authority into the Revenue Fund (in which case such deposited funds are considered Revenues) or elects to specify in a Supplemental Indenture or Issuing Instrument all or any part of such Passenger Facility Charges, Customer Facility Charges or Grant Fund as Available Revenues, in which case such Available Revenues will secure the applicable Obligations according to the lien and payment priority specified in such Supplemental Indenture or Issuing Instrument. The Indenture provides that at any time and from time to time, the Authority and the Trustee without the consent of the Owner of any Obligation and without the consent of any Credit Provider, may enter into a Supplemental Indenture or Issuing Instrument that (i) specifies the amount of Passenger Facility Charges, Customer Facility Charges and Grant Funds which will constitute Available Revenues during each Fiscal Year specified in such Supplemental Indenture or Issuing Instrument, (ii) specifies Obligations that are to be secured by Available Revenues and (iii) specifies the lien and payment priority of the Obligations. More than one Series of Obligations may be secured by Available CFC Revenues, Available Grant Revenues or Available PFC Revenues, and no consent from any Owner of any Obligation that is secured by any Available Revenues, or from any Credit Provider, shall be required as a condition to the issuance or incurring of any subsequently-issued Obligations that are secured by any Available Revenues. Notwithstanding any other provision of the Indenture, any Issuing Instrument, any Credit Support Agreement or any Credit Support Instrument, the Authority and the Trustee may amend (including reduce) the amount of Available CFC Revenues, or Available PFC Revenues specified pursuant to the provision of the Indenture with respect to any Fiscal Year without the consent of any Owner of any Obligation or any Credit Provider.

Pursuant to the Third Supplemental Indenture, the Authority pledged certain Customer Facility Charges as Available Revenues for the benefit of the 2012 Bonds. The Indenture provides that for so long as the 2012 Bonds are Outstanding, the Available Revenues pledged to the 2012 Series Bonds shall be deposited in the Debt Service Fund for the payment of debt service on the 2012 Bonds as provided in the Third Supplemental Indenture. These Available Revenues are not available for payment of debt service on the 2024 Bonds.

The Revenue Fund. The Authority is obligated under the Indenture to deposit all Revenues into the Revenue Fund. Amounts in the Revenue Fund are to be deposited into the various funds and accounts and applied to the payments specified in the Indenture on a monthly basis. See “—Flow of Funds” below.

Released Revenues

The Authority may cause a category of income, receipts or other revenues (“Released Revenues”) then included in the definition of “Revenues” under the Indenture to be excluded from such definition for all purposes of the Indenture by filing the following with the Trustee: (a) a written request of an Authorized Authority Representative to release such category of income, receipts and other revenues from the definition of Revenues, accompanied by a written certificate of an Authorized Authority Representative certifying the Authority is in compliance with all requirements of the Indenture; (b) a certificate of an Authorized Authority Representative or a report of an Independent Certified Public Accountant to the effect that Net Revenues, excluding the category of Revenues proposed to become Released Revenues and any corresponding Released Revenues Related Expenses, for each of the two Fiscal Years for which audited financial statements are available immediately preceding the date of such certificate or report were sufficient to satisfy the Rate Covenant for each of the two such Fiscal Years, assuming that 150% (instead of 125%) was used for the Senior Rate Coverage Covenant (as defined herein), 125% (instead of 110%) was used for the Subordinate Rate Coverage Covenant (as defined herein) and 110% (instead of 100%) was used for the Junior Subordinate Rate Coverage Covenant (as defined herein); (c) a certificate of an Authorized Authority Representative or Airport Consultant retained by the Authority to the effect that based upon current knowledge of the operations of the Airport, Net Revenues, excluding the category of Revenues proposed to become Released Revenues, and any corresponding Released Revenues Related Expenses, for the current Fiscal Year (and the preceding Fiscal Year if such

year is not included in the certificate required of an Authorized Authority Representative described in clause (b) of this paragraph) are expected to be sufficient to satisfy the applicable Rate Covenant for such Fiscal Year, assuming that 150% (instead of 125%) was used for the Senior Rate Coverage Covenant, 125% (instead of 110%) was used for the Subordinate Rate Coverage Covenant and 110% (instead of 100%) was used for the Junior Subordinate Rate Coverage Covenant; and (d) a Rating Confirmation in connection with the withdrawal of the category of income, receipts and other revenues proposed to become Released Revenues. Notwithstanding the provisions in the Indenture related to Released Revenues or anything to the contrary contained in the Indenture, the Authority may, at any time, cause all or any portion of any Released Revenues to be included in the Definition of “Revenues” for all purpose of the Indenture (and thereby also include any corresponding Released Revenue Related Expenses in the definition of “Operating Expenses” for all purposes of the Indenture), which inclusion shall become effective when the Authority files with the Trustee a written request from an Authorized Authority Representative to include such Released Revenues in the definition of Revenues.

The Authority has not designated any Released Revenues under the Indenture.

Obligations Issued or Incurred under the Indenture

Under the Indenture, Obligations may be issued or incurred subject to the terms, conditions and limitations established under the Master Indenture, any Supplemental Indenture or Issuing Instrument. Under the Indenture, “Obligations” means with respect to any Person and without duplication: (a) obligations of such Person with respect to borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments (including Bonds), (c) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business (including, without limitation, accounts payable to construction contractors and other professionals for services rendered), (d) all obligations of such Person as lessee under finance leases, (e) all indebtedness of others secured by a lien on any asset of such Person, whether or not such indebtedness is assumed by such Person, (f) all indebtedness of others guaranteed by such Person, and (g) all obligations of such Person under a Swap.

Bonds may be issued and secured under the Indenture as “Senior Bonds,” “Subordinate Bonds,” or “Junior Subordinate Bonds” and Obligations (which includes Bonds) may be incurred and secured under the Indenture as “Senior Obligations,” “Subordinate Obligations” or “Junior Subordinate Obligations.” In addition, nothing in the Indenture prohibits the Authority from issuing obligations payable from and secured by the Trust Estate if such obligations are subordinate in payment and priority to the Junior Subordinate Obligations, the Subordinate Obligations and the Senior Obligations. Pursuant to the Indenture, all Senior Obligations shall be senior in payment and priority to all Subordinate Obligations, Junior Subordinate Obligations and any other subordinate obligations.

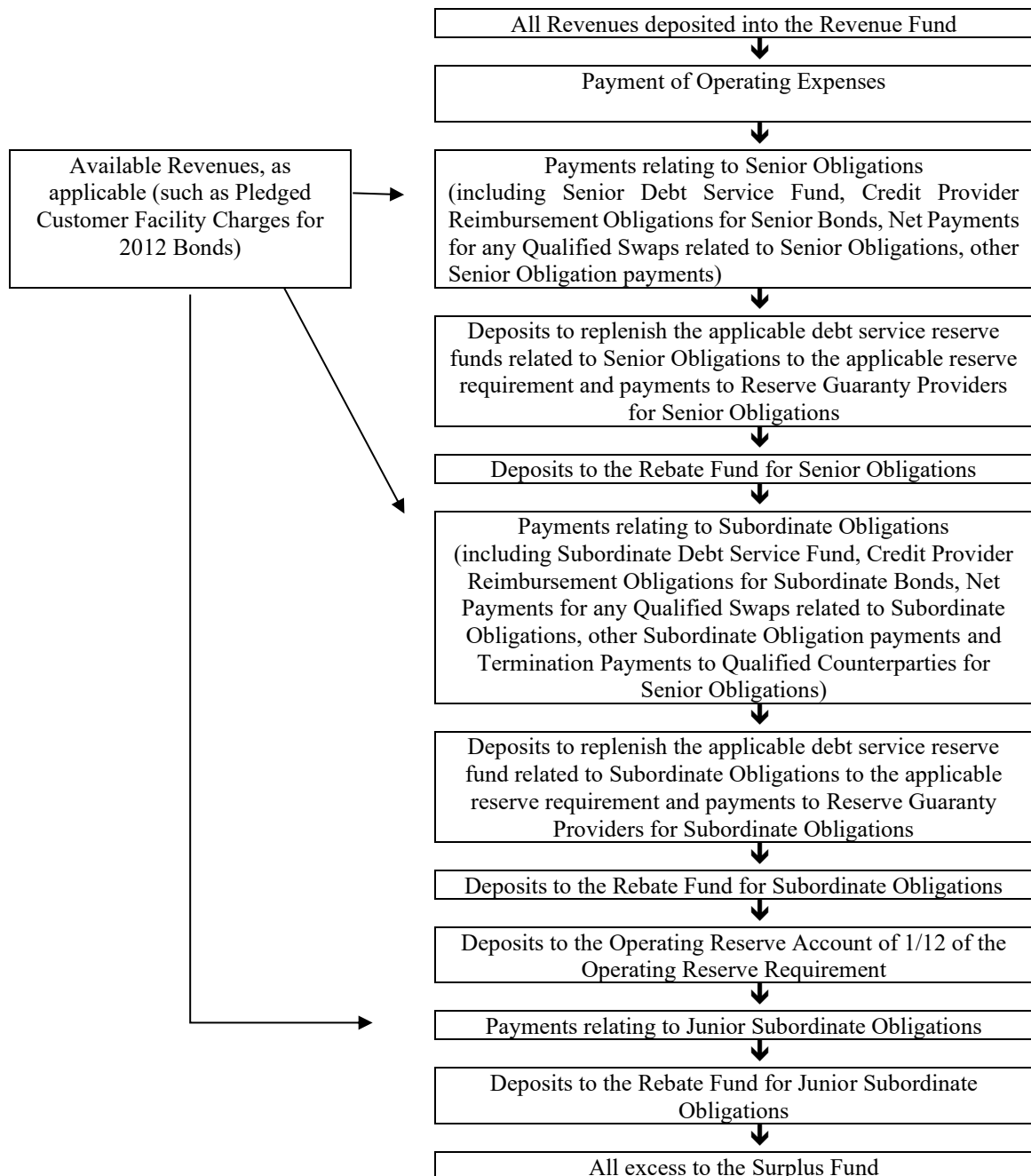
For information on the Outstanding Senior Obligations, see “THE AIRPORT – Outstanding Debt.”

See “INTRODUCTION – Outstanding Senior Obligations.” Also see “– Additional Senior Obligations,” “– Additional Subordinate Obligations” and “– Junior Subordinate Obligations, Special Facility Obligations and Other Indebtedness.”

Flow of Funds

The Authority is required under the Indenture to promptly deposit all Revenues in the Revenue Fund upon receipt. The Revenue Fund is held by the Authority. The Authority may from time to time, in its sole discretion and without any obligation to do so, deposit funds from any available source into the Revenue Fund.

This chart below sets forth a simplified graphic presentation of the monthly flow of Revenues pursuant to the Indenture. The Authority is providing it solely for convenience of the reader and the Authority qualifies it in its entirety by reference to the statements below in this “ – Flow of Funds.”



As soon as practicable in each month, but in any case no later than the last Business Day of such month, the Authority is required to withdraw moneys from the Revenue Fund and apply such moneys to the deposits and payments indicated below, in the amounts and in the priority set forth below:

First, to the Operating Fund (held by the Authority), the amount which, together with any amount therein available to pay such Operating Expenses (other than amounts in the Operating Reserve Account), is equal to the total amount appropriated for Operating Expenses in such month pursuant to the then current Annual Budget.

Second,

- (i) to the Trustee for deposit in the Senior Debt Service Fund (held by the Trustee), the amount, if any, required so that the balance in said Fund will equal the Accrued Debt Service on all Outstanding Senior Bonds as of the last day of such month;
- (ii) to the extent not included in Debt Service on Senior Bonds and to the extent not otherwise paid as an Operating Expense from the Operating Fund, to each Credit Provider of a Credit Support Instrument relating to the Senior Bonds, the amount of any Reimbursement Obligation, if any, payable by the Authority as of the last day of such month in accordance with each applicable Credit Support Agreement;
- (iii) to each Qualified Counterparty, the amount of any Net Payments, if any, payable by the Authority as of the last day of such month in accordance with each applicable Qualified Swap relating to the Senior Obligations; and
- (iv) to the applicable trustee or paying agent for, or owner of, Outstanding Senior Obligations not specified above, the amount, if any, required to be paid during such month to such trustee, paying agent or owner as and to the extent required by the Supplemental Indentures or Issuing Instruments for payment of such Outstanding Senior Obligations.

Third,

- (i) subject to the provisions of the Indenture permitting the replacement of deposits and transfers to the Senior Debt Service Reserve Fund with a deposit of one or more Reserve Guaranties, to the Trustee for deposit in the Senior Debt Service Reserve Fund (held by the Trustee) the amount, if any, required to maintain the Senior Debt Service Reserve Fund at the applicable Senior Debt Service Reserve Requirement; provided that the maximum amount required to be deposited into the Senior Debt Service Reserve Fund in any month shall not exceed one-twelfth (1/12) of the applicable Senior Debt Service Reserve Requirement; and
- (ii) to the Trustee for deposit in each Senior Series Debt Service Reserve Fund (held by the Trustee), the amount, if any, required to be paid during such month pursuant to the applicable Supplemental Indenture to maintain each Senior Series Debt Service Reserve Fund at the amount required by such Supplemental Indenture;
- (iii) to the applicable trustee or paying agent for, or owner of Outstanding Senior Obligations other than Senior Bonds, the amount, if any, required to be paid during such month to such trustee, paying agent or owner pursuant to the Issuing Instruments for such Outstanding Senior Obligations to maintain each debt service reserve for such Outstanding Senior Obligations at the amount required by the applicable Issuing Instruments; and
- (iv) to each Reserve Guaranty Provider relating to Senior Obligations, the amount, if any, payable by the Authority as of the last day of such month in accordance with each applicable Reserve Guaranty Agreement.

Fourth, to the Rebate Fund (held by the Trustee), the amount required to be paid for Senior Obligations pursuant to Rebate Instructions.

Fifth,

- (i) to the Trustee for deposit in the Subordinate Debt Service Fund (held by the Trustee), the amount, if any, required so that the balance in said Fund shall equal the Accrued Debt Service on all Outstanding Subordinate Bonds as of the last day of such month;
- (ii) to the extent not included in Debt Service on Subordinate Bonds, to each Credit Provider of a Credit Support Instrument relating to the Subordinate Bonds and to the extent not otherwise paid as an Operating Expense from the Operating Fund, the amount of the Reimbursement Obligation, if any, payable by the Authority as of the last day of such month in accordance with each applicable Credit Support Agreement;
- (iii) to each Qualified Counterparty, the amount of Net Payments, if any, payable by the Authority as of the last day of such month in accordance with each applicable Qualified Swap relating to the Subordinate Obligations or investments in funds established by the Indenture;
- (iv) to the applicable trustee or paying agent for, or owner or payee of, Outstanding Subordinate Obligations not specified above under this heading *Fifth*, the amount, if any, required to be paid during such month to such trustee, paying agent, owner or payee as and to the extent required by the Supplemental Indentures or Issuing Instruments for payment of such Outstanding Subordinate Obligations; and
- (v) to each Qualified Counterparty, the balance of the amounts to be paid by the Authority, if any, as of the last day of such month in accordance with each applicable Qualified Swap relating to Senior Obligations, including any Termination Payments.

Sixth,

- (i) subject to the provisions of the Indenture permitting the replacement of deposits and transfers to the Subordinate Debt Service Reserve Fund with a deposit of one or more Reserve Guaranties, to the Trustee for deposit in the Subordinate Debt Service Reserve Fund (held by the Trustee) the amount, if any, required to maintain the Subordinate Debt Service Reserve Fund at the applicable Subordinate Debt Service Reserve Requirement; provided that the maximum amount required to be deposited into the Subordinate Debt Service Reserve Fund in any month shall not exceed one-twelfth (1/12) of the applicable Subordinate Debt Service Reserve Requirement;
- (ii) to the Trustee for deposit in each Subordinate Series Debt Service Reserve Fund (held by the Trustee), the amount, if any, required to be paid during such month pursuant to the applicable Supplemental Indenture to maintain each Subordinate Series Debt Service Reserve Fund at the amount required by such Supplemental Indenture;
- (iii) to the applicable trustee or paying agent for, or owner of, Outstanding Subordinate Obligations other than Subordinate Bonds, the amount, if any, required to be paid during such month to such trustee, paying agent or owner pursuant to the Issuing Instruments for such Outstanding Subordinate Obligations to maintain each debt service reserve for such Outstanding Subordinate Obligations at the amount required by the applicable Issuing Instrument; and

- (iv) to each Reserve Guaranty Provider relating to Subordinate Obligations, the amount, if any, payable by the Authority as of the last day of such month in accordance with each applicable Reserve Guaranty Agreement.

Seventh, to the Trustee for deposit in the Rebate Fund (held by the Trustee), the amount required to be paid for Subordinate Obligations pursuant to the Rebate Instructions.

Eighth, to the Operating Reserve Account (held by the Authority) one-twelfth (1/12) of the Operating Reserve Requirement, but only to the extent such deposit is required to make the amount on deposit in the Operating Reserve Account equal to the Operating Reserve Requirement.

Ninth, to the Junior Subordinate Fund (held by the Authority), the amount, if any, required to be paid during such month with respect to Junior Subordinate Obligations pursuant to the Indenture.

Tenth, to the Trustee for deposit in the Rebate Fund (held by the Trustee), the amount required to be paid for Junior Subordinate Obligations pursuant to the Rebate Instructions.

Eleventh, on the last Business Day of each month after making the deposits and payments required by *First* through *Tenth* above, the Authority may withdraw from the Revenue Fund and deposit in the Surplus Fund the balance, if any, of moneys remaining in the Revenue Fund.

In the event there is not then on deposit in the Revenue Fund sufficient moneys to make all the deposits and payments specified above, then such deposits and payments will be made in the priority indicated above. In the event any of the priorities specified above requires more than one such deposit or payment, and there is not then on deposit in the Revenue Fund sufficient moneys to make all such deposits and payments, then such deposits and payments will be made pro rata (based on the total amount of such deposits and payments then due) to the extent of available moneys.

If on any date the amount in the Funds described in *First* through *Tenth* above shall be less than the requirement of such Fund as described above, then the Authority shall transfer from the Surplus Fund and deposit in the Funds in the order of priority described above the amount necessary (or all the moneys in the Surplus Fund if less than the amount necessary) to make up any such deficiency. Amounts in the Surplus Fund not required to meet deficiencies shall be used by the Authority for any lawful purpose.

For more information, see APPENDIX C-1: “FORM OF AMENDED AND RESTATED MASTER INDENTURE.”

Rate Covenant

General. The Authority has covenanted in the Indenture (the “General Rate Covenant”) that, while any of the Obligations remain Outstanding, it will establish, fix, prescribe and collect rates, tolls, fees, rentals and charges in connection with the ownership and operation of the Airport and for services rendered in connection therewith, so that Net Revenues in each Fiscal Year will be at least equal to 100% of the aggregate amount of transfers required to be made by the Authority under clauses *Second* through *Tenth* described under “—Flow of Funds” during such Fiscal Year.

The Authority has further covenanted in the Indenture (the “Senior Coverage Rate Covenant”) that it will establish, fix, prescribe and collect rates, tolls, fees, rentals and charges in connection with the ownership and operation of the Airport and for services rendered in connection therewith, so that for each Fiscal Year the Net Revenues for such Fiscal Year plus any Transfer (as defined below) will be equal to at least 125% of Accrued Debt Service on all Outstanding Senior Obligations for such Fiscal Year. For purposes of the Senior Coverage Rate Covenant, the amount of any Transfer taken into account will not exceed 25% of the Accrued Debt Service on the Outstanding Senior Obligations for such Fiscal Year.

The Authority has further covenanted in the Indenture (the “Subordinate Coverage Rate Covenant”) that it will establish, fix, prescribe and collect rates, tolls, fees, rentals and charges in connection with the ownership and

operation of the Airport and for services rendered in connection therewith, so that for each Fiscal Year the Net Revenues for such Fiscal Year plus any Transfer will be equal to at least 110% of Accrued Debt Service on all Outstanding Senior Obligations and Subordinate Obligations for such Fiscal Year. For purposes of the Subordinate Coverage Rate Covenant, the amount of any Transfer taken into account shall not exceed 10% of the Accrued Debt Service on the Outstanding Senior Obligations and Subordinate Obligations for such Fiscal Year.

The Authority has further covenanted in the Indenture (the “Junior Subordinate Coverage Rate Covenant” and together with the General Rate Covenant, the Senior Coverage Rate Covenant and the Subordinate Coverage Rate Covenant, the “Rate Covenant”) that it will establish, fix, prescribe and collect rates, tolls, fees, rentals and charges in connection with the ownership and operation of the Airport and for services rendered in connection therewith, so that for each Fiscal Year the Net Revenues for such Fiscal Year will be equal to at least 100% of Accrued Debt Service on all Outstanding Senior Obligations, Subordinate Obligations and Junior Subordinate Obligations for such Fiscal Year.

The General Rate Covenant, the Senior Coverage Rate Covenant, the Subordinate Coverage Rate Covenant and the Junior Subordinate Coverage Rate Covenant are collectively referred to herein as the “Rate Covenant.”

“Transfer” means, with respect to a Fiscal Year or 12-month period, as applicable, (a) the amount in the Surplus Fund on the last Business Day of such Fiscal Year or 12-month period, as applicable, plus (b) any amounts withdrawn from the Surplus Fund during such Fiscal Year or 12-month period, as applicable, to pay Operating Expenses and to make any required payments or deposits to pay or secure the payment of principal, Purchase Price or Redemption Price of or interest on Obligations, less (c) any amounts credited to the Surplus Fund from the Revenue Fund during such Fiscal Year or 12-month period, as applicable.

The Indenture provides that Accrued Debt Service does not include Debt Service payable from Capitalized Interest and Available Revenues (including the Available Revenues used to pay debt service on the 2012 Bonds) or moneys other than Revenues, including any investment earnings thereon.

Failure to Meet Rate Covenant. The Indenture provides that if in any Fiscal Year the Rate Covenant is not satisfied, the Authority will retain and direct an Airport Consultant to make recommendations as to the revision of the Authority’s business operations and its schedule of the Airport rates, tolls, fees rentals and charges for the use of the Airport and for services rendered by the Authority in connection with the Airport. After receiving such recommendations, the Authority is required to, subject to applicable requirements or restrictions imposed by law, and subject to a good faith determination of the Authority Commission that such recommendations, in whole or in part, are in the best interests of the Authority, take all lawful measures to comply with the recommendations of the Airport Consultant as to revisions of the Authority’s business operations and schedule of rates, tolls, fees rentals and charges as may be necessary to produce Net Revenues in the next Fiscal Year sufficient to satisfy the Rate Covenant.

In the event that in any Fiscal Year the Rate Covenant is not satisfied but, prior to or during the next succeeding Fiscal Year, the Authority has taken all lawful measures to comply with the recommendations of the Airport Consultant as to revisions of the Authority’s business operations and schedule of Airport rates, tolls, fees, rentals and charges as described above, such deficiency in Net Revenues will not constitute an Event of Default under the Indenture. Nevertheless, if such measures fail to provide Net Revenues sufficient to satisfy the Rate Covenant in the next Fiscal Year (as evidenced by the audited financial statements of the Authority for such Fiscal Year), such deficiency in Net Revenues for two successive Fiscal Years will, with the applicable notice, constitute an Event of Default under the Indenture.

Senior Debt Service Reserve Fund

The Fifth Supplemental Indenture provides that the Series 2024 Bonds will constitute Participating Senior Bonds, and that the payment of the principal of and interest on the 2024 Bonds will be secured by amounts in the Senior Debt Service Reserve Fund. The Senior Debt Service Reserve Fund also secures any other Series of Participating Senior Bonds. The Indenture includes a pledge of, and lien on, the Senior Debt Service Reserve Fund, including the investments of amounts in the Senior Debt Service Reserve Fund and any Reserve Guaranties therein for the benefit and protection of the Owners of the 2024 Bonds and any other Series of Participating Senior Bonds. The 2012 Bonds are not Participating Senior Bonds and are secured by a “2012 Series Debt Service Reserve Fund” established under the Third Supplemental Indenture that only secures the 2012 Bonds.

The Indenture establishes the Senior Debt Service Reserve Requirement for the Senior Debt Service Reserve Fund to be, as of any date of calculation, an amount equal to the least of (a) 10% of the initial offering price to the public of the Participating Senior Bonds as determined under the Internal Revenue Code, or (b) the greatest amount of Bond Debt Service for the Participating Senior Bonds in any Fiscal Year during the period commencing with the Fiscal Year in which the determination is being made and terminating with the last Fiscal Year in which any Participating Senior Bond is due, or (c) 125% of the sum of the Bond Debt Service for the Participating Senior Bonds for all Fiscal Years during the period commencing with the Fiscal Year in which such calculation is made (or if appropriate, the first full Fiscal Year following the issuance of the Participating Senior Bonds) and terminating with the last Fiscal Year in which any Bond Debt Service for the Participating Senior Bonds is due, divided by the number of such Fiscal Years, all as computed and determined by the Authority and specified in writing to the Trustee (the “Senior Debt Service Reserve Requirement”). As of the date of issuance of the 2024 Bonds, the Senior Debt Service Requirement is \$ _____. [PLACEHOLDER FOR SURETY BOND]

As provided in the Indenture, if on the Business Day immediately preceding an Interest Payment Date for the Participating Senior Bonds (including the 2024 Bonds), or any other date on which any principal or interest on the Outstanding Participating Senior Bonds is due, after applying amounts in the Senior Debt Service Fund ratably (based on the amounts due) to the payment of the principal and interest then due with respect to all Outstanding Senior Bonds, the amount in the Senior Debt Service Fund available for payment of the principal and interest then due with respect to all Outstanding Participating Senior Bonds is less than the amount due on such date, the Trustee shall apply amounts in the Senior Debt Service Reserve Fund ratably (based on amounts due) to the extent necessary to make good the deficiency for the principal and interest then due with respect to the Outstanding Participating Senior Bonds.

If the amount on deposit in the Senior Debt Service Reserve Fund at any time is less than the Senior Debt Service Reserve Requirement, the deficiency is required to be made up as set forth under “—Flow of Funds” below.

See APPENDIX C-1: “FORM OF AMENDED AND RESTATED MASTER INDENTURE.”

Additional Senior Obligations

The 2024 Bonds are Senior Bonds and Senior Obligations under the Indenture. See “— Obligations Issued or Incurred Under the Indenture” for a description of the Outstanding Senior Obligations on the date of issuance of the 2024 Bonds. As provided under the Indenture, all Senior Obligations (i) shall be senior in payment and priority to all Subordinate Obligations, Junior Subordinate Obligations, and all Obligations junior and subordinate to the Junior Subordinate Obligations; (ii) shall be paid with the priority provided in the Indenture and described above under “Flow of Funds,” and (iii) shall be entitled to all of the benefits provided to Senior Obligations by the terms of the Indenture and any applicable Issuing Instrument.

The Authority is authorized under the Indenture (upon the satisfaction of the applicable conditions described below) to issue additional Senior Obligations pursuant to a Supplemental Indenture (in the case of Senior Bonds) or an Issuing Instrument (in the case of Senior Obligations other than Senior Bonds). Such Senior Obligations (including Senior Bonds) will be secured by a pledge of the Trust Estate on a parity with the 2024 Bonds and the other Outstanding Senior Obligations. The Authority may designate all or any Additional Senior Bonds as Participating Senior Bonds which will be secured by amounts in the Senior Debt Service Reserve Fund provided that the amount on deposit in the Senior Debt Service Reserve Fund upon the issuance of such Participating Senior Bonds is at least equal to the Senior Debt Service Reserve Requirement for the Senior Debt Service Reserve Fund. The Authority may choose not to designate all or any Additional Senior Bonds as Participating Bonds and such Senior Bonds may be secured by no debt service reserve or by a Senior Series Debt Service Reserve Fund provided that the amount on deposit in any such Senior Series Debt Service Reserve Fund upon the issuance of such Senior Bonds is at least equal to the Senior Debt Service Reserve Requirement for such Senior Series Debt Service Reserve Fund.

Under the Indenture, the Authority may, at any time and from time to time, issue any Additional Senior Obligations provided either of the following tests (the “Additional Senior Obligations Test”) is satisfied:

- (A) an Airport Consultant has provided to the Trustee a certificate stating that, based upon assumptions the Person signing the certificate deems reasonable, projected Net Revenues will be sufficient to satisfy the Rate Covenant for each of the next five full Fiscal Years following the issuance of the Additional

Senior Obligations, or each of the next two full Fiscal Years following completion of the Capital Improvements financed by the Additional Senior Obligations proposed to be issued, whichever is later; and provided further that if there is Capitalized Interest for any Senior Obligations to be Outstanding after the issuance of the proposed Additional Senior Obligations in the last Fiscal Year of the test period described in this clause (A), the test period will be extended through the first full Fiscal Year for which there is no such Capitalized Interest; or

(B) an Authorized Authority Representative has provided to the Trustee a certificate stating that Net Revenues for either the most recent Fiscal Year for which audited financial statements of the Authority are available or any 12 consecutive months out of the most recent 18 consecutive months immediately preceding the month of issuance of the proposed Additional Senior Obligations were not less than (1) 125% of the sum of Maximum Aggregate Adjusted Debt Service with respect to all Outstanding Senior Obligations and the proposed Senior Obligations, (2) 110% of the Maximum Aggregate Adjusted Annual Debt Service with respect to all Outstanding Senior Obligations and Subordinate Obligations and the proposed Senior Obligations, and (3) 100% of the Maximum Aggregate Adjusted Annual Debt Service with respect to all Outstanding Senior Obligations, Subordinate Obligations and Junior Obligations and the proposed Senior Obligations.

For purposes of paragraph (A) above, the Person signing the certificate required by such clause may assume that, in each relevant Fiscal Year, Accrued Debt Service for Outstanding Obligations will equal Aggregate Adjusted Annual Debt Service for such Fiscal Year. For purposes of paragraph (A) above, in estimating Net Revenues, the Person signing the certificate required by such clause may take into account (1) Revenues from Capital Improvements reasonably expected to become available during the period for which the estimates are provided, (2) any increase in fees, rates, charges, rentals or other sources of Revenues which has been approved by the Authority Commission and will be in effect during the period for which the estimates are provided or (3) any other increases in Revenues which the Person signing the certificate believes to be a reasonable assumption for such period. With respect to Operating Expenses of the Authority, the Person signing the certificate required by paragraph (A) above will use such assumptions as such Person believes to be reasonable, taking into account: (1) historical Operating Expenses of the Authority, (2) Operating Expenses associated with the Capital Improvements to be funded with the proceeds of the Additional Senior Obligations proposed to be issued and any other new Capital Improvements and Airport facilities and (3) such other factors, including inflation and changing operations or policies of the Authority, as the Person signing such certificate believes to be appropriate.

For purposes of paragraph (B) above, the Authority will be allowed to adjust Net Revenues for earnings arising from any increase in Airport rates, charges and fees which has become effective prior to the issuance of such proposed Additional Senior Obligations but which, during the Fiscal Year or 12-month period utilized by the Authority for purposes of paragraph (B) above, was not in effect for the entire Fiscal Year or 12-month period under consideration, in an amount equal to the amount by which the Net Revenues would have been increased if such increase in Airport rates, charges and fees had been in effect during the whole Fiscal Year or 12-month period under consideration, as determined by an Authorized Authority Representative.

Neither of the certificates described under paragraph (A) or paragraph (B) above will be required if the proceeds of Additional Senior Obligations being issued will be used to pay Costs of completing the Construction of a Capital Improvement for which Senior Obligations have previously been issued and the principal amount of such Additional Senior Obligations being issued for completion purposes does not exceed 15% of the principal amount of the Senior Obligations originally issued for such Capital Improvement and there is delivered to the Trustee a certificate of an Authorized Airport Representative or an Airport Consultant stating that the nature and purpose of such Capital Improvement has not materially changed and that the proceeds of such Senior Parity Obligations plus any other moneys in the Construction Fund available to pay the Costs of such Capital Improvement are expected to be sufficient to pay the Costs of completing the Construction of the Capital Improvement.

Without satisfying the requirements of the Additional Senior Obligations Test, the Authority may issue or enter into an Obligation which is a Qualified Swap, the Net Payments under which will constitute Senior Obligations, provided that at the time of entering into the Swap (i) the Qualified Swap relates to a principal amount of Outstanding Senior Obligations issued or expected to be issued; (ii) the notional amount of the Qualified Swap will not exceed the

principal amount of the related Outstanding Senior Obligations or Senior Obligations expected to be issued; and (iii) the counterparty will be a Qualified Counterparty.

The Authority may, at any time and from time to time, issue Refunding Senior Obligations provided that either: (i) the requirements set forth in the Additional Senior Obligations Test above are satisfied upon the issuance of such Refunding Senior Obligations and the application of the proceeds thereof; or (ii) the Trustee has received a certificate of an Authorized Authority Representative certifying that the Aggregate Adjusted Annual Debt Service for all Senior Obligations to be Outstanding after the issuance of such Refunding Senior Obligations will not exceed the Aggregate Adjusted Annual Debt Service for all Senior Obligations Outstanding prior to the issuance of such Refunding Senior Obligations in each Test Year. “Test Year” is defined under the Indenture as the period commencing in the Fiscal Year in which such Obligations are issued and ending in the last Fiscal Year in which Obligations which are Outstanding both immediately prior to and immediately after the issuance of such Obligations are scheduled to remain Outstanding.

Without satisfying the requirements of the Additional Senior Obligations Test or the provisions for the issuance of Obligations other than Bonds, the Authority may, at any time and from time to time, enter into Credit Support Agreements and otherwise incur and become obligated for Reimbursement Obligations with respect to Senior Obligations.

The Indenture includes certain provisions which allow Debt Service to be excluded that could impact the Authority’s ability to satisfy the Additional Senior Obligations Test. See “Released Revenues” and “Rate Covenant” above for a discussion of how Debt Service paid from any money other than Revenues (including Released Revenues or Available Revenues) is excluded from the calculation of Aggregate Adjusted Annual Debt Service under the Indenture and thus is not taken into account with respect to the Additional Senior Obligations Test. In addition, as described under “Pledge of the Trust Estate; Net Revenues,” the Indenture provides that for purposes of meeting any of the tests prescribed by the Indenture, including the Additional Senior Bonds Test, any transfers from the Surplus Fund to the Revenue Fund are deemed to be “Revenues.”

The Authority expects to fund a portion of the costs of the Terminal Relocation Project with the proceeds of the Anticipated Future Bonds. See “PLAN OF FINANCE.”

Additional Subordinate Obligations

As of the date of issuance of the 2024 Bonds, there are no Outstanding Subordinate Obligations under the Indenture. All Subordinate Obligations shall be junior in payment and priority to all Senior Obligations. Subordinate Obligations shall be paid in the priority set forth in the Indenture and described above under “Flow of Funds,” and only to the extent that funds are available to make such payments as provided therein after the required payments are made with respect to the Senior Obligations. Any exercise of rights or remedies by any holder, owner, or beneficial owner of a Subordinate Obligation, or the Trustee on behalf of the foregoing, shall be subject in all respects to the provisions of the Indenture. All Subordinate Obligations shall be subject to the limitations imposed on Subordinate Obligations by the terms of the Indenture and any applicable Issuing Instrument.

The Authority is authorized under the Indenture (upon the satisfaction of the applicable conditions described below) to issue additional Subordinate Obligations pursuant to a Supplemental Indenture (in the case of Subordinate Bonds) or an Issuing Instrument (in the case of Subordinate Obligations other than Subordinate Bonds). Such Subordinate Obligations (including Subordinate Bonds) will be secured by a pledge of the Trust Estate on a subordinate basis to the Senior Obligations, including the 2024 Bonds. The Authority may designate all or any Additional Subordinate Bonds as Participating Subordinate Bonds which will be secured by amounts in the Subordinate Debt Service Reserve Fund provided that the amount on deposit in the Subordinate Debt Service Reserve Fund upon the issuance of such Participating Subordinate Bonds is at least equal to the Subordinate Debt Service Reserve Requirement for the Subordinate Debt Service Reserve Fund. The Authority may choose not to designate all or any Additional Subordinate Bonds as Participating Bonds and such Subordinate Bonds may be secured by no debt service reserve or by a Subordinate Series Debt Service Reserve Fund provided that the amount on deposit in any such Subordinate Series Debt Service Reserve Fund upon the issuance of such Subordinate Bonds is at least equal to the Subordinate Debt Service Reserve Requirement for such Subordinate Series Debt Service Reserve Fund.

Under the Indenture, the Authority may, at any time and from time to time, issue any Additional Subordinate Obligations, provided either of the following tests (the “Additional Subordinate Obligations Test”) is satisfied:

(A) an Airport Consultant has provided to the Trustee a certificate stating that, based upon assumptions the Person signing the certificate deems reasonable, projected Net Revenues will be sufficient to satisfy the Rate Covenant for each of the next five full Fiscal Years following the issuance of the Additional Subordinate Obligations, or each of the next two full Fiscal Years following completion of the Capital Improvements financed by the Additional Subordinate Obligations proposed to be issued, whichever is later; and provided further that if there is Capitalized Interest for any Senior Obligations to be Outstanding after the issuance of the proposed Additional Subordinate Obligations in the last Fiscal Year of the test period described in this clause (A), the test period will be extended through the first full Fiscal Year for which there is no such Capitalized Interest; or

(B) an Authorized Authority Representative has provided to the Trustee a certificate stating that Net Revenues for either the most recent Fiscal Year for which audited financial statements of the Authority are available or any 12 consecutive months out of the most recent 18 consecutive months immediately preceding the month of issuance of the proposed Additional Subordinate Obligations were not less than: (1) 125% of the Maximum Aggregate Adjusted Annual Debt Service with respect to all Outstanding Senior Obligations; (2) 110% of the Maximum Aggregate Adjusted Annual Debt Service with respect to all Outstanding Senior and Subordinate Obligations and the proposed Subordinate Obligations; and (3) 100% of the Maximum Aggregate Adjusted Annual Debt Service with respect to all Outstanding Senior Obligations, Subordinate Obligations and Junior Subordinate Obligations and the proposed Subordinate Obligations.

The provisions of the Indenture described in the fourth through tenth paragraph under “—Additional Senior Obligations” relating to Additional Senior Obligations shall also apply to the issuance of Additional Subordinate Obligations.

Junior Subordinate Obligations, Special Facility Obligations and Other Indebtedness

Under the Indenture, the Authority is authorized to issue or incur Junior Subordinate Obligations, Obligations that are subordinate to Junior Subordinate Obligations or Special Facility Obligations upon compliance with the terms of the Indenture. See APPENDIX C-1: “FORM OF AMENDED AND RESTATED MASTER INDENTURE.” The Authority is also authorized under the Indenture to issue Indebtedness that is unsecured or bonds, notes or other obligations payable from and secured by revenues other than Net Revenues.

Limitation on Remedies

The Indenture provides that, as long as any Senior Obligations remain Outstanding, no Event of Default shall exist or may be declared with respect to any Subordinate Obligations or Junior Subordinate Obligations. In addition, as long as any Subordinate Obligations remain Outstanding, no Event of Default shall exist or may be declared with respect to any Junior Subordinate Obligations.

The Indenture also provides that Subordinate Obligations are not subject to acceleration if Senior Obligations are then Outstanding, and Junior Subordinate Obligations are not subject to acceleration if any Subordinate Obligations or Senior Obligations are then Outstanding.

For a description of the various remedies and limitations thereon set forth in the Indenture, see APPENDIX C-1: “FORM OF AMENDED AND RESTATED MASTER INDENTURE,” “CERTAIN INVESTMENT CONSIDERATIONS – Effect of Authority Bankruptcy” and “– Limitations on Remedies.”

[BOND INSURANCE]

The following information has been furnished by _____, as the Bond Insurer, for use in this Official Statement. Such information has not been independently confirmed or verified by the Authority or the Underwriters. The Authority and the Underwriters do not make any representation as to the accuracy or adequacy of

such information or as to the absence of material adverse changes in such information subsequent to the date of this Official Statement. Reference is made to APPENDIX H: SPECIMEN FINANCIAL GUARANTY INSURANCE POLICY.

[TO COME]

THE AUTHORITY

Organization and Powers

The Authority was created for the purpose of owning and operating the Airport. The Cities of Burbank, Glendale and Pasadena entered into the original form of the Joint Powers Agreement in June 1977 pursuant to the provisions of the Joint Powers Act. See “TERMINAL RELOCATION PROJECT – History of the Airport and the Terminal Relocation Project.” The Authority is a public entity separate and apart from the Cities of Burbank, Glendale and Pasadena.

Under the Joint Powers Agreement and the Joint Powers Act, the Authority has the powers common to the Cities to acquire, operate, repair, maintain, improve and administer the Airport, subject only to such restrictions upon the manner of exercising such powers as are imposed upon Burbank in the exercise of similar powers. In addition, the Authority has such powers as are granted to joint powers agencies by legislation which are in addition to the powers granted under the Joint Powers Agreement.

Although the Authority has the power to establish rates and charges for air carriers operating at the Airport, and also has the ability under legislation to impose Passenger Facility Charges and Customer Facility Charges (subject to the restrictions contained in the related legislation), the Authority does not have the power to impose taxes.

Authority Commission Members

The Authority is governed by the nine-member Authority Commission. Each of the Cities appoints three members to serve for a four-year term and at the pleasure of the appointing City. Commission members may, and often do, serve subsequent terms at the pleasure of the appointing City. The Joint Powers Agreement requires the Authority Commission to elect a President, Vice President and Secretary annually. Customarily, the Authority Commission chooses a Treasurer and an Auditor concurrently with such election. The current officers and the other Commissioners are as follows:

Name	Appointing City	Year Appointed
Felicia Williams, <i>President</i>	Pasadena	2021
Ara Najarian, <i>Vice President</i>	Glendale	2020
Jess Talamantes, <i>Secretary</i>	Burbank	2023
Tyron Hampton, <i>Treasurer</i>	Pasadena	2021
Andy Wilson, <i>Auditor</i>	Pasadena	2022
Emily Gabel-Luddy	Burbank	2021
Robert Ovrom	Burbank	2021
Paula Devine ⁽¹⁾	Glendale	2017
Frank Quintero	Glendale	2022 ⁽²⁾

(1) *[To be updated before printing of POS:]* Seat traditionally held by a Glendale City Council member. Ms. Devine’s current term on the Glendale City Council is ending, and she did not run for a new term in the March 2024 Council election. It is expected that Glendale will appoint another City Council member to take her seat on the Authority Commission.

(2) Current term. Mr. Quintero previously served on the Commission between 2008 and 2017.

Joint Powers Agreement

The Joint Powers Act permits the Cities to exercise their powers jointly for the acquisition, operation, repair, maintenance, improvement and administration of the Airport as a public airport. The Joint Powers Agreement was originally entered into by the Cities in June 1977 (the “Original Joint Powers Agreement”). The Original Joint Powers Agreement was amended multiple times. In 1991, the Cities executed the Amended and Restated Joint Powers Agreement, dated September 15, 1991 (the “Restated Joint Powers Agreement”), which amended and restated the Original Joint Powers Agreement, as previously amended, in its entirety. The Restated Joint Powers Agreement has been further amended by a First Amendment to Amended and Restated Joint Exercise of Powers Agreement, dated November 25, 2003, and the Second JPA Amendment (see “TERMINAL RELOCATION PROJECT – Developments from 2015 to 2017: Measure B).

Authority Commission Actions. Generally, actions by the Authority Commission require the affirmative vote of a simple majority of Authority Commission members. However, a Supermajority Vote – an affirmative vote of a majority of the appointees of each City – is required for the following categories of actions (with items 4 through 10 added pursuant to the Second JPA Amendment):

- (1) issuance of revenue bonds or other forms of debt pursuant to Article 2 the JPA Act (except for bonds or debt associated with the Terminal Relocation Project and its ancillary components),
- (2) payment of surplus revenues,
- (3) authorization of activities that may result in an increase of the noise impact area of the Airport above the level specified in the JPA,
- (4) an increase of commercial airline passenger gates above 14, or creation of any remote loading positions for scheduled commercial airline passenger aircraft departures;
- (5) construction or expansion of any terminal (other than the Replacement Passenger Terminal);
- (6) relocation of any commercial airline passenger-related function, at any location other than the Existing Terminal Building or the Replacement Passenger Terminal;
- (7) amendment of the Authority's noise level rules or alteration of the manner which they have been enforced;
- (8) amendment of the Authority's voluntary curfew or alteration of the manner in which it has been applied;
- (9) abandonment of the Authority's support for Congressional authorization for the imposition of the Mandatory Curfew (as defined in the Second JPA Amendment);
- (10) acquisition of interest in real property other than an aviation easement; or
- (11) approval of any new airport management contract or lease with a term in excess of 35 years.

Certain Limitations. Consistent with enabling legislation and the Joint Powers Agreement, the Authority cannot permit any activity which results in an increase in the size of the Airport noise impact area beyond specified levels, and the Authority must implement California noise monitoring requirements and mitigate adverse effects of noise to the greatest extent reasonably possible. The Joint Powers Act and the Joint Powers Agreement also prohibit any lengthening of the paved portion of the Airport runways as of March 24, 1978, and any purchase of fee title to condemned real property zoned for residential uses as of March 24, 1978. The Terminal Relocation Project contemplates extension of taxiways, but it does not include any extension of the runways. Included among certain enumerated powers of the Authority in the Joint Powers Agreement is the power to issue revenue bonds and to pay any surplus revenues to the Cities and other public agencies, but such payments to the Cities cannot be made if prohibited by any bond resolution or indenture adopted by the Authority. Such payments to the Cities are prohibited under the terms of grant agreements between the FAA and the Authority.

No Liability of Cities. The debts, liabilities and obligations of the Authority do not constitute debts, liabilities of obligations of the Cities.

Term, Amendments and Termination. The term of the Joint Powers Agreement will continue so long as necessary to carry out the purpose of any agreement between the Authority and the United States of America and until all revenue bonds and other indebtedness, including interest thereon, have been paid or adequate provision for such payment will have been made. Thereafter, the Joint Powers Agreement may be terminated by mutual consent of the Cities. Pursuant to its terms, the Joint Powers Agreement cannot be terminated or amended by the Cities if such termination or amendment would be to the detriment of the Owners of the Bonds or other indebtedness issued by the Authority, would adversely affect operation, repair, maintenance, improvement or administration of the Airport, or would be contrary to the language, spirit or intent of any contract or grant agreement with the United States of America or the State of California.

Employees; Employee Retirement Plans

The only Authority employees are peace officers who provide security for the Airport. As of February 1, 2024, there were 28 full-time officers (which include three command staff personnel) and some additional part-time officers, totaling 36.5 full-time equivalent positions. The current collective bargaining agreement between the

Authority and the Burbank Airport Police Officers Association (“BAPOA”) covering all such peace officers went into effect on February 1, 2023, and expires on June 30, 2026.

The current BAPOA agreement provides for the continued implementation of a 401(a) Plan (an employer-sponsored defined contribution plan pursuant to Internal Revenue Code Section 401(a)) and a 457(b) Plan (a government deferred compensation plan under Internal Revenue Code Section 457(b)) sponsored by the BAPOA. The Authority contributes 7% of eligible base salaries and overtime as a retirement contribution to the 401(a) Plan, payable as part of bi-weekly payroll. Officers may make voluntary contributions to the 457(b) Plan with the Authority matching and contributing up to a maximum of 6% of eligible base salaries. All covered employees are eligible to participate upon hire and contributions and earnings vest immediately. Total salaries and benefits for the Airport Police Officers were approximately \$7.3 million for FY 2023 (relative to \$54.9 million in total operating expenses before depreciation and amortization). The Authority made the required accruals and contributions, amounting to \$323,188 in FY 2023. The Authority has made all payments required of it in connection with employee retirement plans. For more information, see Note 6 of the Authority’s FY 2023 audited financial statements in APPENDIX B: “FINANCIAL STATEMENTS.”

The Authority does not provide any post-employment benefits, including health care benefits, to employees other than the aforementioned plans. Besides these peace officers, the Authority does not provide a retirement plan or other post-employment benefits for any other personnel, including TBI (defined below) personnel.

Contractors

The Authority has contracted for all other services necessary for the operation and maintenance of the Airport, including a contract with TBI Airport Management, Inc. (“TBI”) for day-to-day planning, management, operation and maintenance of the Airport, including aircraft rescue and firefighting (“ARFF”) services. The agreement with TBI expires on June 30, 2030. See “THE AIRPORT – Airport Manager and the Airport Management Services Agreement.” Other contracts for services include: a contract with ACE Parking III, LLC (“ACE Parking”) for self-parking management services, valet parking services, and shuttle services; and a contract with C&W Services for janitorial services.

THE AIRPORT

The Airport’s service area consists generally of Los Angeles County and Ventura County with the Airport particularly well situated to serve downtown Los Angeles and the San Fernando Valley. In FY 2023, there were 63,904 commercial takeoffs and landings at the Airport. The total number of enplaned and deplaned passengers in FY 2023 was approximately 6 million. Eight commercial airlines currently offer daily flights at the Airport, providing non-stop service to 31 destinations throughout the United States. In FY 2023, Southwest accounted for approximately 65% of the total passengers enplaned and deplaned at the Airport. See “AIRPORT OPERATIONS.”

Description of the Airport and Existing Terminal Building

The Airport is located approximately 12 miles northwest of downtown Los Angeles. It is on a 555-acre site, 445 acres of which is within the City of Burbank and the remaining portion of which is within the City of Los Angeles. It is a medium hub airport by FAA classification. The Airport consists of the Existing Terminal Building and related facilities, general aviation facilities, two runways (one of which is equipped with an instrument landing system), the RITC, parking facilities (in addition to those provided in the RITC), as well as other property and supporting facilities.

The Existing Terminal Building consists of three connected buildings aggregating approximately 232,000 square feet, with two concourses (Terminal A and Terminal B) and administration offices. The Existing Terminal Building is in the southeast quadrant of the Airport and has a total of 14 aircraft gates. General aviation facilities (fixed base operators) are concentrated in two principal areas on the Airport. General aviation hangars and offices provide tie-down and hangar space which accommodate approximately 400 aircraft and include general aviation terminals. The major fixed based operators at the Airport provide a variety of maintenance and other services. The services include aircraft rental and charter, flight schools, aircraft repair and fueling. The major hangars were built between the World War II period and the late 1950s with major reconstruction in two areas of the northwest

quadrant of the Airport in 1997 and 1999. There are entrances to the Existing Terminal Building at both Hollywood Way and Empire Avenue. Internal circulation is accommodated by a looped system of one-way routes. The general aviation terminals and facilities are located to the west of Runway 15-33 and are adjacent to the major surface streets bordering the Airport.

Public parking facilities at the Airport include a 431-space four-level structure across from the Existing Terminal Building, a valet lot, four additional lots (Lots C, E, F and G) and parking spaces at the RITC (see “– Regional Intermodal Transportation Center” below). Another lot, Lot A, has been closed for the Terminal Relocation Project and the 431-space parking structure across from the Existing Terminal Building will also be demolished in connection with the Terminal Relocation Project. In total, there are approximately 5,000 available public parking spaces, excluding employee parking.

The Development Agreement limits the maximum number of parking spaces at the Airport to 6,637 spaces. Once the Terminal Relocation Project is complete, the new multi-level parking structure is designed to have 2,039 parking stalls. The new parking structure will be located directly across from the Replacement Passenger Terminal and will provide valet and public parking spaces. There will also be up to 4,598 parking stalls on reconfigured surface parking lots in areas near the existing parking structure and the RITC.

See “TERMINAL RELOCATION PROJECT” regarding the Authority’s undertaking to replace the Existing Terminal Building, the existing short-term parking structure and other facilities currently in the southeast quadrant of the Airport with the new Replacement Passenger Terminal, parking garage and other improvements in the northeast quadrant of the Airport.

The Airport is an Instrument Flight Rule facility providing the following services: air carrier and general aviation facilities, airframe and power plant repairs, fuel, oxygen, FAA-operated control tower, radar, air traffic control and related navigational aids. In February 1991, a new FAA control tower was opened. The Airport has two crossing asphalt-surface runways, 8-26 (east/west) and 15-33 (north/south). Runway 15-33, which was completely rebuilt in 1980, has the longer takeoff length of the two, 6,886 feet. Runway 8-26, 5,802 feet long, is equipped with an instrument landing system which permits aircraft operations in a variety of weather conditions.

Regional Intermodal Transportation Center

In 2014, the Authority opened the Regional Intermodal Transportation Center, also known as the RITC. The facility was built to better accommodate access to the Airport by public transportation, consolidate rental car facilities and reduce traffic in and around the Airport. It was also built as a safety measure to relocate the former rental car facilities farther from the Airport’s runways to comply with FAA requirements.

It is contemplated that, when Replacement Passenger Terminal opens, electric shuttle services will provide transport between the RITC and the Replacement Passenger Terminal.

Accessibility

The Airport is easily accessible from a regional freeway, the Golden State Freeway (Interstate 5), and the local arterial street system. The RITC is a stop for multiple local bus lines. A signalized, surface pedestrian walkway connects the RITC to the commuter train station adjacent to the Airport. The Burbank Airport-North Station, which services the Metrolink Antelope Valley line from Lancaster, California to Union Station in downtown Los Angeles, is located approximately one mile from the Existing Terminal Building and is accessed by complimentary shuttle bus service. The Burbank Airport-South Station is within walking distance to the Existing Terminal Building and provides Metrolink and Amtrak service to downtown Burbank, Glendale, Union Station, locations in Ventura County and long-distance service via Amtrak. As discussed under “TERMINAL RELOCATION PROJECT – California High-Speed Rail Authority Settlement,” current plans for the California high-speed rail project include a 14-mile segment between the Airport and Los Angeles Union Station, with stops at both locations.

Airport Manager and the Airport Management Services Agreement

The Authority Commission is responsible for the overall management and operation of the Airport. The Authority Commission has provided for the day-to-day planning, management, operation and maintenance of the Airport by a corporate entity (the “Airport Manager”) through a series of airport management services contracts.

Currently, these services are performed by TBI pursuant to a Fourth Amended and Restated Agreement for Airport Management Services, dated as of April 6, 2020 (as amended and supplemented, the “Airport Management Services Agreement”). The day-to-day planning, management, operation and maintenance of the Airport has been undertaken by an Airport Manager since the Authority acquired the Airport in 1978. TBI is owned by VINCI Airports, a subsidiary of VINCI SA, a France-registered public limited company. VINCI Airports manages the development and operation of dozens of airports around the world including in Brazil, Costa Rica, France, Japan, Mexico, Portugal, and the United Kingdom.

Under the Airport Management Services Agreement, TBI provides the services and personnel necessary to operate, administer, inspect, maintain and supervise the Airport at a level at least equal to that of operators of comparable public airports in the United States, including the operational, administrative, financial and staff personnel, as well as ARFF services, as specified in the agreement. The Airport Management Services Agreement expires on June 30, 2030. TBI may terminate the Airport Management Services Agreement without cause by giving 12-months prior written notice, and the Authority may do so by giving 6-months prior written notice. The Airport Management Services Agreement requires the Authority to maintain commercial general liability insurance covering TBI as a named insured. The Authority currently maintains commercial general liability insurance in the amount of \$300 million per occurrence. The Airport Management Services Agreement also provides that each party will indemnify the other with respect to costs and losses resulting from negligent acts, omissions, willful misconduct or unlawful acts in connection with performance under the Airport Management Services Agreement. The Airport Management Services Agreement also provides for indemnification by the Authority for TBI costs and losses in connection with Airport noise.

Compensation under the Airport Management Services Agreement is based on a management fee and reimbursement of operating costs, which are subject to review and approval as part of the Authority’s annual budget process. Costs incurred under the Airport Management Services Agreement were \$19.6 million in FY 2022, \$18.2 million in FY 2023 and is budgeted at \$21.2 million for FY 2024. As of February 2024, TBI provided approximately 140 employees who serve as staff for the Authority and render management, operating, maintenance, and ARFF services in accordance with policies adopted by the Authority. Based on the outcome of current collective bargaining negotiations, there may be contractual adjustments for wages which would affect certain classifications of TBI employees providing maintenance and operation services.

Senior Management

Below is a list of the current senior management personnel at the Airport and the year in which they were appointed to the post. All senior management personnel, including the Executive Director who serves as the chief operating officer of the Authority, are employees of TBI, except for Edward B. Skvarna, Director, Public Safety and Chief of Police, who is directly employed by the Authority.

Bob Hope Airport, commonly known as Hollywood Burbank Airport Senior Management

Name	Title	Year Appointed to Current Position	Year First Joined Airport
Frank R. Miller	Executive Director	2016	2016
John T. Hatanaka	Senior Deputy Executive Director	2008	2002
Kathy J. David	Deputy Executive Director, Finance and Administration	2011	1992
Scott Kimball, CM	Deputy Executive Director, Operations, Business, Properties and Safety	2020	2016
Patrick J. Lammerding	Deputy Executive Director, Planning and Development	2017	2017
Pamela Marcello	Senior Director Government and Public Affairs	2020	2020
David Kwon, CPA	Director, Financial Services	2017	2017
Stephanie Gunawan-Piraner, PE, PMP	Director, Engineering and Maintenance	2023	2023
Kimberly Parker-Polito	Director, Information and Communication Technologies	2014	2014
Nerissa Sugars	Director, Communications and Air Service; Public Information Officer	2019	2015
Thomas Henderson, A.A.E.	Director, Operations	2019	2019
Maggie Martinez	Director, Noise and Environmental Affairs	2022	2001
Sharon Haserjian	Director, Human Resources	2022	2017
Edward B. Skvarna	Chief of Police and Director of Public Safety	2008	2003
Tom Lenahan	Chief of Fire Department	2018	2018

Below are brief descriptions of the Executive staff members' professional experience:

Frank R. Miller, Executive Director. Mr. Miller has worked in the aviation industry for over 40 years. Mr. Miller assumed the position of Executive Director for the Airport in September 2016. His career started in Juneau, Alaska in 1982 as the Airport Manager and over the years he has held the position of Airport Manager in Grand Junction, Colorado, Airport Director in Pensacola, Florida and Aviation Director in San Antonio, Texas. Mr. Miller has successfully led capital programs, including the program in Pensacola that included a new terminal, parking garage, air cargo facility, and rental car maintenance facility, and the construction of the FAA air traffic control tower. The FAA's construction leaseback program is modeled after the Pensacola project. In San Antonio, Mr. Miller

assumed leadership of the Terminal B program and led the planning and design of a consolidated rental car facility. Mr. Miller served two terms as a board member of the American Association of Airport Executives. He served two terms on the Board of Directors for Airports Council International-North America and is a past chair of the organization. He also served on the board of the Airports Council International World.

John T. Hatanaka, Senior Deputy Executive Director. Mr. Hatanaka has been in the aviation industry for 45 years since graduating from the University of Wisconsin – Madison. Mr. Hatanaka began his career spending 21 years at Japan Airlines where his last position was Director, Passenger and Airport Service for The Americas overseeing passenger service policy, airport affairs and ground handling services. After a two-year period as an aviation consultant, Mr. Hatanaka joined the Airport in 2002 and has been in his current position since 2008.

Kathy J. David, Deputy Executive Director, Finance and Administration. Ms. David first joined the then Airport Manager, Lockheed Air Terminal Corporation in 1992 and served in various leadership positions in the financial and administrative services departments of the Airport. Appointed to her current position in 2011, Ms. David oversees the financial services, procurement, and information, technologies and communications departments.

Scott Kimball, Deputy Executive Director, Operations, Business, Properties and Safety. After a 22-year career with Alaska Airlines with leadership positions in airport station management and airport affairs, Mr. Kimball joined the Airport in 2016 as Director, Operations. Since then, he has served as Director of Business and Properties adding safety management systems to his responsibilities where he oversaw the development and implementation of the Airport's safety management systems program four years ago. Mr. Kimball was elevated to his current position in 2020.

Patrick J. Lammerding, Deputy Executive Director Planning and Development. Mr. Lammerding joined the Airport in 2017 in his current role after a 10-year career with the FAA where he initially served as an Airport Certification Inspector before being promoted to the Assistant Manager of the Los Angeles Airports District Office. Prior to joining the FAA, Mr. Lammerding was an Airport Manager at Camarillo Airport and was also a flight instructor at Van Nuys Airport.

Edward B. Skvarna, Chief of Police & Director, Public Safety. After a 25-year law enforcement career with the City of Burbank Police Department and retiring with a rank of Captain, Chief Skvarna joined the Airport in 2005, elevating the Airport's emergency preparedness to the level that has earned the Airport recognition as an emergency response location by FEMA and the California Governor's Office of Emergency Services. Chief Skvarna has also established mutual aid first responders' agreements with the Cities of Burbank, Glendale, Pasadena and Los Angeles as well as with the California Highway Patrol. Chief Skvarna holds a master's degree in public administration from CSU – Northridge and has earned an Executive Level Peace Officer Standards and Training professional certificate.

Insurance

The Indenture requires the Authority to maintain commercial insurance or provide Qualified Self Insurance for the facilities constituting the Airport and public liability insurance, subject to the condition that such insurance is obtainable at reasonable rates and upon reasonable terms and conditions, and, in each case, in such amounts and against such risks as are, in the judgment of the Authority, prudent and reasonable.

The Authority maintains an insurance program with commercial insurance companies that cover both liability and all risk property loss with respect to the Airport. The insurance policies are for one-year periods. The program includes airport owner's and operator's liability insurance with policy limits of \$500 million for each occurrence (no deductible), including war/terrorism liability also with a policy limit of \$500 million. The program also includes: all risk commercial property insurance at replacement cost with policy limits of \$350 million subject to various deductibles; earthquake/earthquake sprinkler leakage and flood coverage with policy limits of \$35 million subject to deductibles of 5% per unit of value at time of loss; terrorism coverage under Terrorism Risk Insurance Program Reauthorization Act of 2019 (TRIPRA) is included up to the policy limit of \$350 million; business interruption insurance for insured perils covering actual loss sustained for 365 days; and insurance for business automobile and vehicle liability, public official and employment practices liability and for certain crimes. The various insurance policies, each with a term of one year, expire on July 1, 2024. The Authority plans to renew these insurance policies before their termination. The existing insurance policies described in this section cover the existing facilities of the

Airport, and not the facilities comprising the Terminal Relocation Project. Insurance for the Terminal Relocation Project facilities under construction is maintained as provided in the Design-Build Agreement, and upon completion, the Authority expects to obtain insurance coverage for such facilities. See “TERMINAL RELOCATION PROJECT – Project Management, Design and Construction” for information concerning insurance policies procured by the Design-Builder for the Terminal Relocation Project.

Capital Improvements

The Authority budgets for capital improvements on an annual basis. Other than the Terminal Relocation Project, currently planned capital improvement projects include: (i) minor building improvements, art installation at the RITC, and security/ramp access door replacement, (ii) information technology, communication and security-related equipment upgrades and replacements, and a mobile police firearms training range, (iii) acquisition of an ARFF truck and other equipment, (iv) rehabilitation and improvement projects for runways, taxiways and roadways, and (v) noise mitigation projects. The Authority’s FY 2024 adopted budget shows that these projects (other than the Terminal Relocation Project) are estimated to cost approximately \$10.26 million, to be funded from a combination of Passenger Facility Charge revenues, Customer Facility Charge revenues, FAA AIP grants and other Authority cash on hand. The Authority is not planning to use any proceeds from the 2024 Bonds for these other projects and does not have any plans to issue bonds for these other projects.

See “AIRPORT USE AGREEMENTS” and Appendices D-1, D-2 and D-3 regarding certain Signatory Airlines’ rights pertaining to approval of capital improvement projects under the Existing Airport Use Agreements and the Replacement Airport Use Agreements.

There are legal and practical limitations for any capital improvement project that would expand the size of the Airport. See “TERMINAL RELOCATION PROJECT – History of the Airport and the Terminal Relocation Project” and “– Developments from 2015 to 2017: Measure B” and “THE AUTHORITY – Joint Powers Agreement.” Also see Section 2.4 – Restrictions on Airport Development in the Airport Consultant Report in APPENDIX A and Section 3.1 – Airport Facility (Capital Improvement Program (Excluding the Project) in Appendix A.

Outstanding Debt

The Authority has previously issued or incurred Senior Obligations pursuant to the Indenture that are secured by the Trust Estate on a parity basis with the 2024 Bonds. As of the date of issuance of the 2024 Bonds, the Outstanding Senior Obligations will consist of (1) \$66,930,000 aggregate principal amount of the 2012 Bonds outstanding under the Indenture, which will be the only other Bonds outstanding under the Indenture upon the issuance of the 2024 Bonds and of which \$2,055,000 will be subject to a mandatory sinking fund redemption on July 1, 2024, (2) up to \$200 million aggregate principal amount of Commercial Paper Notes, and (3) the related Commercial Paper Reimbursement Obligations, consisting of certain reimbursement obligations of the Authority under agreements with two banks that have issued irrevocable transferable direct-pay letters of credit to support the Commercial Paper Notes.

The Authority currently has two irrevocable direct-pay letters of credit totaling \$200 million in available principal amount to support the Commercial Paper Notes. The current letters of credit are described in Table 4 below.

Table 4
Current Letters of Credit

Series	Principal Amount	Letter of Credit Provider	Expiration Date
Series A-1 Notes Series B-1 Notes Series C-1 Notes	\$100,000,000	Barclays Bank PLC	June 21, 2028
Series A-2 Notes Series B-2 Notes Series C-2 Notes	\$100,000,000	Sumitomo Mitsui Banking Corporation, acting through its New York Branch	June 21, 2028

See “INTRODUCTION – Outstanding Senior Obligations.” Also see “– Additional Senior Obligations,” “– Additional Subordinate Obligations” and “– Junior Subordinate Obligations, Special Facility Obligations and Other Indebtedness.”

AIRPORT OPERATIONS STATISTICS

The following is a summary of certain information regarding Airport operations. For further information concerning the operational and financial results of the Airport and the Authority, see “HISTORICAL FINANCIAL INFORMATION” and APPENDIX B: “FINANCIAL STATEMENTS.”

Airport Traffic

The state of the national economy, changes in fuel costs, the restructuring of the airline industry and a variety of other factors could materially affect passenger traffic levels at the Airport. Table 5 below shows certain operational statistics for the Airport during the last ten Fiscal Years, as well as the first six months of FY 2024, as compared to the first six months of FY 2023. These statistics reflect a growth trend between FY 2014 and FY 2019. FY 2020 and FY 2021 were the years affected by the COVID-19 pandemic. Since FY 2022, Airport operations have been on the path of recovery and now exceed the levels experienced in FY 2019 prior to the COVID-19 pandemic.

Table 5
Burbank-Glendale-Pasadena Airport Authority
Bob Hope Airport, commonly known as Hollywood Burbank Airport
Comparative Summary of Traffic Activities

	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>6-month period ended 12/31/2022</u>	<u>6-month period ended 12/31/2023</u>
Commercial carrier flight operations (take-off & landings)	47,070	45,667	49,011	50,895	55,625	59,574	55,000	27,759	60,849	63,904	33,124	33,176
Landed weight (000's pounds)	2,825,497	2,750,671	2,897,938	3,206,360	3,621,073	3,860,176	3,734,685	1,994,519	4,200,608	4,433,115	2,286,994	2,011,181
Total enplaned and deplaned passengers	3,816,578	3,902,455	3,976,735	4,396,230	5,028,271	5,493,990	4,540,201	1,758,771	5,434,646	5,973,893	3,141,246	3,202,082
Cargo tonnage (tons)	53,967	56,104	54,060	54,445	54,512	53,635	53,762	56,495	51,061	38,979	20,741	19,027

Source: Burbank-Glendale-Pasadena Airport Authority.

Passenger Demand

Most of the passengers using the Airport either originate or terminate their journeys at the Airport. Domestic origination and destination (“O&D”) passengers accounted for approximately 92.9% of total scheduled passengers at the Airport in FY 2023.

Table 6 below shows eight of the top ten O&D markets for the Airport in FY 2023 were in the western United States (with travel distances of less than 1,000 miles) and accounted for 91.6% of the total O&D passengers during this period. The top three cities in FY 2023 with the highest number of enplaned passengers for the Airport were Las Vegas, Oakland and Phoenix.

Table 6
Burbank-Glendale-Pasadena Airport Authority
Bob Hope Airport, commonly known as Hollywood Burbank Airport
Top 10 Domestic O&D Enplaned Passenger Markets
(for the 12 months ended June 30, 2023)

Rank	City Market <i>Airport</i>	Nonstop Miles	Domestic O&D Passengers	Market as % of Total
1	San Francisco Bay Area		640,209	22.5%
	<i>Oakland</i>	325	253,351	8.9
	<i>San Jose</i>	296	200,052	7.0
	<i>San Francisco</i>	326	186,806	6.6
2	Las Vegas	223	338,140	11.9
3	Phoenix	369	233,120	8.2
4	Sacramento	358	232,031	8.1
5	Seattle	937	200,412	7.0
6	Denver	850	125,193	4.4
7	Portland	817	114,178	4.0
8	Salt Lake City	574	84,963	3.0
9	Dallas ⁽¹⁾	1,243	71,954	2.5
10	New York City ⁽²⁾	2,454	64,023	2.2
	Top 10 Markets		2,104,223	73.9%
	Other markets		743,412	26.1
	Total—All Markets		2,847,635	100.0%

⁽¹⁾ Market includes Love Field and DFW International airports.

⁽²⁾ Market includes John F. Kennedy, LaGuardia and Newark Liberty International airports.

Source: U.S. DOT, *Air Passenger Origin-Destination Survey*, reconciled to Schedules T100 and 298C T1

Several airlines announced expansions of service from the Airport commencing at various times in FY 2024. Such expansions of service are subject to schedule adjustments, suspensions or cancellations by the airlines.

In October 2023, Southwest announced that it will launch daily nonstop service to five new mid-continent domestic destinations in June 2024, including Boise Airport, Kansas City International Airport, Louis Armstrong New Orleans International Airport, San Antonio International Airport and St. Louis Lambert International Airport. These new destinations expand the scope of Southwest’s service from the Airport to the middle of the country, which historically focused on the West Coast. Additionally, Alaska launched nonstop service to San Francisco International Airport in December 2023, Avelo launched nonstop service to McNary Field in Salem, Oregon and Delta announced its plan to resume nonstop service to Hartsfield-Jackson Atlanta International Airport in June 2024.

Nearby Airports

Four commercial airports in the Greater Los Angeles Area are located within 50 driving miles of the Airport: Los Angeles International (LAX), Long Beach (LGB), LA/Ontario International (ONT) and John Wayne (SNA). Table 7 below shows the total number of enplaned passengers at the Airport (based on information from the FAA’s website) and four nearby airports in calendar years 2013 through 2022 (the last calendar year, for which the data was available on such website). Each of the five airports serves a particular subset of passenger demand in the region due

to each airport’s geographic proximity to businesses, tourist attractions and population concentrations in the region, as well as the availability of specific types of air services. The Airport primarily accommodates O&D travel to short and medium-haul domestic markets, including the West Coast corridor and recent expansions of service to the Midwest, and serves as a gateway to businesses, attractions and residents in the Cities of Burbank, Glendale and Pasadena and the San Fernando Valley and Ventura County.

Table 7
Burbank-Glendale-Pasadena Airport Authority
Bob Hope Airport, commonly known as Hollywood Burbank Airport
Enplaned Passengers at BUR and Nearby Airports

Calendar Year	BUR		LAX		SNA		ONT		LGB		Total
	Enplaned Passengers	Percent of Total ⁽¹⁾	Enplaned Passengers	Percent of Total ⁽¹⁾	Enplaned Passengers	Percent of Total ⁽¹⁾	Enplaned Passengers	Percent of Total ⁽¹⁾	Enplaned Passengers	Percent of Total ⁽¹⁾	Enplaned Passengers ⁽²⁾
2013	1,918,011	4.5%	32,425,892	76.7%	4,540,628	10.7%	1,970,538	4.7%	1,438,756	3.4%	42,293,825
2014	1,928,491	4.4%	34,314,197	77.6%	4,584,147	10.4%	2,037,346	4.6%	1,368,923	3.1%	44,233,104
2015	1,973,897	4.2%	36,351,272	78.0%	4,945,209	10.6%	2,089,801	4.5%	1,220,937	2.6%	46,581,116
2016	2,077,892	4.1%	39,636,042	78.6%	5,217,242	10.3%	2,104,625	4.2%	1,386,357	2.7%	50,422,158
2017	2,402,106	4.5%	41,232,432	78.1%	5,082,716	9.6%	2,247,645	4.3%	1,830,745	3.5%	52,795,644
2018	2,680,240	4.9%	42,624,050	77.6%	5,201,642	9.5%	2,498,993	4.6%	1,908,635	3.5%	54,913,560
2019	2,988,720	5.4%	42,939,104	77.3%	5,153,276	9.3%	2,723,002	4.9%	1,752,283	3.2%	55,556,385
2020	1,056,838	5.7%	14,055,777	75.2%	1,824,836	9.8%	1,237,946	6.6%	504,478	2.7%	18,679,875
2021	1,942,417	5.6%	23,663,410	72.5%	3,807,205	11.7%	2,201,528	6.7%	1,039,432	3.2%	32,654,656
2022	3,054,729	6.7%	32,326,616	71.3%	5,536,313	12.2%	2,840,758	6.3%	1,600,987	3.5%	45,359,403

⁽¹⁾ Equals the number of enplaned passengers of the respective Airport divided by the “Total Enplaned Passengers” (rightmost column) for the calendar year.

⁽²⁾ Equals sum of the number of enplaned passengers at BUR, LAX, SNA, ONT and LGB for such calendar year, as shown in the columns to the left.

Source: Ricondo & Associates, based on FAA: System of Airports Reporting, Air Carrier Activity Information System, February 2024.

Passenger Airline Operations and Market Share

Table 8 below presents the number of mainline operations and regional/commuter operations at the Airport for FY 2014 through FY 2023. “Mainline” refers to aircraft activity with more than 99 seats. “Regionals/commuters” refer to aircraft activity with 99 seats or less.

Table 8
Burbank-Glendale-Pasadena Airport Authority
Bob Hope Airport, commonly known as Hollywood Burbank Airport
Aircraft Operations

Fiscal Year	Mainline⁽¹⁾	Regionals/ Commuters⁽²⁾	Airline Total
2014	33,029	13,559	46,588
2015	32,135	14,619	46,754
2016	33,172	14,170	47,342
2017	36,468	12,710	49,178
2018	40,663	13,301	53,964
2019	41,339	15,752	57,091
2020	38,324	14,872	53,196
2021	18,405	7,561	25,966
2022	47,269	11,610	58,879
2023	51,084	10,722	61,806

⁽¹⁾ Includes scheduled and charter operations on aircraft greater than 99 seats

⁽²⁾ Includes scheduled and charter operations by aircraft equal to or less than 99 seats

Source: Burbank-Glendale-Pasadena Airport Authority.

For FY 2023, the top three airlines at the Airport by number of enplaned passengers are Southwest, Alaska and Avelo. Southwest has been the Airport’s largest airline in terms of passenger enplanements since FY 1991. Much of Southwest’s growth at the Airport occurred in the first half of the 1990s, as it expanded the frequency and scope of its operations at the Airport. Southwest’s share of total passenger enplanements in FY 2023 was approximately 65.0%. Alaska passengers constituted approximately 10% of all enplaned passengers at the Airport for FY 2023. Avelo was previously a charter flight operator. Avelo’s inaugural commercial passenger flight took off from the Airport in April 2022. In FY 2023, Avelo passengers constituted approximately 6% of all enplaned passengers at the Airport. Southwest, Alaska and Avelo’s percentage shares of enplaned passengers, and each category of revenues, are on trend to be similar in FY 2024. It is currently expected that, as of the opening of the Replacement Passenger Terminal, Southwest will continue to represent a dominant share of the Airport’s flight activities and, correspondingly, Rental, Common Use Fees and Landing Fees revenue. Southwest’s representative is the Chair of the AAAC (see “AIRPORT USE AGREEMENTS – Existing Airport Use Agreements”). See “CERTAIN INVESTMENT CONSIDERATIONS – Certain Factors Particular to the Airport – *Concentration of Southwest Airlines.*”

Table 9 below shows the number of total passengers at the Airport by airlines for the period FY 2019 through FY 2023. In FY 2023, the top two airlines (Southwest and Alaska) accounted for approximately 74.8% of total passengers, and the top four airlines accounted for approximately 87.6% of total passengers.

Table 9
Burbank-Glendale-Pasadena Airport Authority
Bob Hope Airport, commonly known as Hollywood Burbank Airport
Total Passengers by Airline

Air Carrier	FY 2019		FY 2020		FY 2021		FY 2022		FY 2023	
	Number of Passengers	Percent of Total	Number of Passengers	Percent of Total	Number of Passengers	Percent of Total	Number of Passengers	Percent of Total	Number of Passengers	Percent of Total
Southwest	3,963,632	72.1%	3,069,704	67.7%	1,133,353	64.5%	3,519,794	64.8%	3,884,657	65.0%
Alaska Airlines	614,585	11.2	432,779	9.5	181,780	10.3	467,546	8.6	586,313	9.8
Alaska	614,585	—	432,779	—	181,780	—	467,546	—	586,313	—
Horizon Air	—	—	—	—	—	—	—	—	—	—
American Airlines/U.S. Airways	208,558	3.8	286,663	6.3	203,083	11.5	380,642	7.0	421,007	7.0
American/US Airways	—	—	286,663	—	203,083	—	380,642	—	421,007	—
Mesa	208,558	—	—	—	—	—	—	—	—	—
Avelo Airlines	—	—	—	—	74,036	4.2	379,598	7.0	341,101	5.8
Delta Air Lines	169,855	3.1	220,814	4.9	80,143	4.6	189,510	3.5	155,467	2.6
SkyWest	169,855	—	220,814	—	80,143	—	189,510	—	155,467	—
Flair Airlines	—	—	—	—	—	—	10,529	0.2	9,162	0.2
Frontier Airlines	—	—	—	—	—	—	130,876	2.4	29,655	0.5
JetBlue	219,215	4.0	165,085	3.6	7,805	0.4	145,113	2.6	96,041	1.5
Spirit Airlines	3,681	0.1	96,530	2.1	32,757	1.9	83,243	1.5	192,949	3.2
United	314,464	5.7	268,626	5.9	45,814	2.6	127,795	2.4	257,541	4.4
SkyWest	314,464	—	268,626	—	45,814	—	127,795	—	257,541	—
Total Passengers	5,493,990	100.0%	4,540,201	100.0%	1,758,771	100.0%	5,434,646	100.0%	5,973,893	100.0%

Data represent sum of enplaned and deplaned passengers.

Spirit Airlines began operations at the Airport beginning June 2019.

Avelo Airlines began operations at the Airport beginning April 2021.

Frontier Airlines ceased operations in March 2023.

Flair Airlines ceased operations in November 2022.

Percentages may not sum to totals due to rounding.

Source: Burbank-Glendale-Pasadena Airport Authority.

Cargo and Other Non-Airline Services

Table 10 below presents the number of air cargo and other non-airline air service operations at the Airport from FY 2014 through FY 2023. “General Aviation” refers to, primarily, private charters and airplanes with fewer than 30 seats.

Table 10
Burbank-Glendale-Pasadena Airport Authority
Bob Hope Airport, commonly known as Hollywood Burbank Airport
Aircraft Operations – Cargo and Other Non-Airline Services

Fiscal Year	<i>All-Cargo</i>	<i>General Aviation</i>	<i>Other Air Taxi</i>	<i>Military</i>
2014	6,577	60,098	9,987	702
2015	6,218	59,848	7,814	1,045
2016	4,977	69,014	9,807	1,035
2017	4,737	61,524	13,159	1,086
2018	4,702	58,494	15,836	999
2019	4,634	55,118	18,270	527
2020	4,652	54,698	16,946	531
2021	4,319	61,456	17,434	432
2022	4,011	57,134	20,608	384
2023	3,756	49,996	21,670	401

Source: Burbank-Glendale-Pasadena Airport Authority.

FedEx Corporation and United Parcel Service, Inc. operate aircraft at the Airport under Operating Permits. During the past decade (and especially since FY 2019), their business volumes have been impacted by changes in customer behavior and demands, as well as competition (for example, e-commerce giant Amazon using its own fleet). Some passenger carriers that carry cargo on their airplanes have also experienced a decrease in volume with respect to that portion of their business. These changes are reflected in the overall decrease in cargo volume at the Airport during the past decade.

Table 11 below shows the cargo (sum of enplaned and deplaned tonnage) by passenger carriers and cargo carriers for the last ten Fiscal Years.

Table 11
Burbank-Glendale-Pasadena Airport Authority
Bob Hope Airport, commonly known as Hollywood Burbank Airport
Trends in Total Air Cargo⁽¹⁾ by Type of Carrier
(for the 12 months ended June 30; freight and mail in tons)

Fiscal Year	Passenger Carriers		All-Cargo Carriers		Total Cargo	% Change from Prior Year
	Cargo	% of Total	Cargo	% of Total		
2014	1,141	2.1%	52,826	97.9%	53,967	3.9%
2015	1,056	1.9	55,048	98.1	56,104	4.0
2016	971	1.8	53,089	98.2	54,060	-3.6
2017	881	1.6	53,564	98.4	54,445	0.7
2018	924	1.7	53,588	98.3	54,512	0.1
2019	1,065	2.0	52,569	98.0	53,634	-1.6
2020	901	1.7	52,861	98.3	53,762	0.2
2021	734	1.3	55,761	98.7	56,495	5.1
2022	1,604 ⁽²⁾	3.1	49,457	96.9	51,061	-9.6
2023 ⁽³⁾	792	2.0	38,187	98.0	38,979	-23.7

⁽¹⁾ Data represent the sum of enplaned and deplaned tonnage.

⁽²⁾ Increased FY 2022 passenger carrier cargo contributed by the surge in shipping demand during COVID-19 pandemic.

⁽³⁾ FY 2023 decrease particularly reflects the drop in e-commerce shipping demand, after the surge experienced during the COVID-19 pandemic. Also see paragraph immediately below Table 10 above regarding the general decline in cargo volume during the past decade.

Source: Burbank-Glendale-Pasadena Airport Authority.

SOURCES OF REVENUES

Under the Master Indenture, Revenues include, generally, all of the operating revenues of the Authority. Such operating revenues constitute most of the Revenues. Revenues include certain non-operating revenues, such as investment income on certain funds but does exclude significant categories of income.

Unless deposited in the Revenue Fund, Revenues exclude grants received from the United States, the State of California, or any other governmental entity or agency, Passenger Facility Charges, Customer Facility Charges, proceeds from Obligations or other borrowings of the Authority, moneys derived with respect to any Special Facility while financed with outstanding Special Facility Bonds, and insurance proceeds and condemnation awards. See “ – Customer Facility Charges” below regarding Customer Facility Charges deposited in the Debt Service Fund each Fiscal Year that are pledged to the 2012 Bonds.

The principal sources of Revenues are discussed below.

General

The Authority derives most of its operating revenues from tenant rent, parking facilities, concessionaire-assessed rents and fees, aircraft landing fees, and other assessments including ground transportation access fees and fuel flowage fees. While parking revenues have historically been the biggest revenue source, by dollar amount, see discussions under “AIRPORT USE AGREEMENTS,” “AIRPORT CONSULTANT REPORT – Projected Net Revenues and Debt Service Projections” and “ – Projected Revenue From Rent and Fees, and Cost Per Enplanement” regarding the expectation that revenues from the airlines (rent and landing fees) will significantly increase – in dollar amounts and as percentages of the Authority’s operating revenues – once the Replacement Passenger Terminal opens.

Table 12 below provides a comparative summary of operating revenues for the last five Fiscal Years, along with information as to operating revenues for the initial six months of FY 2023 and FY 2024.

Table 12
Burbank-Glendale-Pasadena Airport Authority
Bob Hope Airport, commonly known as Hollywood Burbank Airport
Comparative Summary of Operating Revenues

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	6 mos. ended Dec. 31, 2022	6 mos. ended Dec. 31, 2023
Parking fees ⁽¹⁾	\$21,688,728	\$17,361,157	\$8,526,479	\$25,174,110	\$29,082,523	\$14,848,293	\$14,929,941
Tenant Rent:							
Signatory Airlines	2,183,813	2,187,332	2,114,888	2,214,697	2,204,368	1,099,852	1,092,815
RACs Facility Rent ⁽²⁾	1,006,940	1,030,962	1,056,735	950,146	982,512	515,481	616,217
RACs ⁽³⁾	559,430	582,162	510,410	523,297	550,665	275,042	280,235
Hangar leases	9,709,403	10,489,538	10,682,265	11,988,548	13,226,290	6,424,025	6,874,867
Ground leases	2,366,631	2,465,408	2,525,409	2,335,310	2,319,595	1,107,382	1,068,010
Other terminal rents	210,726	209,861	181,830	164,958	196,096	105,538	94,011
Fuel yard	49,297	50,962	52,227	54,331	57,440	28,260	29,411
Temporary ramp rentals	60,716	81,925	116,508	107,773	131,481	66,151	52,946
Total Tenant Rent	16,146,956	17,098,150	17,240,272	18,339,060	19,668,447	9,621,731	10,108,512
Concession fees	11,105,119	9,556,806	4,876,436	12,808,920	13,920,628	7,028,320	7,269,261
Landing fees	3,928,651	3,796,967	2,139,159	4,055,176	4,586,568	2,352,607	2,324,199
Ground transportation	3,988,429	3,899,653	948,286	2,815,018	3,681,065	1,884,103	2,019,633
Other	1,612,037	1,357,565	966,864	2,040,280	1,990,728	1,029,571	1,250,999
Total Operating Revenues:	\$58,469,920	\$53,070,298	\$34,697,496	\$65,232,564	\$72,929,959	\$36,764,625	\$37,902,545

⁽¹⁾ Includes a 12% City of Burbank parking tax, which is included in “other operating expenses” in Table 13 under “HISTORICAL FINANCIAL INFORMATION.”

⁽²⁾ Includes Rental Car Company Facility Rent under the Rental Car Company Agreements. See “– Tenant Rent – Rental Car Facility Rent; Rental Car Company Agreements” below.

⁽³⁾ Includes rent for Rental Car Company service/storage areas, overflow storage areas and rental counters at the Airport that is not located in the RITC.

Source: Burbank-Glendale-Pasadena Airport Authority.

As reflected in Table 12 above, total operating revenues* of the Authority increased by \$7,823,677, or approximately 12.1% from FY 2022 to FY 2023. Such increase shows the continued passenger activity recovery following the COVID-19 pandemic. The increase of \$3,908,413 in parking revenues was mostly a result of self-park options and a full year of parking rate increases implemented in mid-FY 2022. The increase in tenant rent revenues was contributed by the addition of new hangar leases and CPI-based increases to existing leases. The increase in concession fees revenue reflected increased passenger activity. The ground transportation revenues increase was due to returning ride share demand. The landing fees collection increased, as previously suspended routes have resumed, new routes have been added, and the airlines have increased the capacity of aircraft serving the Airport.

The operating revenues represented in Table 12 above do not include Customer Facility Charges received by the Authority. See “– Customer Facility Charges.”

See APPENDIX B: “FINANCIAL STATEMENTS – Management’s Discussion and Analysis” for a discussion of operating revenues.

* Includes a 12% City of Burbank parking tax, which is included in “other operating expenses” in Table 13 under “HISTORICAL FINANCIAL INFORMATION.”

Parking Fees

General. Parking fees are collected by the Authority. Parking fee revenues were the most significant revenue source, comprising \$29,082,523 or approximately 40% of total operating revenues, for FY 2023. Parking revenues generally coincide with the levels of passenger activity. The decrease in parking revenues in FY 2021 was due to the decline in passenger activity because of the COVID-19 pandemic. Subsequent increases in FY 2022 and FY 2023 reflected the post-pandemic recovery of passenger activity. The Authority collects and forwards to the City of Burbank 12% of its public parking revenues as part of the City of Burbank's transient parking tax.

Currently, there are approximately 5,000 available public parking spaces at the Airport, excluding employee parking. Public parking facilities at the Airport include a parking structure across from the Existing Terminal Building, a valet lot, four additional lots (Lots C, E, F and G) and parking spaces at the RITC. There is pedestrian access between each of Lots E, F and G and the existing Terminal Building. Shuttle services are provided to and from Lot C. Parking in the short-term parking garage cost \$34 per day. Parking in the other lots range from \$13 per day to \$24 per day depending on the lot. Valet parking is available at rates up to \$27 per day. Parking rates at the new garage that will be built as part of the Terminal Relocation Project have not yet been determined but are expected to be higher than the current rates. See "THE AIRPORT – Description of the Airport and Existing Terminal Building."

Parking Services Agreement. On July 10, 2023, the Authority entered into a contract with ACE Parking for self-park management services, valet parking services and shuttle services, ending the Authority's previous engagements with SP+ Corporation (self-park management services and valet parking services) and MV Transportation (shuttle services). In FY 2023, the costs under the contracts with SP+ Corporation and MV Transportation totaled \$7,982,673. Compensation under ACE Parking contract is based on a fixed management fee and reimbursement of operating costs.

Tenant Rent

The total amount of tenant rent the Authority received in FY 2023 was \$19,668,447. In FY 2022, the total amount of tenant rent received was \$18,339,060. The following is a discussion of the different types of rent received at the Airport.

Signatory Airline Passenger Terminal Rent. As discussed under "AIRPORT USE AGREEMENTS," the Authority collects Rental (for Exclusive Use Space) and Joint Use Fees (for Joint Use Space) from the Signatory Airlines, based on rates which the Authority has not raised since July 2012. For FY 2023, the Signatory Airlines paid a total of \$2,204,368 in terminal rents (*i.e.*, the sum of Rental and Joint Use Fees), which is a slight decrease from the amount of \$2,214,697 in FY 2022. See discussions under "AIRPORT USE AGREEMENTS" and "AIRPORT CONSULTANT REPORT – Projected Net Revenues and Debt Service Projections" regarding significant changes to the methodology under which terminal rent will be calculated upon the opening of the Replacement Passenger Terminal. Also See APPENDIX D-1: "SUMMARY OF CERTAIN PROVISIONS OF THE EXISTING AIRPORT USE AGREEMENTS," APPENDIX D-2: "SUMMARY OF CERTAIN PROVISIONS OF AMENDMENT TO AIRPORT USE AGREEMENT" and APPENDIX D-3: "SUMMARY OF CERTAIN PROVISIONS OF REPLACEMENT AIRPORT USE AGREEMENT."

Other Terminal Rent. In addition to space made available to the Signatory Airlines under the Existing Airport Use Agreements, the Authority also leases spaces in the Existing Terminal Building to other tenants providing goods and services. For FY 2022 and FY 2023, the Authority received \$164,958 and \$196,096, respectively, under such leases.

Rental Car Facility Rent; Rental Car Company Agreements. Six rental car companies (the "Rental Car Companies" or "RACs") currently have operations at the Rental Car Facilities at the RITC. See "THE AIRPORT – Regional Intermodal Transportation Center." They are Avis Budget Car Rental, LLC ("Avis"), Budget Rent a Car System, Inc. ("Budget"), DTG Operations, Inc. ("DTG"), Enterprise Rent-A-Car Company of Los Angeles, LLC ("Enterprise"), Fox Rent A Car, Inc. ("Fox"), and The Hertz Corporation ("Hertz"). They operate at the RITC under eleven brand names: Alamo, Avis, Budget, Dollar, Enterprise, Fox, Hertz, National, Payless and Thrifty. Each RAC has entered into a Non-Exclusive, On-Airport Rental Car Lease and Concession Agreements (the "Rental Car Company Agreement") with the Authority.

The term of each Rental Car Company Agreement began upon completion of the Rental Car Facilities on July 15, 2014. Each Rental Car Company Agreement grants a ten-year concession period, extendable by the Authority for two additional ten-year periods with the consent of a majority of the on-airport rental car companies and a majority of the on-airport market share interests, and a thirty-year lease period of a portion of the Rental Car Facilities; provided that such lease period will end prior to such time if the Authority does not extend the concession of the applicable Rental Car Company. The Authority has obtained the necessary consents to extension and the concession period of each Rental Car Company Agreement now is set to expire on January 1, 2035.

The Rental Car Company Agreements require all RACs operating at the Rental Car Facilities to conduct their Airport operations at the Rental Car Facilities. Under the Rental Car Company Agreements, the RACs are responsible for the on-going costs of operating, maintaining and repairing the Rental Car Facilities.

Under the Rental Car Company Agreements, the RACs must pay rent ("Facility Rent"), which is comprised of several components. Among them, one component constitutes the "Ground Rent." Another component is based on the amount of the Authority's debt service payments in connection with the 2012 Bonds, net of Customer Facility Charges budgeted to be remitted to the Authority by the RACs. Under the calculation of Facility Rent in the Rental Car Company Agreements, the RACs are expected to pay Facility Rent in an amount which, in each Fiscal Year and along with the Pledged Customer Facility Charges (see "*Customer Facility Charges*" below), is expected to be in excess of debt service on the 2012 Bonds. Such Facility Rent constitutes Revenues pursuant to the Indenture, and thus, also secures the other Obligations that are secured by the Trust Estate pursuant to the Indenture. The Authority began collecting Facility Rent under the Rental Car Company Agreement on July 15, 2014. The Authority received Facility Rent in the amount of \$950,146 for FY 2022 and \$982,512 for FY 2023.

In addition to Facility Rent, the RACs are obligation to pay concession fees (see "*Concession Fees – Rental Cars*" below) and collect Customer Facility Charges and remit them to the Authority (see "*Customer Facility Charges*" below).

The RACs also pay rent for service and storage areas, rental counters and other space at the Airport. Such rent amounted to \$523,297 and \$550,665 in FY 2022 and FY 2023, respectively.

Other Rent. The Authority also leases approximately 3,364,000 square feet of land and the buildings and improvements on the land. These leases include 11 hangars and unimproved land for automobile storage as well as the land and facilities for two fixed based operators. The Authority currently has 46 such leases expiring from 2024 to 2035. The Authority received \$14,650,920 in FY 2022 and \$15,930,902 in FY 2023, respectively, under such leases.

Concession Fees

In FY 2023 and FY 2022, the Authority received \$13,920,628 and \$12,808,920, respectively, from concessions. The following is a breakdown of certain concessionaires at the Airport. As discussed above, the concession period of the Rental Car Company Agreements expires on January 1, 2035. The Rental Car Facilities at the RITC will continue operation throughout the construction, and after the completion, of the Replacement Passenger Terminal. For concessions in the Replacement Passenger Terminal, the Authority is planning to implement a new set of FAA-approved goals for an Airport Concession Disadvantage Enterprise ("ACDBE") program. The program will provide for a master concessionaire for each major category, such as "news and gifts" and "food and beverage."

Rental Cars. Each Rental Car Company is obligated under its respective Rental Car Company Agreement to pay the Authority a concession fee consisting of the greater of such company's minimum annual guarantee or 10% of its annual gross revenues as defined in the Rental Car Company Agreement. For FY 2023, the minimum annual guarantee under each Rental Car Company Agreement totaled \$4,893,126, and the Authority received \$8,053,394 in concession fees from the Rental Car Companies.

Food and Beverage. The Authority has entered into an agreement with MCS Burbank, LLC, a Nevada limited liability company, for the exclusive operation of public food and beverage concessions at the Airport. The food service agreement, which currently expires June 30, 2026, provides for payment to the Authority of the greater of an annual minimum or 12% of gross receipts from the sale of food and non-alcoholic beverages and 17% of the

gross receipts from the sale of alcoholic beverages. Pursuant to a 2023 amendment, the annual minimum was increased (by \$124,564) to \$1,457,917, subject to a CPI adjustment up to 3% per year. During FY 2023, the Authority received \$3,628,764 from food and beverage concessions.

Gift and News. The Authority also has a non-exclusive agreement for gift and news concessions with HG Burbank JV (“Hudson”). The current Hudson agreement expires on May 31, 2025. Under the agreement, for each Fiscal Year, Hudson pays the Authority an amount equal to the greater of 20% of annual gross revenue or an annual minimum, plus some additional payments for miscellaneous items. The minimum for FY 2023 totaled \$1,132,111. During FY 2023, the Authority received \$1,407,914 from gift and news concessions. In addition, the Authority received a total of \$830,556 in FY 2023 in connection with advertising concessions, flowers, wi-fi internet services, baggage carts and miscellaneous products and services.

Landing Fees

Landing Fees are, generally, the product of total landed weight multiplied by the applicable landing fee rate. As discussed under “AIRPORT USE AGREEMENTS,” the Authority has not raised the landing fee rate for the Signatory Airlines for many years. The current landing fee rate for Signatory Airlines is \$0.97 per 1,000 pounds landed weight. The landing fee for air carriers other than Signatory Airlines is \$1.56 per 1,000 pounds landed weight.

During FY 2023, the total amount of landed weight for all aircraft including all-cargo airplanes was approximately 4.433 billion pounds. The total amount of landing fees the Authority received in FY 2023 was \$4,586,568. This is an increase from the FY 2022 results, which were approximately 4.200 billion pounds and \$4,055,176.

See discussions under “AIRPORT USE AGREEMENTS” regarding significant changes to the methodology for determining the landing fee rate each Fiscal Year, to be implemented in connection with the Terminal Relocation Project. Also See APPENDIX D-1: “SUMMARY OF CERTAIN PROVISIONS OF THE AIRPORT USE AGREEMENTS,” APPENDIX D-2: “SUMMARY OF CERTAIN PROVISIONS OF AMENDMENT TO AIRPORT USE AGREEMENT” and APPENDIX D-3: “SUMMARY OF CERTAIN PROVISIONS OF REPLACEMENT AIRPORT USE AGREEMENT.”

Customer Facility Charges

The Authority levies Customer Facility Charges pursuant to California Government Code Section 50474.3 (formerly California Civil Code Section 1936). Customer Facility Charges imposed by the Authority can be used only for consolidated rental car facilities at the Airport. Generally, “Revenues” under the Indenture exclude Customer Facility Charges. However, if the Authority so specifies, available proceeds can constitute part of the pledge for the designated Bonds. The 2012 Bonds were issued to finance the RITC. See “THE AIRPORT – Regional Intermodal Transportation Center.”

Pursuant to the Third Supplemental Indenture, the Customer Facility Charges received each Fiscal Year, up to the scheduled debt service on the 2012 Bonds accruing in such Fiscal Year, are Pledged Customer Facility Charges to be applied to the payment of debt service on the 2012 Bonds. The Pledged Customer Facility Charges are required to be deposited in the Debt Service Fund. The Pledged Customer Facility Charges are not available to pay debt service on the 2024 Bonds. See “SECURITY FOR THE 2024 BONDS – Pledge of Trust Estate – *Available Revenues*.” Historically, except for FY 2021 (due to the impact of COVID-19 on passenger traffic at the Airport), the Pledged Customer Facility Charges have been sufficient to pay a significant portion, though not all, of the principal and interest payment due on the 2012 Bonds each Fiscal Year (e.g., 86% in FY 2023, see Table 16 – Historical Net Revenues and Debt Service Coverage). As described in “– Tenant Rent – *Rental Car Facility Rent; Rental Car Agreements*,” Facility Rent includes a component calculated to cover the amount of debt service on the 2012 Bonds not paid from Customer Facility Charges). Such Facility Rent constitutes Revenues pursuant to the Indenture, and thus also secures the other Obligations that are secured by the Trust Estate pursuant to the Indenture.

In accordance with California law, the Customer Facility Charge at the Airport is \$6.00 per transaction day, with a five-transaction day limit. The amounts of Customer Facility Charges receipts for FY 2022 and FY 2023 were

\$4,581,378 and \$5,035,727, respectively, all of which were applied to the payment of the 2012 Bonds. See “HISTORICAL FINANCIAL INFORMATION – Historical Debt Service Coverage.”

Customer Facility Charges are collected by the RACs and remitted to the Authority on a monthly basis. Demand for rental cars, and the total amount of Customer Facility Charges, are highly correlated to passenger activity (although other factors do affect a traveler’s decision to rent a car upon arrival at the Airport, such as rental rates and alternative modes of transportation, including ride share demand). For a discussion of passenger activity at the Airport, see “AIRPORT OPERATIONS” and APPENDIX B: “FINANCIAL STATEMENTS – Management’s Discussion and Analysis.”

Passenger Facility Charges

Pursuant to the Indenture, Passenger Facility Charges received by the Authority are excluded from “Revenues,” and thus not part of the Trust Estate pledged to the Bonds under the Indenture, unless the Authority so specifies, and then, only the amount deposited in the Debt Service Fund would be pledged for the designated Bonds. Currently, no Passenger Facility Charges are pledged to the repayment of any Bonds. The projections of Ricondo in the Airport Consultant Report do not reflect any use of Passenger Facility Charges for the payment of Debt Service on the 2024 Bonds. See Table A-3 – Projected Revenue Collections and Table A-11 Cash Flow and Debt Service Coverage in Appendix A.

Federal law allows the collection of Passenger Facility Charges, through passenger tickets, to fund an airport’s eligible capital improvement projects, subject to FAA approval. Pursuant to current FAA approval, the Authority may, with certain exceptions, charge each paying passenger who enplanes at the Airport a Passenger Facility Charge of \$4.50. Airlines that serve the Airport are required to collect the Passenger Facility Charge and remit the proceeds to the Authority on a monthly basis, less a \$0.11 handling fee. The Authority currently collects Passenger Facility Charges and plans to use Passenger Facility Charges to pay for the costs of eligible portions of the Terminal Relocation Project, the off-Airport sound insulation program and other capital improvement projects.

The Passenger Facility Charge legislation (consisting of the Aviation Safety and Capacity Expansion Act of 1990, P.L. 101-508; the Wendel H. Ford Aviation Investment and Reform Act for the 21st Century, P.L. 106-181; the VISION 100-Century of Aviation Reauthorization Act, P.L. 108-176; and the Federal Aviation Administration Extension Act of 2008, P.L. 110-330) provide that Passenger Facility Charges collected by the airlines constitute a trust fund held for the beneficial interest of the eligible agency imposing the Passenger Facility Charges, except for any handling fee or retention of interest collected on unremitted proceeds. In addition, federal regulations require airlines to account for Passenger Facility Charge collections separately and to disclose the existence and amount of funds regarded as trust funds for financial statements. The airlines are entitled to retain interest earned on the investment of Passenger Facility Charge collections until such Passenger Facility Charge collections are remitted. These provisions may not be enforceable in a bankruptcy of an airline, however.

HISTORICAL FINANCIAL INFORMATION

Historical Operating Results

The following Statements of Revenues and Expenses for the Airport for FY 2019 through FY 2023 were prepared by the Authority based on its audited annual financial statements. The information for the six months ended December 31, 2022 and December 31, 2023 are unaudited. The Authority’s financial statement includes revenues which are not Revenues available to pay the 2024 Bonds and expenses which are not Operating Expenses under the Indenture in determining Net Revenues. Certain historical information on Bond debt service coverage from Net Revenues calculated pursuant to the Indenture is presented under “–Historical Debt Service Coverage” below. Certain adjustments have been made to conform the data in the financial statements to Table 13 below. The Authority’s financial statements dated June 30, 2022 and 2023 are attached hereto as APPENDIX B. For further information concerning the historic financial results of the Airport’s operations, see the information in APPENDIX B: “FINANCIAL STATEMENTS.”

Table 13
Burbank-Glendale-Pasadena Airport Authority
Statements of Revenues, Expenses and Changes in Net Assets

	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021 ⁽¹⁾	Fiscal Year 2022 ⁽²⁾	Fiscal Year 2023	6 mos. ended Dec. 31, 2022	6 mos. ended Dec. 31, 2023
Operating revenues: ⁽³⁾							
Parking ⁽⁴⁾	\$21,688,728	\$17,361,157	\$8,526,479	\$25,174,110	\$29,082,523	14,848,293	14,929,941
Tenant Rent ⁽⁵⁾	16,146,956	17,098,150	16,963,475	18,122,079	19,514,228	9,621,731	10,108,512
Concession Fees	11,105,119	9,556,806	4,871,064	12,506,117	13,681,344	7,028,320	7,269,261
Landing Fees	3,928,651	3,796,967	2,139,159	4,055,176	4,586,568	2,352,607	2,324,199
Other ⁽⁶⁾	5,600,466	5,257,218	1,915,150	4,855,298	5,671,794	2,913,674	3,270,632
Total operating revenues	58,469,920	53,070,298	34,415,327	64,712,780	72,536,457	36,764,625	37,902,545
Operating expenses:							
Contracted airport services	20,435,584	20,850,757	18,269,154	20,871,769	23,561,851	11,547,541	12,518,729
Salaries and benefits	5,465,519	5,893,032	6,301,997	6,362,897	7,277,119	3,602,506	3,668,705
Financial services	1,015,883	1,008,697	776,346	1,788,161	1,784,813	1,041,579	656,619
Rescue services	3,260,929	3,151,738	3,345,417	3,591,874	3,686,682	1,836,756	2,148,775
Materials and supplies	337,742	368,513	348,613	365,869	413,816	161,958	203,828
Repairs and maintenance	4,973,100	5,623,541	4,693,372	5,427,626	6,859,440	2,892,252	3,290,233
Utilities	1,918,002	1,854,677	1,715,301	1,942,277	2,008,420	1,095,603	1,123,969
Professional services	2,236,102	3,363,956	2,490,812	3,180,213	3,028,342	1,438,064	1,355,817
Insurance	1,132,971	1,276,271	1,353,231	1,337,733	1,341,036	670,518	892,064
Other operating expenses ⁽⁴⁾	4,074,631	3,818,678	1,609,079	4,020,804	4,894,497	2,524,245	2,742,110
Total operating expenses before depreciation	44,850,463	47,209,860	40,903,322	48,889,223	54,856,016	26,811,022	28,600,849
Operating income (loss) before depreciation	13,619,457	5,860,438	(6,487,995)	15,823,557	17,680,441	9,953,603	9,301,696
Depreciation and amortization	17,572,175	17,092,659	17,126,358	16,474,921	15,492,879	7,667,589	7,539,837
Operating Income (loss)	(3,952,718)	(11,232,221)	(23,614,353)	(651,364)	2,187,562	2,286,014	1,761,859
Nonoperating revenues/expenses ⁽³⁾							
Passenger Facility Charge revenue ⁽⁷⁾	12,575,929	10,397,681	4,195,443	9,687,636	12,882,716	5,611,698	11,115,404
Customer Facility Charge revenue	5,754,081	4,821,896	2,347,750	4,682,637	5,035,162	2,531,406	2,681,250
Investment income ⁽⁸⁾	9,408,767	9,499,897	438,124	(7,282,192)	3,781,146	(624,079)	9,238,964
Interest income ⁽¹⁾	0	0	282,169	519,784	393,501	196,751	133,548
Interest expense, debt service	(4,750,893)	(4,520,740)	(4,273,787)	(4,011,938)	(3,735,875)	(2,155,196)	(1,997,467)
Other interest expense ⁽²⁾	0	0	0	(6,007)	(11,273)	(5,637)	(4,365)
Gain (loss) on retirement of capital assets	24,765	3,805	0	0	13,123	13,123	104,085
Sound Insulation Program	(4,302)	(1,740)	(2,063)	(2,350)	(180)	(180)	0
Other noncapital grants ⁽⁹⁾	60,246	2,187,637	10,587,540	8,878,981	8,147,212	0	0
Replacement terminal development	(1,830,354)	(1,701,115)	(1,071,319)	0	(655,585)	0	0
Other expenses, net	(51,792)	(65,500)	0	0	0	(51,635)	(11,501)
Total nonoperating revenues/expenses, net	21,186,447	20,621,821	12,503,857	12,466,551	25,849,947	5,516,251	21,259,918
Income (loss) before capital contributions and special items	17,233,729	9,389,600	(11,110,496)	11,815,187	28,037,509	7,802,265	23,021,777
Capital contributions	5,170,716	3,568,014	12,730,126	7,233,553	8,030,233	2,282,250	0
Change in net position	22,404,445	12,957,614	1,619,630	19,048,740	36,067,742	10,084,515	23,021,777
Total net assets – beginning	491,688,225	514,092,670	527,050,284	528,669,914	547,718,654	547,718,654	583,786,396
Total net assets – ending	514,092,670	527,050,284	528,669,914	547,718,654	583,786,396	557,803,169	606,808,173
Invested in capital assets, net of related debt	238,185,073	235,909,562	228,168,126	226,762,973	252,577,172	230,749,758	288,907,705
Restricted, debt service	20,391,201	20,912,922	21,582,760	21,857,596	23,980,877	20,742,901	22,675,734
Restricted, capital projects	48,611,757	54,138,513	56,900,982	64,085,949	71,516,622	67,110,662	81,709,189
Restricted, federal asset seizure ⁽¹⁰⁾	23,369	23,875	24,298	24,615	25,049	24,801	25,371
Restricted, other purposes	3,148,712	3,232,640	3,316,569	3,400,497	3,484,425	3,442,461	3,526,389
Unrestricted	203,732,558	212,832,772	218,677,179	231,587,024	232,202,251	235,732,586	209,963,784
Total net assets	\$514,092,670	\$527,050,284	\$528,669,914	\$547,718,654	\$583,786,396	\$557,803,169	\$606,808,173

- (1) Presentation incorporates implementation of GASB 87, Leases, effective July 1, 2020.
- (2) Presentation incorporates implementation of GASB 96, Subscription-Based Information Technology Arrangements, effective July 1, 2021.
- (3) Not all revenues are pledged to the payment of the Bonds. See "SECURITY FOR THE 2024 BONDS – Pledge of Trust Estate; Net Revenues" and "SOURCES OF REVENUES."
- (4) Includes 12% Burbank parking tax.
- (5) For more details, see Table 12 under "SOURCES OF REVENUES – General."
- (6) Other revenues consist primarily of ground transportation, fuel flowage fees, ground handling and airfield access fees.
- (7) Passenger Facility Charge revenues include accrued Passenger Facility Charge revenue net of fair value adjustments as of the end of each reporting period. Total accrued Passenger Facility Charge revenues were \$6,198,669 and \$5,855,104 for the six months ended December 31, 2023 and 2022, respectively.
- (8) Investment income/loss include accrued investment income net of fair value adjustments as of the end of each reporting period. Total accrued investment income was \$3,724,190 and \$2,194,178 for the six months ended December 31, 2023 and 2022, respectively.
- (9) Other noncapital grants consist primarily of federal COVID relief funds which were fully expended in FY 2023.
- (10) Related to law enforcement activities at the Airport; monies restricted to be used for specific law enforcement purposes.

Source: Burbank-Glendale-Pasadena Airport Authority.

Investment of Airport Funds

Authority funds are invested in accordance with the Authority's investment policy (the "Investment Policy"). The Authority updates the Investment Policy annually. The Investment Policy was most recently updated in February 2024, and included a change to increase the maximum allowable amount of money market funds from 15% to 20% to support the Terminal Relocation Project. The objectives of the Authority's Investment Policy in order of priority are preservation of principal and interest, allowing the easy and rapid conversion of investments into cash without loss of value, and an acceptable rate of return on investments, but only after considering the safety of principal and liquidity. The investment of Authority funds is required to be in compliance with California Government Code Sections 53601, 53601.1, 53601.5 and 53601.6, and if the Investment Policy is more restrictive than such provisions of the California Government Code, the Investment Policy will control. The Replacement Airport Use Agreement permits the Authority to accumulate, and then maintain, sufficient cash (or cash equivalent) to allow the Airport to continue operation for 540 days in the event of an unforeseen revenue interruption (such as the one caused by the COVID-19 pandemic). See "AIRPORT USE AGREEMENTS – Replacement Airport Use Agreement."

Set forth in Tables 14 and 15 below are the approximate market values, as of December 31, 2023, of the cash and investments held by the Authority and the types of investments as of such date. The weighted average maturity of the investments as of December 31, 2023 was 1.38 years with a book value of approximately \$349.88 million.

Table 14
Burbank-Glendale-Pasadena Airport Authority
Cash and Investments in Funds as of December 31, 2023

Cash and Investments in Funds	
	(millions)
Operating Fund	\$ 25.51
Operating Reserve Fund	15.28
Surplus Fund	2.60
PFC Fund	75.80
CFC Fund	1.84
Authority Areas Reserve	3.53
Proceeds from sale of Airport property ⁽¹⁾	2.10
Asset Forfeiture Fund ⁽²⁾	0.03
Held by Bond Trustee ⁽³⁾	13.27
Facility Development Reserve ⁽⁴⁾	205.13
Total⁽⁵⁾	\$ 345.09

⁽¹⁾ Includes proceeds from the sale of 66,000 square feet of undeveloped land in April 2016. Because the land sold was part of a larger piece of property acquired with federal grant, proceeds from the 2016 sale can only be used for eligible purposes. The Authority plans to use the money for eligible Terminal Relocation Project costs.

⁽²⁾ Related to law enforcement activities at Airport; monies restricted to be used for specific law enforcement purposes.

⁽³⁾ Includes (a) \$2,462,753 held in the Debt Service Reserve Fund established by the Original Master Indenture and allocable to the Authority's Airport Revenue Bonds 2015 Series B, which was defeased on [____], (b) \$6,542,461 held in the 2012 Series Debt Service Reserve Fund securing the 2012 Bonds, (c) \$4,101,186 held in the Debt Service Fund for payment of debt service on the 2012 Bonds; and (d) other miscellaneous amounts held pursuant to the Original Master Indenture and restricted to the uses provided for thereunder.

⁽⁴⁾ The Facility Development Reserve was established in FY 2000 to provide for the future development of the Terminal Relocation Project and other Airport facilities. The Authority expects to use \$100 million currently on deposit in the Facility Development Reserve for costs related to the Terminal Relocation Project. The Authority currently expects to apply any amounts remaining in the Facility Development Reserve after the completion of the Terminal Relocation Project towards the Authority's liquidity requirements under the Replacement Airport Use Agreements and to fund a reserve account for routine capital and operational needs of the Authority.

⁽⁵⁾ Totals may not add due to rounding.

Source: Burbank-Glendale-Pasadena Airport Authority.

Table 15
Burbank-Glendale-Pasadena Airport Authority
Investments as of December 31, 2023

Investment Distribution	
	(millions)
U.S. Treasury Securities	\$ 88.58
U.S. Agency Securities	98.75
Medium Term Corporate Notes	87.00
Money Market Mutual Funds	37.16
State Treasurer's LAIF	4.71
Bank Deposits ⁽¹⁾	28.89
Total⁽²⁾	\$ 345.09

⁽¹⁾ Includes cash on hand, deposits with financial institutions.

⁽²⁾ Totals may not add due to rounding.

Source: Burbank-Glendale-Pasadena Airport Authority.

Historical Debt Service Coverage

Table 16 below sets forth the ratio of the Authority's Net Revenues over Accrued Debt Service for the last ten Fiscal Years as calculated pursuant to the Indenture. While Table 16 has not been audited as part of the Authority's audited financial statement, the figures are based on the Authority's audited financial statements.

Table 16
Burbank-Glendale-Pasadena Airport Authority
Historical Net Revenues and Debt Service Coverage⁽¹⁾

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
NET REVENUES ⁽²⁾										
Revenues ⁽²⁾	\$47,595,741	\$51,099,117	\$51,422,789	\$51,574,115	\$56,353,195	\$67,878,687	\$65,834,395 ⁽⁸⁾	\$52,953,031 ⁽⁸⁾	\$72,817,851 ⁽⁹⁾	\$91,434,558 ⁽¹⁰⁾
Less: Operating Expenses ⁽²⁾	36,442,288	38,249,302	39,018,761	41,226,440	42,058,420	44,850,463	47,209,860	40,903,322	49,214,407	54,953,576
Net Revenues	\$11,153,453	\$12,849,815	\$12,404,028	\$10,347,675	\$14,294,775	\$23,028,224	\$18,624,535	\$12,049,709	\$23,603,444	\$36,480,982
Transfer ⁽³⁾	1,354,897	2,601,563	2,534,501	2,599,378	2,600,186	2,600,103	2,601,315	2,599,576	2,599,114	2,600,098
Net Revenues, plus Transfers	\$12,508,350	\$15,451,378	\$14,938,529	\$12,947,053	\$16,894,961	\$25,628,327	\$21,225,850	\$14,649,285	\$26,202,558	\$39,081,080
ACCRUED DEBT SERVICE⁽¹⁾⁽⁴⁾										
2005 Bonds ⁽⁵⁾	\$5,415,588	\$5,040,312	--	--	--	--	--	--	--	--
2012 Bonds	4,332,095	5,832,095	\$5,836,555	5,833,563	\$5,834,996	\$5,836,911	\$5,837,008	\$5,834,054	\$5,834,956	\$5,835,892
Less: Available CFC Revenues ⁽²⁾⁽⁶⁾	(4,332,095)	(5,550,353)	(5,761,140)	(5,550,060)	(5,920,394)	(5,660,457)	(5,174,449)	(2,182,234)	(4,581,381)	(5,035,704)
2015B Bonds	--	262,885	4,301,450	4,563,950	4,565,750	4,563,500	4,568,250	4,564,250	4,561,500	4,5645,500
Accrued Debt Service	\$5,415,588	\$5,584,939	\$4,376,865	\$4,847,453	\$4,480,352	\$4,739,954	\$5,230,809	\$8,216,070	\$5,815,075	\$5,364,688
DEBT SERVICE COVERAGE ⁽⁷⁾	2.31	2.77	3.41	2.67	3.77	5.41	4.06	1.78	4.51	7.28

Source: Burbank-Glendale-Pasadena Airport Authority.

(1) Debt service coverage shown in Table 16 follows the methodology permitted under the Indenture for purposes of the rate covenant. See notes below.

(2) As defined in the Indenture, see APPENDIX C-1: "FORM OF AMENDED AND RESTATED MASTER INDENTURE."

(3) Represents portion of Surplus Fund balance permitted to be used for debt service calculation. The Indenture permits the use of moneys accumulated in the Surplus Fund in an amount not over 25% of the Accrued Debt Service on the Senior Bonds, to calculate debt service coverage each Fiscal Year, for purposes of the rate covenant under the Indenture. See "SECURITY FOR THE 2024 BONDS – Rate Covenant – General."

(4) Represents the interest due on January 1 of that Fiscal Year plus principal and interest due on the following July 1.

(5) Represents pledged Customer Facility Charge revenues deposited in the Debt Service Fund for the 2012 Bonds. See "SOURCES OF REVENUES – Customer Facility Charges."

(6) Refunded by the 2015B Bonds.

(7) Equals "Net Revenues, plus Transfer" divided by "Accrued Debt Service."

(8) Includes federal grants resulting from the COVID-19 pandemic for eligible expenditures. On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security ("CARES") Act was signed into law, which included \$10 billion in funds to be awarded as economic relief to eligible U.S. airports affected by the prevention of, preparation for, and response to the pandemic. The Authority was awarded \$21,081,611 in CARES Act grants of which \$3,264,200 was used in FY 2020 and \$17,817,411 was used in FY 2021 to supplement the loss in revenues due to the unprecedented impacts of the pandemic.

(9) Includes additional federal grants resulting from the COVID-19 pandemic for eligible expenditures. In April and June 2021, the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) and the American Rescue Plan Act (ARPA), respectively, were signed into law, which allocated additional relief to eligible U.S. airports affected by the pandemic. The Authority was awarded \$7,674,141 and \$20,749,123 in CRRSAA and ARPA grant funds, respectively, of which \$7,038,348 and \$7,829,131, respectively, were expended in FY 2022 to supplement the loss in revenues due to the unprecedented impacts of the COVID-19 pandemic.

(10) Includes additional federal relief grants for eligible expenditures. A total of \$13,571,162 in combined CRRSAA, ARPA, and Federal Emergency Management Agency grant funds (allocated as additional relief to eligible U.S. airports affected by the COVID-19 pandemic) received in FY 2023 for eligible expenditures are included in the pledged Revenues calculation for FY 2023. Without the \$13,571,162 in federal relief fund, the debt service coverage ratio would have been 4.76.

ENVIRONMENTAL MATTERS AFFECTING AIRPORT OPERATIONS

Several significant environmental matters have direct and indirect impacts on Airport operations and costs, including mitigation of aircraft noise impacts, hazardous substance cleanup and clean air requirements.

Noise Restrictions

General. The Airport, similar to other California airports serving jet aircraft, is subject to a number of restrictions relating to aircraft noise, in addition to the provisions of the Joint Powers Act specifically relating to the Airport. In particular, the Authority is required to find ways and means to reduce the number of incompatible land acres within its state-law defined noise impact area. To this end, the Authority has installed noise monitoring equipment on and around the Airport and instituted noise regulations that affect operations of air carriers and general aviation aircraft at the Airport. The Authority believes that the restrictions currently in effect will have no material adverse effect on the Authority's ability to make timely payments on the Bonds. Federal law prohibits the Authority from unilaterally implementing additional or new noise or access restrictions. No assurance can be given that additional Congressionally-approved restrictions or changes in noise restrictions may not adversely affect operations at the Airport.

Joint Powers Act. California Government Code Section 6546.1 prohibits the Authority from authorizing activity which results in an increase in the size of the Airport noise impact area (as that term has been defined in the California Government Code's Noise Standard Section and California case law) above certain levels. The Airport's current noise impact level is significantly below that level. The California Noise Standards also require the Authority to make good faith effort to the best of its ability to eliminate the Airport's noise impact area and to operate, pursuant to a variance from the State, until its noise impact area is eliminated.

California Noise Standards. Specifically, under the California Noise Standards, the State Department of Transportation is authorized to adopt noise standards governing the Airport's responsibilities, principally with respect to noise impact (measured cumulatively) acceptable to a reasonable person residing in the vicinity of the Airport. Generally, the standards encourage the adoption of "abatement" and "mitigation" measures which reduce the number of incompatible acres of property in the Airport environs. Abatement measures reduce noise at the source (e.g., by changing operational procedures) and mitigation measures attempt to remedy an existing problem or prevent a new one (e.g., sound insulation or better zoning practices).

To this end, the Authority is periodically required, in the form of a hearing before an administrative law judge, to outline its noise reduction efforts in order to obtain a variance from the state noise standards. Many commercial airports in California serviced by jet aircraft, including the Los Angeles International Airport, LA/Ontario International Airport, John Wayne Airport, San Jose International Airport and San Diego International Airport, are also required to obtain such a variance.

The most recent administrative hearing occurred on February 28, 2008, with a final decision effective March 29, 2008. In that decision, a variance from the noise requirements of Section 5062, Chapter 2.5, Subchapter 6, Title 21 of the California Code of Regulations was granted to the Authority, effective for three years. The Authority has applied for a new variance and both the City of Burbank and the Authority have sought and obtained extensions. The State Department of Transportation has allowed the Authority to continue operation at the Airport consistent with the last approved variance. The Authority can give no assurances as to future actions by the State of California or the courts with respect to these administrative hearings.

Federal Restrictions. In grant agreements with the FAA, the Authority has agreed that, to the extent feasible, it will not permit or authorize any actions in conjunction with its operation of the Airport that will increase the noise levels or noise exposure impact boundaries beyond those existing as of August 1977. However, the federal government later enacted the Airport Noise and Capacity Act ("ANCA") in 1990. ANCA, and its implementing regulation known as Part 161, restrict the Authority from imposing any operational restrictions on aircraft operation absent compliance with ANCA's requirement for such restrictions. The Authority submitted an application pursuant to ANCA, to obtain FAA approval of a mandatory curfew at the Airport. That application was denied.

Noise Abatement Programs

Part 150 Noise Compatibility Program. Title 14 of the Code of Federal Regulations, Part 150 (“Part 150”) establishes the requirements that airport sponsors, such as the Authority, must follow if they desire to obtain federal funding for implementation of noise mitigation and abatement measures. Those requirements dictate that the Authority must complete and receive FAA approval for a Part 150 Noise Compatibility Study as a precondition to receiving such funding. Further, the FAA requires that airport sponsors update their Noise Exposure Maps (“NEM”) approximately every five years. The FAA requires review and acceptance of an updated NEM based on a five-year forecast of incompatible noise exposure surrounding the airport which is used as the foundation for developing an updated Part 150 Noise Compatibility Study. Once the plan is updated and made available to the public for review, it is submitted to FAA for approval. Once the updated Part 150 Noise Compatibility Study is approved, the Authority is then eligible to submit applications for Airport Improvement Program grants to help pay for implementation of any approved noise compatibility measures. Certain elements of the Authority’s Part 150 Noise Compatibility Study are described below.

Airport Noise Rules and Restrictions. The Authority has adopted a comprehensive plan of noise regulations which affects air carrier and general aviation aircraft. Under the rules, all air carrier flights must be conducted in FAA Regulation Part 36, Stage 3 aircraft. Stage 2 General Aviation aircraft are restricted between the hours of 10:00 p.m. and 7:00 a.m. Since 1987 all scheduled air carrier aircraft operating out of the Airport have been Stage 3 aircraft. The rule has had the effect of reducing the noise impact area, as measured in acres, from that existing at the time the Authority acquired the Airport.

The Authority also has an aircraft noise compatibility program at the Airport that is based largely on a set of rules adopted prior to – and in effect since – the Airport Noise and Capacity Act of 1990. The Authority’s program includes nighttime noise limits and prohibited activities at night (e.g., engine maintenance run-ups, flight training, practice approaches, “touch-and-go-landings” and intersection takeoffs) for both propeller-driven aircraft and non-airline jets, penalties for exceeding those limits or violating the prohibited activities and a program known as a “voluntary curfew” that asks airlines to refrain from scheduling or operating flights, if possible, between 10 p.m. and 7 a.m. Moreover, a single-event noise limit precludes takeoffs or landings of noisier aircraft during the same hours.

The Authority promotes “quiet flying procedures,” as adopted by the National Business Aircraft Association and has approved the “quiet flying procedures” developed by an Airport tenant that operates night flights in its cargo business.

Failure by the Authority to comply with the FAA Part 161 and Part 150 regulations could result in the loss of current and future AIP grants from the FAA, and could subject to Authority to the reimbursement of any previously received AIP grants.

Regulated and Hazardous Substances

General. Airport operations involve the storage and use of a number of substances that are regulated under various federal, state and local regulations. In the event such storage and handling of regulated substances causes environmental damage, the costs resulting from such damage and the remediation of such damage may be significant. These regulated substances at the Airport are predominantly used by Airport tenants. In recognition of the need for a comprehensive hazardous materials policy, the Authority included provisions as to the handling of hazardous and regulated material in the Existing Airport Use Agreements and adopted Rules and Regulations for other users of the Airport as to the handling of hazardous substances at the Airport.

The Authority’s Fire Department has used aqueous film-forming foam (“AFFF”) known to contain per- and polyfluoroalkyl substances (“PFAS”), in accordance with FAA requirements for fire suppression. AFFF is effective in smothering fuel fires and FAA standards historically contained PFAS in AFFF. In March 2019, the Authority received a California Water Code Section 13267 Order (“Order”) issued by the State Water Resources Control Board and transmitted to the Authority by the Los Angeles Regional Water Quality Control Board for investigation of the presence of PFAS at the Airport. The Order required the preparation of a work plan to conduct a site investigation of potential PFAS contamination in soil and groundwater and to provide a sampling and analysis report. The Authority engaged a third-party environmental consultant to conduct the investigation and prepare the report into the presence

of PFAS at the Airport. Samples were taken from seven monitoring wells between December 9, 2019 and September 16, 2020. The results and report were timely submitted to the Los Angeles Regional Water Quality Control Board. In sum, with respect to the soil investigation, the report detected PFAS near the AFFF aboveground storage tank in the fuel farm area, and “the concentrations show decreasing trend with depth . . . and indicates . . . that the impacts are limited to 120 ft bgs and do not extend to the groundwater which is approximately 230 to 290 ft bgs.” With respect to groundwater, the report concluded “that the groundwater is not likely impacted from AFFF-use/potential release at the Airport but likely from other sources.”

Lockheed, the prior owner of the Airport site, operated an aircraft manufacturing facility at the Airport site prior to the Authority’s purchase of such site, and such operations by Lockheed included using a number of substances that are regulated under federal, state and local regulations. As the owner of the Airport, the Authority may be held liable for any damages caused by a release of a hazardous substance or a regulated compound occurring at the Airport whether or not the Authority was the cause of such event. The contract with Lockheed for the acquisition of the initial Airport property, subsequent agreements with Lockheed for additional acquisitions or access (by purchase or otherwise) of property that is now part of the Airport, the Existing Airport Use Agreements, and the Replacement Airport Use Agreements all provide for indemnification to the Authority from any responsible party for any costs incurred by the Authority in connection with a hazardous substance release at the Airport caused by such party. No assurances can be given that the Authority will not be held liable by governmental agencies or private parties in connection with any such hazardous substance event or that the costs to the Authority in connection with a hazardous substance event will be paid through indemnification. In the event the Authority has to bear the costs of damages caused by a hazardous substance release or the costs of remediating such an event, such costs could have a material adverse effect on the costs of the airlines operating at the Airport and the financial condition of the Authority.

Federal Action Regarding Clean-Up of Hazardous Substances. The United States Environmental Protection Agency (“EPA”) has placed selected areas within the eastern San Fernando Valley, including property adjacent to the Airport, on the National Priority List of areas requiring substantial clean-up of hazardous substances contained in the groundwater. In 2010, the Authority received a letter from the EPA formally designating the Authority as one of approximately 30 parties designated under the federal Superfund law (“CERCLA”) as “potentially responsible parties” (“PRPs”) for the second interim remedy at the North Hollywood Operable Unit (the “Second Interim Remedy”). The letter also requested that the Authority, along with other named PRPs, form a group and submit a good faith settlement to offer to EPA to undertake the work required for the Second Interim Remedy, which is expected to last to 2041.

The EPA has indicated in response to Authority inquiries that it regards the western half of the Airport (that portion west of the north/south runway) to be within the North Hollywood Operable Unit. In 2009, the EPA estimated that the net present value of the Second Interim Remedy would be \$108 million (none of which was attributed by the EPA to the Authority). This is a preliminary estimate made without benefit of a detailed engineering analysis and the actual remediation costs could vary considerably from the EPA estimate. In addition, in 2019, EPA gave notice to the Authority and other PRPs that they are responsible for approximately \$27.7 million in costs incurred by EPA as part of its basin-wide remediation efforts, of which some portion EPA may ask the Authority to pay. As noted above, the Authority may have an indemnity with Lockheed to cover some or all of such costs.

Litigation as to Indemnification. The Authority separately filed a lawsuit in April 2010 against Lockheed in United States District Court for the Central District of California as to its being named a PRP with respect to the Second Interim Remedy. That lawsuit claimed that Lockheed owes the Authority a contractual duty to defend and indemnify the Authority against the costs of the EPA’s Second Interim Remedy claim. The Authority based its claim upon a written indemnification provision in the 1978 Airport Purchase Agreement executed by it and by Lockheed. Subsequently, the Authority reached a settlement agreement in February 2011 with Lockheed on the matter. The terms of this settlement agreement provide that Lockheed will defend the Authority with its counsel and assume any costs that EPA or any other party would otherwise assign to the Authority regarding the North Hollywood Operable Unit cleanup, including the Second Interim Remedy. As a further part of the settlement, the Authority made a payment of \$2 million to Lockheed. The settlement agreement, however, provides for certain exclusions from the scope of the indemnified matters and the Authority cannot give any assurances that Lockheed might not assert one or more of these exclusions to avoid indemnification as to some or all of the EPA claim, that the Authority may not otherwise be adversely affected by the EPA claim or other EPA actions, or that Lockheed will otherwise perform its obligations under such settlement agreement.

See “CERTAIN INVESTMENT CONSIDERATIONS – Certain Factors Particular to the Airport – *EPA Claim*” and “CERTAIN INVESTMENT CONSIDERATIONS – Certain Factors Particular to the Airport – *Environmental Contamination*.”

Emission Standards

Air emissions associated with airport activities are governed by federal, state and local regulations. Most notable are the federal Clean Air Act (the “FCAA”), the California Clean Air Act (the “CCAA”), and various rules and regulations promulgated by the South Coast Air Quality Management District (“SCAQMD”). Authority-owned back-up power generators currently operate under a Title V operating permit issued by the SCAQMD.

The Airport is subject to various agreements and mitigation measures designed to reduce emissions from airport operations including, among other measures: provisions for ground service equipment to meet low emission goals; provisions for airport shuttle buses to meet zero emission goals; and reducing construction emissions through the use of low polluting construction equipment and exhaust emission controls, and mitigation measures associated with the recent environmental approvals pursuant to CEQA and NEPA, including but not limited to the Terminal Relocation Project. For each significant construction project undertaken, the Authority must disclose project level air quality environmental impacts for both project operational and construction impacts, and must ensure each project commits to highest levels of clean construction as feasible.

On December 3, 2019, the Authority approved an air quality improvement program (the “AQIP”) developed in consultation with SCAQMD. The AQIP outlines measures the Authority plans to take to reduce emissions of NOx from Airport operations and includes a Memorandum of Understanding with SCAQMD (the “SCAQMD MOU”) which provides for the Authority to implement two specific air quality improvement measures: 1) the Ground Support Equipment Emissions Reduction Program and the conversion of airport shuttle buses to zero-emission vehicles, and 2) quantify emissions from those measures to assist SCAQMD in obtaining reductions for those measures to meet SCAQMD’s obligations under the FCAA and CCAA. The Authority is implementing the SCAQMD MOU and the AQIP at the Airport, and continues to meet all target requirements to date.

The SCAQMD imposes rules and regulations specifically targeted at various air pollutants and types of operations such as hydrant fueling, private vehicle fueling, power generators, boilers and the use of various volatile organic chemical containing materials. The Authority’s Noise & Environmental Department monitors the Authority’s compliance with these air quality rules and regulations. The Noise & Environmental Department has three full-time professional staff assigned to maintain compliance with the various air quality rules and regulations.

AIRPORT CONSULTANT REPORT

This section, the Airport Consultant Report in APPENDIX A, and elsewhere in this Official Statement contain “forward-looking statements.” Ricondo has made certain assumptions in making its projections that it believes are reasonable. The Authority has reviewed Ricondo’s assumptions that are described in the Airport Consultant Report and believes that they are reasonable. However, all forward-looking statements, including intentions, expectations and projections, are inherently subject to economic, political, regulatory, competitive and other uncertainties, all of which are difficult to predict and many of which will be beyond the control of the Authority and Ricondo. Projected results may not be realized, and actual results could be significantly different than projected. Neither the Authority nor Ricondo is obligated to update, or otherwise revise, the projections or the specific portions presented to reflect circumstances existing after the date when made or to reflect the occurrence of future events, even if any or all of the assumptions are shown to be in error.

Overview

The Airport Consultant Report is included in this Official Statement as APPENDIX A. The Airport Consultant Report is part of this Official Statement, and potential purchasers of the 2024 Bonds should read the Airport Consultant Report, in its entirety. The Airport Consultant Report has been included in this Official Statement in reliance on the authority of Ricondo and its subconsultants as experts in air traffic matters and financial projections relating to airports such as the Airport.

The Airport Consultant Report provides an overview of the economic base of the Air Service Area and of the primary economic and demographic variables (including population, personal income, gross regional and domestic product, employment, consumer prices and other economic conditions and events) nationally and in the Air Service Area that drive demand for passenger and cargo air transportation services and a projection of such variables for Fiscal Years 2024 through 2032. The Airport Consultant Report describes air service at the Airport currently, identifies the primary factors that affect demand for air travel, including factors (such as costs and availability of jet fuel, other industry consolidation costs and national and Airport aviation security and capacity) that influence passenger and cargo airline profitability and decisions, and summarizes Ricondo's projection, and the assumptions behind the projection, of air traffic, including passenger enplanements, aircraft operations and landed weights, at the Airport for the Projection Period.

The Airport Consultant Report also includes Ricondo's review of existing Airport facilities and a review of the Authority's capital improvement program, strategic plan and adopted budget for Fiscal Year 2024 and existing Authority agreements and obligations. Ricondo's conclusion is that based upon Ricondo's approach and assumptions described in the Airport Consultant Report, the Net Revenues in each year during the Projection Period will be sufficient to satisfy the Authority's obligations under the Indenture, and at the same time, remain acceptable on an airline cost per enplaned passenger basis compared to airports in the Los Angeles metropolitan region.

Ricondo notes that although it believes that its approach and assumptions are reasonable and provide an appropriate basis for the financial projections set forth in the Airport Consultant Report, any projection is subject to uncertainties and some assumptions used as the basis of the projections will not be realized, unanticipated events and circumstances may occur, there are likely to be differences between the financial projection and actual financial results and those variations could be material. The Airport Consultant Report should be read in its entirety for an understanding of the projections and the underlying assumptions contained therein. Ricondo has no responsibility to update the Airport Consultant Report because of events and transactions occurring after the date of the Airport Consultant Report. The Airport Consultant Report has not been updated to reflect the final terms of the 2024 Bonds or other changes occurring after the date of such report.

In addition to assumptions regarding regional economic activity, passenger growth and services provided at the Airport, Ricondo assumed that the Replacement Passenger Terminal will begin operation by October 13, 2026, as anticipated, the rent and fees paid by the commercial airlines serving the Airport will follow the methodologies set forth in the Replacement Airport Use Agreement from FY 2027 onward and all current Signatory Airlines will execute the AUA Amendment and the Replacement Airport Use Agreement.

Projected Net Revenues and Debt Service Coverage

By dollar amount, the Terminal Relocation Project is the biggest project that the Authority has ever undertaken, and the 2024 Bonds represent its largest bond issue. The first principal payment for the 2024 Bonds will be due July 1, [2027]. A portion of the proceeds of the 2024 Bonds will be used for capitalized interest, to be applied toward interest to accrue to and including April 1, 2027. As a result, starting in FY 2027, the Authority's debt service obligation will significantly increase compared to prior Fiscal Years.

The Authority has budgeted approximately \$10.4 million for bond debt service (comprised of payments for the 2012 Bonds and the 2015B Bonds) for FY 2024. Debt service will decrease to approximately \$5.8 million for FY 2025 because all 2015B Bonds were defeased to their maturity date of July 1, 2024 and as of the date of this Official Statement are no longer outstanding under the Indenture. Once the Authority begins paying debt service on the 2024 Bonds from sources other than capitalized interest in FY 2027, debt service will increase to approximately \$[65.1 million]*. Debt service for FY 2028 is expected to increase to approximately \$[97.9 million]*, assuming that payment for Anticipated Future Bonds will begin in FY 2028. Starting in FY 2029, assuming there are no additional bonds other than the Anticipated Future Bonds, annual debt service is projected to remain at approximately \$[102.7 million]*.

* Preliminary; subject to change.

For the purposes of the projections in this Official Statement and in the Airport Consultant Report, it is assumed that the Anticipated Future Bonds issued in FY 2027 will be in the principal amount of \$_____ and will bear interest at the annual rate of ____%. [It is also assumed that all outstanding Commercial Paper Notes will be refunded by the Anticipated Future Bonds or otherwise retired on or before FY 2028.][NOTE: TO BE UPDATED]

In anticipation of the significant increase in future debt service, the Authority is modifying the method used to calculate base rates for rent and fees to be paid by the Signatory Airlines once the Replacement Passenger Terminal opens. The modifications are reflected in the Replacement Airport Use Agreement. As described in further detail under “AIRPORT USE AGREEMENT,” the Replacement Airport Use Agreement will govern the terms under which each Signatory Airline will operate at the Airport, starting on the “Commencement Date” – the date on which the Authority allows such airline to start revenue-generating operations at the Replacement Passenger Terminal (expected to be October 2026).

Under the Existing Airport Use Agreement, the rents and fees payable by the Signatory Airlines are calculated based on rates set by the Authority before the start of each Fiscal Year; provided that the Authority may make certain extraordinary adjustments if its revenues are insufficient to satisfy operating expenses during that year. The Authority has not raised the rates (nor has it invoked the extraordinary adjustment provisions) under the Existing Airport Use Agreements in over a decade, since July 2012.

In contrast, under the Replacement Airport Use Agreement, a Signatory Airline’s rent and fees payable to the Authority each Fiscal Year will be based on formulas, which are designed so that the rent and fees will be adjusted each Fiscal Year to sufficiently cover the Authority’s expenditures and expenses to operate the Airport (including amounts to be paid or set aside by the Indenture, such as debt service payments on Obligations issued by the Authority, debt service reserve deposits and operating reserve deposits) for the Fiscal Year. Therefore, the revenues to be collected from the airlines are expected to significantly increase commencing in FY 2027 relative to past years – to enable to Authority to have enough revenues to pay principal and interest on the 2024 Bonds (and other outstanding obligations) and comply with the rate covenants under the Indenture. There is a covenant in the Replacement Airport Use Agreement that the Authority may not grant to any Non-Signatory Airline more favorable terms than those granted under the Replacement Airport Use Agreement.

The Replacement Passenger Terminal is expected to open in October 2026. Regardless of the status of the Terminal Relocation Project, the Indenture requires the Authority to set rates at levels sufficient to meet the coverage requirements provided for in the Indenture, including the payment of debt service on the 2024 Bonds (although there can be no guarantee that the Authority will receive sufficient revenues to meet such requirements). In the event of a significant delay to the Replacement Passenger Terminal opening (and hence a delay to the provisions of the Replacement Airport Use Agreement taking effect), the Authority may issue Commercial Paper Notes (see “INTRODUCTION – Outstanding Senior Obligations”) and use proceeds from such issuance to pay principal and interest on the 2024 Bonds in the interim. The costs of additional Commercial Paper Notes are not included in the projections included in the Airport Consultant Report, and may be significant.

The following Table 17 shows the projected Net Revenues and debt service coverage through FY 2032 as shown on Table A-11 of the Airport Consultant Report in APPENDIX A. Table 17 below follows the presentation in the Airport Consultant Report and has not been updated to reflect actual debt service on the 2024 Bonds.

Table 17
Burbank-Glendale-Pasadena Airport Authority
Bob Hope Airport, commonly known as Hollywood Burbank Airport
Projected Net Revenues and Debt Service Coverage ⁽¹⁾
Fiscal Years 2024-25 to 2031-32

	FY 2024 Budgeted (for reference)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
NET REVENUES ⁽²⁾									
Signatory Airlines revenues									
Non-Signatory Airlines revenues									
Non-airline revenues ⁽³⁾									
Non-operating revenues ⁽⁴⁾									
Revenues ⁽²⁾									
Less: Operating Expenses ⁽²⁾									
Net Revenues									
Transfer ⁽²⁾⁽⁵⁾									
Adjusted Net Revenues									
ACCRUED DEBT SERVICE ⁽²⁾⁽⁶⁾									
2012 Bonds									
Commercial Paper Notes ⁽⁷⁾									
2024 Bonds									
Anticipated Future Bonds									
Total Debt Service									
Less:									
Available CFC Revenues ⁽¹⁾⁽⁸⁾									
Accrued Debt Service									
DEBT SERVICE COVERAGE ⁽⁹⁾									

⁽¹⁾ See APPENDIX A: "AIRPORT CONSULTANT REPORT" for assumptions used for projections.

⁽²⁾ As defined in the Indenture, see APPENDIX C-1: "FORM OF AMENDED AND RESTATED MASTER INDENTURE."

⁽³⁾ Includes parking fees, concession fee, non-airline tenant rent, ground transportation revenues, fuel operating revenues and other operating revenues.

⁽⁴⁾ Represents investment and interest income, assumed equal to 1.5% of Authority's cash and investment balance as of the end of the prior Fiscal Year.

⁽⁵⁾ Represents Surplus Fund moneys permitted to be used for debt service coverage calculation. The Indenture permits the use of moneys accumulated in the Surplus Fund, in an amount not in excess of 25% of the Accrued Debt Service on the Senior Bonds, to calculate debt service coverage each Fiscal Year, for purposes of the rate covenant. See "SECURITY FOR THE 2024 BONDS – Rate Covenant – General." The Authority intends to retain an amount equal to at least 25% of the Accrued Debt Service on the Senior Bonds in the Surplus Fund. This is consistent with the Authority's past practice. See Table 16 under "HISTORICAL FINANCIAL INFORMATION – Historical Debt Service Coverage."

⁽⁶⁾ Represents the interest due on January 1 of that Fiscal Year plus principal and interest due on the following July 1. Debt service projections provided by Public Resources Advisory Group.

⁽⁷⁾ Represents interest on the outstanding Commercial Paper Notes. Principal on the Commercial Paper Notes are expected to be refunded by the Anticipated Future Bonds.

- ⁽⁸⁾ Represents Customer Facility Charge revenues available for deposit into the Debt Service Fund and pledged for the 2012 Bonds.
- ⁽⁹⁾ Equals "Adjusted Net Revenues" divided by "Accrued Debt Service."

Source: Ricondo & Associates, Inc.

Projected Revenue From Rent and Fees, and Cost Per Enplanement

For the Airport Consultant Report, Ricondo assumed that the Replacement Passenger Terminal will begin operation by October 13, 2026, as anticipated by the Authority, all current Signatory Airlines will execute the AUA Amendment and Replacement Airport Use Agreement and the rent and fees paid by the commercial airlines serving the Airport will follow the methodologies set forth in the Replacement Airport Use Agreement starting in FY 2027. The following Table 18, based on Table A-10 in the Airport Consultant Report in APPENDIX A, shows the projected revenues from Rental, Common Use Fees and Landing Fees, and the cost per enplanement through FY 2032.

Table 18
Burbank-Glendale-Pasadena Airport Authority
Bob Hope Airport, commonly known as Hollywood Burbank Airport
Projected Airline Rent and Fees, Cost Per Enplanement ⁽¹⁾
Fiscal Years 2023-24 to 2031-32

	<u>BUDGET</u> <u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>	<u>FY 2030</u>	<u>FY 2031</u>	<u>FY 2032</u>
AIRLINE REVENUES									
Rental and Common Use Fees									
Landing Fees									
Total Airline Revenue									
Enplaned Passengers									
Cost Per Enplanement ⁽²⁾									

Source: Ricondo & Associates, Inc.

⁽¹⁾ See APPENDIX A: "AIRPORT CONSULTANT REPORT" for assumptions used for projections.

⁽²⁾ Equals "Total Airline Revenue" divided by "Enplaned Passengers."

ENVIRONMENTAL, SOCIAL AND GOVERNANCE FACTORS

Environmental Sustainability Initiatives

Environmental sustainability is a priority for the Authority. The Authority has made significant efforts to reduce the Airport's environmental footprint, integrate sustainable practices into airport operations, and respond to community concerns while providing economic benefits to the region.

See "ENVIRONMENTAL MATTERS AFFECTING AIRPORT OPERATIONS – Emission Standards" for a description of the AQIP developed by the Authority to reduce emissions from non-aircraft mobile sources.

The Authority has pledged to reach carbon neutrality at the Airport by 2045, consistent with City of Burbank and State of California goals. In 2023, the Authority developed a Carbon Management Plan and received a Level 2 accreditation from Airports Council International under its Airport Carbon Accreditation program ("ACA Program"). The ACA Program is a voluntary accredited global greenhouse gas ("GHG") reporting program for airports, enabling the airports to implement best practices in carbon management and GHG emission reductions.

The Authority's waste disposal provider recycles up to two-thirds of the Airport's waste stream, preventing it from ever reaching a landfill. Use of recycled water has been enhanced and catch basin filters have been installed to help collect pollutants before they enter the storm drain system. Faucet aerators and hands-free faucets in the Existing Terminal Building make water usage more efficient, and drip irrigation plus low water-consuming landscaping conserve water on the premises of the Airport.

The lights in Terminal A and Terminal B of the Existing Terminal Building, as well as the short-term parking structure, have been replaced with energy efficient bulbs. Taxiway lighting systems have been replaced with LED lighting and other "smart technology" enhancements have been made.

Pursuant to the Development Agreement (see "TERMINAL RELOCATION PROJECT – Development from 2015-2017; Measure B"), the Authority is committed to achieve LEED Silver certification or better (or the equivalent under the California Green Building Standards Code) for the Terminal Relocation Project.

Social Equity

The Authority is committed to a policy of non-discrimination in the conduct of its business and the delivery of equitable and accessible Airport services.

The Authority has adopted a Disadvantaged Business Enterprise ("DBE") Program and an Airport Concession Disadvantaged Business Enterprise ("ACDBE") Program in accordance with U.S. Department of Transportation ("DOT") regulations respectively set forth in Part 26 and Part 23 of Title 49 of the Code of Federal Regulations. The FAA is an agency within the DOT and most of the Authority's capital projects receive some form of FAA assistance. Each contract that the Authority signs with a contractor (and each subcontract that the prime contractor signs with a subcontractor) contains non-discrimination assurances as required by DOT regulations. Each DBE Program and ACDBE Program is in effect for a three federal fiscal year ("FFY," which commences on October 1 ends on September 30) period. The Authority establishes an overall DBE participation goal (18% for FFY 2023-26) and an overall ACDBE participation goal (9.42% for car rental concessionaires, and 39.2% for other concessionaires, for FFY 2023-26) in these programs. The Authority has instituted procedures for the proper administration, monitoring, and enforcement to ensure that the programs are implemented in a manner consistent with DOT regulations.

With respect to Airport services, the Authority complies with Title VI of the Civil Rights Act of 1964 ("Title VI"), the Americans with Disabilities Act of 1990 (the "ADA") and Section 504 of the Rehabilitation Act of 1973 ("Section 504"). It is the Authority's policy to not exclude any person from participation in, be denied the benefits of, or be subjected to discrimination in the receipt of the Authority's services on the basis of race, color, sex, religion, age, national origin, or disability, or any other category protected by Title VI, Section 504, or the ADA.

Governance

The Authority is a joint powers agency created under California law, separate and apart from its three member cities. The Authority's mission is to own and operate the Airport. See discussions under "THE AUTHORITY" and "TERMINAL RELOCATION PROJECT – History of the Airport and the Terminal Relocation Project." The Authority Commission (i.e., the governing board of the Authority) is composed of nine members. Each of the Cities of Burbank, Glendale and Pasadena appoints three members. This equal representation ensures that each community has a voice in the making of decisions and the setting of policies. The Authority Commission's decisions are made at public meetings, as required by California law, to ensure transparency.

The Authority Commission has entered in a management services contract with a corporate entity, TBI, for the day-to-day planning, management, operation and maintenance of the Airport. See "THE AIRPORT – Airport Manager and the Airport Management Services Agreement" and " – Senior Management." TBI, is a subsidiary of VINCI Airports, which manages the development and operations of dozens of airports around the world. TBI's senior management team at the Airport has a depth of experience and has served in a wide variety of roles in the aviation industry. Some among them have dedicated decades of service to the Airport. Others have joined more recently bringing their unique expertise and skill sets.

The Authority's governance and management structure allows the Airport to be run in a collaborative manner, with high-performance, efficiency, and professionalism, while providing friendly and convenient services to passengers travelling to and from the region, whether for business or leisure.

CERTAIN INVESTMENT CONSIDERATIONS

The 2024 Bonds may not be suitable for all investors. Prospective purchasers of the 2024 Bonds should give careful consideration to the information set forth in this Official Statement, including the matters referred to in the following summary. The information herein does not purport to be a comprehensive or exhaustive discussion of all risks or other considerations that may be relevant to an investment in the 2024 Bonds. In addition, the order in which the following information is presented is not intended to reflect the relative importance of any such considerations. There can be no assurance that other risks or considerations not discussed herein are not or will not become material in the future.

General

The following is a general discussion of certain factors affecting the air transportation industry and the revenues, expenses and operations of the Authority and does not purport to be an exhaustive listing of all such factors and other considerations. As a result of these and other factors, historical results presented in this Official Statement, including the Authority's operation and financial figures contained in this Official Statement, may not be indicative of future operating results of the Authority.

The Revenues of the Authority are affected substantially by the economic health of the airline industry, the airlines serving the Airport and various other factors, which include but are not limited to:

- national and international economic conditions;
- the availability and cost of aviation fuel and other necessary supplies;
- the financial health and viability of the airline industry;
- airline service and route networks;
- population growth and the economic health of the region surrounding the Airport and the nation;
- changes in demand for air travel;
- service and cost competition;
- levels of air fares;
- fixed costs and capital requirements;
- the cost and availability of financing;
- the capacity of the national air traffic control system;
- the capacity of the Airport and the capacity of the competing airports;

- national and international disasters, health emergencies and hostilities;
- the cost and availability of employees;
- labor relations within the airline industry;
- regulation by the federal government;
- environmental risks and regulations, noise abatement concerns and regulations;
- bankruptcy and insolvency laws;
- safety concerns arising from international conflicts and the possibility of additional terrorist attacks and other risks; and
- legislative action which would affect federal funding of Airport projects.

Several of these factors reduced profits and caused significant losses for all but a few airlines. As a result of these and other factors, many airlines have operated at a loss in the past and many have filed for bankruptcy, ceased operations and/or merged with other airlines. In addition, many airlines have taken many actions to restructure and reduce costs including reducing their workforce, renegotiating labor agreements, consolidating connecting activity and replacing mainline jets with regional jets. Financial difficulties of individual airlines could, over time, materially alter the relative financial obligations of the individual Signatory Airlines and lead to reductions of service at the Airport.

The Authority cannot predict regional, national and world economies, the likelihood of future terrorist attacks, the likelihood of future air transportation or supply chain disruptions, including contagious diseases, the costs of aviation fuel or the impact on the Airport or the airlines from such factors. No assurance can be given that each Signatory Airline will continue operations at the Airport, that passenger activity at the Airport will not decrease or that revenues will not decrease.

2024 Bonds Special Obligations of Authority

The 2024 Bonds will be special obligations of the Authority payable solely from, and secured solely by a pledge of, the Trust Estate. The 2024 Bonds will not constitute a general obligation of the Authority. The 2024 Bonds will not be secured by a legal or equitable pledge of, or charge or lien upon, any property of the Authority or any of its income or receipts except the Trust Estate. Neither the faith and credit nor the taxing power of the State of California or any public agency thereof, including the Cities of Burbank, Glendale and Pasadena, will be pledged to the payment of the 2024 Bonds, and the payment of the 2024 Bonds will not constitute a debt, liability or obligation of the State or any public agency thereof, including the Cities of Burbank, Glendale and Pasadena, other than the special obligation of the Authority as provided in the Indenture. The Authority has no taxing power. See “SECURITY FOR THE 2024 BONDS.”

Pursuant to the Indenture, the Authority also has the ability to cause a category of income, receipt or other revenues that are included in the definition of Revenues in the Indenture to be excluded from such definition for all purposes of the Indenture, thereby creating Released Revenues. Such exclusion, which is subject to a number of conditions, would reduce the security for the 2024 Bonds. The Authority has not previously excluded any such Released Revenues.

Uncertainties of Projections and Assumptions

In its Airport Consultant Report, based on the assumptions contained in the report, Ricondo forecasts that the projected Revenues of the Authority will be sufficient to allow the Authority to comply with the Rate Covenant in the Indenture through FY 2032. See APPENDIX A: “AIRPORT CONSULTANT REPORT.” One of the principal assumptions upon which Ricondo relies in making its projection is that passenger traffic will increase as a function of growth in the economy of the region served by the Airport. Whether the projected passenger traffic materializes depends on a number of factors outside of the Authority’s control, such as economic growth of the United States and the greater Los Angeles region, airline financial condition, general costs of air travel, capacity of the national air traffic control system, operational decisions made by airlines, public health concerns, and other similar assumptions. In addition, Ricondo makes numerous other assumptions as described in the Airport Consultant Report.

The Airport Consultant Report should be read in its entirety for an understanding of the projections and the underlying assumptions. As noted in the Report, projections are subject to uncertainties. Inevitably, some of the assumptions used to develop the projections will not be realized, and unanticipated events and circumstances may occur. The actual financial results achieved will vary from those projections, and the variations may be material and adverse. Also see “AIRPORT CONSULTANT REPORT – Projected Net Revenues and Debt Service Projections” and APPENDIX A: “AIRPORT CONSULTANT REPORT.”

Expiration and Possible Termination of Airport Use Agreements

Pursuant to its Existing Airport Use Agreement, each Signatory Airline has agreed to pay rates and charges for its use of the Airport. The Existing Airport Use Agreements expire on June 30, 2025, but may be terminated by the Authority or, under certain conditions, by a Signatory Airline before such expiration. The terms of the AUA Amendment and the Replacement Airport Use Agreement each expire before the final maturity of the 2024 Bonds. The Authority cannot provide any assurances that the Existing Airport Use Agreements, the AUA Amendment or the Replacement Airport Use Agreement will be renewed and, if renewed, what the terms of such agreements will be. If an airline elects not to execute an airport use agreement (including the AUA Amendment and the Replacement Airport Use Agreement), such airline will be free to discontinue flights at the Airport. Any Non-Signatory Airlines that do elect to operate at the Airport will do so on a month-to-month basis pursuant to the rate schedules in the related Operating Permit. In such circumstances, the ability of the Authority to continue to generate revenues required by the Indenture will depend on the Authority’s ability to provide services at rates which continue to attract airlines to provide service at the Airport at the levels contemplated in the Airport Consultant Report. It is expected that rates will significantly increase from current levels. See “AIRPORT USE AGREEMENTS,” “ – Regulation of Rates and Charges,” APPENDIX D-1: “SUMMARY OF CERTAIN PROVISIONS OF THE AIRPORT USE AGREEMENTS,” APPENDIX D-2: “SUMMARY OF CERTAIN PROVISIONS OF AMENDMENT TO AIRPORT USE AGREEMENT” and APPENDIX D-3: “SUMMARY OF CERTAIN PROVISIONS OF REPLACEMENT AIRPORT USE AGREEMENT.”

Certain Factors Affecting the Terminal Relocation Project

Any large construction project, such as the Terminal Relocation Project is subject to increased costs, delays and related risks, the occurrence of any of which could have a material adverse effect on the Terminal Relocation Project. In a project of this magnitude, there is a significant possibility of cost increases, delays and other adverse effects resulting from, among other things, (i) design, engineering, or construction problems, and resulting change orders; (ii) subsurface conditions, concealed or unknown conditions or other site or safety and health conditions; (iii) environmental conditions or compliance with hazardous material laws; (iv) utility relocation problems; (v) labor or significant material price increases, shortages, interruptions, disputes or stoppages, including those resulting from global supply chain issues due to a pandemic or conflict; (vi) permitting and governmental approval issues, including the inability to obtain or renew necessary permits; (vii) extraordinary inclement or severe weather conditions; (viii) occurrence of a casualty, or damage or destruction of completed or partially completed work; (ix) discovery of artifacts, fossils, relics or other archeologically significant items that must be preserved and compliance with historic preservation laws and related agreements with historic preservation authorities; (x) discovery of endangered or threatened species protected under federal or state law; (xi) changes in laws; (xii) variable cost of contract allowances, and (xiii) other force majeure events. As a result, the Authority may encounter unanticipated difficulties and the construction and development of the Terminal Relocation Project may be more costly or time-consuming than the Authority anticipates. While the Authority and the Design-Builder have established a GMP for the Terminal Relocation Project, contracts that are described as “fixed price,” “lump sum,” “guaranteed maximum price,” or “flat fee” are not guaranteed to be free from cost increases resulting from the conditions described above or for other reasons. The Authority’s budget for the Terminal Relocation Project includes the Contingency Amount, which is approximately \$60 million budgeted to cover contingencies including potential costs associated with the conditions described above. The Contingency Amount is not included in the GMP.

The Authority may use change orders to address the conditions described above or other changes to the Terminal Relocation Project’s scope, but the use of change orders does not guarantee prices remain fixed or delays do not occur. For instance, the Design-Build Agreement does not allow a party to unilaterally make changes to the scope of work under such agreement, and if the Design-Builder or the Authority, as applicable, believes that a change in scope is necessary, the Design-Builder or the Authority, as applicable, must, under some circumstances, obtain the

relevant party's consent to change the scope. Obtaining consent could be difficult or require additional costs or cause delays in constructing the Terminal Relocation Project.

Any schedule delays or cost increases could result in the need to issue additional Obligations, which may result in increased costs per enplaned passengers to the airlines. No assurance can be given that the Authority would receive the required Signatory Airline approvals, or that, absent such approvals, an alternative source of funding would be available.

In addition, the Authority is relying on various sources of funding for the Terminal Relocation Project, including federal grants and future issuances of revenue bonds. No assurance can be given that the Authority will be able to access such sources of funded when needed.

In order to complete construction of the Terminal Relocation Project, the Authority needs to take a significant number of steps and obtain a number of approvals and permits, none of which is assured of attainment. The Authority will need to obtain a number of required permits in connection with the construction and operation of the Terminal Relocation Project, which can be a time-consuming process. The timing of the delivery of such permits may be outside of the Authority's control and may be subject to staffing levels of the issuing agency. If the Authority experiences delays in obtaining the required approvals and permits for the Terminal Relocation Project, the expected construction completion date may be delayed. If the Authority is unable to obtain the required approvals and permits for the Terminal Relocation Project, the Authority will not be able to construct or operate the Terminal Relocation Project. In addition, federal, state and local governmental requirements could substantially increase the Authority's costs, which could materially harm the operations and financial condition of the Airport.

The construction activity occurring in connection with the Terminal Relocation Project may materially and adversely affect operations of the existing Airport facilities, which could decrease passenger activity at the Airport and the use of ancillary services, such as parking and concessions, and thereby harm the financial condition of the Airport.

The Design-Build Agreement contains provisions for the payment of liquidated damages by the Design-Builder to the Authority in connection with certain delays. There can be no assurance that any such liquidated damages payments would be sufficient to fully compensate the Authority for such delays. Further, there can be no assurance that the Design-Builder will have the financial resources available to pay the entire amount of liquidated damages if it is required to do so.

Due to the complex and interconnected nature of the relationships between the members of the joint venture comprising the Design-Builder and any other subcontractors, disputes between two or more of these parties often result in the involvement of one or more of the remaining parties. If a default occurs or conflict arises under the prime contracts or any subcontract, it may be further complicated by the lack of consistent hierarchy and dispute resolution language in the construction and equipment procurement contracts as to which forum and choice of law govern such disputes and whether related claims may be consolidated. There can be no assurances that no party will commence a dispute or that, should one arise, it will be resolved quickly or efficiently, which could delay or halt construction of the Terminal Relocation Project.

Availability of Electrical Utility Services

The construction of the Terminal Relocation Project and the operation of the Replacement Passenger Terminal requires a significant upgrade to the current electrical power supply and an uninterrupted supply of electrical service. The Authority is dependent on BWP to supply and construct interim electrical facilities to supply electrical power for the construction of the Terminal Relocation Project and to operate the Replacement Passenger Terminal from its opening date until the BWP is complete. The supply chain for key components of electrical infrastructure continues to experience delays from the COVID-19 pandemic, and certain key materials for electrical facilities are sourced from regions of the world currently experiencing armed conflict, which may result in delivery delays. If the provision of upgraded electric utility services is significantly delayed, the Authority may be required to use its Contingency Amount to fund alternative electrical power sources, and may result in delays to the Terminal Relocation Project and cost increases to the Authority.

Certain Factors Affecting the Airline Industry and Air Travel

Uncertainties of the Airline Industry. The airline industry is highly cyclical and is characterized by intense competition, high operating and capital costs and varying demand. Passenger and cargo volumes are highly sensitive to general and localized economic trends, and passenger traffic varies substantially with seasonal travel patterns. The profitability of the airline industry can fluctuate dramatically from quarter to quarter and from year to year. The ability of the Authority to derive revenues from its operations depends largely upon the financial health of the airlines serving the Airport and the airline industry as a whole. The financial results of the airline industry are subject to substantial volatility, and at times, many carriers have had overlapping, extended periods of unprofitability. Certain events, such as global health events or terrorist activity have resulted in substantial financial challenges for airlines serving the Airport, including substantial financial losses and reductions in airline workforces. While the Airport has seen passenger traffic return after or grow through airline bankruptcies and consolidations and other events affecting the airline industry, the effects of any future events cannot be predicted with certainty.

Market conditions may limit an airline's access to additional financing if their existing sources of funds, including any funds provided by the U.S. Department of Transportation, are exhausted. Certain factors (such as business conditions within the airline industry, the effects of an economic downturn and high aviation fuel costs) can adversely affect the ability of the airlines that serve the Airport, including the Signatory Airlines, to meet their financial obligations to the Authority. These conditions could, in the future, result in additional airline bankruptcies, elimination or reduction of service at the Airport by certain airlines, in increased airline concentration at the Airport or other restructuring of the airline industry. Although the Existing Airport Use Agreements and the Replacement Airport Use Agreements (when executed) permit the Authority to adjust rental rates and landing fees to take into account amounts that go unpaid by a defaulting airline, no assurance can be given that the non-defaulting airlines will continue to serve the Airport and to pay the higher rates and fees. The Existing Airport Use Agreements and the Replacement Airport Use Agreements (when executed) permit the Signatory Airlines to terminate their respective agreements in accordance with certain conditions. The Existing Airport Use Agreements expire on June 30, 2025, and the Authority cannot give any assurances that any extensions or replacements of the Existing Airport Use Agreements will be agreed upon. See "AIRPORT USE AGREEMENTS."

Cost of Aviation Fuel. Airline earnings are significantly affected by the price of aviation fuel. Historically, aviation fuel prices have been particularly sensitive to worldwide political instability.

Fuel prices continue to be subject to, among other factors, political unrest in various parts of the world, Organization of Petroleum Exporting Countries policy, increased demand for fuel caused by growth of economies such as China and India, the levels of fuel inventory maintained by certain industries, reserve levels maintained by governments, currency fluctuations, disruptions to production and refining facilities and the weather. Significant increases in the cost of aviation fuel have had an adverse impact on airline industry profitability and are expected to have a continued impact on the airline industry. Such adverse impacts could, or have already caused, certain airlines to reduce capacity, fleet and personnel as well as increase airfares and implement various surcharges upon its passengers, all of which may negatively affect the demand for air travel and passenger activity at the Airport.

Labor Shortages. The airlines have been faced with labor shortages, including a shortage of pilots, flight attendants and other staff that have resulted in some cases have resulted in reduced flight schedules and cancelled flights. The aviation industry may experience a more enduring shortage, or may face additional shortages in the future. The aviation industry is also impacted by shortages of air traffic controllers.

Airline Mergers; Consolidation. The airline industry continues to evolve as a result of competition and changing demand patterns and it is possible the airlines serving the Airport could consolidate operations through acquisition, merger, alliances and code share sales strategies. Historic mergers, as well as future mergers, could change airline service patterns at the Airport, including a possible reduction in service at the Airport. The Authority cannot predict what impact, if any, such consolidations will have on airline traffic at the Airport.

Competition

Other Regional Airports. The Airport's air trade area is served by a number of other airports. Operations at these airports may impact passenger activity at the Airport. Other airports in the Airport's air trade area may not be

subject to the same operating restrictions as the Airport, and activities at these other airports may affect demand at the Airport. For example, the other airports in the air trade area may be able to increase flight operations or use larger aircraft than those permitted to be used at the Airport, and such changes could affect passenger demand at the Airport. There are also two busy general aviation airports in close proximity to the Airport: Van Nuys Airport, located approximately seven miles from the Airport, and Whiteman Airport, located approximately four miles from the Airport.

The Airport may continue to experience increases in its operating costs due to compliance with federally-mandated and other security and operating changes. Such increased costs, combined with reductions in enplaned passengers at the Airport, may increase costs per enplaned passenger to the airlines, which could put the Airport at a competitive disadvantage relative to other regional airports and transportation modes.

California High Speed Rail. The California High-Speed Rail Authority, or CHSRA, is in the process of planning and constructing a high-speed train service linking Southern California, the Sacramento San Joaquin Valley and the San Francisco Bay Area. The Airport could experience reductions in passenger traffic as a result of a high-speed rail system. The Authority is unable to predict when or whether a high-speed rail system will be completed, what areas of the State it will serve, or the effect that any such high-speed rail system would have on passenger traffic at and revenues of the Airport. As discussed under “TERMINAL RELOCATION PROJECT – California High-Speed Rail Authority Settlement,” pursuant to CHSRA’s current plan, the overall high-speed rail project will include a 14-mile segment between the Airport to Los Angeles Union Station, with stops at both locations.

Travel Alternatives. Advancements in technology with teleconferences, video-conferences and web-based meetings have provided satisfactory alternatives to face-to-face business meetings. Such alternatives, in certain cases, have reduced and may continue to reduce the demand for air travel.

Economic Conditions of Air Trade Area

Generally, at origination and destination airports such as the Airport, air traffic is significantly dependent upon the economy of the airport trade area. Although the Airport’s two-county air trade area is large and has a relatively diversified socioeconomic base, the economy in the air trade area depends in significant part upon the financial strength and stability of the industries within the air trade area and upon the success of major employers in the air trade area. Reduced demand for air travel in and out of the air trade area could result in fewer airlines serving the Airport and lower levels of passenger activity at the Airport.

Effects of Airline Bankruptcy

A bankruptcy of an airline operating at the Airport could result in a decrease in Net Revenues, along with delays or reductions in payments on, or other losses with respect to, the 2024 Bonds, and an increase in the costs of operation to the other airlines operating at the Airport.

In the event of an airline bankruptcy, the automatic stay provisions of the United States Bankruptcy Code (the “Bankruptcy Code”) could prevent (unless approval of the bankruptcy court was obtained) any action to collect any amount owing by the airline to the Authority, any action to remove the airline from possession of any premises or other space, any action to terminate any agreement with the airline, or any action to enforce any obligation of the airline to the Authority. With the authorization of the bankruptcy court, the airline may be able to reject some or all of its agreements with the Authority, including the Existing Airport Use Agreements, the Replacement Airport Use Agreements (when executed), or other lease, operating, or other agreements, and stop performing its obligations (including payment obligations) under such agreements. Such a rejection could also excuse the other parties to such agreements from performing any of their obligations. The airline may be able, without the consent and over the objection of the Authority, the Trustee, and the holders of the 2024 Bonds, to alter the terms, including the payment terms, of its agreements with the Authority, as long as the bankruptcy court determines that the alterations are fair and equitable. In addition, with the authorization of the bankruptcy court, the airline may be able to assign any of its agreements with the Authority to another entity, despite any contractual provisions prohibiting such an assignment. The Trustee and the holders of the 2024 Bonds may be required to return to the airline as preferential transfers any money that was used to make payments on the 2024 Bonds and that was received by the Authority or the Trustee from the airline during the 90 days (or in some cases one year) immediately preceding the filing of the bankruptcy petition.

Claims by the Authority under any lease, or any agreement that is determined to be a lease, with the airline may be subject to limitations.

The Existing Airport Use Agreements and the Replacement Airport Use Agreements (when executed) permit the Authority to adjust rental rates and landing fees to take into account amounts that go unpaid by a defaulting Signatory Airline, and no assurance can be given that the non-defaulting Signatory Airlines will continue to serve the Airport and to pay the higher rates and fees.

There may be delays in payments on the 2024 Bonds while the court considers any of these issues. There may be other possible effects from a bankruptcy filing by an airline that could result in delays or reductions in payments on, or other losses with respect to, the 2024 Bonds. Regardless of any specific adverse determinations by a court in an airline bankruptcy proceeding, an airline bankruptcy proceeding itself could have an adverse effect on the liquidity and value of the 2024 Bonds.

Effects of Bankruptcy of Tenant, Concessionaire, or other Contracting Party

A bankruptcy of any significant tenant, concessionaire, or other entity that has a contract with the Airport could also result in a decrease in Net Revenues, along with delays or reductions in payments on, or other losses with respect to, the 2024 Bonds, for reasons similar to those discussed above with respect to airline bankruptcies. Regardless of any specific adverse determinations by a court in a bankruptcy proceeding of the Project Manager, a bankruptcy proceeding itself could have an adverse effect on the liquidity and value of the 2024 Bonds.

Effects of Bankruptcy of Project Manager or Design-Builder

A bankruptcy of the Project Manager or the Design-Builder may result in delays to the Terminal Relocation Project or material increased costs to complete the Terminal Relocation Project for reasons similar to those discussed above with respect to airline bankruptcies. This risk of bankruptcy would be heightened in connection with another global health emergency or other event that resulted in a significant inflation, disruption of supply chains or construction activity in the sectors in which the Project Manager or the Design-Builder operates. In the event of a bankruptcy by the Project Manager or Design-Builder, the Authority may not be able to enter into a replacement agreement with a different contract on similar terms to the existing agreements. Regardless of any specific adverse determinations by a court in a bankruptcy proceeding of the Project Manager or the Design-Builder, a bankruptcy proceeding itself could have an adverse effect on the liquidity and value of the 2024 Bonds.

Effect of Authority Bankruptcy

The Authority may be able to file for bankruptcy under Chapter 9 of the Bankruptcy Code. An involuntary bankruptcy petition cannot be filed against the Authority. A bankruptcy of the Authority could result in delays or reductions in payments on, or other losses with respect to, the 2024 Bonds.

Should the Authority become the debtor in a bankruptcy case, the holders of the 2024 Bonds will not have a lien on Net Revenues received by the Authority or the Trustee after the commencement of the bankruptcy case unless such revenues constitute “special revenues” within the meaning of the Bankruptcy Code. “Special revenues” are defined to include receipts from the ownership, operation, or disposition of projects or systems that are primarily used to provide transportation services, as well as other revenues or receipts derived from particular functions of the debtor. While the Authority intends that the Net Revenues should be treated as special revenues, no assurance can be given that a court would not find otherwise. In a case arising from the insolvency proceedings of Puerto Rico, the United States Court of Appeals for the First Circuit concluded that while a debtor has the right to voluntarily apply special revenues to the payment of debt service during the pendency of a bankruptcy case, the debtor is not obligated to do so, even though the special revenues are subject to the lien of the bond documents.

If some or all of the Net Revenues are determined to not be “special revenues,” then any such amounts collected after the commencement of the bankruptcy case may not be subject to the lien of the Indenture. The holders of the 2024 Bonds may not be able to assert a claim against any property of the Authority other than the Net Revenues,

and if any or all of the Net Revenues no longer secure the 2024 Bonds, then there may be limited, if any, funds from which the holders of the 2024 Bonds are entitled to be paid.

The Bankruptcy Code provides that special revenues can be applied to necessary operating expenses of the project or system, before they are applied to other obligations. This rule applies regardless of the provisions of the transaction documents. Thus, the Authority may be able to use Net Revenues to pay necessary operating expenses of the Airport (even if those expenses are broader than the defined term Operating Expenses under the Indenture) before making payments on the 2024 Bonds, notwithstanding the provisions of the Indenture. It is not clear precisely which expenses would constitute necessary operating expenses and the definitions in the transaction documents may not be controlling.

If the Authority is in bankruptcy, the Trustee and the holders of the 2024 Bonds may be prohibited from taking any action to collect any amount from the Authority or to enforce any obligation of the Authority, unless the permission of the bankruptcy court is obtained. In particular, the Trustee may be prevented from foreclosing on any collateral (including the Trust Estate) that belongs to the Authority. The Trustee may also be prevented from exercising any of the rights of the Authority that have been assigned to the Trustee. These restrictions may also prevent the Trustee from making payments to the holders of 2024 Bonds from funds in the Trustee's possession during the pendency of the bankruptcy proceedings. The Rate Covenant contained in the Indenture may be unenforceable in bankruptcy.

The Authority is permitted to hold Net Revenues for up to one month before transferring any Net Revenues to the Trustee as required by the Indenture. If the Authority goes into bankruptcy, the Authority may not be required to turn over to the Trustee any Net Revenues that are in its possession at the time of the bankruptcy filing. If the Authority has possession of Net Revenues (whether collected before or after commencement of the bankruptcy) and if the Authority does not voluntarily turn over such Net Revenues to the Trustee, it is not entirely clear what procedures the Trustee and the holders of the 2024 Bonds would have to follow to attempt to obtain possession of such Net Revenues, how much time it would take for such procedures to be completed, or whether such procedures would ultimately be successful. Under such circumstances, there may be delays or reductions in payments on the 2024 Bonds. The United States Court of Appeals for the First Circuit, in another case involving the insolvency proceedings of Puerto Rico, concluded that a bankruptcy court does not have the power to order a debtor to comply with state law.

If the Authority is in bankruptcy, it may be able to reject the Airport Management Services Agreement with the Airport Manager, and enter into an agreement with a new manager, regardless of any restrictions in the Airport Management Services Agreement. The Authority may also be able to reject any other agreement it has entered into. A rejection of any of such agreement would excuse the Authority from performing any of its obligations (including payment obligations) under such agreement. Such a rejection could also excuse the other parties to such agreement from performing any of their obligations.

The Authority may be able to borrow additional money that is secured by a lien on any of its property (including the Net Revenues), which lien could have priority senior to the lien of the Indenture, as long as the bankruptcy court determines that the rights of the holders of the 2024 Bonds will be adequately protected. The Authority may be able to cause some of the Net Revenues to be released to it, free and clear of the lien of the Indenture, as long as the bankruptcy court determines that the rights of the holders of the 2024 Bonds will be adequately protected.

The Authority may be able, without the consent and over the objection of the holders of the 2024 Bonds, to alter the priority, interest rate, principal amount, payment terms, collateral, maturity dates, payment sources, covenants (including tax-related covenants), and other terms or provisions of the Indenture and the 2024 Bonds, as long as the bankruptcy court determines that the alterations are fair and equitable.

There may be delays in payments on the 2024 Bonds while the court considers any of these issues. There may be other possible effects of a bankruptcy of the Authority that could result in delays or reductions in payments on, or other losses with respect to, the 2024 Bonds. Regardless of any specific adverse determinations in a bankruptcy proceeding of the Authority, the fact of an Authority bankruptcy proceeding could have an adverse effect on the liquidity and value of the 2024 Bonds.

Bankruptcy of the Airport Manager

The day-to-day planning, management, operation and maintenance of the Airport is provided by the Airport Manager. If the Airport Manager were to go into bankruptcy or become insolvent, it may stop performing its functions as Airport Manager of the Airport, and it may be difficult to find a third party to act as successor Airport Manager. Alternatively, the Airport Manager may take the position that unless the amount of its compensation is increased or the terms of its obligations are otherwise altered, it will stop performing its functions as Airport Manager. If it would be difficult to find a third party to act as Airport Manager, the Authority, as a practical matter, may have no choice but to agree to the demands of the Airport Manager. The Airport Manager may also have the power, with the approval of the court, to assign its rights and obligations as Airport Manager to a third party without the consent, and even over the objection, of the Authority, and without complying with the requirements of the applicable documents.

If the Airport Manager is in bankruptcy or is insolvent, then the Authority may be prohibited from taking any action to enforce any obligations of the Airport Manager under the applicable documents or to collect any amount owing by the Airport Manager under the applicable documents, unless the permission of the court is obtained.

If the Airport Manager is in bankruptcy or is insolvent, then, despite the terms of the documents, the Authority may be prohibited from terminating the Airport Manager and appointing a successor Airport Manager.

The Trustee and the holders of the 2024 Bonds may not have a perfected or priority interest in any Net Revenues that are in the Airport Manager's possession at the time of the commencement of the bankruptcy or insolvency proceeding. The Airport Manager may not be required to remit to the Authority or the Trustee any Net Revenues that are in its possession at the time it goes into a bankruptcy or insolvency proceeding. To the extent that the Airport Manager has commingled Net Revenues with its own funds, the holders of the 2024 Bonds may be required to return to the Airport Manager as preferential transfers payments received on the 2024 Bonds that are traceable to funds received from the Airport Manager.

There may be delays in payments on the 2024 Bonds while the court considers any of these issues. There may be other possible effects of a bankruptcy or insolvency of the Airport Manager that could result in delays or reductions in payments on the 2024 Bonds or in other losses to the holders of the 2024 Bonds. Regardless of any specific adverse determinations in an Airport Manager bankruptcy or insolvency proceeding, the fact of an Airport Manager bankruptcy or insolvency proceeding could have an adverse effect on the liquidity and value of the 2024 Bonds.

Investment Losses

While it is holding Net Revenues, the Authority may invest the Net Revenues in Permitted Investments. Should those investments suffer any losses, the Authority may have insufficient funds to make payments on the 2024 Bonds.

Credit Risk of Financial Institutions Providing Credit Enhancement and Other Financial Products Relating to Airport Bonds

The Authority has obtained letters of credit from commercial banks relating to its outstanding Commercial Paper Notes, and may obtain other forms of credit enhancement related to the Obligations secured by the Indenture from a variety of financial institutions. During and following the U.S. recession in 2007-2009 each of the Rating Agencies downgraded the claims paying ability and financial strength ratings of most of the nation's monoline bond insurance companies and many commercial banks and other financial institutions, though many of the institutions have subsequently been upgraded. The Rating Agencies could announce downgrades of these entities in the future. Such adverse ratings developments with respect to credit providers could have an adverse effect on the Authority, including significant increases in its debt service costs.

Availability of Pledged Customer Facility Charges

The Third Supplemental Indenture pledged, as Available Revenues, the Pledged Customer Facility Charges to the payment of debt service on the 2012 Bonds. Only Customer Facility Charges received in each Fiscal Year up to the scheduled debt service on the 2012 Bonds accruing in such Fiscal Year, are Pledged Customer Facility Charges to be applied to the payment of debt service on the 2012 Bonds. Although Pledged Customer Facility Charges are not available to pay debt service on the 2024 Bonds, a reduction in Pledged Customer Facility Charges would require debt service on the 2012 Bonds to be paid by Revenues, which are available to pay debt service on the 2024 Bonds. The availability of Customer Facility Charges will vary depending on the number of car rentals subject to Customer Facility Charges. No assurance can be given on the amount of total Customer Facility Charges that will be realized or the amount of Customer Facility Charges that will be applied to the payment of debt service on the Bonds. Further, no assurance can be given that there will not be any changes in law that will affect the amount of total Customer Facility Charges that will be realized. The amount of total Customer Facility Charges is reasonably expected to correlate with the level of deplaned passengers at the Airport, which the Authority also cannot predict as discussed above in “–Airline Activity at the Airport.”

Risks Related to the Authority’s Capital Projects

The Authority’s current capital improvement plan includes spending on capital projects in addition to the Terminal Relocation Project in the coming years. The Authority currently does not plan to incur any additional debt obligations for these other capital projects. The Airport Consultant Report also assumes that no Senior Obligations (other than the 2024 Bonds, the Anticipated Future Bonds [and the CP Program] issued to finance the Terminal Relocation Project) will be incurred through FY 2032. However, current plans may change depending on passenger and cargo demand, the availability of other funding sources, the timing of capital expenditures and market conditions. It is also possible that the Authority may undertake additional capital projects that are not presently included in its capital improvement plan, and the Authority may in the future undertake other major capital projects following the completion of the current capital improvement plan. Other capital needs that are not presently known may arise, and the costs of now known and future capital needs could increase significantly between the times that they are identified and when they are addressed. The incurrence of a significant amount of additional Obligations for capital projects will result in higher debt service costs, which will increase landing fees and terminal rents at the Airport, thereby increasing the costs borne by the airlines serving the Airport, which in turn could make the Airport comparatively less competitive.

Although the Authority uses a variety of strategies to mitigate risk associated with the implementation of its capital projects, project development could be delayed, and the cost of completing capital projects could be higher than expected due to various factors that are outside of the control of the Authority, including but not limited to economic conditions; pandemics; natural or manmade disasters; events such as the September 11, 2001 terrorist attacks; new or ongoing military hostilities; unexpected issues with integration into existing facilities; the inability to obtain, or delays in obtaining, regulatory approvals; the inability to comply with the conditions of regulatory approvals; changes in laws or regulations; inability to obtain, or delays in obtaining, federal approvals or federal funding; labor, bidding and contracting requirements; delays caused by the airline review process; weather; litigation; tariffs; cost overruns; casualty; strikes; unanticipated engineering, environmental or geological problems; shortages or increased costs of materials or labor; and financial difficulties of contractors. In addition, it is possible that funding sources such as federal grants may not be available as expected. If costs are higher than projected or funds are not available to finance the projects or portions thereof, the Authority may have to delay or cancel projects and/or incur additional debt.

Certain projects at the Airport, including the Terminal Relocation Project are assumed to be funded from a variety of different sources. Certain projects at the Airport, including the Terminal Relocation Project are assumed in part with federal grants, but the Authority cannot guarantee that such funds will be available or will be received in a timely manner. In some cases, moneys from grant awards are remitted to the Authority on a reimbursement basis, after the Authority has paid the costs of a project and the Authority’s use of such money would generally be subject to audit. These projects are also assumed to be funded in part from PFCs, but PFCs may not be available in the amounts and at the times currently forecasted if additional FAA approvals are not obtained or if there are fewer enplaned passengers than project. Additionally, market conditions, the status of operations at the Authority or other factors could adversely affect the ability of the Authority to issue the Anticipated Future Bonds, Commercial Paper Notes or other debt

obligations to finance a portion of the costs of the Terminal Relocation Project or other capital projects at the Airport. The availability of Commercial Paper Note proceeds could also be reduced or eliminated if the letters of credit supporting such Commercial Paper Notes are terminated or expire and are not replaced.

In the future, the Authority may be required to undertake additional capital projects to comply with regulatory requirements or to preserve the overall viability of the Airport. If, for any reason, the Authority is unable to undertake critical capital projects, then the condition of Airport facilities may decline, which can affect customer experience, airline satisfaction, and operational efficiency and effectiveness.

Operations at the Airport

Airline Activity. The Authority derives a substantial portion of its operating revenues from landing fees, facility rent and concession fees. The financial strength and stability of the airlines using the Airport, together with numerous other factors, most notably demand for airline services by passengers, influence the level of aviation activity at the Airport. In addition, individual airline decisions regarding level of service, particularly flight activity and aircraft size, can be expected to affect passenger activity at the Airport, as well as be affected by passenger activity at the Airport. The level of passenger activity at the Airport is reasonably expected to impact the level of other sources of revenue for the Airport, such as parking revenues, concession fees, Passenger Facility Charges and Customer Facility Charges.

The Authority cannot predict the duration or extent of reductions and disruptions in air travel or the extent of any adverse impact on Revenues, Passenger Facility Charge collections, Customer Facility Charge collections, passenger activity, general Airport operations or the financial condition of the Airport which may result from the financial difficulties of airlines serving the Airport. No assurances can be given that any of the airlines currently serving the Airport will continue operations at the Airport or maintain their current level of operations at the Airport. If one or more of these airlines discontinues operations at the Airport, its current level of activity may not be replaced by other carriers. The Authority, however, has been proactive in seeking to retain and further develop air service to the Airport. See “FINANCIAL CONDITION OF SIGNATORY AIRLINES” and “AIRPORT OPERATIONS – Airport Traffic.”

Parking Revenues. Parking fees are collected by the Authority and such revenues, including the 12% Burbank parking tax collected and forwarded to Burbank, comprised approximately 40% of total operating revenues for FY 2023. The level of passenger activity at the Airport is expected to impact the level of parking revenues. The Authority cannot give any assurance that parking fees will continue to produce the same level of revenue for the Authority in future Fiscal Years.

Other Activities. Although the Signatory Airlines are a significant part of the Airport’s operations and an important source, whether directly or indirectly, of Airport revenues, the Authority also relies on other Airport operations for revenues, including concessionaires and rental car companies. While the Signatory Airlines, as mentioned above in “AIRPORT USE AGREEMENTS,” are responsible for Airport expenses under the rental, common use fee and landing fee adjustment method, the Authority relies on other operations at the Airport, including parking, tenant payments from tenants other than Signatory Airlines, and concession income, to provide the majority of its revenues. The Authority cannot give any assurances that these operations will continue at the Airport at current levels or produce the same level of revenue for the Authority.

Certain Factors Particular to the Airport

Proximity of Passenger Terminal to Runway. The FAA has opined that the Airport is not in compliance with current design safety standards concerning the distance between the Existing Terminal Building and the runway. The Authority is undertaking the Terminal Relocation Project to remedy compliance with current FAA design safety standards. See “TERMINAL RELOCATION PROJECT.”

Concentration of Southwest Airlines. Southwest Airlines has become the dominant airline serving the Airport, accounting for approximately 65% of total passengers at the Airport in FY 2023. See “AIRPORT OPERATIONS.” No assurances can be given that Southwest will continue to provide service at the Airport at the

current level or what effect any reduction in service at the Airport by Southwest would have on the operations or financial condition of the Airport.

Restrictions on Airport Facilities and Operations. There are restrictions on the Authority’s ability to expand and develop facilities at the Airport. The length of the two runways and the noise contour of the Airport are limited by California statute. The Authority and the City of Burbank have executed the Development Agreement, as ratified by voters of Burbank through Measure B. The Development Agreement limits the number of gates at the Replacement Passenger Terminal, the square footage the Replacement Passenger Terminal and the number of public parking spaces for the Terminal Relocation Project. See “TERMINAL RELOCATION PROJECT – Developments from 2015 to 2017: Measure B -17; Measure B.” In addition to the constraints resulting from the limited facilities, there are direct restrictions on Airport operations, primarily relating to noise abatement. See “ENVIRONMENTAL MATTERS AFFECTING AIRPORT OPERATIONS.”

These restrictions on Airport facilities and operations limit the number of passengers and flights which the Airport can accommodate which, in turn, limit the amount of Revenues and Available Revenues the Authority receives.

EPA Claim. The Authority has been named as a Potentially Responsible Party by the EPA in connection with a claim regarding environmental contamination in the North Hollywood Operable Unit. The Authority has entered into a written settlement agreement with Lockheed in which Lockheed agreed to defend and indemnify the Authority with respect to the EPA claim for the North Hollywood Operable Unit. The settlement agreement, however, provides for certain exclusions from the scope of the indemnified matters and the Authority cannot give any assurances that Lockheed might not assert one or more of these exclusions to avoid indemnification as to some or all of the EPA claim, that the Authority may not otherwise be adversely affected by the EPA claim or other EPA actions, or that Lockheed will otherwise perform its obligations under such settlement agreement. See “ENVIRONMENTAL MATTERS AFFECTING AIRPORT OPERATIONS – Regulated and Hazardous Substances.”

Environmental Contamination. The Authority acquired the initial parcels for the Airport operations from Lockheed in 1978. Since that time, the Authority has acquired additional real property to add to the Airport, principally from Lockheed. The Authority acquired the additional parcels either by purchase or through the exercise of its eminent domain powers. The Authority has received from Lockheed and other sellers of real property various indemnification agreements that appear to provide coverage for costs (including environmental cleanup costs) arising from the seller’s prior ownership or occupancy of the parcel in question. In the event that a hazardous substance release requires cleanup in one of the acquired parcels and it is determined that the indemnification agreement for that parcel is inapplicable or the indemnifying party is unable to pay, then the Authority could be subject to significant clean-up or remediation expenses, absent other potential defenses under applicable law.

Technological Innovations

New technologies and innovative business strategies in established markets are likely to be developed in the future. Increased adoption of videoconferencing technologies during the COVID-19 pandemic and increased acceptance of these methods of communicating could reduce the demand for business travel, though the impact of such technologies on the demand for business travel is not known. As another example, transportation network companies (“TNCs”), such as Uber Technologies Inc., Lyft, Inc. and Tickengo, Inc. d/b/a Wingz were increasingly popular in the years prior to the COVID-19 pandemic, resulting in shifts in the relative share of non-airline revenues from various ground transportation activities and operational issues such as increased curbside congestion. The popularity of different forms of ground transportation also has shifted during the pandemic and post-pandemic. While the Authority makes every effort to anticipate changes resulting from new technologies and innovative business strategies and to minimize negative impacts on revenues, if any, there may be times when the Authority’s expectations differ from actual outcomes. In such event, revenues could be lower than expected and additional capital or operating expenses might be incurred.

In connection with the expansion of wireless broadband operations into the 3.7-3.98 GHz frequency band service (“5G service”) on January 19, 2022, the FAA issued certain guidelines for aircraft manufacturers, aircraft operators and airports because 5G service uses frequencies in a radio spectrum that the FAA has determined may interfere with those used by radar altimeters, which are important equipment in certain aircraft. The FAA continues to work with aircraft equipment manufacturers and airlines to clear aircraft models, versions and airlines to operate at

airports nationally, including the Airport, in low visibility conditions. Throughout this process, visual approaches, standard Category I instrument approaches, and other instrument procedures, including GPS-based approaches, are unaffected by 5G service. The deployment of 5G technology has not impacted the Airport's operations or the Authority's revenues.

Seismic and other Natural Disasters or Emergencies

The Airport is located in a seismically active region of California. During the past 150 years, the Los Angeles area, where the Airport is located, experienced several major and numerous minor earthquakes, including an earthquake that measured 6.7 on the Richter Scale on January 17, 1994. [A forecast prepared by U.S. Geological Survey, Southern California Earthquake Center and California Geographical Survey and released in April 2008 estimates that there is a 67% chance that, by 2037, an earthquake measuring 6.7 or larger on the Richter Scale will occur in the Los Angeles area, and a 97% chance that such an earthquake will occur in Southern California.][To be updated if available] If such an earthquake were to occur, the Airport's facilities could sustain damage, ranging from total destruction to little or no damage at all. Damage could include pavement displacement (which could, in the worst case, necessitate the closing of one or more runways for extended periods of time), distortions of pavement grades, breaks in utilities, damage to drainage and sewage lines, displacement or collapse of buildings and rupture of gas and fuel lines. Furthermore, a major earthquake anywhere in the greater Los Angeles area may cause significant temporary and possibly long-term harm to the economy of one or more region's cities or the entire region, which could in turn have a negative effect on passenger traffic and on Revenues, and such effect could be material.

The central section of the Existing Terminal Building does not meet current California seismic building standards. Although the RITC was designed and constructed using seismic isolation to reduce seismic forces in the structures, and although the Replacement Passenger Terminal is being designed to comply with current California seismic building standards, no assurances can be provided that the RITC, the Replacement Passenger Terminal, or other Airport facilities will not sustain damages in the event of an earthquake. Any damage to facilities or other properties could adversely affect the Authority's revenues. The Authority carries only limited earthquake insurance as described in "THE AIRPORT—Insurance." The Authority is unable to predict when or if another earthquake will occur and what impact it will have on Airport operations.

Furthermore, the Airport could sustain damage as a result of other events, such as terrorist attacks, extreme weather events and other natural occurrences, wildfires, fires and explosions, spills of hazardous substances, strikes and lockouts, sabotage, wars, blockades, and riots.

While the Authority has attempted to address the risk of loss through the purchase of insurance, certain of these events may not be covered. Furthermore, even for events that are covered by insurance, the Authority cannot guarantee that coverage will be sufficient or that insurers will pay claims in a timely manner. From time to time, the Authority may change the types of and limits and deductibles on the insurance coverage that it carries.

Environmental Matters and Climate Change

General. The Authority is required to comply with numerous federal, state and local laws and regulations designed to protect the environment, health and safety, and to inform the public of important environmental issues and potential impacts of Airport activities. The Airport is also directly or indirectly affected by certain laws, regulations and State orders, including, without limitation, air quality regulations and storm water regulations.

The standards for required environmental impact review and for compliance under several state and federal laws and regulations are becoming more rigorous and complex. Permits issued to the Authority under such laws and regulations may be frequently amended, often resulting in more stringent and more costly requirements and uncertainty about the scope of the Authority's future obligations and associated costs.

These types of changes may result in increased compliance costs that, in turn, significantly delay or affect the Authority's efforts to maintain and repair existing infrastructure or to construct additional revenue-generating infrastructure. Additionally, the costs to mitigate environmental impacts, obtain regulatory approvals, and manage potential legal or procedural challenges for such projects may result in substantial increases to total project costs and

delays in completing the projects. Air quality regulations that directly or indirectly impact the Airport may result in the Airport being required to, or desiring to, expend funds to assist the Airport's business partners in complying with various regulations.

Costs associated with these compliance and related activities may consume an increasingly significant portion of the Authority's capital and operating budgets, and the Airport may have unanticipated capital or operating expenditures. In addition, for projects with forecasted costs, the Authority cannot provide assurances that the actual cost of the required measures will not exceed the forecasted amount. The Authority also cannot provide assurances that the cost of compliance and related activities required of the Authority and/or its business partners will not negatively affect Airport operations and, therefore, Authority revenues and/or expenses.

Additional environmental laws and regulations may be enacted and adopted in the future that could apply to the Authority, its tenants or its concessionaires, which could result in an adverse impact on projected revenues or expenses. The Authority is not able to predict with certainty what those laws and regulations may be or the impacts to the Airport or its business partners of compliance with such laws and regulations.

Also, certain individuals, organizations and/or regulatory agencies may seek other legal remedies to compel the Authority to take further actions to mitigate perceived or identified environmental impacts and/or health hazards or to seek damages in connection with the potential environmental impacts of the Airport. The Authority has undertaken a number of initiatives over the years to address potential concerns. Nonetheless, there is a risk that, despite the Authority's adopted environmental plans, mitigation programs, and policies, legal action challenging the Authority could ensue. Such legal action could be costly to defend, could result in substantial damage awards against the Authority, and could curtail certain Airport developments or operations.

Climate Change. Projections of the impacts of global climate change on the Airport and its tenants, and on the Airport's operations are complex and depend on many factors that are outside the Authority's control. The various scientific studies that forecast the amount and timing of the adverse impacts of global climate change are based on assumptions contained in such studies, but actual events are proving to be unpredictable and may vary materially. Also, the scientific understanding of climate change and its effects continues to evolve. Accordingly, the Authority is unable to forecast when adverse impacts of climate change will occur. In particular, the Authority cannot predict the timing or precise magnitude of adverse economic effects, including, without limitation, material adverse impacts on the business operations or financial condition of the Authority and the local economy during the term of the 2024 Bonds. While the impacts of climate change may be mitigated by the Authority's past and future investment in adaptation strategies, the Authority can give no assurance about the net effects of those strategies and whether the Airport will be required to take additional adaptive mitigation measures.

Beyond the direct adverse material impact of global climate change itself, present, pending and possible regulations aimed at curbing the effects of climate change may directly or indirectly materially impact the operations or financial condition of the Authority. Of particular importance are regulations pertaining to GHG emissions.

The Authority is unable to predict what additional laws and regulations with respect to GHG emissions or other environmental issues (including but not limited to air, water, hazardous substances and waste regulations) will be adopted, or what effects such laws and regulations will have on the Airport, airlines operating at the Airport, other Airport tenants, or the local economy. The effects, however, could be material.

Cyber and Data Security

The Authority, like many other large public and private entities, relies on a large and complex technology environment to conduct its operations, and faces multiple cybersecurity threats, including but not limited to hacking, phishing, viruses, malware and other attacks on its computing and other digital networks and systems (collectively, "Systems Technology"). Successful cybersecurity breaches could damage the Airport's technology environment, compromise safety and security at the Airport, or cause material disruption to the Airport's finances or operations. As a recipient and provider of personal, private, or sensitive information (collectively, "Data") and as a part of the country's critical infrastructure services, the Airport may be the target of cybersecurity incidents that could result in adverse consequences to the Airport's Systems Technology and Data, requiring a response action to mitigate the consequences.

Cybersecurity incidents could result from unintentional events, or from deliberate attacks by unauthorized entities or individuals attempting to gain access to the Airport's Systems Technology and Data in order to misappropriate assets or information or cause operational disruption and damage. To mitigate the risk of business operations impact and/or damage from cybersecurity incidents, the Authority maintains multiple forms of cybersecurity and operational safeguards. The Authority maintains a cybersecurity framework supported by policies, procedures, and controls in line with industry best practices and applicable regulations (collectively, the "Cyber Security Program") to support, maintain, and secure the Airport's Systems Technology and Data. The objectives of the Cyber Security Program also include managing risk, improving cybersecurity event detection and remediation, and facilitating cyber awareness across all Airport departments.

While Airport cybersecurity and operational safeguards are periodically reviewed and tested, no assurances can be given by the Airport that such measures will ensure against all cybersecurity incidents. Cybersecurity breaches could damage the Airport's Systems Technology and Data, and cause material disruption to the Authority's finances or operations. The costs of remedying any such damage or protecting against future incidents could be substantial. Further, cybersecurity incidents could expose the Authority to material litigation and other legal risks, which could cause the Authority to incur material costs related to such legal claims or proceedings.

The airlines serving the Airport and other Airport tenants also face cybersecurity threats that could affect their operations and finances. Notwithstanding security measures, information technology and infrastructure at the Airport, any of the airlines serving the Airport or any other tenants at the Airport may be vulnerable to attacks by outside or internal hackers, or breached by employee error, negligence or malfeasance. Any such breach or attack could compromise systems and the information stored therein. Any such disruption or other loss of information could disrupt the operations of the Airport and/or the airlines serving the Airport and the services provided at the Airport, thereby adversely affecting the ability of the Authority to generate revenue.

Regulatory Uncertainties

Development at the Airport is regulated extensively by the State of California and requires a number of reviews and permits. The collection and application of Customer Facility Charges and noise waivers may also be subject to audit. Operations and development at the Airport are also subject to extensive federal oversight. The Authority operates the Airport pursuant to an airport operating certificate issued annually by the FAA after on-site review. In addition to this operating certificate, the Authority is required to obtain other permits and/or authorizations from the FAA and from other regulatory agencies and is bound by contractual agreements included as a condition to receiving grants from the FAA Airport Improvement Program. All long-term planning is subject to the FAA's approval, outside audits of the Authority's financial statements are subject to periodic audits by the FAA, the Authority's use of Airport revenues, which is generally limited to airport-related purposes, is subject to audit and review by the FAA and the Authority's use of Passenger Facility Charges and grant proceeds is also subject to approval, audit and review.

The term of the current Development Agreement runs until February 7, 2037. If negotiations for any future extension or replacement agreements with the City of Burbank are not successful, it is possible that the City of Burbank could attempt in the future to use its police or land use power to obstruct Airport activities both outside and inside the Airport's existing property line.

Regulation of Rates and Charges

The Federal Aviation Administration Authorization Act of 1994, as amended (the "1994 Act") and FAA regulations require that an airport maintain a rate structure that is as "self-sustaining" as possible and limit the use of all revenue generated by an airport receiving federal financing assistance (including local taxes on aviation fuel and other airport-related receipts) to purposes related to the airport. The statutes and regulations provide that for all airports, with certain exceptions, the use of airport revenue for purposes other than the capital or operating costs of the airport, the local airport system or other local facilities owned or operated by the airport owner or operator and directly and substantially related to the air transportation of passengers or property is unlawful revenue diversion and provide for monetary penalties and other remedies in the event of violations.

The 1994 Act also provides that without air carrier approval, an airport may not include in its rate base debt service allocable to projects not yet completed and in service. Section 113 of the 1994 Act ("Section 113") requires

that airport fees be “reasonable” and provides a mechanism by which the Secretary of Transportation can review complaints about rates and charges by air carriers. Section 113 specifically states that its provisions do not apply to (a) a fee imposed pursuant to a written agreement with air carriers using airport facilities, (b) a fee imposed pursuant to a financing agreement or covenant entered into prior to August 23, 1994, the date of enactment of Section 113, or (c) any other existing fee not in dispute as of August 23, 1994.

The Airport’s operations and the Authority’s revenues are affected by a variety of federal and state legislative, legal, contractual, statutory, regulatory and practical restrictions, including restrictions in the 1994 Act, the federal acts authorizing the imposition, collection and use of Passenger Facility Charges, the federal acts relating to the FAA AIP and other federal grants, the statutes and regulations relating to Customer Facility Charges, and other extensive legislation and regulations applicable to all airports. It is not possible to predict whether future restrictions or limitations on the Airport’s operation will be imposed, whether future legislation or regulation will affect anticipated federal funding or Passenger Facility Charge or Customer Facility Charge collections, whether additional requirements will be funded by the federal government or require funding by the Authority, or whether such restrictions, legislations or regulations would adversely affect the revenues of the Authority.

In establishing any new rates and charges methodology for the Airport, the Authority intends to comply with federal law and with the Rate Covenant contained in the Indenture. The Authority’s ability to raise rates under the Existing Airport Use Agreements, the Replacement Airport Use Agreements (when executed) or otherwise may be limited by federal law. The Authority, however, cannot predict any future restrictions or limitations imposed by federal or state legislation. There is currently no dispute between the Authority and any of the air carriers serving the Airport over any existing rates and charges. No assurances can be given that disputes will not arise in the future.

Aviation Security

Acts of terrorism or other major breaches of security at the Airport can result in a decline in passenger traffic at the Airport which can materially adversely impact Revenues. The September 11, 2001 terrorist attacks resulted in increased safety and security measures at the Airport mandated by the Aviation and Transportation Security Act passed by the U.S. Congress in November 2001 and by directives of the FAA. In addition, certain safety and security operations at the Airport have been assumed by the Transportation Security Administration (“TSA”). In spite of the increased security measures, additional acts of terrorism resulting in disruption to the North American air traffic system, increased passenger and flight delays, damage to the Airport, reductions in Airport passenger traffic and/or reductions in Revenues, remain possible. The Authority maintains an insurance program that includes airport owner’s and operator’s liability insurance with policy limits of \$500 million for each occurrence (no deductible), including war/terrorism liability also with a policy limit of \$500 million. The program also includes terrorism coverage under Terrorism Risk Insurance Program Reauthorization Act of 2019 up to the policy limit of \$350 million. See “THE AIRPORT – Insurance.” It is possible that liability could exceed coverage or otherwise not be covered.

The airlines and the federal government were primarily responsible for the capital costs associated with implementing the new security measures. The Airport is currently in compliance with all federally mandated security requirements. But the Authority has taken measures on some financial burden in installing and in complying with the added security requirements. For example, the Authority performed certain building modifications and installed an in-line baggage screening system which became operational in February 2005. In addition, each time the Department of Homeland Security issues a specific threat warning, the Authority’s operating costs increase with these raised threat levels.

The Authority currently intends to continue to operate the Existing Terminal Building until the Replacement Passenger Terminal opens for air service. As a result, the Existing Terminal Building will continue to use existing passenger and baggage security equipment and the Authority will need separate passenger and baggage security equipment for the Replacement Passenger Terminal. The timely opening of the Replacement Passenger Terminal is therefore dependent on the TSA’s ability to deliver new passenger and baggage security equipment for Replacement Passenger Terminal on schedule. While the Authority may be able to procure passenger screening and equipment itself, such costs would not be covered by the GMP. Any delay in delivery and installation of the passenger and baggage security equipment would result in a delay in the opening of the Replacement Passenger Terminal and would not be covered by the liquidated damages provisions of the Design-Build Agreement. The Authority cannot predict the effect of any future government-required security measures on passenger activity at the Airport. Nor can the

Authority predict how the government will staff security screening functions or the effect on passenger activity of government decisions regarding its staffing levels in the future.

Effect of COVID Pandemic and Other Worldwide Health Concerns

The COVID-19 pandemic and resulting restrictions on human activities severely disrupted the economies of the United States and other countries. There can be no assurances that any resurgence of COVID-19 will not have a material adverse effect on the demand for passenger air travel, although air travel volumes have begun to recover in FY 2022 and FY 2023.

In addition, the COVID-19 pandemic resulted in operational difficulties for certain airlines as they have increased capacity to meet demand. In some cases, this has resulted in higher flight cancellation rates and reductions in previously planned additions of scheduled capacity. These difficulties have resulted from a variety of factors, including, but not limited to, delays in re-hiring or hiring sufficient personnel as a result of generally prevailing labor shortages, increased customer service demands due to ongoing changes in ticketing rules and information technology disruptions.

Future outbreaks, pandemics or events outside the Authority's control may reduce demand for air travel, which in turn could cause a decrease in passenger activity at the Airport and declines in Authority revenues. After opening of the Replacement Passenger Terminal, the Authority intends to accumulate, and then maintain, sufficient cash (or cash equivalent) to allow the Airport to continue operation for 540 days in the event of an unforeseen revenue interruption. The accumulation and replenishment of this reserve will be included in the calculation of the Landing Fee Rate under the Replacement Airport Use Agreement. See "AIRPORT USE AGREEMENT – Replacement Airport Use Agreement."

Initiative and Referenda

The ability of the Authority to comply with its covenants under the Indenture, including to generate revenues sufficient to pay the principal of and interest on the 2024 Bonds, may be adversely affected by actions taken (or not taken) by voters. Under the State Constitution, the voters of the State have the ability to initiate legislation or amendments to the State Constitution, and require a public vote on legislation passed by the State Legislature, through the powers of initiative and referendum, respectively. Interpretations of existing and future laws may change over time and such changes may impact the ability of the Authority to generate revenues. Furthermore, initiatives arise from time to time that could limit the ability of the Authority and other governmental entities to establish, amend, impose or extend fees and charges. See "– Initiative 1935." The Authority is unable to predict whether any such initiatives might be submitted to or approved by the voters, the nature of such initiatives, interpretations of initiatives or existing law, or their potential impact on the Authority or the Airport.

Initiative 1935

A voter initiative entitled "The Taxpayer Protection and Government Accountability Act" ("Initiative 1935"), has been determined to be eligible for the November 2024 Statewide general election. The California Legislature and Governor have filed an emergency petition for writ of mandate with the California Supreme Court, arguing that the initiative constitutes an unlawful revision of the State Constitution and should not be placed on the ballot. [As of the printing of this Official Statement, the petition is still under review and no ruling has been issued.]

Unless withdrawn by its proponent or blocked by the California Supreme Court before June 27, 2024, Initiative 1935 will be certified as qualified for the ballot in such election. Were it to be adopted in the Statewide general election, Initiative 1935 would amend the California Constitution to, among other things, declare that every levy, charge or exaction of any kind imposed by local law is either a "tax" or an "exempt charge," and would amend the definition of "tax" to declare that "every levy, charge, or exaction of any kind imposed by a local law that is not an exempt charge" constitutes a tax. The term "exempt charge" is defined in Initiative 1935 to include, among other things: (i) "a reasonable charge for entrance to or use of local government property, or the purchase, rental, or lease of local government property," and (ii) a "reasonable charge for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the actual costs to the local

government of providing the service or product.” The term “actual costs” is defined in Initiative 1935 to mean “the minimum amount necessary to reimburse the government for the cost of providing the service or product to the payor ... where the amount charged is not used by the government for any purpose other than reimbursing that cost.” In computing “actual cost,” Initiative 1935 declares that the maximum amount that may be imposed is the actual cost less all other sources of revenue including, but not limited to taxes, other exempt charges, grants, and state or federal funds received to provide such service or product.

The Authority believes that amounts payable to it pursuant to the Existing Airport Use Agreement, or that would be payable to it pursuant to the AUA Amendment or the Replacement Airport Use Agreement, are not “imposed” by the Authority within the meaning of Article XIIC of the California Constitution as such provision will be amended if Initiative 1935 is enacted. If Initiative 1935 is enacted and the Authority establishes rates for the terminal rental and landing fees pursuant to a resolution, the Authority believes there are strong arguments that such a resolution would be valid and enforceable. Further, in the Authority’s view, it is unclear if other sources of Revenues may be deemed to be subject to the requirements of Initiative 1935, including rental car revenues, parking revenues, ground transportation charges, concession and advertising revenues, and passenger facility charges (which are subject to federal regulations). Ultimately, if Initiative 1935 is enacted, it will be subject to judicial interpretation.

The Authority is unable to predict whether Initiative 1935 will be placed on the ballot, whether the measure will be approved by the voters if it appears on the ballot, or how the measure will be interpreted by the courts if it is enacted. There can be no assurance that any such interpretation or application would not have an adverse impact on the Authority, the operation of the Airport or Revenues. If Initiative 1935 is enacted, charges subject to Initiative 1935 would be required to be “reasonable” and the charges (excluding charges for “entrance to or use of [Authority] property, or purchase, rental, or lease of [Authority] property”) may not exceed the “actual costs to [the Authority] of providing the service or product.” Initiative 1935 would require that such fees and charges (including any extension) be imposed by ordinance (which may be subject to referendum) and the requirements of Initiative 1935 would apply to charges adopted after January 1, 2022 (meaning that some charges may be void if not reimposed within a year of the effective date of Initiative 1935). The elimination or reduction of charges currently imposed by the Authority may require the Authority to increase landing fees and terminal rental charges to pay debt service on the 2024 Bonds.

Limitations on Remedies

Upon the occurrence and continuance of an event of default under the Indenture, the owners of the 2024 Bonds have limited remedies. Enforceability of the rights and remedies of the owners of the 2024 Bonds, and the obligations incurred by the Authority, may become subject to the federal bankruptcy code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditor’s rights generally, now or hereafter in effect, equity principles which may limit the specific enforcement under State law of certain remedies, the exercise by the United States of America of the powers delegated to it by the Constitution, the reasonable and necessary exercise, in certain exceptional situations, of the police powers inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose, and the limitations on remedies against public entities such as the Authority in the State. Bankruptcy proceedings, or the exercise of powers by the Federal or State government, if initiated, could subject the owners of the 2024 Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise and consequently may entail risks of delay, limitation or modification of their rights.

Potential Limitations of Tax Exemption of Interest on the 2024 Bonds

From time to time, the President of the United States, the United States Congress and/or state legislatures have proposed and could propose in the future, legislation that, if enacted, could cause interest on the 2024 Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or could cause interest on the 2024 Bonds to be subject to or exempted from state income taxation, or otherwise prevent beneficial owners of the 2024 Bonds from realizing the full current benefit of the tax status of such interest. Clarifications of the Internal Revenue Code, or court decisions may also cause interest on the 2024 Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or may cause interest on the 2024 Bonds to be subject to or exempted from state income taxation. The introduction or enactment of any such legislative proposals or any clarification of the Internal Revenue Code or court decisions may also affect the market price for, or marketability of, the 2024 Bonds. Prospective purchasers of the 2024 Bonds should consult their own tax advisors regarding any such pending or

proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion. See “TAX MATTERS.”

LITIGATION

No Litigation Relating to the 2024 Bonds. There is no litigation or proceeding of any nature now pending against the Authority (of which notice has been received by the Authority) or, to the knowledge of its respective officers, threatened, seeking to restrain or enjoin the issuance, sale, execution or delivery of the 2024 Bonds or in any way contesting or affecting the validity of the 2024 Bonds or any proceedings of the Authority taken with respect to the issuance or sale thereof, or the pledge or application of any moneys or security provided for the payment of the 2024 Bonds or the use of the 2024 Bond proceeds.

EPA Claim. The Authority has been named as a Potentially Responsible Party by the EPA in connection with a claim regarding environmental contamination. Although the Authority has reached an agreement pursuant to which Lockheed is to provide the Authority with indemnification with respect to such claim, the Authority cannot give any assurances that Lockheed will in fact indemnify the Authority in this matter, or that the Authority may not be otherwise adversely affected by such action. See “ENVIRONMENTAL MATTERS AFFECTING AIRPORT OPERATIONS – Regulated and Hazardous Substances” and “CERTAIN INVESTMENT CONSIDERATIONS – Certain Factors Particular to the Airport – *EPA Claim.*”

No Other Material Litigation. The Authority is exposed to several lawsuits and claims arising in the normal course of its operations. The Authority does not anticipate material adverse effects on the financial position of the Authority from the disposition of these lawsuits and claims.

LEGAL MATTERS

The validity of the 2024 Bonds and certain other legal matters are subject to the approving opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Authority (“Bond Counsel”). A complete copy of the proposed form of Bond Counsel opinion is contained in APPENDIX F hereto. Certain other legal matters will be passed upon on behalf of the Authority by Orrick, Herrington & Sutcliffe LLP, as Disclosure Counsel, and by Richards Watson & Gershon, A Professional Corporation, as General Counsel to the Authority. Certain legal matters will be passed upon for the Underwriters of the 2024 Bonds by its counsel Stradling Yocca Carlson & Rauth LLP.

TAX MATTERS

2024A Bonds and 2024B Bonds (Non-AMT/AMT)

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Authority, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the 2024A Bonds and 2024B Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “Code”), except that no opinion is expressed as to the status of interest on any 2024B Bond for any period that such 2024B Bond is held by a “substantial user” of the facilities financed or refinanced by the 2024B Bonds or by a “related person” within the meaning of Section 147(a) of the Code. In the further opinion of Bond Counsel, interest on the 2024A Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel observes that interest on the 2024B Bonds is a specific preference item for purposes of the federal individual alternative minimum tax, and interest on the 2024 Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel is also of the opinion that interest on the 2024A Bonds and the 2024B Bonds is exempt from State of California personal income taxes. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual, or receipt of interest on, the 2024A Bonds and 2024B Bonds. A complete copy of the proposed form of opinion of Bond Counsel is set forth in APPENDIX F hereto.

To the extent the issue price of any maturity of the 2024A Bonds or 2024B Bonds is less than the amount to be paid at maturity of such 2024A Bonds or 2024B Bonds (excluding amounts stated to be interest and payable at least

annually over the term of such 2024A Bonds or 2024B Bonds), the difference constitutes “original issue discount,” the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the 2024A Bonds or 2024B Bonds which is excluded from gross income for federal income tax purposes and exempt from State of California personal income taxes. For this purpose, the issue price of a particular maturity of the 2024A Bonds or 2024B Bonds is the first price at which a substantial amount of such maturity of the 2024A Bonds or 2024B Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the 2024A Bonds or 2024B Bonds accrues daily over the term to maturity of such 2024A Bonds or 2024B Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such 2024A Bonds or 2024B Bonds to determine taxable gain or loss upon trade or business disposition (including sale, redemption, or payment on maturity) of such 2024A Bonds or 2024B Bonds. Beneficial Owners of the 2024A Bonds or 2024B Bonds should consult their own tax advisors with respect to the tax consequences of ownership of 2024A Bonds or 2024B Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such 2024A Bonds or 2024B Bonds in the original offering to the public at the first price at which a substantial amount of such 2024A Bonds or 2024B Bonds is sold to the public.

2024A Bonds or 2024B Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) (“Premium Bonds”) will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner’s basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the 2024A Bonds or 2024B Bonds. The Authority has made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the 2024A Bonds or 2024B Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the 2024A Bonds or 2024B Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the 2024A Bonds or 2024B Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel’s attention after the date of issuance of the 2024A Bonds or 2024B Bonds may adversely affect the value of, or the tax status of interest on, the 2024A Bonds or 2024B Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the 2024A Bonds or 2024B Bonds is excluded from gross income for federal income tax purposes and is exempt from State of California personal income taxes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the 2024A Bonds or 2024B Bonds may otherwise affect a Beneficial Owner’s federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner and the Beneficial Owner’s other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the 2024A Bonds or 2024B Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the 2024A Bonds or 2024B Bonds. Prospective purchasers of the 2024A Bonds or 2024B Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the 2024A Bonds or 2024B Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Authority, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Authority has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the 2024A Bonds or 2024B Bonds ends with the issuance of the 2024A Bonds or 2024B Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the Authority or the Beneficial Owners regarding the tax-exempt status of the 2024A Bonds or 2024B Bonds in the event of an audit examination by the IRS. Under current procedures, Beneficial Owners would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the Authority legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the 2024A Bonds or 2024B Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the 2024A Bonds or 2024B Bonds, and may cause the Authority or the Beneficial Owners to incur significant expense.

Payments on the 2024A Bonds or 2024B Bonds generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate Beneficial Owner of the 2024A Bonds or 2024B Bonds may be subject to backup withholding with respect to "reportable payments," which include interest paid on the 2024A Bonds or 2024B Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the 2024A Bonds or 2024B Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against a Beneficial Owner's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain Beneficial Owners (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. The failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

2024C Bonds (Taxable)

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Authority, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the 2024C Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Code. Bond Counsel is of the opinion that interest on the 2024C Bonds is exempt from State of California personal income taxes. Bond Counsel expresses no opinion regarding any other tax consequences relating to the ownership or disposition of, or the amount, accrual, or receipt of interest on, the 2024C Bonds. The proposed form of opinion of Bond Counsel is contained in APPENDIX F hereto.

The following discussion summarizes certain U.S. federal income tax considerations generally applicable to U.S. Holders (as defined below) of the 2024C Bonds that acquire their 2024C Bonds in the initial offering. The discussion below is based upon laws, regulations, rulings, and decisions in effect and available on the date hereof, all of which are subject to change, possibly with retroactive effect. Prospective investors should note that no rulings have been or are expected to be sought from the U.S. Internal Revenue Service (the "IRS") with respect to any of the U.S. federal income tax considerations discussed below, and no assurance can be given that the IRS will not take contrary positions. Further, the following discussion does not deal with U.S. tax consequences applicable to any given investor, nor does it address the U.S. tax considerations applicable to all categories of investors, some of which may be subject to special taxing rules (regardless of whether or not such investors constitute U.S. Holders), such as certain U.S. expatriates, banks, REITs, RICs, insurance companies, tax-exempt organizations, dealers or traders in securities or currencies, partnerships, S corporations, estates and trusts, investors that hold their 2024C Bonds as part of a hedge, straddle or an integrated or conversion transaction, investors whose "functional currency" is not the U.S. dollar, or

certain taxpayers that are required to prepare certified financial statements or file financial statements with certain regulatory or governmental agencies. Furthermore, it does not address (i) alternative minimum tax consequences, (ii) the net investment income tax imposed under Section 1411 of the Code, or (iii) the indirect effects on persons who hold equity interests in a holder. This summary also does not consider the taxation of the 2024C Bonds under state, local or non-U.S. tax laws. In addition, this summary generally is limited to U.S. tax considerations applicable to investors that acquire their 2024C Bonds pursuant to this offering for the issue price that is applicable to such 2024C Bonds (i.e., the price at which a substantial amount of the 2024C Bonds are sold to the public) and who will hold their 2024C Bonds as “capital assets” within the meaning of Section 1221 of the Code. The following discussion does not address tax considerations applicable to any investors in the 2024C Bonds other than investors that are U.S. Holders.

As used herein, “U.S. Holder” means a beneficial owner of a 2024C Bond that for U.S. federal income tax purposes is an individual citizen or resident of the United States, a corporation or other entity 2024C as a corporation created or organized in or under the laws of the United States or any state thereof (including the District of Columbia), an estate the income of which is subject to U.S. federal income taxation regardless of its source or a trust where a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined in the Code) have the authority to control all substantial decisions of the trust (or a trust that has made a valid election under U.S. Treasury Regulations to be treated as a domestic trust). If a partnership holds 2024C Bonds, the tax treatment of such partnership or a partner in such partnership generally will depend upon the status of the partner and upon the activities of the partnership. Partnerships holding 2024C Bonds, and partners in such partnerships, should consult their own tax advisors regarding the tax consequences of an investment in the 2024C Bonds (including their status as U.S. Holders).

Prospective investors should consult their own tax advisors in determining the U.S. federal, state, local or non-U.S. tax consequences to them from the purchase, ownership and disposition of the 2024C Bonds in light of their particular circumstances.

U.S. Holders

Interest. Interest on the 2024C Bonds generally will be taxable to a U.S. Holder as ordinary interest income at the time such amounts are accrued or received, in accordance with the U.S. Holder’s method of accounting for U.S. federal income tax purposes.

2024C Bonds purchased for an amount in excess of the principal amount payable at maturity (or, in some cases, at their earlier call date) will be treated as issued at a premium. A U.S. Holder of a 2024C Bond issued at a premium may make an election, applicable to all debt securities purchased at a premium by such U.S. Holder, to amortize such premium, using a constant yield method over the term of such 2024C Bond.

Sale or Other Taxable Disposition of the 2024C Bonds. Unless a nonrecognition provision of the Code applies, the sale, exchange, redemption, retirement (including pursuant to an offer by the Authority) or other disposition of a 2024C Bond will be a taxable event for U.S. federal income tax purposes. In such event, in general, a U.S. Holder of a 2024C Bond will recognize gain or loss equal to the difference between (i) the amount of cash plus the fair market value of property received (except to the extent attributable to accrued but unpaid interest on the 2024C Bond, which will be taxed in the manner described above) and (ii) the U.S. Holder’s adjusted U.S. federal income tax basis in the 2024C Bond (generally, the purchase price paid by the U.S. Holder for the 2024C Bond, decreased by any amortized premium). Any such gain or loss generally will be capital gain or loss. In the case of a non-corporate U.S. Holder of the 2024C Bonds, the maximum marginal U.S. federal income tax rate applicable to any such gain will be lower than the maximum marginal U.S. federal income tax rate applicable to ordinary income if such U.S. holder’s holding period for the 2024C Bonds exceeds one year. The deductibility of capital losses is subject to limitations.

Defeasance of the 2024C Bonds. If the Issuer defeases any 2024C Bond, the 2024C Bond may be deemed to be retired and “reissued” for U.S. federal income tax purposes as a result of the defeasance. In that event, in general, a holder will recognize taxable gain or loss equal to the difference between (i) the amount realized from the deemed sale, exchange or retirement (less any accrued qualified stated interest which will be taxable as such) and (ii) the holder’s adjusted U.S. federal income tax basis in the 2024C Bond.

Information Reporting and Backup Withholding. Payments on the 2024C Bonds generally will be subject to U.S. information reporting and possibly to “backup withholding.” Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate U.S. Holder of the 2024C Bonds may be subject to backup withholding at the current rate of 24% with respect to “reportable payments,” which include interest paid on the 2024C Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the 2024C Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number (“TIN”) to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a “notified payee underreporting” described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against the U.S. Holder’s federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain U.S. holders (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. A holder’s failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

Foreign Account Tax Compliance Act (“FATCA”)

Sections 1471 through 1474 of the Code impose a 30% withholding tax on certain types of payments made to foreign financial institutions, unless the foreign financial institution enters into an agreement with the U.S. Treasury to, among other things, undertake to identify accounts held by certain U.S. persons or U.S.-owned entities, annually report certain information about such accounts, and withhold 30% on payments to account holders whose actions prevent it from complying with these and other reporting requirements, or unless the foreign financial institution is otherwise exempt from those requirements. In addition, FATCA imposes a 30% withholding tax on the same types of payments to a non-financial foreign entity unless the entity certifies that it does not have any substantial U.S. owners or the entity furnishes identifying information regarding each substantial U.S. owner. Under current guidance, failure to comply with the additional certification, information reporting and other specified requirements imposed under FATCA could result in the 30% withholding tax being imposed on payments of interest on the Bonds. In general, withholding under FATCA currently applies to payments of U.S. source interest (including OID) and, under current guidance, will apply to certain “passthru” payments no earlier than the date that is two years after publication of final U.S. Treasury Regulations defining the term “foreign passthru payments.” Prospective investors should consult their own tax advisors regarding FATCA and its effect on them.

The foregoing summary is included herein for general information only and does not discuss all aspects of U.S. federal taxation that may be relevant to a particular holder of 2024C Bonds in light of the holder’s particular circumstances and income tax situation. Prospective investors are urged to consult their own tax advisors as to any tax consequences to them from the purchase, ownership and disposition of 2024C Bonds, including the application and effect of state, local, non-U.S., and other tax laws.

UNDERWRITING

The Underwriters have agreed to purchase the 2024A Bonds at a purchase price of \$_____ (representing the principal amount of \$_____, less an underwriting discount of \$_____ plus a premium of \$_____). The Underwriters have agreed to purchase the 2024B Bonds at a purchase price of \$_____ (representing the principal amount of \$_____, less an underwriting discount of \$_____ plus a premium of \$_____). The Underwriters have agreed to purchase the 2024C Bonds at a purchase price of \$_____ (representing the principal amount of \$_____, less an underwriting discount of \$_____).

The Bond Purchase Agreement pursuant to which the 2024 Bonds are being sold (the “Purchase Agreement”) provides that the Underwriters’ obligation to make such purchase is subject to certain terms and conditions set forth in the Purchase Agreement, the approval of certain legal matters by counsel and certain other conditions. Under the Purchase Agreement, the purchase of any 2024 Bonds by the Underwriters is conditioned upon the delivery of all 2024 Bonds.

The Underwriters may offer and sell the 2024 Bonds to certain dealers and others at prices or yields different than the initial offering prices or yields set forth on the inside cover of this Official Statement. The offering prices or yields of the 2024 Bonds may be changed from time to time by the Underwriters.

The Underwriters and their 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 activities. The Underwriters and their affiliates 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 Underwriters and their 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 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.

BofA Securities, Inc., one of the Underwriters of the 2024 Bonds, has entered into a distribution agreement with its affiliate Merrill Lynch, Pierce, Fenner & Smith Incorporated (“MLPF&S”). As part of this arrangement, BofA Securities, Inc. may distribute securities to MLPF&S, which may in turn distribute such securities to investors through the financial advisor network of MLPF&S. As part of this arrangement, BofA Securities, Inc. may compensate MLPF&S as a dealer for its selling efforts with respect to the 2024 Bonds.

J.P. Morgan Securities LLC (“JPMS”) has entered into negotiated dealer agreements (each, a “Dealer Agreement”) with each of Charles Schwab & Co., Inc. (“CS&Co.”) and LPL Financial LLC (“LPL”) for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement, each of CS&Co. and LPL may purchase 2024 Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any 2024 Bonds that such firm sells.

RATINGS

Moody’s Investors Service (“Moody’s”), S&P Global Ratings (“S&P”) and Fitch Ratings have assigned ratings of “[],” “[]” and “[],” respectively, to the 2024 Bonds. Each such rating reflects only the views of the respective rating agency organization furnishing such rating and any explanation of the significance of such ratings should be obtained from the rating agency furnishing the same. Such ratings are not a recommendation to buy, sell or hold the 2024 Bonds, and may be subject to revisions or withdrawal at any time.

[PLACEHOLDER FOR INSURED RATINGS]

The Authority furnished the rating agencies with information and material relating to the 2024 Bonds and the Airport, certain of which has not been included in this Official Statement. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that the ratings on the 2024 Bonds described above will continue for any given period of time or that such a rating will not be revised downward or withdrawn entirely by the rating agency furnishing the same, if in the judgment of such rating agency, circumstances so warrant. Except as otherwise provided in the Continuing Disclosure Agreement (see “CONTINUING DISCLOSURE” below), the Authority has not undertaken any responsibility to bring to the attention of the Owners of the 2024 Bonds any proposed change in or withdrawal of a rating or to oppose any such proposed revision or withdrawal. Any downward revision or withdrawal of a rating may have an adverse effect on the marketability or the market price of the 2024 Bonds.

CONTINUING DISCLOSURE

The Authority has covenanted for the benefit of the Owners and the Beneficial Owners of the 2024 Bonds to provide the “Annual Report, commencing with the Annual Report for FY 2024, and to provide notices of the occurrence of certain enumerated events. The Annual Report and notices of events will be filed by the Authority electronically with the EMMA system. The specific nature of the information to be contained in the Annual Report and notice of events is set forth in APPENDIX G: “PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT.” The covenants have been made to assist the Underwriters in complying with Securities and Exchange Commission (“SEC”) Rule 15c2-12(b)(5).

[During the last five years, the Authority (a) did not timely file notice of insured rating changes of the bond insurer for the 2005 Bonds, which insured rating changes occurred in 2010 and 2011, (b) did not file notice of an underlying rating change for its Bonds that occurred in 2012, and (c) did not timely file notice of an underlying rating change for its Bonds that also occurred in 2012.][TO BE UPDATED]

MUNICIPAL ADVISOR

The Authority has retained the services of Public Resources Advisory Group, Los Angeles, California, as Municipal Advisor (the “Municipal Advisor”) in connection with the sale of the 2024 Bonds. The Municipal Advisor has not been engaged, nor has it undertaken, to make an independent verification or assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement. The Municipal Advisor is an independent municipal advisory firm and is not engaged in the business of underwriting or distributing municipal securities or other public securities.

AIRPORT CONSULTANT

The Airport Consultant Report, prepared by Ricondo has been included in this Official Statement with Ricondo’s consent, and in reliance upon Ricondo’s expertise in preparing such report. As noted in the Airport Consultant Report, Ricondo is of the opinion that Net Revenues generated in each year from 2024-2032 are expected to be sufficient to comply with the requirements under the Indenture. Any projection, however, is subject to uncertainties and inevitably some assumptions regarding future trends will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between the projected and actual results, and differences may be material. See APPENDIX A: “AIRPORT CONSULTANT REPORT.” The Airport Consultant Report should be read in its entirety.

FINANCIAL STATEMENTS

The Basic Financial Statements of the Authority as of and for the years ended June 30, 2023 and 2022 set forth in APPENDIX B have been examined by Macias Gini & O’Connell LLP, independent certified public accountants (the “Auditor”), for the periods indicated and to the extent set forth in their report thereon. The Indenture requires the Authority to have its financial statements audited annually by an independent certified public accountant. The Auditor has not been requested to consent to the use of its name or to the inclusion of its report in this Official Statement and has not reviewed this Official Statement.

MISCELLANEOUS

Certain statements contained in this Official Statement, including the Appendices, do not reflect historical facts but are forecasts and forward-looking statements. Any statement made in this Official Statement indicated to involve matters of opinion or estimates are represented as opinions or estimates and not as facts. No assurance can be given that such opinions will be validated or that such estimates will be realized. Historical data in this Official Statement is not intended to be a projection of future results.

The Appendices are integral parts of this Official Statement and must be read together with all other parts of this Official Statement. The descriptions of statutes and documents in this Official Statement, including but not limited to the Airport Consultant Report, Indenture, the Joint Powers Agreement, the Development Agreement, the Airport Use Agreements, the Replacement Airport Use Agreements, and the Airport Management Services Agreement, do not purport to be comprehensive or definitive, and prospective purchasers of the 2024 Bonds are referred to such statutes and documents in their entirety for the complete terms thereof. During the offering period of the 2024 Bonds, copies of the Indenture may be obtained from the Authority.

This Official Statement has been duly authorized and approved by the Authority and duly executed and delivered on its behalf by the President of the Authority.

**BURBANK-GLENDALE-PASADENA AIRPORT
AUTHORITY**

By _____
[President]

APPENDIX A
AIRPORT CONSULTANT REPORT

APPENDIX B
FINANCIAL STATEMENTS

APPENDIX C-1

FORM OF AMENDED AND RESTATED MASTER INDENTURE

APPENDIX C-2
FORM OF FIFTH SUPPLEMENTAL INDENTURE

APPENDIX D-1

SUMMARY OF CERTAIN PROVISIONS OF THE EXISTING AIRPORT USE AGREEMENT

APPENDIX D-2

SUMMARY OF CERTAIN PROVISIONS OF AMENDMENT TO AIRPORT USE AGREEMENT

APPENDIX D-2

SUMMARY OF CERTAIN PROVISIONS OF REPLACEMENT AIRPORT USE AGREEMENT

APPENDIX E

DTC BOOK-ENTRY ONLY SYSTEM

The description that follows of the procedures and record keeping with respect to beneficial ownership interests in the 2024 Bonds, payments of principal, premium, if any, and interest on the 2024 Bonds to DTC, its nominee, Participants, or Beneficial Owners, confirmation and transfer of beneficial ownership interests in the 2024 Bonds and other bond-related transactions by and between DTC, Participants and Beneficial Owners is based solely on information furnished by DTC. The Authority cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners either (a) payments of interest, principal or premium, if any, with respect to the 2024 Bonds, or (b) certificates representing ownership interest in or other confirmation of ownership interest in the 2024 Bonds, or that they will so do on a timely basis or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Official Statement. The current “Rules” applicable to DTC are on file with the Securities and Exchange Commission and the current “Procedures” of DTC to be followed in dealing with DTC Participants are on file with DTC.

The Depository Trust Company, New York, New York (“DTC”) will act as securities depository for the 2024 Bonds. The 2024 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered 2024 Bond certificate will be issued for each maturity of each Series of the 2024 Bonds, each in the aggregate principal amount of such Series and maturity and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. 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. The information on such website is not incorporated into this Official Statement.

Purchases of the 2024 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for such 2024 Bonds on DTC’s records. The ownership interest of each actual purchaser of each 2024 Bond (the “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 2024 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 the 2024 Bonds, except in the event that use of the book-entry system for the 2024 Bonds is discontinued.

To facilitate subsequent transfers, all 2024 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 the 2024 Bonds with DTC and their registration in the name of Cede & Co. or

such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2024 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2024 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.

So long as a book-entry system is used for determining beneficial ownership of the 2024 Bonds, the Trustee is to send redemption notice to DTC or to Cede & Co., as partnership nominee for DTC. Any failure of DTC to advise any Participant, or of any Direct Participant or Indirect Participant to notify the actual purchaser of each 2024 Bond, or any such notice of its content or effect does not affect the validity of the redemption of the 2024 Bonds called for redemption or any other action premised on that notice. In the event of a call for optional redemption, the Authority's notification to DTC initiates DTC's standard call; and if a partial call, DTC's practice is to determine by lot the amount of the interest of each Participant in the 2024 Bonds to be redeemed, and each such Participant then selects by lot the ownership interest in such 2024 Bonds to be redeemed. When DTC and its Participants allocate the call, the Beneficial Owners of the book-entry interests called are to be notified by the broker or other organization responsible for maintaining the records of those interests and subsequently credited by that organization with the process once the 2024 Bonds are redeemed.

THE TRUSTEE, AS LONG AS A BOOK-ENTRY ONLY SYSTEM IS USED FOR THE 2024 BONDS, WILL SEND ANY NOTICE OF REDEMPTION OR OTHER NOTICES ONLY TO DTC. ANY FAILURE OF DTC TO ADVISE ANY PARTICIPANT, OR OF ANY PARTICIPANT TO NOTIFY ANY BENEFICIAL OWNER OF ANY NOTICE AND OF ITS CONTENT OR EFFECT WILL NOT AFFECT THE VALIDITY OR SUFFICIENCY OF THE PROCEEDINGS RELATING TO THE REDEMPTION OF THE 2024 BONDS CALLED FOR REDEMPTION OR OF ANY OTHER ACTION PREMISED ON SUCH NOTICE.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2024 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 the 2024 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the 2024 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 Authority or Trustee, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the 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.

DTC may discontinue providing its services as depository with respect to the 2024 Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, 2024 Bond certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, 2024 Bond certificates will be printed and delivered to DTC.

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

NEITHER THE AUTHORITY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DTC PARTICIPANTS, TO INDIRECT PARTICIPANTS, OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (i) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, CEDE & CO., ANY DTC PARTICIPANT, OR ANY INDIRECT PARTICIPANT; (ii) ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO THE OWNERS OF THE 2024 BONDS; (iii) THE SELECTION BY DTC OR ANY DTC PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE 2024 BONDS; (iv) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OR REDEMPTION PREMIUM, IF ANY, OR INTEREST DUE WITH RESPECT TO THE 2024 BONDS; (v) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNER OF THE 2024 BONDS; OR (vi) ANY OTHER MATTER.

APPENDIX F

PROPOSED FORM OF BOND COUNSEL OPINION

Upon delivery of the 2024 Bonds, Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Burbank-Glendale-Pasadena Airport Authority, proposes to render its final opinion in connection with the 2024 Bonds in substantially the following form:

[To come]

APPENDIX G

PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT

Upon delivery of the 2024 Bonds, the Burbank-Glendale-Pasadena Airport Authority and The Bank of New York Mellon Trust Company, N.A., will enter into a Continuing Disclosure Agreement relating to the 2024 Bonds in substantially the following form:

APPENDIX H
[SPECIMEN FINANCIAL GUARANTY INSURANCE POLICY]

OHS DRAFT 3/__/24

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the “Disclosure Agreement”), dated as of _____ 1, 2024, is executed and delivered by the Burbank-Glendale-Pasadena Airport Authority (the “Authority”) and The Bank of New York Mellon Trust Company, N.A., a national banking association duly organized and existing under and by virtue of the laws of the United States of America, as trustee and as dissemination agent (the “Trustee” and “Dissemination Agent,” respectively), in connection with the issuance by the Authority of its Airport Senior Revenue Bonds, 2024 Series A (Non-AMT) (the “2024A Bonds”), Airport Senior Revenue Bonds, 2024 Series B (AMT) (the “2024B Bonds”) and its Airport Senior Revenue Bonds, 2024 C (Taxable) (the “2024C Bonds” and, together with the 2024A Bonds and the 2024B Bonds, the “2024 Bonds”). The 2024 Bonds are being issued pursuant to a Master Indenture of Trust, dated as of May 1, 2005 (as amended and supplemented to the date hereof, the “Master Indenture”), as supplemented by the Fifth Supplemental Indenture of Trust, dated as of _____ 1, 2024 (the “Fifth Supplemental Indenture” and, together with the Master Indenture, the “Indenture”), between the Authority and the Trustee. Pursuant to Section 6.01 of the Fifth Supplemental Indenture, the Authority and the Trustee covenant and agree as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Authority and the Trustee for the benefit of the Holders and Beneficial Owners of the 2024 Bonds and in order to assist the Participating Underwriter in complying with the Securities and Exchange Commission (the “Commission”) Rule 15c2-12(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Audited Financial Statements” shall mean the audited financial statements of the Authority required by Section 6.12 of the Indenture.

“Annual Report” shall mean any Annual Report provided by the Authority pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Beneficial Owner” shall mean any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any 2024 Bonds (including persons holding 2024 Bonds through nominees, depositories or other intermediaries).

“Disclosure Representative” shall mean the person designated by the Authority on the signature page hereof or such person’s designee, or such other person as the Authority shall designate in writing to the Trustee and Dissemination Agent from time to time.

“Dissemination Agent” shall mean The Bank of New York Mellon Trust Company, N.A., acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Authority and which has filed with the Trustee a written acceptance of such designation.

“Financial Obligation” shall mean, for purposes of the Listed Events set out in Section 5(a)(15) and (16), a (i) debt obligation; (ii) 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) guarantee of (i) or (ii). The term “Financial Obligation” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“Holder” shall mean the person in whose name any 2024 Bond shall be registered.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at <http://emma.msrb.org>.

“Official Statement” shall mean the final official statement dated _____, 2024 relating to the 2024 Bonds.

“Participating Underwriter” shall mean the original underwriters of the 2024 Bonds required to comply with the Rule in connection with the offering of the 2024 Bonds.

“Responsible Officer” shall mean an officer of the Trustee at the corporate front office of the Trustee with regular responsibility for the administration of matters related to the Indenture.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Provision of Annual Reports.

(a) The Authority shall, or, upon written direction, shall cause the Dissemination Agent to, not later than 185 days after the end of the Authority’s fiscal year (currently ending as of June 30 of each year), commencing with the report for the 2024 fiscal year, provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report may cross-reference other information as provided in Section 4 of this Disclosure Agreement; provided, that the Audited Financial Statements may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Authority’s fiscal year changes, it shall give notice of such change in a filing with the MSRB, and the due date shall be adjusted by the same number of days. The Annual Report shall identify the 2024 Bonds by name and CUSIP number.

(b) Not later than fifteen (15) Business Days prior to the date specified in Section 3(a), the Authority shall provide the Annual Report to the Dissemination Agent and the Trustee (if the Trustee is not the Dissemination Agent). If by such date the Trustee has not received a copy of

the Annual Report, the Trustee shall contact the Authority and the Dissemination Agent to determine if the Authority is in compliance with the first sentence of this subsection (b).

(c) If the Trustee is unable to provide to the MSRB or verify that an Annual Report consistent with Section 4 has been provided to the MSRB by the date required in Section 3(a), the Trustee shall, in a timely manner, send or cause to be sent to the MSRB a notice in substantially the form attached as Exhibit A.

(d) The Dissemination Agent shall file a report with the Authority and the Trustee (if the Trustee is not the Dissemination Agent) certifying that the Annual Report has been provided pursuant to this Disclosure Agreement and stating the date it was provided to the MSRB.

SECTION 4. Content of Annual Reports. The Authority's Annual Report shall contain or include by reference the following:

(a) The Audited Financial Statements. If the Audited Financial Statements are not available by the time the Annual Report is required to be provided to the MSRB pursuant to Section 3(a) hereof, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the Official Statement, and the Audited Financial Statements shall be provided to the MSRB in the same manner as the Annual Report when they become available.

(b) To the extent not included in the Audited Financial Statements (including the notes thereto), the Annual Report shall also include an update of the following information substantially similar in type and scope, contained in the tables with the following headings in the Official Statement for the most recently ended fiscal year (and not to include any stub period for any fiscal year):

1. Table 5: "Burbank-Glendale-Pasadena Airport Authority Bob Hope Airport, commonly known as Hollywood Burbank Airport – Comparative Summary of Traffic Activities";
2. Table 6: "Burbank-Glendale-Pasadena Airport Authority Bob Hope Airport, commonly known as Hollywood Burbank Airport – Top 10 Domestic O&D Enplaned Passenger Markets";
3. Table 8: "Burbank-Glendale-Pasadena Airport Authority Bob Hope Airport, commonly known as Hollywood Burbank Airport – Aircraft Operations";
4. Table 9: "Burbank-Glendale-Pasadena Airport Authority Bob Hope Airport, commonly known as Hollywood Burbank Airport – Total Passengers by Airline";
5. Table 10: "Burbank-Glendale-Pasadena Airport Authority Bob Hope Airport, commonly known as Hollywood Burbank Airport – Aircraft Operations – Cargo and Other Non-Airline Services";

6. Table 11: “Burbank-Glendale-Pasadena Airport Authority Bob Hope Airport, commonly known as Hollywood Burbank Airport – Trends in Total Air Cargo by Type of Carrier”;
7. Table 12: “Burbank-Glendale-Pasadena Airport Authority Bob Hope Airport, commonly known as Hollywood Burbank Airport – Comparative Summary of Operating Revenues”;
8. Table 13: “Burbank-Glendale-Pasadena Airport Authority Bob Hope Airport, commonly known as Hollywood Burbank Airport – Statements of Revenues, Expenses and Changes in Net Assets”;
9. Table 15: “Burbank-Glendale-Pasadena Airport Authority Bob Hope Airport, commonly known as Hollywood Burbank Airport – Investments as of December 31, 2023”; and
10. Table 16: “Burbank-Glendale-Pasadena Airport Authority Bob Hope Airport, commonly known as Hollywood Burbank Airport – Historical Net Revenues and Debt Service Coverage”.

Any or all of the items listed above may be set forth in one or a set of documents or may be included by specific reference to other documents, including official statements of debt issues of the Authority or related public entities, which have been made available to the public on the MSRB’s website. The Authority shall clearly identify each such other document so included by reference. Updates to information referenced in Section 4(b) may involve adding additional financial and operating data, displaying data in a different format or table, or eliminating data this is no longer material.

SECTION 5. Reporting of Significant Events.

(a) The Authority shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the 2024 Bonds in a timely manner not later than ten business days after the occurrence of the event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determination of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), other material notices or determinations with

respect to the tax status of the 2024 Bonds or other material events affecting the tax status of the 2024 Bonds;

7. Modifications to rights of Bond holders, if material;
8. Optional, unscheduled or contingent 2024 Bond calls, if material and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the 2024 Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the Authority;

Note: for the purposes of the event identified in subparagraph (12), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person 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 obligated person, or if such jurisdiction has been assumed by leaving the existing governmental 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 obligated person.

13. 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;
14. Appointment of a successor or additional trustee or the change of name of a trustee if material;
15. Incurrence of a Financial Obligation of the Authority if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Authority, any of which affect Holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Authority, any of which reflect financial difficulties.

(b) The Trustee shall, as soon as reasonably practicable, upon a Responsible Officer's obtaining actual knowledge of the occurrence of any of the Listed Events contact the Disclosure Representative, inform such person of the event, and request that the Authority promptly notify the Trustee in writing whether or not to report the event pursuant to Section 5(c) below. The Trustee shall have no duty to determine the materiality of any such Listed Events. For purposes of this Disclosure Agreement, "actual knowledge" of the occurrence of such Listed Events shall mean actual knowledge by a Responsible Officer.

(c) Upon the occurrence of a Listed Event described in Section 5(a), the Authority shall within ten business days of occurrence file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of the Listed Event described in Section 5(a)(8) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected 2024 Bonds pursuant to the Indenture.

(d) The Authority intends to comply with the Listed Events described in Section 5(a)(15) and (16), and the definition of "Financial Obligation" in Section 2, with reference to the Rule, any other applicable federal securities laws and the guidance provided by the Commission in Release No. 34-83885 dated August 20, 2018 (the "2018 Release"), and any further amendments or written guidance provided by the Commission or its staff with respect the amendments to the Rule effected by the 2018 Release.

SECTION 6. Format for Filings with MSRB. Any report or filing with the MSRB pursuant to this Disclosure Agreement must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB.

SECTION 7. Termination of Reporting Obligation. The Authority's and the Trustee's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the 2024 Bonds. If the obligations of the Authority or the Trustee under the Indenture are assumed in full by some other entity, such person shall become responsible for compliance with this Disclosure Agreement as if it were the original Authority or Trustee, and the Authority or the Trustee shall have no further responsibility hereunder. If such termination or assumption occurs prior to the final maturity of the 2024 Bonds, the Authority or the Trustee shall give notice of such termination or assumption in a filing with the MSRB.

SECTION 8. Dissemination Agent. The Authority may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Authority pursuant to this Disclosure Agreement. If at any time there is not any other designated Dissemination Agent, the Authority shall be the Dissemination Agent. The Dissemination Agent may resign by providing at least thirty (30) days' written notice to the Authority and the Trustee.

SECTION 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Authority, Dissemination Agent and the Trustee may amend this Disclosure Agreement (and the Trustee and Dissemination Agent shall agree to any amendment so requested by the Authority provided, the Trustee and Dissemination Agent shall not be obligated

to enter into any such amendment that modifies or increases its duties or obligations hereunder) and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, 5(a) or 9, it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Authority with respect to the 2024 Bonds, or the type of business conducted;

(b) The undertaking herein, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the 2024 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the 2024 Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the 2024 Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Authority shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Authority. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in a filing with the MSRB, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 10. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Authority from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice required to be filed pursuant to this Disclosure Agreement, in addition to that which is required by this Disclosure Agreement. If the Authority chooses to include any information in any Annual Report or notice in addition to that which is specifically required by this Disclosure Agreement, the Authority shall have no obligation under this Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event or any other event required to be reported.

SECTION 11. Default. In the event of a failure of the Authority or the Trustee to comply with any provision of this Disclosure Agreement, the Trustee shall at the written request of the Participating Underwriter or the Holders of at least 25% of the principal amount of the Outstanding 2024 Bonds, and upon provision of indemnification satisfactory to the Trustee, or any Holder or Beneficial Owner of the 2024 Bonds may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause or compel the Authority or the Trustee, as the case may be, to comply with its obligations under this Disclosure

Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Agreement in the event of any failure of the Authority or the Trustee to comply with this Disclosure Agreement shall be an action to compel performance.

SECTION 12. Duties, Immunities and Liabilities of Trustee and Dissemination Agent. Article VIII of the Master Indenture is hereby made applicable to this Disclosure Agreement as if this Disclosure Agreement were (solely for this purpose) contained in the Indenture and the Trustee and Dissemination Agent shall be entitled to the protections and limitations from liability afforded the Trustee thereunder. The Dissemination Agent and Trustee shall have only such duties as are specifically set forth in this Disclosure Agreement, and the Authority agrees to indemnify and save the Dissemination Agent and Trustee, their officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities, costs and expenses (including attorneys fees) due to the Dissemination Agent's or Trustee's respective fraud, violation of law, whether willful or negligent, negligence or willful misconduct. The Dissemination Agent shall be paid compensation by the Authority for its services provided hereunder in accordance with its schedule of fees as amended from time to time and all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder. The Dissemination Agent and the Trustee shall have no duty or obligation to review any information provided to them hereunder and shall not be deemed to be acting in any fiduciary capacity for the Authority, the Holders, or any other party. The Dissemination Agent shall have no duty to prepare any information report nor shall the Dissemination Agent be responsible for filing any report not provided to it by the Authority in a timely manner and in a form suitable for filing. The obligations of the Authority under this Section shall survive resignation or removal of the Dissemination Agent and payment of the 2024 Bonds.

SECTION 13. Notices. Any notices or communications to or among any of the parties to this Disclosure Agreement may be given as follows:

To the Authority:	Burbank-Glendale-Pasadena Airport Authority 2627 Hollywood Way Burbank, California 91505 Attention: Senior Deputy Executive Director
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To the Trustee and Dissemination Agent:	The Bank of New York Mellon Trust Company, N.A. 333 South Hope Street, Suite 2525 Los Angeles, California 90071 Attention: Corporate Trust Department
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Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

SECTION 14. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Authority, the Trustee, the Dissemination Agent, the Participating Underwriter and Owners

and Beneficial Owners from time to time of the 2024 Bonds, and shall create no rights in any other person or entity.

SECTION 15. Electronic Signatures. Each of the parties hereto agrees that the transaction consisting of this Disclosure Agreement may be conducted by electronic means. Each party agrees, and acknowledges that it is such party's intent, that if such party signs this Disclosure Agreement using an electronic signature, it is signing, adopting, and accepting this Disclosure Agreement and that signing this Disclosure Agreement using an electronic signature is the legal equivalent of having placed its handwritten signature on this Disclosure Agreement on paper. Each party acknowledges that it is being provided with an electronic or paper copy of this Disclosure Agreement in a usable format.

SECTION 16. 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.

BURBANK-GLENDALE-PASADENA AIRPORT
AUTHORITY

By _____
Felicia Williams, President of the Authority

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Trustee and Dissemination
Agent

By _____
Authorized Officer

EXHIBIT A

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Burbank-Glendale-Pasadena Airport Authority

Name of Bond Issue: Burbank-Glendale-Pasadena Airport Authority Senior Airport
Revenue Bonds, 2024 Series A (Non-AMT)
and
Burbank-Glendale-Pasadena Airport Authority Senior Airport
Revenue Bonds, 2024 Series B AMT)

Date of Issuance: _____, 2024

NOTICE IS HEREBY GIVEN that the Authority has not provided an Annual Report with respect to the above-named Bonds as required by Section 4 of the Continuing Disclosure Agreement, dated as of _____ 1, 2024, between the Authority and the Trustee. [The Authority anticipates that the Annual Report will be filed by _____.]

Dated:

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Trustee

cc: Authority

OHS DRAFT 3/13/24

**IRREVOCABLE DIRECTION OF THE AUTHORITY
REGARDING DEPOSIT OF PRINCIPAL AND INTEREST PAYMENTS FOR THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
AIRPORT REVENUE BONDS
2015 SERIES B (AMT)
(the “2015 Series B Bonds”)**

To: The Bank of New York Mellon Trust Company, N.A., as Trustee (the “Trustee”)

Via Electronic Transmission

Dated: May [7], 2024

This Direction is given to you, as Trustee, pursuant to Section 9.02(ii) of that certain Master Indenture of Trust, dated as of May 1, 2005, as amended and supplemented (the “Indenture”), between the Burbank-Glendale-Pasadena Airport Authority (the “Authority”) and the Trustee. By signing the acknowledgment below, the Trustee confirms receipt of moneys from the Authority in the necessary amount (in accordance with Section 9.02 of the Indenture) to pay the principal and interest due on the Outstanding 2015 Series B Bonds maturing on July 1, 2024 (the “Defeased Bonds”) on the maturity date thereof (the “Irrevocable Deposit”).

In connection with the Irrevocable Deposit, the Authority hereby irrevocably authorizes, directs and instructs you, as Trustee under the Indenture, as set forth below:

1. To establish with the Trustee, a special trust fund designated as the “Airport Revenue Bonds, 2015 Series B Escrow Fund,” (the “Escrow Fund”) which shall be held in trust by the Trustee separate and apart from all other funds of the Authority and the Trustee and applied solely as provided in this letter.
2. To deposit the amount of \$[4,458,750.00] (the “Irrevocable Deposit Amount”), transferred to you by or on behalf of the Authority on May [7], 2024, into the Escrow Fund established hereunder and hold the Irrevocable Deposit Amount uninvested for the purpose of paying the principal and interest due on the Defeased Bonds on July 1, 2024, in accordance with the direction provided in paragraph (3) below.
3. On July 1, 2024, to apply the Irrevocable Deposit Amount to pay the aggregate amount of principal and interest becoming due and payable on the Defeased Bonds on July 1, 2024.
4. The Authority hereby irrevocably instructs the Trustee to mail, as soon as practicable and in accordance with Section 9.02 of the Indenture, a notice to the Owners of the Defeased Bonds that a deposit in accordance with clause (ii) of Section 9.02 of the Indenture has been made with the Trustee with respect to the Defeased Bonds, and that the Prior Bonds are deemed to have been paid in accordance with Section 9.02 of the Indenture and stating July 1, 2024, the maturity date of the Defeased Bonds, as the date upon which money is to be available for the payment of the principal of and

accrued interest on the Defeased Bonds in the form set forth in Exhibit A hereto. The Trustee shall also provide such notice to the to the Electronic Municipal Market Access maintained by the Municipal Securities Rulemaking Board.

5. The Authority represents that the Irrevocable Deposit Amount will be sufficient to pay, when due, the (i) the \$4,350,000.00 principal amount of the Defeased Bonds and (ii) the \$[108,750.00] of unpaid, accrued interest on the Defeased Bonds, each payable on July 1, 2024, as evidenced by the Verification Report, dated May [7], 2024 (the "Verification Report"), of _____, an Independent Certified Public Accountant with respect to the Defeased Bonds. The Verification Report meets the requirements for an Accountant's Certificate under the Indenture.

Capitalized terms used and not defined herein shall have the meanings ascribed thereto in the Indenture.

IN WITNESS WHEREOF, the undersigned has caused this Irrevocable Direction to be executed as of the date first written above.

**BURBANK-GLENDALE-PASADENA
AIRPORT AUTHORITY**

By: _____

Name: _____

Title: _____

By its execution below, The Bank of New York Mellon Trust Company, N.A., as Trustee, hereby acknowledges receipt on the date hereof of the Irrevocable Deposit from the Authority for deposit into the Escrow Fund, all of which the Trustee shall hold in trust and apply to the payment of principal and interest when due as provided in the Irrevocable Direction above.

Date: May [7], 2024

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee**

By: _____
Authorized Officer

Irrevocable Direction of the Authority Regarding 2015 Series B Bonds

4136-5550-6767.2

EXHIBIT A

FORM OF NOTICE OF DEFEASANCE

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY AIRPORT REVENUE BONDS, 2015 SERIES B (AMT)

NOTICE OF DEFEASANCE

The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.) acts as trustee (the “Trustee”), with respect to the outstanding \$4,350,000 aggregate principal amount of Burbank-Glendale-Pasadena Airport Authority Airport Revenue Bonds, 2015 Series B (AMT) (the “Bonds”), pursuant to the Master Indenture of Trust, dated as of May 1, 2005 (the “Master Indenture”), between the Burbank-Glendale-Pasadena Airport Authority (the “Authority”) and the Trustee, as amended and supplemented.

The outstanding Bonds are described as follows:

<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Principal Amount</u>	<u>CUSIP No.*</u>
April 30, 2015	July 1, 2024	5.000%	\$4,350,000	120827DM9

You are hereby notified that the deposit required by Section 9.02(ii) of the Master Indenture has been made with the Trustee with respect to the Bonds to pay (a) the principal amount of the Bonds maturing on July 1, 2024 (the “Maturity Date”), and (b) the unpaid, accrued interest on the Bonds payable on the Maturity Date. As a result, the Bonds are deemed to have been paid in accordance with Section 9.02 of the Master Indenture.

This notice is given in accordance with Section 9.02 of the Master Indenture and the Continuing Disclosure Agreement, dated as of April 1, 2015, relating to the Bonds. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the Master Indenture.

Dated: May [7], 2024

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee**

* 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© 2024 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the Authority, the Trustee nor their agents or counsel assume responsibility for the accuracy of such numbers.



Replacement Passenger Terminal Electrical Power Update

Presented to:
Executive Committee
April 3, 2024

Presented by:
Jacobs Program Management Co.

1. Electrical Power Overview

1. Initial Power Overview
2. Current Power Overview

2. Proposed Solutions

1. Construction/Temporary Power Solution
 2. Recommended Permanent Power Solution
-

Initial Electrical Power Overview

- Permanent Power

- The current electrical power demand for the existing terminal and facilities is approximately 3.5 Megawatts (MW).
- Initial electrical power demand forecasts for the RPT facilities projected a demand of approximately 5 MW.
- BGPAA entered into an Aid in Construction Agreement (AIC) with Burbank Water and Power (BWP) to pay for a portion of the costs for the design and construction of new facilities required to provide power to the RPT and the Avion Development.
 - BGPAA's contribution to the AIC was approximately \$2.15 million.
 - Under the AIC BGPAA was given a commitment of 5 MVa of power with the ability to purchase an additional 1.5 MVa.

- Construction Power

- No additional considerations related to construction power needs were considered.

Current Electrical Power Overview

■ Permanent Power

- An updated electrical power demand forecast for the RPT facilities was developed in 2022/23.
- The updated power demand forecast showed a projected future demand of approximately 18 MW.
 - The significant increase was due to a more detailed project definition related to the facilities to be constructed, and;
 - Recent City of Burbank Ordinances related to electric vehicle charging requirements for new parking facilities.

■ Construction Power

- A construction temporary power demand analysis was performed by the Design-Build team in May of 2023. The projected temporary power demand for construction was found to exceed the power available to BGPAA from the Ontario Substation.

Construction/Temporary Electrical Power Solution

- Construction/Temporary Power
 - The RPT project team met with BWP staff and developed an approach to provide power for construction and sufficient temporary power to commission and operate the RPT until a permanent power solution is constructed
 - BWP has committed to provide construction and power to enable construction to continue as scheduled.
 - BWP has committed to provide sufficient temporary power to enable commissioning and operations of the RPT project until a permanent power solution is in place.
 - The approach includes the following significant elements
 - Installation of new electrical switch gear on the RPT site
 - Extending existing power feeds 1 & 2 to the site.
 - Installation of two new power feeds from the Ontario Substation to the RPT site
 - Total costs for the construction/temporary power is approximately \$11.8 million

Permanent Electrical Power Solution

- Permanent Power
 - BWP has proposed two alternatives to meet BGPAA's permanent power requirements.
 - Development of a new "Customer" Substation. The Customer Substation would only serve BUR.
 - Development of a new "Community" Substation. The Community Substation would provide power to BUR as well as future development north of BUR.

Permanent Electrical Power Solution (Continued)

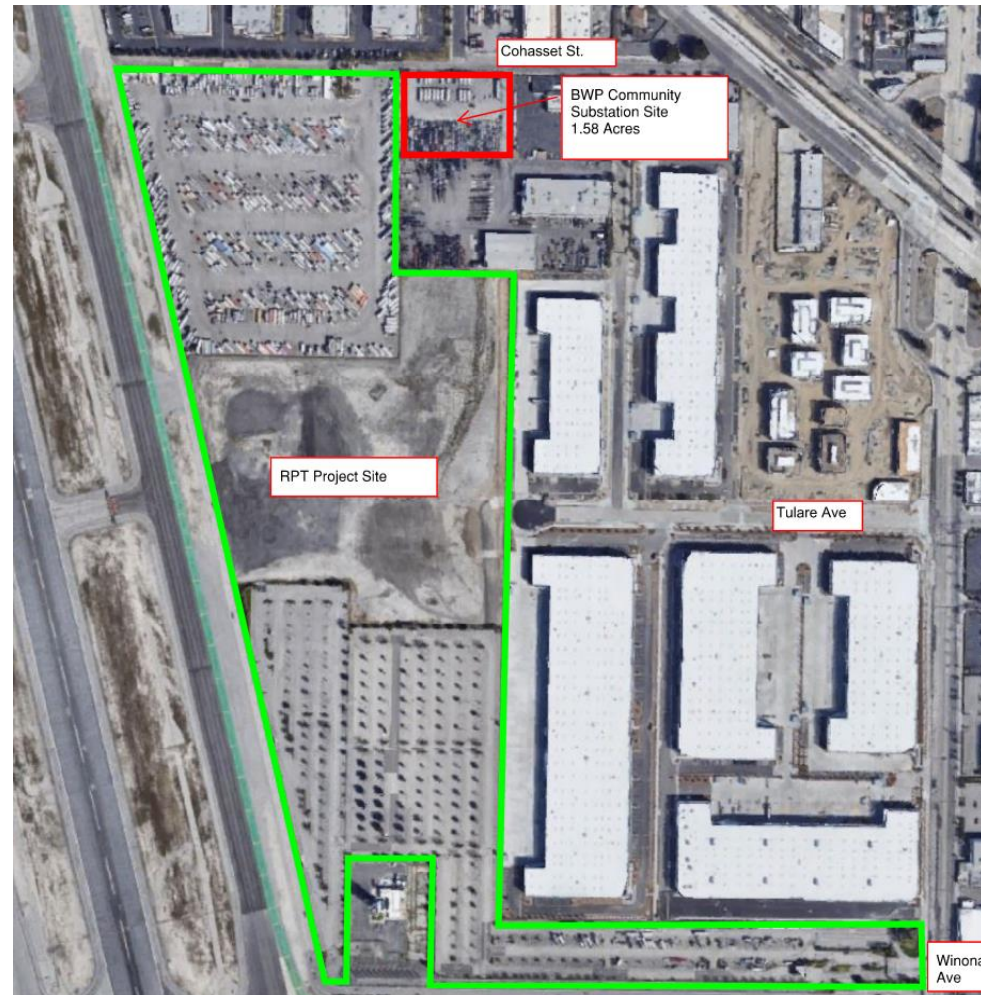
- Staff recommends proceeding with the development of a Community Substation for the following reasons.
 - BGPAA's initial capital costs for both the customer and community stations are identical
 - BGPAA would be responsible for O&M, refurbishment and replacement of a Customer Substation
 - BWP will be responsible for O&M, refurbishment and replacement of Community Substation
 - Costs for the two alternatives are shown below.

Alternative	Capital Costs	O&M	R&R	Temporary Costs
Customer (BGPAA Costs)	\$40,833,294	\$500,000	\$1,590,000	\$11,800,000
Community	\$40,833,294	\$0	\$0	\$0

Permanent Electrical Power Solution (Continued)

- In addition to the cost savings the Community Substation provides the following operational benefits
 - The Community Station will be fed by four transmission lines providing a redundant power supply to BUR.
 - This also presents a financial benefit to BGPAA. BGPAA is paying for the two lines for construction/temporary power. Under a Customer Substation BWP will not have sufficient power from the Ontario Substation to maintain power to the two transmission lines.
 - In the event of a substation outage BWP will provide priority response to correct the outage. BWP's response time to a Customer Substation may be up to five days.
 - BGPAA will have access to additional power above the initial demand.

Community Substation Location (1.58 Acres)



Current Status

- BWP is preparing the draft Power Agreement for the new Community Substation.
- Coordination with FAA is occurring simultaneously to receive approval on final agreement.
- Power agreement is expected to take 12 months to negotiate and execute through the City of Burbank.
- BWP is committed to providing temporary power in the interim until the substation is commissioned.
- Activation for the new Substation is anticipated in 2028.